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## Title 6—AGRICULTURAL CREDIT

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

#### SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

#### PART 446—PEANUTS

#### Subpart—1959 Crop Peanut Price Support Program

This bulletin (hereinafter called subpart) contains the regulations applicable to the 1959 crop Peanut Price Support Program, under which the Secretary of Agriculture makes price support available through the Commodity Credit Corporation and the Commodity Stabilization Service (hereinafter referred to as CCC and CSS respectively).

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- 446.1101 Administration.
  - 446.1102 Availability.
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AUTHORITY: §§ 446.1101 to 446.1148 issued under sec. 4, 62 Stat. 1070; as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, secs. 101, 401, 63 Stat. 1051, 1054, sec. 201, 68 Stat. 899; 15 U.S.C. 714c, 7 U.S.C. 1441, 1421.

#### GENERAL

#### § 446.1101 Administration.

(a) The program will be administered by the Oils and Peanut Division, CSS, under the general direction and supervision of the Executive Vice President, CCC. In the field, the program will be carried out by Agricultural Stabilization and Conservation State Committees and by Agricultural Stabilization and Conservation County Committees (hereinafter called State and county committees) and the Dallas CSS Commodity Office (hereinafter called the commodity office). State and county committees and the commodity office do not have authority to modify or waive any of the provisions of this subpart or any amendments or supplements thereto.

(b) Associations operating under an Association Loan and Handling Agreement, CCC Peanut Form 27 (1959) with CCC (hereinafter referred to as an Agreement with CCC) may receive, arrange storage for and handle eligible peanuts for and on behalf of eligible producers, using such peanuts as collateral for a loan made available by CCC.

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**§ 446.1102 Availability.**

(a) *Areas.* The program will be available in the following areas:

(1) The Southeastern area consisting of the States of Alabama, Georgia, Mississippi, Florida, and that part of South Carolina south and west of the Santee-Congaree-Broad Rivers.

(2) The Southwestern area consisting of the States of Arizona, Arkansas, California, Louisiana, New Mexico, Oklahoma, and Texas.

(3) The Virginia-Carolina area consisting of the States of Missouri, North Carolina, Tennessee, Virginia, and that part of South Carolina north and east of the Santee-Congaree-Broad Rivers.

(b) *Time.* Loans will be made through February 1, 1960, and will mature on May 31, 1960, or such earlier date as may be specified by CCC: *Provided, however,* That CCC may extend the maturity date beyond May 31, 1960. All farm storage loan documents must be dated and delivered to the county office on or before February 1, 1960. Warehouse receipts for peanuts delivered to an association operating under an Agreement with CCC shall show that the peanuts were received in the warehouse not later than February 1, 1960, and shall have been issued within two business days (excluding Saturdays) after the peanuts were received in the warehouse. Purchase agreements will be available at the county office through February 1, 1960. A producer who desires to sell peanuts to CCC is required to file Commodity Purchase Form 1 with the county office on or before such date.

### § 446.1103 Methods of price support.

CCC will support the price of eligible 1959 crop peanuts through non-recourse farm storage loans to eligible producers, non-recourse warehouse storage loans to associations operating under Agreements with CCC, and through purchase agreements with eligible producers.

### § 446.1104 Definitions.

As used in this subpart and in instructions and documents in connection therewith, the words and phrases defined in this section shall have the meanings herein assigned to them unless the context or subject matter otherwise requires.

(a) *Association*. A group of producers organized in accordance with the provisions of the Capper-Volstead Act, for the purpose of handling agricultural products for and on behalf of its producer members, which qualifies as a cooperative in the State(s) in which it functions, is approved by CCC, and meets the following requirements:

(1) The major portion of the peanuts handled by the association is delivered to the association by producer members;

(2) The members, and non-members who deliver peanuts to the association and who authorize the association to handle and market their peanuts and to obtain price support on such peanuts have a right to share pro rata in the profits made from handling peanuts;

(3) The association has the legal right to pledge or mortgage the peanuts tendered as security for a loan;

(4) The manager of the association shall not be engaged in the business of buying, selling, storing, or dealing in peanuts, other than in his capacity as manager of the association or as a producer; and

(5) The association shall maintain such accounts and records as CCC may prescribe.

(b) *County office*. The office of the ASC county committee where records for the farm are kept.

(c) *Farm*. A farm as defined in the regulation entitled "Reconstitution of Farms, Farm Allotments, and Farm History and Soil Bank Base Acreages" (23 F.R. 6731, 7693, 9505, and 10476 and 24 F.R. 2642) which in general defines a farm as all adjoining or nearby farmland which is operated as one farming unit.

(d) *Farm allotment*. The effective farm allotment for the 1959 crop of peanuts as defined in the marketing quota regulations.

(e) *Farmers stock peanuts*. Picked or threshed peanuts produced in the continental United States during the calendar year 1959, which have not been shelled, crushed, cleaned or otherwise changed (except for removal of foreign material and loose shelled kernels and excess moisture) from the state in which picked or threshed peanuts are customarily marketed by producers.

(f) *Farm peanut acreage*. The 1959 farm peanut acreage determined in accordance with the marketing quota regulations which in general defines such acreage as the total acreage of peanuts on the farm which is picked or threshed.

(g) *Lot*. That quantity of peanuts for which one inspection memorandum is issued.

(h) *Marketing quota regulations*. The Allotment and Marketing Quota Regulations for peanuts of 1959 and Subsequent Crops issued by the Acting Secretary of Agriculture, including any amendments or supplements thereto or revisions thereof (23 F.R. 8515 and 24 F.R. 2677).

(i) *Net weight*. That weight of farmers stock peanuts obtained by multiplying the gross weight by a percentage equal to 100 percent minus the sum of the percentages of (1) foreign material and (2) moisture in excess of 7 percent in the Southeastern and Southwestern areas or 8 percent in the Virginia-Carolina area.

(j) *Producer*. A person who is entitled to share in the peanuts produced on the farm or in the proceeds thereof.

(k) *Producer advance value*. The support price of eligible farmers stock peanuts less an amount equivalent to \$9.00 per net weight ton. The producer advance value of any lot of peanuts pledged to CCC as collateral for a loan to an association shall be determined (as provided in section II, item P of Form MQ-94 or item O of MQ-94—Peanuts V-C) on the basis of the weight, grade and type of peanuts in the lot. The \$9.00 deduction is made to provide funds to pay inspection, storage, and part of the association's expenses in connection with the loan program.

(l) *Quota peanuts*. Peanuts which are within the amount of the farm marketing quota determined pursuant to the marketing quota regulations.

(m) *Type*. The generally known types of peanuts (i.e. Runner, Spanish, Valencia, and Virginia) as defined in 7 CFR 729.1004(a) of the "Determination with Respect to Supply of Valencia Type Peanuts for the 1959-60 Marketing Year," issued April 14, 1959, by the Acting Secretary of Agriculture (24 F.R. 2944).

(n) *Sound mature kernels*. Kernels which are free from damage and minor defects as defined in the U.S. Standards for shelled (1) Spanish type peanuts effective July 31, 1956, in the case of Spanish and Valencia peanuts, (2) Runner type peanuts, effective July 31, 1956, or (3) Virginia type peanuts, effective September 15, 1957; and which will not pass through a screen having:

(i)  $1\frac{5}{16} \times \frac{3}{4}$  inch perforations in the case of Spanish and Valencia peanuts,

(ii)  $1\frac{5}{16} \times 1$  inch perforations in the case of Virginia peanuts,

(iii)  $1\frac{5}{16} \times \frac{3}{4}$  inch perforations in the case of Runner peanuts.

(o) *Extra large kernels*. Shelled Virginia type peanuts which will not pass through a screen having  $2\frac{1}{16} \times 1$  inch openings and which are "whole" and free from "minor defects" and "damage" as such terms are defined in the U.S. Standards for Shelled Virginia Type Peanuts (effective September 15, 1957).

(p) *Valencia type peanuts suitable for cleaning and roasting*. Valencia type peanuts suitable for cleaning and roasting shall be those containing less than 25

percent discoloration and damage caused by cracked and broken shells.

(q) *Within quota card*. Form MQ-76 (Peanuts) 1958, 1958 Peanut Within Quota Marketing Card, issued pursuant to the marketing quota regulations.

### § 446.1105 Support prices.

The national average support price and support prices and loan rates by types will be issued as an amendment to this subpart.

### § 446.1106 Eligible peanuts and overplanted farm agreement.

(a) *Eligible peanuts*. Peanuts eligible for price support are 1959 crop farmers stock peanuts, other than those produced in violation of a restrictive lease on federally owned land, or produced on any newly irrigated or drained lands within any Federal irrigation or drainage project as provided in section 211 of the Agricultural Act of 1956, which:

(1) Contain not more than 10 percent foreign material and not more than 7 percent damaged kernels;

(2) Contain moisture not in excess of (i) 10 percent if placed under a farm storage loan, or (ii) 9 percent in the Southeast and Southwest areas and 10 percent in the Virginia-Carolina area when received into a warehouse as collateral for a loan to the association or when delivered under a purchase agreement, except that any such peanuts which have been mechanically dried shall contain at least 5 percent moisture in the Southeast and Southwest areas or 6 percent moisture in the Virginia-Carolina area;

(4) Are produced by an eligible producer on a farm (i) on which the 1959 farm peanut acreage does not exceed the effective farm allotment determined in accordance with the marketing quota regulations, (ii) on which the farm peanut acreage exceeds the effective farm allotment, but the producer establishes to the satisfaction of CCC that he did not knowingly exceed such farm allotment, or (iii) for which a within quota marketing card is issued upon the execution of Form MQ-92—Peanuts (3-26-58), Agreement by Operator of Overplanted Peanut Farm: *Provided, however*, That the county committee may decline to execute such agreement in any case where it finds reasonable grounds to believe that it will be used as a device to evade the requirements of the price support program or the collection of marketing penalty.

(4) Are free and clear of all liens and encumbrances, including landlord's liens, or if liens or encumbrances exist on the peanuts, acceptable waivers are obtained; and

(5) In the Southwest area, if such peanuts are bagged, the bags are new or thoroughly cleaned used bags which are made of material, other than mesh or net, weighing not less than  $7\frac{1}{2}$  ounces nor more than 10 ounces per square yard and containing no sisal fibers, are free from holes, and are finished at the top with either the selvege edge of the material, binding or a hem. Such bags

shall be of uniform size with approximately 2-bushel capacity.

(b) *Agreement by operator of overplanted peanut farm.* By execution of Form MQ-92—Peanuts (3-26-58), Agreement by Operator of Overplanted Peanut Farm, the operator agrees that the farm peanut acreage will not exceed the larger of the farm allotment or one acre, and if such undertaking is breached to pay liquidated damages to CCC, determined in accordance with the terms of such agreement, and to pay any marketing penalties determined to be due the Secretary of Agriculture. The liquidated damages payable to CCC under such agreement may be waived in a case where it is determined that the breach of such agreement was unintentional and occurred despite a bona fide effort by the operator and other producers on the farm to comply with such agreement. The State administrative officer, or in his absence, the acting administrative officer, is authorized to make such determination in a case where the farm peanut acreage does not exceed the acreage specified in the agreement by more than the larger of one-tenth acre or two percent of the acreage specified in the agreement. The State committee is authorized to make such determination in a case where the farm peanut acreage exceeds the acreage specified in the agreement by more than the larger of one-tenth acre or two percent of the acreage specified in the agreement and the State committee also determines that the amount by which the farm peanut acreage exceeded the acreage specified in the agreement was, so small, in relation to the acreage so specified, that it did not materially impair CCC's price support operations.

#### § 446.1107 Eligible producer.

(a) An eligible producer may be an individual, partnership, association, corporation, estate, trust, or other business enterprise, or legal entity, and, wherever applicable, a State, political subdivision of a State, or any agency thereof producing peanuts in 1959 as landowner, landlord, tenant, or sharecropper. Executors, administrator, trustees, or receivers who represent an eligible producer or his estate may qualify for price support provided the loan or purchase agreement documents executed by them are legally valid. A producer will be eligible for price support with respect to all eligible peanuts in which the beneficial interest is in him and has always been in him, or in him and a former producer whom he succeeded before the peanuts were harvested. To meet the requirements of succession to a former producer, the rights, responsibilities, and interest of the former producer with respect to the farming unit on which the peanuts are produced shall have been substantially assumed by the producer claiming succession. Mere purchase of the crop prior to harvest, without acquisition of any additional interest in the farming unit, shall not constitute succession. Any producer who is in doubt as to whether his interest in the peanuts complies with the requirements of this section should make all pertinent infor-

mation available to the county office. The county committee shall determine whether the requirements have been met.

(b) Two or more eligible producers may obtain a joint farm storage loan on eligible peanuts produced by them if stored in the same farm-storage facility. In the case of joint loans, each person signing the note shall be held jointly and severally responsible for the loan. Where the county office has experienced difficulty in settling a farm storage loan with a producer, the county committee may determine that he is not eligible for a 1959 crop farm storage loan. If such determination is made, the producer shall be able to obtain a 1959 crop loan through the association by delivering eligible peanuts to a warehouse under contract to receive peanuts for such association, or he shall be permitted to sign a purchase agreement.

#### § 446.1108 Determination of type and grade of farmers stock peanuts.

(a) A Federal or Federal-State inspector, authorized or licensed by the Secretary of Agriculture, U.S. Department of Agriculture, shall determine the type and grade of each lot of farmers stock peanuts:

(1) To be mortgaged as security for a farm storage loan, such type and grade to be determined on the basis of a sample taken by the county committee before the loan is made;

(2) When delivered in settlement of a farm storage loan;

(3) When delivered to CCC under a purchase agreement;

(4) When received in a warehouse under contract CCC Peanut Form 28 (1959) or CCC Peanut Form 28A (1959);

(5) When delivered to CCC from a warehouse under contract CCC Peanut Form 28 (1959) or CCC Peanut Form 28A (1959).

(b) The grade shall be expressed in terms of the percentages of sound mature kernels, damaged kernels, loose shelled kernels, other kernels, foreign material, moisture, fancy size, and extra large kernels in Virginia type peanuts.

#### § 446.1109 Service charges and fees.

(a) On the quantity of peanuts placed under a farm storage loan the producer shall pay an initial service charge in the amount of 30 cents per ton, except that the minimum charge shall be \$3.00. An additional service charge at the rate of 30 cents per ton shall be paid on any additional quantity delivered to and accepted by CCC. On the quantity of peanuts covered by a purchase agreement the producer shall pay, at the time the agreement is filed, a service charge of 15 cents per ton or fraction thereof, except that the minimum charge shall be \$1.50. No refund of service charges will be made except where the amount collected exceeds the correct amount. State committees may, at their option, require a deposit on farm storage loans, such deposit to be applied against the service charge when the loan is granted.

(b) The producer will pay the fee for inspecting peanuts placed under a farm storage or association loan or delivered to CCC under a purchase agreement.

CCC will pay the fee for inspecting loan collateral peanuts acquired by CCC.

(c) The association will pay the warehouse charges on peanuts redeemed. CCC will pay warehouse charges with respect to loan collateral peanuts acquired by CCC, except that the producer will be required to defray storage charges accruing prior to May 31, 1960.

(d) The service charges and fees specified in this section will be computed on net weights.

#### § 446.1110 Interest rate.

Loans shall bear interest at the rate of 3½ percent per annum from the date of disbursement of the loan, except that (a) where there is a default in satisfaction of a farm storage loan the deficiency shall bear interest at the rate of 6 percent per annum from the date of default, and (b) where there has been a fraudulent representation by the producer in the loan documents or in obtaining the loan, the loan shall bear interest at the rate of 6 percent per annum from the date of disbursement of the loan.

#### § 446.1111 Applicable forms and requirements.

(a) *Farm storage loans.* Applicable forms are the Producer's Note and Supplemental Loan Agreement, secured by Commodity Chattel Mortgage, delivery instructions issued by the county office, Loan Settlement, and such other forms and documents as may be required by CCC.

(b) *Purchase agreements.* Applicable forms are the Purchase Agreement, Purchase Agreement Settlement, the delivery instructions issued by the county office, and such other forms and documents as may be required by CCC.

(c) *Other requirements.* Producer's Note and Supplemental Loan Agreements, and Commodity Chattel Mortgages must have State and documentary revenue stamps affixed thereto where required by law. Loan and purchase agreement documents executed by an administrator, executor, or trustee, will be acceptable only where legally valid. A producer shall not have both a farm storage loan and purchase agreement on peanuts stored commingled in the same bin or building.

#### § 446.1112 Personal liability of the borrower.

The making of any fraudulent representation in obtaining a loan or the conversion or unlawful disposition of any portion of the peanuts by the producer or the association may render such producer or association subject to criminal prosecution under Federal law and shall render him or it personally liable for the amount of the loan (plus interest) made with respect to such peanuts and for any resulting expense incurred by the holder of the note. For the purpose of establishing any deficiency remaining due with respect to a farm storage loan in the event the producer has made any such fraudulent representation, wilful conversion or unlawful disposition, the value of the peanuts delivered to the holder of the note or removed by such holder shall be the market value on the

date of delivery or removal, as determined by such holder: *Provided, however*, That notwithstanding the provisions of the Producer's Note and Supplemental Loan Agreement, if the conversion is determined by CCC not to have been wilful, the value of the peanuts delivered to the holder of the note or removed by such holder shall be the settlement value determined pursuant to § 446.1128 (e). For the purpose of establishing any deficiency remaining due with respect to a loan to an association in the event the producer has made any fraudulent representation, the value of any peanuts acquired by the holder of the note, whether by delivery or otherwise, in satisfaction of the warehouse receipts for the peanuts for which such fraudulent representation was made shall be the market value, as determined by the holder of the note, of such peanuts as of the date of such acquisition. For purposes of establishing any deficiency remaining due with respect to a loan to an association in the event of conversion or unlawful disposition by the association of any portion of the peanuts stored in a warehouse, the value of all peanuts acquired by the holder of the note in satisfaction of warehouse receipts issued for peanuts received for storage in such warehouse, shall be the market value, as determined by the holder of the note, as of the date of acquisition by such holder, whether by delivery or otherwise: *Provided, however*, That notwithstanding anything contained in this section, if the conversion is determined by CCC not to have been wilful, the value of the peanuts acquired by the holder of the note shall be the amount of the loan made with respect to such peanuts. In the event the amount disbursed under a loan or purchase agreement exceeds the amount authorized in this subpart, the producer or association, as the case may be, shall be liable for repayment of the amount of such excess.

**§ 446.1113 Payments and collections; amounts not exceeding \$3.**

To avoid administrative costs of making small payments and handling small accounts, amounts of \$3 or less due a producer will be paid only upon request; and a deficiency of \$3 or less, including interest, may be disregarded unless demand for payment is made by CCC.

**§ 446.1114 Setoffs.**

(a) If any installment or installments on any loan made available by CCC on farm storage facilities or mobile drying equipment are payable, under the provisions of the note evidencing such loan, out of any amount due the producer under the program provided for in this subpart, the producer must designate CCC or the lending agency holding such note as payee of such amount to the extent of such installments, but not to exceed that portion of the amount remaining after deduction of service charges and amounts due prior lienholders.

(b) If the producer is indebted to CCC, or if the producer is indebted to any other agency of the United States, and such indebtedness is listed on the

county debt record, amounts due the producer under the program provided for in this subpart, after deduction of amounts payable on farm storage facilities or mobile drying equipment and other amounts provided in paragraph (a) of this section, shall be applied, as provided in the Secretary's setoff regulations, 7 CFR Part 13 (23 F.R. 3757), to such indebtedness.

(c) Associations shall deduct from their advance payments to producers, and remit in accordance with procedure approved by CSS, the amount of indebtedness as shown on the marketing cards presented at the time the peanuts are received, plus interest.

(d) Compliance with the provisions of this section shall not deprive the producer of any right he might otherwise have to contest the justness of the indebtedness involved in the setoff action either by administrative appeal or by legal action.

**§ 446.1115 Foreclosure.**

(a) *Farm storage loans.* (1) If a loan (including interest and charges) is not satisfied upon maturity by payment, or by delivery of the peanuts from farm storage, the holder of the note is authorized to remove the peanuts from storage and also to sell, assign, transfer, and deliver the peanuts or documents evidencing title thereto at such time, in such manner, and upon such terms as the holder of the note may determine, at public or private sale, and the holder of the note may become the purchaser of the whole or any part of the peanuts. Any such disposition may similarly be effected without removing the peanuts from storage.

(2) If, upon maturity and nonpayment of the producer's note, CCC is the holder of the note, then at CCC's election title to the unredeemed collateral securing the note shall, without a sale thereof, immediately vest in CCC. Whenever CCC acquires title to the unredeemed collateral, CCC shall have no obligation to pay for any market value which such collateral may have in excess of the loan indebtedness, i.e. the unpaid amount of the note plus interest and charges. Nothing herein shall preclude the making of the following payments to the producer or his personal representative only, without right of assignment to or substitution of any other party:

(i) Any amount by which the settlement value of the mortgaged or pledged peanuts may exceed the principal amount of the loan; or

(ii) The amount by which the proceeds of sale may exceed the loan indebtedness if the loan collateral is sold to third parties rather than CCC acquiring full title to such loan collateral.

(b) *Association loans.* Upon maturity and nonpayment of an association loan as provided in § 446.1129, title to the unredeemed collateral peanuts shall, without sale thereof, immediately vest in CCC, and CCC shall have no obligation to pay for any market value which such collateral may have in excess of the loan indebtedness, including interest and charges.

**§ 446.1116 Financial institutions.**

As used in this subpart a financial institution is a commercial bank which accepts demand deposits, or an association organized pursuant to State laws and supervised by State banking authorities, or a production credit association.

**§ 446.1117 Approved lending agency.**

An approved lending agency shall be a bank or other financial organization with which CCC has entered into a lending agency agreement, CCC Peanut Form 50 (1959), authorizing the lending agency to make a loan to an association.

**§ 446.1118 Assignment of association loans.**

Approved lending agencies making loans to associations may assign all or part of such loans to CCC and obtain payment for the amounts assigned by means of sight drafts drawn on CCC payable through a designated Federal Reserve Bank or Branch Bank. Lending agencies may act as agents for CCC in servicing the loan or portion thereof assigned to CCC.

**§ 446.1119 Compensation for hauling.**

If the producer is directed by the county office to deliver, to a location other than his customary delivery point, peanuts under a farm storage loan or purchase agreement, the producer shall be allowed compensation (as determined by CCC, but not to exceed the common carrier truck rate or the rate available from local truckers) for the additional cost of hauling the peanuts any distance greater than the distance from the point where the peanuts are stored by the producer to the customary delivery point.

**PRODUCER LOANS**

**(FARM STORAGE LOANS)**

**§ 446.1120 Farm storage loans available at county office.**

Loans will be available to eligible producers on eligible peanuts in approved farm storage. Producers who want to obtain such loans shall apply at the county office where the farm program records are kept, and that office will arrange for inspection of the storage facilities and for inspection, sampling, and grading of the peanuts. After it is determined that the producer, the peanuts, and the storage facilities meet requirements, the county office will determine the amount of the loan and prepare and approve the loan documents. Copies of all such documents will be kept in the county office.

**§ 446.1121 Approved farm storage.**

Approved farm storage shall consist of storage structures located on or off the farm (excluding public warehouses) which are determined by the county office to be so located and of such substantial and permanent construction as to afford safe storage for peanuts. Such structures shall be dry and well-ventilated.

**§ 446.1122 Quantity determinations.**

(a) *Quantity on which loan may be made.* Farm storage loans shall be made

on the entire quantity of peanuts stored in a bin or crib, except where the county committee has determined that a loan on part of the peanuts stored therein is necessary to enable an otherwise eligible producer to obtain a price support loan. However, approval of a loan on part of the peanuts stored in a bin or crib shall not be granted in the event the State committee has determined on a State-wide basis that such partial loans shall not be made.

(b) *Weight of peanuts placed under loan.* The net weight of the peanuts placed under a farm storage loan will be calculated from an estimated gross weight determined as provided below.

(1) Peanuts stored in bulk: The estimated gross weight of bulk peanuts may be determined either by actual weight or by measurement. When the quantity is determined by measurement, the gross weight shall be computed on the number of pounds per cubic foot indicated below for the type of peanuts being placed under loan:

Type:	Weight per cubic foot (pounds)
Runner.....	16.9
Spanish.....	19.7
Valencia.....	17.5
Virginia.....	13.5

(2) Peanuts stored in bags: The estimated gross weight of bagged peanuts shall be determined by weighing a sufficient number of bags to estimate the gross weight of all the bags, or the gross weight may be determined by weighing all the bags.

(3) A minimum reduction of 5 percent in the estimated gross weight, determined as provided in subparagraph (1) or (2) of this paragraph is required in an effort to avoid underdelivery at maturity in the event the loan is not repaid.

(c) *Peanuts delivered to CCC at maturity.* The net weight of peanuts delivered to CCC upon maturity of the loan shall be calculated from the gross weight determined by actual weight at the time of delivery.

#### § 446.1123 Disbursement.

Disbursement of farm storage loans will be made to producers by financial institutions, pursuant to the Provisions for Participation of Financial Institutions in Pools of CCC Price Support Loans of Certain Commodities (23 F.R. 3913 and 24 F.R. 5277) and any further amendments or supplements thereto, or by sight drafts drawn on CCC by the county office. Disbursement shall not be made after February 15, 1960, unless authorized by the Executive Vice President, CCC. Payment in cash, credit to the producer's account, or the drawing of a check or draft shall constitute disbursement. The date of such draft, check, credit, or cash payment shall be considered as the date of disbursement of the funds. The producer shall not present the loan documents for disbursement unless the peanuts are in existence and in good condition. If the peanuts are not in existence and not in good condition at the time of disbursement, the total amount disbursed under the loan shall be promptly refunded by the producer.

#### § 446.1124 Insurance.

CCC will not require the borrower to insure the peanuts placed under a farm storage loan. However, if a borrower does insure such peanuts and an insurance indemnity is paid thereon, the insurance proceeds shall be paid to CCC to the extent of its interest, after first satisfying the borrower's equity in the peanuts involved in the loss.

#### § 446.1125 Safeguarding the peanuts.

The producer who obtains a farm storage loan is obligated to maintain the storage structure in good repair and to keep the peanuts in storage and in good condition until the loan is liquidated.

#### § 446.1126 Loss or damage to the peanuts under farm storage loan.

(a) The producer is responsible for any loss in grade and for any loss in weight, except as provided in § 446.1128. Notwithstanding the foregoing, physical loss or damage occurring after disbursement of the loan funds will be assumed by CCC to the extent of the settlement value at the time of destruction of the quantity of peanuts destroyed, or in an amount equivalent to the extent of the damage as determined by CCC, less any insurance proceeds to which CCC may be entitled and the salvage value of the commodity, if the producer establishes to the satisfaction of CCC each of the following conditions:

(1) The physical loss or damage occurred without fault, negligence, or conversion on the part of the producer, or any other person having control of the storage structure;

(2) The physical loss or damage resulted solely from an external cause (other than insect infestation, rodents, or vermin), such as theft, fire, lightning, inherent explosion, windstorm, cyclone, tornado, flood or other external cause;

(3) The producer has given the county office immediate notice confirmed in writing of such loss or damage;

(4) The producer has made no fraudulent representation in the loan documents or in obtaining the loan.

(b) No physical loss or damage occurring prior to disbursement of the loan funds will be assumed by CCC.

#### § 446.1127 Redemption of the peanuts under farm storage loan.

(a) A producer may, at any time prior to the date on which the peanuts are delivered to or removed by CCC, redeem the peanuts remaining under farm storage loan by paying to CCC the principal amount of the note, plus charges and accrued interest. The producer shall pay any charges incurred in collecting the amount due.

(b) After the appropriate amount has been paid, the county office manager shall arrange for the release of the chattel mortgage. The producer may arrange for partial release of the peanuts prior to maturity after making payment for the quantity of peanuts to be released, plus charges and accrued interest; however, if the quantity of peanuts contained in the bin or crib and covered by the chattel mortgage is greater than the quantity with respect to which the

amount of the loan was computed, all or part of such excess may be removed without payment of the loan, but only upon prior approval of the county office. Partial redemption of farm storage loans and release of the peanuts will not be approved by the county committee in the event the State committee has determined on a State-wide basis that partial redemption of loans and releases of peanuts will not be permitted. A producer who wishes to contract for the sale of mortgaged peanuts and use the proceeds of the sale to repay all or any part of the loan shall obtain written prior approval of the county committee, on Commodity Loan Form 12, to remove the peanuts from storage. Any such approval shall be subject to the terms and conditions in Commodity Loan Form 12, copies of which may be obtained by producers or prospective purchasers at the office of the county committee.

#### § 446.1128 Settlement of farm storage loans.

(a) If the producer does not redeem the peanuts as provided in § 446.1127, he shall deliver the peanuts in accordance with instructions issued by the county office. If the producer fails to deliver mortgaged peanuts as instructed, he will be responsible for all costs of removal incurred by the holder of the note.

(b) If, either before or after maturity, the peanuts are in danger of going out of condition, the producer shall so notify the county committee and confirm such notice in writing.

If the county committee determines that the peanuts are in danger of going out of condition and that they cannot be satisfactorily conditioned by the producer, and delivery cannot be accepted within a reasonable length of time, the county office shall arrange for an inspection and grade determination to be made at the expense of CCC. When delivery is completed, settlement shall be made on the basis of such grade or the grade determined at the time of delivery, whichever is higher.

(c) In the event the farm is sold, the producer dies, or there is a change of tenancy, the peanuts may be delivered before the maturity date of the loan, upon prior approval by the county committee. Peanuts also may be delivered before the maturity date of the loan for other reasons upon authorization by the Executive Vice President, CCC.

(d) Delivery of peanuts in bulk will be accepted only from the structure(s) in which the peanuts under loan are stored. The maximum quantity eligible for delivery in cases where a loan has been made on part of the peanuts in the bin shall be the quantity on which the loan was made plus any normal overrun established by the State committee. In the case of peanuts stored in bags, only the identical bags under loan shall be delivered.

(e) The settlement value of the peanuts delivered to and accepted by CCC shall be the amount, computed on the basis of the quantity and the support price for the type and grade (except as provided above for peanuts going out of condition) of such peanuts, plus an

allowance for shrinkage during the storage period of four-tenths of a cent (0.004) per net weight pound delivered and an allowance for the actual shrinkage during the storage period of the extra large kernels in Virginia type peanuts: *Provided, however*, That the settlement value for the peanuts delivered to CCC which do not meet the requirements with respect to moisture, damage or foreign material in § 446.1106 shall be computed at a rate equal to the support price for the type and grade placed under loan, less any difference, at the time of delivery, between the market price for the type and grade placed under loan and the market price of the peanuts delivered, as determined by CCC: *Provided, further*, That if the value of the peanuts delivered (including the shrinkage allowance and allowance for loss in extra large kernels in Virginia type peanuts) is less than the amount of the loan with respect to such peanuts, and CCC determines that the deficiency resulted from abnormal climatic conditions which prevailed throughout the area or locality in which the peanuts were produced and which caused the development of progressive damage in the peanuts during storage, that such damage would not normally be detected or appraised accurately by a reasonably prudent person in control of the storage structure, and that the producer has complied with the other provisions of the Producer's Note and Supplemental Loan Agreement and the Commodity Chattel Mortgage, (1) if the net weight of all peanuts delivered, plus the net weight of the peanuts redeemed prior to such delivery, equals or exceeds 97 percent of the net weight of the peanuts on which the loan was made CCC may relieve the producer from liability for the deficiency, or (2) if the net weight of the peanuts delivered, plus the net weight of peanuts redeemed prior to such delivery, is less than 97 percent of the net weight of the peanuts on which the loan was made, CCC may relieve the producer from liability for that part of the deficiency which exceeds an amount equal to the loan value per pound of the peanuts under loan multiplied by the number of pounds by which the net weight of the peanuts delivered, plus the net weight of peanuts redeemed prior to such delivery, is less than 97 percent of the net weight of the peanuts on which the loan was made.

(f) If the settlement value of the peanuts delivered exceeds the amount due on the loan (excluding interest), such excess amount will be paid to the producer. Any payment due the producer will be made by sight draft drawn on CCC by the county office.

(g) If the settlement value of the peanuts delivered to and accepted by CCC is less than the amount due on the loan (excluding interest) the producer shall pay CCC for the deficiency, plus interest thereon, unless the deficiency resulted from loss or damage assumed by CCC pursuant to § 446.1126.

(h) Notwithstanding the provisions of paragraph (g) of this section, if CCC removes peanuts from farm storage pursuant to § 446.1115 and sells such peanuts for an amount less than the amount due

on the loan (excluding interest) and the grade or quantity of the peanuts removed is lower than the grade or quantity on which the loan was made, the producer shall pay to CCC the difference between the amount due on the loan and the higher of the sales proceeds or the settlement value of the peanuts removed by CCC, plus interest. Such payment shall be in addition to that specified in paragraph (a) of this section. The settlement value of peanuts removed by CCC shall be determined in the manner specified in paragraph (e) of this section for determining the settlement value of peanuts delivered to CCC.

(i) Any amount due CCC from the producer may be set off against any payment which would otherwise be due to the producer under any agricultural program administered by the Secretary of Agriculture or any other payments which are due or may become due the producer from CCC or any other agency of the United States.

#### ASSOCIATION LOANS (WAREHOUSE STORAGE LOANS)

##### § 446.1129 Loans to associations.

(a) Loans will be available to associations which receive, arrange storage for and handle peanuts for and on behalf of eligible producers and for and on behalf of eligible producers represented by bona fide producer marketing cooperatives which meet the criteria established for an association in § 446.1104(a), which are approved by CCC, and which are operating under an agreement with the association, on all eligible peanuts handled on behalf of eligible producers, stored in approved warehouses, and represented by warehouse receipts in a form prescribed by CCC. Such loans will be made pursuant to the terms of the Association Loan and Handling Agreement, CCC Peanut Form 27 (1959), between the associations and CCC, and shall be evidenced by blanket notes in form prescribed by CCC. The association may receive eligible peanuts from eligible producers who are not members of the association and use such peanuts as loan collateral. Approved storage for peanuts under loan to an association will be warehouses approved pursuant to instructions issued by CCC and operated under contract with the association or with CCC. The names and locations of such warehouses may be obtained from the association or the county office. The association may obtain the loan from an approved lending agency or from CCC. Unless otherwise authorized by CCC, each producer from whom the association receives peanuts must present his within quota card at the time he delivers the peanuts for storage. For each lot of peanuts received, the association shall make an advance payment to the producer in the amount of the producer advance value for such peanuts. At any time prior to sale by CCC the association may redeem peanuts for sale in accordance with policies established by CCC.

(b) The association shall distribute to the producers from whom it receives peanuts all proceeds from the handling of such peanuts under loan, less operating

expenses, unless other disposition of such proceeds is approved by CCC.

#### PURCHASE AGREEMENTS

##### § 446.1130 Purchase agreement provisions.

Purchase agreements will be available to eligible producers on eligible peanuts stored on the farm or stored off the farm on an identity preserved basis. Any peanuts stored off the farm on other than an identity preserved basis shall not be eligible for sale to CCC. The producer who signs a purchase agreement will not be obligated to sell any quantity of the peanuts to CCC. However, he may sell to CCC any quantity of eligible peanuts not in excess of the quantity stated in the purchase agreement. The producer may not assign his interest in a purchase agreement.

##### § 446.1131 Delivery of peanuts under a purchase agreement.

If the producer who signs a purchase agreement wishes to sell the peanuts to CCC, he will have a 30-day period ending on May 31, 1960, during which he must notify the county committee in writing of his intention to sell. The producer shall deliver the peanuts in accordance with delivery instructions issued by the county office, and shall complete delivery within a 15-day period immediately following the date of such instructions unless the county office determines that more time is needed for delivery. The producer may be required to retain the peanuts represented by a purchase agreement for a period of 60 days after May 31, 1960, without any cost to CCC.

##### § 446.1132 Quality and quantity of peanuts delivered to CCC.

Peanuts delivered to CCC pursuant to a purchase agreement shall be of the type specified in the purchase agreement, and shall meet the grade requirements of § 446.1106 as determined by a Federal or Federal-State inspector on the basis of a sample taken at the time of delivery. The quantity of peanuts shall be determined by actual weight at the time of delivery. CCC will not assume any loss in quantity or quality of the peanuts covered by a purchase agreement occurring prior to delivery to CCC.

##### § 446.1133 Purchase agreement settlement.

Settlement for eligible peanuts delivered to CCC under a purchase agreement shall be made at the applicable support price for the type, grade and quantity, net weight (calculated from actual gross weight), delivered and accepted by the county committee. When delivery is completed, payment will be made by sight draft drawn on CCC by the county office. The producer shall direct on Commodity Purchase Form 4 to whom payment of proceeds shall be made.

#### NO. 2 SHELLED PEANUTS

##### § 446.1134 Purchase of No. 2 shelled peanuts.

(a) Subject to the terms and conditions of §§ 446.1134 to 446.1148, CCC will

purchase, from commercial peanut shellers, shelled peanuts which meet the eligibility requirements stated in § 446.1135, other than those obtained from a custom seed shelling operation (peanuts which meet such requirements are hereinafter referred to as "No. 2 peanuts"). Each of the following associations is designated to accept No. 2 peanuts on behalf of CCC in the area specified; and shellers located in any such area shall offer No. 2 peanuts to the appropriate association:

Southeastern area.	GFA Peanut Association, Camilla, Ga.
Southwestern area.	Southwestern Peanut Growers' Association, Gorman, Tex.
Virginia-Carolina area.	Peanut Growers Cooperative Marketing Association, Franklin, Va.

(b) No. 2 peanuts will be purchased from only those eligible shellers who, within 90 days after the date this subpart is published in the FEDERAL REGISTER, have notified the appropriate Association of their intentions to sell No. 2 peanuts to CCC.

#### § 446.1135 Eligibility requirements for No. 2 peanuts.

No. 2 peanuts of any type offered to CCC by shellers shall:

(a) Meet the standards for U.S. No. 2 shelled peanuts of such type (as specified in the U.S. Standards issued by the U.S. Department of Agriculture, Agricultural Marketing Service, effective July 31, 1956 for shelled Runner and Spanish peanuts and effective September 15, 1957 for shelled Virginia peanuts): *Provided, however,* That such peanuts may contain not more than (1) six percent damaged and unshelled peanuts, (2) two percent minor defects, except that any unused part of the tolerance for damaged and unshelled peanuts shall be allowed for minor defects, (3) two percent foreign material, (4) eleven percent for sound peanuts and portions of peanuts which will pass through the screen prescribed for such type and for minor defects, and (5) nine percent moisture in the Southeast and Southwest areas and 10 percent moisture in the Virginia-Carolina area: *And provided further,* That no straight shelled peanuts shall be eligible for sale to CCC.

(b) Be 1959 crop peanuts offered by an eligible sheller who has milled them in his own plant.

(c) Not exceed 200 pounds per ton, net weight, of eligible 1959 crop farmers stock peanuts of the same type (as determined by Federal or Federal-State inspectors) which the sheller purchased, prior to offering, from producers or from an association which redeemed such farmers stock peanuts from the price support loan.

(d) Be free and clear of all liens and encumbrances.

#### § 446.1136 Eligible sheller.

A sheller shall be eligible to sell No. 2 peanuts to CCC if, by fulfilling all the requirements of this section, he cooperates in making price support available to all peanut producers who desire to

pledge their peanuts to CCC. The sheller shall—

(a) Throughout the 1959 program year, inform each producer, upon request, of the producer advance value of his peanuts under a price support loan;

(b) Pay a price not less than the producer advance value for each lot of farmers stock peanuts purchased from a producer, if such peanuts are eligible for a price support loan;

(c) Make warehouse space available for the storage of loan collateral peanuts under a warehouse contract, in the area and to the extent requested and not later than the date specified by the Association, unless he establishes to the satisfaction of the association and CCC, that all storage space over which he has control is needed in his normal milling operation, and that no other storage space is available to him at reasonable cost in the area which he serves; and

(d) Purchase from producers only those peanuts for which inspection certificates have been issued by the Federal or Federal-State inspectors.

#### § 446.1137 Period for offering.

(a) Written offers of No. 2 peanuts may be filed with the associations through June 30, 1960, unless a later date is approved in writing by CCC: *Provided, however,* That CCC may at any time prior to June 30, 1960, or such later date as is approved by CCC, terminate its obligation to accept any offers of No. 2 peanuts: *And provided further,* That upon notification to the shellers CCC may suspend its offer to purchase for a specified period of time. The date the offer is received by the association shall be deemed to be the date of the offer.

(b) The sheller, within seven days after the date of the association's written request therefor, shall mail to the association a statement showing the quantity of No. 2 peanuts in his inventory which are eligible for sale to CCC. If the sheller fails to mail such information within the seven-day period, CCC shall not be obligated thereafter to purchase any peanuts from him.

#### § 446.1138 Contract.

The offer, all the provisions of §§ 446.1134 to 446.1148, and the written acceptance by the association shall constitute the contract between the sheller and CCC.

#### § 446.1139 Minimum quantity.

The minimum quantity of No. 2 peanuts which may be offered at any time is 25,000 pounds. All No. 2 peanuts offered at one time for delivery at one location shall be included in one offer. Each offer shall be made in the form prescribed by CCC.

#### § 446.1140 Inspecting, grading, and sealing No. 2 peanuts.

(a) The type and grade of the No. 2 peanuts delivered to CCC pursuant to each contract shall be determined and recorded on inspection certificates by Federal or Federal-State inspectors authorized or licensed by the Secretary of Agriculture, U.S. Department of Agriculture. The sheller shall pay the cost of inspection and grading. If the

No. 2 peanuts are inspected before they are offered to CCC, the inspection certificate shall show that the inspection was completed not more than 9 days prior to the date on which the offer is received by the association. No. 2 peanuts which are not inspected before they are offered to CCC shall be inspected at the time the peanuts are delivered to CCC.

(b) The inspection data shall be used to determine (1) whether the No. 2 peanuts meet the eligibility requirements with respect to grade and quantity specified in § 446.1135, (2) the net weight, and (3) the price which CCC will pay for No. 2 peanuts. Any determination of grade shall be subject to appeal in accordance with the Inspection Service procedure.

(c) Each bag of No. 2 peanuts purchased by CCC shall be identified with a seal furnished by CCC and affixed in accordance with instructions issued by the Federal or Federal-State Inspection Service.

(d) The peanuts may be reinspected at the request of CCC, and at its expense, within 5 days after receipt at destination.

#### § 446.1141 Net weight of No. 2 peanuts.

The net weight of a lot of No. 2 peanuts shall be that weight obtained by multiplying the gross weight, including bags, by a percentage equal to 100 percent minus the sum of the percentages of (a) foreign material and (b) moisture in excess of 7 percent in the Southeast and Southwest areas and 8 percent in the Virginia-Carolina area. The gross weight shall be determined by actual weight, as prescribed by CCC.

#### § 446.1142 Delivery, rejection, and liquidated damages.

(a) The sheller shall deliver peanuts in accordance with instructions issued by the association. Such delivery instructions, except as provided in § 446.1143, shall be issued within 25 days after the date of the association's written acceptance of the offer.

(b) The sheller shall deliver all peanuts in bags of uniform size, which are packed in accordance with good commercial practices. Such bags shall be made of new burlap of not less than 10-ounce weight material. Plain unprinted bags stenciled in accordance with instructions issued by the association or CCC may be required in some instances.

(c) CCC may upon notice to the sheller, reject all or any part of the quantity offered in one offer if any bag of peanuts included in such offer does not meet the eligibility requirements in § 446.1135 at the time of the original inspection or reinspection.

(d) If, as of the date No. 2 peanuts are moved out of the sheller's plant, such peanuts are subject to condemnation or disqualification for use as human food by the Food and Drug Administration, U.S. Department of Health, Education, and Welfare, or if CCC determines that such peanuts would be subject to condemnation or disqualification if moved in interstate commerce, such peanuts shall not be delivered to CCC, and any amount paid to the sheller with respect to such

peanuts shall be refunded to CCC. The sheller shall also pay any costs incurred by CCC with respect to such peanuts, as determined by CCC. Nothing contained in this subparagraph shall relieve the sheller of any obligation to deliver to CCC the quantity of eligible No. 2 peanuts specified in the sheller's offer.

(e) If the sheller fails to deliver, as prescribed in delivery instructions a quantity of eligible No. 2 peanuts equal to at least 95 percent of the quantity offered by him and accepted by the association, or if the sheller delivers peanuts which are ineligible and CCC determines that such peanuts can be rejected to the sheller, the sheller shall pay to CCC, as compensation for the costs incurred by CCC in connection with such peanuts, liquidated damages in an amount equal to 2 cents per pound (1) for the quantity by which the quantity of eligible peanuts delivered is less than 95 percent of that offered by the sheller and accepted by the association, or (2) for the quantity of ineligible peanuts delivered to, and rejected by, CCC. The sheller shall also refund to CCC any amount paid to him with respect to ineligible peanuts which are rejected.

(f) If peanuts included in any offer are determined by CCC to be ineligible after CCC has contracted to sell such peanuts, the sheller shall make delivery of not less than 95 percent of the quantity offered by him and accepted by the association. The price which CCC will pay to the sheller for such ineligible peanuts shall be the amount received by CCC upon the sale of such ineligible peanuts, as determined by CCC. The sheller shall pay to CCC, as compensation for the costs incurred by CCC in connection with such ineligible peanuts, liquidated damages in an amount equal to 2 cents per pound (1) for the quantity by which the quantity of peanuts delivered is less than 95 percent of that offered by the sheller and accepted by the association and (2) for the quantity of such peanuts delivered to CCC.

(g) Nothing contained in paragraphs (e) and (f) of this section shall require the payment of liquidated damages by the sheller under both of such paragraphs with regard to the same lot of peanuts. The sheller shall pay to CCC upon demand any amount determined by CCC to be due from the sheller under this section, or shall refund to CCC upon demand any amount paid to him which is in excess of any amount to which he may be entitled under this section as determined by CCC.

(h) Because of the difficulty in ascertaining the exact damages which CCC would sustain in the situations outlined in paragraphs (e) and (f) of this section, CCC and the sheller agree that the liquidated damages provided for in such paragraph constitute a reasonable estimate of CCC's probable actual damages. Nothing contained in this section shall be construed as waiving any right of CCC or of the United States in the event of any fraudulent act on the part of the sheller.

#### § 446.1143 Passage of title.

Title and risk of loss and damage to the peanuts shall pass to CCC upon de-

livery from the sheller's plant, f.o.b. railroad cars or trucks at CCC's option, except that in the event the association does not issue delivery instructions within 25 days after the date of its written acceptance of the offer, title shall pass to CCC on the 30th day after the date of such written acceptance if the sheller, on or before such 30th day, places the peanuts in identity preserved storage in a facility approved by CCC and delivers to CCC a storage certificate, in form acceptable to CCC, which properly identifies the peanuts, and an inspection certificate issued by a Federal-State inspector if such peanuts were not inspected before they were offered. The gross weight of the peanuts for which the storage certificate is issued shall be determined, after the expiration of the 25-day period within which the association was to have issued shipping instructions, by a weighmaster, and on scales, approved by CCC. Subject to the provisions of paragraph (d) of § 446.1142, the sheller shall not be responsible for deterioration or for uninsured loss or damage to the peanuts prior to delivery but after passage of title to CCC unless such deterioration or such uninsured loss or damage is due to his fault, negligence, or failure to exercise such care in storing or handling such peanuts as a reasonably prudent owner thereof would exercise, or unless such peanuts are determined by CCC to be ineligible. If the peanuts are insured such insurance shall inure to the benefit of CCC. Any insurance proceeds received by CCC with regard to ineligible peanuts shall be applied against any amount due CCC from the sheller under § 446.1142, as determined by CCC. Any amount by which such proceeds exceed any amount due CCC shall be paid to the sheller, and any amount by which such proceeds are exceeded by the amount due CCC shall be paid by the sheller to CCC promptly upon demand. If the sheller fails to issue the storage certificate to CCC on or before the 30th day after the date of the association's written acceptance of the sheller's offer, title shall not pass until the peanuts are delivered in accordance with instructions issued by the association, and CCC shall not pay any storage or handling charges with respect to such peanuts. Title to ineligible peanuts, and risk of loss and damage if such peanuts have been delivered pursuant to instructions issued by the association shall, in the event CCC rejects such peanuts, revert to the sheller as of the date of CCC's notice of rejection to the sheller. CCC shall not pay storage charges with respect to peanuts which are rejected.

#### § 446.1144 Payment for No. 2 peanuts.

(a) CCC will purchase eligible No. 2 peanuts at the price in effect on the date the offer is accepted by the association. No. 2 peanut prices shall be established by the Executive Vice President, CCC, who may revise such prices upward or downward at his discretion. Associations designated in § 446.1134 will furnish current No. 2 peanut prices to shellers who have informed the associations of their interest in selling No. 2 peanuts to CCC. A sheller shall have

the right to withdraw his offer if the price is reduced before the offer is accepted by the association.

(b) Warehouse charges for peanuts stored by the sheller and for which title has passed to CCC pursuant to § 446.1143 shall be the sum of:

(1) \$0.50 per net weight ton for handling-in charges,

(2) \$0.50 per net weight ton for handling-out charges (delivery f.o.b. railroad cars or trucks at CCC's option), and

(3) \$1.00 per net weight ton or fraction thereof per storage month. Each calendar month or fraction thereof, following the calendar month in which title passed to CCC, and during which the peanuts remain in the sheller's facility, shall be a storage month; *Provided*, That if the peanuts are delivered in accordance with instructions issued by the association during the calendar month in which title passed to CCC, the sheller shall be paid storage for one month.

(c) (1) Payment for the peanuts and for any warehouse charges shall be made, at the time specified below, upon presentation to the association of a proper invoice and supporting documents prescribed by CCC.

(2) Payment for peanuts for which title passed to CCC upon delivery from the sheller's plant shall be made, after delivery, for the net weight determined from the gross weight obtained at the time the peanuts were loaded out.

(3) Payment for peanuts for which title passed to CCC while the peanuts remained in the sheller's storage facilities as provided in § 446.1143, shall be made after title has passed to CCC; but payment of the warehouse charges specified in paragraph (b) of this section shall be made after the peanuts are loaded out of the sheller's facilities. The net weight on which payment for both the peanuts and the warehouse charges is determined, shall be the net weight of the peanuts for which the storage certificate was issued.

#### § 446.1145 Records and reports.

(a) The records of the sheller shall at all times show (1) with respect to farmers stock peanuts purchased direct from producers the dates and places received, the names and addresses of the producers, the types and grades as determined by Federal or Federal-State inspectors, and the pounds of each such grade purchased from each producer, (2) the types, grades, and quantities of farmers stock peanuts purchased from an association, (3) the types, grades, and quantities of farmers stock peanuts purchased from persons other than producers or associations and (4) the types, grades, and quantity of No. 2 peanuts produced. The sheller shall keep such accounts and other records and shall furnish such information and reports relating to the No. 2 peanuts and the farmers stock peanuts from which No. 2 peanuts were produced, as may be prescribed or requested by CCC. The association designated in § 446.1134 for the area in which the sheller is located or CCC may examine and audit the accounts and records of the sheller and may require the sheller

to make all of his records available at the main office at any time an audit is made. All books, accounts, and records shall be retained for a period of two years after the last No. 2 peanuts are delivered to CCC.

(b) The reporting and record keeping requirements contained in this subpart have been approved by, and subsequent reporting requirements will be subject to approval of the Bureau of the Budget in accordance with the Federal Reports Act of 1942.

§ 446.1146 Assignment.

No contract, claim, or payment pursuant to any of the provisions of this subpart relating to No. 2 peanuts shall be assigned in whole or in part by the sheller without the prior written approval of CCC, and any such assignment shall be in such form as may be approved or prescribed by CCC.

§ 446.1147 Officials not to benefit.

No Member of or Delegate to the Congress of the United States shall be admitted to any share or part of any agreement or contract between the sheller and CCC pursuant to any of the provisions of this subpart relating to No. 2 peanuts, or to any benefit to arise therefrom, but this provision shall not be construed to extend to benefits arising from such agreement or contract if accruing to a corporation or a producer in his capacity of producer.

§ 446.1148 Contingent fees.

The sheller shall not employ any person to solicit or secure any contract pursuant to any of the provisions of this subpart relating to No. 2 peanuts upon any stipulation for a commission, percentage, brokerage or contingent fee. Breach of this provision shall give CCC the right to annul the contract, or, in its discretion, to deduct from any amount due the sheller the amount of such commission, percentage, brokerage, or contingent fee.

Issued this 24th day of July 1959.

CLARENCE D. PALMBY,  
Acting Executive Vice President,  
Commodity Credit Corporation.

[F.R. Doc. 59-6276; Filed, July 29, 1959; 8:48 a.m.]

**Title 7—AGRICULTURE**

Chapter II—Agricultural Marketing Service (School Lunch Program), Department of Agriculture

**PART 210—REGULATIONS AND PROCEDURES**

Appendix—Apportionment of Food Assistance Funds Pursuant to National School Lunch Act, as Amended, Fiscal Year, 1960

Pursuant to section 4 of the National School Lunch Act, as amended (42 U.S.C. 1751-1760) food assistance funds available for the fiscal year ending June 30, 1960, are apportioned among the states as follows:

State	Total	State agency	Withheld for private schools
Alabama	\$2,757,690	\$2,669,414	\$88,276
Alaska	70,752	70,752	
Arizona	678,619	616,190	62,429
Arkansas	1,737,927	1,700,586	37,341
California	5,152,690	5,152,680	
Colorado	843,944	707,062	70,882
Connecticut	735,967	735,967	
Delaware	180,621	122,472	28,149
District of Columbia	242,892	242,892	
Florida	2,140,042	2,016,199	123,843
Georgia	2,981,141	2,981,141	
Hawaii	79,129	66,513	12,616
Idaho	446,959	428,528	63,130
Illinois	3,672,593	3,672,593	
Indiana	2,250,200	2,250,200	
Iowa	1,527,346	1,338,725	188,621
Kansas	1,145,308	1,145,308	
Kentucky	2,458,629	2,458,629	
Louisiana	2,205,132	2,205,132	
Maine	564,708	478,476	86,232
Maryland	1,341,906	1,117,459	224,447
Massachusetts	1,845,015	1,845,015	
Michigan	3,660,500	3,115,930	544,570
Minnesota	1,830,198	1,520,872	309,326
Mississippi	2,685,890	2,685,899	
Missouri	2,029,669	2,029,669	
Montana	373,146	332,148	40,998
Nebraska	766,734	659,637	107,097
Nevada	102,548	95,720	6,828
New Hampshire	294,016	294,016	
New Jersey	2,033,301	1,532,950	450,351
New Mexico	581,986	581,986	
New York	5,490,342	5,490,342	
North Carolina	3,830,789	3,830,739	
North Dakota	495,958	441,341	54,617
Ohio	3,987,164	3,371,956	615,208
Oklahoma	1,422,832	1,422,832	
Oregon	808,706	808,706	
Pennsylvania	4,885,209	3,855,223	1,029,986
Puerto Rico	3,261,764	3,261,764	
Rhode Island	383,030	383,030	
South Carolina	2,457,541	2,400,417	37,124
South Dakota	475,852	475,852	
Tennessee	2,683,744	2,589,216	89,528
Texas	5,459,833	5,136,702	323,136
Utah	579,234	577,374	1,860
Vermont	227,635	227,635	
Virginia	2,399,004	2,279,843	120,061
Virgin Islands	42,644	42,644	
Washington	1,274,467	1,184,068	90,399
West Virginia	1,430,863	1,389,097	41,766
Wisconsin	2,009,124	1,541,946	467,178
Wyoming	167,376	167,376	
Total	93,600,000	88,249,570	5,350,430

(Secs. 2-11, 60 Stat. 230-233, as amended; 42 U.S.C. 1751-1760)

Dated: July 24, 1959.

ORIS V. WELLS,  
Administrator.

[F.R. Doc. 59-6260; Filed, July 29, 1959; 8:46 a.m.]

**Title 12—BANKS AND BANKING**

Chapter V—Federal Home Loan Bank Board

SUBCHAPTER B—FEDERAL HOME LOAN BANK SYSTEM

[No. 12,655]

**PART 522—ORGANIZATION OF THE BANKS**

**Election of Directors**

JULY 27, 1959.

Resolved that the Federal Home Loan Bank Board, upon the basis of consideration by it of the advisability of amendment of Part 522 of the regulations for the Federal Home Loan Bank System (12 CFR Part 522) as hereinafter set forth in view of the admission of Alaska as a State of the Union and the impending admission of Hawaii as such, and for the

purpose of effecting such amendment, hereby amends said part as follows, effective July 30, 1959:

Section 522.32 of said part (12 CFR 522.32) is hereby amended by striking all the language of said section after the line beginning with the word "Topeka" and inserting in lieu of the language so stricken the following language:

San Francisco..... 1

Resolved further that, as § 522.26 of said part provides that the Board will notify each member not later than August 1 of each year of its right to nominate and will furnish other information as therein set forth and that at the same time each member will be furnished with a copy of the regulations in said part governing the nomination and election of Federal Home Loan Bank directors and the necessary nominating certificate, and as § 522.27 of said part provides that the nominating certificate shall be executed and mailed to the Secretary of the Board so as to be delivered to his office in Washington, D.C., not later than August 31, the Board hereby finds that, because of the time that would be involved if notice and public procedure on the above amendment were afforded, such notice and public procedure are impracticable under the provisions of § 508.12 of the general regulations of the Federal Home Loan Bank Board (12 CFR 508.12) or section 4(a) of the Administrative Procedure Act, and for the same cause deferment of the effective date of said amendment is not required under section 4(c) of said Act.

(Secs. 7, 17, 47 Stat. 730, 736, as amended; 12 U.S.C. 1427, 1437. Reorg. Plan No. 3 of 1947, 12 F.R. 4981, 3 CFR, 1947 Supp.)

By the Federal Home Loan Bank Board.

[SEAL] HARRY W. CAULSEN,  
Secretary.

[F.R. Doc. 59-6273; Filed July 29, 1959; 8:48 a.m.]

**Title 14—AERONAUTICS AND SPACE**

Chapter V—National Aeronautics and Space Administration

**PART 1204—ADMINISTRATIVE AUTHORITY AND POLICY**

Subparts 1-3—[Reserved]

**Subpart 4—Small Business Policy**

- Sec. 1204.400 Scope of subpart.
- 1204.401 Policy.
- 1204.402 Responsibility.
- 1204.402-1 Division of procurement and Supply, NASA Headquarters.
- 1204.402-2 NASA field installations.
- 1204.403 General requirements.

AUTHORITY: §§ 1204.400 to 1204.403 issued under 42 U.S.C. 2473(b).

§ 1204.400 Scope of subpart.

This subpart establishes the small business policy and program of the National Aeronautics and Space Administration (NASA).

### § 1204.401 Policy.

(a) Consistent with the requirements of the Small Business Act (15 U.S.C. 631-650) and the National Aeronautics and Space Act of 1958 (42 U.S.C. 2473(b)(5)), it is the policy of NASA to place a fair proportion of its total purchases and contracts with small business concerns.

(b) In carrying out the NASA procurement program, the primary consideration shall be that of securing contract performance, including obtaining deliveries of required items or services at the time, in the quantity and of the quality prescribed. In the area of research and development contracts, the general policy of NASA is to award such contracts to those organizations determined by responsible personnel to have a high degree of competence in the specific branch of science or technology required for the successful conduct of the work. It is in the interest of the civilian space program that the number of firms engaged in research and development work for NASA be expanded and that there be an increase in the extent of participation in such work by competent small business firms.

### § 1204.402 Responsibility

#### § 1204.402-1 Division of Procurement and Supply, NASA Headquarters.

The Director of Procurement and Supply, NASA Headquarters, is responsible for the development, supervision, and coordination of the NASA Small Business Program. A senior member serves on the Director's staff as Advisor on Small Business, with responsibility for formulating policies and procedures relating to small business, and representing the Director before other Government agencies on matters primarily affecting small business.

#### § 1204.402-2 NASA field installations.

The head of each NASA field installation will designate a qualified individual in the procurement office as a "small business specialist," to provide a central point of contact to which small business concerns may direct inquiries concerning participation in the NASA procurement program, or secure assistance in submitting bids or proposals as well as performance of contracts. Where the head of a field installation considers that the volume of procurement or of functions relating to procurement at the installation does not warrant a full-time small business specialist, he may assign such duties to qualified procurement personnel on a part-time basis. NASA field installations shall establish and maintain liaison with the Small Business Administration representative or the appropriate Small Business Administration Regional Office in matters relating to field procurement activities.

### § 1204.403 General requirements.

(a) All proposed procurement transactions in excess of \$2,500 shall be examined by small business specialists prior to issuance of bids or requests for proposals to determine suitability for small business participation or set-aside.

(b) The appropriate office of the Small Business Administration shall be

informed of proposed procurements estimated to exceed \$10,000.

(c) Bidders' lists shall be maintained on a current basis and reviewed to assure that small business firms are given an equitable opportunity to participate in those procurements suitable for performance by such firms.

(d) NASA small business personnel shall acquire descriptive data, brochures, or other information concerning small business firms which appear competent to perform research and development work in fields in which NASA is interested and furnish such information to technical personnel. The Small Business Advisor at Headquarters and the small business specialists at NASA field installations shall assist and consult with NASA technical personnel in the analysis of such information, in arranging field inspection of facilities, in making appointments for technical personnel with representatives of small business firms, and obtaining from other agencies appraisals of work performed by such firms.

(e) NASA will require contractors having negotiated contracts in excess of \$1,000,000 and of such nature as to afford opportunities for subcontracting in substantial amounts to establish and conduct small business sub-contracting programs. Such programs will be periodically reviewed by NASA small business representatives to evaluate their adequacy.

(f) NASA will encourage competent small business concerns to submit unsolicited proposals for research and development work in areas within NASA's responsibility, which may lead to contracts for such work. The formation of contractor pools or joint ventures to perform research and development work will also be encouraged.

(g) NASA small business personnel will disseminate to small business concerns information concerning inventions for which NASA holds patents on behalf of the United States and under which it is NASA policy to grant licenses.

(h) Small business participation in NASA procurement shall be accurately measured, recorded, and publicized.

*Effective date.* The provisions of this subpart are effective July 30, 1959.

T. KEITH GLENNAN,  
Administrator.

[F.R. Doc. 59-6267; Filed, July 29, 1959;  
8:47 a.m.]

## Title 16—COMMERCIAL PRACTICES

### Chapter I—Federal Trade Commission

[Docket 7442 c.o.]

#### PART 13—DIGEST OF CEASE AND DESIST ORDERS

#### Main Line Lumber and Millwork Co. et al.

Subpart—*Advertising falsely or misleadingly*: § 13.155 *Prices*: Additional

charges unmentioned.<sup>1</sup> Subpart—*Misrepresenting oneself and goods*—Prices: § 13.1795 *Coverage or extras*.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Main Line Lumber and Millwork Company et al., Wayne, Pa., Docket 7442, July 4, 1959]

*In the Matter of Main Line Lumber and Millwork Company, a Corporation, and Harry K. Madway, Ralph K. Madway, Sam Madway, and Pauline M. Margolis, Individually and as Officers of Said Corporation*

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a distributor of prefabricated homes and garages in Wayne, Pa., with representing falsely in newspaper and other advertisements that its stated prices included certain appliances, features, equipment, materials, or services which were, in fact, extra cost items and for which purchasers were required to pay separately.

After acceptance of an agreement providing for entry of a consent order, the hearing examiner made his initial decision and order to cease and desist which became on July 4 the decision of the Commission.

The order to cease and desist is as follows:

*It is ordered*, That respondents Main Line Lumber and Millwork Company, a corporation and its officers, and Harry K. Madway, Ralph K. Madway, Sam Madway and Pauline M. Margolis, individually and as officers of said corporation, and respondents' agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale or distribution of prefabricated homes, garages, or other buildings, in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

Representing directly or by implication that an advertised or stated price includes appliances, fixtures, equipment, material or services that are not included in said advertised or stated price.

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

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

Issued: June 9, 1959.

By the Commission.

[SEAL] ROBERT M. PARRISH,  
Secretary.

[F.R. Doc. 59-6255; Filed, July 29, 1959;  
8:45 a.m.]

<sup>1</sup> Amended to read as set forth.

[Docket 7419 c.o.]

## PART 13—DIGEST OF CEASE AND DESIST ORDERS

## Monarch Carnival Supply Co.

Subpart—Using, selling, or supplying lottery devices: § 13.2475 Devices for lottery selling.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45) [Cease and desist order, Jack Robinson trading as Monarch Carnival Supply Company, Washington, D.C., Docket 7419, July 7, 1959]

*In the Matter of Jack Robinson, an Individual, Trading as Monarch Carnival Supply Company*

This proceeding was heard by a hearing examiner on the complaint of the Commission charging a Washington, D.C., seller of a variety of products with selling to many of his customers, devices for reselling the merchandise to the public by chance or lottery.

After acceptance of an agreement containing a consent order, the hearing examiner made his initial decision and order to cease and desist which became on July 7 the decision of the Commission.

The order to cease and desist is as follows:

*It is ordered*, That respondent Jack Robinson, an individual trading as Monarch Carnival Supply Company, or under any other name, and respondent's agents, representatives and employees, directly or through any corporate or other device, in connection with the offering for sale, sale and distribution of merchandise in commerce as "commerce" is defined in the Federal Trade Commission Act do forthwith cease and desist from:

1. Supplying, selling, or placing in the hands of others, by any means, any device or devices which are designed or intended to be used in the sale or distribution of merchandise to the public by means of a game of chance, gift enterprise, or lottery scheme.

2. Selling or otherwise disposing of any merchandise by means of a game of chance, gift enterprise, or lottery scheme.

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

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

Issued: June 11, 1959.

By the Commission.

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

[F.R. Doc. 59-6256; Filed, July 29, 1959; 8:46 a.m.]

## Title 25—INDIANS

Chapter I—Bureau of Indian Affairs,  
Department of the InteriorSUBCHAPTER T—OPERATION AND  
MAINTENANCEPART 221—OPERATION AND  
MAINTENANCE CHARGES

## Payment and Delivery

On page 1721 of the FEDERAL REGISTER of March 13, 1959, there was published a notice of intention to amend §§ 221.10 and 221.11, Title 25 of the Code of Federal Regulations in regard to due dates of operation and maintenance charges and penalty for delinquency.

Interested persons were given an opportunity to submit their views, data and arguments concerning the proposed amendment within 30 days from the date of publication of the notice. No written communications pertaining to the proposed amendment were received within the period specified.

The proposed amendments to the regulations are hereby adopted, without change, and are set forth below. These amendments shall become effective beginning with the calendar year 1960 and continue in effect thereafter until further notice.

ELMER F. BENNETT,  
*Acting Secretary of the Interior.*

JULY 24, 1959.

1. Sections 221.10 and 221.11 are amended to read as follows:

## § 221.10 Payments.

(a) The annual charges fixed in § 221.9 for the Nespelem and Little Nespelem Units shall become due on April 1 of each year and are payable on or before that date.

(b) The annual charges fixed in § 221.9 for the Monse Pumping Unit shall become due as follows: 50 percent on April 1 and 50 percent on July 1 and are payable on or before those dates.

(c) To any charges against non-Indian land or Indian land under lease to non-Indians remaining unpaid after July 1 there shall be added a penalty of one-half of one percent per month or fraction thereof from the due date until paid.

(d) In any instance where the superintendent is convinced that an Indian landowner, whose land is not under lease to a non-Indian, is financially unable to pay his operation and maintenance charges from proceeds of the crops being grown on the lands, or from any other source, water may be delivered if a written certificate is issued by the superintendent stating that such Indian is not financially able to pay such charges. In such cases, the unpaid charges shall be entered on the accounts and will stand as a first lien against the land until paid but without penalty for delinquency.

## § 221.11 Delivery contingent on payment.

(a) No water shall be delivered to any tract of land under the Nespelem and Little Nespelem Units until the entire irrigation charges for the current year shall have been paid. No water shall be

delivered to any tract of land under the Monse Pumping Unit until at least 50 percent of the current year's charges have been paid. Water delivery shall not be continued after July 1 unless the total charges for the year have been paid, except as provided in § 221.10(d).

(b) No water shall be delivered to lands in non-Indian ownership until all delinquent charges, plus penalties, for previous years have been paid.

(c) No water shall be delivered to Indian lands under lease until the lessee has paid all charges, plus penalties in the case of a non-Indian lessee, which have accrued during the period of his lease.

(d) A water user who has fulfilled all requirements and is eligible to have water delivered to him shall give the ditch rider 48 hours notice in advance of the time he wishes to receive water or discontinue delivery of water to his tract.

2. Section 221.10a *Payments, Monse Pumping Unit* is eliminated for the reason that its provisions are included in § 221.10, as amended.

(Secs. 1, 3, 36 Stat. 270, 272, as amended; 25 U.S.C. 385)

[F.R. Doc. 59-6257; Filed, July 29, 1959; 8:46 a.m.]

Title 26—INTERNAL REVENUE,  
1954Chapter I—Internal Revenue Service,  
Department of the TreasurySUBCHAPTER E—ALCOHOL, TOBACCO, AND  
OTHER EXCISE TAXES

[T.D. 6402]

PART 250—LIQUORS AND ARTICLES  
FROM PUERTO RICO AND THE  
VIRGIN ISLANDS

## Miscellaneous Amendments

On June 11, 1959, a notice of proposed rule making with respect to the amendment of 26 CFR Part 250 was published in the FEDERAL REGISTER. No objections to the proposed amendments having been received within the 15-day period prescribed in the notice, the regulations as so published are hereby adopted.

Because this Treasury decision implements and effectuates changes made in chapter 51 of the Internal Revenue Code of 1954 by the Excise Tax Technical Changes Act of 1958 (Public Law 85-859, 72 Stat. 1275) which become effective July 1, 1959, it is hereby found that it is impracticable and contrary to the public interest to issue this Treasury decision subject to the effective date limitation of section 4(c) of the Administrative Procedure Act, approved June 11, 1946. Accordingly, this Treasury decision shall become effective July 1, 1959.

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

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

RALPH KELLY,  
*Commissioner of Customs.*

Approved: July 24, 1959.

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

In order to implement certain provisions of the Internal Revenue Code of 1954, as amended by Public Law 85-859, as they relate to spirits, denatured spirits, and products manufactured from denatured spirits for shipment to the United States free of tax, 26 CFR Part 250 is amended as follows:

#### § 250.6 [Deletion]

PARAGRAPH 1. Delete § 250.6 *Alcohol*.

PAR. 2. Section 250.7 is amended to read as follows:

#### § 250.7 Article.

"Article" shall mean any preparation unfit for beverage use, made with or containing:

- (a) Wine or beer;
- (b) Distilled spirits or industrial spirits; or

(c) Denatured spirits when such preparation is not manufactured under the provisions of this subchapter.

PAR. 3. Section 250.12 is amended to read as follows:

#### § 250.12 Denatured spirits.

"Denatured spirits" shall mean industrial spirits denatured in accordance with approved formulae in distilled spirits plants established and operated under the provisions of this subchapter relating to the establishment and operation of plants qualified to denature spirits in the United States, or, in respect of a product of the Virgin Islands, shall also mean spirits denatured in accordance with approved formulas in plants established under the provisions of the Virgin Islands regulations and shall include, unless otherwise limited, both completely and specially denatured spirits.

PAR. 4. Section 250.14 is amended to read as follows:

#### § 250.14 Distilled spirits or spirits.

"Distilled spirits" or "spirits" shall mean that substance known as ethyl alcohol, ethanolic, or spirits of wine, including all dilutions and mixtures thereof, from whatever source or by whatever process produced and shall include whisky, brandy, rum, gin, etc., but shall not include industrial spirits as defined in this part except when used in reference to such spirits which would be subject to tax if brought into the United States.

PAR. 5. A new section, reading as follows, is inserted immediately following § 250.18:

#### § 250.18a Industrial spirits.

"Industrial spirits" shall mean, as to products of Puerto Rico, distilled spirits produced and warehoused at and withdrawn from distilled spirits plants established and operated under the provisions of this subchapter relating to the establishment of such plants and the production, bonded warehousing, and withdrawal from bond of distilled spirits in the United States, or as to products of the Virgin Islands, distilled spirits produced, warehoused, and withdrawn under Virgin Islands regulations.

#### § 250.21 [Amendment]

PAR. 6. Section 250.21 is amended by striking the words "ethyl alcohol" and inserting in lieu thereof the words "industrial spirits".

PAR. 7. A new section, reading as follows, is inserted immediately following § 250.30:

#### § 250.30a Virgin Islands regulations.

"Virgin Islands regulations" shall mean regulations issued or adopted by the Governor of the Virgin Islands, or his duly authorized agents, with the concurrence of the Secretary of the Treasury of the United States, or his delegate, under the provisions of section 5314, I.R.C., as amended, and § 250.201a.

#### § 250.35 [Amendment]

PAR. 8. Section 250.35 is amended as follows:

(A) By inserting in the first sentence, immediately following "Puerto Rico", the following: ", except as provided in § 250.36,";

(B) By striking the word "upon" in the first sentence and inserting in lieu thereof the word "on"; and

(C) By striking the article "a" immediately following the words "are subject to" in the second sentence.

PAR. 9. Section 250.36 is amended to read as follows:

#### § 250.36 Products exempt from tax.

Subject to the provisions of this part, the following products may be brought into the United States from Puerto Rico without incurring liability to any tax imposed by section 5001(a)(10) or section 7652(a) of the Internal Revenue Code:

(a) Industrial spirits for the purposes authorized in section 5214(a)(2) and (3), I.R.C.,

(b) Denatured spirits, and

(c) Products manufactured from denatured spirits under the provisions of § 250.36a.

(72 Stat. 1375; 26 U.S.C. 5314)

PAR. 10. Two new sections, reading as follows, are inserted immediately following § 250.36:

#### § 250.36a Production in Puerto Rico for tax-free shipment to United States.

(a) *Regulations applicable to industrial spirits.* The provisions of this subchapter relating to the production, bonded warehousing, and the withdrawal from bond of spirits in the United States shall extend to and apply in Puerto Rico in respect of the production, bonded warehousing, and withdrawal of industrial spirits for shipment to the United States free of tax for the purposes authorized in section 5214(a)(2) and (3), I.R.C.

(b) *Regulations applicable to denatured spirits and products manufactured with denatured spirits.* The provisions of this subchapter relating to the production, bonded warehousing, and denaturation of spirits, and the withdrawal from bond of denatured spirits in the United States shall extend to and apply in Puerto Rico in respect of the produc-

tion, bonded warehousing, and denaturation of spirits, and to the withdrawal of denatured spirits, where the denatured spirits are to be shipped to the United States free of tax, or are to be used in the manufacture of products containing such denatured spirits for shipment to the United States free of tax. The provisions of this subchapter relating to the withdrawal and use of denatured spirits in the manufacture of products in the United States shall extend to and apply in Puerto Rico in respect of the withdrawal and use, in Puerto Rico, of denatured spirits in the manufacture of products containing such denatured spirits for shipment to the United States free of tax.

(72 Stat. 1375; 26 U.S.C. 5314)

#### § 250.36b Tax-free shipments to the United States.

The provisions of subpart 00 of Part 182 of this chapter in respect of alcohol, denatured alcohol, and products containing denatured alcohol, shall respectively apply to:

(a) Industrial spirits coming into the United States from Puerto Rico free of tax for the purposes authorized in section 5214(a)(2) and (3), I.R.C., and

(b) Denatured spirits and products containing denatured spirits coming into the United States from Puerto Rico free of tax.

The law does not authorize the transfer of spirits from the bonded premises of a plant in Puerto Rico to the bonded premises of a plant in the United States.

(72 Stat. 1375; 26 U.S.C. 5314)

#### § 250.50 [Amendment]

PAR. 11. Section 250.50 is amended as follows:

(A) By changing the first sentence to read "Every person who ships liquors or products not exempt from tax under § 250.36, to the United States, shall submit to the Director, Alcohol and Tobacco Tax Division, in advance of shipment, formulae and processes on Form 27-B Supplemental covering the manufacture of such liquors or articles."; and

(B) By changing the last sentence to read "Formulae for products manufactured with denatured spirits shall be submitted as provided in this subchapter for products manufactured in the United States with denatured spirits."

#### § 250.76 [Amendment]

PAR. 12. Section 250.76 is amended as follows:

(A) By striking "(a)" immediately following the number "5021" in the first sentence;

(B) By inserting the words "Special Puerto Rican" immediately preceding the phrase "rectified spirits stamps" in the first sentence; and

(C) By changing the second sentence to read "If the finished product is subject to the tax under section 5022, Internal Revenue Code, United States internal revenue rectification tax sheet stamps will be procured on Form 427-C and affixed to the cases as provided in § 250.72."

PAR. 13. Section 250.88 is amended to read as follows:

**§ 250.88 Taxable status.**

Articles not exempt from tax under the provisions of § 250.36 are subject to tax on the distilled spirits, wine, or beer contained therein at the rate imposed by law on like liquors of domestic production. A formula and process covering the manufacture of each such product shall be filed in accordance with subpart D of this part.

PAR. 14. The undesignated center-heading immediately preceding § 250.93 is amended by striking the word "Alcohol" and inserting in lieu thereof the words "Industrial Spirits".

PAR. 15. Section 250.164 is amended to read as follows:

**§ 250.164 Proprietors of taxpaid premises.**

Transactions involving the bringing of liquors into the United States from Puerto Rico by proprietors of distilled spirits plants in the United States qualified under the provisions of this subchapter shall be recorded and reported in accordance with the regulations governing the operations of such premises in the United States.

**§ 250.200 [Amendment]**

PAR. 16. Section 250.200 is amended by inserting the phrase "except as provided in § 250.201," immediately following the words "Virgin Islands" in the first sentence.

PAR. 17. Section 250.201 is amended to read as follows:

**§ 250.201 Products exempt from tax.**

Subject to the provisions of this part, the following products may be brought into the United States from the Virgin Islands without incurring liability to the tax imposed by sections 7652(b) (1) of the Internal Revenue Code:

- (a) Industrial spirits for the purposes authorized in section 5214(a) (2) and (3), I.R.C.,
- (b) Denatured spirits manufactured in the Virgin Islands, and
- (c) Products manufactured in the Virgin Islands with denatured spirits under the provisions of § 250.201a.

(72 Stat. 1375; 26 U.S.C. 5314)

PAR. 18. Two new sections, reading as follows, are inserted immediately following § 250.201:

**§ 250.201a Production in the Virgin Islands for tax-free shipment to the United States.**

(a) *Authority of the Governor to issue regulations.* The Governor of the Virgin Islands, or his duly authorized agents, are authorized to issue or adopt such regulations (and to approve such bonds, and to issue, suspend, or revoke such permits, as may be required by such regulations) as are necessary to insure that:

(1) Industrial spirits produced or manufactured in the Virgin Islands and shipped to the United States free of tax for the purposes authorized in section 5214(a) (2) and (3), I.R.C.;

(2) Denatured spirits manufactured in the Virgin Islands for shipment to the United States free of tax, and

(3) Products manufactured in the Virgin Islands with denatured spirits, for shipment to the United States free of tax,

conform in all respects to the requirements of law and this chapter imposed on like products of domestic manufacture.

(b) *Law and regulations applicable.* Regulations having been issued by the Governor of the Virgin Islands and concurred in by the Secretary of the Treasury of the United States to govern the production, warehousing, and denaturation of spirits and the use of denatured spirits in the manufacture of products for shipment to the United States free of tax, such regulations are applicable in the Virgin Islands and the Virgin Islands are hereby exempted from

(1) All provisions of chapter 51, I.R.C., with the exception of section 5314(b) and section 5687, I.R.C., and

(2) The provisions of this subchapter in respect of the production, bonded warehousing, denaturation, and withdrawal of distilled spirits and the use of denatured spirits in the United States:

*Provided,* That such exemption shall be effective only to the extent that any amendments or revisions of the regulations issued by the Governor of the Virgin Islands, or his duly authorized agents, are concurred in by the Secretary of the Treasury of the United States or his delegate. Otherwise, all provisions of law as provided in section 5314(b), I.R.C., and the provisions of this subchapter in respect of the production, bonded warehousing, denaturation, and withdrawal from bond of distilled spirits and denatured spirits and the use of denatured spirits in the manufacture of products shall extend to and apply in the Virgin Islands (1) in respect of the production, bonded warehousing, and withdrawal of spirits for shipment to the United States free of tax for the purposes authorized in section 5214(a) (2) and (3), I.R.C., and (2) in respect of the production, bonded warehousing, and denaturation of spirits, and to the withdrawal and use of denatured spirits, where the denatured spirits or products containing denatured spirits are to be shipped to the United States free of tax.

(72 Stat. 1375; 26 U.S.C. 5314)

**§ 250.201b Tax-free shipment to the United States.**

The provisions of subpart PP of Part 182 of this chapter in respect of alcohol, denatured alcohol, and products containing denatured alcohol, shall respectively apply to:

- (a) Industrial spirits coming into the United States from the Virgin Islands free of tax for the purposes authorized in section 5214(a) (2) and (3), I.R.C., and
- (b) Denatured spirits and products containing denatured spirits coming into the United States from the Virgin Islands free of tax.

The law does not authorize the transfer of spirits from the bonded premises

of a plant in the Virgin Islands to the bonded premises of a plant in the United States.

(72 Stat. 1375; 26 U.S.C. 5314)

**§ 250.220 [Amendment]**

PAR. 19. Section 250.220 is amended as follows:

(A) By changing the first sentence to read "Every person who ships liquors or articles not exempt from tax under § 250.201, to the United States, shall submit to the Director, Alcohol and Tobacco Tax Division, in advance of shipment, a formula and process on Form 27-B Supplemental covering the manufacture of such liquor or article."

(B) By changing the last sentence to read "Formulae for products manufactured with denatured spirits shall be submitted as provided in this subchapter for products manufactured in the United States with denatured spirits."

PAR. 20. Section 250.275 is amended to read as follows:

**§ 250.275 Proprietors of taxpaid premises.**

Transactions involving the bringing of liquors into the United States from the Virgin Islands by proprietors of distilled spirits plants in the United States qualified under the provisions of this subchapter shall be recorded and reported in accordance with the regulations governing the operations of such premises in the United States.

(72 Stat. 1375; 26 U.S.C. 5314)

[F.R. Doc. 59-6271; Filed, July 29, 1959; 8:48 a.m.]

## Title 33—NAVIGATION AND NAVIGABLE WATERS

### Chapter II—Corps of Engineers, Department of the Army

#### PART 205—DUMPING GROUNDS REGULATIONS

##### Approaches and Entrances to Coastal Ports

Pursuant to the provisions of section 7 of the River and Harbor Act of August 8, 1917 (40 Stat. 266; 33 U.S.C. 1), § 205.80, establishing and governing the use of dumping grounds and prohibited dumping grounds in waters adjacent to and waters constituting the approaches and entrances to certain ports, is hereby amended by adding new paragraph (c) (5) through (10), as follows:

**§ 205.80 Entrances to seaports.**

\* \* \* \* \*

(c) *Prohibited dumping grounds.* \* \* \* (5) The waters of Lynn Canal in Southeastern Alaska north of latitude 59°00'00" including Chilkat, Chilkoot, Lutak and Taiya Inlets.

(6) The waters of the Gulf of Alaska in Harding Gateway and Resurrection Bay, off Blying Sound, bounded on the south by a line extending from Aialik Cape at latitude 59°42'00", longitude 149°31'30" to Cape Resurrection at latitude 59°51'45", longitude 149°16'30".

(7) The waters of the Gulf of Alaska in the western Prince William Sound area, Whittier and approaches, within an area bounded by a line extending from Cape Junken at latitude 59°55'00", longitude 148°39'00" to Cape Cleare at latitude 59°47'00", longitude 147°56'00"; thence along the western coast line to Montague Island to latitude 60°00'00", longitude 147°40'00"; thence to Point Helen at latitude 60°09'15", longitude 147°46'00"; thence along the western coast line of Knight Island to Passage Point at latitude 60°31'00", longitude 147°41'30"; thence to latitude 60°48'00", longitude 147°55'45"; thence along the southern coast of Esther Island to Point Esther at latitude 60°47'45", longitude 148°08'30", to terminate at Point Pigot at latitude 60°48'00", longitude 148°20'45".

(8) The waters off the northeasterly shore of Kodiak Island, Alaska, including both Marmot and Chiniak Bay, the northerly boundary to begin at Cape Tomki at latitude 58°21'00", longitude 152°00'00"; thence to latitude 58°21'00", longitude 150°30'00"; thence to latitude 57°37'00", longitude 150°30'00"; thence to Cape Chiniak at latitude 57°37'00", longitude 152°10'00"; thence along the eastern coast of Kodiak Island to Shakanof Point at latitude 57°55'30", longitude 152°35'15"; thence to Cape Izhut at latitude 58°06'00", longitude 152°20'00" and thence to the point of beginning.

(9) The waters of the Bering Sea, Dutch Harbor and approaches, in Unalaska Bay, Alaska, bounded on the north by a line extending from Cape Cheerful at latitude 54°01'00", longitude 166°40'00" to Cape Kalekta at latitude 54°00'30", longitude 166°22'15".

(10) The waters of the Bering Sea in Sitkin Sound and Kuluk Bay off Adak, Alaska, on the Aleutian Islands within an area bounded by a line beginning at Cape Adagak at latitude 52°00'15", longitude 176°34'45"; thence to latitude 52°00'00", longitude 176°20'00"; thence to Blind Point at latitude 51°51'00", longitude 176°26'15".

[Regs., July 15, 1959, 285/91—ENGWO] (Sec. 7, 40 Stat. 266; 33 U.S.C. 1)

R. V. LEE,  
Major General, U.S. Army,  
The Adjutant General.

[F.R. Doc. 59-6247; Filed, July 29, 1959; 8:45 a.m.]

## Title 43—PUBLIC LANDS: INTERIOR

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

#### APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 1928]

[80781]

#### ALABAMA

### Opening Lands in Power Project No. 2146

Beginning at 10:00 a.m. on August 29, 1959, the following-described public

lands, reserved on December 2, 1955, pursuant to the filing of an application for license for proposed Project No. 2146, shall be open to application, petition and selection under applicable public-land laws, subject to valid existing rights, requirements of applicable law, the provisions of existing withdrawals, the six-months' preference right to apply to select the lands granted to certain States by subsection (c) of section 2 of the act of August 27, 1958 (72 Stat. 928; 43 U.S.C. 851, 852); the right of the State of Alabama to apply for reservation to it or to any of its political subdivisions of any of the lands required as a right-of-way for a public highway or as a source of materials for the construction and maintenance of such highways pursuant to section 24 of the Federal Power Act of 1920, as amended; and the 91-day preference right filing period for veterans of World War II, the Korean Conflict and other persons entitled to preference rights under the act of September 27, 1944 (58 Stat. 747; 43 U.S.C. 279-284), as amended:

#### ST. STEPHENS MERIDIAN

T. 23 N., R. 15 E.,

Sec. 12, NE¼.

Containing 86.10 acres.

The lands are located seven miles east and 10 miles north of Clanton, Alabama. Terrain is rolling to steep, with a gravelly infertile soil unsuited for agricultural purposes.

The allowance of any application shall be in accordance with and subject to the provisions of section 24 of the Federal Power Act of 1920 (41 Stat. 1075; 16 U.S.C. 818), as amended.

Inquiries concerning the lands shall be addressed to the Manager, Eastern States Land Office, Bureau of Land Management, Washington 25, D.C.

ROGER ERNST,

Assistant Secretary of the Interior.

JULY 24, 1959.

[F.R. Doc. 59-6258; Filed, July 29, 1959; 8:46 a.m.]

## Title 47—TELECOMMUNICATION

### Chapter I—Federal Communications Commission

[Docket No. 12295; FCC 59-769]

#### PART 10—PUBLIC SAFETY RADIO SERVICES

##### Third Report and Order

1. The Commission on June 26, 1958, adopted a Report and Order in this proceeding which, inter alia:

(a) Required "that all radio communications systems first authorized subsequent to the effective date of this action in the Public Safety, Industrial, or Land Transportation Radio Services for operation in the 25-50 and 152-162 Mc bands utilize only equipment which meets the 'narrow-band' technical standards established in Docket Number 11253. The foregoing requirement will apply to the transmitters utilized in the radio communication system of any new

licensee and to the transmitters utilized in the system of any previous licensee proposing to be operated on a frequency or in an area not previously authorized except as indicated below. It will not apply to the equipment of a licensed radio communication system authorized prior to the effective date of this action when that system is required to be moved to a different frequency due to the re-allocation of the frequency previously assigned, provided the deviation of the transmitters of such equipment is immediately reduced to a point that it does not exceed the deviation ( $\pm 5$  kc) specified in the 'narrow-band' technical standards."

(b) Required "that the frequency deviation of all transmitters in the Industrial and Land Transportation Radio Services, operated on frequencies in the 25-50 and 152-162 Mc bands, be reduced to the point where it does not exceed the deviation specified in the 'narrow-band' technical standards ( $\pm 5$  kc) not later than six months from the effective date of this action [February 1, 1959], and that the frequency deviation of all transmitters in the Public Safety Radio Services, operated on frequencies in the 25-50 or the 152-162 Mc bands, be reduced to the same figure not later than two years from the effective date of this action [August 1, 1960]."

(c) Reaffirmed "that, on and after November 1, 1963, the equipment of all stations in the Public Safety, Industrial, and Land Transportation Radio Services, operated on frequencies in the 25-50 or 152-162 Mc bands, must meet all requirements of the 'narrow-band' technical standards prescribed in Docket Number 11253."

Subsequently, in the Second Report and Order issued in this proceeding, the Commission modified these requirements so as to "relieve from the February 1959 (August 1960 in the case of Public Safety users) reduction requirement (reduction of frequency deviation so as not to exceed  $\pm 5$  kc), all users presently operating on frequencies in the 25-42 Mc range removed by at least 40 kc from the nearest regularly-available frequency listed in Parts 10, 11 or 16."

2. The Commission is now in receipt of a petition filed by the Illinois Chapter of the Associated Police Communication Officers, Inc., and by the Illinois State Police which requests the Commission "to permit the Illinois State Police, Illinois Counties and other Governmental Entities in the State of Illinois to be exempt from the narrow-band requirement when requesting the use of the frequency of 39.46 Mc for intersystem service. This waiver not to extend beyond October 31, 1963."

3. The frequencies 39.46 and 45.86 Mc are, pursuant to the provisions of § 10.255(h)(16), "reserved for assignment to stations in the Police Radio Service for intersystem operation only . . ."

4. The requirements set forth in paragraph 1 hereof were adopted so as to accelerate the dates of mandatory compliance with the "narrow-band" technical standards in an effort to promote maximum usage of all available frequencies. However, in the case of frequencies re-

served for "intersystem operations only," it appears that requiring stations first licensed for the use of one of these frequencies subsequent to August 1, 1958, to utilize only "narrow-band" equipment while allowing stations first licensed for the use of such frequency prior to August 1, 1958, to continue using "wide-band" equipment until November 1, 1963, actually inhibits rather than enhances maximum effective use of these "intersystem" frequencies. This inhibition results from the reduced compatibility and efficiency of operations when "wide-band" and "narrow-band" systems endeavor to intercommunicate as is done in intersystem operations.

5. In view of the foregoing, the Commission concludes that § 10.255 of the rules should be amended so as to allow all stations, which are licensed prior to November 1, 1963, for the use of 39.46 Mc or 45.86 Mc for intersystem operations in the Police Radio Service, to utilize transmitters operating with maximum authorized bandwidth of 40 kc and a frequency deviation of 15 kc to the same extent as such stations first licensed for use of these frequencies prior to August 1, 1958, may presently use transmitters so operating.

6. Furthermore, in view of the action being taken herein, the petition filed by the Illinois Chapter of the Associated Police Communication Officers, Inc., and by the Illinois State Police requesting the

Commission to waive the "narrow-band" requirement as it applies to the use of 39.46 Mc for "intersystem" operations by Illinois police stations, is moot and is therefore denied.

7. Since the amendments herein are a relaxation of present requirements and, as such, will not detrimentally affect any person, the Commission finds that compliance with the Public Notice requirements of section 4 of the Administrative Procedure Act is unnecessary and that the amendments ordered herein should be made effective immediately.

8. Accordingly, it is ordered, That under authority contained in sections 4(i) and 303 of the Communications Act of 1934, as amended, § 10.255 of the Commission's rules is amended, effective July 22, 1959, as set forth below.

Adopted: July 22, 1959.

Released: July 27, 1959.

(Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interprets or applies sec. 303, 48 Stat. 1082, as amended; 47 U.S.C. 303)

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] MARY JANE MORRIS,  
Secretary.

Part 10 of the Commission's rules, Public Safety Radio Services, is amended as follows:

Section 10.255 is amended as follows:

1. Paragraph (g) is amended to change the entries in the table for the frequencies 39.46 Mc and 45.86 Mc to read as follows:

39.46	Base and Mobile.....	16,21
	* * * * *	
45.86	Base and Mobile.....	16,22

2. Paragraph (h) is amended to add new subparagraphs (21) and (22) as follows:

(21) Notwithstanding the provisions of § 10.104(b), stations authorized to use this frequency for intersystem operations may utilize transmitters which are operated with a maximum authorized bandwidth of 40 kc and a maximum frequency deviation of 15 kc until not later than October 31, 1963.

(22) Notwithstanding the provisions of § 10.104(b), stations authorized to use this frequency for intersystem operations may utilize transmitters which are operated with a maximum authorized bandwidth of 40 kc and a maximum frequency deviation of 15 kc until not later than July 31, 1960. Subsequent to July 31, 1960, and until not later than October 31, 1963, such transmitters may continue to be utilized for authorized operation on the same frequency provided the frequency deviation thereof is reduced so as not to exceed  $\pm 5$  kc.

[F.R. Doc. 59-6277; Filed, July 29, 1959; 8:49 a.m.]

## NOTICES

### DEPARTMENT OF DEFENSE

#### Office of the Secretary of Defense ORGANIZATIONAL STATEMENTS

The following organizational statements have been approved by the Secretary of Defense:

1. Functions of the Department of Defense and its Major Components [DoD Directive 5100.1]
2. Organization of the Joint Chiefs of Staff and Relationships with the Office of the Secretary of Defense [DoD Directive 5158.1]
3. Director of Defense Research and Engineering [DoD Directive 5129.1]
4. Assistant Secretary of Defense (Comptroller) [DoD Directive 5118.3]
5. Assistant Secretary of Defense (Manpower, Personnel and Reserve) [DoD Directive 5120.26]
6. Assistant Secretary of Defense (Supply and Logistics) [DoD Directive 5126.1]
7. Assistant Secretary of Defense (Properties and Installations) [DoD Directive 5131.1]
8. Assistant Secretary of Defense (International Security Affairs) [DoD Directive 5132.2]
9. Assistant Secretary of Defense (Health and Medical) [DoD Directive 5136.4]
10. General Counsel of the Department of Defense [DoD Directive 5145.1]
11. Assistant to the Secretary of Defense (Atomic Energy) [DoD Directive 5148.2]
12. Assistant to the Secretary of Defense (Special Operations) [DoD Directive 5148.4]
13. Assistant Secretary of Defense (Public Affairs) [DoD Directive 5122.5]

14. Department of Defense Advanced Research Projects Agency [DoD Directive 5105.15]

15. Military Liaison Committee to the Atomic Energy Commission [DoD Directive 5148.1]

#### 1. FUNCTIONS OF THE DEPARTMENT OF DEFENSE AND ITS MAJOR COMPONENTS [DoD DIRECTIVE 5100.1]

I. *Introduction.* Congress, in the National Security Act of 1947, as amended, has described the basic policy embodied in the Act in the following terms:

In enacting this legislation, it is the intent of Congress to provide a comprehensive program for the future security of the United States; to provide for the establishment of integrated policies and procedures for the departments, agencies, and functions of the Government relating to the national security; to provide a Department of Defense, including the three military departments of the Army, the Navy (including naval aviation and the United States Marine Corps), and the Air Force under the direction, authority, and control of the Secretary of Defense; to provide that each military department shall be separately organized under its own Secretary and shall function under the direction, authority, and control of the Secretary of Defense; to provide for their unified direction under civilian control of the Secretary of Defense but not to merge these departments or services; to provide for the establishment of unified or specified combatant commands, and a clear and direct line of command to such commands; to eliminate unnecessary duplication in the Department of Defense, and particularly in

the field of research and engineering by vesting its overall direction and control in the Secretary of Defense; to provide more effective, efficient, and economical administration in the Department of Defense; to provide for the unified strategic direction of the combatant forces, for their operation under unified command, and for their integration into an efficient team of land, naval, and air forces but not to establish a single Chief of Staff over the armed forces nor an overall armed forces general staff.

To provide guidance in accordance with the policy declared by Congress, the Secretary of Defense, with the approval of the President, hereby promulgates the following statement of the functions of the Department of Defense and its major components.

II. *Organizational relationships in the Department of Defense.* 1. All functions in the Department of Defense and its component agencies are performed under the direction, authority, and control of the Secretary of Defense.

2. The Department of Defense includes the Office of the Secretary of Defense and the Joint Chiefs of Staff, the military departments and the military Services within those departments, the unified and specified commands, and such other agencies as the Secretary of Defense establishes to meet specific requirements.

a. In providing immediate staff assistance and advice to the Secretary of Defense, the Office of the Secretary of Defense and the Joint Chiefs of Staff,

though separately identified and organized, function in full coordination and cooperation in accordance with DoD Directive 5158.1, Item No. 2, below.

(1) The Office of the Secretary of Defense includes the offices of the Director of Defense Research and Engineering, the Assistant Secretaries of Defense, and the General Counsel and such other staff offices as the Secretary of Defense establishes to assist him in carrying out his duties and responsibilities. The functions of the heads of these offices shall be as assigned by the Secretary of Defense in accordance with existing laws.

(2) The Joint Chiefs of Staff, as a group, are directly responsible to the Secretary of Defense for the functions assigned to them. Each member of the Joint Chiefs of Staff, other than the Chairman, is responsible for keeping the Secretary of his military department fully informed on matters considered or acted upon by the Joint Chiefs of Staff.

b. Each military department (the Department of the Navy to include naval aviation and the United States Marine Corps) shall be separately organized under its own Secretary and shall function under the direction, authority, and control of the Secretary of Defense. The Secretary of a military department shall be responsible to the Secretary of Defense for the operation of such department as well as its efficiency. Orders to the military departments will be issued through the Secretaries of these departments, or their designees, by the Secretary of Defense or under authority specifically delegated in writing by the Secretary of Defense or provided by law.

c. Commanders of unified and specified commands are responsible to the President and the Secretary of Defense for the accomplishment of the military missions assigned to them. The chain of command runs from the President to the Secretary of Defense and through the Joint Chiefs of Staff to the commanders of unified and specified commands. Orders to such commanders will be issued by the President or the Secretary of Defense, or by the Joint Chiefs of Staff by authority and direction of the Secretary of Defense. These commanders shall have full operational command over the forces assigned to them and shall perform such functions as are prescribed by the Unified Command Plan and other directives issued by competent authority.

3. The functions assigned hereinafter may be transferred, reassigned, abolished, or consolidated by the Secretary of Defense in accordance with the procedures established and the authorities provided in the National Security Act of 1947, as amended.

III. *Functions of the Department of Defense.* As prescribed by higher authority, the Department of Defense shall maintain and employ armed forces:

1. To support and defend the Constitution of the United States against all enemies, foreign and domestic.

2. To insure, by timely and effective military action, the security of the United States, its possessions, and areas vital to its interest.

3. To uphold and advance the national policies and interests of the United States.

4. To safeguard the internal security of the United States.

IV. *Functions of the Joint Chiefs of Staff.* The Joint Chiefs of Staff, consisting of the Chairman; the Chief of Staff, U.S. Army; the Chief of Naval Operations; and the Chief of Staff, U.S. Air Force, and supported by the Organization of the Joint Chiefs of Staff, constitute the immediate military staff of the Secretary of Defense. The Joint Chiefs of Staff are the principal military advisers to the President, the National Security Council, and the Secretary of Defense. The Commandant of the U.S. Marine Corps has coequal status with the members of the Joint Chiefs of Staff on matters which directly concern the Marine Corps. In performance of their functions of advising and assisting the Secretary of Defense, and subject to the authority and direction of the President and the Secretary of Defense, it shall be the duty of the Joint Chiefs of Staff:

1. To serve as advisers and as military staff in the chain of operational command with respect to unified and specified commands, to provide a channel of communications from the President and Secretary of Defense to unified and specified commands, and to coordinate all communications in matters of joint interest addressed to the commanders of the unified or specified commands by other authority.

2. To prepare strategic plans and provide for the strategic direction of the armed forces, including the direction of operations conducted by commanders of unified and specified commands and the discharge of any other function of command for such commands directed by the Secretary of Defense.

3. To prepare integrated logistic plans, which may include assignments to the armed forces of logistic responsibilities in accordance with such plans.

4. To prepare integrated plans for military mobilization.

5. To provide adequate, timely, and reliable joint intelligence for use within the Department of Defense.

6. To review major personnel, materiel, and logistic requirements of the armed forces in relation to strategic and logistic plans.

7. To review the plans and programs of commanders of unified and specified commands to determine their adequacy, feasibility, and suitability for the performance of assigned missions.

8. To provide military guidance for use by the military departments and the armed forces as needed in the preparation of their respective detailed plans.

9. To participate, as directed, in the preparation of combined plans for military action in conjunction with the armed forces of other nations.

10. To recommend to the Secretary of Defense the establishment and force structure of unified and specified commands in strategic areas.

11. To determine the headquarters support, such as facilities, personnel, and communications, required by command-

ers of unified and specified commands and to recommend the assignment to the military departments of the responsibilities for providing such support.

12. To establish doctrines for (a) unified operations and training and (b) coordination of the military education of members of the armed forces.

13. To recommend to the Secretary of Defense the assignment of primary responsibility for any function of the armed forces requiring such determination and the transfer, reassignment, abolition, or consolidation of such functions.

14. To prepare and submit to the Secretary of Defense, for information and consideration in connection with the preparation of budgets, statements of military requirements based upon United States strategic considerations, current national security policy, and strategic war plans. These statements of requirements shall include tasks, priority of tasks, force requirements, and general strategic guidance for the development of military installations and bases and for equipping and maintaining military forces.

15. To advise and assist the Secretary of Defense in research and engineering matters by preparing: (a) Statements of broad strategic guidance to be used in the preparation of an integrated Department of Defense program; (b) statements of overall military requirements; (c) statements of the relative military importance of development activities to meet the needs of the unified and specified commanders; and (d) recommendations for the assignment of specific new weapons to the armed forces.

16. To prepare and submit to the Secretary of Defense for information and consideration general strategic guidance for the development of industrial mobilization programs.

17. To prepare and submit to the Secretary of Defense military guidance for use in the development of military aid programs and other actions relating to foreign military forces, including recommendations for allied military force, materiel, and facilities requirements related to United States strategic objectives, current national security policy, strategic war plans, and the implementation of approved programs; and to make recommendations to the Secretary of Defense, as necessary, for keeping the Military Assistance Program in consonance with agreed strategic concepts.

18. To provide United States representation on the Military Staff Committee of the United Nations, in accordance with the provisions of the Charter of the United Nations, and representation on other properly authorized military staffs, boards, councils, and missions.

19. To perform such other duties as the President or the Secretary of Defense may prescribe.

V. *Functions of the military departments and the military services.* The chain of command for purposes other than the operational direction of unified and specified commands runs from the President to the Secretary of Defense to the Secretaries of the military departments.

The military departments, under their respective Secretaries and in accordance with sections II and IV, shall:

1. Prepare forces and establish reserves of equipment and supplies for the effective prosecution of war, and plan for the expansion of peacetime components to meet the needs of war.

2. Maintain in readiness mobile reserve forces, properly organized, trained, and equipped for employment in emergency.

3. Provide adequate, timely, and reliable departmental intelligence for use within the Department of Defense.

4. Organize, train, and equip forces for assignment to unified or specified commands.

5. Prepare and submit to the Secretary of Defense budgets for their respective departments; justify before the Congress budget requests as approved by the Secretary of Defense; and administer the funds made available for maintaining, equipping, and training the forces of their respective departments, including those assigned to unified and specified commands. The budget submissions to the Secretary of Defense by the military departments shall be prepared on the basis, among other things, of the advice of commanders of forces assigned to unified and specified commands; such advice, in the case of component commanders of unified commands, will be in agreement with the plans and programs of the respective unified commanders.

6. Conduct research, develop tactics, techniques, and organization, and develop and procure weapons, equipment, and supplies essential to the fulfillment of the functions hereinafter assigned.

7. Develop, garrison, supply, equip, and maintain bases and other installations, including lines of communication, and provide administrative and logistical support for all forces and bases.

8. Provide, as directed, such forces, military missions, and detachments for service in foreign countries as may be required to support the national interests of the United States.

9. Assist in training and equipping the military forces of foreign nations.

10. Assist each other in the accomplishment of their respective functions, including the provision of personnel, intelligence, training, facilities, equipment, supplies, and services.

The forces developed and trained to perform the primary functions set forth hereinafter shall be employed to support and supplement the other Services in carrying out their primary functions, where and whenever such participation will result in increased effectiveness and will contribute to the accomplishment of the overall military objectives. As for collateral functions, while the assignment of such functions may establish further justification for stated force requirements, such assignment shall not be used as the basis for establishing additional force requirements.

**A. Functions of the Department of the Army.** The Department of the Army is responsible for the preparation of land forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with inte-

grated mobilization plans, for the expansion of the peacetime components of the Army to meet the needs of war.

The Army, within the Department of the Army, includes land combat and service forces and such aviation and water transport as may be organic therein.

**1. Primary functions of the Army.**

a. To organize, train, and equip Army forces for the conduct of prompt and sustained combat operations on land—specifically, forces to defeat enemy land forces and to seize, occupy, and defend land area.

b. To organize, train and equip Army air defense units, including the provision of Army forces as required for the defense of the United States against air attack, in accordance with doctrines established by the Joint Chiefs of Staff.

c. To organize and equip, in coordination with the other Services, and to provide Army forces for joint amphibious and airborne operations, and to provide for the training of such forces, in accordance with doctrines established by the Joint Chiefs of Staff.

(1) To develop, in coordination with the other Services, doctrines, tactics, techniques, and equipment of interest to the Army for amphibious operations and not provided for in section V, paragraph B1b(3) and paragraph B1d.

(2) To develop, in coordination with the other Services, the doctrines, procedures, and equipment employed by Army and Marine Forces in airborne operations. The Army shall have primary interest in the development of those airborne doctrines, procedures, and equipment which are of common interest to the Army and the Marine Corps.

d. To provide an organization capable of furnishing adequate, timely, and reliable intelligence for the Army.

e. To provide forces for the occupations of territories abroad, to include initial establishment of military government pending transfer of this responsibility to other authority.

f. To formulate doctrines and procedures for the organizing, equipping, training, and employment of forces operating on land, except that the formulation of doctrines and procedures for the organization, equipping, training, and employment of Marine Corps units for amphibious operations shall be a function of the Department of the Navy, coordinating as required by section V, paragraph B1b(3).

**g. To conduct the following activities:**

(1) The administration and operation of the Panama Canal.

(2) The authorized civil works program, including projects for improvement of navigation, flood control, beach erosion control, and other water resource developments in the United States, its territories, and its possessions.

(3) Certain other civil activities prescribed by law.

**2. Collateral functions of the Army.** To train forces:

a. To interdict enemy sea and air power and communications through operations on or from land.

**B. Functions of the Department of the Navy.** The Department of the Navy is responsible for the preparation of Navy

and Marine Corps forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with integrated mobilization plans, for the expansion of the peacetime components of the Navy and Marine Corps to meet the needs of war.

Within the Department of the Navy, the Navy includes naval combat and service forces and such aviation as may be organic therein, and the Marine Corps includes not less than three combat divisions and three air wings and such other land combat, aviation, and other services as may be organic therein.

**1. Primary functions of the Navy and the Marine Corps.**

a. To organize, train, and equip Navy and Marine Corps forces for the conduct of prompt and sustained combat operations at sea, including operations of sea-based aircraft and land-based naval air components—specifically, forces to seek out and destroy enemy naval forces and to suppress enemy sea commerce, to gain and maintain general naval supremacy, to control vital sea areas and to protect vital sea lines of communication, to establish and maintain local superiority (including air) in an area of naval operations, to seize and defend advanced naval bases, and to conduct such land and air operations as may be essential to the prosecution of a naval campaign.

b. To maintain the Marine Corps, having the following specific functions:

(1) To provide Fleet Marine Forces of combined arms, together with supporting air components, for service with the Fleet in the seizure or defense of advanced naval bases and for the conduct of such land operations as may be essential to the prosecution of a naval campaign. These functions do not contemplate the creation of a second land Army.

(2) To provide detachments and organizations for service on armed vessels of the Navy, and security detachments for the protection of naval property at naval stations and bases.

(3) To develop, in coordination with the other Services, the doctrines, tactics, techniques, and equipment employed by landing forces in amphibious operations. The Marine Corps shall have primary interest in the development of those landing force doctrines, tactics, techniques, and equipment which are of common interest to the Army and the Marine Corps.

(4) To train and equip, as required, Marine Forces for airborne operations, in coordination with the other Services and in accordance with doctrines established by the Joint Chiefs of Staff.

(5) To develop, in coordination with the other Services, doctrines, procedures, and equipment of interest to the Marine Corps for airborne operations and not provided for in section V, paragraph A1c(2).

c. To organize and equip, in coordination with the other Services, and to provide naval forces, including naval close air-support forces, for the conduct of joint amphibious operations, and to be responsible for the amphibious training of all forces assigned to joint amphibious operations in accordance with doctrines established by the Joint Chiefs of Staff.

d. To develop, in coordination with the other Services, the doctrines, procedures, and equipment of naval forces for amphibious operations, and the doctrines and procedures for joint amphibious operations.

e. To furnish adequate, timely, and reliable intelligence for the Navy and Marine Corps.

f. To organize, train, and equip naval forces for naval reconnaissance, anti-submarine warfare, and protection of shipping, and mine laying, including the air aspects thereof, and controlled mine field operations.

g. To provide air support essential for naval operations.

h. To provide sea-based air defense and the sea-based means for coordinating control for defense against air attack, coordinating with the other Services in matters of joint concern.

i. To provide naval (including naval air) forces as required for the defense of the United States against air attack, in accordance with doctrines established by the Joint Chiefs of Staff.

j. To furnish aerial photography as necessary for Navy and Marine Corps operations.

2. *Collateral functions of the Navy and the Marine Corps.* To train forces:

a. To interdict enemy land and air power and communications through operations at sea.

b. To conduct close air and naval support for land operations.

c. To furnish aerial photography for cartographic purposes.

d. To be prepared to participate in the overall air effort as directed.

e. To establish military government, as directed, pending transfer of this responsibility to other authority.

C. *Functions of the Department of the Air Force.* The Department of the Air Force is responsible for the preparation of the air forces necessary for the effective prosecution of war except as otherwise assigned and, in accordance with integrated mobilization plans, for the expansion of the peacetime components of the Air Force to meet the needs of war.

The Air Force, within the Department of the Air Force, includes aviation forces, both combat and service, not otherwise assigned.

1. *Primary functions of the Air Force.*  
a. To organize, train, and equip Air Force forces for the conduct of prompt and sustained combat operations in the air—specifically, forces to defend the United States against air attack in accordance with doctrines established by the Joint Chiefs of Staff, to gain and maintain general air supremacy, to defeat enemy air forces, to control vital air areas, and to establish local air superiority except as otherwise assigned herein.

b. To develop doctrines and procedures, in coordination with the other Services, for the unified defense of the United States against air attack.

c. To organize, train, and equip Air Force forces for strategic air warfare.

d. To organize and equip Air Force forces for joint amphibious and airborne operations, in coordination with the other Services, and to provide for their

training in accordance with doctrines established by the Joint Chiefs of Staff.

e. To furnish close combat and logistical air support to the Army, to include air lift, support, and resupply of airborne operations, aerial photography, tactical reconnaissance, and interdiction of enemy land power and communications.

f. To provide air transport for the armed forces, except as otherwise assigned.

g. To develop, in coordination with the other Services, doctrines, procedures, and equipment for air defense from land areas, including the continental United States.

h. To formulate doctrines and procedures for the organization, equipping, training, and employment of Air Force forces.

i. To provide an organization capable of furnishing adequate, timely, and reliable intelligence for the Air Force.

j. To furnish aerial photography for cartographic purposes.

k. To develop, in coordination with the other Services, tactics, techniques, and equipment of interest to the Air Force for amphibious operations and not provided for in section V, paragraph B1b (3), and paragraph B1d.

1. To develop, in coordination with the other Services, doctrines, procedures, and equipment employed by Air Force forces in airborne operations.

2. *Collateral functions of the Air Force.* To train forces:

a. To interdict enemy sea power through air operations.

b. To conduct anti-submarine warfare and to protect shipping.

c. To conduct aerial mine-laying operations.

2. ORGANIZATION OF THE JOINT CHIEFS OF STAFF AND RELATIONSHIPS WITH THE OFFICE OF THE SECRETARY OF DEFENSE [DoD DIRECTIVE 5158.1]

I. *Purpose.* The Department of Defense Reorganization Act of 1958 and the President's Message to the Congress of April 3, 1958, set forth general policies, procedures, and organizational relationships required for the effective direction of the entire defense establishment.

The President's Message singles out the accomplishment of the following objective as one of the paramount duties of the Secretary of Defense, acting with the advice and assistance of the Joint Chiefs of Staff and under the supervision of the Commander in Chief:

Strategic and tactical planning must be completely unified, combat forces organized into unified commands, each equipped with the most efficient weapons systems that science can develop, singly led and prepared to fight as one, regardless of Service.

This directive implements the Department of Defense Reorganization Act of 1958 and the President's Message of April 3, 1958, with respect to the organization of the Joint Chiefs of Staff and relationships with the major offices in the Office of the Secretary of Defense, i.e., those of the Director of Defense Research and Engineering, the Assistant Secretaries of Defense, the General

Counsel, the Assistants to the Secretary of Defense, and the heads of other offices established by the Secretary of Defense.

The functions of the Department of Defense and its major components have been set forth in DoD Directive 5100.1, "Functions of the DoD and its Major Components," Item No. 1 above.

II. *Responsibilities and procedures.*

A. The duties of the Chiefs of the military services as members of the Joint Chiefs of Staff shall take precedence over all of their other duties. To insure that the Chiefs of the military services have adequate time to devote to their duties as members of the Joint Chiefs of Staff, they shall delegate appropriate duties to their Vice Chiefs.

B. The Joint Chiefs of Staff shall, in discharging their responsibilities, avail themselves of the most competent and considered thinking that can be obtained representing every pertinent point of view, including scientific, industrial, and economic as well as military.

C. To insure that planning and operations will be of the highest order:

1. All elements of the organization of the Joint Chiefs of Staff shall cooperate fully and effectively with appropriate offices of the Office of the Secretary of Defense. In all stages of important staff studies, the organization of the Joint Chiefs of Staff shall avail itself of the views and special skills in the Office of the Secretary of Defense. As a normal procedure, specialized data necessary for the preparation of such studies will be obtained from or through the appropriate offices of the Office of the Secretary of Defense.

2. The Directors of the various Directorates of the Joint Staff shall maintain active liaison with appropriate offices of the Office of the Secretary of Defense. This shall include, but not be limited to, the exchange of information, interchange of technical advice, and guidance for mutual benefit. The heads of offices in the Office of the Secretary of Defense shall maintain similar liaison and make representatives available to meet formally or informally with appropriate members of the organization of the Joint Chiefs of Staff.

D. Directives and orders to the Joint Chiefs of Staff will be issued by the Secretary or the Deputy Secretary of Defense. Requests to the Joint Chiefs of Staff or to the Chairman of the Joint Chiefs of Staff, involving action by the Joint Chiefs of Staff, may be issued by responsible officials of the Office of the Secretary of Defense in accordance with authority specifically delegated by the Secretary of Defense.

E. Development of strategic and logistic plans will be based on the broadest concepts of overall national interests, and personnel of the organization of the Joint Chiefs of Staff shall be selected with due regard for their competency and ability to support such interests.

F. The Chairman of the Joint Chiefs of Staff shall have the authority and responsibility for:

1. Serving as a member of and presiding over the Joint Chiefs of Staff.

2. Providing the agenda for meetings of the Joint Chiefs of Staff and assisting them to prosecute their business as promptly as is practicable.

3. Furnishing the Secretary of Defense with periodic progress reports on important items of current interest being considered by the Joint Chiefs of Staff.

4. Keeping the Secretary of Defense informed on issues upon which agreement among the Joint Chiefs of Staff has not been reached, and forwarding to the Secretary of Defense the recommendations, advice, and views of the Joint Chiefs of Staff, including any divergencies.

5. Arranging for the provision of military advice to all offices of the Office of the Secretary of Defense.

6. Making arrangements to relieve the Joint Chiefs of Staff of matters of lesser importance.

7. Organizing the Joint Staff and the subordinate structure of the organization of the Joint Chiefs of Staff to insure that they are designed to accomplish efficiently the tasks to be assigned.

8. Managing the Joint Staff and its Director on behalf of the Joint Chiefs of Staff. The term manage means to conduct, to guide, and to administer the work of the elements affected, and to insure that the work is performed in a manner that will permit the Secretary of Defense and the Joint Chiefs of Staff to discharge their total responsibilities. The Joint Staff shall perform such duties as the Joint Chiefs of Staff or the Chairman of the Joint Chiefs of Staff prescribes.

9. Keeping the Joint Chiefs of Staff informed, as appropriate, concerning any matter that is referred by the Chairman to the Secretary of Defense with a recommendation that it be assigned to a military department for consideration or action.

10. Appointing consultants to the Joint Chiefs of Staff from outside the Department of Defense, subject to the approval of the Secretary of Defense and with the advice of the Joint Chiefs of Staff.

G. The selection of the Director, Joint Staff, and of the members of the organization of the Joint Chiefs of Staff shall be as follows:

1. The Director, Joint Staff, shall be selected and his tenure fixed by the Chairman of the Joint Chiefs of Staff, in consultation with the Joint Chiefs of Staff and with the approval of the Secretary of Defense. The normal tenure of the Director will be two years; any extension of this tenure may not exceed one year except in time of war.

2. The members of the organization of the Joint Chiefs of Staff shall be selected by the Joint Chiefs of Staff with the approval of the Chairman of the Joint Chiefs of Staff.

H. The duties and manner of operation of the Operations Deputies will be prescribed by the Joint Chiefs of Staff.

I. In order to carry out the objectives of paragraph II C, above, the Director, Joint Staff, and appropriate heads of offices in the Office of the Secretary of Defense have the specific duty and authority of insuring that there is full cooperation between their respective agencies.

### 3. DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING [DoD Directive 5129.1]

I. *General.* Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, the Director of Defense Research and Engineering shall have responsibilities, functions, and authorities as prescribed herein.

II. *Responsibilities.* The Director of Defense Research and Engineering is the principal adviser and staff assistant to the Secretary of Defense in the following functional fields:

1. Scientific and technical matters
2. Basic and applied research
3. Research, development, test and evaluation of weapons, weapons systems and Defense materiel

4. Design and engineering for suitability, producibility, reliability, maintainability, and materials conservation

III. *Functions.* Under the direction, authority and control of the Secretary of Defense, the Director of Defense Research and Engineering shall supervise all research and engineering activities in the Department of Defense and shall perform the following functions in his assigned fields of responsibility:

1. Recommend policies and guidance governing Department of Defense planning and program development.

2. Plan and recommend an optimum integrated program of research and development to meet the requirements of national military objectives and initiate projects to fill important gaps which may exist.

3. Review projects, programs and objectives of programs of the military departments and other Department of Defense research and development agencies.

4. Develop systems and standards for the administration and management of approved plans and programs.

5. Evaluate the administration and management of approved policies, programs and projects.

6. Recommend the assignment or reassignment of research and engineering responsibility for the development of new weapons or weapons systems, giving due consideration to the departmental functions set forth in DoD Directive 5100.1.

7. Direct and control (including their assignment or reassignment) research and engineering activities that the Secretary of Defense deems to require centralized management.

8. As approved by proper authority, engage in or designate appropriate research and development facilities to engage in basic and applied research projects essential to the responsibilities of the Department of Defense which pertain to weapons systems and other military requirements: (1) By contract with private business entities, educational or research institutions or other agencies of government, (2) through one or more of the military departments, or (3) by utilizing employees and consultants of the Department of Defense.

9. Recommend appropriate steps (including the transfer, reassignment, abolition and consolidation of functions) which will provide in the Department of

Defense for more effective, efficient and economical administration and operation, will eliminate unnecessary duplication, or will contribute to improved military preparedness.

10. Recommend to the Secretary of Defense appropriate funding for research, development, test and evaluation, including allocations from the Emergency Fund, Department of Defense.

11. Keep the Department of Defense informed on significant trends in scientific research relating to national security and recommend measures to assure continuing progress.

12. Exercise administrative direction of the Weapons Systems Evaluation Group and assure its responsiveness to the needs of the Joint Chiefs of Staff and the Office of the Secretary of Defense for operations analysis.

13. In coordination with the Assistant Secretary of Defense (International Security Affairs), engage in programs for assistance to friendly countries in military research and development and in the interchange of related scientific and technical information.

14. Such other duties as the Secretary of Defense assigns.

IV. *Relationships.* A. In the performance of his functions, the Director of Defense Research and Engineering shall:

1. Coordinate actions as appropriate, with the military departments and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense agencies.

3. Consult with the Joint Chiefs of Staff on the interaction of research and development and strategy.

4. Seek formal statements of military operational requirements from the military departments or the Joint Chiefs of Staff, as appropriate, for research and development projects and equipment areas which appear to require such statements.

5. Maintain or arrange for the maintenance of active liaison with appropriate research and development agencies outside the Department of Defense, including private business entities, educational or research institutions or other agencies of government.

6. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

B. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Director of Defense Research and Engineering and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

V. *Authorities.* A. The Director of Defense Research and Engineering, in the course of exercising full staff functions in his assigned fields, including those enumerated in Section III above, is

hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities in accordance with DoD Directive 5025.1. Such instructions and memoranda to the military departments will be issued through the Secretaries of those departments or their designees.

2. Approve, modify or disapprove programs and projects of the military departments and other Department of Defense agencies in his assigned fields to eliminate unpromising or unnecessarily duplicative programs, and initiate or support promising ones for research and development.

3. Obtain such reports and information (in accordance with provisions of DoD Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

B. Other authorities specifically delegated by the Secretary of Defense to the Director of Defense Research and Engineering in other directives will be referenced in an inclosure to this directive.

VI. *Abolition and transfer.* A. The position of Assistant Secretary of Defense (Research and Engineering) is hereby abolished and all personnel, functions (including the administrative direction of the Weapons Systems Evaluation Group) and records of the Office of the Assistant Secretary of Defense (Research and Engineering) are transferred to the Office of the Director of Defense Research and Engineering as of the effective date of this directive.

B. All directives, instructions, memoranda, delegations of authority or other issuances not canceled by this directive containing the title of Assistant Secretary of Defense (Research and Engineering) are hereby changed to Director of Defense Research and Engineering.

*Inclosure 1—References to Other Authorities Specifically Delegated by the Secretary of Defense to the Director of Defense Research and Engineering in Other Directives.* 1. Authority to act for the Secretary of Defense in matters pursuant to Executive Order 9913 pertaining to the termination of OSRD contained in DoD Directive 5128.6, dated 9 August 1954 (19 F.R. 5155).

#### 4. ASSISTANT SECRETARY OF DEFENSE (COMPTROLLER) [DoD DIRECTIVE 5118.3]

I. *General.* Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by that Act is designated the Assistant Secretary of Defense (Comptroller) with responsibilities, functions and authorities as prescribed herein. The Assistant Secretary of Defense (Comptroller) shall be the Comptroller of the Department of Defense.

II. *Responsibilities.* The Assistant Secretary of Defense (Comptroller) shall

advise and assist the Secretary of Defense in the performance of the Secretary's budgetary and fiscal functions.

III. *Functions.* Under the direction, authority and control of the Secretary of Defense, the Assistant Secretary of Defense (Comptroller) shall perform the following functions in his assigned area of responsibility:

1. Supervise and direct the preparation of the budget estimates of the Department of Defense.

2. Establish and supervise the execution of:

a. Principles, policies and procedures to be followed in connection with organizational and administrative matters relating to:

(1) The preparation and execution of the budgets;

(2) Fiscal, cost, operating and capital property accounting;

(3) Progress and statistical reporting; and

(4) Internal audit.

b. Policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense.

3. Establish uniform terminologies, classifications and procedures in all such matters.

4. Evaluate (including audit and inspection in the field in accordance with Secretary of Defense memorandum dated August 17, 1957) the administration and management of approved policies and programs.

5. Recommend appropriate steps (including the transfer, reassignment, abolition and consolidation of functions) which will provide in the Department of Defense for more effective, efficient and economical administration and operation, will eliminate unnecessary duplication or will contribute to improved military preparedness.

6. Such other functions as the Secretary of Defense assigns.

IV. *Relationships.* A. In the performance of his functions, the Assistant Secretary of Defense (Comptroller) shall:

1. Coordinate actions, as appropriate, with the military departments and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense officials or agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

B. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Assistant Secretary of Defense (Comptroller) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

V. *Authorities.* A. The Assistant Secretary of Defense (Comptroller), in the

course of exercising full staff functions and those assigned by Title IV of the National Security Act of 1947, as amended, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities in accordance with DoD Directive 5025.1. Instructions to the military departments will be issued through the Secretaries of those departments or their designees.

2. Obtain such reports and information (in accordance with the provisions of Department of Defense Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (Comptroller) in other directives will be referenced in an inclosure to this directive.

#### 5. ASSISTANT SECRETARY OF DEFENSE (MANPOWER, PERSONNEL AND RESERVE) [DoD DIRECTIVE 5120.26]

I. *General.* Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by that Act is hereby designated the Assistant Secretary of Defense (Manpower, Personnel and Reserve) with responsibilities, functions and authorities as prescribed herein.

II. *Responsibilities.* The Assistant Secretary of Defense (Manpower, Personnel and Reserve) is the principal staff assistant to the Secretary of Defense in the following functional fields:

1. Manpower, personnel and reserve affairs.

2. Armed Forces information and education.

3. Safeguarding of classified information and activities, and related personnel and physical security.

4. Continuity of Government, military participation in civil and domestic emergencies, and related emergency planning.

5. Industrial relations.

6. Federal voting assistance.

III. *Functions.* Under the direction, authority and control of the Secretary of Defense, the Assistant Secretary of Defense (Manpower, Personnel and Reserve) shall perform the following functions in his assigned fields of responsibility:

1. Recommend policies and guidance governing Department of Defense planning and program development.

2. Develop systems and standards for the administration and management of approved plans and programs.

3. Review programs of the military departments for carrying out approved policies.

4. Evaluate the administration and management of approved policies and programs.

5. Recommend appropriate steps (including the transfer, reassignment, abolition and consolidation of functions) which will provide in the Department of Defense for more effective, efficient and economical administration and operation, will eliminate unnecessary duplication, or will contribute to improved military preparedness.

6. Such other functions as the Secretary of Defense assigns.

IV. *Relationships*. A. In the performance of his functions, the Assistant Secretary of Defense (Manpower, Personnel and Reserve) shall:

1. Coordinate actions, as appropriate, with the military departments and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

B. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Assistant Secretary of Defense (Manpower, Personnel and Reserve) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

V. *Authorities*. A. The Assistant Secretary of Defense (Manpower, Personnel and Reserve), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities in accordance with DoD Directive 5025.1. Instructions to the military departments will be issued through the Secretaries of those departments or their designees.

2. Obtain such reports and information (in accordance with provisions of DoD Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (Manpower, Personnel and Reserve) in other directives will be referenced in an inclosure to this directive.

*Inclosure 1—References to Other Authorities Specifically Delegated by the Secretary of Defense to the Assistant Secretary of Defense (Manpower, Personnel and Reserve) in Other Directives.*

1. Authority to make determinations with respect to Reserve Forces facilities, as prescribed in DoD Directive 5100.10, dated May 29, 1959 (24 F.R. 4890).

2. Authority to administer the absentee voting within the Department of Defense, as prescribed in DoD Directive

1000.4, dated January 5, 1956 (23 F.R. 5699).

3. Authority to make available to designated schools and organizations certain surplus property of the Department of Defense in order to foster and encourage the educational purposes of such activities, as prescribed in DoD Dir. 5100.13, dated May 20, 1957 (22 F.R. 3765).

6. ASSISTANT SECRETARY OF DEFENSE (SUPPLY AND LOGISTICS) [DoD DIRECTIVE 5126.11]

I. *General*. Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by that Act is hereby designated the Assistant Secretary of Defense (Supply and Logistics) with responsibilities, functions and authorities as prescribed herein.

II. *Responsibilities*. The Assistant Secretary of Defense (Supply and Logistics) is the principal staff assistant to the Secretary of Defense in the following functional fields:

1. Acquisition, inventory management, storage, maintenance, distribution, movement and disposal of materiel, supplies, tools and equipment.

2. Materiel requirements.

3. Supply cataloging, standardization and quality control.

4. Production planning and scheduling.

5. Commercial and industrial activities.

6. Small business matters.

7. Transportation, telecommunications, petroleum and other logistical services.

8. Vulnerability of resources to attack damage.

III. *Functions*. Under the direction, authority and control of the Secretary of Defense, the Assistant Secretary of Defense (Supply and Logistics) shall perform the following functions in his assigned fields of responsibility:

1. Recommend policies and guidance governing Department of Defense planning and program development.

2. Develop systems and standards for the administration and management of approved plans and programs.

3. Review programs of the military departments for carrying out approved policies.

4. Evaluate the administration and management of approved policies and programs.

5. Recommend appropriate steps (including the transfer, reassignment, abolition and consolidation of functions) which will provide in the Department of Defense for more effective, efficient and economical administration and operation, will eliminate unnecessary duplication, or will contribute to improved military preparedness.

6. Such other functions as the Secretary of Defense assigns.

IV. *Relationships*. A. In the performance of his functions, the Assistant Sec-

retary of Defense (Supply and Logistics) shall:

1. Coordinate actions, as appropriate, with the military departments and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

B. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Assistant Secretary of Defense (Supply and Logistics) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

V. *Authorities*. A. The Assistant Secretary of Defense (Supply and Logistics) in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carry out policies approved by the Secretary of Defense for his assigned fields of responsibilities, in accordance with DoD Directive 5025.1. Instructions to the military departments will be issued through the Secretaries of those departments or their designees.

2. Obtain such reports and information (in accordance with the provisions of DoD Directives 7700.1 and 5158.1) and the assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (Supply and Logistics) in other directives will be referenced in an inclosure to this directive.

*Inclosure 1—References to Other Authorities Specifically Delegated by the Secretary of Defense to the Assistant Secretary of Defense (Supply and Logistics) in Other Directives.*

1. Authority to make determinations and certifications with respect to construction, replacement or reactivation of bakery, laundry or dry cleaning facilities, as prescribed in DoD Directive 5126.8, dated November 14, 1955 (20 F.R. 8551).

2. Authority to exercise all authorities delegated to the Secretary of Defense by Business and Defense Services Administration Delegation No. 1, as amended, as prescribed in DoD Directive 4405.6, dated August 20, 1954 (19 F.R. 5446).

3. Authority to make determinations with respect to facilities and equipment for metal scrap, bailing or shearing, or for melting or smelting aluminum scrap, as prescribed in DoD Directive 5126.15, dated January 6, 1956 (21 F.R. 273).

4. Authority to act for the Secretary of Defense with respect to disposal of

surplus property, as prescribed in DoD Dir. 5100.16, dated March 19, 1958 (23 F.R. 2047).

5. Authority to make determinations with respect to the donation of surplus personal property to educational activities of special interest to the Armed Services, as prescribed in DoD Dir. 5100.13, dated May 20, 1957 (22 F.R. 3765).

6. Authority to act for the Secretary of Defense with respect to the administration and operation of the Armed Forces Supply Support Center, as prescribed in DoD Dir. 5154.14, dated June 23, 1958.

7. Authority to exercise the responsibilities of the Secretary of Defense under the National Industrial Reserve Act of 1948 with respect to machine tool and production equipment reserve, as prescribed in DoD Directive 5100.17, dated January 7, 1959 (24 F.R. 463).

**7. ASSISTANT SECRETARY OF DEFENSE (PROPERTIES AND INSTALLATIONS) [DoD DIRECTIVE 5131.1]**

**I. General.** Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by that Act is hereby designated the Assistant Secretary of Defense (Properties and Installations) with responsibilities, functions and authorities as prescribed herein.

**II. Responsibilities.** A. The Assistant Secretary of Defense (Properties and Installations) is the principal staff assistant to the Secretary of Defense in the following functional fields:

1. Military Public Works.
2. Family Housing.
3. Reserve Forces Facilities.
4. Real Estate and Real Property.
5. General Purpose Space.
6. Industrial and Commercial Facilities, including Fixed Industrial Equipment.

**III. Functions.** A. Under the direction, authority and control of the Secretary of Defense, the Assistant Secretary of Defense (Properties and Installations) shall perform the following functions in his assigned fields of responsibility:

1. Recommend policies and guidance governing Department of Defense planning and program development.
2. Develop systems and standards for the administration and management of approved plans and programs.
3. Review programs of the military departments for carrying out approved policies.
4. Evaluate the administration and management of approved policies and programs.
5. Recommend appropriate steps (including the transfer, reassignment, abolition and consolidation of functions) which will provide in the Department of Defense for more effective, efficient and economical administration and operation, will eliminate unnecessary duplication, or will contribute to improved military preparedness.
6. Such other functions as the Secretary of Defense assigns.

**IV. Relationships.** A. In the performance of his functions, the Assistant Secretary of Defense (Properties and Installations) shall:

1. Coordinate actions, as appropriate, with the military departments and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

B. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Assistant Secretary of Defense (Properties and Installations) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

**V. Authorities.** A. The Assistant Secretary of Defense (Properties and Installations), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities, in accordance with DoD Directive 5025.1. Instructions to the military departments will be issued through Secretaries of those departments or their designees.

2. Obtain such reports and information (in accordance with the provisions of DoD Directives 7700.1, and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (Properties and Installations) in other directives will be referenced in an inclosure to this directive.

**Inclosure 1—References to Other Authorities Specifically Delegated by the Secretary of Defense to the Assistant Secretary of Defense (Properties and Installations) in Other Directives.** 1. Authority to approve minor construction and related land acquisitions, as prescribed in DoD Directive 4270.6, dated October 10, 1957, and as amended on October 15, 1958.

2. Authority to approve acquisition of Wherry Housing Projects, as prescribed in DoD Dir. 4165.29, dated October 23, 1956 (21 F.R. 8669).

3. Authority to issue instructions and enter into agreements with other executive departments and agencies regarding taxes on Wherry Housing Projects, as prescribed in DoD Dir. 4165.30, dated April 22, 1958 (23 F.R. 2872; 23 F.R. 3040).

4. Authority to approve Capehart Housing Projects and related matters, as

prescribed in DoD Dir. 4165.21, dated May 1, 1957 (22 F.R. 3262).

5. Authority to make determinations, approve projects and programs, and effect related actions pertaining to National Defense and Reserve Forces facilities, as prescribed in DoD Dir. 5100.10 (24 F.R. 4890) and 1225.5, dated May 29, 1959 and February 20, 1957, respectively.

6. Authority with respect to the application of certain statutory limitations on unit costs for the construction of warehousing, barracks, and bachelor officer quarters, as prescribed in DoD Dir. 4270.2, dated August 18, 1955 (20 F.R. 6262).

7. Authority with respect to disposal of surplus property, as prescribed in DoD Dir. 5100.16, dated March 19, 1958 (23 F.R. 2047).

8. Authority to determine availability of housing facilities at or near military tactical installations and to take certain other actions as prescribed in DoD Dir. 5131.6, dated September 29, 1955 (20 F.R. 7452).

9. Authority to expedite construction and take related actions, as prescribed in DoD Dir. 5131.7, dated December 22, 1955.

10. Authority to approve certain construction and certain cost-plus-fixed-fee design and construction contracts, and to make determinations with respect to certain construction contracts, as prescribed in DoD Dir. 5131.8, dated September 30, 1958, and DoD Dir. 4270.5, dated July 11, 1955.

11. Authority to approve actions relating to family housing for civilian employees at research and development installations, as prescribed in DoD Dir. 5100.11, dated July 14, 1956 (21 F.R. 5452).

12. Authority to make determinations, certifications and other actions in the execution of the Fiscal Year 1959 Surplus Commodity and Capehart Housing Programs, as prescribed in DoD Dir. 5131.9, dated October 27, 1958 (23 F.R. 8563).

13. Authority to make recommendations to the Federal Power Commission in connection with facilities for the transmission of electric energy and natural gas across borders of the U.S., as prescribed in Secretary of Defense Memorandum dated September 5, 1958 (23 F.R. 7127).

14. Authority to exercise the responsibilities of the Secretary of Defense under the National Industrial Reserve Act of 1948 with respect to the plant reserve, as prescribed in DoD Directive 5100.17, dated January 7, 1959 (24 F.R. 463).

**8. ASSISTANT SECRETARY OF DEFENSE (INTERNATIONAL SECURITY AFFAIRS) [DoD DIRECTIVE 5132.21]**

**I. General.** Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by that Act is hereby designated the Assistant Secretary of Defense (International Security Affairs) with responsibilities, functions and authorities as prescribed herein.

**II. Responsibilities.** The Assistant Secretary of Defense (International Security Affairs) is the principal staff assistant to the Secretary of Defense in the functional field of international security as set forth herein.

**III. Functions.** Under the direction, authority and control of the Secretary of Defense, the Assistant Secretary of Defense (International Security Affairs) shall perform the following functions in his assigned field of responsibility:

1. Monitor Department of Defense participation in National Security Council affairs including development, coordination and recommendation of the positions of and the provision of staff support for the Defense member on the Council, on the NSC Planning Board and on the Operations Coordinating Board.

2. Initiate appropriate actions and measures within the Department of Defense implementing approved National Security Council policies and Operations Coordinating Board actions.

3. Develop and coordinate Defense positions, policies, plans and procedures in the fields of international politico-military and foreign economic affairs, including disarmament, of interest to the Department of Defense and with respect to negotiating and monitoring of agreements with foreign governments and international organizations on military facilities, operating rights, status of forces and other international politico-military matters.

4. Provide policy guidance, as appropriate, to Department of Defense representatives on United States Missions and to international organizations and conferences.

5. Develop, coordinate and establish Department of Defense positions, plans and procedures pertaining to the Military Assistance Program, and supervise, administer and direct the Military Assistance Program, and other activities of interest to the Department of Defense under the Mutual Security Program.

6. Plan, organize and monitor the activities of Military Assistance Advisory Groups, including joint United States military advisory groups and training missions insofar as they concern military assistance functions, using channels prescribed in IV. B. below.

7. Evaluate the administration and management of approved policies and programs.

8. Such other functions as the Secretary of Defense assigns.

**IV. Relationships.** A. In the performance of his functions, the Assistant Secretary of Defense (International Security Affairs) shall:

1. Coordinate actions as appropriate with the military departments, the Joint Chiefs of Staff and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility,

2. Maintain active liaison for the exchange of information and advice with the military departments, the Joint Chiefs of Staff and other Department of Defense agencies.

3. Coordinate relations between the Department of Defense and the Depart-

ment of State in the field of his assigned responsibility.

4. Make full use of established facilities in the Office of the Secretary of Defense, military departments, the Joint Chiefs of Staff and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

B. The channel of communication with unified and specified commands on matters relating to the military assistance program shall be directly between those commands and the Secretary of Defense. The Assistant Secretary of Defense (ISA) is assigned staff responsibility as to such matters, and he is authorized to communicate directly as to them with commanders of unified and specified commands. All directives and communications of the Assistant Secretary to such commands, the military departments or the military assistance advisory groups, which pertain to military assistance affairs and have strategic or military operational implications, shall be coordinated with the Joint Chiefs of Staff. Conversely, all Joint Chiefs of Staff directives and communications to the unified and specified commands, the military departments or the military assistance advisory groups, which pertain to military assistance affairs, shall be coordinated with the Assistant Secretary of Defense (International Security Affairs).

C. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Assistant Secretary of Defense (International Security Affairs) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

**V. Authorities.** A. The Assistant Secretary of Defense (International Security Affairs), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned field of responsibility, in accordance with DoD Directive 5025.1. Such instructions and memoranda to the military departments will be issued through the Secretaries of those departments or their designees.

2. Make requests to the Chairman of the Joint Chiefs of Staff for Joint Chiefs of Staff action or advice on matters in the Assistant Secretary's assigned field of responsibility.

3. Obtain such reports and information (in accordance with provisions of DoD Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (International Security Affairs) in other directives will be referenced in an inclosure to this directive.

**9. ASSISTANT SECRETARY OF DEFENSE (HEALTH AND MEDICAL) [DoD DIRECTIVE 5136.4]**

**I. General.** Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by that Act is hereby designated the Assistant Secretary of Defense (Health and Medical) with responsibilities, functions and authorities as prescribed herein.

**II. Responsibilities.** The Assistant Secretary of Defense (Health and Medical) is the principal staff assistant to the Secretary of Defense in the following functional fields:

1. Health and sanitation.
2. Medical care and treatment of patients.
3. Hospitals and related health and medical facilities.
4. Health and medical personnel.

**III. Functions.** Under the direction, authority and control of the Secretary of Defense, the Assistant Secretary of Defense (Health and Medical) shall perform the following functions in his assigned fields of responsibility:

1. Recommend policies and guidance governing Department of Defense planning and program development.

2. Develop systems and standards for the administration and management of approved plans and programs.

3. Review programs of the military departments for carrying out approved policies.

4. Evaluate the administration and management of approved policies and programs.

5. Recommend appropriate steps (including the transfer, reassignment, abolition and consolidation of functions) which will provide in the Department of Defense for more effective, efficient and economical administration and operation, will eliminate unnecessary duplication, or will contribute to improved military preparedness.

6. Promote close cooperation and mutual understanding between the Department of Defense and the civil health and medical professions.

7. Such other functions as the Secretary of Defense assigns.

**IV. Relationships.** A. In the performance of his functions, the Assistant Secretary of Defense (Health and Medical) shall:

1. Coordinate actions, as appropriate, with the military departments and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

B. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Assistant Secretary of Defense (Health and Medical) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

V. *Authorities.* A. The Assistant Secretary of Defense (Health and Medical), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities in accordance with DoD Directive 5025.1. Instructions to the military departments will be issued through the Secretaries of those departments or their designees.

2. Obtain such reports and information (in accordance with the provisions of DoD Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (Health and Medical) in other directives will be referenced in an inclosure to this directive.

VI. *Civilian Health and Medical Advisory Council.* There will be a Civilian Health and Medical Advisory Council to advise the Assistant Secretary of Defense (Health and Medical) on such health and medical matters as he deems necessary. The Council shall consist of six civilian members appointed by the Secretary of Defense from among national authorities in the health and medical professional fields.

10. GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE [DoD DIRECTIVE 5145.1]

Pursuant to the authority vested in the Secretary of Defense by law, including the provisions of the National Security Act of 1947, as amended, Reorganization Plan No. 6 of 1953, and the Department of Defense Reorganization Act of 1958, the General Counsel shall serve as the chief legal officer of the Department of Defense. He shall be responsible for all legal services to be performed within and involving the Department of Defense and shall perform such other duties as the Secretary of Defense assigns.

11. ASSISTANT TO THE SECRETARY OF DEFENSE (ATOMIC ENERGY) [DoD DIRECTIVE 5148.2]

I. *General.* Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, the position of Assistant to the Secretary of Defense (Atomic Energy) is hereby established with responsibilities, functions

and authorities as prescribed herein. The Chairman of the Military Liaison Committee to the Atomic Energy Commission will serve as the Assistant to the Secretary of Defense (Atomic Energy) without additional compensation.

II. *Responsibilities.* The Assistant to the Secretary of Defense (Atomic Energy) is the principal staff assistant to the Secretary of Defense on atomic energy matters.

III. *Functions.* Under the direction, authority and control of the Secretary of Defense, the Assistant to the Secretary of Defense (Atomic Energy) shall perform the following functions in his assigned field of responsibility:

1. Recommend policies and guidance governing Department of Defense planning and program development.

2. Develop systems and criteria for the execution of approved plans and policies.

3. Review programs of the Military departments for carrying out approved policies.

4. Evaluate the administration and management of approved policies and programs.

5. Advise and assist other officials of the Department of Defense on atomic energy aspects of Department of Defense policies, plans and programs.

6. Develop policies and procedures for the transmission of information to the Joint Committee on Atomic Energy, as required by the Atomic Energy Act of 1954, as amended, and coordinate such information, where appropriate, with other officials and agencies of the Department of the Defense and with the Chairman of the Atomic Energy Commission.

7. Such other functions as the Secretary of Defense assigns.

IV. *Relationships.* A. In the performance of his functions, the Assistant to the Secretary of Defense (Atomic Energy) shall:

1. Coordinate actions, as appropriate, with the military departments and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military department and other Department of Defense agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

B. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Assistant to the Secretary of Defense (Atomic Energy) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

V. *Authorities.* A. The Assistant to the Secretary of Defense (Atomic Energy), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities in accordance with DoD Directive 5025.1. Instructions to the military departments will be issued through the Secretaries of those departments or their designees.

2. Obtain such reports and information (in accordance with the provisions of DoD Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

3. Make requests to the Chairman of the Joint Chiefs of Staff on atomic energy matters requiring action by the Joint Chiefs of Staff.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant to the Secretary of Defense (Atomic Energy) in other directives will be referenced in an inclosure to this directive.

VI. *Military Liaison Committee.* The Military Liaison Committee, established by the Atomic Energy Act of 1954, as amended, shall advise the Assistant to the Secretary of Defense (Atomic Energy) on such atomic energy matters as the latter deems appropriate and necessary.

12. ASSISTANT TO THE SECRETARY OF DEFENSE (SPECIAL OPERATIONS) [DoD DIRECTIVE 5148.4]

I. *General.* Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, the position of Assistant to the Secretary of Defense (Special Operations) is hereby established with responsibilities, functions and authorities as prescribed herein.

II. *Responsibilities.* The Assistant to the Secretary of Defense (Special Operations) is the principal staff assistant to the Secretary of Defense in the following functional fields:

1. Intelligence.

2. Counterintelligence (except as otherwise specifically assigned).

3. Communications security.

4. CIA relationships and Special Operations.

5. Psychological warfare operations.

III. *Functions.* Under the direction, authority and control of the Secretary of Defense, the Assistant to the Secretary of Defense (Special Operations) shall perform the following functions in his assigned fields of responsibility:

1. Recommend policies and guidance governing Department of Defense planning and program development.

2. Review plans and programs of the military departments for carrying out approved policies and evaluate the administration and management of approved plans and programs as a basis on which to recommend to the Secretary of Defense necessary actions to provide for more effective, efficient and economical administration and operations and the elimination of duplication.

3. Review the development and execution of plans and programs of the

National Security Agency and related activities of the Department of Defense.

4. Develop Department of Defense positions and provide for Department of Defense support in connection with special operations activities of the United States Government.

5. Coordinate requests for intelligence originating within the Office of the Secretary of Defense.

6. Such other functions as the Secretary of Defense assigns.

IV. *Relationships.* A. In the performance of his functions the Assistant to the Secretary of Defense (Special Operations) shall:

1. Coordinate actions, as appropriate, with the military departments and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

4. Maintain liaison with the Department of State, the Director of Central Intelligence and the Central Intelligence Agency, the United States Information Agency, and other U.S. and foreign government organizations on matters in his assigned fields of responsibility.

B. The Secretaries of the military departments, their civilian assistants, and the military personnel in such departments shall fully cooperate with the Assistant to the Secretary of Defense (Special Operations) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

C. The Secretaries of the Army, Navy and Air Force will designate an Under or Assistant Secretary or other appropriate official as having functional responsibility within their respective departments for the fields enumerated in II above. These officials, through collaboration and close contact with the Assistant to the Secretary of Defense (Special Operations), will provide for the active participation of the resources of the respective military departments in the Department of Defense activities in the above fields.

D. The Chairman of the Joint Chiefs of Staff will designate officers of General or Flag rank serving in the Joint Staff as specific points of contact within the Joint Staff for matters in each field of functional responsibility enumerated in II above, and to provide military advice to the Secretary of Defense in respect thereto. These officers will facilitate through the medium of staff-level collaboration and close contact with the Assistant to the Secretary of Defense (Special Operations) the provision of military advice and support in such matters not requiring the formal consideration and advice of the Joint Chiefs of Staff.

V. *Authorities.* A. The Assistant to the Secretary of Defense (Special Operations), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities, in accordance with DoD Directive 5025.1. Instructions to the military departments will be issued through the Secretary of those Departments or their designees.

2. Exercise the authority vested in the Secretary of Defense by pertinent NSC directives relating to the direction and control of the National Security Agency and related activities of the Department of Defense.

3. Obtain such reports and information (in accordance with the provisions of DoD Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies, as may be necessary to the performance of his assigned functions.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant to the Secretary of Defense (Special Operations) in other directives will be referenced in an inclosure to this directive.

13. ASSISTANT SECRETARY OF DEFENSE (PUBLIC AFFAIRS) [DoD DIRECTIVE 5122.5]

I. *General.* Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, one of the positions of Assistant Secretary of Defense authorized by that Act is hereby designated the Assistant Secretary of Defense (Public Affairs) with responsibilities, functions and authorities as prescribed herein.

II. *Responsibilities.* The Assistant Secretary of Defense (Public Affairs) is the principal staff assistant to the Secretary of Defense for all public information activities. He is also the principal staff assistant for community relations. In addition, he is responsible for activities in other functional fields as follows:

1. Security review.
2. Declassification of information.

III. *Functions.* Under the direction, authority and control of the Secretary of Defense, the Assistant Secretary of Defense (Public Affairs) shall perform the following functions in his assigned fields of responsibility:

1. Advise and assist officials of the Department of Defense on public information and public relations aspects of Department of Defense policies, plans and programs.

2. Recommend policies and provide appropriate guidance and assistance to assure fulfillment of the Department's affirmative obligation to keep the public adequately informed as to its activities.

3. Provide for the review from a security standpoint under the provisions of Executive Order 10501 of all material originated within the Department of Defense, including testimony before

Congressional Committees, or by its contractors for public release or for publication by departmental personnel as individuals, and of material submitted by sources outside the Department for such review.

4. Provide for the review of official speeches, press releases and other information originated within the Department of Defense for public release, or similar material submitted for review by other Executive agencies of the Government, for conflict with established policies or programs of the Department of Defense or of the national Government.

5. Supervise the Department of Defense Information Declassification Program.

6. Provide for the receipt and evaluation of requests for speakers received by agencies of the Department of Defense, and when appropriate, assist in arranging for the participation of qualified personnel.

7. Represent the Department of Defense with respect to formulation or implementation of Government-wide plans, policies and programs concerning public information and public relations activities.

8. Such other functions as the Secretary of Defense assigns.

IV. *Relationships.* A. In the performance of his functions, the Assistant Secretary of Defense (Public Affairs) shall:

1. Coordinate actions, as appropriate, with the Secretaries of the military departments, the Joint Chiefs of Staff and other Department of Defense agencies having collateral or related functions in the field of his assigned responsibility.

2. Maintain active liaison for the exchange of information and advice with the military departments and other Department of Defense agencies.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other Department of Defense agencies rather than unnecessarily duplicating such facilities.

4. Maintain liaison with and assist all information media with respect to matters relating to the activities of the Department of Defense.

5. Maintain liaison with and assist national and civic organizations with respect to matters relating to the activities of the Department of Defense.

B. The channel of communication for direction and guidance in public affairs matters of concern to unified and specified commands shall be directly between those commands and the Secretary of Defense whenever such matters are determined by the commander of such a command to require direct control for the accomplishment of the mission assigned to his command, or whenever so directed by the Secretary of Defense. The Assistant Secretary of Defense (Public Affairs) is assigned staff responsibility as to such matters and he is authorized to communicate directly as to them with commanders of unified and specified commands, coordinating on operational matters with the Joint Chiefs of Staff and, as appropriate, with the military departments.

C. Public affairs matters affecting service components within unified and speci-

fied commands, except as provided above, will continue to be handled in military department channels.

D. The Secretaries of the military departments, their civilian assistants and the military personnel in such departments shall fully cooperate with the Assistant Secretary of Defense (Public Affairs) and his staff in a continuous effort to achieve efficient administration of the Department of Defense and to carry out effectively the direction, authority and control of the Secretary of Defense.

V. *Authorities.* A. The Assistant Secretary of Defense (Public Affairs), in the course of exercising full staff functions, is hereby specifically delegated authority to:

1. Issue instructions and one-time directive-type memoranda, in writing, appropriate to carrying out policies approved by the Secretary of Defense for his assigned fields of responsibilities in accordance with DoD Directive 5025.1. Instructions to the military departments will be issued through the Secretaries of those departments or their designees.

2. Obtain such reports and information (in accordance with the provisions of DoD Directives 7700.1 and 5158.1) and assistance from the military departments and other Department of Defense agencies as may be necessary to the performance of his assigned functions.

3. Act as the sole agency at the seat of Government for all elements of the Department of Defense, for the release of official information for publication through any form of information media.

4. Assure the implementation of all public affairs policies and procedures of the Department of Defense, and the integration of all Department of Defense Public Affairs plans, programs and related activities.

5. Establish the criteria and be the approving authority for all credentials required by United States news gathering media representatives traveling in or outside the United States in connection with coverage of official Department of Defense activities.

6. Monitor military participation in public exhibitions, demonstrations and ceremonies of national or international significance.

7. The Office of the Assistant Secretary of Defense (Public Affairs) shall be the sole agency of the Department of Defense for coordination of all matters covered by this Directive with other departments and agencies of the Government, as appropriate.

B. Other authorities specifically delegated by the Secretary of Defense to the Assistant Secretary of Defense (Public Affairs) in other directives will be referenced in an inclosure to this directive.

VI. *Defense Public Affairs Council.* There will be a Defense Public Affairs Council to advise the Assistant Secretary of Defense (Public Affairs). The Council shall consist of the Assistant Secretary of Defense (Public Affairs), as chairman, the Deputy Assistant Secretary of Defense (Public Affairs) and the Chiefs of Information of the Army, Navy, Air Force, and Marine Corps.

#### 14. DEPARTMENT OF DEFENSE ADVANCED RESEARCH PROJECTS AGENCY [DoD Directive 5105.15]

I. *General.* Pursuant to the authority vested in the Secretary of Defense and the provisions of the National Security Act of 1947, as amended, including the Department of Defense Reorganization Act of 1958, an Advanced Research Projects Agency is hereby established as an operating research and development agency of the Department of Defense under the direction, authority and control of the Secretary of Defense.

II. *Organization and responsibility.* The Advanced Research Projects Agency will be separately organized within the Department of Defense under a Director of Advanced Research Projects appointed by the Secretary of Defense. The Agency will be responsible for basic and applied research and development for such advanced projects as the Secretary of Defense assigns. The assigned projects of the Agency will be subject to the supervision and coordination of the Director of Defense Research and Engineering in the same manner as those of the military departments and will be conducted in accordance with the priorities established by the Secretary of Defense.

III. *Functions.* Under the direction and control of the Director of Advanced Research Projects, the Agency will perform the following functions within its assigned field of responsibility:

1. Engage in those advanced research projects assigned by the Secretary of Defense.

2. Arrange for the performance of and supervise the work connected with assigned advanced projects by the military departments, other Government agencies, individuals, private business entities or educational or research institutions, giving consideration to the primary functions of the military departments.

3. Recommend to the Secretary of Defense, after consultation with the Director of Defense Research and Engineering and the Joint Chiefs of Staff, the assignment of advanced projects to the Agency.

4. Keep the Secretary of Defense, the Director of Defense Research and Engineering, the Joint Chiefs of Staff, the military departments and other DoD agencies informed, as appropriate, on significant new developments, breakthroughs and technological advances within assigned projects and on the status of such projects in order to facilitate early operational assignment.

5. Such other functions as the Secretary of Defense assigns.

IV. *Relationships.* A. In the performance of its functions, the Agency shall:

1. Coordinate actions, as appropriate, with the military departments and other DoD agencies having collateral or related functions in the field of its assigned responsibility.

2. Maintain active liaison for the exchange of information and advice in the field of its assigned responsibility with the military departments, other DoD agencies and appropriate research and development agencies outside the De-

partment of Defense, including private business entities, educational or research institutions or other agencies of Government.

3. Make full use of established facilities in the Office of the Secretary of Defense, military departments and other DoD agencies rather than unnecessarily duplicating such facilities.

B. Officials of the Office of the Secretary of Defense, military departments and other DoD agencies shall provide support, within their respective fields of responsibility, to the Director of Advanced Research Projects as may be necessary to carry out the assigned responsibilities and functions of the Agency.

V. *Authorities.* A. The Director of Advanced Research Projects, in the assigned field of responsibility of the Agency, is hereby specifically delegated authority to:

1. Place funded work orders with the military departments or other DoD agencies, or directly with subordinate activities of the military departments, after clearance with the Secretary of the department concerned.

2. Enter into agreements with other Government agencies for basic and applied research and development work connected with assigned advanced projects.

3. Authorize the allocation, transfer or expenditure of funds made available to the Agency for assigned advanced projects.

4. Establish for the Agency and with the military departments and other research and development activities such procedures as are required in connection with work being performed for the Agency consistent with policies and instructions governing the Department of Defense.

5. Acquire or construct such research, development and test facilities and equipment as are required to carry out his assignments and as may be approved by the Secretary of Defense in accordance with applicable statutes.

B. Other authorities specifically delegated by the Secretary of Defense to the Director of Advanced Research Projects in other directives will be referenced in an inclosure to this directive.

VI. *Procedure.* Project assignments to the Advanced Research Projects Agency will be made by the Secretary of Defense upon recommendation by the Director of Defense Research and Engineering, in accordance with Section 7 of Public Law 85-325, as amended by the Department of Defense Reorganization Act of 1958 (Public Law 85-599). Announcements of the assignment of projects to the Advanced Research Projects Agency will be made from time to time by numbered inclosures to this directive.

VII. *Support.* Such personnel, facilities and funds as the Secretary of Defense deems necessary will be made available to the Advanced Research Projects Agency for the performance of its assigned responsibilities.

#### 15. MILITARY LIAISON COMMITTEE TO THE ATOMIC ENERGY COMMISSION [DoD Directive 5148.1]

I. *Purpose.* It is the purpose of this directive to define the authority and

duties of the Military Liaison Committee (hereinafter called the "Committee") and to define the relationships of the Committee with the military departments and other agencies of the Department of Defense, and with the Atomic Energy Commission (hereinafter called the "Commission").

II. *Authority for issuance.* This directive is issued pursuant to the Atomic Energy Act of 1954, as amended (hereinafter called the "Act") which establishes the Military Liaison committee, and the authority vested in the Secretary of Defense by the National Security Act, as amended, and the Department of Defense Reorganization Act of 1958.

III. *Membership of the Committee.* The Committee shall consist of:

A. A Chairman who is the head thereof and who is appointed by the President as provided for in the Act.

B. Two members from each of the military departments to be assigned by the Secretary of the respective departments after consultation with the Chairman. These members shall normally be of General or Flag officer rank and shall be authorized to represent their departments on matters before the Committee.

IV. *Committee Staff.* A. The Committee shall be provided with a staff of military and civilian personnel as approved by the Secretary of Defense.

B. The staff shall be headed by an Executive Secretary who shall be specifically designated by the Chairman. This position will normally be occupied by a brigadier general or equivalent and rotated among the three military departments.

C. Military personnel shall be detailed to the staff of the Committee by the Office of the Secretary of Defense in approximately equal numbers from each of the three military departments and shall be acceptable to and serve at the pleasure of the Chairman. During their tenure on the Committee staff, such personnel shall be responsible to the Chairman for the performance of duty. They shall not be transferred or reassigned except after reasonable notice in advance to the Chairman through the Office of the Secretary of Defense so that suitable replacements may be obtained.

D. Civilian personnel for the staff shall be provided by the Office of the Secretary of Defense.

V. *Committee functions and authority.* A. The Committee, on behalf of the Department of Defense and in accordance with the provisions of section 27 of the Act, shall advise and consult with the Commission on all atomic energy matters which the Committee, acting for the Department of Defense, deems to relate to military applications of atomic weapons or atomic energy, including the development, manufacture, use and storage of atomic weapons, the allocation of special nuclear material for military research, and the control of information relating to the manufacture or utilization of atomic weapons.

B. The Committee shall keep the Secretary of Defense and other appropriate agencies of the Department of Defense fully and currently informed on all matters set forth in V.A. above.

C. The Committee, acting for the Department of Defense, shall keep the Commission fully and currently informed on all matters within the Department of Defense which the Commission deems to relate to the development or application of atomic energy.

D. If the Committee at any time concludes that any request, action, proposed action, or failure to act on the part of the Commission in adverse to the responsibilities of the Department of Defense, the Committee shall make such recommendations to the Secretary of Defense as it deems appropriate.

E. The Committee shall be the channel of formal communication, except for communications from the Secretary or Deputy Secretary of Defense, between the Department of Defense and the Atomic Energy Commission, but in the exercise of its liaison function it shall encourage and facilitate informal contacts between agencies of the Department of Defense and the Commission at corresponding levels.

F. In the exercise of the functions and authority prescribed herein the Committee shall not assume the functions and authority of other established agencies of the Department of Defense as provided by appropriate directives.

VI. *Procedures.* A. The Committee is authorized to establish such committees or make such assignments as are necessary to obtain information and carry out the functions and responsibilities of the Committee.

B. The Committee shall meet at the call of its Chairman or at such times as it may fix, and the presence of the Chairman (or Acting Chairman) and three military members, including at least one representative of each department, shall constitute a quorum. Members and Chairman each have equal voting power. If any member dissents on any Committee action, he is authorized to appeal to the Secretary of Defense through the Secretary of the Department he represents. Prior notification of any such action shall be made to the Chairman and other members of the Committee. Final action on appealed cases will await decision of the Secretary of Defense.

C. The Committee shall establish its own rules of procedure.

All previous charters and other issuances in conflict herewith are hereby superseded and cancelled.

MAURICE W. ROCHE,  
*Administrative Secretary.*

[F.R. Doc. 59-6284; Filed, July 29, 1959;  
8:49 a.m.]

## DEPARTMENT OF THE TREASURY

Bureau of Customs

[643.3]

### CEMENT FROM CANADA

**Notice That There Is Reason To Believe or Suspect Purchase Price Is Less or Likely To Be Less Than Foreign Market Value**

JULY 24, 1959.

Pursuant to section 201(b) of the Antidumping Act, 1921, as amended (19

U.S.C. 160(b)), notice is hereby given that there is reason to believe or suspect, from information presented to me, that the purchase price of cement, manufactured by the St. Lawrence Cement Co., of Clarkson, Ontario, Canada, and shipped only from the Clarkson plant, is less, or likely to be less, than the foreign market value, as defined by sections 203 and 205, respectively, of the Antidumping Act, 1921, as amended (19 U.S.C. 162 and 164).

Customs officers are being authorized to withhold appraisement of entries of cement manufactured by the St. Lawrence Cement Co., of Clarkson, Ontario, Canada, and shipped only from the Clarkson plant, pursuant to § 14.9 of the Customs Regulations (19 CFR 14.9).

[SEAL] D. B. STRUBINGER,  
*Acting Commissioner of Customs.*

[F.R. Doc. 59-6269; Filed, July 29, 1959;  
8:48 a.m.]

[493.32]

## CERTAIN FLEXIBLE WIRE COMBS IMPORTED IN INDIVIDUAL SIZES

### Change of Tariff Classification

JULY 24, 1959.

The Bureau of Customs published a notice in the FEDERAL REGISTER dated June 19, 1959, that there was under review the practice of classifying certain flexible wire combs consisting of a zigzag arrangement of flexible steel wire forming the teeth, slightly under 1¼ inches in height, stretched and inserted in the hair, imported in various individual sizes, soldered at both ends, either unpainted or painted in hair shades under paragraph 1527(d), Tariff Act of 1930, as materials of metal suitable for use in the manufacture of articles provided for in paragraph 1527(a), (b), or (c), dutiable at the rate of 40 percent ad valorem under that paragraph, as modified. In view of the fact that these articles at the time of importation are ready for use as combs, the Bureau by its letter to the collector of customs at New York, New York, dated \_\_\_\_\_ ruled that these articles when valued over 20 cents per dozen are classifiable under paragraph 1527(c) (2) as metal articles designed to be worn on the person, finished or unfinished, and dutiable at the reduced rate of 55 percent ad valorem if valued over 20 cents but not over \$5 per dozen pieces, or at the reduced rate of 35 percent ad valorem if valued at over \$5 per dozen pieces. If they are valued not over 20 cents per dozen pieces they are classifiable under paragraph 397 as articles, manufactured, not specially provided for, in chief value of steel, and dutiable at the rate of 19 percent ad valorem under that paragraph, as modified.

Insofar as this ruling will result in the assessment of duty at a higher rate than has heretofore been assessed under a uniform and established practice, it shall be applied to such or similar merchandise only when entered, or withdrawn from warehouse, for consumption after 90 days after the date of publication of an ab-

abstract of this decision in the weekly Treasury Decisions.

[SEAL] D. B. STRUBINGER,  
Acting Commissioner of Customs.

[F.R. Doc. 59-6270; Filed, July 29, 1959;  
8:48 a.m.]

## DEPARTMENT OF JUSTICE

Office of Alien Property  
AMALIA MEISTER

### Notice of Intention To Return Vested Property

Pursuant to section 32(f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

*Claimant, Claim No., Property, and Location*

Mrs. Amalia Meister, Brandschenkestrasse 157, Zurich 2, Switzerland; Claim No. 61919; \$447.50 in the Treasury of the United States. Vesting Order No. 17903.

Executed at Washington, D.C., on July 23, 1959.

For the Attorney General.

[SEAL] PAUL V. MYRON,  
Deputy Director,  
Office of Alien Property.

[F.R. Doc. 59-6263; Filed July 29, 1959;  
8:47 a.m.]

## HERBERT CARL ELKAN

### Notice of Intention To Return Vested Property

Pursuant to section 32(f) of the Trading With the Enemy Act, as amended, notice is hereby given of intention to return, on or after 30 days from the date of publication hereof, the following property, subject to any increase or decrease resulting from the administration thereof prior to return, and after adequate provision for taxes and conservatory expenses:

*Claimant, Claim No., Property, and Location*

Herbert Carl Elkan, Hamburg, Germany; Claim No. 61075; \$44.63 in the Treasury of the United States. 500 shares \$1.00 par value capital stock of The Goldfield Consolidated Mines Company, Wyoming, included among those represented by Certificate No. 11910 registered in the name of the Attorney General and held in the Federal Reserve Bank of New York, New York, for safekeeping. Vesting Order Nos. 6816 and 18872.

Executed at Washington, D.C., on July 24, 1959.

For the Attorney General.

[SEAL] PAUL V. MYRON,  
Deputy Director,  
Office of Alien Property.

[F.R. Doc. 59-6264; Filed, July 29, 1959;  
8:47 a.m.]

## DEPARTMENT OF COMMERCE

Office of the Secretary  
RAYMOND E. HEBERT

### Statement of Changes in Financial Interests

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

A. Deletions: Sterling Precision Corporation.

B. Additions: None.

This statement is made as of July 11, 1959.

RAYMOND E. HEBERT.

JULY 21, 1959.

[F.R. Doc. 59-6265; Filed, July 29, 1959;  
8:47 a.m.]

## CHIEF, WEATHER BUREAU

### Delegation of Authority To Negotiate Certain Contracts

1. Pursuant to the authority vested in the Secretary of Commerce by law, and by delegation from the Administrator of General Services, the Chief, Weather Bureau is hereby authorized to exercise the authority of the Secretary of Commerce to negotiate contracts without advertising under the provisions of section 302 (c) (4), (5), (10), and (11) of the Federal Property and Administrative Services Act of 1949 (63 Stat. 377), as amended.

2. This authority shall be exercised only with respect to procurement of those supplies and services which are required in connection with authorized activities, other than administrative programs, conducted by the Weather Bureau.

3. This authority shall be exercised in accordance with applicable limitations and requirements of the act, particularly sections 304, 305 and 307 thereof, and in accordance with policies, procedures and controls prescribed by the General Services Administration.

4. Subject to the provisions of 3 above, the authority herein delegated may be redelegated to any officer or employee of the Weather Bureau. Attention is invited to that part of section 307 of the act which provides that the power to make the determinations or decisions specified in section 302(c) (11) is delegable only to a chief officer responsible for procurement and only with respect to contracts which will not require the expenditure of more than \$25,000. Each determination or decision required by section 302(c) (11) shall be based upon written findings a copy of which shall be furnished the General Accounting Office with the contract.

5. A report, in triplicate, of all contracts entered into under the provisions of section 302(c) (11) for each six-month period ending June 30 and December 31

shall be filed with the Office of Budget and Management within 30 days after the close of the period. The report should contain (1) the name of the contractor, (2) the dollar amount, and (3) a brief description of the work involved (if classified, so state). Negative reports are not required.

6. This delegation is effective as of the date hereof.

Dated: July 22, 1959.

[SEAL] F. H. MUELLER,  
Acting Secretary of Commerce.

[F.R. Doc. 59-6266; Filed, July 29, 1959;  
8:47 a.m.]

## DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Utah (II-7)]

UTAH

### Small Tract Classification

JULY 22, 1959.

1. Pursuant to authority delegated to me by Bureau Order No. 541, dated April 21, 1954 (19 F.R. 2473), I hereby classify the following-described public land totaling 112.5 acres in Grand County, Utah, as suitable for lease and sale for residence purposes under the Small Tract Act of June 1, 1938 (52 Stat. 609, 43 U.S.C. 682a), as amended:

SALT LAKE MERIDIAN

T. 26 S., R. 22 E.,  
Sec. 9: Lots 5 to 12; 14 to 19, incl.;  
Sec. 16: Lots 5 to 36, incl.

2. Classification of the above-described lands by this order segregates them from all appropriation under the public land laws, including locations under the general mining laws, except as to applications under the Small Tract Act and applications under the mineral leasing laws.

3. The lands are located approximately two miles east of Moab, Utah, and are accessible by a partially improved road. The topography is fairly rough with a general slope to the south. The lands in section 16 are on a series of rocky rims and benches. The vegetation consists of black brush and a sparse understory of galleta grass and sand-drop seed grass. A power line extends into the area, but no other public utilities are now available. Culinary water is not available from any surface streams or springs on the land, but may be available from the underground reservoir. Stores, schools, churches, and other public facilities are available in Moab.

4. The lots vary in size from 2.07 to 2.50 acres and are all rectangular in shape. Upon further investigation it was found that, because of adverse topographic features, two lots should be combined as one tract in four instances. These combinations are bracketed in the following list and the bracketed lots will be offered as one tract. A plat of survey showing the location of each lot can be secured for \$1.00 from the Manager, Land Office, Bureau of Land Management, P.O. Box 777, Salt Lake City 10, Utah.

The appraised value of the tracts varies from \$75.00 to \$200.00 as shown below, and the advance rental required for a 3-year lease is \$30.00. Rights-of-way of 50 feet in width will be reserved on all sides for roads, streets and public utilities. All minerals in the land will be reserved to the United States.

	Description	Acreage	Appraised value
Sec. 9.....	Lot	*5	2.50
		6	2.50
		7	2.50
		8	2.18
		*9	4.36
		10	2.50
		11	5.00
		*12	5.00
		13	5.00
		*14	4.00
		15	2.18
		16	2.50
		17	2.50
		18	2.50
		19	2.50
		20	2.50
		Sec. 16.....	
22	2.50		
*23	2.50		
24	2.07		
25	2.08		
*26	2.50		
27	2.50		
28	2.50		
*29	2.50		
30	2.50		
31	2.50		
32	2.09		
*33	2.09		
34	2.50		
35	2.50		
36	2.50		

\*Covered by applications from persons entitled to preference under 43 CFR 257.5(a).

5. Leases will be issued for a term of three years and will contain an option to purchase in accordance with 43 CFR 257.13 Lessees who comply with the general terms and conditions of their leases will be permitted to purchase their tracts at the prices listed above providing that during the period of their leases they either (a) construct the improvements specified in Paragraph 7 or (b) file a copy of an agreement in accordance with 43 CFR 257.13 (d). Leases will be renewable at the discretion of the Bureau of Land Management and the renewal lease will be subject to such terms and conditions as are deemed necessary in the light of the circumstances and the regulations existing at the time of renewal. However, a lease will not be renewable unless failure to construct the required improvements is justified under the circumstances and nonrenewal would work an extreme hardship on the lessee.

6. Persons who have previously acquired a tract under the Small Tract Act are not qualified to secure a tract at the drawing unless they can make a showing satisfactory to the Bureau of Land Management that the acquisition of another tract is warranted in the circumstances.

7. The improvements referred to in Paragraph 5 above must conform with

health, sanitation, and construction requirements of local ordinances and must, in addition, meet the following standards:

(a) The home must be suitable for year-round use and be on a permanent foundation;

(b) Have a minimum of 700 square feet of floor space;

(c) Must be built in a workmanlike manner out of attractive, properly finished material. No rough lumber or tarpaper siding will be acceptable;

(d) Must have adequate sewage disposal and sanitary facilities must be installed, including a septic tank and inside bathroom.

8. Applicants must file, in duplicate, with the Manager, Land Office, P.O. Box 777, Salt Lake City 10, Utah, application Form 4-776 filled out in compliance with the instructions on the form and accompanied by any showings or documents required by those instructions. Copies of the application form can be secured from the above-named official.

The applications must be accompanied by a filing fee of \$10.00 plus the advance rental specified in Paragraph 4. Failure to transmit these payments with the application will render the application invalid. Advance rentals will be returned to unsuccessful applicants. All filing fees will be retained by the United States.

9. The lands are now subject to application under the Small Tract Act. All valid applications filed prior to September 12, 1958, will be granted the preference right provided by 43 CFR 257.5(a). All valid applications from persons entitled to veterans' preference filed prior to 10:00 a.m. August 27, 1959, will be considered as simultaneously filed at that time. All valid applications from persons entitled to veterans' preference filed after that time will be considered in the order of filing. All valid applications from other persons filed prior to 10 a.m. November 26, 1959, will be considered as simultaneously filed at that time. All valid applications filed after that time will be considered in the order of filing.

10. Inquiries concerning these lands shall be addressed to Manager, Land Office, P.O. Box 777, Salt Lake City 10, Utah.

VAL B. RICHMAN,  
State Supervisor.

[F.R. Doc. 59-6259; Filed, July 29, 1959;  
8:46 a.m.]

## DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

STOCKGROWERS COMMISSION CO.  
ET AL.

### Proposed Posting of Stockyards

The Director of the Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, has information that the livestock markets named below are stockyards as defined in section 302 of the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 202), and should be made subject to the provisions of the act.

Stockgrowers Commission Co., Stockton, Calif.

Elizabeth Livestock Auction, Elizabeth, Colo.

Haxtun Sale Barn, Haxtun, Colo.

Longmont Sales Yard, Longmont, Colo.

North Federal Sales Yard, Denver, Colo.

Southern Colorado Livestock Commission Co., Pueblo, Colo.

Augusta Livestock Market, Augusta, Ga.

Arends Sale Yard, Blue Earth, Minn.

Benson Live Stock Market, Benson, Minn.

Farmers Union Cattle Co., Madella, Minn.

Kasson Sale Barn, Kasson, Minn.

Kayes Livestock Sales, Morris, Minn.

Marshall Sales Pavilion, Marshall, Minn.

Park Rapids Sales Co., Park Rapids, Minn.

Sleepy Eye Auction Market, Sleepy Eye, Minn.

Spring Valley Sales Pavilion, Spring Valley, Minn.

Thief River Sales Barn, Thief River Falls, Minn.

Truman Livestock Sales Co., Truman, Minn.

Walnut Grove Sales Pavilion, Walnut Grove, Minn.

Winger Sale Barn, Winger, Minn.

Fair Play Sales and Auction Co., Fair Play, Mo.

Wheaton Community Sale, Wheaton, Mo.

Wahpeton Livestock Co., Wahpeton, N. Dak.

Bryan Bros. Livestock Market, Decherd, Tenn.

Notice is hereby given, therefore, that the said Director, pursuant to authority delegated under the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), proposes to issue a rule designating the stockyards named above as posted stockyards subject to the provisions of the act, as provided in section 302 thereof.

Any person who wishes to submit written data, views, or arguments concerning the proposed rule may do so by filing them with the Director, Livestock Division, Agricultural Marketing Service, United States Department of Agriculture, Washington, 25, D.C., within 15 days after publication hereof in the FEDERAL REGISTER.

Done at Washington, D.C., this 24th day of July 1959.

JOHN C. PIERCE,  
Acting Director, Livestock Division,  
Agricultural Marketing Service.

[F.R. Doc. 59-6275; Filed, July 29, 1959;  
8:48 a.m.]

## FEDERAL COMMUNICATIONS COMMISSION

[Docket No. 12954; FCC 59-754]

DAWKINS ESPY

### Order Designating Application for Hearing on Stated Issues

In re application of Dawkins Espy, Glendale, California; Req: 92.7 Mc, #224; 1 kw.; 2 feet; Docket No. 12954, File No. BPH-2365; for construction permit for new FM broadcast station.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 22d day of July 1959;

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

It appearing, that except as indicated by the issues specified below, the instant applicant is legally, technically, finan-

cially, and otherwise qualified to construct and operate the instant proposal; and

It further appearing, that pursuant to section 309(b) of the Communications Act of 1934, as amended, the Commission, in a letter dated May 8, 1959 and incorporated herein by reference, notified the applicant, and any other known parties in interest, of the grounds and reasons for the Commission's inability to make a finding that a grant of the application would serve the public interest, convenience, and necessity; and that a copy of the aforementioned letter is available for public inspection at the Commission's offices; and

It further appearing, that the applicant filed a timely reply to the aforementioned letter, which reply has not, however, entirely eliminated the grounds and reasons precluding a grant without hearing on the application; and

It further appearing, that after consideration of the foregoing and the applicant's reply, the Commission is still unable to make the statutory finding that a grant of the application would serve the public interest, convenience, and necessity; and is of the opinion that the application must be designated for hearing on the issues specified below;

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

1. To determine the areas and populations within the 50 uv/m and 1 mv/m contours of the proposed Glendale, California, operation and the availability of other such FM broadcast service to the said areas and populations.

2. To determine whether the proposed station at Glendale, California, would cause interference to Stations KFAC-FM, KNX-FM, and KGLA, all of Los Angeles, California, 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 assignment of the proposed Class A station at Glendale, California, would be in compliance with § 3.203(b) of the Commission's rules with reference to whether the city of Glendale is eligible for a Class A station.

4. To determine whether the operation of the proposed station at Glendale, California, would be in compliance with § 3.313(c) of the Commission's rules with particular reference to the requirement that such channel be utilized only when necessary to provide an equitable and efficient use of the facilities.

5. To determine in the light of the evidence adduced pursuant to the foregoing issues, whether the above-described application of Dawkins Espy would serve the public interest, convenience, and necessity.

*It is further ordered*, That the Los Angeles Broadcasting Company, Inc., licensee of Station KFAC-FM, the Columbia Broadcasting System, Inc., licensee of Station KNX-FM, and the Echo Park Evangelistic Association, li-

censee of Station KGLA, all of Los Angeles, California, are made parties to the proceeding.

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

Released: July 27, 1959.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] MARY JANE MORRIS,  
Secretary.

[F.R. Doc. 59-6278; Filed, July 29, 1959;  
8:49 a.m.]

[Docket Nos. 12950, 12951; FCC 59-750]

### ISLAND TELERADIO SERVICE, INC. AND WPRA, INC. (WPRA)

#### Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of Island Teleradio Service, Inc., Charlotte Amalie, St. Thomas, Virgin Islands; Requests: 1000 kc, 1kw, U; Docket No. 12950, File No. BP-11801; WPRA, Inc. (WPRA), Guaynabo, Puerto Rico; Has: 990kc, 10kw, DA-1, U; Requests: 990kc, 1kw, 10kw-LS, U; Docket No. 12951, File No. BP-12551; for construction permits.

At a session of the Federal Communications Commission held at its offices in Washington, D. C., on the 22d day of July 1959;

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

It appearing that, except as indicated by the issues specified below, each of the applicants is legally, technically, financially, and otherwise qualified to construct and operate its instant proposal; and

It further appearing that, pursuant to section 309(b) of the Communications Act of 1934, as amended, the Commission, in a letter dated March 26, 1959, and incorporated herein by reference, notified the instant applicants, and any other known parties in interest, of the grounds and reasons for the Commission's inability to make a finding that a grant of either one of the applications would serve the public interest, convenience, and necessity; and that a copy of the aforementioned letter is available for public inspection at the Commission's offices; and

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

It further appearing that, by letter dated April 23, 1959, Island Teleradio Service, Inc., requested that the application of WPRA, Inc., File No. BP-12563, for a construction permit for a new standard broadcast station to operate on 960 kilocycles at Mayaguez, Puerto Rico, which is contingent upon a grant of the instant proposal to move WPRA from Mayaguez to Guaynabo, be consolidated with the above-captioned applications; but that, to avoid giving any applicant an undue advantage over other applicants who may wish to apply for the frequency to be vacated, and for administrative convenience, the Commission, as a matter of practice, places a contingent application in its pending file until the so-called parent application, upon which it is contingent, has received dispositive action, In re B. J. Parrish, 13 Pike and Fischer R.R. 617; and The Jack Gross Broadcasting Co. (KFMB), 3 Pike and Fischer R.R. 617; and

It further appearing, that, in a pleading filed May 28, 1959, Island Teleradio Service, Inc., states that the WPRA application originally specified a change of location from Mayaguez to San Juan; that the proposal would not provide coverage of San Juan as required by § 3.188(b)(1) of the Commission rules and was then amended to specify Guaynabo, a smaller city near San Juan; and contends that the hearing should include issues on whether WPRA's filing amendments to specify station location as Guaynabo and to specify English language programs for an area of predominantly Spanish-speaking people were in good faith; and

It further appearing, that WPRA opposed Island Teleradio's request to include the aforementioned issues by pleading filed June 15, 1959, in which WPRA states that its application was amended to specify the location as Guaynabo instead of San Juan after it was recognized that the proposal would not provide the required coverage of San Juan; and that the proposal was amended to specify English language programs after a careful study of the needs of the area; and

It further appearing, that facts alleged in support of the request for additional issues by Island Teleradio Service, Inc., concerning information and statements filed in the WPRA application; that the Commission is of the opinion that the information on file does not raise a substantial question as to the good faith of WPRA in filing the said amendments; and that the issues requested by Island Teleradio Service, Inc. should not be included in the hearing ordered below; and

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

*It is ordered*, That, pursuant to section 309(b) of the Communications Act of 1934, as amended, the instant applica-

tions are designated for hearing in a consolidated proceeding, at a time and place to be specified in a subsequent Order, upon the following issues:

1. To determine the areas and populations which would receive primary service from the proposed operation of Island Teleradio Service, Inc. and the availability of other primary service to such areas and populations.

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

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

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

5. To determine whether there are any objects in the vicinity of the proposed antenna site of WPRa which may prevent satisfactory operation of said antenna system.

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

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

*It is further ordered*, That the request of Island Teleradio Service, Inc., to include issues to determine WPRa's good faith in amending its application to change station location to Guaynabo to eliminate its noncompliance with § 3.188 (b) (1) of the Commission rules, and to change its program proposal to broadcast English language programs, and to consolidate BP-12563 in the instant proceeding is hereby denied.

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

*It is further ordered*, That, the issues in the above-captioned proceeding may be enlarged by the Examiner, on his own motion or on petition properly filed by a party to the proceeding, and upon sufficient allegations of fact in support thereof, by the addition of the following issue: To determine whether the funds

available to the applicant will give reasonable assurance that the proposals set forth in the application will be effectuated.

Released: July 27, 1959.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] MARY JANE MORRIS,  
Secretary.

[F.R. Doc. 59-6279; Filed, July 29, 1959;  
8:49 a.m.]

[Docket No. 12949; FCC 59-748]

### SOUTH MINNEAPOLIS BROADCASTERS

#### Order Designating Application for Hearing on Stated Issues

In re application of Charles Niles and Marie Niles, d/b as South Minneapolis Broadcasters, Bloomington, Minnesota; Requests: 740kc, 500w, DA-D; Docket No. 12949, File No. BP-11632; for construction permit for a new standard broadcast station.

At a session of the Federal Communications Commission held at its offices in Washington, D.C. on the 22nd day of July, 1959;

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

It appearing that, except as indicated by the issues specified below, the instant applicant is legally, technically, financially, and otherwise qualified to construct and operate the instant proposal; 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 11, 1959, and incorporated herein by reference, notified the applicant, and any other known parties in interest, of the grounds and reasons for the Commission's inability to make a finding that a grant of the application would serve the public interest, convenience and necessity; and that a copy of the aforementioned letter is available for public inspection at the Commission's offices; and

It further appearing that the applicant filed a timely reply to the aforementioned letter, which reply has not, however, entirely eliminated the grounds and reasons precluding a grant of the application and requiring a hearing on the particular issues hereinafter specified; and

It further appearing that on July 9, 1959, applicant submitted field intensity measurements purporting to show that there is no overlap of its proposed 25 mv/m contour and the 25 mv/m contour of Station KUOM, Minneapolis, Minnesota, but that these measurements are spot measurements which are not sufficiently conclusive to indicate that there would be no overlap of the respective 25 mv/m contours; and that § 3.186 of the Commission rules requires that such measurements be made in radial-like fashion; and

It further appearing that, after consideration of the foregoing and the ap-

plicant's reply, the Commission is still unable to make the statutory finding that a grant of the application would serve the public interest, convenience, and necessity; and is of the opinion that the application must be designated for hearing on the issues specified below;

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

1. To determine the areas and populations which would receive primary service from instant proposal and the availability of other primary service to such areas and populations.

2. To determine whether the proposed antenna parameters would produce the proposed directional antenna pattern.

3. To determine whether the 25 mv/m contour of the instant proposal and the 25 mv/m contour of Station KUOM, Minneapolis, Minnesota would overlap in contravention of § 3.37 of the Commission rules.

4. To determine, in the light of the evidence adduced, pursuant to the foregoing issues, whether a grant of the instant application would serve the public interest, convenience and necessity.

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

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

Released: July 27, 1959.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] MARY JANE MORRIS,  
Secretary.

[F.R. Doc. 59-6280; Filed, July 29, 1959;  
8:49 a.m.]

[Docket Nos. 12666-12668; FCC 59M-949]

### PUBLIX TELEVISION CORP. ET AL.

#### Order Scheduling Further Prehearing Conference and Hearing

In re applications of Publix Television Corporation, Perrine, Florida; Docket No. 12666, File No. BPCT-2393; South Florida Amusement Co., Inc., Perrine, Florida; Docket No. 12667, File No. BFCT-2410; Coral Television Corporation, South Miami, Florida; Docket No. 12668, File No. BFCT-2493; for construc-

tion permits for television broadcast stations (Channel 6).

The Hearing Examiner having under consideration the record of the further prehearing conference held in the above-entitled proceeding on July 23, 1959, and it appearing that certain agreements reached and matters covered therein should be formalized in an order: *It is ordered*, This 23rd day of July, 1959 that:

(1) Oppositions, if any, to the petitions of Publix Television Corporation and of South Florida Amusement Company for enlargement of issues to include an issue directed to the application of Coral Television Corporation as to the sufficiency of funds to effectuate the proposals contained therein shall be filed on August 3, 1959;

(2) Copies of the affirmative case exhibits to be offered into evidence under the issues as enlarged shall be exchanged among the parties and provided the Commission's Broadcast Bureau and the Hearing Examiner on October 1, 1959;

*It is further ordered*, That a further prehearing conference shall be held on October 8, 1959 commencing at 10:00 a.m. in the offices of the Commission, Washington, D.C. and that further hearing is scheduled to commence on October 19, 1959 at 10:00 a.m. in the offices of the Commission, Washington, D.C.

Released: July 24, 1959.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] MARY JANE MORRIS,  
Secretary.

[F.R. Doc. 59-6281; Filed, July 29, 1959;  
8:49 a.m.]

[Docket No. 12742 etc.; FCC 59-741]

## GRANITE CITY BROADCASTING CO. ET AL.

### Memorandum Opinion and Order Amending Issues

In re applications of Selbert McRae Wood, Clagett "Woody" Wood, Tycho Heckard Wood and Paul Edgar Johnson, d/b as Granite City Broadcasting Company, Mount Airy, North Carolina; Docket No. 12742; File No. BP-11811; Cumberland Publishing Company (WLSI), Pikeville, Kentucky; Docket No. 12743, File No. BP-11997; S. L. Goodman, Bassett, Virginia; Docket No. 12869, File No. BP-12611; for construction permits for standard broadcast stations.

1. The Commission has before it for consideration (1) a petition to enlarge issues, filed March 26, 1959, by Knoxville Ra-Tel, Inc. (WKXV); (2) a reply to the petition, filed April 15, 1959, by Granite City Broadcasting Company; (3) an opposition to the petition, filed April 17, 1959, by the Commission's Broadcast Bureau (Bureau); (4) a reply to the petition, filed April 17, 1959, by WJHL, Incorporated;<sup>1</sup> (5) a reply to the opposition, filed April 24, 1959, by petitioner WKXV.

<sup>1</sup> By order released April 17, 1959 (FCC 59M-496), the time for filing responsive pleadings to the petition was extended to April 17, 1959.

2. Granite City Broadcasting Company is an applicant for a construction permit for a new standard broadcast station at Mount Airy, North Carolina. Cumberland Publishing Company is an applicant for a construction permit to increase the power of Station WLSI (900 kc), Pikeville, Kentucky. By order released February 2, 1959 (FCC 59-61), the Commission designated these applications for hearing in a consolidated proceeding on a number of issues, several of which relate to interference problems presented by each applicant's proposals, and an issue under section 307(b) of the Communications Act of 1934, as amended. In the Commission's Order, the licensees of WGHL (910 kc, Johnson City, Tennessee), WKXV (900 kc, Knoxville, Tennessee), and WKYW (900 kc, Louisville, Kentucky), among others, were made parties to the proceeding. By order released May 8, 1959 (FCC 59-426), the application of S. L. Goodman was consolidated with the applications of Granite City Broadcasting Company and Cumberland Publishing Company.

3. Petitioner WKXV requests that the issues in this proceeding be enlarged to include the following issues:

(1) To determine the type and character of program service proposed to be rendered by Granite City Broadcasting Company and whether it would meet the requirements of the populations and areas proposed to be served.

(2) To determine the type and character of program service proposed to be rendered by Cumberland Publishing Company (WLSI) and whether it would meet the requirements of the populations and areas proposed to be served.

(3) To determine the type and character of program service rendered by Station WKXV to the area which will lose such service by virtue of the interference caused by the Cumberland Publishing Company (WLSI) proposal and whether it meets the requirements of the population and area proposed to lose such service.

In support of this request, WKXV relies solely upon its interpretation of *Star of the Plains Broadcasting Co. v. FCC*<sup>2</sup> as requiring the addition of the proposed issues.

4. In its reply, WJHL expresses the view that, under the Plains decision, programming evidence may be introduced under the issues already specified in the proceeding. It urges that the Plains decision holds programming evidence to be relevant in a proceeding before the Commission involving a determination under section 307(b) of the Act; a case involving an existing station is, it submits, such a proceeding. Should the Commission be of a contrary view, it requests that the following additional issue be adopted: "To determine the programming service rendered by Station WJHL to the area which will lose such service as a result of the grant of the application of Cumberland Publishing Company (WLSI)."

<sup>2</sup> United States Court of Appeals for the District of Columbia Circuit, March 9, 1959, 18 RR 2072.

5. It is the Commission's view that the Plains decision does not require the addition, under section 307(b), of the first two issues requested by WKXV. There is no showing that either applicant would provide primary service to the community of the other, and the Bureau in its opposition states that such primary service would not be provided. If the Bureau is correct, there is no occasion, as we view the Plains decision, to consider the programming of the two applicants. If, however, it should be established at the hearing, by acceptable engineering evidence that primary service will be provided by either applicant to the community of the other, the former would, under the present 307(b) issue, be permitted to show how its programming proposals would better serve the needs of that community. In this connection, see our Memorandum Opinion and Order, released June 26, 1959. (FCC 59-594), in *In re Plainview Radio*.

6. The application of WLSI shows that its proposal would cause co-channel interference affecting 5.9 percent of the population within the 0.5 mv/m contour of WKXV, and that it would cause adjacent channel interference affecting 3.3 percent of the population within the 0.5 mv/m contour of WKYW and 2.8 percent of the population within the 0.5 mv/m contour of WJHL. Under the circumstances, programming issues will be added as to these areas of interference.<sup>3</sup> See *Democrat Printing Co. v. FCC*, 202 F. 2d 298 (C.A.D.C., 1952); *Star of the Plains Broadcasting Co. v. FCC*, supra. However, the third of the issues proposed by WKXV, and the issue proposed by WJHL in its alternative request, would inquire only as to the type of and character of program service rendered by WKXV and WJHL, respectively, to the area in which each would receive interference and whether it meets the requirements of that area or the population therein. A programming issue, under the circumstances herein involved, should also include an inquiry as to the manner in which other existing stations satisfy the needs of the interference areas.

*Accordingly it is ordered*, This 22d day of July 1959, that the petition to enlarge issues filed March 26, 1959, by Knoxville Ra-Tel, Inc., is granted to the extent indicated herein and is in all

<sup>3</sup> In the area of co-channel interference, neither Station WKXV nor applicant WLSI would provide service. For that reason, the issues adopted herein do not require a determination as to whether applicant WLSI's proposed program service would meet the requirements of such area and of the people residing therein. In the areas of adjacent channel interference, where there would be a substitution of applicant WLSI's service for that of Stations WKYW and WJHL, respectively, the issues adopted herein do require such a determination. In both the co-channel and adjacent channel interference areas, the adopted issues require a determination of the program services of the interfered-with stations and of other stations serving these interference areas, and the extent to which their program services meet the requirements of the interference areas which they now serve.

other respects denied: that the alternative request for an additional issue, as proposed by WJHL, Incorporated, in its reply filed April 17, 1959, is denied; that the issues in this proceeding are amended to renumber issues 6 and 7 as issues 8 and 9, respectively, and to include as issues 6 and 7 the following:

6. To determine the type and character of program service proposed to be rendered by Cumberland Publishing Company (WLSI), and whether it would meet the requirements of the populations and areas proposed to be served.

7. To determine the type and character of program service rendered by standard broadcast stations WKXV, WKYW and WJHL, respectively; the extent to which the program service of each of them meets the requirements of the populations and areas proposed to lose such service; and the extent to which the program services of existing standard broadcast stations meet the requirements of the populations and areas proposed to lose the service of WKXV, WKYW and WJHL, respectively.

Released: July 27, 1959.

FEDERAL COMMUNICATIONS  
COMMISSION,<sup>1</sup>

[SEAL] MARY JANE MORRIS,  
Secretary.

[F.R. Doc. 59-6282; Filed, July 29, 1959;  
8:49 a.m.]

[Docket Nos. 12952, 12953; FCC 59-753]

### WBUD, INC., AND CONCERT NETWORK, INC.

#### Order Designating Applications for Consolidated Hearing on Stated Issues

In re applications of WBUD, Inc., Trenton, New Jersey; Docket No. 12952, File No. BPH-2600; Concert Network, Inc., Trenton, New Jersey; Docket No. 12953, File No. BPH-2619; for construction permits for new FM broadcast stations.

At a session of the Federal Communications Commission held at its offices in Washington, D.C., on the 22d day of July 1959;

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

It appearing, that except as indicated by the issues specified below, the instant applicants are legally, technically, and otherwise qualified; that Concert Network, Inc., is financially qualified, but that WBUD, Inc., may not be financially qualified; and

It further appearing, that, pursuant to section 309(b) of the Communications Act of 1934, as amended, the Commission, in a letter dated April 24, 1959, and incorporated herein by reference, notified the applicants, and any other known parties in interest of the grounds and reasons for the Commission's inability to make a finding that a grant of either

application would serve the public interest, convenience and necessity; and that a copy of the aforementioned letter is available for public inspection at the Commission's offices; and

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

It further appearing, that WBUD, Inc., licensee of Station WBUD(AM), Trenton, New Jersey, proposes to mount the FM antenna on the No. 3 tower of the directional antenna array of Station WBUD; and

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

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

1. To determine the areas and populations within the 50 uv/m and 1 mv/m contours of the operations proposed, respectively, by WBUD, Inc., and Concert Network, Inc., and the availability of other such FM broadcast service to the said areas and populations.

2. To determine whether the instant proposals would involve objectionable interference with Station WFIL-FM, Philadelphia, Pennsylvania, or any other existing FM broadcast stations, and if so, the nature and extent thereof, the areas and populations affected thereby and the availability of other service to such areas and populations.

3. To determine whether WBUD, Inc., is financially qualified to construct and operate its proposed station.

4. To determine, on a comparative basis, which of the instant proposals would better serve the public interest, convenience and necessity in light of the evidence adduced pursuant to 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 having a bearing on the applicant's ability to own and operate its proposed station.

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

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

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

It is further ordered, That Triangle Publications, Inc., licensee of Station WFIL-FM, Philadelphia, Pennsylvania, is made a party to the proceeding.

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

It is further ordered, That in the event of a grant of the application of WBUD, Inc., as a result of the hearing proceeding, the construction permit shall contain a condition requiring that Station WBUD request permission from the Commission to determine power of WBUD by the indirect method; that during the installation period of the FM antenna WBUD shall maintain the directional antenna system as closely as possible to values appearing in the license; and that upon completion of the installation WBUD shall submit sufficient data to show that the directional antenna pattern remains substantially unchanged, but if there is any change in the antenna or common point resistance, WBUD shall submit Forms 302 to report the change.

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

Released: July 27, 1959.

FEDERAL COMMUNICATIONS  
COMMISSION,

[SEAL] MARY JANE MORRIS,  
Secretary.

[F.R. Doc. 59-6283; Filed, July 29, 1959;  
8:47 a.m.]

## FEDERAL POWER COMMISSION

[Docket No. E-6891]

### COMMUNITY PUBLIC SERVICE CO.

#### Notice of Application

JULY 23, 1959.

Take notice that on July 20, 1959, an application was filed with the Federal Power Commission pursuant to section 204 of the Federal Power Act by Community Public Service Company ("Applicant"), a corporation organized under the laws of the State of Delaware and doing business in the States of New Mexico and Texas, with its principal business office at Fort Worth, Texas, seeking an order authorizing the issuance of 30,000 shares of \_\_\_\_\_ percent Cumulative Preferred Stock, Series A, of the par value of \$100 per share. Applicant proposes to determine the dividend rate on the Series A Preferred Stock by competitive bidding and said Preferred Stock will be issued and sold at competitive bidding on or

<sup>1</sup> Commissioner Cross dissenting.

about September 9, 1959, unless postponed. Applicant states that the aforesaid Preferred Stock is to be issued and sold for the purpose of reimbursing its treasury for expenditures heretofore made for construction, extensions and improvements of facilities and to refund promissory notes evidenced by short-term bank loans created to obtain part of the funds needed for such program.

Any person desiring to be heard or to make any protest with reference to said application should, on or before the 14th day of August 1959, file with the Federal Power Commission, Washington 25, D.C., petitions or protests in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 1.8 or 1.10). The application is on file and available for public inspection.

JOSEPH H. GUTRIDE,  
Secretary.

[F.R. Doc. 59-6249; Filed, July 29, 1959;  
8:45 a.m.]

[Docket No. G-16542]

## COASTAL STATES GAS PRODUCING CO.

### Notice of Application and Date of Hearing

JULY 24, 1959.

Take notice that on October 7, 1958, Coastal States Gas Producing Company (Applicant) filed an application in Docket No. G-16542, pursuant to section 7(c) of the Natural Gas Act, for a certificate of public convenience and necessity seeking authorization to continue the sale of natural gas to Trunkline Gas Company (Trunkline), purchased from certain producers in the East Mathis, Het, Willman, and North Willman Fields, in San Patricio County, Texas, formerly rendered by Gas Gathering Company (Gathering) under a sales contract dated August 18, 1955, previously accepted for filing as Gas Gathering Company FPC Gas Rate Schedule No. 12, all as more fully described in the application on file with the Commission and open to public inspection.

Concurrently with its certificate application in Docket No. G-16542, Applicant filed a copy of the certificate of dissolution and a notice of succession to Gathering's FPC Gas Rate Schedule No. 12. Gathering's FPC Gas Rate Schedule No. 12 has been redesignated Coastal States Gas Producing Company FPC Gas Rate Schedule No. 10, and the certificate of dissolution as Supplement No. 2 thereto.

Take further notice that, on May 11, 1959, Applicant filed a supplement to its application wherein Applicant states it has committed to said contract of August 18, 1955, with Trunkline, additional supplies of natural gas produced by Chizum, Rhodes & Hicks, et al. in the North Mathis Area, San Patricio County, Texas. Such gas is purchased by Applicant pursuant to a gas sales contract dated July 8, 1958, by and between Chizum, Rhodes & Hicks, et al., as sellers, and Applicant, as buyer.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on August 27, 1959, at 9:30 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 17, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,  
Secretary.

[F.R. Doc. 59-6250; Filed, July 29, 1959;  
8:45 a.m.]

[Docket No. G-15138]

## D. E. LONDON

### Notice of Application and Date of Hearing

JULY 21, 1959.

Take notice that on May 19, 1958, D. E. London, Operator (Applicant)<sup>1</sup> filed an application in Docket No. G-15138, pursuant to section 7(c) of the Natural Gas Act, for a certificate of public convenience and necessity seeking authorization to render service to Lone Star Gas Company (Lone Star) from a well formerly owned by Sohio Petroleum Company (Sohio)<sup>2</sup> and located in the NE/4 SE/4 Sec. 17-3S-4W in the Ridgeway Field, Stephens County, Oklahoma,<sup>3</sup> all as more

<sup>1</sup> Ray London is a co-owner by assignment from Sohio Petroleum Company along with D. E. London.

<sup>2</sup> By instrument of assignment, dated January 18, 1956, and filed March 19, 1958, Sohio conveyed its working interest in the subject acreage in addition to other acreage adjacent thereto, to Applicant and Ray London, effective as of January 1, 1956. Applicant proposes to render the service to Lone Star proposed herein under a gas sales contract dated January 1, 1953. On March 3, 1958, Applicant filed a notice of succession to Sohio's related FPC Gas Rate Schedule No. 18.

<sup>3</sup> The service is covered by a contract, dated January 1, 1953, between Sohio, as seller, and Lone Star, as buyer, previously accepted for filing as Sohio Petroleum Company FPC Gas Rate Schedule No. 18.

fully described in the application on file with the Commission and open to public inspection.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on August 25, 1959, at 9:30 a.m., e.d.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C., concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 15, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,  
Secretary.

[F.R. Doc. 59-6251; Filed, July 29, 1959;  
8:45 a.m.]

[Docket No. G-18358]

## UNITED FUEL GAS CO.

### Notice of Application and Date of Hearing

JULY 21, 1959.

Take notice that United Fuel Gas Company (Applicant), a West Virginia corporation, and a subsidiary of The Columbia Gas System, Inc., having its principal place of business at 1700 MacCorkle Avenue SE., Charleston, West Virginia, filed on April 21, 1959 an application for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act, authorizing Applicant to construct and operate certain additional transmission facilities, as hereinafter described, subject to the jurisdiction of the Commission, all as more fully described in the application, which is on file with the Commission and open for public inspection.

Applicant proposes to construct and operate 18.5 miles of 26-inch loop line from a point on Applicant's 20-inch transmission line SM-80 in West Virginia in an easterly direction to Applicant's Panther Mountain measuring station near its Cobb Compressor Station in Kanawha County, West Virginia.

Applicant alleges that its existing facilities do not have sufficient capacity to

transport the volumes of high pressure gas required by Applicant's customers and for Applicant's storage injection program centered around Applicant's Cobb operating area in Kanawha County, West Virginia during the summer period of 1959. Applicant in its application estimated the deficiency on an average May day, 1959 at 47,700 Mcf and states that similar deficiencies would continue through the storage injection period. It is estimated that during the comparable period in 1960 the transmission deficiency would exceed 150,000 Mcf.

Applicant alleges that the 1959 summer requirements of Atlantic Seaboard, as compared to 1958, will increase by 1,000,000 Mcf per month.

Applicant's proposal is for the purpose of alleviating this deficiency.

The estimated cost of the proposed construction will be \$2,512,400, and the estimated operating expense will be \$7,700 per year.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

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

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 27, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,  
Secretary.

[F.R. Doc. 59-6252; Filed, July 29, 1959;  
8:45 a.m.]

[Docket No. G-18649]

## UNITED GAS PIPE LINE CO.

### Notice of Application and Date of Hearing

JULY 21, 1959.

Take notice that on May 28, 1959, United Gas Pipe Line Company (Applicant), filed an application for a certificate of public convenience and necessity pursuant to section 7 of the Natural Gas

Act authorizing the construction and operation of certain pipeline facilities consisting of approximately 8.72 miles of 30-inch pipe in two sections looping the same lengths of its 30-inch Agua Dulce Field, Texas-Sterlington, Louisiana Line, located in Angelina and San Augustine Counties, Texas.

The purpose of the construction at this time is to insure continued service to Applicant's numerous customers in the areas of Shreveport and Monroe, Louisiana at the lowest costs because the present facilities are to be submerged under the waters of the McGee Bend Reservoir to be constructed soon by the Corps of Engineers of the United States Army as a flood control project.

The total estimated cost of the proposed facilities is \$2,022,461 which will be borne by Applicant from funds on hand. Applicants will be reimbursed for its costs by the Corps of Engineers.

This matter is one that should be disposed of as promptly as possible under the applicable rules and regulations and to that end:

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by sections 7 and 15 of the Natural Gas Act, and the Commission's rules of practice and procedure, a hearing will be held on August 27, 1959, at 9:30 a.m., e.d.s.t., in a Hearing Room of the Federal Power Commission, 441 G Street NW., Washington, D.C. concerning the matters involved in and the issues presented by such application: *Provided, however,* That the Commission may, after a non-contested hearing, dispose of the proceedings pursuant to the provisions of § 1.30(c) (1) or (2) of the Commission's rules of practice and procedure. Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before August 17, 1959. Failure of any party to appear at and participate in the hearing shall be construed as waiver of and concurrence in omission herein of the intermediate decision procedure in cases where a request therefor is made.

JOSEPH H. GUTRIDE,  
Secretary.

[F.R. Doc. 59-6253; Filed, July 29, 1959;  
8:45 a.m.]

## FEDERAL RESERVE SYSTEM

### CITIZENS AND SOUTHERN NATIONAL BANK AND CITIZENS AND SOUTHERN HOLDING CO.

#### Order Approving Applications Under Bank Holding Company Act

In the matter of the applications of Citizens and Southern National Bank and Citizens and Southern Holding Com-

pany for prior approval of acquisition of voting shares of American National Bank of Brunswick, Brunswick, Georgia.

There having come before the Board of Governors pursuant to section 3(a)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1843) and section 4(a)(2) of the Board's Regulation Y (12 CFR 222.4(a)(2)), applications on behalf of Citizens and Southern National Bank and Citizens and Southern Holding Company, whose respective principal office is in Savannah, Georgia, for the Board's prior approval of the acquisition of 2,500 of the outstanding voting shares of American National Bank of Brunswick, Brunswick, Georgia; a Notice of Tentative Decision referring to a Tentative Statement on said applications having been published in the FEDERAL REGISTER on June 30, 1959 (24 F.R. 5319); the said Notice having provided interested persons an opportunity, before issuance of the Board's final order, to file objections or comments upon the facts stated and the reasons indicated in the Tentative Statement; and the time for filing such objections and comments having expired and no such objections or comments having been filed:

*It is hereby ordered,* For the reasons set forth in the Board's Statement<sup>1</sup> of this date, that the said applications be and hereby are granted and the acquisition by Citizens and Southern National Bank and Citizens and Southern Holding Company of 2,500 of the outstanding voting shares of American National Bank of Brunswick, Brunswick, Georgia, is hereby approved, provided that such acquisition is completed within three months from the date hereof, and that no action be taken by Citizens and Southern National Bank or Citizens and Southern Holding Company that will result in the termination of the corporate existence of American National Bank of Brunswick as a separate functioning banking institution until after 60 days following the date of this order.

Dated at Washington, D.C., this 23d day of July, 1959.

By order of the Board of Governors:<sup>2</sup>

[SEAL] MERRITT SHERMAN,  
Secretary.

[F.R. Doc. 59-6254; Filed, July 29, 1959;  
8:45 a.m.]

## OFFICE OF CIVIL AND DEFENSE MOBILIZATION

### SURPLUS MILITARY RIFLES

#### Investigation of Imports

Notice is hereby given, in accordance with the provisions of section 8 of the Trade Agreements Extension Act of 1958 and OCDM Regulation No. 4, as amended, that the Sporting Arms and Ammunition Manufacturers Institute has

<sup>1</sup>Filed as part of the original document. Copies available upon request to the Board of Governors of the Federal Reserve System, Washington 25, D.C., or to any Federal Reserve Bank.

<sup>2</sup>Voting against this action: Governors Robertson and King.

requested on behalf of six domestic sporting arms manufacturers that investigation be undertaken to determine whether surplus military rifles are being imported in such quantities or under such circumstances as to threaten to impair the national security.

Dated: July 2, 1959.

LEO A. HOEGH,  
Director, Office of  
Civil and Defense Mobilization.

[F.R. Doc. 59-6246; Filed, July 29, 1959;  
8:45 a.m.]

## ATOMIC ENERGY COMMISSION

[Docket No. 27-2]

### CROSSROADS MARINE DISPOSAL CORP.

#### Notice of Issuance of Byproduct, Source and Special Nuclear Ma- terial License Amendment

Please take notice that the Atomic Energy Commission has issued Amendment No. 3, set forth below, to Byproduct, Source and Special Nuclear Material License No. 20-685-2. The amendment to be effective August 15, 1959, authorizes Crossroads Marine Disposal Corporation, 26 T Wharf, Boston, Massachusetts, to (1) increase its possession limit of byproduct material from 20 curies to 1,000 curies, and of source material from 4,000 pounds to 16,000 pounds, (2) possess 100 grams of special nuclear material, and (3) conduct operations at its new address. The amendment changes the disposal site from an in-shore location to off-shore locations beyond the continental shelf at a minimum depth of 1,000 fathoms and incorporates various procedures and conditions in the license amendment governing transportation and handling procedures in order to assure adequate radiological safety practices as described in the application for license amendment dated June 19, 1959. There is also set forth below a memorandum submitted by the Division of Licensing and Regulation which summarizes the principal factors considered in reviewing the application for license amendment.

In accordance with the Commission's rules of practice (10 CFR Part 2) the Commission will direct the holding of a formal hearing on the matter of the issuance of the license amendment upon receipt of a request therefor from the licensee or an intervener within thirty (30) days after issuance of the license amendment.

For further details see (1) the application submitted by Crossroads Marine Disposal Corporation and amendments thereto and (2) a copy of Appendix A to the license amendment which contains transportation container specifications substantially similar to those contained in Title 49, Code of Federal Regulations, Part 78, referenced to in Condition No. 6 of the license, both on file at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. A copy of (2) above may be obtained at the Commission's Public Document Room or by

request addressed to the Atomic Energy Commission, Washington 25, D.C., Attention: Director, Division of Licensing and Regulation.

Dated at Germantown, Md., this 23d day of July 1959.

For the Atomic Energy Commission.

H. L. PRICE,  
Director,  
Licensing and Regulation.

[License No. 20-685-2 (G61); Amdt. 3]

Effective as of August 15, 1959 as specified below, License No. 20-685-2 (G61) is amended to read as follows:

Pursuant to the Atomic Energy Act of 1954, as amended, and 10 CFR Part 30, "Licensing of Byproduct Material," 10 CFR Part 40, "Control of Source Material," and 10 CFR Part 70, "Special Nuclear Material," and in reliance upon the statements, and representations contained in the application for amendment dated June 19, 1959 (which was substituted by the applicant for applications for amendment dated July 28, September 22, and November 19, 1958, and February 24, and March 25, 1959) hereinafter referred to as "the application," a license is hereby issued to Crossroads Marine Disposal Corporation, 26 T Wharf, Boston, Massachusetts, to receive, possess, package, and dispose of byproduct, source, and special nuclear material.

This license shall be deemed to contain the conditions specified in section 183 of the Atomic Energy Act of 1954, as amended, and is subject to the provisions of 10 CFR Part 20, "Standards for Protection Against Radiation," all other applicable rules, regulations, orders of the Atomic Energy Commission now or hereafter in effect, and to the following conditions:

1. The licensee shall not possess more than 1,000 curies of byproduct material; 16,000 pounds of source material; and 100 grams of special nuclear material at any one time.

2. Byproduct, source and special nuclear material shall be received, packaged, and disposed of by, or under the direct personal supervision of, George C. Ferry or James J. Nuss.

3. The licensee shall receive, package, possess and dispose of the byproduct, source and special nuclear material in accordance with the procedures described in the application, except as provided otherwise in this license.

4. A copy of "Personnel Monitoring Instructions" and "Instructions For Collection and Transportation of Radioactive Waste Material" as described in the application shall be supplied to each employee of the licensee involved in the receipt, packaging and disposal of byproduct, source and special nuclear material.

5. The licensee shall receive only waste materials which have been prepackaged by the licensee's customers in containers in compliance with applicable Interstate Commerce Commission regulations or with Condition 6 of this license. Prepackaged waste containers shall not be opened by the licensee. The licensee shall instruct each customer to package waste material in such a manner as to assure the absence of any significant voids.

6. The transportation of AEC-licensed material to and from the location designated in Condition 7 shall be subject to the applicable regulations of the Interstate Commerce Commission, United States Coast Guard and other agencies of the United States having appropriate jurisdiction, and where such regulations are not applicable shall be in accordance with the following requirements except as specifically provided by the Atomic Energy Commission:

A. *Outside shipping containers.* (1) The containers shall meet the specifications for sea disposal containers as approved herein

or any one of the following specifications described in Appendix A attached hereto:

a. 15A, 15B, 12B, 6A, 6B, 6C, 17C, 17E, 19A, or 19B for the containment of radioactivity in amounts not in excess of 2.7 curies; except polonium, 2 curies; or

b. Specification 55 for containment of solid cobalt 60, cesium 137, iridium 192, or gold 198 in amounts not in excess of 300 curies.

(2) There shall be no radioactive contamination on any exterior surface of the container in excess of 500 d/m/100 sq. cm. alpha and 0.1 mrep/hr beta-gamma radiation.

(3) The smallest dimension of the container shall not be less than 4 inches.

(4) The radiation level of any accessible surface of the container shall not exceed 200 mrem/hr.

(5) At one meter from any point on the radioactive source the radiation level shall not exceed 10 mrem/hr.

(6) Containers which contain radioactive material emitting only alpha and/or beta radiation shall contain sufficient shielding to prevent the escape of primary corpuscular radiation to the exterior surface and to reduce the secondary radiation at the surface of the container to at least 10 mrem/24 hours at any time during transportation.

B. *Inside containers.* (1) Solid and gaseous radioactive materials shall be packed in suitable inside containers designed to prevent rupture and leakage under conditions incident to transportation.

(2) Liquid radioactive materials must be packed in sealed glass, earthenware, or other suitable containers. The container must be surrounded on all sides by an absorbent material sufficient to absorb the entire liquid contents and be of such nature that its efficiency will not be impaired by chemical reactions with the contents. Where shielding is required the absorbent material must be placed within the shield. If the inside container meets the Specification 2R in Appendix A the absorbent material is not required.

(3) Materials containing radioisotopes of plutonium, americium, polonium, or curium, or the isotope strontium 90, in quantities in excess of 100 microcuries, must be packed in containers which meet Specification 2R in Appendix A.

C. *Shielding.* Inside containers must be completely surrounded with sufficient shielding to meet the requirements of subparagraphs A(4), A(5), and A(6) of this condition. The shield must be so designed that it will not open or break under normal conditions incident to transportation.

D. *Labeling.* Each outside container label required under Section 20.203(f) of 10 CFR 20 shall bear the following information:

(1) Total activity in millicuries, or in the case of source and special nuclear material, the total weight;

(2) Principal radioisotope;

(3) Radiation level at the surface of the container and at one meter from the source; and

(4) The name and address of the licensee.

E. Each vehicle in which licensed material is transported shall be marked or placarded on each side and the rear with the lettering at least 3 inches high as follows: "DANGEROUS—RADIOACTIVE MATERIAL".

F. *Accidents.* In the event of an accident involving any vehicle transporting licensed material, immediate steps shall be taken to prevent radiation exposure of persons and to control contamination.

G. *Exemptions.* Specific approval must be obtained from the Atomic Energy Commission for modification of, or exemption from, the requirements of the license condition. Requests for such approval should be directed to the Chief, Isotopes Branch, Division of Licensing and Regulation, Atomic Energy Commission, and should contain sufficient information to support such a request.

7. The licensee shall store and package byproduct, source and special nuclear ma-

terial for sea disposal only at Pier No. 4, Northern Avenue, Boston, Massachusetts as described in the application.

8. The licensee shall dispose of byproduct, source and special nuclear material in the Atlantic Ocean (1) within an area bounded by the parallels of latitudes 41°38' N., 41°28' N., and the meridians of longitude 65°28' W., 65°45' W.; (2) within a 5 mile radius circle the center of which is at a point designated as parallel of latitude 38°30' N., and meridian of longitude 72°06' W.; or (3) at other locations in the Atlantic Ocean at a minimum depth of 1,000 fathoms when approved by the Commission.

9. Packaged radioactive waste containing special nuclear material shall be transported only aboard vessels of American registry.

10. The licensee shall notify the Chief, Isotopes Branch, Division of Licensing and Regulation, Atomic Energy Commission, at least 20 days prior to each disposal, by letter deposited in the United States mail properly stamped and addressed, of the proposed date for disposal, the total number of containers, the total activity of byproduct material in millicuries, the amount of source material in pounds, the amount of special nuclear material in grams, and the most hazardous radioisotope contained in each container.

11. Containers received and packaged by Crossroads Marine Disposal Corporation, shall not contain more than 20 grams of special nuclear material per container.

12. Waste byproduct, source and special nuclear material shall be disposed of at sea within 21 months from the date on which the Crossroads Marine Disposal Corporation first takes possession of such material.

This amendment shall be effective on August 15, 1959, and shall expire on July 31, 1961.

Date of issuance: July 23, 1959.

For the Atomic Energy Commission.

H. L. PRICE,  
Director,  
Licensing and Regulation.

#### MEMORANDUM

By application dated July 28, 1958, and amendments thereto dated July 28, September 22, November 19, 1958, and February 24 and March 25, 1959, all of which were incorporated into an application dated June 19, 1959, Crossroads Marine Disposal Corporation, 26 T Wharf, Boston, Massachusetts, requested renewal of their license to receive, possess, package and dispose of byproduct, source and special nuclear material wastes in the Atlantic Ocean. The Crossroads Marine Disposal Corporation has been authorized by the Commission to dispose of radioactive wastes at sea since July 23, 1952.

Based on the consideration set forth in this memorandum the Atomic Energy Commission has found that:

(a) The applicant's proposed equipment, facilities and procedures are adequate to protect health and minimize danger of life or property;

(b) The applicant is qualified by training and experience to conduct the proposed waste disposal service for byproduct, source and special nuclear material in such a manner as to protect health and minimize danger to life or property; and

(c) The issuance of an amendment to the byproduct, source and special nuclear material license held by Crossroads Marine Disposal Corporation will not be inimical to the health and safety of the public.

*Experience of personnel.* Mr. George C. Perry, President and Mr. James J. Nuss, Superintendent, will directly supervise the receipt, packaging, and disposal operations. Mr. Perry has had about 11 years experience in the handling of low level radioactive waste in operating the Crossroads Marine Dis-

posal Corporation. Mr. Nuss has had about 3 years experience with Crossroads Marine Disposal Corporation in the packaging and disposal of low level radioactive materials. Both Mr. Perry and Mr. Nuss appear to have sufficient training and experience in radiation monitoring, decontamination, methods, contamination control, and the principles and practices of radiation protection. Therefore, it appears that the licensee has personnel with sufficient training and experience in the handling of radioactive materials to provide assurance that the waste disposal operation will be conducted in a manner to protect the health and safety of the public and minimize the danger to life and property.

*Equipment, facilities and procedures.* The site for waste processing and temporary storage prior to sea disposal is located on the end of Pier No. 4, Northern Avenue, Boston, Massachusetts. The area is chiefly industrial. The site is approximately 400' x 150' and will be fenced in by an 8-foot-high chain link fence topped by an additional foot of barbed-wire. A brick and cement building of approximately 800 square feet is located on the site and will be used to store waste containers received from customers until they are packaged for sea disposal. After the final sea disposal containers are prepared they will be stored outside of the building in the storage area.

The storage and processing areas will be locked to prevent unauthorized entry. Adequate radiation protection procedures including emergency procedures have been established covering each phase of the waste disposal program. Written instructions on proper radiation protection precautions and procedures will be given to each employee involved in the waste disposal operation. Necessary equipment for packaging the waste and transporting it to the disposal site is available to the licensee.

Transportation of waste material both to and from the licensee's site will be conducted in accordance with the regulations of the Interstate Commerce Commission and the United States Coast Guard where such regulations apply. Where these regulations do not apply, transportation will be conducted in accordance with Condition 6 of the license which establishes transportation requirements substantially the same as those of the Interstate Commerce Commission regulations.

The facilities, equipment and operating procedures described by the licensee appear adequate to assure that the disposal operations will be conducted in compliance with the Commission's regulations and conditions of the license.

*Containers and disposal site.* The packaging of waste material received from customers for disposal in the ocean meet the recommendations of the National Committee on Radiation Protection contained in Handbook 58, "Disposal of Radioactive Waste in the Ocean." The licensee will instruct his customers to prepackage byproducts, source and special nuclear material wastes in such a manner as to assure the absence of any significant voids. The licensee will encase the customer's containers in reinforced concrete (6 inches surrounding inner containers) to obtain a density of at least 10 pounds per gallon which will assure sinking in the ocean. Each final sea disposal container will be labeled to indicate the company's name, the date of packaging, the most hazardous radioisotope, the amount of radioactivity, and an identification number.

Disposal will be in the Atlantic Ocean at a minimum depth of 1,000 fathoms at the sites specified in Condition 8 of the license. These sites are approximately 120 miles from the coast and are beyond the continental shelf. The licensee is required to maintain a certified true copy of the ship's log to verify disposal at the sites.

The containers and disposal locations meet the recommendations of the National Committee on Radiation Protection contained in the National Bureau of Standards Handbook 58, "Radioactive Waste Disposal in the Ocean". At least 20 days prior to each sea disposal operation the Commission will be notified of the proposed date for disposal, total number of containers, total activity of byproduct material in millicuries, total amount of source and special nuclear material in pounds, and the most hazardous radioisotope in each container.

The disposal of radioactive wastes at sea where the depth is 1,000 fathoms when packaged in accordance with the requirements of the license is considered a safe method of radioactive waste disposal. The small amounts of radioactive material licensed for sea disposal, even if released into sea water at the specified locations would be greatly diluted and dispersed by the ocean and would not result in concentrations of radioactivity of public health significance.

[F.R. Doc. 59-6274; Filed, July 29, 1959; 8:48 a.m.]

## TARIFF COMMISSION

### WATCH MOVEMENTS

#### Report to the President

JULY 27, 1959.

The U.S. Tariff Commission today submitted to the President its fourth periodic report on the developments in the trade in watch movements since the "escape clause" action, on July 27, 1954, modifying the concession thereon granted in the trade agreement with Switzerland signed January 9, 1936. This report was made pursuant to paragraph 1 of Executive Order 10401 of October 14, 1952. That order prescribes procedures for the periodic review of escape-clause actions. Such review is limited to the determination of whether a concession that has been modified or withdrawn can be restored in whole or in part without causing or threatening serious injury to the domestic industry concerned.

In submitting its fourth report to the President under Executive Order 10401 with respect to watch movements, the Commission advised the President that the conditions of competition between imported and domestic watch movements had not so changed as to warrant the institution of a formal investigation under the provisions of paragraph 2 of Executive Order 10401. This means that, in the Commission's view, the developments in the trade in watch movements do not warrant a formal inquiry into the question of whether a reduction in the duties on watch movements could be made without resulting in serious injury to the domestic industry.

Copies of the Commission's report are available upon request as long as the limited supply lasts. Requests should be addressed to the U.S. Tariff Commission, Eighth and E Streets NW., Washington 25, D.C.

[SEAL]

DONN N. BENT,  
Secretary.

[F.R. Doc. 59-6268; Filed, July 29, 1959; 8:48 a.m.]

## INTERSTATE COMMERCE COMMISSION

[Notice 159]

### MOTOR CARRIER TRANSFER PROCEEDINGS

JULY 27, 1959.

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

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

No. MC-FC 62396. By order of July 21, 1959, the Transfer Board approved the transfer to Fox & Ginn Moving & Storage Co., a corporation, of Bangor, Maine, of Certificates Nos. MC 28536 Sub 6 and MC 28536 Sub 7, issued August 5, 1958 and July 18, 1957, respectively, in the name of Fox & Ginn, Inc., of Bangor Maine, authorizing the transportation over irregular routes of household goods, as defined by the Commission, between points in Maine, on the one hand, and, on the other, points in Connecticut, Massachusetts, New Hampshire, New York, and Rhode Island; between Medford, Mass., and points in Massachusetts within 10 miles thereof, on the one hand, and, on the other, points in Connecticut, Maine,

New Hampshire, and Vermont; between Stoneham, Mass., and points in Massachusetts within 15 miles thereof, on the one hand, and, on the other, points in New Hampshire and Rhode Island; between Stoneham, Mass., and points within 10 miles thereof, on the one hand, and, on the other, points in Connecticut, Maine, Massachusetts, and New York; between Woburn, Mass., and points within five miles thereof, on the one hand, and, on the other, points in New Jersey, Pennsylvania, and the District of Columbia; between Woburn and Melrose, Mass., points within five miles of Woburn, and all other points within five miles of Melrose, on the one hand, and, on the other, points in Vermont; household goods, between Waltham, Mass., and points in Massachusetts within 10 miles thereof, on the one hand, and, on the other, points in New Hampshire, New Jersey, and Rhode Island; and new furniture, uncrated, between points in Maine, on the one hand, and, on the other, points in New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, and Pennsylvania. Mary E. Kelley, 10 Tremont Street, Boston, Mass., for applicants.

[SEAL]

HAROLD D. McCoy,  
*Secretary.*

[F.R. Doc. 59-6262; Filed, July 29, 1959;  
8:47 a.m.]

[No. 33140]

### EXPRESS CONTRACT, 1959

JULY 24, 1959.

The above-entitled application is assigned for hearing on August 18, 1959, at

8:30 o'clock a.m., United States standard time (9:30 o'clock a.m. District of Columbia daylight saving time), at the Office of the Interstate Commerce Commission, Washington, D.C., before Examiner H. Hosmer.

This is an application under section 5(1) of the Interstate Commerce Act for an order approving the pooling or division of traffic, service and earnings which would result from the conduct of the express transportation business under a proposed new agreement to replace the Standard Express Operations Agreement, effective March 1, 1954, between the Railway Express Agency, Incorporated and certain carriers approved by the Commission in Express Contract, 1954, 291 I.C.C. 11. A copy of the application was served upon the Governors of each State in which the Railway Express Agency operates and upon the Attorney General of the United States, and a copy of the application may also be inspected in the offices of this Commission. Information about the application may be requested of Mr. Robert J. Fletcher, Vice President and General Counsel, Railway Express Agency, Inc., 219 East 42d Street, New York, N.Y.

The matter of a proposal of the Railway Express Agency to adjust its rates will not be considered at the hearing in No. 33140.

By the Commission.

[SEAL]

HAROLD D. McCoy,  
*Secretary.*

[F.R. Doc. 59-6261; Filed, July 29, 1959;  
8:46 a.m.]

## CUMULATIVE CODIFICATION GUIDE—JULY

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