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**SEMIANNUAL
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(As of July 1, 1959)

The following semiannual cumulative pocket supplement is now available:

Title 46, Parts 146-149,
1959 Supplement 1 (\$1.25)

Order from Superintendent of Documents,
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CODIFICATION GUIDE

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The exterior boundaries of the Wasatch National Forest are hereby extended to include the lands hereinafter described, and, subject to valid existing rights, all lands of the United States within such boundaries as thus extended (1) which have been acquired by the United States under authority of the Emergency Relief Appropriation Act of 1935 or Title III of the Bankhead-Jones Farm Tenant Act, and (2) which were transferred to the Department of Agriculture by Executive Order No. 10046 of March 24, 1949, are hereby included in and reserved as parts of the Wasatch National Forest:

SALT LAKE MERIDIAN

- T. 9 S., R. 4 W.,
Sec. 7, lots 2, 3 and 4, S½NE¼, SE¼NW¼,
E½SW¼SE¼;
- Sec. 8, W½SW¼, SE¼SW¼;
- Sec. 17, SW¼NE¼, W½, W½SE¼;
- Secs. 18 and 19;
- Sec. 20, W½NE¼, W½, W½SE¼, SE¼SE¼;
- Sec. 21, S½SW¼, SW¼SE¼;
- Sec. 27, W½W½;
- Secs. 28 to 33, inclusive;
- Sec. 34, SW¼NE¼, W½, SE¼.
- T. 10 S., R. 4 W.,
Sec. 5, lots 1, 2, 3, and 4, S½SW¼, SW¼SE¼;
- Secs. 6 and 7;
- Sec. 8, W½NE¼, W½, W½SE¼;
- Sec. 17, W½NE¼, W½;
- Sec. 18.
- T. 9 S., R. 5 W.
- T. 9 S., R. 6 W., (partly unsurveyed)
Secs. 1 to 5, inclusive;
- Sec. 6, N½;
- Secs. 9 to 16, inclusive;
- Sec. 21, NE¼;
- Secs. 22 to 26, inclusive;
- Sec. 36.

Section 2 of Executive Order No. 10046 of March 24, 1949, is hereby revoked to the extent that it applies to the lands in the Central Utah Project transferred to the Department of Agriculture for use, administration, and disposition in accordance with the provisions of Title III of the Bankhead-Jones Farm Tenant

Act and related provisions of Title IV thereof.

DWIGHT D. EISENHOWER

THE WHITE HOUSE,
October 9, 1959.

[F.R. Doc. 59-8652; Filed, Oct. 12, 1959; 10:31 a.m.]

RULES AND REGULATIONS

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 24—FORMAL EDUCATION REQUIREMENTS FOR APPOINTMENT TO CERTAIN SCIENTIFIC, TECHNICAL, AND PROFESSIONAL POSITIONS

Forester

Section 24.56 is revoked and § 24.19 is amended as set out below.

§ 24.19 Forester, GS-460-0 (all grades and options).

(a) *Educational requirement.* (1) Applicants for all options other than the Administration option must have successfully completed one of the following:

(i) A full 4-year course of study in an accredited college or university leading to a bachelor's or higher degree with major study in forestry or a closely related subject-matter field. This course of study must have included at least 24 semester hours of course-work in Forestry, diversified sufficiently to fall in at least 4 of the following specialized fields:

(a) Silviculture, i.e., such subjects as forest soils, forest ecology, dendrology, silvics, and silviculture; (b) forest management, i.e., such subjects as mensuration, forest regulation, and forest management; (c) forest protection, i.e., such subjects as fire protection, forest pathology, and forest entomology; (d) forest economics, i.e., such subjects as forest finance, forest valuation, and forest economics; (e) forest utilization, i.e., such subjects as logging, milling, forest products, and preparation and use of wood; and (f) related studies, i.e., such subjects as forest engineering, forest recreation, range management, watershed management, and wildlife management. To assure proper diversification of course work, not more than 6 semester hours credit will be given courses in any one of the specializations listed above.

(ii) A total of at least 30 semester hours of course work in science or engineering in an accredited college or university with major study in forestry or a closely related subject-matter field, where the course-work has included at least 24 semester hours in forestry as prescribed in subdivision (i) of this subparagraph; and where the study has been supplemented by enough additional experience or education of an appropri-

ate nature to total 4 years of experience and education or 4 years of education. The quality of this additional experience or education must have been such that, when combined with the required 30 semester hours of course-work in science or engineering, it gives the applicant a professional knowledge of forestry comparable to that normally acquired through the successful completion of the full 4-year course of study described in subdivision (i) of this subparagraph.

(2) Applicants for the Administration option must have completed the requirements described in subdivision (i) or (ii) of subparagraph (1); or the minimum educational requirements which have been prescribed for (i) Range Conservationist, GS-454, (ii) Soil Scientist, GS-470, (iii) Wildlife Biologist, GS-486, or (iv) Geologist, GS-1350; or the full 4-year college course requirements which have been prescribed for Engineer, GS-800, positions: *Provided*, That the basic professional training has been supplemented by a sufficient amount of professional experience, gained in a forestry work situation, to give the applicant a full professional knowledge of forestry administration. The supplemental experience must have been gained in a work situation where the program or project required the joint application of full professional knowledges of forestry and the related professions in the solving of highly technical and complex problems, where the work was largely concerned with the planning, developmental, and administrative phases of multiple-use, forest land management programs, or with the carrying out of related research or special projects of a similar nature. The total education and experience shown must clearly demonstrate that the applicant can perform the technical and administrative duties of the grade of position for which he is being considered.

(3) Applicants for positions which involve highly technical research, design, development, or similar complex scientific functions, must have successfully completed the full 4-year course of study described in subparagraph (1) (i) of this paragraph.

(b) *Duties.* Foresters perform scientific and professional work in connection with the administration, management, protection, and utilization of forest resources and forest lands, where the work is either involved in or related to the management of forest resources or forest land. This includes such activities as

(1) the development, production, and utilization of the resources and services, such as timber, forage, water, and public recreation; (2) the protection of resources against fire, insects, diseases, floods, erosion, and other depredations; (3) the preservation of landscape effects and the establishment of proper environmental conditions for wildlife; (4) the development of improved methods and practices in the protection, development, management, and utilization of forest resources; and (5) research to discover and interpret the principles and facts upon which the full production of forest land rests.

(c) *Knowledges and training requisite for performance of duties.* The duties of these positions cannot be performed without a sound basic knowledge of forestry, the basic sciences, and the scientific principles, concepts, and facts which underlie these sciences, and scientific training in forestry and the related sciences. The knowledges and training required can only be acquired through the successful completion of a directed course of study in an accredited college or university which has scientific libraries, well-equipped laboratories, adequate facilities for scientific study, and thoroughly trained instructors; where the school is equipped to give expert guidance and can evaluate the student's progress competently.

(Sec. 11, 58 Stat. 390; 5 U.S.C. 860)

UNITED STATES CIVIL SERVICE COMMISSION,

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

[F.R. Doc. 59-8606; Filed, Oct. 12, 1959; 8:47 a.m.]

Title 6—AGRICULTURAL CREDIT

Chapter I—Farm Credit Administration

SUBCHAPTER E—PRODUCTION CREDIT SYSTEM

PART 50—PRODUCTION CREDIT ASSOCIATIONS

Consolidation or Merger

Pursuant to the authority vested in the Governor of the Farm Credit Administration by section 20 of the Farm Credit Act of 1933, as amended (12 U.S.C. 1131d), § 50.401 (e) of Title 6 of the Code of Federal Regulations (21 F.R. 10330) is hereby amended to read as follows:

§ 50.401 Agreement.

(e) *Approval of agreement.* In order to become effective, an agreement to consolidate or merge must be approved:

(1) By a two-thirds vote of the class B stockholders of each association constituent to the consolidation or merger who are present and vote at a meeting duly called for the purpose;

(2) By the board of directors of the Bank; and

(3) By the Governor.

A copy of the approved agreement shall be filed with the Bank.

(Sec. 20, 48 Stat. 259; 12 U.S.C. 1131d)

R. B. TOOTELL,
Governor,

Farm Credit Administration.

[F.R. Doc. 59-8601; Filed, Oct. 12, 1959; 8:47 a.m.]

Title 7—AGRICULTURE

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

SUBCHAPTER I—DETERMINATION OF PRICES

PART 871—SUGAR BEETS

1959 Crop

Pursuant to the provisions of section 301(c) (2) of the Sugar Act of 1948, as amended (herein referred to as "act"), after investigation and due consideration of evidence presented at the public hearings held in February 1959 (for southern Oregon, California, and western Nevada), and during January 1959 (for States other than those regions), the following determination is hereby issued:

§ 871.12 Fair and reasonable prices for the 1959 crop of sugar beets.

A producer of sugar beets who is also a processor of sugar beets (herein referred to as "processor") shall have paid, or contracted to pay for sugar beets of the 1959 crop grown by other producers and processed by him, in accordance with the following requirements:

(a) *Purchase agreements:* The price for sugar beets shall be not less than that determined pursuant to the 1959 crop sugar beets purchase contract between the processor and producers.

(b) The requirements of this section are applicable to all sugar beets grown by a producer and processed by the processor for the extraction of sugar or liquid sugar: *Provided*, That such requirements shall not apply with respect to sugar beets grown on acreage in excess of the proportionate share for the farm, if such sugar beets are marketed (or processed) for the production of sugar or liquid sugar for livestock feed or for the production of livestock feed.

(c) *Reporting requirements:* The processor shall report to the Director, Sugar Division, Commodity Stabilization Service, U.S. Department of Agriculture, Washington 25, D.C., within 60 days after the close of the sales period specified in the sugar beet purchase contract an itemized statement, for each settlement district, signed by an authorized official of the company or certified by an independent accountant showing the computation of "net proceeds" or "net returns" as specified in such contract. Such statement shall be substantially in the form as that contained in Schedule

A: *Provided*, That if the processor markets beet sugar to an affiliate company or other affiliate business entity he shall report separately the quantity of sugar so marketed and the gross sales price and the net returns derived therefrom.

SCHEDULE A—STATEMENT OF AVERAGE NET RETURNS OR NET PROCEEDS FROM SALES OF SUGAR¹

Company _____
Settlement area _____
Period _____

	<i>Per cwt. sugar (dollars)</i>
Gross sales price: _____	
Total returns _____	
Less sales and marketing expenses:	
Federal excise tax _____	
Freight on sugar to destination _____	
Cash discount _____	
Allowances _____	
Brokerage _____	
Storage _____	
Warehousing and handling _____	
Taxes _____	
Insurance _____	
Cost of packing in excess of basis pack _____	
Advertising _____	
Sales department expenses:	
Salaries _____	
Travel _____	
Miscellaneous _____	
Other (specify) _____	
Total expenses _____	
Net returns _____	

¹ Include proceeds from the sales of molasses and beet pulp where the purchase contract specifies that such proceeds are to be included in calculating the net return.

(d) *Subterfuge:* The processor shall not reduce returns to producers below those determined in accordance with the requirements of this section through any subterfuge or device whatsoever.

STATEMENT OF BASES AND CONSIDERATIONS

a. *General.* The foregoing determination establishes the fair and reasonable price requirements which must be met, as one of the conditions for payment under the act, by a producer who processes sugar beets of the 1959 crop grown by other producers.

b. *Requirements of the act.* Section 301(c) (2) of the act provides that the producer on the farm who is also, directly or indirectly, a processor of sugar beets or sugarcane, as may be determined by the Secretary, shall have paid, or contracted to pay under either purchase or toll agreements, for any sugar beets or sugarcane grown by other producers and processed by him at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing.

c. *1959 fair price determination.* This determination provides that a processor shall be deemed to have complied with the fair price provisions of the act if he has paid, or contracted to pay, prices for sugar beets not less than those determined pursuant to his 1959 crop purchase contract with producers.

At the public hearings producers and processors reported that the majority of 1959 crop purchase contracts either had been negotiated or were in process of

negotiation. The witnesses stated that the contracts which had been issued were substantially the same as the 1958 crop contracts. Since the hearings copies of printed contracts have been received for all of the sugar beet producing regions including the Imperial Valley, California.

An examination of the 1959 crop purchase contracts which have been negotiated by processors and by representatives of the producer associations shows that the payment provisions conform in most respects to those applicable to the 1958 crop. Several of the contracts include arrangements which have heretofore been in effect between the processor and producers although not a part of the written agreement. The returns to producers will be affected by some of the contract changes, i.e., participation in costs of transporting beets to the factory and changes in the sharing relationship because of the volume of beets processed and the amount of sugar extracted per ton of beets. However, the changes which affect the returns of growers per ton of beets are not expected to substantially alter the sharing relationships of the contracting parties.

One of the processors in the Imperial Valley, California who made a nominal charge to producers for all 1958-crop beets purchased in the Valley to cover a part of the transportation costs on beets shipped to its factory at Dyer has discontinued the charge under his "regular" contract for 1959-crop beets. However, this processor will purchase an additional quantity of sugar beets of the 1959 crop under a "special" contract which provides for a charge to producers of \$1.15 per ton of screened beets to cover a part of the transportation costs. It is understood that the beets purchased pursuant to this contract will be processed at the company's factories located in northern California and that the total transportation costs per ton of beets will approximate \$5.60. Another processor, who is no longer purchasing beets in the Valley, made a charge in the same amount to producers for 1958 crop beets produced in this region which were transported a comparable distance for processing.

Consideration has also been given to the testimony presented at the hearings, to anticipated volume of production, and to comparative operating results of processors and producers. The analysis indicates that prices payable for sugar beets as specified in the 1959 crop purchase contracts are fair and reasonable at average prices of sugar which may be expected during the marketing season.

Accordingly, I hereby find and conclude that the foregoing price determination will effectuate the price provisions of the Sugar Act of 1948, as amended.

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

Issued this 8th day of October 1959.

TRUE D. MORSE,
Acting Secretary of Agriculture.

[F.R. Doc. 59-8620; Filed, Oct. 12, 1959; 8:49 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

[Docket 7345]

PART 13—DIGEST OF CEASE AND DESIST ORDERS

Audivox, Inc., et al.

Subpart—*Advertising falsely or misleadingly*: § 13.15 *Business status, advantages, or connections*; Inventor or originator; § 13.130 *Manufacture or preparation*; § 13.205 *Scientific or other relevant facts*.

(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, Audivox, Inc., et al., Boston, Mass., Docket 7345, September 3, 1959]

In the Matter of Audivox, Inc., a Corporation, and Rolf Stutz, R. R. Wagner, R. C. Alexander and W. Walters, Individually and as Officers of Said Corporation

This proceeding was heard by a hearing examiner on the complaint of the Commission charging Boston, Mass., manufacturers with advertising falsely that their air conduction hearing aids—which required use of a plastic tube leading to a button-like ear mold—had no buttons, wires, or cords attached, were invisible, hidden behind the ear or concealed within an eyeglass temple and required nothing in the ear; that their advertising booklet "Hearing Aid Digest" was a public service; and that their hearing aid Model 8750 was invented by one of their own executives.

On the basis of the record made in the usual hearings, the hearing examiner made his initial decision and order to cease and desist which, after being modified by the Commission, became on September 3 the decision of the Commission.

The order to cease and desist, as modified, is as follows:

It is ordered, That Respondents Audivox, Inc., a corporation, and its officers, and Rolf Stutz and R. R. Wagner, 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 hearing aid devices now known as Models 75, 78, 8750 or any other air conduction hearing aid device, whether sold under the same or any other model designation, do forthwith cease and desist from, directly or indirectly:

1. Disseminating, or causing to be disseminated, any advertisement, by means of United States mails or by any means in commerce, as "commerce" is defined in the Federal Trade Commission Act, for the purpose of inducing or which is likely to induce, directly or indirectly, the purchase of said products, which advertisement represents, directly or by implication, that:

(a) There are no buttons, wires, or cords attached to their hearing aids, un-

less in close connection therewith and with equal prominence it is stated that a plastic tube runs from the device and is attached to an ear mold or nipple fitted in the ear;

(b) Any of their hearing aids are invisible when worn;

(c) Any of their hearings aids are either completely hidden behind the ear or completely concealed within an eyeglass temple;

(d) Their booklet known as Hearing Aid Digest is offered to the public as a public service; or that any other booklet or publication is so offered, unless such is the fact;

(e) That an executive of Respondent Audivox, Inc., invented their hearing aid model 8750; or that any other hearing aid was invented by anyone connected with Respondents, unless such is the fact;

2. Disseminating any advertisement by any means, for the purpose of inducing, or which is likely to induce, directly or indirectly, the purchase of Respondents' said products in commerce, as "commerce" is defined in the Federal Trade Commission Act, which advertisement contains any of the representations prohibited in paragraph 1 hereof.

It is further ordered, That the complaint be, and the same hereby is, dismissed as to Respondents R. C. Alexander and W. Walters individually, but not as officers of said corporation.

By "Order Modifying Initial Decision," etc., report of compliance was required as follows:

It is further ordered, That the respondents 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: September 3, 1959.

By the Commission.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F.R. Doc. 59-8592; Filed, Oct. 12, 1959; 8:46 a.m.]

Title 21—FOOD AND DRUGS

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

SUBCHAPTER 2—FOOD AND FOOD PRODUCTS

PART 121—FOOD ADDITIVES

Subpart D—Food Additives Permitted in Food for Human Consumption

EMULSIFIER PERMITTED IN OR WITH SHORTENING

The Commissioner of Food and Drugs, having evaluated the data submitted in a petition filed by the Procter and Gamble Company, Cincinnati 17, Ohio, and other relevant material, has concluded that a food additive that is a mixture of certain lactic acid monoesters and mono- and diglycerides is safe for use

as an emulsifier in or with shortening when used in the amount and under the conditions hereinafter set forth. Therefore, pursuant to the Federal Food, Drug, and Cosmetic Act (sec. 409(c)(1), 72 Stat. 1786; 21 U.S.C. 348(c)(1)), and under the authority delegated to the Commissioner by the Secretary of Health, Education, and Welfare (22 F.R. 1045, 23 F.R. 9500): *It is ordered*, That Subpart D—Food Additive Permitted in Food for Human Consumption (21 CFR Part 121 (24 F.R. 2434)) be amended by adding thereto the following new section:

§ 121.1004 Glyceryl lactostearate and mono- and diglycerides as emulsifier in or with shortening.

A food additive that is a mixture of mono- and diglycerides and their lactic acid monoesters, manufactured by the glycerolysis of hydrogenated soybean oil and subsequent esterification with lactic acid, may be used as an emulsifier in or with shortening when used in accordance with the conditions prescribed in this section:

(a) The food additive meets the following specifications: Total lactic acid content 4.7 percent to 13.0 percent; monostearin content 5 percent to 25 percent; saponification number 190 to 250; acid number 2 to 14.

(b) It is used or intended for use in or with shortening under conditions whereby the lactic acid monoesters of mono- and diglycerides present do not exceed 8 percent (calculated from the esterified lactic acid content, using the factor 4.57) of the combined weight of the shortening and the food additive.

(c) The label of any market package of the food additive shall bear, in addition to other information required by the act:

(1) The name of the additive as "glyceryl lactostearate and mono- and diglycerides" or "lactostearin (a mixture of glyceryl lactostearate and mono- and diglycerides)."

(2) Adequate directions for the use of the additive to assure compliance with the regulations in this chapter.

(d) The label of any shortening and/or finished food product containing the additive shall bear, in addition to the other information required by the act:

(1) The name of the additive as "glyceryl lactostearate and mono- and diglycerides" or "lactostearin (a mixture of glyceryl lactostearate and mono- and diglycerides)."

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

Any person who will be adversely affected by the foregoing order may, at any time prior to the thirtieth day from the effective date thereof, file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 5440, 330 Independence Avenue SW., Washington 25, D.C., written objections thereto. Objections shall show wherein the persons filing will be adversely affected by this order, specify with particularity the provisions of the order deemed objectionable and reasonable grounds for the objections, and request a public hearing upon the objections. Objections may be ac-

companied by a memorandum or brief in support thereof. All documents shall be filed in quintuplicate.

(Sec. 409(c)(4), 72 Stat. 1786; 21 U.S.C. 348)

Dated: October 6, 1959.

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

[F.R. Doc. 59-8616; Filed, Oct. 12, 1959;
8:49 a.m.]

Title 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

[T.D. 6418]

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

Change From Retirement to Straight-Line Method of Computing Depreciation in Certain Cases

On January 30, 1959, notice of proposed rule making regarding the regulations under the Retirement-Straight Line Adjustment Act of 1958 was published in the FEDERAL REGISTER (24 F.R. 674). After consideration of all such relevant matter as was presented by interested persons regarding the rules proposed, the following regulations and amendment are hereby adopted:

PARAGRAPH 1. The following regulations are hereby prescribed under the Retirement-Straight Line Adjustment Act of 1958, which is contained in section 94 of the Technical Amendments Act of 1958, approved September 2, 1958:

- Sec.
1.9001 Statutory provisions; Retirement-Straight Line Adjustment Act of 1958.
- 1.9001-1 Change from retirement to straight-line method of computing depreciation.
- 1.9001-2 Basis adjustments for taxable years beginning on or after 1956 adjustment date.
- 1.9001-3 Basis adjustments for taxable years between changeover date and 1956 adjustment date.
- 1.9001-4 Adjustments required in computing excess-profits credit.

AUTHORITY: §§ 1.9001 to 1.9001-4 issued under sec. 7805, I.R.C. 1954; 68A Stat. 917; 26 U.S.C. 7805.

§ 1.9001 Statutory provisions; Retirement-Straight Line Adjustment Act of 1958.

Section 94 of the Technical Amendments Act of 1958 (72 Stat. 1669) provides as follows:

SEC. 94. *Change from retirement to straight-line method of computing depreciation in certain cases—(a) Short title.* This section may be cited as the "Retirement-Straight Line Adjustment Act of 1958".

(b) *Making of election.* Any taxpayer who held retirement-straight line property on his 1956 adjustment date may elect to have this section apply. Such an election shall be made at such time and in such manner as the Secretary shall prescribe. Any election under this section shall be irrevocable and shall apply to all retirement-straight line property as hereinafter provided in this sec-

tion (including such property for periods when held by predecessors of the taxpayer).

(c) *Retirement-straight line property defined.* For purposes of this section, the term "retirement-straight line property" means any property of a kind or class with respect to which the taxpayer or a predecessor (under the terms and conditions prescribed for him by the Commissioner) for any taxable year beginning after December 31, 1940, and before January 1, 1956, changed from the retirement to the straight line method of computing the allowance of deductions for depreciation.

(d) *Basis adjustments as of 1956 adjustment date.* If the taxpayer has made an election under this section, then in determining the adjusted basis on his 1956 adjustment date of all retirement-straight line property held by the taxpayer, in lieu of the adjustments for depreciation provided in section 1016(a)(2) and (3) of the Internal Revenue Code of 1954, the following adjustments shall be made (effective as of his 1956 adjustment date) in respect of all periods before the 1956 adjustment date:

(1) *Depreciation sustained before March 1, 1913.* For depreciation sustained before March 1, 1913, on retirement-straight line property held by the taxpayer or a predecessor on such date for which cost was or is claimed as basis and which either—

(A) *Retired before changeover.* Was retired by the taxpayer or a predecessor before the changeover date, but only if (i) a deduction was allowed in computing net income by reason of such retirement, and (ii) such deduction was computed on the basis of cost without adjustment for depreciation sustained before March 1, 1913. In the case of any such property retired during any taxable year beginning after December 31, 1929, the adjustment under this subparagraph shall not exceed that portion of the amount attributable to depreciation sustained before March 1, 1913, which resulted (by reason of the deduction so allowed) in a reduction in taxes under the Internal Revenue Code of 1954 or prior income, war-profits, or excess-profits tax laws.

(B) *Held on changeover date.* Was held by the taxpayer or a predecessor on the changeover date. This subparagraph shall not apply to property to which paragraph (2) applies.

The adjustment determined under this paragraph shall be allocated (in the manner prescribed by the Secretary) among all retirement-straight line property held by the taxpayer on his 1956 adjustment date.

(2) *Property disposed of after changeover and before 1956 adjustment date.* For that portion of the reserve prescribed by the Commissioner in connection with the changeover which was applicable to property—

(A) Sold, or

(B) With respect to which a deduction was allowed for Federal income tax purposes by reason of casualty or "abnormal" retirement in the nature of special obsolescence,

if such sale occurred in, or such deduction was allowed for, a period on or after the changeover date and before the taxpayer's 1956 adjustment date.

(3) *Depreciation allowable from changeover to 1956 adjustment date.* For depreciation allowable, under the terms and conditions prescribed by the Commissioner in connection with the changeover, for all periods on and after the changeover date and before the taxpayer's 1956 adjustment date.

This subsection shall apply only with respect to taxable years beginning after December 31, 1955.

(e) *Effect on period from changeover to 1956 adjustment date.* If the taxpayer has made an election under this section, then in determining the adjusted basis of any retirement-straight line property as of any time on or after the changeover date and

before the taxpayer's 1956 adjustment date, in lieu of the adjustments for depreciation provided in section 1016(a) (2) and (3) of the Internal Revenue Code of 1954 and the corresponding provisions of prior revenue laws, the following adjustments shall be made:

(1) *For prescribed reserve.* For the amount of the reserve prescribed by the Commissioner in connection with the changeover.

(2) *For allowable depreciation.* For the depreciation allowable under the terms and conditions prescribed by the Commissioner in connection with the changeover.

This subsection shall not apply in determining adjusted basis for purposes of section 437(c) of the Internal Revenue Code of 1939. This subsection shall apply only with respect to taxable years beginning on or after the changeover date and before the taxpayer's 1956 adjustment date.

(f) *Equity invested capital, etc.* If an election is made under this section, then (notwithstanding the terms and conditions prescribed by the Commissioner in connection with the changeover)—

(1) *Equity invested capital.* In determining equity invested capital under sections 458 and 718 of the Internal Revenue Code of 1939, accumulated earnings and profits as of the changeover date, and as of the beginning of each taxable year thereafter, shall be reduced by the depreciation sustained before March 1, 1913, as computed under subsection (d) (1) (B); and

(2) *Definition of equity capital.* In determining the adjusted basis of assets for the purpose of section 437(c) of the Internal Revenue Code of 1939 (and in addition to any other adjustments required by such Code), the basis shall be reduced by depreciation sustained before March 1, 1913 (as computed under subsection (d)), together with any depreciation allowable under subsection (e) (2) for any period before the year for which the excess profits credit is being computed.

(g) *Definitions.* For purposes of this section—

(1) *Depreciation.* The term "depreciation" means exhaustion, wear and tear, and obsolescence.

(2) *Changeover.* The term "changeover" means a change from the retirement to the straight line method of computing the allowance of deductions for depreciation.

(3) *Changeover date.* The term "changeover date" means the first day of the first taxable year for which the changeover was effective.

(4) *1956 adjustment date.* The term "1956 adjustment date" means, in the case of any taxpayer, the first day of his first taxable year beginning after December 31, 1955.

(5) *Predecessor.* The term "predecessor" means any person from whom property of a kind or class to which this section refers was acquired, if the basis of such property is determined by reference to its basis in the hands of such person. Where a series of transfers of property has occurred and where in each instance the basis of the property was determined by reference to its basis in the hands of the prior holder, the term includes each such prior holder.

(6) The term "Secretary" means the Secretary of the Treasury or his delegate.

(7) The term "Commissioner" means the Commissioner of Internal Revenue.

§ 1.9001-1 Change from retirement to straight-line method of computing depreciation.

(a) *In general.* The Retirement-Straight Line Adjustment Act of 1958 (which is contained in section 94 of the Technical Amendments Act of 1958, approved September 2, 1958) provides vari-

ous adjustments to be made by certain railroads which changed from the retirement to the straight-line method of computing the allowance of deductions for the depreciation of those roadway assets which are defined in this section as retirement-straight line property. The adjustments are available to all eligible taxpayers who make an irrevocable election to have the provisions of the Retirement-Straight Line Adjustment Act of 1958 apply. This election shall be made at the time and in the manner prescribed by this section. If an election is made in accordance with this section, then the provisions of the Act and of §§ 1.9001 to 1.9001-4, inclusive, shall apply. An election made in accordance with this section shall not be considered a change in accounting method for purposes of section 481 of the 1954 Code.

(b) *Making of election.* (1) Subsection (b) of the Act provides that any taxpayer who held retirement-straight line property on its 1956 adjustment date may elect to have the provisions of the Act apply. The election shall be irrevocable and shall apply to all retirement-straight line property, including such property for periods when held by predecessors of the taxpayer.

(2) An election may be made in accordance with the provisions of this section even though the taxpayer has, at the time of election, litigated some or all of the issues covered by the provisions of the Act and has received from the courts a determination which is less favorable to the taxpayer than the treatment provided by the Act. Once an election has been made in accordance with the provisions of this section, the taxpayer may not receive the benefit of more favorable treatment, as a result of litigation, than that provided by the Act on the issues involved.

(3) The election to have the provisions of the Act apply shall be made by filing a statement to that effect, within 90 days from the date on which §§ 1.9001 to 1.9001-4 are published in the FEDERAL REGISTER, with the district director for the internal revenue district in which the taxpayer's income tax return for its first taxable year beginning after December 31, 1955, was filed. A copy of this statement shall be filed with any amended return, or claim for refund, made under the Act.

(c) *Definitions.* For purposes of the Act and §§ 1.9001 to 1.9001-4, inclusive—

(1) *The Act.* The term "the Act" means the Retirement-Straight Line Adjustment Act of 1958, as contained in section 94 of the Technical Amendments Act of 1958.

(2) *Commissioner.* The term "Commissioner" means the Commissioner of Internal Revenue.

(3) *Retirement-straight line property.* The term "retirement-straight line property" means any property of a kind or class with respect to which the taxpayer (or a predecessor of the taxpayer) changed, pursuant to the terms and conditions prescribed for it by the Commissioner, from the retirement to the straight-line method of computing the allowance for any taxable year beginning after December 31, 1940, and before January 1, 1956, of deductions for

depreciation. The term does not include any specific property which has always been properly accounted for in accordance with the straight-line method of computing the depreciation allowances or which, under the terms-letter, was permitted or required to be accounted for under the retirement method.

(4) *Depreciation.* The term "depreciation" means exhaustion, wear and tear, and obsolescence.

(5) *Predecessor.* The term "predecessor" means any person from whom property of a kind or class to which the Act refers was acquired, if the basis of such property is determined by reference to its basis in the hands of such person. Where a series of transfers of property has occurred and where in each instance the basis of the property was determined by reference to its basis in the hands of the prior holder, the term includes each such prior holder.

(6) *Changeover.* The term "changeover" means a change from the retirement to the straight-line method of computing the allowance of deductions for depreciation.

(7) *Changeover date.* The term "changeover date" means the first day of the first taxable year for which the changeover was effective.

(8) *1956 adjustment date.* The term "1956 adjustment date" means, in the case of any taxpayer, the first day of its first taxable year beginning after December 31, 1955.

(9) *Terms-letter.* The term "terms-letter" means the terms and conditions prescribed by the Commissioner in connection with the changeover.

(10) *Terms-letter reserve.* The term "terms-letter reserve" means the reserve for depreciation prescribed by the Commissioner in connection with the changeover.

(11) *Depreciation sustained before March 1, 1913.* The term "depreciation sustained before March 1, 1913" may be construed to mean, to the extent that it is impossible to determine the actual amount of such depreciation from the books and records, that amount which is obtained by (i) deducting the "cost of reproduction new less depreciation" from the "cost of reproduction new", as ascertained as of the valuation date by the Interstate Commerce Commission under the provisions of section 19a of part I of the Interstate Commerce Act (49 U.S.C. 19a), and then (ii) making such retroactive adjustments to the remainder as are required, in the opinion of the Commissioner of Internal Revenue, to properly reflect the depreciation sustained before March 1, 1913. For this purpose, any retirement-straight line property held on March 1, 1913, and retired on or before the valuation date shall be taken into account.

§ 1.9001-2 Basis adjustments for taxable years beginning on or after 1956 adjustment date.

(a) *In general.* Subsection (d) of the Act provides the basis adjustments required to be made by the taxpayer as of the 1956 adjustment date in respect of all periods before that date in order to determine the adjusted basis of all re-

retirement-straight line property held by the taxpayer on that date. This adjusted basis on the 1956 adjustment date shall be used by the taxpayer for all purposes of the 1954 Code for any taxable year beginning after December 31, 1955. In order to arrive at the adjusted basis on the 1956 adjustment date, the taxpayer shall start with the unadjusted basis of all retirement-straight line property held on the changeover date by the taxpayer or a predecessor and shall, with respect to both the asset and reserve accounts, (1) make the adjustments prescribed by this section and subsection (d) of the Act and (2) also make those adjustments required, in accordance with the method of accounting regularly used, for those additions, retirements, and other dispositions of property which occurred on or after the changeover date and before the taxpayer's 1956 adjustment date. For an illustration of adjustments required in accordance with the method of accounting regularly used, see paragraph (e) (3) of this section. The adjustments required by subsection (d) of the Act shall be made in lieu of the adjustments for depreciation otherwise required by section 1016(a) (2) and (3) of the 1954 Code. The adjustments required by subsection (d) of the Act are set forth in paragraphs (b), (c), and (d) of this section.

(b) *Adjustment for depreciation sustained before March 1, 1913*—(1) *In general.* Subsection (d) (1) of the Act requires an adjustment to be made as of the 1956 adjustment date for depreciation sustained before March 1, 1913, on all retirement-straight line property held on March 1, 1913, by the taxpayer or a predecessor for which cost was or is claimed as basis and which was either (i) retired before the changeover date by the taxpayer or a predecessor or (ii) held on the changeover date by the taxpayer or a predecessor. This adjustment for depreciation sustained before March 1, 1913, shall be made in accordance with the conditions and limitations described in subparagraphs (2) and (3) of this paragraph and shall be allocated, in the manner prescribed in subparagraph (4) of this paragraph, among all retirement-straight line property held by the taxpayer on its 1956 adjustment date. The term "cost", when used in this paragraph with reference to the basis of property, shall be construed to mean the amount paid for the property or, if that amount could not be determined, then such other amount as was accepted by the Commissioner as "cost" for basis purposes.

(2) *Depreciation sustained on property retired before the changeover date.* Pursuant to subsection (d) (1) (A) of the Act, an adjustment to the basis of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made as of that date for depreciation sustained before March 1, 1913, on all retirement-straight line property held on March 1, 1913, by the taxpayer or a predecessor for which cost was claimed as the basis and which was retired before the changeover date by the taxpayer or a predecessor, except that—

(i) The adjustment shall be made only

if a deduction was allowed in computing net income by reason of the retirement and the deduction so allowed was computed on the basis of the cost of the property unadjusted for depreciation sustained before March 1, 1913, and

(ii) In the case of any such property retired during any taxable year beginning after December 31, 1929, the adjustment shall not exceed that portion of the amount attributable to depreciation sustained before March 1, 1913, which resulted, by reason of the deduction so allowed, in a reduction of taxes under the 1954 Code or under prior income, war-profits, or excess-profits tax laws.

(3) *Depreciation sustained on property held on the changeover date.* Pursuant to subsection (d) (1) (B) of the Act, an adjustment to the basis of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made as of that date for depreciation sustained before March 1, 1913, on all retirement-straight line property held on March 1, 1913, by the taxpayer or a predecessor for which cost was or is claimed as basis and which was held on the changeover date by the taxpayer or a predecessor. This subparagraph shall not apply, however, to any such property which (i) was disposed of on or after the changeover date by reason of sale, casualty, or abnormal retirement in the nature of special obsolescence, and (ii) is property to which paragraph (c) of this section and subsection (d) (2) of the Act apply.

(4) *Manner of allocating adjustment.* Pursuant to subsection (d) (1) of the Act, the amount of the adjustment required under this paragraph for depreciation sustained before March 1, 1913, which is attributable to a particular kind or class of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made with respect to that kind or class of such property. If the adjustment required under this paragraph for depreciation sustained before March 1, 1913, is attributable to retirement-straight property of a particular kind or class no longer held by the taxpayer on its 1956 adjustment date, then the part of the adjustment to be allocated to any retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be that amount which bears the same ratio to the adjustment as the unadjusted basis of the property so held bears to the entire unadjusted basis of all retirement-straight line property held by the taxpayer on its 1956 adjustment date.

(c) *Adjustment for part of terms-letter reserve applicable to property disposed of on or after changeover date and before 1956 adjustment date.* Pursuant to subsection (d) (2) of the Act, an adjustment to the basis of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made as of that date for that part of the terms-letter reserve which was applicable to any retirement-straight line property disposed of by sale, casualty, or abnormal retirement in the nature of special obsolescence, but only if the sale occurred in, or a deduction by

reason of such casualty or abnormal retirement was allowed for Federal income-tax purposes for, a period on or after the changeover date and before the taxpayer's 1956 adjustment date. This paragraph shall apply even though, in computing the adjusted basis of the property for purposes of determining gain or loss on the sale, casualty, or abnormal retirement, the basis of the retirement-straight line property was not reduced by the part of the terms-letter reserve applicable to the property. If necessary, the adjustment required by this paragraph shall be allocated, in the manner prescribed in paragraph (b) (4) of this section, among all retirement-straight line property held by the taxpayer on its 1956 adjustment date.

(d) *Adjustment for depreciation allowable under the terms-letter for periods on and after the changeover date and before the 1956 adjustment date.* Pursuant to subsection (d) (3) of the Act, an adjustment to the basis of retirement-straight line property held by the taxpayer on its 1956 adjustment date shall be made as of that date for the entire amount of depreciation allowable under the terms-letter for all periods on and after the changeover date and before the taxpayer's 1956 adjustment date. This adjustment shall include all such depreciation allowable with respect to any retirement-straight line property which was disposed of on or after the changeover date and before the 1956 adjustment date.

(e) *Illustration of basis adjustments required for taxable years beginning on or after the 1956 adjustment date.* The application of this section may be illustrated by the following example, which is based upon the assumption that multiple asset accounts are used:

Example. (1) Assume that on its changeover date, January 1, 1943, the taxpayer or its predecessor held retirement-straight line property with an unadjusted cost basis of \$10,000. The terms-letter reserve established as of January 1, 1943, with respect to such property was \$3,000. Depreciation sustained before March 1, 1913, on retirement-straight line property held on that date by the taxpayer or its predecessor, for which cost was or is claimed as basis, amounts to \$800. Of this total depreciation sustained before March 1, 1913, \$200 is attributable to retirement-straight line property retired before January 1, 1943, under circumstances requiring the adjustment under paragraph (b) (2) of this section, and \$600 is attributable to retirement-straight line property held on January 1, 1943, by the taxpayer or its predecessor. On December 31, 1954, retirement-straight line property costing \$1,500 was permanently retired under circumstances giving rise to an abnormal retirement in the nature of special obsolescence. The terms-letter reserve applicable to this retired property was \$450, of which \$120 represents depreciation sustained before March 1, 1913. On December 31, 1954, retirement-straight line property costing \$1,000 was also permanently retired under circumstances giving rise to a normal retirement. None of the property retired on December 31, 1954, had any market or salvage value on that date. Depreciation allowable under the terms-letter on retirement-straight line property for all periods on and after January 1, 1943, and before January 1, 1956 (the taxpayer's 1956 adjustment date), amounts to \$2,155, of which \$345 is applicable to the property retired as an abnormal retirement.

(2) The reserve for depreciation as of January 1, 1956, contains a credit balance of \$3,360, determined as follows but without regard to the Act:

(i) Credits to reserve:	
Terms-letter reserve as of January 1, 1943.....	\$3,000
Depreciation allowable under terms-letter from January 1, 1943, to December 31, 1955	2,155
Balance	5,155
(ii) Charges to reserve:	
Part of terms-letter reserve applicable to property abnormally retired.....	\$450
Depreciation applicable to property abnormally retired and allowable from January 1, 1943, to December 31, 1954.....	345
Adjustment for normal retirement.....	1,000
	<u>1,795</u>
(iii) Balance as of January 1, 1956.....	3,360

(3) The adjusted basis on January 1, 1956, of the retirement-straight line property held by the taxpayer on that date is \$6,010, determined as follows and in accordance with this section:

(i) Asset account:	
Unadjusted cost on January 1, 1943	\$10,600
Less:	
Adjustment for abnormal retirement	\$1,500
Adjustment for normal retirement.....	1,000
	<u>2,500</u>
Balance as of January 1, 1956.....	7,500

(ii) Credits to reserve for depreciation:	
Depreciation sustained before March 1, 1913, on—	
Property retired before January 1, 1943.....	200
Property held on January 1, 1943.....	\$600
Less part of such depreciation sustained on property abnormally retired on December 31, 1954	120
	<u>480</u>
Part of terms-letter reserve applicable to property abnormally retired on December 31, 1954 (including \$120 depreciation sustained before March 1, 1913)	450
Depreciation allowable under terms-letter from January 1, 1943, to December 31, 1955	2,155
Total credits.....	<u>3,285</u>

(iii) Charges to reserve for depreciation:	
Part of terms-letter reserve applicable to property abnormally retired.....	450
Depreciation applicable to property abnormally retired and allowable from January 1, 1943, to December 31, 1954	345
Adjustment for normal retirement	1,000
Total charges.....	<u>1,795</u>

(iv) Balance in reserve for depreciation:	
Total credits.....	\$3,285
Total charges.....	1,795
Balance as of January 1, 1956	<u>1,490</u>

(v) Adjusted basis of property:	
Balance in asset account.....	7,500
Balance in reserve for depreciation	1,490
Adjusted basis as of January 1, 1956.....	<u>6,010</u>

(4) The following adjustments to the reserve determined under subparagraph (2) of this paragraph may be made in order to arrive at the reserve determined under subparagraph (3) (iv) of this paragraph:

(i) Credit balance in reserve, as determined under subparagraph (2) of this paragraph.....		\$3,360
(ii) Credit adjustments:		
Depreciation sustained before March 1, 1913, on—		
Property retired before January 1, 1943	\$200	
Property held on January 1, 1943.....	480	
Part of terms-letter reserve applicable to property abnormally retired on December 31, 1954.....	450	
	<u>1,130</u>	
Balance	4,490	
(iii) Debit adjustment:		
Terms-letter reserve as of January 1, 1943.....	3,000	

(iv) Credit Balance in reserve, as determined under subparagraph (3) (iv) of this paragraph.....		1,490
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(5) The \$6,010 adjusted basis as of January 1, 1956, of the retirement-straight line property held by the taxpayer on that date is to be recovered over the estimated remaining useful life of that property. The remaining useful life of the property will be reviewed regularly, and appropriate adjustments in the rates will be made as necessary in order to spread the remaining cost less estimated salvage over the estimated remaining useful life of the property. See § 1.167(a)-1.

§ 1.9001-3 Basis adjustments for taxable years between changeover date and 1956 adjustment date.

(a) *In general.* (1) Subsection (e) of the Act provides the adjustments required to be made in determining the adjusted basis of any retirement-straight line property as of any time on or after the changeover date and before the taxpayer's 1956 adjustment date. This adjusted basis shall be used for all purposes of the 1939 Code and the 1954 Code for taxable years beginning on or after the changeover date and before the taxpayer's 1956 adjustment date, except as provided in subparagraph (4) of this paragraph. The adjustments so required, which are set forth in paragraphs (b) and (c) of this section, shall not be used in determining the adjusted basis of property for taxable years beginning before the changeover date or on or after the taxpayer's 1956 adjustment date.

(2) In order to arrive at the adjusted basis as of any specific date occurring on or after the changeover date and before the 1956 adjustment date, the taxpayer shall start with the unadjusted basis of all retirement-straight line property held on the changeover date by the taxpayer or its predecessor and shall, as of that specific date and with respect to both the asset and reserve accounts, (i) make the adjustments prescribed by this section and subsection (e) of the Act and (ii) also make those adjustments required, in accordance with the method of accounting regularly used, for additions, retirements, and other dispositions of property. For an illustration of adjustments required in accordance with the method of accounting regularly used, see paragraph (d) (2) of this section.

(3) The adjustments required by subsection (e) of the Act shall be made in lieu of the adjustments for depreciation otherwise required by section 1016(a) (2) and (3) of the 1954 Code and by the corresponding provisions of prior revenue laws.

(4) Although this section, and subsection (e) of the Act, shall apply in determining the excess-profits tax, they shall not apply in determining adjusted basis for the purpose of computing equity capital for any day under section 437(c) (relating to the Excess Profits Tax Act of 1950) of the 1939 Code. For the adjustments to be made in computing equity capital under such section, see paragraph (c) of § 1.9001-4.

(b) *Adjustment for terms-letter reserve.* Pursuant to subsection (e) (1) of the Act, the basis of any retirement-straight line property shall be adjusted, as of any specific applicable date occurring on or after the changeover date and before the 1956 adjustment date, for the amount of the terms-letter reserve applicable to such property.

(c) *Adjustment for depreciation allowable under the terms-letter.* Pursuant to subsection (e) (2) of the Act, the basis of any retirement-straight line property shall be adjusted, as of any specific applicable date occurring on or after the changeover date and before the 1956 adjustment date, for depreciation applicable to such property and allowable under the terms-letter.

(d) *Illustration of basis adjustments required for taxable years beginning on or after the changeover date and before the 1956 adjustment date.* The application of this section may be illustrated by the following example, which is based upon the assumption that multiple asset accounts are used:

Example. (1) The facts are assumed to be the same as those in the example under paragraph (e) of § 1.9001-2, except that the adjusted basis of retirement-straight line property is determined as of January 1, 1955, and the depreciation allowable under the terms-letter from the changeover date to December 31, 1954, is \$2,100.

(2) The adjusted basis on January 1, 1955, of the retirement-straight line property held by the taxpayer on that date is \$4,195, determined as follows and in accordance with this section:

(1) Asset account:	
Unadjusted cost on January 1, 1943.....	\$10,000
Less:	
Adjustment for abnormal retirement.....	\$1,500
Adjustment for normal retirement.....	1,000
	2,500
Balance as of January 1, 1955.....	7,500
(ii) Credits to reserve for depreciation:	
Entire terms-letter reserve as of January 1, 1943.....	3,000
Depreciation allowable under terms-letter from January 1, 1943, to December 31, 1954.....	2,100
	5,100
(iii) Charges to reserve for depreciation:	
Part of terms-letter reserve applicable to property abnormally retired on December 31, 1954.....	450
Depreciation applicable to property abnormally retired and allowable from January 1, 1943, to December 31, 1954.....	345
Adjustment for normal retirement.....	1,000
	1,795
(iv) Balance in reserve for depreciation:	
Total credits.....	5,100
Total charges.....	1,795
	3,305
(v) Adjusted basis of property:	
Balance in asset account.....	7,500
Balance in reserve for depreciation.....	3,305
	4,195

§ 1.9001-4 Adjustments required in computing excess-profits credit.

(a) *In general.* Subsection (f) of the Act provides adjustments required to be made in computing the excess-profits credit for any taxable year under the Excess Profits Tax Act of 1940 or under the Excess Profits Tax Act of 1950. These adjustments are set forth in paragraphs (b) and (c) of this section, and they shall apply notwithstanding the terms-letter.

(b) *Equity invested capital.* (1) Pursuant to subsection (f) (1) of the Act, in determining equity invested capital for any day of any taxable year under section 458 (relating to the Excess Profits Tax Act of 1950) or section 718 (relating to the Excess Profits Tax Act of 1940) of the 1939 Code, the accumulated earnings and profits as of the changeover date, and as of the beginning of each taxable year thereafter, shall be reduced by the depreciation sustained before March 1, 1913, on all retirement-straight line property held on March 1, 1913, by

the taxpayer or a predecessor for which cost was or is claimed as basis and which was held on the changeover date by the taxpayer or a predecessor.

(2) For the computation of accumulated earnings and profits in determining equity invested capital, see § 30.718-2 of Regulations 109, as amended (26 CFR, 1941 Supp., 30.718-2; 1943 Supp.); § 35.718-2 of Regulations 112 (26 CFR, 1943 Cum. Supp., 35.718-2); and § 40.458-4 of Regulations 130 (26 CFR (1939) 40.458-4).

(c) *Equity capital.* (1) Pursuant to subsection (f) (2) of the Act, in determining the adjusted basis of assets for the purpose of computing equity capital for any day under section 437(c) (relating to the Excess Profits Tax Act of 1950) of the 1939 Code, the basis of the assets which enter into the computation shall also be reduced by—

(i) Depreciation sustained before March 1, 1913, on all retirement-straight line property held on March 1, 1913, by the taxpayer or a predecessor for which cost was or is claimed as basis and which was—

(a) Retired before the changeover date by the taxpayer or a predecessor, or

(b) Held on the changeover date by the taxpayer or a predecessor and also held as of the beginning of the day for which the equity capital is being determined; and

(ii) All depreciation applicable to the assets which enter into the computation and allowable under the terms-letter for all periods on and after the changeover date and before the taxable year for which the excess-profits credit is being computed.

(2) The adjustment required to be made by subparagraph (1) (i) (a) of this paragraph as of the beginning of the day for which the equity capital is being determined shall be made in accordance with the conditions and limitation described in paragraph (b) (2) of § 1.9001-2.

(3) For the determination of equity capital under section 437(c) of the 1939 Code, see § 40.437-5 of Regulations 130, as amended (26 CFR (1939) 40.437-5).

§ 1.1016-1 [Amendment]

PAR. 2. Section 1.1016-1 of the Income Tax Regulations (26 CFR Part 1) is amended by adding the following sentence at the end thereof: "If an election has been made under the Retirement-Straight Line Adjustment Act of 1958, see § 1.9001-1 for special rules for determining adjusted basis in the case of a taxpayer who has changed from the retirement to the straight-line method of computing depreciation allowances."

(Sec. 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805))

[SEAL] CHARLES I. FOX,
Acting Commissioner
of Internal Revenue.

Approved: October 9, 1959.

DAVID A. LINDSAY,
Acting Secretary of the Treasury.
[F.R. Doc. 59-8650; Filed, Oct. 9, 1959;
5:13 p.m.]

Title 25—INDIANS

Chapter I—Bureau of Indian Affairs,
Department of the Interior

SUBCHAPTER H—ECONOMIC ENTERPRISES

PART 89—COMMERCIAL FISHING ON
RED LAKE INDIAN RESERVATION

Limitation on Commercial Fishing by
Members and Nonmembers of As-
sociation

Section 89.9(c) is amended to allow the taking of a variety of fish during the spawning season from the waters of the Red Lakes on the Red Lake Indian Reservation when the permission of the Secretary of the Interior has been obtained to do so.

It is the policy of the Department of the Interior to publish amendments to the Code of Federal Regulations as notice of proposed rule making before adoption even though, as in this instance, notice is not required by the Administrative Procedure Act (5 U.S.C. 1003). However, any delay in the publication of an effective regulation in this instance will only result in additional hardship to the persons intended to be benefited.

The proposed amendment to the regulations is hereby adopted as set forth below.

ROGER ERNST,
Assistant Secretary of the Interior.

OCTOBER 7, 1959.

§ 89.9 Limitations on commercial fishing by members and nonmembers of association.

(c) Unless otherwise permitted by the Secretary of the Interior, no Indian shall take a variety of fish during its spawning season except for propagation purposes. (R.S. 161; 5 U.S.C. 22)

[F.R. Doc. 59-8593; Filed, Oct. 12, 1959;
8:46 a.m.]

Title 32—NATIONAL DEFENSE

Chapter V—Department of the Army

SUBCHAPTER F—PERSONNEL

PART 582—DISCHARGE OR
SEPARATION FROM SERVICE

Minority

In § 582.1, revise paragraph (a), and in paragraph (b) (1), revise subdivisions (ii) and (iv), and revoke subdivision (v), as follows:

§ 582.1 Discharge because of minority.

(a) *Authority.* Section 3256, Title 10, U.S.C., provides in part that the Secretary of the Army may accept original enlistments in the Army of qualified, effective, and able-bodied persons who are not less than 17 years of age in the case of male persons and not less than 18 years of age in the case of female persons, except that no male person under

18 years of age or female person under 21 years of age may be originally enlisted without the written consent of his (or her) parents or guardian. Section 4 (c) (4), Universal Military Training and Service Act, and § 1630.1(b) of this title (Selective Service Regulations), provide that a person after attaining the age of 17 may, with the written consent of his parents or guardian, volunteer at his local board for induction into the Armed Forces. A registrant between the ages of 18 and 18½, inclusive, may volunteer at his local board for induction into the Armed Forces. The written consent of parents or guardian is not required for a registrant between the ages of 18 and 18½, inclusive. The minimum age for involuntary induction is 18 years and 6 months (subsection 4(a), Universal Military Training and Service Act (62 Stat. 605), as amended (50 U.S.C. App. 454(a))).

(b) *Application*—(1) *Enlisted men (i.e., all male personnel serving in enlisted grades.* * * *

(ii) A minor under 17 years of age is incapable of entering into a valid enlistment or voluntary induction. The enlistment or voluntary induction of a minor who at that time was below 17 years of age and who has not attained the age of 17 upon receipt of satisfactory evidence as to the date of his birth is void. Likewise, the involuntary induction of a person who at the time was under the age 18 years and 6 months and who has not attained that age upon receipt of satisfactory evidence of his date of birth is void.

(a) Such individual, upon determination that his enlistment or induction is void, will be released from the custody and control of the Army without being furnished a certificate of discharge of any kind (paragraph (g) (2) of this section). Such individuals will be released at the station where DA Form 201 (Personnel Records Jacket, United States Army) is maintained unless the individual is serving outside continental limits of the United States or outside the territory or possession in which enlisted.

(b) Unless under charges or in confinement for a serious offense committed after attainment of 17, as set forth in paragraph (e) of this section, an enlisted man of the Regular Army who was under 17 years of age at the time of enlistment and who has attained the age of 17 but has not reached the age of 18 years will be discharged upon receipt of satisfactory evidence as to the date of his birth. However, upon recommendation of his immediate commanding officer, he may be retained in service at the option of the Secretary of the Army, unless application for his discharge is made by his parents or guardian, if any. Requests for retention in service, with appropriate documentation and recommendation, will be forwarded to The Adjutant General, Department of the Army, Washington 25, D.C., Attn: AGPO-XD, for final decision.

(c) Unless under charges or in confinement for a serious offense committed after attainment of the age of 17 years, as set forth in paragraph (e) of this section, an enlisted man voluntarily in-

ducted into the Army under 17 years of age and who has attained the age of 17 years, but has not reached the age of 18 years and 6 months, will be discharged unless retained in the service in accordance with the provisions of (b) of this subdivision. An individual involuntarily inducted under the age of 18 years and 6 months but who has reached that age will not be discharged for minority reasons.

(iv) Subject to the provisions of subdivision (i) of this subparagraph, an enlisted man 17 years of age at the time of enlistment or voluntary induction who enlisted or was voluntarily inducted without the written consent of his parents or guardian, if any, will be discharged upon application of the parents or guardian and presentation of satisfactory evidence as to the date of birth. An enlisted man who enlisted or was voluntarily inducted when 17 years of age with the written consent of his parents or guardian will not be discharged under this section.

(v) [Rescinded]

[C 7, AR 615-362, Sept. 23, 1959] (Sec. 3012, 70A Stat. 157; 10 U.S.C. 3012)

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

[F.R. Doc. 59-8586; Filed, Oct. 12, 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 1979]

[661403]

COLORADO

Partially Revoking Stock Driveaway Withdrawals Nos. 2 and 8

Correction

In F.R. Doc. 59-7764, appearing at page 7528 of the issue of Friday, Sept. 18, 1959, the language "T. 46 N., R. SE.," in the land description under *Rio Grande National Forest* should read "T. 46 N., R. 8 E.,".

[Public Land Order 1989]

[77771]

CALIFORNIA

Power Site Cancellation No. 139; Power Site Restoration No. 539; Opening Lands From Power Withdrawals; Power Projects 249, 334, and 864; Power Site Reserves 87, 261, and 268; Power Site Classification 389

Correction

In F.R. Doc. 59-8093, appearing at page 7829 of the issue of Tuesday, Sept.

29, 1959, that part of the land description in item 3.b., now reading "T. 1 N., R. 13 N.," should read "T. 1 N., R. 13 E.,".

[Public Land Order 1993]

[Fairbanks 023018]

ALASKA

Withdrawing Lands for Flood Control Purposes and for Protection of Elliott Highway

Correction

In F.R. Doc. 59-8097, appearing at page 7831 of the issue of Tuesday, Sept. 29, 1959, that part of the land description under Fairbanks Meridian, now reading "Sec. 14, NW¼SW¼, NW¼SW¼SW¼," should read "Sec. 14, NW¼SW¼, N½SW¼SW¼,".

PROPOSED RULE MAKING

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Part 933]

HANDLING OF ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Expenses and Fixing of Rate of Assessment for 1959-60 Fiscal Period

Consideration is being given to the following proposals submitted by the Growers Administrative Committee, established under Marketing Agreement No. 84, as amended, and Order No. 33, as amended (7 CFR Part 933), regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), as the agency to administer the terms and provisions thereof: (1) That the Secretary of Agriculture find that expenses not to exceed \$196,000.00 will be necessarily incurred during the fiscal period August 1, 1959, to July 31, 1960, for the maintenance and functioning of the committee established under the aforesaid amended marketing agreement and order, and (2) that the Secretary of Agriculture fix, as each handler's share of such expenses, the rate of assessment, which each handler shall pay during the aforesaid fiscal period in accordance with the aforesaid amended marketing agreement and order, at seven mills (\$0.007) per standard packed box of fruit shipped by such handler during such fiscal period.

All persons who desire to submit written data, views, or arguments in connection with the aforesaid proposals shall file the same with the Director, Fruit and Vegetable Division, Agricultural Marketing Service, Room 2077,

South Building, United States Department of Agriculture, Washington 25, D.C., not later than the close of business on the 10th day after the publication of this notice in the FEDERAL REGISTER. All documents should be filed in quadruplicate.

As used herein, "handler," "shipped," "fruit," "fiscal period," and "standard packed box" shall have the same meaning as is given to each such term in the said amended marketing agreement and order.

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

Dated: October 8, 1959.

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

[F.R. Doc. 59-8598; Filed, Oct. 12, 1959;
8:47 a.m.]

[7 CFR Part 997]

HANDLING OF FILBERTS GROWN IN OREGON AND WASHINGTON

Administrative Rules and Regulations

Notice is hereby given that there are under consideration proposed administrative rules and regulations pursuant to Marketing Agreement No. 115, as amended, and Order No. 97, as amended (7 CFR Part 997; 24 F.R. 6185), regulating the handling of filberts grown in Oregon and Washington. Said amended marketing agreement and order are effective under the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674).

Consideration will be given to data, views, or arguments, pertaining to the proposal, which are filed with the Director, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington 25, D.C., not later than ten days after publication of this notice in the FEDERAL REGISTER.

The proposal, which is based on a recommendation of the Filbert Control Board (established under the amended marketing agreement and order), is to implement the provisions of § 997.53 *Substandard filberts* and § 997.57 *Exemptions* by establishing a disposition procedure for certain substandard filberts (i.e., export sales of small size filberts) and by specifying an aggregate quantity of inshell filberts that may be handled free from program requirements in a fiscal year.

The proposal is as follows:

§ 997.453 Disposition of small size filberts.

Any inshell filberts that are substandard filberts only because they are small size filberts, as the term "small size" is defined in the Oregon Grades and Standards for Walnuts and Filberts, may be disposed of in export in the same manner and under the same conditions and procedures as prescribed in § 997.52(b) for

sales in export of certified merchantable restricted filberts.

§ 997.457 Quantity exemption.

During any fiscal year, any handler may handle up to, but not to exceed, a total of 250 pounds of inshell filberts free from the requirements of this part.

Dated: October 7, 1959.

S. R. SMITH,
Director,
Fruit and Vegetable Division.

[F.R. Doc. 59-8597; Filed, Oct. 12, 1959;
8:46 a.m.]

[7 CFR Part 1012]

[Docket No. AO-278-A3]

MILK IN BLUEFIELD MARKETING AREA

Notice of Recommended Decision and Opportunity To File Written Exceptions to Proposed Amendments to Tentative Marketing Agreement and to Order

Pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900), notice is hereby given of the filing with the Hearing Clerk of this recommended decision of the Deputy Administrator, Agricultural Marketing Service, United States Department of Agriculture, with respect to proposed amendments to the tentative marketing agreement, and order regulating the handling of milk in the Bluefield marketing area. Interested parties may file written exceptions to this decision with the Hearing Clerk, United States Department of Agriculture, Washington, D.C., not later than the close of business the 5th day after publication of this decision in the FEDERAL REGISTER. The exceptions should be filed in quadruplicate.

Preliminary statement. The hearing on the record of which the proposed amendments, as hereinafter set forth, to the tentative marketing agreement and to the order, were formulated, was conducted at Bluefield, West Virginia, on August 20, 1959, pursuant to notice thereof which was issued August 7, 1959 (24 F.R. 6504).

The material issues on the record of the hearing relate to Class prices:

- (a) Class I price.
- (b) Class II price.

Findings and conclusions. The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

Class prices. (a) *The price for Class I milk.* The Class I price for the Bluefield market should be continued at the present annual level by eliminating the cut-off date at the end of October 1959 as now provided in the order. The level of price so provided is in accord with local supply and demand conditions in

the market and with prices in neighboring markets.

Prices for Class I milk each month are determined by adding to the basic formula price \$1.45 for April, May and June; \$1.70 for the months of March through July; and \$2.10 for the months of August through February. These differentials over the basic formula price have been the same from the inception of the order. The basic formula price is a representative value for milk in manufacturing uses.

To this time, Class I milk prices under the Bluefield order have been on a temporary basis. The prices have been established for two successive eighteen month periods, the later of which expires at the end of October 1959. Experience under the order and conditions in the market now provide a basis for establishing Class I prices on a continuing basis. At the hearing, representatives of producers and handlers requested that this be done.

Because of the extensive inter-relationship of supplies in the Bluefield and Appalachian Federal order markets, the combined supply-sales relationship in the two markets provides better information as to conditions effecting the Bluefield market than statistics for the Bluefield market alone. One Appalachian order handler regularly moves packaged milk from his plant under that order to his Bluefield order plant. Also, to a large extent, the two markets depend for their supplies of milk on producers with farms in a common supply area. The Tri-State Milk Producers Association, Inc., which represents about 75 percent of the producers in the Bluefield market and about 90 percent of the producers in the Appalachian market, arranges for moving of members' milk to handlers in both markets according to their needs. The Association operates a plant under the Appalachian order which handles reserve milk for the two markets, and provides hauling for movement of the reserve milk to handler's plants in both markets, or to manufacturing plants when it is not needed by handlers.

As indicated by statistics for the two markets the supplies of milk have been in good balance with Class I sales. Producer milk under the two orders was equal to 115 percent of the combined Class I utilization in 1957, 111 percent in 1958, and 109 percent in the first six months of 1959. Because of the operations of the cooperative association in balancing supplies with needs in both markets, handlers are largely relieved of the need to carry a reserve supply in their plants to allow for changes in sales and production. As a result, the Bluefield market has been adequately supplied with fluid milk needs on a year around basis from producer sources although the percentage of reserve milk in handlers plants has been in some months very small. On the other hand, the supply of producer milk has not been at any time excessive, considering the natural seasonal variation in production.

The relationship of Bluefield Class I prices to Class I prices in the Appa-

lachian and Tri-State Federal order markets is important because of the interrelationship of supplies between the markets and because of sales competition among handlers. As indicated above, Appalachian order milk is moved in packages to the Bluefield area and the Tri-State Milk Producers Association moves members' milk back and forth between the two markets. Bluefield order handlers compete with Tri-State order handlers from Huntington, West Virginia; Athens, Ohio; and Paintsville, Kentucky. This competition takes place in the Pikeville-Paintsville district of the Tri-State marketing area.

The comparison of Class I prices for the Bluefield order and the Tri-State order in the Pikeville-Paintsville district is significant even though all of the plants are not located in the Pikeville-Paintsville district because price differences among the several districts of the Tri-State marketing area are adjusted for costs of transporting milk to the Pikeville-Paintsville area.

Class I prices under the Appalachian order average about 6 cents per hundredweight higher on an annual basis than Class I prices in this market. Bluefield prices are the same for 8 months and are 25 cents lower for 3 months. If the Pikeville-Paintsville district of the Tri-State marketing area had been under regulation during the whole period of August, 1958, through July, 1959, the Class I prices under the Bluefield order would have been substantially identical to the Class I price in the Pikeville-Paintsville district of the Tri-State order. Since there is no indication that present price relationships have given undue advantage to handlers subject to any of the orders with respect to sales in the Pikeville-Paintsville district and, since it appears that an appropriate distribution of available supplies of milk among the several orders has occurred, it is concluded that appropriate price alignment between the Bluefield order on the one hand and the Tri-State and Appalachian orders on the other hand will result if the present level of prices in the Bluefield order is continued.

No request was made for any change in the seasonal schedule of Class I price differentials, and the evidence does not show need for any change.

It is concluded that present order Class I prices are appropriate for the supply and demand conditions currently existing in the market and should be continued. If substantial changes should occur in the market situation, the price level should be reviewed.

(b) *The price for Class II milk.* A proposal to review the Class II milk price was submitted for the hearing notice by the Tri-State Milk Producers Association, Inc. At the hearing no changes were proposed by parties appearing. Inasmuch as the Class II price was not an issue at the hearing, no consideration is given to the Class II price in this procedure.

Rulings on proposed findings and conclusions. Briefs and proposed findings

and conclusions were filed on behalf of certain interested parties in the market. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General findings. The findings and determinations hereinafter set forth are supplementary and in addition to the findings and determinations previously made in connection with the issuance of the aforesaid order and of the previously issued amendments thereto; and all of said previous findings and determinations are hereby ratified and affirmed, except insofar as such findings and determinations may be in conflict with the findings and determinations set forth herein.

(a) The tentative marketing agreement and the order, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(b) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the marketing area, and the minimum prices specified in the proposed marketing agreement and the order, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(c) The tentative marketing agreement and the order, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, a marketing agreement upon which a hearing has been held.

Recommended marketing agreement and order amending the order. The following order amending the order regulating the handling of milk in the Bluefield marketing area is recommended as the detailed and appropriate means by which the foregoing conclusions may be carried out. The recommended marketing agreement is not included in this decision because the regulatory provisions thereof would be the same as those contained in the order, as hereby proposed to be amended:

Delete from § 1012.51(a) the following provision, " , ending with and including the month of October 1959."

Issued at Washington, D.C., this 8th day of October, 1959.

F. R. BURKE,
Acting Deputy Administrator.

[F.R. Doc. 59-8599; Filed, Oct. 12, 1959; 8:47 a.m.]

[7 CFR Part 1070]

CUCUMBERS

Importation and Extension of Time for Submission of Data, Views or Arguments

A notice of rule making with respect to regulations governing the importation of cucumbers was published in the FEDERAL REGISTER for September 30, 1959 (24 F.R. 7877). Such regulation is mandatory under the provisions of section 608e of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674) on the same basis as regulations issued pursuant to marketing Order No. 115 effective under the act are applicable to cucumbers produced in Florida. The said notice specified the grade, size, quality and maturity regulations that would be applicable to the importation of cucumbers during the period from October 19, 1959 through July 31, 1960. Subsequent to the publication of the said notice and on the basis of information and recommendations received by the Department, it has been determined that regulations that will be applicable on and after October 8, 1959 (24 F.R. 8089) under Marketing Order No. 115 to cucumbers produced in Florida will be more restrictive than the grade, size, quality and maturity regulations set forth in the said notice. Accordingly, paragraph (a) of the said notice is hereby amended as set forth below and the time within which data, views or arguments pertaining thereto may be submitted is hereby extended as set forth herein.

§ 1070.3 Cucumber Regulation No. 3.

(a) During the period from November 1, 1959, through December 31, 1959, no person may import cucumbers unless the cucumbers meet the requirements of the U.S. No. 1, or better, grade (which includes the U.S. Fancy, U.S. Extra No. 1, U.S. No. 1, U.S. No. 1 Small, or U.S. No. 1 Large, grades). During the period from January 1, 1960, through July 31, 1960, no person may import cucumbers unless the cucumbers meet the requirements of the U.S. No. 2, or better, grade. The requirements of this paragraph, except for decay, shall not be applicable to cucumbers of the Kirby, MR 17, and other pickling type cucumbers of similar varietal characteristics.

Consideration will be given to any data, views, or arguments pertaining to the said notice as hereby amended which are filed with the Director, Fruit and Vegetable Division, Agricultural Marketing Service, United States Department of Agriculture, Washington 25, D.C., not later than 10 days following publication hereof in the FEDERAL REGISTER.

The other provisions contained in the said notice remain unchanged.

Dated: October 8, 1959.

S. R. SMITH,
Director,
Fruit and Vegetable Division.

[F.R. Doc. 59-8619; Filed, Oct. 12, 1959; 8:49 a.m.]

FEDERAL AVIATION AGENCY

[14 CFR Parts 40, 41, 42]

[Reg. Docket No. 152; Draft Release 59-15]

CARRIAGE OF CARGO IN PASSENGER COMPARTMENTS

Notice of Proposed Rule Making

OCTOBER 6, 1959.

Pursuant to the authority delegated to me by the Administrator (§ 405.27, 24 F.R. 2196), notice is hereby given that the Federal Aviation Agency has under consideration a proposal to amend Parts 40, 41, and 42 of the Civil Air Regulations as hereinafter set forth.

Part 40 contains specific rules governing the carriage of cargo in passenger compartments. One of these requirements as prescribed in § 40.153 prohibits the carriage of cargo aft of or directly above seated passengers. Although Parts 41 and 42 do not contain such rules, the Operations Specifications issued to air carriers certificated to operate under these parts contain essentially the same requirements, including the prohibition against the carriage of cargo aft of seated passengers in a passenger compartment.

Section 40.153, as well as the Operations Specifications concerning the carriage of cargo in passenger compartments, was intended to protect passengers against possible injury by cargo which is secured by seat belts or other suitable tie-downs. The rule prohibiting such cargo from being carried aft of seated passengers appears reasonable, since it recognizes the possibility that cargo secured in this manner may shift forward in the event of a minor crash landing involving high deceleration forces. However, the rule as it is now written prohibits the loading of any cargo aft of seated passengers in a passenger compartment, regardless of the stowage precautions which may be taken to prevent shifting.

The Federal Aviation Agency has recently received a request from one air carrier to carry cargo in bins which could be locked to the seat tracks in the aft portion of the passenger compartments of their aircraft. Other air carriers have also indicated an interest in similar installations. Such bins, when approved, would be required to meet the strength and other safety provisions of Part 4b, or other appropriate part under which the aircraft is type certificated. In addition, the bin would be considered as an item of mass which would be apt to injure passengers if it became loose in the event of a minor crash landing, so that the inertia forces specified for minor crash landings would have to be applied to the fully loaded bin and supporting structure in the same manner as for commissary equipment or other items. Under these circumstances cargo loaded in approved bins should create no more hazard to passengers than any other item of equipment installed in the passenger compartment, and it is proposed to remove the prohibition against the carriage of cargo aft of seated pas-

sengers when such cargo is loaded in approved cargo bins in the passenger compartment.

The Administrator, by the terms of the Federal Aviation Act of 1958, has been empowered to prescribe as well as to administer and issue exemptions to the rules and regulations concerning safety of flight of civil aircraft in air commerce. The delegation of authority to authorize deviations from the rules pertaining to the carriage of cargo in passenger compartments, as contained in the proviso to § 40.153, is, therefore, no longer necessary and it is proposed to delete this proviso.

Interested persons may participate in the making of the proposed rules by submitting such written data, views, or arguments as they may desire. Communications should be submitted in duplicate to the Docket Section of the Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. All communications received by December 15, 1959, will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination by interested persons in the Docket Section when the prescribed date for return of comments has expired.

These amendments are proposed under the authority of sections 313(a), 601, 604, and 605 of the Federal Aviation Act of 1958 (72 Stat. 752, 775, 778, 778; 49 U.S.C. 1354(a), 1421, 1424, 1425).

In consideration of the foregoing, it is proposed to amend Parts 40, 41, and 42 as follows:

1. By amending § 40.153 of Part 40 to read as follows:

§ 40.153 Carriage of cargo in passenger compartments.

When operating conditions require the carriage of cargo which cannot be loaded in approved cargo racks, bins, or compartments which are separate from passenger compartments, such cargo may be carried in the passenger compartment in accordance with the requirements of paragraph (a) or (b) of this section.

(a) Such cargo may be carried in approved cargo bins in the passenger compartment if such bins meet the strength and other safety provisions applicable to cargo and passenger compartments prescribed in Part 4b or other airworthiness part under which the aircraft is type certificated. The combined weight of the cargo and the approved bins or compartments shall not exceed 85 percent of the load used in determining the design conditions for the structure (bin) involved.

(b) If the cargo is not carried in approved bins, it shall be carried in accordance with the following requirements:

(1) It shall be packaged or covered in a manner to avoid possible injury to passengers;

(2) It shall be properly secured in the airplane by means of safety belts or other tie-downs possessing sufficient strength to eliminate possibility of shifting under all normally anticipated flight, ground, and emergency landing conditions;

(3) It shall not be carried directly above seated passengers;

(4) It shall not be carried aft of seated passengers;

(5) It shall not impose any loads on seats or the floor structure which exceed the designed loads for those compartments; and

(6) It shall not be placed in any position which restricts the access to or use of any required emergency or regular exit or the aisle between the crew and the passenger compartments.

§ 41.135 [Addition]

2. By amending Part 41 by adding a new § 41.135 to read the same as the proposed § 40.153.

§ 42.65 [Addition]

3. By amending Part 42 by adding a new § 42.65 to read the same as the proposed § 40.153.

Issued in Washington, D.C., on October 6, 1959.

WILLIAM B. DAVIS,
Director,
Bureau of Flight Standards.

[F.R. Doc. 59-8588; Filed, Oct. 12, 1959; 8:45 a.m.]

[14 CFR Part 507]

[Reg. Docket No. 153]

AIRWORTHINESS DIRECTIVES

Mooney Aircraft

OCTOBER 6, 1959.

Pursuant to the authority delegated to me by the Administrator (§ 405.27, 24 F.R. 2196); notice is hereby given that the Federal Aviation Agency has under consideration a proposal to amend Part 507 of the regulations of the Administrator to include an airworthiness directive requiring corrective action involving Mooney M-20A aircraft.

Interested persons may participate in the making of the proposed rule by submitting such written data, views or arguments as they may desire. Communications should be submitted in duplicate to the Docket Section, Federal Aviation Agency, Room B-316, 1711 New York Avenue NW., Washington 25, D.C. All communications received within 30 days after publication of this notice in the FEDERAL REGISTER will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received. All comments submitted will be available for examination by interested persons in the Docket Section when the prescribed time for return of comments has expired. This proposal will not be given further distribution as a draft release.

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

In consideration of the foregoing, it is proposed to amend § 507.10(a) by adding the following airworthiness directive:

MOONEY. Applies to M-20A aircraft Serial Numbers 1201 through 1500.

Compliance required not later than December 15, 1959.

In order to minimize the possibility of icing of the induction system alternate air source, relocate the carburetor alternate air source to a more sheltered location and omit the screen covering this opening.

(a) Remove the engine side cowls and the landing light.

(b) Disconnect air hose P/N 6064-19 from present alternate air inlet. Remove screen and air inlet and patch hole.

(c) Cut hole in landing light housing in the upper inboard quadrant to match hose connecting assembly P/N 6354.

(d) Position P/N 6354 inlet on outer side of light housing to match hole cut per item

(c). Self-locking nuts and bolts should be used to attach P/N 6354 to landing light housing, in lieu of Tinnerman fasteners furnished with kit.

(e) Attach hose P/N 6064-19 to P/N 6354 with existing clamp and reinstall light and cowling.

(Mooney Service Letter 20-50 covers this same alteration.)

Issued in Washington, D.C., on October 6, 1959.

WILLIAM B. DAVIS,
Director,

Bureau of Flight Standards.

[F.R. Doc. 59-8587; Filed, Oct. 12, 1959; 8:45 a.m.]

NOTICES

DEPARTMENT OF THE TREASURY

Bureau of Customs

[643.3]

NEPHELINE SYENITE FROM CANADA

Purchase Price; Foreign Market Value

OCTOBER 7, 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 nepheline syenite from Canada 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 nepheline syenite from Canada pursuant to § 14.9 of the Customs Regulations (19 CFR 14.9).

[SEAL] D. B. STRUBINGER,
Acting Commissioner of Customs.

[F.R. Doc. 59-8596; Filed, Oct. 12, 1959; 8:46 a.m.]

DEPARTMENT OF JUSTICE

Office of the Attorney General

[Order 194-59]

SELECTION OF JUDICIAL DISTRICTS FOR THE ADJUDICATION OF CERTAIN PRIZES

By virtue of the authority vested in me by section 7653(b) of title 10 of the United States Code, I hereby select the following-named judicial districts as the venue in which proceedings shall be brought for the adjudication of prizes brought into the territorial waters of a co-belligerent or brought into a locality in the temporary or permanent possession of, or occupied by, the armed forces of the United States, or appropriated for the use of the United States before proceedings are started:

1. As to any prize brought into, or appropriated within, a locality which is

nearer the east or gulf coast than the west coast of the United States: The Southern District of New York.

2. As to any prize brought into, or appropriated within, a locality which is nearer the west coast than the east or gulf coast of the United States: The Northern District of California.

Order No. 3725 of August 26, 1942, is hereby superseded.

Dated: October 5, 1959.

WILLIAM P. ROGERS,
Attorney General.

[F.R. Doc. 59-8615; Filed, Oct. 12, 1959; 8:48 a.m.]

DEPARTMENT OF COMMERCE

Bureau of Foreign Commerce

[File 23-627]

KARL L. LACHNIT

Order Denying Export Privileges for an Indefinite Period

In the matter of Karl L. Lachnit, Oberzellergasse 4, Vienna III, Austria, Respondent; File 23-627.

The Investigation Staff of the Bureau of Foreign Commerce, United States Department of Commerce, is conducting an investigation into the facts surrounding the exportation from the United States of one hundred thirty-nine tons of tin mill black plate rejects, the persons who participated therein, the ultimate receiver thereof, and their ultimate destination. It has applied for an order denying to the respondent, Karl L. Lachnit, all export privileges for an indefinite period because of his failure and refusal to respond to written interrogatories duly served on him. The application was made pursuant to § 382.15 of the Export Regulations (Title 15, Chapter III, Subchapter B, CFR) and, in accordance with the practice thereunder, was referred to the Compliance Commissioner of the Bureau of Foreign Commerce who, after considering evidence in support thereof, has recommended that it be granted.

Now, on receipt of the Compliance Commissioner's recommendation, after

reviewing and considering the evidence submitted in support of the application, from which evidence it appears (1) that an investigation is being conducted as noted above and that it is impracticable to issue a subpoena to the respondent, and (2) that relevant and material interrogatories were duly served on the respondent to which he has failed, omitted, and refused to respond without reasonable cause and without adequate explanation and, having concluded further (a) that this order is reasonable and necessary to protect the public interest and to achieve effective enforcement of the Export Control Act of 1949, as amended, and (b) that it is advisable that persons in the United States and in other parts of the world be informed by publication of this order of the provisions hereafter set forth so that the respondent may be prevented from receiving commodities exported from the United States so long as it is effective: *It is hereby ordered:*

I. All outstanding validated export licenses in which the respondent, Karl L. Lachnit, appears or participates as purchaser, intermediate or ultimate consignee, or otherwise, are hereby revoked and shall be returned forthwith to the Bureau of Foreign Commerce for cancellation.

II. The respondent, his representatives, agents, and employees, are hereby denied all privileges of participating directly or indirectly in any manner, form, or capacity in any past, present, or future exportation of any commodity or technical data from the United States to any foreign destination, including Canada. Without limitation of the generality of the foregoing, participation in an exportation shall include and prohibit said respondent's and such other persons' participation (a) as party or as representative of a party to any validated export license application; (b) in the obtaining or using of any validated or general export license or other export control document; (c) in the receiving, ordering, buying, selling, using, or disposing in any foreign country of any commodities in whole or in part exported from the United States; and (d) in the financing, forwarding, transporting, or other servicing of exports from the United States.

III. This order shall remain in effect until the respondent satisfactorily answers, or furnishes written information or documents in response to the interrogatories heretofore served on him or gives adequate reason for his failure or refusal to respond, except insofar as it may be amended or modified hereafter in accordance with the Export Regulations.

IV. Without prior disclosure of the facts to and specific authorization from the Bureau of Foreign Commerce, no person, firm, corporation, or other business organization, within the United States or elsewhere (whether or not engaged in trade relating to exports from the United States), shall directly or indirectly in any manner, form, or capacity (a) apply for, obtain, transfer, or use any license, shipper's export declaration, bill of lading, or other export control document relating to any exportation of

commodities from the United States, or (b) order, receive, buy, sell, deliver, use, dispose of, finance, transport, forward, or otherwise service or participate in an exportation from the United States, or in a re-exportation of any commodity exported from the United States, on behalf of or in any association with the respondent or any person acting on his behalf; nor shall any person do any of the foregoing acts with respect to any exportation as to which the respondent may have any interest or obtain any benefit of any kind or nature, direct or indirect.

V. In accordance with the provisions of § 382.11(c) of the Export Regulations, the respondent may move, at any time prior to the cancellation or termination hereof, to vacate or modify this indefinite denial order by filing an appropriate application therefor, supported by evidence, with the Compliance Commissioner, and he may request oral hearing thereon, which, if requested, will be held before the Compliance Commissioner at Washington, D.C., at the earliest convenient date.

Dated: October 5, 1959.

JOHN C. BORTON,
Director,
Office of Export Supply.

[F.R. Doc. 59-8608; Filed, Oct. 12, 1959;
8:48 a.m.]

Federal Maritime Board

AMERICAN MAIL LINE, LTD. ET AL.

Notice of Agreement Filed for Approval

Notice is hereby given that the following described agreement has been filed with the Board for approval pursuant to section 15 of the Shipping Act, 1916 (39 Stat. 733, 46 U.S.C. 814):

Agreement No. 8186-2, between American Mail Line, Ltd., American President Lines, Ltd., Isthmian Lines, Inc., et al., modifies the basic agreement of the West Coast American-Flag Berth Operators Agreement (No. 8186, as amended), which provides for the collaboration of the parties with respect to rates and related matters in connection with the transportation of cargo for M.S.T.S. and related shipper services in the foreign trades to and from United States Pacific Coast ports, to and from ports in the territories and possessions of the United States, and also in trades between foreign ports. The purpose of the modification is to provide that any United States flag common carrier by water, whose service in the trade covered by said agreement is limited to the trade between U.S. Pacific Coast ports and the State of Hawaii areas, may become an associate party with voting rights limited to such trade.

Interested parties may inspect this agreement and obtain copies thereof at the Regulation Office, Federal Maritime Board, Washington, D.C., and may submit, within 20 days after publication of this notice in the FEDERAL REGISTER,

written statements with reference to the agreement and their position as to approval, disapproval, or modification, together with request for hearing should such hearing be desired.

Dated: October 8, 1959.

By order of the Federal Maritime Board.

JAMES L. FIMPER,
Secretary.

[F.R. Doc. 59-8605; Filed, Oct. 12, 1959;
8:47 a.m.]

Office of the Secretary

JOHN W. NORTHCUTT

Report of Appointment and Statement of Financial Interests

Report of appointment and statement of financial interests required by section 710(b)(6) of the Defense Production Act of 1950, as amended.

Report of Appointment

1. Name of appointee: Mr. John W. Northcutt.
2. Employing agency: Department of Commerce, Business and Defense Services Administration.
3. Date of appointment: October 5, 1959.
4. Title of position: Consultant (Advisor to the Director) Water & Sewerage Industry & Utilities.
5. Name of private employer: Rockwell Manufacturing Company, Pittsburgh, Pennsylvania.

CARLTON HAYWARD,
Director of Personnel.

SEPTEMBER 11, 1959.

Statement of Financial Interests

6. Names of any corporations of which the appointee is an officer or director or within 60 days preceding appointment has been an officer or director, or in which the appointee owns or within 60 days preceding appointment has owned any stocks, bonds, or other financial interests; any partnerships in which the appointee is, or within 60 days preceding appointment was, a partner; and any other businesses in which the appointee owns, or within 60 days preceding appointment has owned, any similar interest.

Rockwell Manufacturing Company.
Houston Flow Measurement Company.
Bank deposits.

JOHN W. NORTHCUTT.

OCTOBER 5, 1959.

[F.R. Doc. 59-8603; Filed, Oct. 12, 1959;
8:47 a.m.]

WILLIAM B. THOMAS

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 of the last six months:

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

This statement is made as of October 2, 1959.

WILLIAM B. THOMAS.

OCTOBER 2, 1959.

[F.R. Doc. 59-8604; Filed, Oct. 12, 1959;
8:47 a.m.]

DEPARTMENT OF AGRICULTURE

Office of the Secretary

GREAT PLAINS AREA OF THE TEN GREAT PLAINS STATES

Designation of Counties Where the Great Plains Conservation Program is Specifically Applicable

For the purpose of making contracts based upon an approved plan of farming operations pursuant to the Act of August 7, 1956 (70 Stat. 1115-1117), the following counties of the following States are designated as susceptible to serious wind erosion by reason of their soil types, terrain, and climatic and other factors.

Kansas. Phillips.
Montana. Phillips.
South Dakota. McPherson.
Texas. Tom Green.

Done at Washington, D.C., this 8th day of October 1959.

[SEAL]

E. L. PETERSON,
Assistant Secretary.

[F.R. Doc. 59-8600; Filed, Oct. 12, 1959;
8:47 a.m.]

CIVIL AERONAUTICS BOARD

[Docket No. 10606]

DUNES HOTEL AND CASINO ET AL.

Notice of Hearing

In the matter of M & R Investment Company, Inc. d/b/a Dunes Hotel and Casino and Fred Miller, Don Rich, Marvin Cole, Harry Riggs, Grimley Engineering, Inc. d/b/a Golden State Airlines also d/b/a Trans Global Airlines and Catalina Air Transport d/b/a Catalina Airlines.

Notice is hereby given, pursuant to the provisions of the Federal Aviation Act of 1958, that hearing in the above-entitled proceeding is assigned to be held on October 22, 1959, at 10:00 a.m., e.d.s.t., in Room 1027, Universal Building, Connecticut and Florida Avenues NW., Washington, D.C., before Examiner Richard A. Walsh.

Dated at Washington, D.C., October 6, 1959.

[SEAL]

FRANCIS W. BROWN,
Chief Examiner.

[F.R. Doc. 59-8614; Filed, Oct. 12, 1959;
8:48 a.m.]

CIVIL SERVICE COMMISSION

GEOLOGICAL OCEANOGRAPHER

Increase in Minimum Rates of Pay

Under the provisions of section 803 of the Classification Act of 1949, as amended (68 Stat. 1106; 5 U.S.C. 1133), pursuant to 5 CFR 25.103, 25.105, the Commission has increased the minimum rates of pay for positions of Oceanographer (Geological) in the GS-1360-0 Series.

The increases will be effective on the first day of the second pay period which begins after October 14, 1959, and apply to these positions throughout the continental United States.

The minimum rates of pay for these positions have been increased as follows:

- GS-9 from \$5985 to \$6285 (third step).
- GS-11 from \$7030 to \$7510 (third step).
- GS-12 from \$8330 to \$8810 (third step).

UNITED STATES CIVIL SERVICE COMMISSION,

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

[F.R. Doc. 59-8607; Filed, Oct. 12, 1959; 8:47 a.m.]

FEDERAL POWER COMMISSION

[Docket No. G-19312]

NORTHERN NATURAL GAS CO.

Notice of Application and Date of Hearing

OCTOBER 6, 1959.

Take notice that Northern Natural Gas Company (applicant), a Delaware corporation, with its principal place of business in Omaha, Nebraska, filed a budget type application on August 25, 1959, for a certificate of public convenience and necessity, pursuant to section 7 of the Natural Gas Act authorizing the construction and operation of unspecified field facilities to enable it to take into its certificated main pipeline system natural gas which it will purchase during the calendar year 1960 from producers in the general area of its existing transmission facilities, subject to the jurisdiction of the Commission, as hereinafter described and all as more fully represented in the application which is on file with the Commission and open to public inspection.

Applicant estimates that the total cost of all facilities proposed will not be in excess of \$4,000,000 and the total cost of any single project will be limited to a maximum of \$500,000. These are Applicant's estimates for budget purposes of its investment to be made in field facilities during the calendar year 1960 and are exclusive of facilities to be constructed by Applicant, pursuant to certificate authorizations heretofore issued by the Commission or that may be issued hereafter in any other pending certificate applications.

Applicant states that the subject filing will eliminate numerous certificate filings by Applicant during 1960 for the sole purpose of installing minor facilities

to attach new supplies of gas to its system where expansions of its main transmission facilities are not involved.

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 November 5, 1959, at 9:30 a.m., e.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 October 26, 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. 59-8589; Filed, Oct. 12, 1959; 8:45 a.m.]

[Docket No. G-18510]

SINCLAIR OIL & GAS CO. ET AL.

Notice of Application and Date of Hearing

OCTOBER 6, 1959.

Take notice that on May 11, 1959, Sinclair Oil & Gas Company, et al.¹ (Applicants), filed in Docket No. G-18510 an application pursuant to section 7(b) of the Natural Gas Act for permission and approval to abandon natural gas service to Tennessee Gas Transmission Company (TGT) from Applicants' interests in the Papenburg Gas Unit, Cecil Noble Field, Colorado County, Texas, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

The subject service is covered by a gas sales contract dated January 5, 1955, as amended, between American Republics Corporation, predecessor in interest to Applicants, and C. N. Housh, as sellers, and TGT, as buyer, which contract is now on file as Sinclair Oil & Gas Company, et al., FPC Gas Rate Schedule No. 74, as supplemented.

¹"Et al." parties are H. D. S. Eastern Corporation, Alban Oil & Gas Corporation and Fifty-First Street Associates, Inc.

Applicants state that the subject acreage has ceased to produce gas in commercial quantities at pressures sufficient to enter buyer's line. Concurrently with the subject application, Applicants filed a notice of cancellation of the rate schedule involved, including a letter agreement between the parties dated December 19, 1958, which agreement cancels and terminates the basic contract of January 5, 1955. Said notice has been accepted for filing and designated as Supplement No. 5 to Sinclair Oil & Gas Company, et al., FPC Gas Rate Schedule No. 74.

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 November 3, 1959, at 9:30 a.m., e.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 Applicants to appear or be represented at the hearing.

Protests or petitions to intervene may be filed with the Federal Power Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before October 26, 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. 59-8590; Filed, Oct. 12, 1959; 8:45 a.m.]

[Docket No. G-19078]

TOWN OF SHUQUALAK, MISSISSIPPI

Notice of Application and Date of Hearing

OCTOBER 6, 1959.

Take notice that on July 29, 1959, as supplemented on September 8, 1959, the Town of Shuqualak, Mississippi (Applicant), filed in Docket No. G-19078 an application pursuant to section 7(a) of the Natural Gas Act for an order of the Commission directing Tennessee Gas Transmission Company (TGT) to establish physical connection of its natural gas transmission facilities with facilities to be constructed by Applicant, and to sell and deliver natural gas to Applicant for resale and distribution in Applicant's service area in Noxubee County, Missis-

Mississippi, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Applicant proposes to construct approximately 6,400 feet of 3-inch transmission lateral extending from TGT's Delta-Portland transmission line now under construction west to Applicant's corporate limits, plus a distribution system with sufficient appurtenances to serve the area's third year requirements. The total estimated cost of Applicant's facilities and related expenses is \$95,000, which will be financed by the sale of municipal gas revenue bonds.

Applicant's estimated gas requirements for the first three years, including service to the industrial plant of Atlas Tile and Brick Company, which has made a firm commitment to purchase gas from Applicant, are as follows:

Year	Requirements, Mcf	
	Peak day	Annual
1-----	405	147,825
2-----	405	147,825
3-----	805	293,825

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 November 3, 1959, at 9:30 a.m., e.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 October 26, 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. 59-8591; Filed, Oct. 12, 1959; 8:45 a.m.]

[Docket Nos. 19577-19584]

AMERADA PETROLEUM CORP. ET AL.

Order for Hearing and Suspending Proposed Changes in Rates ¹

OCTOBER 7, 1959.

In the matters of: Amerada Petroleum Corporation, Docket No. G-19577; F. A. Callery, Inc., et al., Docket No. G-19578; Pan American Petroleum Corporation, Docket No. G-19579; The Atlantic Refining Company, Docket No. G-19580;

Phillips Petroleum Company, Docket No. G-19581; Bridwell Oil Company, Docket No. G-19582; Standard Oil Company of Texas, Docket No. G-19583; Champlin Oil & Refining Company, et al., Docket No. G-19584.

The above named Respondents have tendered for filing proposed changes in presently effective rate schedules for sales of natural gas subject to the jurisdiction of the Commission. The proposed changes are designated as follows:

Docket No.	Respondent	Rate schedule No.	Supplement No.	Purchaser	Notice of change dated—	Date tendered	Effective date ¹	Rate suspended until—
G-19577	Amerada Petroleum Corp.	231	6	El Paso Natural Gas Co.	8-29-59	9-8-59	10-9-59	3-9-60
G-19577	do.	55	3	do.	8-29-59	9-8-59	10-9-59	3-9-60
G-19577	do.	56	8	do.	8-29-59	9-8-59	10-9-59	3-9-60
G-19578	F. A. Callery, Inc., et al.	1	8	Texas Gas Pipe Line Corp.	9-4-59	9-8-59	10-9-59	3-9-60
G-19579	Pan American Petroleum Corp.	33	8	do.	9-4-59	9-8-59	10-9-59	3-9-60
G-19580	The Atlantic Refining Co.	158	5	Tennessee Gas Transmission Co.	9-4-59	9-10-59	11-1-59	4-1-60
G-19581	Phillips Petroleum Co.	236	6	Texas Eastern Transmission Corp.	9-9-59	9-10-59	11-1-59	4-1-60
G-19582	Bridwell Oil Co.	3	4	Tennessee Gas Transmission Co.	9-4-59	9-11-59	11-1-59	4-1-60
G-19582	do.	4	3	do.	9-4-59	9-11-59	11-1-59	4-1-60
G-19583	Standard Oil of Texas.	25	2	El Paso Natural Gas Co.	Not dated	9-11-59	10-12-59	3-12-60
G-19583	do.	23	4	do.	do.	9-11-59	10-12-59	3-12-60
G-19583	do.	28	2	do.	do.	9-11-59	10-12-59	3-12-60
G-19584	Champlin Oil & Refining Co., et al.	28	1	Cities Service Gas Co.	9-9-59	9-10-59	10-19-59	3-19-60

¹ The stated effective dates are those requested by Respondent or the first day after the expiration of statutory notice, whichever is later.

² Rate in effect subject to refund in Docket No. G-16117.
³ Rate in effect subject to refund in Docket No. G-15084 (also subject to orders in Docket Nos. G-12619 and G-10436).
⁴ Rate in effect subject to refund in Docket No. G-16625 (also subject to order in Docket No. G-13339).
⁵ Rate in effect subject to refund in Docket No. G-13977.
⁶ Rate in effect subject to refund in Docket No. G-14059.

In support of its proposed rate increases, Amerada cites contract provisions and submits copies of favored-nation notification letters furnished by El Paso Natural Gas Company. Applicant states in addition that its proposed rates are not out of line with current area prices and are below those for recently certificated sales. El Paso requests that the increases be rejected as unilateral and because the increases are based upon "spiral escalation" clauses heretofore found contrary to the public interest.

Without stating the actual bases for the proposed rates as determined by the average of the three highest area prices, Callery and Pan American cite contract provisions and submit copies of price redetermination letters from Texas Gas Pipe Line Corporation. Pan American states additionally that the price is fair, just and reasonable, that the contracts were negotiated at arm's-length, and cites higher initial prices in the area.

Atlantic Refining refers to contract provisions, submits copies of price redetermination letters from Tennessee Gas Transmission Company, and states that the contracts resulted from arm's-length bargaining. Applicant also

proposes the advisability of price redetermination clauses in permitting lower initial prices.

Phillips states that its proposed periodic increase was based on contract provisions, bargained for in arm's-length negotiations, is just and reasonable, and will not trigger favored-nation's increases in the area.

Bridwell and Champlin recite contract provisions and offer copies of buyer's price redetermination letters. Champlin also states that its proposed rate is just and reasonable, is below the current area rate and is necessary to yield applicant a fair return in view of rising costs.

The increased rates and charges so proposed have not been shown to be justified, and may be unjust, unreasonable, unduly discriminatory, or preferential, or otherwise unlawful.

The Commission finds: It is necessary and proper in the public interest and to aid in the enforcement of the provisions of the Natural Gas Act that the Commission enter upon hearings concerning the lawfulness of the several proposed changes and that the above-designated supplements be suspended and the use thereof deferred as hereinafter ordered.

The Commission orders:

(A) Pursuant to the authority of the Natural Gas Act, particularly sections 4 and 15 thereof, the Commission's rules of practice and procedure and the regulations under the Natural Gas Act (18 CFR

¹ This order does not provide for the consolidation for hearing or disposition of the separately docketed matters covered herein, nor should it be so construed.

Chapter I), public hearings be held upon dates to be fixed by notices from the Secretary concerning the lawfulness of the several proposed increased rates and charges contained in the above-designated supplements.

(B) Pending hearing and decision thereon, each of the aforementioned supplements is suspended and the use thereof deferred until the date specified in the above-designated "Rate Suspended Until" column and thereafter until such further time as it is made effective in the manner prescribed by the Natural Gas Act.

(C) Neither the supplements hereby suspended, nor the rate schedules sought to be altered thereby, shall be changed until these proceedings have been disposed of or until the periods of suspension have expired, unless otherwise ordered by the Commission.

(D) Interested state commissions may participate as provided by §§ 1.8 and 1.37(f) of the Commission's rules of practice and procedure (18 CFR 1.8 and 1.37(f)).

By the Commission. (Commissioner Kline dissenting as to the suspension of Supplement No. 2 to Standard Oil Company of Texas' FPC Gas Rate Schedule No. 28 in Docket No. G-19583.)

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-8609; Filed, Oct. 12, 1959; 8:48 a.m.]

[Docket No. G-17839]

KANSAS-NEBRASKA NATURAL GAS CO., INC.

Notice of Application and Date of Hearing

OCTOBER 7, 1959.

Take notice that Kansas-Nebraska Natural Gas Company (Applicant), a Kansas corporation with its principal place of business in Phillipsburg, Kansas, filed an application on February 13, 1959, and supplements thereto on March 9, and May 15, 1959, respectively, pursuant to section 7 of the Natural Gas Act for a certificate of public convenience and necessity, authorizing the construction and operation of facilities subject to the jurisdiction of the Commission, all as more fully set forth in the application and supplements which are on file with the Commission, and open to public inspection. The facilities and cost are described as follows:

Facilities	Estimated cost
1958 Construction:	
Two meter settings, one near Edison, Nebraska, and one near Maxwell, Nebraska.....	\$2, 820
1959 Construction:	
1,000 additional HP-Holcomb Compressor Station.....	220, 000
1,800 HP (new) Compressor Station near Quinter, Kansas.....	420, 000
15.5 miles of 12-inch main line loop northeast of Phillipsburg	418, 200
1960 Construction:	
2,000 additional HP-Scott City Compressor Station.....	425, 000
Total.....	1, 486, 020

The facilities constructed in 1958 serve two alfalfa dehydration plants, which are operated during the summer months only and will have no effect on Applicant's services to its existing customers and were constructed prior to the filing of this application.

The facilities to be constructed in 1959 and in 1960 are situated on the southern part of Applicant's main transmission system in southwestern Kansas, in close proximity to the Kansas Hugoton Gas Field which is Applicant's main source of gas supply.

The proposed facilities will permit additional volumes of Hugoton field gas to be delivered into western Kansas, as well as into Central and Northern Nebraska, to the various communities connected to Applicant's system.

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 November 16, 1959 at 9:30 a.m., e.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 November 2, 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. 59-8610; Filed, Oct. 12, 1959; 8:48 a.m.]

[Docket Nos. G-15047, G-15813]

PAN AMERICAN PETROLEUM CORP. AND MPS PRODUCTION CO., INC., ET AL.

Notice of Postponement of Hearing

OCTOBER 6, 1959.

Upon consideration of the alternate motion filed by Counsel for MPS Production Co., Inc., et al., and concurred in by Counsel for Pan American Petroleum Corporation, for postponement of the hearing now scheduled for October 20, 1959 in the above-designated matters;

The hearing now scheduled for October 20, 1959, is hereby postponed to

November 9, 1959, at 10:00 a.m., e.s.t., in a hearing room of the Federal Power Commission, 441 G Street NW., Washington, D.C.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-8611; Filed, Oct. 12, 1959; 8:48 a.m.]

[Docket No. G-19058]

A. H. REBER CO.¹

Notice of Application and Date of Hearing

OCTOBER 7, 1959.

Take notice that on July 27, 1959, A. H. Reber Company (Applicant), an independent producer having its principal place of business at Moundsville, West Virginia, filed in Docket No. G-19058 an application, pursuant to section 7(b) of the Natural Gas Act, for permission and approval to abandon natural gas service to Hope Natural Gas Company (Hope) from the Tyler County Field, Tyler County, West Virginia, covered by a gas sales contract dated June 29, 1951, on file with the Commission as A. H. Reber Company FPC Gas Rate Schedule No. 1, all as more fully set forth in the application which is on file with the Commission and open to public inspection.

In support of the proposed abandonment, Applicant asserts that the volume of gas available for delivery to Hope under its gas sales contract has declined to the point where it is no longer economically feasible to continue the operation. The gas sales contract covering the subject sale was terminated on July 9, 1959.

Notice of cancellation of Applicant's FPC Gas Rate Schedule No. 1 has been designated as Supplement No. 3 to A. H. Reber Company FPC Gas Rate Schedule No. 1.

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 November 12, 1959, at 9:30 a.m., e.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 Com-

¹ Applicant, a Mining Partnership organized under the laws of the State of West Virginia, is filing through A. H. Reber, Owner and Agent.

mission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before November 2, 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. 59-8612; Filed, Oct. 12, 1959;
8:48 a.m.]

[Docket No. 18877 etc.]

TENNESSEE GAS TRANSMISSION CO. ET AL.

Order Consolidating Proceedings, Fixing Date of Hearing, and Giving Notice of Applications

OCTOBER 7, 1959.

In the matters of Tennessee Gas Transmission Company, Docket Nos. G-18877, G-19042, G-16843, and G-15826; Pennsylvania & Southern Gas Company, Docket No. G-18140; Tennessee Natural Gas Lines, Inc., Docket No. G-19302; Alabama-Tennessee Natural Gas Company, Docket No. G-19132; Honesdale Gas Company, Docket No. G-19021; Monson Gas Company, Docket No. G-17756.

On July 1, 1959, Tennessee Gas Transmission Company (Tennessee) filed in Docket No. G-18877, as supplemented on August 7 and 12, 1959, an application for a certificate of public convenience and necessity, pursuant to section 7(c) of the Natural Gas Act (Act), seeking authorization to construct and operate facilities for the natural gas services hereinafter described.

Tennessee proposes to provide additional mainline average design day capacity of 55,969 Mcf to serve (1) increased maximum day requirements of 55,162 Mcf per day for existing general service and contract demand customers; (2) to provide 4,587 Mcf per day of unallocated capacity to be reserved for possible future sales; (3) to provide 13,748 Mcf for increased average day requirements customers under existing authorizations and (4) to provide a long-term winter storage service for its New England customers, of an initial maximum daily volume of 55,552 Mcf; all services to commence in the fall of 1959. Additional mainline compression and pipeline loops, estimated to cost \$14,990,000, are proposed to render the additional services although the construction and operation of these facilities is not required for the first year of service.

On July 24, 1959, Tennessee filed in Docket No. G-19042, an application for a certificate of public convenience and necessity, pursuant to section 7(c) of the Act, seeking authorization to provide a temporary winter storage service on a "when, as and if" basis at a flat rate of 57 cents per Mcf to its existing customers situated at or west of Tennessee's storage fields,

On October 31, 1958, Tennessee filed in Docket No. G-16843, as supplemented on November 12, 1958, an application pursuant to section 7(b) of the Act, seeking authorization to abandon the transportation service it provided for Niagara Gas Transmission Limited (Niagara), as initially authorized on September 1, 1953, in Docket Nos. G-1921 and G-1969 and on September 11, 1953, in Docket No. G-1922. In order to serve Niagara, Tennessee was authorized to construct and operate various mainline facilities, a 45-mile, 20-inch O.D. lateral from its system near Buffalo, New York, to the International Boundary near Niagara Falls, New York, and a submerged crossing of the Niagara River. The mainline facilities certificated were designed to transport 61,914 Mcf per day and Tennessee's storage facilities were to provide the additional 53,600 Mcf per day required for the peak day delivery to Niagara of 115,600 Mcf.

On November 1, 1954, Tennessee commenced transportation and exportation of gas to Niagara from field sources contracted to Niagara in the Gulf Coast area. Upon completion of the system of Trans-Canada Pipe Lines, Ltd., Niagara's need for the Tennessee service was eliminated, and under a prior agreement, Tennessee's deliveries to Niagara were terminated on November 5, 1959.

Tennessee succeeded to the Gulf Coast gas purchase contracts of Niagara by an agreement of February 8, 1956, and Tennessee has continued operation of the mainline facilities initially authorized to transport these volumes. Permanent diversion of the resultant mainline capacity is dependent upon disposition of the instant abandonment application although Tennessee has relied in the past on the temporary use of this capacity in delivering increased requirements of its customers. Utilization of this capacity is reflected in Docket No. G-18877.

According to the application in Docket No. G-16843, service to Tennessee's existing customer, New York State Electric & Gas Corporation, located along the route of its lateral to Niagara, will be continued and such lateral and submerged river crossing will be maintained as an emergency connection with the Trans-Canada system and for possible future importation of off-peak quantities of Canadian gas.

On August 5, 1958, Tennessee filed in Docket No. G-15826, as supplemented on August 27, 1958, an application pursuant to section 7 of the Act, seeking authorization of an interim program to supply existing general and contract demand customers' increased firm requirements for the 1958-59 season and to provide a one-season peaking service available to all general service customers, though principally designed for the New England market, for the same 1958-59 period. The additional services were to be rendered for the one-year period by utilization of Tennessee's excess storage balances. No new facilities were sought to provide these services on the proposed interim basis.

Tennessee was granted in Docket No. G-15826, temporary authorization on

November 7, 1958, to perform the interim peaking service in the amounts proposed of up to 58,053 Mcf per day for a period to terminate on April 30, 1959, conditioned upon certain tariff provisions. Temporary authorization in this docket, was also granted Tennessee on November 14, 1958, to render the increased firm general and contract demand services in amounts of up to 32,214-Mcf per day. This authorization was conditioned upon Tennessee's entering into long term service agreements with the respective customers that would include the additional daily quantities proposed. Tennessee accepted the conditioned certificate in its response to the Commission of November 24, 1958.

On March 23, 1959, Pennsylvania & Southern Gas Company (Pennsylvania & Southern) filed in Docket No. G-18140, as supplemented on April 15, 1959, an application pursuant to section 7 of the Act, seeking authorization to construct and operate facilities and to transport natural gas in interstate commerce and is relying upon the additional volumes proposed in Tennessee's expansion program to initiate this additional service. Its application for temporary authorization was denied on May 14, 1959.

On August 24, 1959, Tennessee Natural Gas Lines, Inc. (Tennessee Natural), an existing customer of Tennessee, filed in Docket No. G-19302, an application pursuant to section 7 of the Act, seeking authorization for the acquisition of an additional volume of approximately 900 Mcf per day firm supplies, from Tennessee, to serve an industrial customer. Tennessee Natural also seeks to construct and operate additional facilities and to incur other sales obligations upon receipt of increased firm deliveries as proposed by Tennessee in the Docket No. G-18877 expansion.

On August 5, 1959, Alabama-Tennessee Natural Gas Company (Alabama-Tennessee), an existing customer of Tennessee, filed in Docket No. G-19132, an application pursuant to section 7 of the Act, seeking authorization to construct and operate 2.3 miles of 10-inch pipeline looping its existing 6-inch main line to a point about 5.0 miles west of Huntsville, in Madison County, Alabama. The proposed looping is designed to increase the company's delivery capacity by about 6,000 Mcf per day to help it meet the increasing winter peak demands of its existing customers, principally the City of Huntsville. Alabama-Tennessee's proposal relies on additional supplies from Tennessee of 9,546 Mcf per day which is included in Tennessee's aforementioned expansion proposal.

Honesdale Gas Company (Honesdale), in its application of July 22, 1959, in Docket No. G-19021, and Monson Gas Company (Monson), in its application of January 30, 1959, in Docket No. G-17756, as supplemented on February 18 and July 17, 1959, both applications filed pursuant to section 7 of the Act, seek initial allocations of natural gas from Tennessee to commence natural gas distribution in the community of Milford, Pennsylvania and the community of Monson, Massachusetts, respectively. Honesdale estimates a third year re-

quirement of 625 Mcf per day and Monson's third year estimate is 3,774 Mcf per day. Tennessee advised Honesdale and Monson that it did not have available unallocated capacity but would include additional capacity for such needs in its expansion proposal in Docket No. G-18877.

This order shall constitute the notice of the filing of the foregoing applications. Such applications, on file with the Commission, are open to public inspection.

The Commission finds:

(1) The applications filed in Docket Nos. G-18877, G-19042, G-16843, G-15826, G-18140, G-19302, G-19132, G-19021, and G-17756 are interrelated and the proceedings upon which applications should be consolidated for purpose of hearing.

(2) Good cause exists for shortening the time for filing protests or petitions to intervene and for fixing the date for hearing as hereinafter ordered.

The Commission orders:

(A) 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 be held on October 26, 1959, at 10:00 a.m., e.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 the applications filed in Docket Nos. G-18877, G-19042, G-16843, G-15826, G-18140, G-19302, G-19132, G-19021, and G-17756.

(B) Protests or petitions to intervene may be filed with the Commission, Washington 25, D.C., in accordance with the rules of practice and procedure (18 CFR 1.8 or 1.10) on or before October 20, 1959.

By the Commission.

JOSEPH H. GUTRIDE,
Secretary.

[F.R. Doc. 59-8613; Filed, Oct. 12; 1959;
8:48 a.m.]

SECURITIES AND EXCHANGE COMMISSION

[File No. 70-3822]

LYNN GAS AND ELECTRIC CO. ET AL.

Notice of Proposed Issue and Sale by Subsidiaries of Registered Holding Company of Short-Term Notes to a Bank and Said Holding Company

OCTOBER 6, 1959.

In the Matter of Lynn Gas and Electric Company, Weymouth Light and Power Company, New England Electric System, File No. 70-3822.

Notice is hereby given that New England Electric System ("NEES"), a registered holding company, and its public-utility subsidiaries, Lynn Gas and Electric Company ("Lynn") and Weymouth Light and Power Company ("Weymouth"), have filed with this Commission a joint application-declaration pur-

suant to the Public Utility Holding Company Act of 1935 ("Act"), and have designated sections 6(a), 7, 9(a), 10, and 12(f) of the Act and rules 43(a), 45(b) (1) and 50(a) (2) and (3) as applicable to the proposed transactions which are summarized as follows:

Lynn, which according to the filing had outstanding on September 30, 1959, a short-term note payable to The First National Bank of Boston ("First National") in the principal amount of \$1,800,000, proposes to issue to First National, from time to time prior to January 1, 1960, additional short-term notes up to an aggregate amount of \$1,300,000. Weymouth states in the filing that it expects to have outstanding on September 30, 1959, short-term notes payable to NEES in the aggregate principal amount of \$3,850,000, and proposes to issue to NEES, from time to time before January 1, 1960, additional short-term notes up to an aggregate amount of \$300,000. Each of the above mentioned additional short-term notes is to mature on or before March 31, 1960, is to bear interest at not in excess of the prime rate (presently 5 percent) in effect at the time of issuance, and may be prepaid, in whole or in part, at any time without premium.

It is stated in the filing that Lynn and Weymouth will use the proceeds from the proposed sale of additional notes to provide new money for construction expenditures or to reimburse the treasury therefor and thus meet their cash requirements through December 31, 1959, pending permanent financing. In this connection there is presently on file with the Commission an application (File No. 70-3823) in which Weymouth proposes to issue and sell to First National \$3,500,000 debenture bonds maturing in three years, the proceeds of which will replace an equal amount of that company's short-term note indebtedness.

It is further stated that no State regulatory body or agency and no Federal commission or agency, other than this Commission, has jurisdiction over the proposed transactions and that no remuneration is to be paid in connection with effectuating the proposed transactions. Incidental services are to be performed by the New England Power Service Company, an affiliated service company rendering service to associated companies, at the actual cost thereof, estimated at \$600 for Lynn, \$600 for Weymouth, and \$200 for NEES.

Notice is further given that any interested person may, not later than October 19, 1959, at 5:30 p.m., request the Commission in writing that a hearing be held on such matters stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by the said joint application-declaration which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, said joint application-declaration, as filed or as it may be amended, may be granted and permitted to become effective as pro-

vided in rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from its rules as provided in rules 20(a) and 100 or take such other action as it may deem appropriate.

By the Commission.

[SEAL] ORVAL L. DuBOIS,
Secretary.

[F.R. Doc. 59-8594; Filed, Oct. 12, 1959;
8:46 a.m.]

[File No. 70-3823]

QUINCY ELECTRIC CO. AND WEY- MOUTH LIGHT AND POWER CO.

Notice of Proposed Issue and Sale of Debentures by Subsidiaries

OCTOBER 6, 1959.

Notice is hereby given that Quincy Electric Company ("Quincy") and Weymouth Light and Power Company ("Weymouth"), public-utility subsidiaries of New England Electric System ("NEES"), a registered holding company, have filed with this Commission a joint application pursuant to the Public Utility Holding Company Act of 1935 ("Act") and have designated section 6(b) of the Act and Rule 50(a) (2) promulgated thereunder as applicable to the proposed transactions which are summarized as follows:

Quincy and Weymouth each propose to issue for cash to The First National Bank of Boston ("First National") debenture bonds in the respective principal amounts of \$2,600,000 and \$3,500,000. Such bonds will be unsecured; will mature three years from the date of issuance; and will bear interest, payable quarterly, at an annual rate equal to the prime rate in effect on the date of issuance (presently 5 percent) during the first year, at such prime rate plus $\frac{1}{4}$ of 1 percent during the second year, and at such prime rate plus $\frac{1}{2}$ of 1 percent during the third year. Each bond will be prepayable, in whole or in part, without premium, except that a premium of 1 percent of the principal amount will be payable if it is prepaid from borrowings at a lower rate of interest from another bank. Each bond will also provide that without the consent of First National (unless paid in full) neither Quincy nor Weymouth will (a) issue any additional bonds, (b) mortgage or pledge any of its properties or franchises, (c) pay any dividends except out of earnings after June 30, 1959, plus \$200,000, or (d) merge or consolidate with another company.

Quincy and Weymouth each proposes to apply the proceeds from the issue and sale of its bonds to the payment of short-term notes, which on the date of the filing were outstanding in the respective amounts of \$2,600,000 and \$3,750,000, and which may be increased by \$250,000 and \$400,000, respectively. The filing states that the bonds proposed to be issued are in anticipation of an eventual merger of Quincy and Weymouth, that this type of financing lends itself to such eventual merger, and that, in the event

of a merger, the resulting company is expected to issue first mortgage bonds to replace the proposed debenture bonds.

It is further stated in the filing that each proposed issue and sale of debenture bonds is subject to the jurisdiction of the Massachusetts Department of Public Utilities with which applications have been filed by Quincy and Weymouth, and that no other State commission or Federal commission, other than this Commission, has jurisdiction over the proposed transactions.

The filing further states that no underwriters fees, commission, or other remuneration is to be paid in connection with effectuating the proposed transactions. Incidental services are to be performed by New England Power Service Company, an affiliated service company rendering service to associated companies, at the actual cost thereof. Total expenses in connection with the proposed transactions are estimated at \$4,760 for Quincy and \$5,750 for Weymouth.

Notice is further given that any interested person may, not later than October 19, 1959, at 5:30 p.m., request the Commission in writing that a hearing be held on such matters stating the nature of his interest, the reasons for such request, and the issues of fact or law raised by the said joint application, which he desires to controvert, or may request that he be notified if the Commission should order a hearing thereon. Any such request should be addressed: Secretary, Securities and Exchange Commission, Washington 25, D.C. At any time after said date, said joint application, as filed or as it may be amended, may be granted as provided in Rule 23 of the general rules and regulations promulgated under the Act, or the Commission may grant exemption from its rules as provided in Rules 20(a) and 100 or take such other action as it may deem appropriate.

By the Commission.

[SEAL] ORVAL I. DuBOIS,
Secretary.

[F.R. Doc. 59-8595; Filed, Oct. 12, 1959;
8:46 a.m.]

TARIFF COMMISSION

[AA1921-11]

RAYON STAPLE FIBER

Notice of Investigation

Having received advice from the Treasury Department on October 7, 1959, that rayon staple fiber from France is being, or is likely to be, sold in the United States at less than fair value, the United States Tariff Commission has instituted an investigation under section 201(a) of the Antidumping Act, 1921, as amended (19 U.S.C. 160(a)), to determine whether an industry in the United States is being or is likely to be injured, or is prevented from being established, by reason of the importation of such merchandise into the United States.

No hearing in connection with this investigation has been ordered. If a hear-

ing is ordered, due notice of the time and place thereof will be given. In this connection, interested parties are referred to §208.4 of the Commission's rules of practice and procedure (19 CFR 208.4).

Any interested party may submit to the Commission a written statement of information pertinent to the subject matter of this investigation. Fifteen clear copies of such statement should be submitted. Information which an interested party desires to submit in confidence should be submitted on separate pages each clearly marked "Submitted in confidence." Written statements must be filed not later than November 13, 1959.

Issued: October 8, 1959.

By order of the Commission.

[SEAL] DONN N. BENT,
Secretary.

[F.R. Doc. 59-8621; Filed, Oct. 12, 1959;
8:49 a.m.]

[7-82]

WOMEN'S AND CHILDREN'S LEATHER GLOVES

Notice of Investigation and Hearing

Investigation instituted. Upon application of the National Association of Leather Glove Manufacturers, Inc., Gloversville, N.Y., received September 21, 1959, the United States Tariff Commission, on the 5th day of October 1959, under the authority of section 7 of the Trade Agreements Extension Act of 1951, as amended, instituted an investigation to determine whether women's and children's gloves, made wholly or in chief value of leather, whether wholly or partly manufactured, classifiable under paragraph 1532(a) of the Tariff Act of 1930 are, as a result in whole or in part of the duty or other customs treatment thereon under the General Agreement on Tariffs and Trade, being imported into the United States in such increased quantities, either actual or relative, as to cause or threaten serious injury to the domestic industry producing like or directly competitive products.

Public hearing ordered. A public hearing in connection with this investigation will be held beginning at 10 a.m., e.s.t., on January 19, 1960, in the Hearing Room, Tariff Commission Building, Eighth and E Streets NW., Washington, D.C. Interested parties desiring to appear and to be heard at the hearing should notify the Secretary of the Commission, in writing, at least three days in advance of the date set for the hearing.

Inspection of application. The application filed in this case is available for public inspection at the office of the Secretary, United States Tariff Commission, Eighth and E Streets NW., Washington, D.C., and at the New York office of the Tariff Commission, located in Room 437 of the Custom House, where

it may be read and copied by persons interested.

Issued: October 8, 1959.

By order of the Commission.

[SEAL] DONN N. BENT,
Secretary.

[F.R. Doc. 59-8622; Filed, Oct. 12, 1959;
8:49 a.m.]

OFFICE OF CIVIL AND DEFENSE MOBILIZATION

ORDNANCE CORPS GOVERNING IN- TEGRATION COMMITTEE ON LIGHT AND MEDIUM TACTICAL TRUCKS

Plan and Regulations; Amendment

Pursuant to section 708 of the Defense Production Act of 1950, as amended, there is published herewith the request to participate in the activities of an Army Ordnance Integration Committee in accordance with the plan and regulations of the Ordnance Corps Governing the Integration Committee on Light and Medium Tactical Trucks, as amended. The voluntary plan has been amended to extend membership eligibility in accordance with the Defense Production Act Amendments of 1955, after consultation with respect thereto between the Attorney General, the Chairman of the Federal Trade Commission and the Director of the Office of Civil and Defense Mobilization. This amended voluntary plan has been approved by the Director of the Office of Civil and Defense Mobilization and has been found to be in the public interest as contributing to the national defense.

Contents of Request

You are requested to participate in the activities of an integration committee in accordance with the enclosed voluntary plan entitled, "Plan and Regulations of Ordnance Corps Governing the Integration Committee on Light and Medium and Tactical Trucks," as amended pursuant to the Defense Production Act Amendments of 1955.

The Attorney General has approved this request after consultation with respect thereto between his representatives, representatives of the Chairman of the Federal Trade Commission and my representatives, pursuant to section 708 of the Defense Production Act of 1950, as amended.

I have approved the voluntary plan and have found it to be in the public interest as contributing to the national defense. You will become a participant therein upon notifying me in writing of your acceptance of this request. Will you kindly also send two copies of your acceptance to the Industrial Operations Branch, Procurement Division, Office of the Deputy Chief of Staff for Logistics, Department of the Army, Washington 25, D.C.

Immunity from prosecution under the Federal antitrust laws and the Federal Trade Commission Act will be given upon such acceptance, provided that the activities of the Integration Committee on Light and Medium Tactical Trucks and your participation therein are within the limits set forth in the voluntary plan.

Your cooperation in this matter will be appreciated.

Sincerely,

LEO A. HOEGH,
Director.

The following companies have agreed to participate in the amended plan and this list supersedes membership notice published in 17 F.R. 2023, March 7, 1952.

Acceptances

- Curtis-Wright Corporation, South Bend Division, South Bend, Indiana
 - Ford Motor Company, Dearborn, Michigan
 - The White Motor Company, Reo Division, Lansing, Michigan
 - Willys Motors, Incorporated, Toledo, Ohio
- (Sec. 708, 64 Stat. 818, as amended, 50 U.S.C. App. Sup. 2158; E.O. 10480, August 14, 1953, 18 F.R. 4939; Reorg. Plan No. 1 of 1958, 23 F.R. 4991, as amended; E.O. 10773, July 1, 1958, 23 F.R. 5061; E.O. 10782, Sept. 6, 1958, 23 F.R. 6971)

Dated: October 5, 1959.

LEO A. HOEGH,
Director, Office of
Civil and Defense Mobilization.

[F.R. Doc. 59-8585; Filed, Oct. 12, 1959; 8:45 a.m.]

**NATIONAL ADVISORY COUNCIL ON
RURAL CIVIL AND DEFENSE MO-
BILIZATION**

Establishment

By virtue of the authority vested in me by Executive Order 10773 of July 1, 1958, Reorganization Plan No. 1 of 1958 and section 102(b) of the Federal Civil Defense Act of 1950, as amended, and in order to carry out the duties and obligations imposed upon me by law, it is hereby ordered:

1. Effective immediately, there is hereby established a National Advisory Council on Rural Civil and Defense Mobilization (hereinafter referred to as the Council), which shall be composed of the Director, Office of Civil and Defense Mobilization, who shall be the Chairman, and 25 members to be appointed by the Director for 3-year terms. The 25 members shall consist of 5 persons, to be selected among the citizens of the United States (other than officers and employees of the Federal Government), of broad knowledge and experience in matters relating to rural affairs; 2 representatives of the Federal Extension Service of the U.S. Department of Agriculture; and 1 representative of each of the following organizations:

- Agricultural Department of the United States Chamber of Commerce.
- Agricultural Education Branch of the United States Department of Health, Education, and Welfare.
- American Agricultural Editors Association.
- American Association of Land-Grant Colleges and State Universities.
- American Farm Bureau Federation.
- Farm Credit Administration.
- Farm Safety Division of the National Safety Council.
- National Association of State Directors of Agriculture.

- National Association of County Agricultural Agents.
- National Association of County Home Demonstration Agents.
- National Association of County Officials.
- National Association of State and Territorial Civil Defense Directors.
- National Association of Television and Radio Farm Directors.
- National Council of Farmer Cooperatives.
- National Farmers' Union.
- National Grange.
- National Cotton Council of America.
- United States Civil Defense Council.

2. The Chairman may appoint a Chairman pro tem, who shall be a full-time, salaried employee of the Office of Civil and Defense Mobilization, and who shall act as Chairman in the absence of the Director.

3. The Chairman shall designate an officer or employee of the Office of Civil and Defense Mobilization to be Executive Secretary to the Council. The Executive Secretary shall serve as secretary to the Council, shall be responsible for the keeping of summary minutes of all Council meetings, shall certify as to their accuracy, shall be responsible for the maintenance of Council files, and shall perform such other duties as may be assigned by the Chairman, but shall have no vote in any proceedings.

4. The Council shall meet at such times as the Chairman may determine, and shall consider those matters presented by him.

5. The functions of the Council shall be solely advisory in nature. The Council shall advise the Director, Office of Civil and Defense Mobilization, in the development, implementation, and dissemination of plans and programs for the organization of civil defense and defense mobilization in the rural areas of the Nation as the Chairman may deem necessary. This shall include, but not be limited to, advice with respect to:

(a) Assessment of probable conditions in rural areas following an attack on the Nation (including the presence of radioactive fallout and agents of chemical and biological warfare) and of means of preparing to meet such conditions;

(b) Development of capability and readiness of the rural population to protect itself and to be self-sustaining on an individual, family, community, and county basis;

(c) Continuity of agricultural production under and following attack, and of delivery of products to points of need;

(d) Development of capability and readiness of the rural population to assist and support persons displaced from stricken areas.

6. Members of the Council shall be paid no compensation for services performed in connection with Council functions or activities, but may be paid necessary travel expenses and per diem in lieu of subsistence in accordance with Standardized Government Travel Regulations.

Dated: October 2, 1959.

LEO A. HOEGH,
Director.

[F.R. Doc. 59-8584; Filed, Oct. 12, 1959; 8:45 a.m.]

DEPARTMENT OF LABOR

Wage and Hour Division

**LEARNER EMPLOYMENT
CERTIFICATES**

Issuance to Various Industries

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended, 29 U.S.C. 201 et seq.), the regulations on employment of learners (29 CFR Part 522), Administrative Order No. 485 (23 F.R. 200) and Administrative Order No. 507 (23 F.R. 2720), the firms listed in this notice have been issued special certificates authorizing the employment of learners at hourly wage rates lower than the minimum wage rates otherwise applicable under section 6 of the Act. The effective and expiration dates, occupations, wage rates, number or proportion of learners, learning periods, and the principal product manufactured by the employer for certificates issued under general learner regulations (§§ 522.1 to 522.11) are as indicated below. Conditions provided in certificates issued under special industry regulations are as established in these regulations.

Apparel Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.20 to 522.24, as amended).

The following learner certificates were issued authorizing the employment of 10 percent of the total number of factory production workers for normal labor turnover purposes. The effective and expiration dates are indicated.

Anvil Brand, Inc., 318 Willowbrook, High Point, N.C.; effective 10-1-59 to 9-30-60 (pants, sport shirts).

Anvil Brand, Inc., 1624 North Main Street, High Point, N.C.; effective 10-1-59 to 9-30-60 (work shirts).

Anvil Brand, Inc., 146 South Hamilton Street, High Point, N.C.; effective 10-1-59 to 9-30-60 (dungarees, overalls, ladies' sportswear).

Anvil Brand, Inc., Independence, Va.; effective 10-1-59 to 9-30-60 (pants).

Blount Manufacturing Co., Blountsville, Ala.; effective 10-1-59 to 9-30-60 (children's pants, boxer longies, boxer shorts and jackets).

Carol Ann, Inc., Municipal Building, Hastings, Pa.; effective 10-1-59 to 9-30-60 (women's dresses).

Carolina Garment Co., Jackson Street, Rich Square, N.C.; effective 9-24-59 to 9-23-60 (ladies' gowns and robes).

Cluett, Peabody and Co., 139 First Street, Leominster, Mass.; effective 10-1-59 to 9-30-60 (men's and boys' dress shirts).

Cluett, Peabody and Co., Inc., 105 Mill Street, Corinth, N.Y.; effective 10-1-59 to 9-30-60 (men's dress shirts).

Ephrata Apparel Co., Fulton Street, Ephrata, Pa.; effective 10-6-59 to 10-5-60 (children's dresses).

Freeland Shirt Co., 1015 Dewey Street, Freeland, Pa.; effective 10-3-59 to 10-2-60; workers engaged in the manufacture of men's jackets.

Freeland Shirt Co., 1015 Dewey Street, Freeland, Pa.; effective 10-3-59 to 10-2-60; workers engaged in the manufacture of children's shorts, pedal pushers and blouses.

Hopkinsville Clothing Manufacturing Co., Inc., 1100 South Main Street, Hopkinsville, Ky.; effective 10-1-59 to 9-30-60 (denim dungarees, fatigue pants).

The H. D. Lee Co., Inc., Boaz, Ala.; effective 10-7-59 to 10-6-60 (men's work clothing, bib and waistband overalls).

N & W Industries, Inc., 736 South President Street, Jackson, Miss.; effective 9-29-59 to 9-28-60 (single pants, shirts and allied garments, sportswear and other odd outerwear).

N & W Industries, Inc., Rocky Mount, Va.; effective 10-1-59 to 9-30-60 (work pants, dungarees).

Oshkosh B'Gosh, Inc., Celina Division, Celina, Tenn.; effective 10-8-59 to 10-7-60 (men's cotton work and casual pants and shirts).

Page Manufacturing Corp., 508 West Main Street, Lexington, Ky.; effective 9-26-59 to 9-25-60 (ladies' cotton dresses).

Rob-Roy Co., Inc., Ridgely, Md.; effective 10-1-59 to 9-30-60 (boys' shirts).

Shreveport Garment Manufacturers, 908 McNeil Street, Shreveport, La.; effective 10-1-59 to 9-30-60 (cotton work pants).

Standard Romper Co., Inc., 558 Roosevelt Avenue, Central Falls, R.I.; effective 10-4-59 to 10-3-60 (children's outer garments).

Star Sportswear Manufacturing Co., 278 Broad Street, Lynn, Mass.; effective 10-10-59 to 10-9-60 (leather and cloth jackets for men, women and children).

Levi Strauss and Co., 220 North Houston Avenue, Denison, Tex.; effective 9-27-59 to 9-26-60 (men's denim coats, wash and wear casual slacks).

Toll-Gate Garment Co., Inc., Hamilton, Ala.; effective 10-1-59 to 9-30-60 (men's sport shirts).

The following learner certificates were issued for normal labor turnover purposes. The effective and expiration dates and the number of learners authorized are indicated.

Aalfs-Baker Manufacturing Co., Sheldon, Iowa; effective 10-1-59 to 9-30-60; 10 learners (men's and boys' jeans).

Edison Textiles, Inc., Edison, Ga.; effective 9-29-59 to 9-28-60; 10 learners (infants', girls' and women's woven cotton panties; infants' and girls' cotton sunsuits; girls' woven cotton nightwear).

Jeanette Frocks, Inc., 430 First Avenue North, Minneapolis, Minn.; effective 9-24-59 to 9-23-60; 10 learners (maternity wear—dresses and sportswear).

Rene-Lee Manufacturing Co., 112 West Catawissa Street, Nesquehoning, Pa.; effective 9-29-59 to 9-28-60; five learners (children's dresses).

Silver's St. Croix Manufacturing Co., St. Croix Falls, Wis.; effective 9-24-59 to 9-23-60; 10 learners (maternity wear—dresses and sportswear).

Southern Maid Garment, Inc., Palmer Street, Winnsboro, S.C.; effective 9-28-59 to 9-27-60; 10 learners (children's dresses).

The following learner certificates were issued for plant expansion purposes. The effective and expiration dates and the number of learners authorized are indicated.

Aalfs-Baker Manufacturing Co., Sheldon, Iowa; effective 10-1-59 to 3-31-60; 10 learners (men's and boys' jeans).

Bur-Mac Corp., 450 East Hancock Avenue, Athens, Ga.; effective 9-24-59 to 3-23-60; 20 learners (men's cotton pants).

Fem Wear Manufacturing Co., 701 Whaley Street, Columbia, S.C.; effective 9-23-59 to 3-22-60; 15 learners. Learners may not be engaged at special minimum wage rates in the production of separate skirts (women's and children's dresses and sportswear).

Salant and Salant, Inc., Troy Road; Obion, Tenn.; effective 9-28-59 to 3-27-60; 150 learners (men's cotton work pants).

Henry I. Siegel Co., Inc., Hohenwald, Tenn.; effective 9-23-59 to 12-7-59; 30 learners (supplemental certificate) (work pants and shirts).

Glove Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.60 to 522.66, as amended).

Hanover Glove Co., Inc., 2-6 Exchange Place, Hanover, Pa.; effective 10-3-59 to 10-2-60; 5 learners for normal labor turnover purposes (men's, women's and children's leather and fabric gloves and mittens, and leather dress and sport gloves and mittens).

Hosiery Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.40 to 522.44, as amended).

The following learner certificates were issued authorizing the employment of five percent of the total number of factory production workers for normal labor turnover purposes.

Alba Hosiery Mills, Inc., Valdese, N.C.; effective 9-28-59 to 9-27-60 (seamless).

Amos Hosiery Mills, Inc., 328 Mangum Avenue, High Point, N.C.; effective 10-1-59 to 9-30-60 (seamless).

Beaver Hosiery Co., Hickory, N.C.; effective 9-24-59 to 9-23-60 (seamless).

Claussner Hosiery Co., Plant No. 2, Seamless Div., 30th and Adams Streets, Paducah, Ky.; effective 10-1-59 to 9-30-60 (seamless).

Davenport Hosiery Mills, Inc., Chattanooga, Tenn.; effective 10-1-59 to 9-30-60 (full-fashioned).

Great American Knitting Mills, Inc., Bechtelsville and Bally, Pa.; effective 10-1-59 to 9-30-60 (seamless).

Kayser-Roth Hosiery Co., Hickory Knitting Div., Hickory, N.C.; effective 10-1-59 to 9-30-60 (seamless).

Morganton Full Fashioned Hosiery Co., Morganton, N.C.; effective 10-1-59 to 9-30-60 (full-fashioned and seamless).

The following learner certificates were issued for normal labor turnover purposes. The effective and expiration dates and the number of learners authorized are indicated.

Auburn Hosiery Mills, Inc., No. 2, Adairville, Ky.; effective 10-4-59 to 10-3-60; five learners (full-fashioned and seamless).

Black Mountain Hosiery Mills, Inc., Black Mountain, N.C.; effective 10-1-59 to 9-30-60; five learners (seamless).

C. A. Wanner, Inc., 100 South Richmond St., Fleetwood, Pa.; effective 10-7-59 to 10-6-60; five learners (seamless).

The following learner certificates were issued for plant expansion purposes. The effective and expiration dates and the number of learners authorized are indicated.

Auburn Hosiery Mills, Inc., No. 2, Adairville, Ky.; effective 9-28-59 to 3-27-60; five learners (full-fashioned and seamless).

Davenport Hosiery Mills, Inc., Ellijay, Ga.; effective 9-28-59 to 3-27-60; 30 learners (seamless).

Old Dutch Hosiery Mills, 17th Street SW., Hickory, N.C.; effective 9-23-59 to 3-22-60; 10 learners (seamless).

Knitted Wear Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.30 to 522.35, as amended).

The following learner certificates were issued authorizing the employment of five percent of the total number of factory production workers for normal labor turnover purposes.

Benham Underwear Mills, Inc., Scottsboro, Ala.; effective 10-1-59 to 9-30-60 (Men's and boys' woven cotton underwear).

Blue Swan Mills, Sayre, Pa.; effective 10-1-59 to 9-30-60 (ladies' lingerie).

Fashion Industries, Inc., 207 River Street, Cadillac, Mich.; effective 10-1-59 to 9-30-60 (ladies' and children's knitted underwear and nightwear).

Geissler Knitting Mills, Inc., 129-131 East Broad Street, Hazleton, Pa.; effective 10-1-59 to 9-30-60 (men's and boys' athletic, polo, and T shirts; knit shorts, etc.).

Norwich Mills, Inc., Clayton, N.C.; effective 10-1-59 to 9-30-60 (knitted underwear and outerwear—cutting and finishing).

A. H. Schreiber Co., Inc., Washington Street, Mt. Holly, N.J.; effective 10-1-59 to 9-30-60 (women's and children's underwear).

The following learner certificates were issued for normal labor turnover purposes. The effective and expiration dates and the number of learners authorized are indicated.

Fashion Industries, Inc., 120 Maple Street, Big Rapids, Mich.; effective 10-1-59 to 9-30-60; five learners (ladies' and children's knitted underwear and outerwear).

Harvey Manufacturing Co., Ninth and Vine Street, Berwick, Pa.; effective 9-26-59 to 9-25-60; five learners (women's slips).

Van Raalte Co., Inc., Bryson City, N.C.; effective 9-27-59 to 9-26-60; five learners (knitted underwear).

The following learner certificate was issued for plant expansion purposes. The effective and expiration dates and the number of learners authorized are indicated.

Van Raalte Co., Inc., Bryson City, N.C.; effective 9-27-59 to 3-26-60; 15 learners (knitted underwear).

Shoe Industry Learner Regulations (29 CFR 522.1 to 522.11, as amended, and 29 CFR 522.50 to 522.55, as amended).

International Shoe Co., Flora, Ill.; effective 9-25-59 to 9-24-60; 10 percent of the total number of factory production workers for normal labor turnover purposes (men's and boys' leather cloth composition).

Trimfoot Co., Trimfoot Terrace, Farmington, Mo.; effective 9-28-59 to 9-27-60; 10 percent of the total number of factory production workers for normal labor turnover purposes (children's and infants' shoes).

Regulations Applicable to the Employment of Learners (29 CFR 522.1 to 522.11, as amended):

The following learner certificates were issued in Puerto Rico to the companies hereinafter named. The effective and expiration dates, learner rates, occupations, learning periods, and the number or proportion of learners authorized to be employed, are as indicated.

Beatrice Needle Craft, Inc., Ponce, P.R.; effective 8-5-59 to 2-4-60; 35 learners for plant expansion purposes in the occupation of sewing machine operators for a learning period of 480 hours at the rates of 60 cents an hour for the first 320 hours and 70 cents an hour for the remaining 160 hours (brasieres and girdles).

Caribe Sports Co., Inc., San German, P.R.; effective 9-10-59 to 2-23-60; 50 learners for plant expansion purposes in the occupations of: (1) sewing machine operators, and hand lacers each for a learning period of 320 hours at the rates of 47 cents an hour for the first 160 hours and 55 cents an hour for the remaining 160 hours; (2) die and clicker machine operators for a learning period of 160 hours at the rate of 47 cents an hour (replacement certificate) (athletic equipment).

Portin Manufacturing Corp., 611 Carpenter Rd., Santurce, P.R.; effective 9-8-59 to 3-7-60; 30 learners for plant expansion purposes in the occupations of: (1) machine embroidery operators for a learning period of 480 hours at the rates of 53 cents an hour for the first 240 hours and 62 cents an hour for the remaining 240 hours; (2) handcutters of applique for a learning period of 240 hours at the rates of 53 cents an hour for the first 160 hours and 62 cents an hour for the remaining 80 hours (embroidered lingerie).

Each learner certificate has been issued upon the representations of the employer which, among other things, were that employment of learners at sub-minimum rates is necessary in order to prevent curtailment of opportunities for employment, and that experienced workers for the learner occupations are not available. The certificates may be annulled or withdrawn, as indicated therein, in the manner provided in Part 528 of Title 29 of the Code of Federal Regulations. Any person aggrieved by the issuance of any of these certificates may seek a review or reconsideration thereof within fifteen days after publication of this notice in the FEDERAL REGISTER pursuant to the provisions of 29 CFR 522.9.

Notice is hereby given that pursuant to section 14 of the Fair Labor Standards Act of 1938 (52 Stat. 1060, as amended, 29 U.S.C. 201 et seq.), and Part 527 of the regulations issued thereunder (29 CFR Part 527) a special certificate authorizing the employment of

student-workers at hourly wage rates lower than the minimum wage rates applicable under section 6 of the Act has been issued to the firm listed below. Effective and expiration dates, occupations, and learning periods for the certificate issued under Part 527 is as indicated below.

Regulations Applicable to the Employment of Student-Workers (29 CFR 527.1 to 527.9).

Hawaiian Mission Academy, 1438 Pensacola Street, Honolulu, Hawaii; effective 9-23-59 to 8-31-60; authorizing the employment of 2 additional student-workers in the printing industry in the occupations of compositor pressman, bindery worker and related skilled and semi-skilled occupations for a learning period of 1,000 hours at the rates of 85 cents an hour for the first 500 hours and 90 cents an hour for the remaining 500 hours (supplemental certificate).

Monterey Bay Academy, Watsonville, Calif.; effective 9-23-59 to 8-31-60; authorizing the employment of 24 additional student-workers in the furniture manufacturing industry (rustic redwood) in the occupations of millman, woodworking machine operator, assembler, painter, and related skilled and semi-skilled occupations including incidental clerical work in the shop for a learning period of 600 hours at the rates of 85 cents an hour for the first 300 hours and 90 cents an hour for the remaining 300 hours (supplemental certificate).

These student-worker certificates were issued upon the applicant's representations and supporting material fulfilling the statutory requirements for the issuance of such certificate, as interpreted and applied by Part 527.

Signed at Washington, D.C., this 30th day of September 1959.

ROBERT G. GRONEWALD,
Authorized Representative
of the Administrator.

[F.R. Doc. 59-8548; Filed, Oct. 9, 1959;
8:46 a.m.]

INTERSTATE COMMERCE COMMISSION

FOURTH SECTION APPLICATIONS FOR RELIEF

OCTOBER 8, 1959.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the general rules of practice (49 CFR 1.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

LONG-AND-SHORT-HAUL

FSA No. 35744—*Aluminum Sulphate from the South to the Southwest*. Filed by Southwestern Freight Bureau, Agent (No. B-7654), for interested rail carriers. Rates on dry aluminum sulphate or paper-makers alum, carloads from points in southern territory to points in southwestern territory.

Grounds for relief—Short-line distance formula, grouping, and truck competition.

Tariff—Supplement 15 to Southwestern Freight Bureau tariff I.C.C. 4333.

FSA No. 35745—*Class and Commodity Rates From and To Pawnee, Ala.* Filed by O. W. South, Jr., Agent (FSA No. A3850), for interested rail carriers. Rates on various classes and commodities other than coal and coke, carloads and less-than-carloads between Pawnee, Ala., on the one hand, and points in the United States and Canada, on the other.

Grounds for relief—Establishment of new station.

By the Commission.

[SEAL] HAROLD D. MCCOY,
Secretary.

[F.R. Doc. 59-8602; Filed, Oct. 12, 1959;
8:47 a.m.]

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