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MONDAY, NOVEMBER 22, 1976

highlights

MEDICARE
In the highlight for the HEW/SSA proposed rule that appeared under the above caption in the Tuesday, Nov. 9, 1976 issue, the comment period should have read 1–10–77.

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reminders

(The items in this list were editorially compiled as an aid to FEDERAL REGISTER users. Inclusion or exclusion from this list has no legal significance. Since this list is intended as a reminder, it does not include effective dates that occur within 14 days of publication.)

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NOTE: No public bills which have become law were received by the Office of the Federal Register for inclusion in today's LIST OF PUBLIC LAWS.

AGENCY PUBLICATION ON ASSIGNED DAYS OF THE WEEK

The six-month trial period ended August 6. The program is being continued on a voluntary basis (see OFR notice, 41 FR 32914, August 6, 1976). The following agencies have agreed to remain in the program:

Monday	Tuesday	Wednesday	Thursday	Friday
NRC	USDA/ASCS		NRC	USDA/ASCS
DOT/COAST GUARD	USDA/APHIS		DOT/COAST GUARD	USDA/APHIS
DOT/NHTSA	USDA/FNS		DOT/NHTSA	USDA/FNS
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DOT/OHMO	CSC		DOT/OHMO	CSC
DOT/OPSO	LABOR		DOT/OPSO	LABOR
	HEW/FDA			HEW/FDA

Documents normally scheduled on a day that will be a Federal holiday will be published the next work day following the holiday.

Comments on this program are still invited. Comments should be submitted to the Day-of-the-Week Program Coordinator, Office of the Federal Register, National Archives and Records Service, General Services Administration, Washington, D.C. 20408.

ATTENTION: For questions, corrections, or requests for information please see the list of telephone numbers appearing on opposite page.

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CHAPTER IX—AGRICULTURAL MARKETING SERVICE (MARKETING AGREEMENTS AND ORDERS; FRUITS, VEGETABLES, NUTS), DEPARTMENT OF AGRICULTURE

[Naval Orange Reg. 386, Amdt. 1]

PART 907—NAVEL ORANGES GROWN IN ARIZONA AND DESIGNATED PART OF CALIFORNIA

Limitation of Handling

This regulation increases the quantity of California-Arizona Navel oranges that may be shipped to fresh market during the weekly regulation period November 12–18, 1976. The quantity that may be shipped is increased due to improved market conditions for Navel oranges. The regulation and this amendment are issued pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and Marketing Order No. 907.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 907, as amended (7 CFR part 907), regulating the handling of Navel oranges grown in Arizona and designated part of California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Navel Orange Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such Navel oranges, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) The need for an increase in the quantity of oranges available for handling during the current week results from changes that have taken place in the marketing situation since the issuance of Navel Orange Regulation 386 (41 FR 49802). The marketing picture now indicates that there is a greater demand for Navel oranges than existed when the regulation was made effective. Therefore, in order to provide an opportunity for handlers to handle a sufficient volume of Navel oranges to fill the current market demand thereby making a greater quantity of Navel oranges available to meet such increased demand, the regulation should be amended, as hereinafter set forth.

(3) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication thereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the act is insufficient, and this amendment relieves restriction on the handling of Navel oranges grown in Arizona and a designated part of California.

(b) *Order, as amended.* The provisions in paragraph (b)(1)(i) and (iii) of § 907.686 (Navel Orange Regulation 386 (41 FR 49802) are hereby amended to read as follows:

(i) District 1: Unlimited movement;

(iii) District 3: Unlimited movement.

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

Dated: November 17, 1976.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.76-34443 Filed 11-19-76;8:45 am]

[Lemon Reg. 67]

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

This regulation fixes the quantity of California-Arizona lemons that may be shipped to fresh market during the weekly regulation period Nov. 21–27, 1976. It is issued pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and Marketing Order No. 910. The quantity of lemons so fixed was arrived at after consideration of the total available supply of lemons, the quantity of lemons currently available for market, the fresh market demand for lemons, lemon prices, and the relationship of season average returns to the parity price for lemons.

§ 910.367 Lemon Regulation 67.

(a) *Findings.* (1) Pursuant to the marketing agreement, as amended, and Order No. 910, as amended (7 CFR Part 910), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674), and upon the basis of the recommendations and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons, as hereinafter provided, will tend to effectuate the declared policy of the act.

(2) The need for this regulation to limit the quantity of lemons that may be marketed during the ensuing week stems from the production and marketing situation confronting the lemon industry.

(i) The committee has submitted its recommendation with respect to the quantity of lemons it deems advisable to be handled during the ensuing week. Such recommendation resulted from consideration of the factors enumerated in the order. The committee further reports the demand for lemons is showing improvement this week. Average f.o.b. price was $4.87 per carton the week ended November 13, 1976, compared to $5.15 per carton the previous week. Track and rolling supplies at 90 cars were up 5 cars from last week.

(ii) Having considered the recommendation and information submitted by the committee, and other available information, the Secretary finds that the quantity of lemons which may be handled should be fixed as hereinafter set forth.

(3) It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this regulation until 30 days after publication hereof in the FEDERAL REGISTER (5 U.S.C. 553) because the time intervening between the date when information upon which this regulation is based became available and the time when this regulation must become effective in order to effectuate the declared policy of the act is insufficient, and a reasonable time is permitted, under the circumstances, for preparation for such effective time; and good cause exists for making the provisions hereof effective as hereinafter set forth. The committee held an open meeting during the current week, after giving due notice thereof, to consider supply and market conditions for lemons and the need for regulation; interested persons were afforded an opportunity to submit information and views at this meeting; the recommendation and supporting information for regulation during the period specified herein were promptly submitted to the Department after such meeting was held; the provisions of this regulation, including its effective time, are identical with the aforesaid recommendation of the committee, and information concerning such provisions and effective time has been disseminated among handlers of such lemons; it is necessary, in order to effectuate the declared policy of the act, to make this regulation effective during the period herein specified; and compliance with this regulation will not require any special preparation on the part of persons subject hereto which cannot be

completed on or before the effective date hereof. Such committee meeting was held on November 16, 1976.

(b) *Order.* (1) The quantity of lemons grown in California and Arizona which may be handled during the period November 21, 1976, through November 27, 1976, is hereby fixed at 190,000 cartons.

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

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

Dated: November 17, 1976.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.76-34527 Filed 11-18-76;11:12 am]

PART 971—LETTUCE GROWN IN LOWER RIO GRANDE VALLEY IN SOUTH TEXAS

Handling Regulation

This regulation, designed to promote the orderly marketing of lettuce grown in the Lower Rio Grande Valley in South Texas imposes pack, container and inspection requirements to standardize the pack of lettuce being shipped to consumers.

Notice of rulemaking on a proposed handling regulation, to be made effective under Marketing Agreement No. 144 and Order No. 971 (7 CFR Part 971) regulating the handling of lettuce grown in the Lower Rio Grande Valley in South Texas was published in the FEDERAL REGISTER October 27, 1976 (41 FR 47058). This program is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601–674).

The notice afforded interested persons an opportunity to file written exceptions not later than November 12, 1976. None was filed.

After consideration of all relevant matters, including the proposal set forth in the notice, it is found that the handling regulation will tend to effectuate the declared policy of the act.

This regulation is in accord with the committee's recommendations and marketing policy and reflects its appraisal of the 1976–77 lettuce crop and marketing prospects for the season.

The South Texas lettuce industry as well as other lettuce shipping areas are accustomed to operating on a six day shipping week. The experience has been that a six day shipping week is adequate for five days distribution in terminal markets. Therefore, "packaging holidays" on Sundays and Christmas Day will promote more orderly marketing.

The pack and container requirements are in accord with the generally accepted commercial practices of the South Texas lettuce industry of packing specified numbers of heads of lettuce in specific sized containers limited to those found acceptable to the trade for safe transportation of the lettuce, and will prevent deceptive practices.

No purpose would be served by regulating the pack or requiring the inspection and assessment of insignificant quantities of lettuce. Therefore quantities up to two cartons of lettuce per day will be exempt from such requirements.

Provisions with respect to special purpose shipments, including export, are designed to meet the different requirements for other than commercial channels of domestic trade. Because of the production area's proximity to the Mexican border, Mexican buyers have been accustomed to acquiring small lots of production area lettuce for their home market. These buyers can utilize lettuce which fails to meet the pack and container regulations. Inasmuch as such shipments have a negligible effect on the domestic market, they should be permitted provided certain safeguard requirements are met.

It is further found that good cause exists for not postponing the effective date of this section 30 days after its publication in the FEDERAL REGISTER (5 U.S.C. 553) in that (1) shipments of lettuce grown in the production area are expected to begin about the effective date specified herein, (2) to maximize benefits to producers, the effective period of this regulation should be set to cover as many shipments as possible during the shipping season, (3) information regarding the provisions of this regulation has been made avaliable to producers and handlers in the production area, and (4) compliance with this regulation will not require any special preparation on the part of persons subject thereto which cannot be completed by the effective date.

The regulation is as follows:

§ 971.317 Handling regulation.

During the period November 22, 1976, through March 31, 1977, no person shall handle any lot of lettuce grown in the production area unless such lettuce meets the requirements of paragraphs (a), (b), (c), and (d) of this section, or unless such lettuce is handled in accordance with paragraphs (e) or (f) of this section. Further, no person may package lettuce during the above period on any Sunday or on Christmas Day.

(a) [Reserved].

(b) *Pack.* (1) Lettuce heads, packed in container Nos. 7303, 7306, or 7313, if wrapped may be packed only 18, 20, 22, 24, or 30 heads per container; if not wrapped, only 18, 24, or 30 heads per container.

(2) Lettuce heads in container No. 85–40 may be packed only 24 or 30 heads per container.

(c) *Containers.* Containers may be only the following depth, width and length respectively;

(1) Cartons with inside dimensions of 10 inches x 14¼ inches x 21$\frac{5}{16}$ inches (designated as carrier container No. 7303), or

(2) Cartons with inside dimensions of 9¾ inches x 14 inches x 21 inches (designated as carrier container No. 7306), or

(3) Cartons with inside dimensions of 14 inches x 9¾ inches x 21 inches (designated as carrier container No. 7313), or

(4) Cartons with inside dimensions of 10¾ inches x 16⅛ inches x 21½ inches (designated as carrier container No. 85–40—flat pack).

(d) *Inspection.* (1) No handler shall handle lettuce unless such lettuce is inspected by the Texas-Federal Inspection Service and an appropriate inspection certificate has been issued with respect thereto, except when relieved of such requirement pursuant to paragraphs (e) or (f) of this section.

(2) No handler may transport, or cause the transportation of, any shipment of lettuce by motor vehicle for which inspection is required unless each such shipment is accompanied by a copy of an appropriate inspection certificate or shipment release form (SPI–23) furnished by the inspection service verifying that such shipment meets the current grade, pack and container requirements of this section. A copy of such inspection certificate or shipment release form shall be available and surrendered upon request to authorities designated by the committee.

(3) For administration of this part, such inspection certificate or shipment release form required by the committee as evidence of inspection is valid for only 72 hours following completion of inspection, as shown on such certificate or form.

(e) *Minimum quantity.* Any person may handle up to, but not to exceed two cartons of lettuce a day without regard to inspection, assessment, grade, and pack requirements. This exception may not be applied to any shipment of over two cartons of lettuce.

(f) *Special purpose shipments.* The pack, container, and inspection requirements of this section shall not be applicable to shipments as follows:

(1) For relief, charity, experimental purpose, or export to Mexico, if, prior to handling, the handler pursuant to §§ 971.120–971.125 obtains a Certificate of Privilege applicable thereto and reports thereon; and

(2) For export to Mexico, if the handler of such lettuce loads and transports it only in a vehicle bearing Mexican registration (license).

(g) *Definitions.* (1) "Wrapped" heads of lettuce refers to those which are enclosed individually in parchment, plastic, or other commercial film and then packed in cartons or other containers.

(2) Other terms used in this section have the same meaning as when used in Marketing Agreement No. 144 and this part.

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

Dated November 16, 1976 to become effective November 22, 1976.

CHARLES R. BRADER,
Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc.76-34370 Filed 11-19-76;8:45 am]

CHAPTER X—AGRICULTURAL MARKETING SERVICE (MARKETING AGREEMENTS AND ORDERS; MILK), DEPARTMENT OF AGRICULTURE

[Milk Order No. 1068]

PART 1068—MILK IN THE UPPER MIDWEST MARKETING AREA

Order Suspending a Certain Provision

This order of suspension is issued pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. et seq.), and of the order regulating the handling of milk in the Upper Midwest marketing area.

Notice of proposed rulemaking was published in the FEDERAL REGISTER (41 FR 46458) concerning a proposed suspension of a certain provision of the order. Interested persons were afforded opportunity to file written data, views, and arguments thereon.

After consideration of all relevant material, including the proposal set forth in the aforesaid notice, data, views, and arguments filed thereon, and other available information, it is hereby found and determined that for the months of November 1976 through April 1977 the following provision of the order does not tend to effectuate the declared policy of the Act:

Section 1068.73(a)(4)—"If received from a producer for whom payment is not being made pursuant to paragraph (a) (2) and (3) of this section and who has not discontinued shipping to such handler, at not less than the uniform price at his plant location for the preceding month, adjusted by the butterfat differential for the preceding month."

Statement of consideration. The provision that is hereby suspended requires handlers to make a partial payment to producers for whom a cooperative is not collecting payment on or before the 25th day of the month.

The suspension was requested by several handlers, most of whom recently have become regulated under the Upper Midwest order. The handlers stated that the payment dates under the order were confusing to their producers because such dates are on the 18th and 25th days of the month—only days apart—while their producers were accustomed to being paid on about the 20th and 5th days of the month—which is 15 days apart.

They also stated that, if the suspension were granted, they would continue to make partial payments to producers on or about the 3rd day of the month, 15 days prior to the date on which final payment is due.

Written views on the proposed suspension were received from 56 dairy farmers, 3 cooperative associations, handlers, and one trade association representing proprietary plants. Eighteen dairy farmers opposed the suspension; all other views were in favor of it.

Most of the producers opposed to the suspension are accustomed to receiving their payment on about the 18th and 25th days of the month. They feel they should be paid for their milk as soon as possible.

The handlers, cooperatives, and producers in favor of the suspension believe that payment should be 15 days apart. Producers stated that this schedule permits easier budgeting for them. Some handlers suggested that this schedule also allows more efficient use of their office staff, since their workload can be more evenly spread out during the month.

The basic problem with the partial payment date in the order is that it is earlier than the customary partial payment date followed by several handlers who have recently become regulated under the order. These handlers are located in Wisconsin, where it has been customary to make a partial payment on or about the third day of the month, which the producer received by the 5th. The partial payment date under the Upper Midwest order reflects the customary partial payment date of handlers regulated under Order 68 prior to its merger and expansion effective June 1, 1976.

Most of the producers who oppose suspension of the partial payment provision are located in Minnesota and ship their milk to handlers who had been regulated under Order 68 prior to June 1, 1976.

Nearly all of the producers who responded to the proposed suspension urged that the partial payment date that they were accustomed to be continued. This can be accomplished only by suspension of the present provision that requires partial payment to be made by the 25th of the month, which is about one week earlier than many producers had been receiving a partial payment.

It can be expected that, because of the strong concern on the part of producers that customary payment dates not be changed, handlers will continue to make their customary partial payments even though it is not specifically required under the order. For those producers who had customarily been receiving a partial payment on or about the 25th, it is likely that the competitive situation will cause handlers to continue to make a partial payment by such date. On the other hand, for producers wishing to continue to be paid a partial payment on the 3rd, suspension will accommodate such payment schedule.

The suspension was requested for an indefinite period until the order could be permanently amended. Since it is expected that a hearing will be held within the next six months, the suspension should only be granted for the months of November 1976 through April 1977. If a hearing has not been held by the end of this period, interested parties may request an extension of the suspension at that time.

It is hereby found and determined that thirty days' notice of the effective date hereof is impractical, unnecessary, and contrary to the public interest in that the suspension does not require of persons affected substantial or extensive preparation prior to the effective date and notice of proposed rulemaking was given interested parties and they were afforded opportunity to file written data, views, or arguments concerning this suspension.

Therefore, good cause exists for making this order effective November 22, 1976.

It is therefore ordered, That the aforesaid provision of the order is hereby suspended for the months of November 1976 through April 1977.

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

Inflation Impact Statement. The United States Department of Agriculture has determined that this document does not contain a major proposal requiring preparation of an Inflation Impact Statement under Executive Order 11821 and OMB Circular A–107.

Effective date: November 22, 1976.

Signed at Washington, D.C. on: November 16, 1976.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.76–34369 Filed 11–19–76;8:45 am]

Title 12—Banks and Banking

CHAPTER II—FEDERAL RESERVE SYSTEM

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Reg. B]

PART 202—EQUAL CREDIT OPPORTUNITY

Official Staff Interpretation

Correction

The official staff interpretation in FR Doc. 76–32736, appearing at page 49087 of the issue for Monday, November 8, 1976, was printed without its identifying number. This interpretation is number EC–0001.

[Reg. Z]

PART 226—TRUTH IN LENDING

Official Staff Interpretations

Correction

In FR Doc. 76–31704 appearing at page 47409 of the issue for Friday, October 29, 1976, the staff interpretations appeared without their identifying numbers. These numbers should have been included as follows:

1. The interpretation dated September 30, 1976, third column, page 47409, is FC–0007.

2. The interpretation dated October 4, 1976, middle column, page 47410, is FC–0008.

3. The interpretation dated October 12, 1976, third column, page 47410, is FC–0009.

4. The interpretation dated October 15, 1976, first column, page 47411, is FC–0010.

[Reg. Z]

PART 226—TRUTH IN LENDING

Official Staff Interpretations

Correction

In FR Doc. 76–29955 appearing at page 44855 of the issue for Wednesday, October 13, 1976, the staff interpretations appeared without their identifying num-

bers. These numbers should have been included as follows:

1. The interpretation dated September 20, 1976, first column, page 44855, is FC–0003.

2. The interpretation dated September 22, 1976, third column, page 44855, is FC–0004.

3. The interpretation dated September 23, 1976, third column, page 44855, is FC–0005.

4. The interpretation dated September 24, 1976, first column, page 44856, is FC–0006.

[Reg. Z]

PART 226—TRUTH IN LENDING

Official Staff Interpretations

In accordance with 12 CFR Part 226.1(d), Board is publishing the following official staff interpretations of Regulation Z, issued by a duly authorized official of the Office of Saver and Consumer Affairs.

Identifying details have been deleted to the extent required to prevent a clearly unwarranted invasion of personal privacy. The Board maintains and makes available for public inspection and copying a current index providing identifying information for the public subject to certain limitations stated in 12 CFR Part 261.6.

Official staff interpretations may be reconsidered by the Board upon request of interested parties and in accordance with 12 CFR Part 226.1(d)(2). Every request for reconsideration should clearly identify the number of the official staff interpretation in question, and should be addressed to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551.

These interpretations shall be effective as of November 19, 1976.

[FC–0016]

226.7(k). Transactions with corporate subsidiaries of the card issuer when those subsidiaries operate under completely different names from the card issuer and billing is only in the name of the card issuer, may be described in three party, and not two party manner. The companies would not be considered the same or related person for billing purposes.

§ 226.13(h). State law controls as to whether a card issuer and business card holder must renegotiate a contract setting liability limits higher than $50, entered into prior to effective date of section 135 of the Act.

This section may apply when, for its own reasons, a business actually provides less than 10 cards to less than 10 of its employees. However, a situation in which the section is invoked and the business clearly is not in a position to provide 10 or more cards to 10 or more employees may be an attempt to circumvent or evade the law.

NOVEMBER 9, 1976.

This is in response to your letters of * * * and * * * raising several questions under Regulation Z. To the extent possible, I will attempt to answer the questions in the order presented in the September 2 letter.

1. Your first question is whether a card issuer and a business who, prior to the effective date of section 135 of the Act, entered into a special agreement limiting the liability of the business in the event of unauthorized use of any of its credit cards are compelled by section 135 of the Act and § 226.13(h) of the Regulation to enter into a new contract to avoid the liability limits of § 226.13(b). As we understand it, the facts underlying your question can be exemplified as follows:

On a date prior to October 28, 1974, Card Issuer entered into a contract with Business for issuance of 10 or more cards to Business' employees to be used, at least in part, for business purposes. This contract limited Business' liability for unauthorized use of any of the cards so issued to $100, rather than $50 as specified by § 133 of the Act and § 226.13(b) of Regulation Z.

It is staff's view that, until the Act was amended by the addition of section 135, this contract was unenforceable as a matter of Federal law. We assume you agree.

Your question is whether, now that the law permits such an agreement by virtue of the addition of section 135 of the Act and § 226.13(h) of Regulation Z, a new contract must be entered into in order to avoid the $50 limit and use the $100 liability limit in its place. It is staff's opinion that such a contract is presently unobjectionable from the standpoint of the Federal Act and Regulation Z, so long as all the criteria of § 226.13(h) are met.

However, this situation may raise a serious question under local, such as whether such a contract is void ab intitio, because it contravened prevailing law when entered into and, thus, could be viewed as forever of no force and effect. Staff ventures no opinion with respect to local law in your jurisdiction.

2. Your second question concerns the applicability of § 226.13(h) to situations in which a card issuer may issue 10 or more credit cards to a business which, for its own reasons, issues all or some of the cards to fewer than 10 employees. Your concern is that section 135 of the Act, in your view, appears to permit differing contractual liability only when the cards are actually provided to 10 or more employees. It is this staff's view that § 226.13(h) was written on the general assumption that the 10 or more cards issued to a business will, indeed, be provided to 10 or more employees of that business. However, the Regulation takes into account the fact that there may be instances in which the business may, for its own reasons, have fewer than 10 employees holding the cards. For example, an employee may terminate employment and surrender his or her card, thus bringing the number of employees holding the cards to fewer than 10. It is staff's opinion that in such cases it was not intended by Congress or the Board that the contract setting special liability limits between the card issuer and the business should be abrogated.

However, staff is of the opinion that were a card issuer to issue 10 cards to a business with fewer than 10 employees likely to hold the card and no plans to increase the size of its staff (for example, where the business consists of only 3 employees), any attempt to invoke the provisions of § 226.13(h) could be viewed as an attempt to circumvent or evade the Act and Regulation.

3. Your final question is with respect to the identification of transactions requirpments of § 226.7(k). The card issuer, an airline company, has a hotel chain and a restaurant chain as wholly owned subsidiaries. The credit card, issued in the name of the airline company, may be used to purchase goods and services at the hotels and restaurants of these subsidiaries. The name of the airline, hotel, and restaurant companies are all different from each other. You ask whether transactions with these hotels and restaurants may be identified by the name and address of the establishment providing the goods and services or whether they should be identified with reference to the particular goods or services purchased.

In staff's view, the situation you describe does not result in the hotels and restaurants being "the same person or related persons" in relation to the airline company who issued the credit card as was contemplated by § 226.7(k)(2)(i). The basic purpose of these recent amendments is to require identification of transactions in a manner which will assist the customer in recalling a charge made. One of the prime factors underlying development of these regulations was a concern for how the customer views the transaction. In situations such as yours, where the card issuer and the corporate subsidiary operate under entirely different names and the periodic statement is sent in the name of the card issuer alone, staff views it as highly unlikely that any but the most sophisticated of customers would know of the corporate connection between the card issuer and the subsidiary. In such situations staff views it as most beneficial and, therefore, permissible to identify such transactions by providing the amount and date of each transaction and the seller's name and city-state address.

This is an official staff interpretation of Regulation Z issued under § 226.1(d)(3) and limited to the facts enumerated above. I trust it responsive to your inquiry.

Sincerely,

JERAULD C. KLUCKMAN,
Assistant Director.

[FC–0017]

§ 226.7(k). Credit union drafts which are debitted to a line of credit may be identified by describing them as Rite on Line drafts. Description must include amount and date of transaction or date placed on the draft, if signed by the customer.

NOVEMBER 9, 1976.

This is in reply to your letter of * * *, raising questions under Regulation Z regarding a personal line of credit program offered by your credit union. You indicate that the customer is issued a book of drafts which may be written for cash, for deposit to the customer's checking account, or to a third party. The drafts, which are guaranteed by the credit union, are payable through a special account in the credit union's bank. Upon payment by the credit union's bank, the draft is returned to the credit union and debited to the customer's credit account.

You state that the periodic statements sent to the customers identify such transactions as Rite-on-Line drafts and show the amount of the draft and the date the amount is debited to the customer's account. You ask whether this procedure is in compliance with Regulation Z.

Staff believes that the description you provide, insofar as it characterizes the transaction as a Rite-on-Line draft and provides the amount of the transaction, is in compliance with the regulation. However, § 226.7(k)(3) of the recently adopted amendments to Regulation Z (copy enclosed) will ultimately require after October 28, 1977, that you disclose either the date of the transaction, or the date which appears on the draft, if the draft is signed by the customer. A transition period has been provided to enable creditors to adjust their systems, if necessary, to meet these requirements. The transition period provision permits the use of the debiting date until October 28, 1976. Between October 28, 1976, and October 28, 1977, the debiting date may be substituted for the date otherwise required if, because of operational limitations, the creditor cannot disclose the primarily required date. After October 28, 1977, the regulation contemplates that creditors will have procedures in place to procure the primarily required date. It,

therefore, permits use of the debiting date only if those procedures do not procure the primarily required date in a particular instance.

I trust this is responsive to your inquiry. This is an official staff interpretation of Regulation Z.

Sincerely,

D. EDWIN SCHMELZER,
Chief, Fair Credit Practices Section.

[FC–0018]

§ 226.6(g). Requiring additional security in the form of a third party security agreement after customer experiences difficulty in meeting obligation is "subsequent occurrence" which does not require new disclosures when all terms of the original transaction remain unchanged.

NOVEMBER 11, 1976.

This is in response to your letter of * * *, in which you inquire whether a creditor must make the disclosures required by the Truth in Lending Act to a guarantor who executes a surety agreement subsequent to the original extension of credit. The agreement was executed after the customer experienced difficulty in meeting the obligation. In your letter you stated that all terms of the original transaction remained in force after execution of the surety agreement.

It is staff's opinion that no disclosures are required under Regulation Z (which implements the Truth in Lending Act) when additional security, such as the surety agreement by a third party which you describe, is required subsequent to consummation of the transaction, if there are no other changes in the terms of the obligation. While the definition of "customer" in Regulation Z (§ 226.2 (u)) includes "a comaker, endorser, guarantor, or surety . . . who is or may be obligated to repay the extension of consumer credit," the Regulation states in § 226.6(e) that disclosures must be given only to one customer who is primarily liable unless the transaction is rescindable under § 226.9.

Furthermore, in this instance the taking of additional security subsequent to consummation of the transaction would be considered a "subsequent occurrence" under § 226.6 (g) of the Regulation. That paragraph provides that no new disclosures are required when an agreement executed subsequent to the delivery of the required disclosures results in an inaccuracy in the information disclosed. Footnote 6 to § 226.6(g) states that such "agreement include the failure of the customer to perform his obligations under the contract and such actions by the creditor as may be proper to protect his interest in such circumstances."

I am enclosing a copy of the Regulation Z pamphlet which includes the statute and the relevant sections of the Regulation. This is an official staff interpretation of Regulation Z, issued in accordance with § 226.1(d)(3) and relates solely to the questions presented. I trust this has been responsive to your inquiry.

Sincerely,

JERAULD C. KLUCKMAN,
Assistant Director.

[FC–0019]

§§ 226.2(n), 226.4(a), and 226.8(c). Cost of optional service contract sold with automobile is not part of finance charge; it may be disclosed as part of cash price or as another charge.

NOVEMBER 12, 1976.

This is in response to your letter of * * *, inquiring as to the proper method of disclosure under Truth in Lending and Regulation Z of a service contract sold by an automobile dealer at the time of the sale of an automobile. The service or maintenance "package" may take the form of a book of coupons for certain service privileges or may consist of a certificate entitling the buyer to a discount on all service work done by that dealer on that vehicle for a stated period. These "packages" are sold for a consideration over and above the vehicle's cash price and are optional with the vehicle buyer.

You ask whether the existence and cost of such a service contract must be disclosed in order to exclude such cost from the finance charge revealed on the credit sale disclosure statement. Since the cost of the service contract is not "imposed directly or indirectly by the creditor as an incident to or as a condition of the extension of credit," it is not a finance charge within the meaning of § 226.4 of Regulation Z. It therefore need not be itemized or described in order to be excluded from the finance charge.

You ask further whether the cost of the service contract should be disclosed as a part of the "cash price" under § 226.8(c)(1) or whether it should be disclosed as an "other charge" under § 226.8(c)(4). "Cash price" is defined in § 226.2(n) to mean the price at which a creditor offers to sell for cash the property or services which are the subject of the consumer credit transaction and may include the cash price of accessories or services related to the sale. Since the service contract can be viewed as a service related to the sale, it appears to staff that inclusion of the cost in the cash price is permissible under Regulation Z. You will note, however, that § 226.2(n) says that the cash price "may include the cash price of accessories or services" (emphasis added) and does not require that such cost be included in the cash price. Thus, it appears that these costs may also be treated as "other charges" under § 226.8(c)(4), since they are included in the amount financed but are not part of the finance charge.

This letter is an official staff interpretation of Regulation Z, issued in accordance with § 226.1(d)(3) of the regulation, and I trust that it is responsive to your inquiry.

Sincerely,

JANET HART,
Director.

Board of Governors of the Federal Reserve System, November 16, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76–34412 Filed 11–19–76;8:45 am]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 16281; Amdt. No. 61–64]

PART 61—CERTIFICATION: PILOTS AND FLIGHT INSTRUCTORS

Miscellaneous Amendments

The purpose of these amendments to Part 61 of the Federal Aviation Regulations is to make certain editorial and clarifying changes.

Section 61.5(c)(2) (i) and (ii) presently indicates that land and sea ratings are placed on flight instructor certificates when, in fact, such ratings are not placed on those certificates. Accordingly, that section has been amended to delete the references to land and sea ratings.

Section 61.9(f) contains provisions concerning the exchange of obsolete free balloon pilot certificates. While that section refers to § 61.141, which contains limitations applicable to holders of pilot certificates with free balloon class ratings, the term "free balloon class rating" is not used in § 61.9(f). Section 61.9 has been amended to correct that oversight.

Prior to amendment 61–60 (effective November 1, 1973, 38 FR 3156), a person was prohibited from acting as pilot-in-command of an aircraft towing a glider unless, among other things, he had made and entered in his logbook at least three flights as the sole manipulator of the controls of an aircraft towing a glider while accompanied by a pilot who had made and logged at least ten flights as pilot-in-command of an aircraft towing a glider. This provision was to have been included, without change, in revised § 61.69 under Amendment 61–60. However, during the drafting of § 61.69 an inadvertent change was made to the provision and, as it now reads, the qualifying pilot, rather than the qualified pilot accompanying him, must have made the 10 flights as pilot-in-command. Therefore, § 61.69 has been amended to make it clear that it is the accompanying, qualified pilot who must have made the 10 flights as pilot-in-command.

Section 61.87 sets forth the requirements applicable to student pilots preparing for solo flight. The flush paragraph following § 61.87(c)(3)(iii) states that instruction applicable to single-place gyroplanes must be given by a flight instructor who is authorized to give instruction in gyroplanes, airplanes, or rotorcraft. The reference to gyroplanes in the flush paragraph is superfluous, inasmuch as the term rotorcraft includes gyroplanes. Accordingly, the reference to gyroplanes in the flush paragraph immediately following § 61.87(c)(3)(iii) has been deleted.

Under the current regulations, applicants for student, private, or commercial pilot certificates who are not able to read, speak, and understand English have such operating limitations placed on those certificates as are necessary for safety or the safe operation of aircraft. While the regulations expressly provide that the limitations are to be removed when the student or private pilot shows that he can read, speak, and understand the English language, there is no similar provision applicable to commercial pilots. Since it is obvious that limitations placed on a commercial pilot certificate also should be removed when the commercial pilot shows that he can read, speak, and understand the English language, § 61.123(b) has been amended to provide for such removal.

Finally, several additional editorial changes have been made to Part 61, such as the deletion of compliance dates which have passed and the correction of cross references.

Since these amendments are editorial and clarifying in nature and impose no additional burden on any person, notice and public procedure thereon are unnecessary, and good cause exists for making them effective on less than 30 days notice.

(Secs. 313(a), 314, 601, and 602 of the Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1355, 1421 and 1422) and section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).)

In consideration of the foregoing, Part 61 of the Federal Aviation Regulations is amended, effective December 22, 1976, as follows:

§ 61.5 [Amended]

1. Section 61.5 is amended by deleting the parenthetical words "(land and sea)" in paragraph (c)(2)(i) and (ii).

2. Section 61.9 is amended by revising paragraph (f) to read as follows:

§ 61.9 Exchange of obsolete certificates and ratings for current certificates and ratings.

* * * * *

(f) *Free balloon pilot certificate.* The holder of a free balloon pilot certificate is issued a commercial pilot certificate with a lighter-than-air category rating and a free balloon class rating. However, a free balloon class rating may be issued with the limitations provided in § 61.141.

* * * * *

§ 61.55 [Amended]

3. Section 61.55 is amended by deleting the words "after January 22, 1973" in paragraphs (a) and (b).

4. Section 61.69 is amended by revising paragraph (c)(1) to read as follows:

§ 61.69 Glider towing: Experience and instruction requirements.

* * * * *

(c) * * *

(1) At least three flights as sole manipulator of the controls of an aircraft towing a glider while accompanied by a pilot who has met the requirements of this section and made and logged at least 10 flights as pilot-in-command of an aircraft towing a glider; or

* * * * *

5. Section 61.83 is amended by revising paragraph (b) to read as follows:

§ 61.83 Eligibility requirements: General.

* * * * *

(b) Be able to read, speak, and understand the English language, or have such operating limitations placed on his pilot certificate as are necessary for the safe operation of aircraft, to be removed when he shows that he can read, speak, and understand the English language; and

* * * * *

§ 61.87 [Amended]

6. Section 61.87 is amended by deleting the word "gyroplanes", and the commas, in the flush paragraph immediately following paragraph (c)(3)(iii).

7. Section 61.123 is amended by revising paragraph (b) to read as follows:

§ 61.123 Eligibility requirements: General.

* * * * *

(b) Be able to read, speak, and understand the English language, or have such operating limitations placed on his pilot certificate as are necessary for safety, to be removed when he shows that he can read, speak, and understand the English language; * * *

§ 61.153 [Amended]

8. Section 61.153 is amended by deleting the reference to "§ 61.141" and inserting "§ 61.151" in place thereof and by deleting the reference to "§ 61.145" and inserting "§ 61.155" in place thereof.

§ 61.155 [Amended]

9. Section 61.155 is amended by deleting the reference to "§ 61.31" in paragraph (a) and inserting "§ 61.73" in place thereof and by revoking and reserving paragraph (f).

§ 61.157 [Amended]

10. Section 61.157 is amended by deleting the reference to "§ 61.37(c)" and "§ 61.37(c)(2)" in paragraph (b) and inserting "§ 61.65(g)" in place thereof.

§ 61.159 [Amended]

11. Section 61.159 is amended by deleting the reference to "§ 61.143" in paragraph (b) and inserting "§ 61.153" in place thereof.

§ 61.165 [Amended]

12. Section 61.165 is amended by deleting the reference to "§ 61.151" in paragraph (a) and inserting "§ 61.159" in place thereof, by deleting the reference to "§ 61.155" in paragraph (a) and inserting "§ 61.163" in place thereof, by deleting the reference to "§ 61.151" in paragraph (b) and inserting "§ 61.159" in place thereof, by deleting the reference to "§ 61.153" in paragraph (b) and inserting "§ 61.161" in place thereof, by deleting the reference to "§ 61.155" in paragraph (b) and inserting "§ 61.163" in place thereof, and by deleting the reference to "§§ 61.143 through 61.147" in paragraph (c) and inserting "§§ 61.153 through 61.157" in place thereof.

The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Inflation Impact Statement under Executive Order 11821 and OMB Circular A-107.

Issued in Washington, D.C., on November 15, 1976.

JOHN MCLUCAS,
Administrator.

[FR Doc.76-34374 Filed 11-19-76;8:45 am]

[Airspace Docket No. 76-WE-26]

PART 71—DESIGNATION OF FEDERAL AIRWAYS, AREA LOW ROUTES CONTROLLED AIRSPACE, AND REPORTING POINTS

Designation of Temporary Control Zone

On October 7, 1976, a Notice of Proposed Rule Making was published in the FEDERAL REGISTER (41 FR 44193) stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would establish a new temporary control zone at Anaheim, California.

Interested persons were given 30 days in which to submit written comments, suggestions, or objections. No objections have been received and the proposed amendment is hereby adopted without change.

Effective date: This amendment shall be effective 0901 GMT, February 3, 1977.

(Sec. 307(a) of the Federal Aviation Act of 1958, as amended (49 U.S.C. 1348(a)), and of Sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).)

Issued in Los Angeles, California on November 9, 1976.

LYNN L. HINK,
Acting Director, Western Region.

In § 71.171 (41 FR 355) the following temporary control zone is added:

ANAHEIM, CALIFORNIA (DISNEYLAND HELIPORT)

Within a 3-mile radius of Disneyland Heliport (latitude 33°48'40" North, longitude 117°55'30" West), excluding that airspace within the Fullerton and Long Beach, California airport control zones. This control zone is effective during the time period of February 3, 1977 through February 12, 1977.

[FR Doc.76-34375 Filed 11-19-76;8:45 am]

Title 18—Power and Water Resources

CHAPTER I—FEDERAL POWER COMMISSION

[Docket No. RM75-13; Order No. 555]

PART 2—GENERAL POLICY AND INTERPRETATIONS

Uniform Systems of Accounts for Public Utilities and Licensees and for Natural Gas Companies (Classes A, B, C, and D); Inclusion of Construction Work in Progress in Rate Base

NOVEMBER 8, 1976.

On November 14, 1974, at 39 FR 40787, this Commission issued a Notice of Proposed Rulemaking in Docket No. RM75-13. The proposed rule would have allowed the inclusion of construction work in progress (CWIP) in the rate base of natural gas pipelines and jurisdictional electric utilities. Comments were received from over one hundred parties, about evenly divided between those favoring and opposing the rulemaking, with many offering suggested changes.

In January 1976, at 41 FR 4605, the Commission announced an oral argument to be held on March 8, 1976. In response to that notice over fifty parties presented oral argument. Written comments were also submitted by most of those parties as well as by ten additional parties.

Among the modifications proposed in the notice of November 14, 1974, were amendments to the Uniform System of Accounts (USA) providing for the exclusion of certain levels of investment in CWIP from the base upon which the Allowance for Funds Used During Construction (AFUDC) would be calculated. After reviewing the comments received on this subject, we find that, while other changes in the regulations are appro-

priate, no amendments to the Uniform Systems of Accounts are necessary. The systems, as now promulgated, provide for inclusion of AFUDC as a construction cost, where applicable. We believe that this provision is sufficient to govern the capitalization or exclusion of AFUDC on CWIP consistent with the rate treatment given such amounts. We have, however, decided to adopt specific principles determining the rate base treatment we will accord CWIP for ratemaking purposes. The changes adopted and the reasons therefore are discussed herein.

The question of the proper treatment for ratemaking purposes of capital expenditures which have not yet been placed in service is one which is subject to a play of conflicting principles. On the one hand, public utility regulation has generally adhered to the principle that a rate base should only include items which are "used and useful."[1] On the other hand, regulation has also always recognized that the expense of financing construction to serve customers is itself a legitimate expense which must ultimately be borne by the ratepayers. In the past this latter principle has been accommodated by the institution of AFUDC. By this method, the financing costs of the construction are added to the overall cost of the plant, which is then paid by the ratepayers in the form of depreciation and rate of return on the augmented rate base. The ratepayers do not avoid payment of financing costs by either method; only the timing of their payment differs.

Regulatory commissions have adopted both AFUDC and CWIP as legitimate approaches. A large number of states have permitted the inclusion of CWIP in the rate base, provided that AFUDC is not capitalized (and thus no credit is made to operating income). See Re General Teleph. Co. of the Southwest, 89 PUR 3d 92 (1971); Re General Teleph. Co. of Alabama, 77 PUR 3d 375 (1969); Re Potomac Electric Power Co., 84 PUR 3d 236 (1970). In fact, about half of the states[2] now permit inclusion of at least some portion of CWIP in rate base. This inclusion has been upheld by Federal as well as State Courts. See *Goodman* v. *Public Service Commission*, 497 F. 2d 661 (D.C. Cir. 1974).

While this Commission has previously refused to permit electric utilities and natural gas pipelines to earn a return on plant in the process of construction,[3] there is abundant legal authority for the proposition that an administrative agency has the right to change a given policy when the agency finds such change to be in the public interest. *Consolidated Gas Supply Corp., et al.* v. *F.P.C.* 520 F.2d 1176 (D.C. Cir. 1975); *Greater Boston Television Corp* v. *F.C.C.* 444 F.2d 841, 852 (D.C. Cir. 1970), cert. denied, 403 U.S. 923 (1971).

Most recently, in Consolidated Gas, supra, the Court of Appeals for the District of Columbia Circuit reiterated:

> The legal system does not compel rigidity, or bureaucratic inflexibility, least of all in the area of energy policy where flexibility may be essential to the public interest. It is the genius of the administrative process to be flexible in response to observed developments, and an agency may 'switch rather than fight the lessons of experience,' [citations omitted]. Consolidated Gas, supra, 520 F.2d at 1185, quoting *PSC of New York*, 511 F.2d 338, 353 (D.C. Cir., 1975).

In addition to this general authority for changes in Commission policy, the courts have traditionally given this commission wide latitude in changing its ratemaking policies to produce just and reasonable results.[4] As recently as October of last year, the Commission's establishment of a national rate for jurisdictional wellhead sales of natural gas was upheld by the United States Court of Appeals for the Fifth Circuit.[5] And on November 3, 1975, the D.C. Circuit affirmed the Commission's adoption of the "future test year" concept for electric utility ratemaking.[6]

Until recent years, the construction period for new plant was fairly short, construction costs were low, and financial conditions were such that the accounting and ratemaking question was more of academic interest than a matter of serious financial concern to utilities. In addition, until quite recently the amounts of money tied up in construction work in progress, and the proportion of income represented by AFUDC, were quite small. Considered as a proportion of net income available for common stock of electric utilities, AFUDC has risen from 3.9% in 1965 to 19.4% in 1970, to 28.2% in 1972, and to 35% in 1974, before dipping slightly to 32% in 1975. As a proportion of net electric utility plant in service, CWIP rose from 6.3% in 1965–66 to 19.4% in 1973–74. Perhaps most importantly, AFUDC as a proportion of dividends paid on common stock rose to over 50% in the 12-month period ending November 1975. Because AFUDC is not cash income, these figures mean that the cash flow available to finance expansion is greatly reduced, with a corresponding increase in borrowing, and interest charges.

Materials in this record provided by the National Power Survey Technical Advisory Committee on Finance indicate that the electric utility industry will need to raise $175 billion to $335 billion in the next 10 years, of which some $115 billion to $220 billion is projected to come from the capital market. Whether this figure is exactly accurate or not, it is clear that electric capital demands will be very large. In those circumstances, there is a serious question as to whether external capital can be raised if the "quality of earnings" is diluted by large amounts of AFUDC, and whether the necessary internally generated cash can be achieved.

There is substantial evidence in the record that beyond some point the investment community simply does not treat the accounting earnings attributed to AFUDC as the equivalent of actual cash income. This view of AFUDC "earnings" reduces the amount of borrowing that can be sustained based on the income allowed by regulatory commissions.

To explain further, under the present system of rate base calculation, utilities are allowed to include the cost of funds used during construction in the total plant cost which will be included in rate base upon completion. They must correspondingly include such amounts as an addition to income, even though no corresponding amount of cash will be received until after the plant is placed in service. Because of the lack of current cash flow, potential investors are apt to discount the value of income attributable to AFUDC. As public utility consultant W. Truslow Hyde, Jr. recently noted:

> Investors can hardly be expected to give full value to earnings so heavily dependent on the credit for Interest Charged to Construction which results from nothing more than an arbitrary credit and an assumption that the plant under construction will produce sufficient earnings to offset the decline in this credit when the plant is placed in service. Affidavit filed with the North Carolina Utilities Commission in Re Duke Power Co., Docket No. E–7, Sub. 128.

The New York Public Service Commission also pointed out that investors and bond rating agencies view income which includes interest capitalized during construction in a less favorable light than income derived from the sales of utility services. Re Long Island Lighting Co., 99 PUR 3d 460 (1973).

Finally, investors may also justifiably be skeptical of AFUDC "earnings", as their realization may be dependent on the timely allowance of future rate increases.

The weakening of the "quality of earnings" means that a company with large amounts of CWIP/AFUDC may be required to pay more for capital than it would if it had equivalent amounts of cash earnings as the result of the initially higher revenues caused by the inclusion of CWIP. Under such circumstances, including CWIP in the rate base will benefit consumers by the lower cost of both new and equity capital which are reflected in the rates. In addition, ratepayers will have lower rates in the future under CWIP, because the rate base will then not be inflated by capitalization of AFUDC.

The record also indicates, however, a number of factors that would militate

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[1] *City of Detroit, et al.* v. *Panhandle Eastern Pipe Line Company, et al.*, 3 FPC 273 (1942).

[2] National Association of Regulatory Utility Commissioners, 1974 Annual Report on Utility and Carrier Regulation, Washington, D.C., 1976, pp. 391–392.

[3] *Federal Power Commission* v. *Hope Natural Gas Company*, 320 U.S. 591 (1944); Georgia Power Company, Docket No. E–9091, order issued August 5, 1975 and September 19, 1975; Philadelphia Electric Company, Docket No. E–9388, order issued September 26, 1975.

[4] *F.P.C.* v. *Hope Natural Gas Co.*, supra n. 31; Permian Basin Area Rate Cases, 390 U.S. 747 (1968).

[5] *Shell Oil Co., et al.* v. *F.P.C.*, 520 F.2d 1061 (5th Cir. 1975), cert. denied, sub nom. *California Co.* v. *F.P.C.*, No. 75–1289, et al., June 14, 1976.

[6] *American Public Power Association, et al.* v. *F.P.C.*, 522 F.2d 142 (D.C. Cir. 1975).

against the blanket inclusion of CWIP in all cases. These relate primarily to state commission treatment, and to the lack of identity between the present ratepayers, who benefit in the short run from the use of AFUDC, and the future ratepayers, who are the primary beneficiaries of the use of CWIP. This lack of identity may be due to geographical mobility, as with service to areas of expanding population, or to intergenerational factors, as explained by the witness Rose Kryzak at our oral argument, who indicated that some present ratepayers would not live long enough to be future ratepayers. It may also be due to the possibility that a present wholesale customer of the utility may not be such a customer in the future.

The New York Public Service Commission recently had occasion to discuss the identity of ratepayers and the need to include CWIP in rate base under appropriate circumstances:

> * * * [W]e recognized that large and growing CWIP balances can be expected to continue in the foreseeable future as utilities attempt to meet expanding demands for energy. The traditional argument that interest on construction should be capitalized in order to prevent present customers from being burdened with costs incurred for the benefit of future customers has less validity today, since a substantial portion of these construction requirements result from increasing demands made by present customers rather than growth in the number of customers. [*Long Island Lighting Co.*, 99 PUR 3d 460 (1973)]

All of the above considerations lead this Commission to conclude that it will not adhere to an absolute rule that plant must be "used and useful" in the traditional sense before it may be included in rate base. Of course, in a very real sense, a plant under construction, which will go on line in the future, is quite useful to consumers. Were the plant not under construction, the consumers might well be facing a certain danger of future power insufficiency, which threat will be alleviated by the new plant.

We are excluding natural gas companies from the scope of this rulemaking. There are several differences in the situations of the gas and electric industries which justify this distinction. In 1974 the Class A & B Electric Utilities had over $23 billion in CWIP, while the comparable gas companies had only a little over one-half billion dollars, which is only about 3% of gas plant in service. While the gas industry is undertaking a number of major, even mammoth projects, these are generally of a distinctive character which would make the instant rule an undesirable a priori solution to the questions they raise. For just this reason, these projects have in the past frequently been undertaken by some form of project financing. The possible use of this tool should not be curtailed by the too easy availability of CWIP financing.

Additionally, the general condition of identity between present and future electric consumers is much less true in the gas industry. There are serious questions as to the trend of future gas usage. Current ratepayers could well be curtailed in the future, making it unfair to force them to pay now for facilities they will not be able to use. Similarly, if the Commission were to heed arguments for incremental pricing of supplemental gas supplies, automatic inclusion of CWIP in rate base could lead to a serious mismatch between costs and benefits. The basic problem in the gas pipeline industry is one of supply, not transmission capacity, and can best be dealt with directly through measures to encourage supplies.

The allowance of CWIP in the rate base involves a judgement that it is equitable for present ratepayers to provide funds that would otherwise be provided by future ratepayers. At the present time, there is only one area where the Commission has agreed for all companies that this outcome would be equitable. This is in the area of facilities which are required because of the current generation's commitment to the control of pollution, or its consumption of existing stocks of natural resources. Thus, we will allow the inclusion of CWIP in rate base where the construction is of facilities to be used for pollution control, or for the conversion to the burning of other fossil fuels of plants which now burn oil or gas. In these cases, it is the profligacy of the present generation which requires the new facilities, and we consider that the equitabel argument favoring this allocation of costs is sufficient to tip the balance in favor of the allowance of CWIP on these facilities.

The definition of the facilities to be thus treated requires some care. It is our intention that pollution control facilities shall include identifiable structures or portions of structures which are designed to reduce the amount of pollution produced by the underlying power facility. It is not the intention of this section to permit such treatment for facilities which lessen pollution by substituting a different non-polluting method of generation.

We note as a useful guide the language adopted by the Internal Revenue Service in connection with certain tax treatment of "pollution control" facilities. That definition includes "a new identifiable treatment facility which is used * * * to abate or control water or atmospheric pollution or contamination by removing, altering, disposing or storing of pollutants, contaminants, wastes, or heat. * * *" While we do not adopt the full regulation contains certain time provisions, and requires a local certification which frequently does not occur until after completion of the facility, we believe the quoted language is a fair statement of the types of facilities which will be approved by the Commission.

We would also note that certification by a local, state, or federal agency as being in conformity with, or required by, a program of pollution control would be extremely important evidence.

A comparable definition is found at page 501 of the present FPC Form 1 covering plant and equipment to be reported by companies as environmental protection facilities. That definition is "* * * any building, structure, equipment, facility or improvement designed and constructed solely for control, reduction, prevention or abatement of discharges or releases into the environment of gaseous, liquid or solid substances, heat, noise * * *."

The examples given at items 4A to 4D of that schedule are a useful, though not definitive guide, to items coming under this category, as follows:

A. Air pollution control facilities:
1. Scrubbers, precipitators, tall smokestacks, etc.
2. Changes necessary to accommodate use of environmentally clean fuels such as low ash or low sulfur fuels including storage and handling equipment
3. Monitoring equipment
B. Water pollution control facilities:
1. Cooling towers, ponds, piping, pumps, etc.
2. Waste water treatment equipment.
3. Sanitary waste disposal equipment.
4. Oil interceptors.
5. Sediment control facilities.
6. Monitoring equipment.
C. Solid waste disposal costs:
1. Ash handling and disposal equipment.
2. Land.
3. Settling ponds.
D. Noise abatement equipment:
1. Structures.
2. Mufflers.
3. Sound proofing equipment.
4. Monitoring equipment.

Although the operation of such facilities may require some additional power, the Commission under this definition will not allow the inclusion of any construction simply designed to provide additional power or generating capacity required because of, or for the operation of, such facilities. Nor would we allow CWIP for recreational, aesthetic, or wildlife facilities under this definition. Thus, the items listed in Sections 4E through 4G of the schedule on page 501 would not be allowed under the category defined as pollution control facilities.

With regard to fuel conversion facilities, current national policy likewise supports the policy that plants previously burning gas convert to use of other fuels, and that many oil burning plants convert to fuels other than gas. The reasons for such conversion include curtailment of the gas supply and related policies of this agency under the Natural Gas Act and Federal Power Act. Thus, we will allow the inclusion of CWIP for facilities which are used to make conversion possible, regardless of the specific reason for the conversion. This involves both alterations to the internal plant workings, such as oil or coal burners, soot blowers, bottom ash removal systems, and concomitant air pollution control, as well as facilities needed for receiving and storing the alternate fuel, which would not be necessary if the plant continued to burn gas, or oil, as originally designed.

The effect on FPC jurisdictional wholesale rates of allowing CWIP of pollution control devices and conversions in rate base would be an initial rate

increase of from one to two percent. This increase will, of course, be offset on a present worth basis, and more than offset on a gross dollar basis, by lower rates after the equipment goes into service. In 1975, if the pollution control equipment CWIP reported on FPC Form 1 had been allowed in rate base and rate schedules all had been adjusted, wholesale rates would have been higher by less than one percent.

However, during roughly the next five years the CWIP for pollution control equipment and conversions is expected to rise as a percentage of total CWIP. This change primarily reflects the need to retrofit air pollution control equipment in existing coal plants and in plants converting to coal, and the expected large proportion of coal plants in new construction with their need for controls. In the early 1980's retrofitting and conversions should be largely completed and nuclear plants may become a large percent of new construction. During the next 10 years, the impact of allowing CWIP for pollution control equipment and conversions in rate base, exclusive of the offsets mentioned above, is projected to be wholesale electric rates one to two percent higher than what they otherwise would be. The figure is likely to be closer to two percent initially, with a decline after a few years.

If a plant is not placed in service or its start-up is inordinately delayed, the Commission would, under its usual powers to review expenses for prudency, entertain arguments that appropriate measures should be taken to redress the excess costs based on inclusion in rate base of CWIP for that unit. While in many instances such a delay or abandonment will have occurred under conditions that indicate prudent management throughout, we feel it is appropriate to warn that the inclusion of CWIP for these limited purposes is not a blank check, freeing utilities from the necessity to use ordinary care in their construction programs.

The FPC will also permit, in individual proceedings, inclusion of CWIP in rate base where the utility is in severe financial stress. The financial circumstances that we contemplate are those in which it would be clearly detrimental to utility wholesale customers if some amount of CWIP were not permitted in rate base. In particular, we envision a situation in which the rate of return necessary to enable the utility to maintain its credit and attract capital in accordance with the standards of the Bluefield decision would be materially in excess of the cost of capital for otherwise similar utilities. Such a circumstance might arise, for example, where the exigencies of the utility's construction program are such as to reduce its interest coverage to such an extent that additional capital cannot be raised at reasonable rates and that an amount of earnings sufficient to attract capital would require a rate of return on equity substantially in excess of the cost of equity capital to otherwise similar electric utilities. Under such circumstances, it would be to the benefit of the consumer if the additional earnings necessary to attract capital were permitted by way of a return on CWIP rather than by way of an inflated return on the traditional rate base since the former treatment would eventually be reflected in a lower rate base by way of reduced AFUDC allowance, while the latter would not.

We cannot emphasize too strongly, however, that we will not consider any inclusion of CWIP in rate base (apart from the exceptions mentioned above) absent a clear showing of severe financial difficulty which cannot be otherwise alleviated without materially increasing the cost of electricity to consumers. Where such a showing is clearly and convincingly made, we will consider the inclusion of some amount of CWIP in rate base on a case-by-case basis. Under no circumstances will inclusion of CWIP in rate base, solely because of severe financial stress, be permitted prior to a final Commission determination on rehearing that financial circumstances justify inclusion.

The Commission finds: (1) The notice and opportunity to participate in this rulemaking proceeding with respect to the matters presently before this Commission through the submission, in writing, of data, views, comments and suggestions in the manner as described above are consistent and in accordance with the procedural requirements prescribed by 5 U.S.C. 553.

(2) The additions to section 2 of the Federal Power Commission's Rules and Regulations, General Policy and Interpretations, herein prescribed are necessary and appropriate for the administration of the Federal Power Act.

(3) It is necessary and appropriate in the public interest and to aid in the enforcement of the Federal Power Act to permit rate base treatment for pollution control and conversion devices as hereinafter provided.

(4) Good cause exists to adopt in part the instant rulemaking and to terminate the proceedings in Docket No. RM75-13, as hereinafter ordered and conditioned.

(5) Since the revisions prescribed herein which were not included in the notice of this proceeding, are consistent with the prime purpose of the Proposed Rulemaking, further compliance with the notice provision of 5 U.S.C. 553 is unnecessary.

The Commission orders: (A) Part 2 of the Federal Power Commission's Rules and Regulations, General Policy and Interpretations, is amended by adding a new § 2.16 to read as follows:

§ 2.16 Inclusion of construction work in progress in rate base of electric utilities.

(a) The Commission will allow, upon application, in a rate case filed on or after December 8, 1976, and subject to paragraph (c) of this section, the inclusion in rate base of CWIP on:

(1) *Pollution control facilities;* i.e. including identifiable structures or portions of structures which are designed to reduce the amount of pollution produced by the underlying power facility; *Provided, however,* That facilities which lessen pollution by substituting a different non-polluting method of generation shall not be included within this definition; and *Provided further,* That the definition herein prescribed shall not include facilities for generation of additional power necessitated by the operation of pollution control facilities. In determining which facilities qualify as pollution control facilities, the Commission will consider:

(i) Whether such facilities fall within the Internal Revenue Service language, 26 U.S.C. 169; i.e. "a new identifiable treatment facility which is used * * * to abate or control water or atmospheric pollution or contamination by [the] removing, altering, disposing or storing of pollutants, contaminants, wastes or heat;"

(ii) Whether such facilities have been certified by a local, state, or federal agency as being in conformity with, or required by, a program of pollution control;

(iii) Whether such facilities meet the definitions of environmental protection facilities under Sections 4A through 4D of page 501 of FPC Form 1; as well as

(iv) Any other relevant evidence tending to show that such facilities are for pollution control; and

(2) *Fuel conversion facilities;* i.e. facilities which enable a plant which previously burned natural gas to convert to use of other fuels and facilities which enable oil-burning plants to convert to fuels other than natural gas. Such facilities would include those which alter internal plant workings, such as oil or coal burners, soot blowers, bottom ash removal systems, and concomitant air pollution control facilities, as well as facilities needed for receiving and storing the alternate fuel, which would not be necessary if the plan continued to burn gas, or oil, as originally designed.

(b) With the exception of the devices discussed and defined in paragraph (a) of this section, the Commission shall permit CWIP in rate base only after: (1) An electric utility has made application therefor, and (2) The Commission by final order has approved such application, and (3) The utility has, following (b) (1) and (2) of this section, filed to include the CWIP in its rate base in a rate case filing under section 205 of the Federal Power Act. In its application, the utility must show severe financial difficulty which cannot be otherwise alleviated without materially increasing the cost of electricity to consumers and also must show that it has met the requirements of paragraph (c) of this section. In no event shall a utility collect amounts related to CWIP under this subsection, subject to refund, prior to the issuance of a final order on rehearing approving inclusion of such amounts in rate base.

(c) As a necessary condition of meeting the requirements of (a) (1) and/or (a) (2) and/or (b) of this section, the utility must show it will discontinue the capitalization of AFUDC on such

amounts of CWIP as may be permitted by this Commission to be included in jurisdictional rate base. Furthermore, a utility requesting inclusion of CWIP in rate base shall also propose accounting procedures to ensure that wholesale customers will not subsequently be charged for any corresponding AFUDC capitalized as a result of different accounting and ratemaking treatment accorded CWIP by a state commission.

(B) To the extent not specifically indicated above, the proposals in Docket No. RM75-13 shall not be adopted.

(C) Docket No. RM75-13 is hereby terminated.

(D) This order shall be effective 30 days from the date of issuance.

(E) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.[1]

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34416 Filed 11-19-76;8:45 am]

Title 23—Highways

CHAPTER I—FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

SUBCHAPTER E—PLANNING

PART 470—HIGHWAY SYSTEMS

Technical Amendments

• *Purpose.* The purpose of this document is to make technical amendments to the regulation on Highway Systems. •

On Wednesday, June 30, 1976, at 41 FR 26856, the Federal Highway Administration published a document which deleted two subparts from the Code of Federal Regulations effective July 1, 1976, 23 CFR 470, Subpart A and 23 CFR 473, Subpart A. As of July 1, 1976, 23 CFR Part 470, published at 40 FR 42344 (September 12, 1975), became effective covering realignment of the Federal-aid primary, secondary, and urban systems.

The title of 23 CFR Part 470 is being restored to its former heading, "Highway Systems"; the text of the present Part 470 is being redesignated as Part 470, Subpart A, "Federal-Aid Highway Systems"; and § 470.307 is being revised to reflect the change in FHWA position title from Division Engineer to Division Administrator.

The matter affected relates to grants, benefits, or contracts within the purview of 5 U.S.C. 553(a)(2), therefore, general notice of proposed rulemaking is not required.

In consideration of the foregoing, Chapter I of title 23, Code of Federal Regulations is amended as set forth below.

1. The heading for Part 470 is amended to read "Highway Systems."

2. The present Part 470 is redesignated as Part 470, Subpart A—Federal-Aid Highway Systems—and §§ 470.1 through 470.9 and Appendices A, B, & C are redesignated as follows:

Subpart A—Federal-Aid Highway Systems

Sec.
470.101 Purpose.
470.103 Definitions.
470.105 System classification.
470.107 General procedures.
470.109 Specific system procedures.
470.111 Reclassifications, deletions, and reinstatements.
470.113 Proposals for system actions.
470.115 Approval authority.
470.117 Realignment schedule.
Appendix A—National System of Interstate and Defense Highways.
Appendix B—Federal-aid Systems (Primary and Secondary).
Appendix C—Federal-aid Urban System.

3. Section 470.307 is revised to read as follows:

§ 470.307 Route approvals.

The FHWA Division Administrator in each State is authorized to approve priority primary routes."

Issued on November 11, 1976.

DOWELL H. ANDERS,
Acting Chief Counsel.

[FR Doc.76-34337 Filed 11-19-76;8:45 am]

SUBCHAPTER H—RIGHT-OF-WAY AND ENVIRONMENT

PART 740—RELOCATION ASSISTANCE

Revision

Correction

In FR Docket 76-30327 appearing at page 48682 in the issue for Thursday, November 4, 1976, the following corrections should be made:

1. On page 48682, in the second column, the seventh full paragraph, should read as follows:

"Issued on: October 8, 1976."

2. On page 48699, in the first column, in § 740.78, in paragraph (b)(3), the eighth line should read as follows:

"out utilities to rent without utilities"

3. On page 48704, third column, under the heading, *Development of Monthly Payment Figures*, in paragraph designated B, the 7th line should read as follows:

"(Line 8)"

Title 31—Money and Finance: Treasury

SUBTITLE A—OFFICE OF THE SECRETARY OF THE TREASURY

PART 1—DISCLOSURE OF RECORDS

Fees

In the FEDERAL REGISTER of September 9, 1976, at page 38187, there was published a notice of proposed rulemaking to amend the Department of the Treasury's regulations, at 31 CFR Part 1, governing fees for services rendered in connection with the disclosure of records. The purposes of the amendments are: To more closely conform the Department's regulations to the Freedom of Information Act by eliminating minimum fees; to raise the fee charged for locating records under FOIA to a level which more closely approximates the cost of the services rendered, and; to eliminate the imposition and collection of fees when the charges would be minimal. Interested parties were given thirty days, ending on or before October 12, 1976, in which to submit written comments, suggestions or objections with regard to the amendments. As no written comments were received from members of the public during the thirty day period, the Department finds that there is no cause to postpone implementation of the proposed amendments. Accordingly, the proposed amendments are hereby adopted, effective November 22, 1976, as follows:

31 CFR 1.6 (g)(1)(i) and (g)(3)(i) are amended to read:

§ 1.6 Fees for services.

* * * * * * *

(g) * * *

(1) *Duplication.* (i) Photocopies, per page up to 8½" by 14", $0.10 each, except that no charge will be imposed for copying 10 pages or less when one hour or less is consumed in locating the records requested.

* * * * * *

(3) *Search services.* (i) The fee charged for services of personnel involved in locating records shall be $5.00 for each hour or fraction thereof, except that no charge shall be imposed for a search consuming one hour or less.

* * * * * *

31 CFR 1.6(g)(3)(ii) is amended by changing "$3.50" to read "$5.00".

Dated: November 16, 1976.

RICHARD R. ALBRECHT,
General Counsel.

[FR Doc.76-34335 Filed 11-19-76;8:45 am]

Title 32A—National Defense Appendix

CHAPTER I—FEDERAL PREPAREDNESS AGENCY, GENERAL SERVICES ADMINISTRATION

GOVERNMENT-OWNED INDUSTRIAL PLANT EQUIPMENT BY PRIVATE INDUSTRY

Policy on Use

Defense Mobilization Order 10 is revised to direct Federal departments and agencies having control over Government-owned industrial plant equipment to follow regulations for the use of such equipment by private industry as are developed and published by the Secretary of Defense pursuant to section 809 of the Department of Defense Appropriation Authorization Act, 1974 (Pub. L. 93-155). The regulations to be developed by the Secretary of Defense will be in consonance with this order. The Department of Defense (DOD) will solicit the comments of other concerned agencies in developing new regulations affecting agencies other than than DOD.

(Defense Production Act of 1950, as amended, and Executive Orders 10480, 11051, 11490, and 11725.)

Part 110 of Title 32A is revised as follows:

[1] Commissioner Watt, concurring, filed a separate statement. Commissioner Smith, concurring in part and dissenting in part, filed a separate statement. Separate statements are filed as part of original document.

PART 110—POLICY ON USE OF GOVERNMENT-OWNED INDUSTRIAL PLANT EQUIPMENT BY PRIVATE INDUSTRY (DMO–10A)

1. *Purpose.* This order establishes policy on the use by private industry of Government-owned industrial plant equipment. This policy is necessary to maintain a highly effective and immediately available reserve of such equipment for the emergency preparedness programs of the U.S. Government.

2. *Cancellation.* This order supersedes Defense Mobilization Order 10, formerly DMO 8555.1A, dated June 7, 1968 (33 FR 10143).

3. *Scope and applicability.* (a) This order applies to all Federal departments and agencies having, for purposes of mobilization readiness, Government-owned industrial plant equipment under their jurisdiction or control and having emergency preparedness functions assigned by Executive orders concerning use of that equipment.

(b) As used herein, "industrial plant equipment" means those items of equipment, each with an acquisition cost of $1,000 or more, that fall within specified classes of equipment listed in DOD regulations. Classes of equipment may from time to time be added to or deleted from this list.

4. *Policy.* (a) *General.*—(1) Primary reliance for defense production shall be placed upon private industry.

(2) When it is determined by an agency that, because of the lack of specific industrial plant equipment, private industry of the United States cannot be relied upon for needed Government production, that agency may provide to private industry such Government-owned industrial plant equipment as is deemed necessary to ensure required production capability. Requirements for such equipment should be reviewed at least annually to ascertain the continuing need, particularly with a view toward private industry furnishing the equipment for long term requirements.

(3) When it is necessary for Federal agencies to supply Government-owned industrial plant equipment to private industry, these agencies will maintain uniformity and fairness in the arrangements for the use of this equipment by following regulations for the use of such equipment as developed and published by the Secretary of Defense pursuant to section 809 of Pub. L. 93–155. The regulations to be developed by the Secretary of Defense shall be in consonance with this order. These regulations will attempt to ensure that no Government contractor is afforded an advantage over his competitors and that Government-owned industrial plant equipment is maintained properly and kept immediately available for the emergency preparedness needs of the United States.

(b) *Interagency use of idle equipment.* In any instances in which a Government contractor cannot meet Government production schedules because necessary industrial plant equipment is not available from private industry or from the contracting Federal department or agency, idle industrial plant equipment under the control of other Federal agencies may be made available for this purpose through existing authorities on a transfer, loan, or replacement basis by interagency agreement.

(c) *Availability of equipment for emergency use.* Government-owned industrial plant equipment may be provided by controlling agencies for emergency use by essential Government contractors whose facilities have been damaged or destroyed.

(d) *Uniform rental rates.* All new agreements entered into by any agency of the Federal Government under which private business establishments are provided with Government-owned industrial plant equipment shall be subject to rental rates established by the Secretary of Defense pursuant to section 809 of Pub. L. 93–155. The rental rates shall ensure a fair and equitable return to the U.S. Government and be generally competitive with commercial rates for like equipment.

(e) *Use of Government-owned industrial plant equipment for commercial (non-Government) purposes.* Subject to adequate controls being established under DOD regulations pursuant to Pub. L. 93–155, and statutory authority for leasing, Government-owned industrial plant equipment may be authorized for commercial use by contractors performing contracts or subcontracts for the Government agency if it is necessary to keep the equipment in a high state of operational readiness through regular usage to support the emergency preparedness programs of the U.S. Government.

5. *Disputes.* In the event of an interagency dispute about the regulations developed by the Department of Defense in accordance with this order, the Director, Federal Preparedness Agency, General Services Administration, shall adjudicate.

6. *Reports.* Such reports of operations under this order as may be required by the Federal Preparedness Agency, General Services Administration, shall be submitted to the Director.

Dated: November 9, 1976.

JACK ECKERD,
Administrator of General Services.

[FR Doc.76-34310 Filed 11-19-76;8:45 am]

Title 40—Protection of Environment

CHAPTER I—ENVIRONMENTAL PROTECTION AGENCY

SUBCHAPTER C—AIR PROGRAMS

[FRL 639-3]

PART 60—STANDARDS OF PERFORMANCE FOR NEW STATIONARY SOURCES

Amendments to Subpart D

Standards of performance for fossil fuel-fired steam generators of more than 73 megawatts (250 million Btu per hour) heat input rate are provided under Subpart D of 40 CFR Part 60. Subpart D is amended herein to revise the application of the standards of performance for facilities burning wood residues in combination with fossil fuel.

Subpart D contains standards for particulate matter, sulfur dioxide, nitrogen oxides, and visible emissions from steam generators. These standards, except for the one applicable to visible emissions, are based on heat input. For sulfur dioxide, there are separate standards for liquid fossil fuel-fired and solid fossil fuel-fired facilities with provisions for a prorated standard when combinations of different fossil fuels are fired. There is no sulfur dioxide standard for gaseous fossil fuel-fired facilities since they emit negligible amounts of sulfur dioxide.

To date, there have been two ways for a source owner or operator to comply with the sulfur dioxide standard: (1) By firing low sulfur fossil fuels or (2) by using flue gas desulfurization systems. Complying with the standard by firing low sulfur fossil fuel requires an adequate supply of fuel with a sulfur content low enough to meet the standard. However, it would be possible for the owner or operator to fire, for example, a relatively high sulfur fossil fuel with a very low sulfur fossil fuel (e.g. natural gas) to obtain a fuel mixture which would meet the standard. The low sulfur fuel adds to the heat input but not to the sulfur dioxide emissions and, thereby, has an overall fuel sulfur reduction effect. In the past, the application of Subpart D permitted the heat content of fossil fuels but not wood residue to be used in determining compliance with the standards for particulate matter, sulfur dioxide and nitrogen oxides; the amendment made herein will allow the heat content of wood residue to be used for determining compliance with the standards. The amendment does not change the scope of applicability of Subpart D; all steam generating units constructed after August 17, 1971, and capable of firing fossil fuel at a heat input rate of more than 73 megawatts (250 million Btu per hour) are subject to Subpart D.

RATIONALE FOR THE AMENDMENTS

Wood residue, which includes bark, sawdust, chips, etc., is not a fossil fuel and thus has not been allowed for use as a dilution agent in complying with the sulfur dioxide standard for steam generators. Several companies have requested that EPA revise Subpart D to permit blending of wood residue with high sulfur fossil fuels. This would enable them to obtain a fuel mixture low enough in sulfur to comply with the sulfur dioxide standard. Since Subpart D allows the blending of high and low sulfur fossil fuels, EPA has concluded that it is reasonable to extend application of this principle to wood residue which, although not a fossil fuel, does have low sulfur content.

Several companies have expressed interest in constructing steam generators which continuously fire wood residue in combination with fossil fuel. New facilities will comply with the standards for less cost than at present because they will be able to use wood residue, a valuable source of energy, as an alternative to expense low sulfur fossil fuels. Also, using wood residue as a fuel supplement instead of low sulfur fossil fuels will re-

sult in substantial savings in the consumption of scarce natural gas and oil resources, and will relieve what would otherwise be a substantial solid waste disposal problem. Consumption of energy and raw material resources will be reduced further by minimizing the need for flue gas desulfurization systems at new facilities. There will be no adverse environmental impact; neither sulfur dioxide nor nitrogen oxides emissions will increase as a result of this action. Considering the beneficial, environmental, energy, and economic impacts, it is reasonable to permit wood residue to be fired as a low sulfur fuel to aid in compliance with the standards for fossil fuel-fired steam generators.

In making this amendment, EPA recognizes that affected facilities which burn substantially more wood residue than fossil fuel may have difficulty complying with the 43 nanogram per joule standard for particulate matter (0.1 pound per million Btu). There is not sufficient information available at this time to determine what level of particulate matter emissions is achievable; however, EPA is continuing to gather information on this question. If EPA determines that the particulate matter standard is not achievable, appropriate changes will be made to the standard. Any change would be proposed for public comment; however, in the interim, owners and operators will be subject to the 43 nanogram per joule standard.

'F' Factor Determination

New facilities firing wood residue in combination with fossil fuel will be subject to the emission and fuel monitoring requirements of § 60.45 (as revised on October 6, 1975, 40 FR 46250). The 'F' factors listed in § 60.45(f)(4), which are used for converting continuous monitoring data and performance test data into units of the standard, presently apply only to fossil fuels. Therefore, 'F' factors for bark and wood residue have been added to § 60.45(f)(4). Any owner or operator who elects to calculate his own 'F' factor must obtain approval of the Administrator.

International System of Units

In accordance with the objective to implement national use of the metric system, EPA presents numerical values in both metric units and English units in its regulations and technical publications. In an effort to simplify use of the metric units of measurements, EPA now uses the International System of Units (SI) as set forth in a publication by the American Society for Testing and Materials entitled "Standard for Metric Practice" (Designation: E 380–76). The following amendments to Subpart D reflect the use of SI units.

Miscellaneous

Since these amendments are expected to have limited applicability, no environmental impact statement is required for this rulemaking pursuant to section 1(b) of the "Procedures for the Voluntary Preparation of Environmental Impact Statements" (39 FR 37419).

This action is effective on November 22, 1976. The Agency finds that good cause exists for not publishing this action as a notice of proposed rulemaking and for making it effective immediately upon publication because:

1. The action is expected to have limited applicability.

2. The action will remove an existing restriction on operations without increasing emissions and will have beneficial environmental, energy, and economic effects.

3. The action is not technically controversial and does not alter the overall substantive content of Subpart D.

4. Immediate effectiveness of the action will enable affected parties to proceed promptly and with certainty in conducting their affairs.

(Secs. 111, 114 and 301(a) of the Clean Air Act, as amended by section 4(a) of Pub.L. 91–604, 84 Stat. 1678, and by section 15(c)(2) of Pub.L. 91–604, 84 Stat. 1713 (42 U.S.C. 1857c–6, 1857c–9, 1857g(a)).)

Date: November 15, 1976.

JOHN QUARLES,
Acting Administrator.

Part 60 of Chapter I, Title 40 of the Code of Federal Regulations is amended as follows:

1. Section 60.40 is amended by revising the designation of affected facility and by substituting the International System (SI) of Units as follows:

§ 60.40 Applicability and designation of affected facility.

(a) The affected facilities to which the provisions of this subpart apply are:

(1) Each fossil fuel-fired steam generating unit of more than 73 megawatts heat input rate (250 million Btu per hour).

(2) Each fossil fuel and wood residue-fired steam generating unit capable of firing fossil fuel at a heat input rate of more than 73 megawatts (250 million Btu per hour).

(b) Any change to an existing fossil fuel-fired steam generating unit to accommodate the use of combustible materials, other than fossil fuels as defined in this subpart, shall not bring that unit under the applicability of this subpart.

2. Section 60.41 is amended by adding paragraphs (d) and (e) as follows:

§ 60.41 Definitions.

* * * * *

(d) "Fossil fuel and wood residue-fired steam generating unit" means a furnace or boiler used in the process of burning fossil fuel and wood residue for the purpose of producing steam by heat transfer.

(e) "Wood residue" means bark, sawdust, slabs, chips, shavings, mill trim, and other wood products derived from wood processing and forest management operations.

3. Section 60.42 is amended by revising paragraph (a)(1) and by substituting SI units in paragraph (a)(1) as follows:

§ 60.42 Standard for particulate matter.

(a) * * *

(1) Contain particulate matter in excess of 43 nanograms per joule heat input (0.10 lb per million Btu) derived from fossil fuel or fossil fuel and wood residue.

* * * * *

4. Section 60.43 is amended by revising paragraphs (a)(1) and (a)(2), by substituting SI units in paragraphs (a)(1) and (a)(2), and by revising the formula in paragraph (b) as follows:

§ 60.43 Standard for sulfur dioxide.

(a) * * *

(1) 340 nanograms per joule heat input (0.80 lb per million Btu) derived from liquid fossil fuel or liquid fossil fuel and wood residue.

(2) 520 nanograms per joule heat input (1.2 lb per million Btu) derived from solid fossil fuel or solid fossil fuel and wood residue.

(b) When different fossil fuels are burned simultaneously in any combination, the applicable standard (in ng/J) shall be determined by proration using the following formula:

$$PS_{SO_2}=\frac{y(340)+z(520)}{y+z}$$

where:

PS_{SO_2} is the prorated standard for sulfur dioxide when burning different fuels simultaneously, in nanograms per joule heat input derived from all fossil fuels fired or from all fossil fuels and wood residue fired,

y is the percentage of total heat input derived from liquid fossil fuel, and

z is the percentage of total heat input derived from solid fossil fuel.

* * * * *

5. Section 60.44 is amended by revising paragraphs (a)(1), (a)(2), and (a)(3); by substituting SI units in paragraphs (a)(1), (a)(2), and (a)(3); and by revising paragraph (b) as follows:

§ 60.44 Standard for nitrogen oxides.

(a) * * *

(1) 86 nanograms per joule heat input (0.20 lb per million Btu) derived from gaseous fossil fuel or gaseous fossil fuel and wood residue.

(2) 130 nanograms per joule heat input (0.30 lb per million Btu) derived from liquid fossil fuel or liquid fossil fuel and wood residue.

(3) 300 nanograms per joule heat input (0.70 lb per million Btu) derived from solid fossil fuel or solid fossil fuel and wood residue (except lignite or a solid fossil fuel containing 25 percent, by weight, or more of coal refuse).

(b) When different fossil fuels are burned simultaneously in any combination, the applicable standards (in ng/J) shall be determined by proration. Compliance shall be determined by using the following formula:

$$PS_{NO_x}=\frac{x(86)+y(130)+z(300)}{x+y+z}$$

where:

PS_{NO_x} is the prorated standard for nitrogen oxides when burning different fuels simultaneously, in nanograms per joule heat input derived from all fossil fuels fired or from all fossil fuels and wood residue fired,

x is the percentage of total heat input derived from gaseous fossil fuel,

y is the percentage of total heat input derived from liquid fossil fuel, and

z is the percentage of total heat input derived from solid fossil fuel (except lignite or a solid fossil fuel containing 25 percent, by weight, or more of coal refuse).

When lignite or a solid fossil fuel containing 25 percent, by weight, or more of coal refuse is burned in combination with gaseous, liquid, other solid fossil fuel, or wood residue, the standard for nitrogen oxides does not apply.

6. Section 60.45 is amended by substituting SI units in paragraphs (e), (f)(1), (f)(2), (f)(4)(i), (f)(4)(ii), (f)(4)(iii), (f)(4)(iv), (f)(5), and (f)(5)(ii), by adding paragraphs (f)(4)(v) and (f)(5)(iii), and by revising paragraph (f)(6) as follows:

§ 60.45 Emission and fuel monitoring.

* * * * *

(e) An owner or operator required to install continuous monitoring systems under paragraphs (b) and (c) of this section shall for each pollutant monitored use the applicable conversion procedure for the purpose of converting continuous monitoring data into units of the applicable standards (nanograms per joule, pounds per million Btu) as follows:

* * * * *

(f) * * *

(1) E=pollutant emissions, ng/J (lb/million Btu).

(2) C=pollutant concentration, ng/dscm (lb/dscf), determined by multiplying the average concentration (ppm) for each one-hour period by 4.15×10^{4} M ng/dscm per ppm (2.59×10^{-9} M lb/dscf per ppm) where M=pollutant molecular weight, g/g-mole (lb/lb-mole). M=64.07 for sulfur dioxide and 46.01 for nitrogen oxides.

* * * * *

(4) * * *

(i) For anthracite coal as classified according to A.S.T.M. D 388–66, $F=2.723\times10^{-7}$ dscm/J (10,140 dscf/million Btu) and $F_c=0.532\times10^{-7}$ scm CO_2/J (1,980 scf CO_2/million Btu).

(ii) For subbituminous and bituminous coal as classified according to A.S.T.M. D 388–66, $F=2.637\times10^{-7}$ dscm/J (9,820 dscf/million Btu) and $F_c=0.486\times10^{-7}$ scm CO_2/J (1,810 scf CO_2/million Btu).

(iii) For liquid fossil fuels including crude, residual, and distillate oils, $F=2.476\times10^{-7}$ dscm/J (9,220 dscf/million Btu) and $F_c=0.384$ scm CO_2/J (1,430 scf CO_2/million Btu).

(iv) For gaseous fossil fuels, $F=2.347\times10^{-7}$ dscm/J 8,740 dscf/million Btu). For natural gas, propane, and butane fuels, $F_c=0.279\times10^{-7}$ scm CO_2/J (1,040 scf CO_2/million Btu) for natural gas, 0.322×10^{-7} scm CO_2/J (1,200 scf CO_2/million Btu) for propane, and 0.338×10^{-7} scm CO_2/J (1,260 scf CO_2/million Btu) for butane.

(v) For bark F=1.076 dscm/J (9,575 dscf/million Btu) and F_c=0.217 dscm/J (1,927 dscf/million Btu). For wood residue other than bark F=1.038 dscm/J (9,233 dscf/million Btu) and F_c=0.207 dscm/J (1,842 dscf/million Btu).

(5) The owner or operator may use the following equation to determine an F factor (dscm/J or dscf/million Btu) on a dry basis (if it is desired to calculate F on a wet basis, consult the Administrator) or F_c factor (scm CO_2/J, or scf CO_2/million Btu) on either basis in lieu of the F or F_c factors specified in paragraph (f)(4) of this section:

$$F=\frac{227.0(\%H)+95.7(\%C)+35.4(\%S)+8.6(\%N)-28.5(\%O)}{GCV}$$

(SI units)

$$F=\frac{10^{6}[3.64(\%H)+1.53(\%C)+0.57(\%S)+0.14(\%N)-0.46(\%O)]}{GCV}$$

(English units)

$$F_c=\frac{20.0(\%C)}{GCV}$$

(SI units)

$$F_c=\frac{321\times10^{3}(\%C)}{GCV}$$

(English units)

(i) * * *

(ii) GCV is the gross calorific value (kJ/kg, Btu/lb) of the fuel combusted, determined by the A.S.T.M. test methods D 2015–66(72) for solid fuels and D 1826–64(70) for gaseous fuels as applicable.

(iii) For affected facilities which fire both fossil fuels and nonfossil fuels, the F or F_c value shall be subject to the Administrator's approval.

(6) For affected facilities firing combinations of fossil fuels or fossil fuels and wood residue, the F or F_c factors determined by paragraphs (f)(4) or (f)(5) of this section shall be prorated in accordance with the applicable formula as follows:

$$F=\sum_{i=1}^{n}X_iF_i \text{ or } F_c=\sum_{i=1}^{n}X_i(F_c)_i$$

where:

X_i=the fraction of total heat input derived from each type of fuel (e.g. natural gas, bituminous coal, wood residue, etc.)

F_i or $(F_c)_i$=the applicable F or F_c factor for each fuel type determined in accordance with paragraphs (f)(4) and (f)(5) of this section.

n=the number of fuels being burned in combination.

* * * * *

7. Section 60.46 is amended by substituting SI units in paragraphs (b) and (f) and paragraph (g) is revised as follows:

§ 60.46 Test methods and procedures.

* * * * *

(b) For Method 5, Method 1 shall be used to select the sampling site and the number of traverse sampling points. The sampling time for each run shall be at least 60 minutes and the minimum sampling volume shall be 0.85 dscm (30 dscf) except that smaller sampling times or volumes, when necessitated by process variables or other factors, may be approved by the Administrator. The probe and filter holder heating systems in the sampling train shall be set to provide a gas temperature no greater than 433 K (320°F).

* * * * *

(f) For each run using the methods specified by paragraphs (a)(3), (a)(4), and (a)(5) of this section, the emissions expressed in ng/J (lb/million Btu) shall be determined by the following procedure:

$$E=CF\frac{20.9}{20.9-\text{percent } O_2}$$

where:

(1) E=pollutant emission ng/J (lb/million Btu).

(2) C=pollutant concentration, ng/dscm (lb/dscf), determined by method 5, 6, or 7.

(3) Percent O_2=oxygen content by volume (expressed as percent), dry basis. Percent oxygen shall be determined by using the integrated or grab sampling and analysis procedures of Method 3 as applicable.

The sample shall be obtained as follows:

* * * * *

(g) When combinations of fossil fuels or fossil fuel and wood residue are fired, the heat input, expressed in watts (Btu/hr), is determined during each testing period by multiplying the gross calorific value of each fuel fired (in J/kg or Btu/lb) by the rate of each fuel burned (in kg/sec or lb/hr). Gross calorific values are determined in accordance with A.S.T.M. methods D 2015–66(72) (solid fuels), D 240–64(73) (liquid fuels), or D 1826–64(7) (gaseous fuels) as applicable. The method used to determine calorific value of wood residue must be approved by the Administrator. The owner or operator shall determine the rate of fuels burned during each testing period by suitable methods and shall confirm the

rate by a material balance over the steam generation system.

(Sections 111, 114, and 301(a) of the Clean Air Act as amended by section 4(a) of Pub. L. 91-604, 84 Stat. 1678 and by section 15(c)(2) of Pub. L. 91-604, 84 Stat. 1713 (42 U.S.C. 1857c-6, 1857c-9, 1857g(a)).

[FR Doc.76-33966 Filed 11-19-76;8:45 am]

SUBCHAPTER E—PESTICIDE PROGRAMS

[FRL 647-7; PP5F1606/R116]

PART 180—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

2-Chloro-N-(2-Ethyl-6-Methylphenyl)-N-(2-Methoxy-1-Methylethyl)Acetamide

On September 13, 1976, the Environmental Protection Agency (EPA) published a notice of proposed rulemaking in the FEDERAL REGISTER (41 FR 38784) in response to a pesticide petition (PP 5F1606) submitted to the Agency by Ciba-Geigy Corp., P.O. Box 11422, Greensboro NC 27409. This petition requested that 40 CFR 180 be amended by the establishment of a tolerance for combined residues of the herbicide 2-chloro-N-(2-ethyl-6-methylphenl - N - (2 - methoxy-1-methylethyl) acetamide and its metabolites determined as 2-((2-ethyl-6-methylphenyl) amino) propanol and 4-(2-ethyl-6-methylphenyl)-2-hydroxy-5-methyl-3-morpholinone (each expressed as the parent compound) in or on the raw agricultural commodity corn grain (except popcorn) at 0.1 part per million (ppm). No comments or requests for referral to an advisory committee were received in response to this notice of proposed rulemaking.

It has been concluded, therefore, that the proposed amendment to 40 CFR 180 should be adopted without change, and it has been determined that this regulation will protect the public health.

Any person adversely affected by this regulation, may on or before December 22, 1976, file written objections with the Hearing Clerk, Environmental Protection Agency, Rm. 1019, East Tower, 401 M St. SW, Washington, D.C. 20460. Such objections shoud be submitted in quintuplicate and should specify both the provisions of the regulation deemed to be objectionable and the grounds for the objections. If a hearing is requested, the objections must state the issues for the hearing. A hearing will be granted if the objections are supported by grounds legally sufficient to justify the relief sought.

Effective November 22, 1976, Part 180, Subpart C, is amended by adding the new § 180.368 as set forth below.

(Sec. 408(d)(2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a(d)(2)).)

Dated: November 16, 1976.

EDWIN L. JOHNSON,
Deputy Assistant Administrator for Pesticide Programs.

40 CFR Part 180, Subpart C is amended by the establishment of a new § 180.368 containing a 0.1 ppm tolerance for combined residues of the herbicide 2-chloro-N-(2-ethyl - 6 - methylphenyl) - N - (2 - methoxy-1-methylethyl) acetamide and its metabolites determined as 2-((2-ethyl-6-methylphenyl) amino) propanol and 4-(2-ethyl-6-methylphenyl)-2-hydroxy-5-methyl-3-morpholinone in or on the raw agricultural commodity corn grain (excluding popcorn) to read as follows:

§ 180.368 2 - chloro - N - (2 - ethyl - 6 - methylphenyl) - N - (2 - methoxy - 1 - methylethyl) acetamide; tolerances for residues.

A tolerance is established for combined residues of the herbicide 2-chloro-N-(2- ethyl - 6 - methylphenyl) - N - (2 - methoxy-1-methylethyl) acetamide and its metabolites, determined as the derivatives, 2-(2-ethyl-6-methylphenyl) amino) propanol and 4-(2-ethyl-6-methylphenyl) -2-hydroxy-5-methyl-3 - morpholinone, each expressed as the parent compound, in or on the following raw agricultural commodity:

Commodity:	*Parts per million*
Corn grain (exc. pop)	0.1

[FR Doc.76-34494 Filed 11-19-76;8:45 am]

[SFRL 647-5; OPP-260022]

PART 180—TOLERANCES AND EXEMPTIONS FROM TOLERANCES FOR PESTICIDE CHEMICALS IN OR ON RAW AGRICULTURAL COMMODITIES

Repeal of Tolerance for the Pesticide Chemical Leptophos

On May 31, 1974, the Environmental Protection Agency (EPA) published in the FEDERAL REGISTER (39 FR 19208) a regulation (§ 180.345) which established tolerances for combined residues of the insecticide leptophos (0-(4-bromo-2,5-dichlorophenyl) 0-methyl phenylphosphonothioate) and its metabolites 0-(4-bromo - 2,5 - dichlorophenyl 0 - methyl phenylphosphonate, 4 - bromo - 2,5 - dichlorophenol, and 0 - (2,5 - dichlorophenyl) 0-methyl phenylphosphonothioate, calculated as leptophos (hereinafter leptophos), in or on the raw agricultural commodities lettuce at 10 parts per million (ppm) and tomatoes at 2 ppm. Section 180.3(e) was also amended at that time to include leptophos in the list of cholinesterase-inhibiting pesticides. These regulations were established based on data submitted by the Velsicol Chemical Corp., 341 East Ohio St., Chicago IL 60611, in connection with a pesticide petition (PP 2F1228) which proposed the establishment of such tolerances. After the establishment of the above tolerances, a reevaluation of the petition and other data confirmed that leptophos is an agent which produces delayed neurotoxicity in hens. Additional information on leptophos was necessary to evaluate the possible hazard to man and other nontarget species from the potential effects of its use. EPA determined that there was a reasonable basis to propose revocation of the established tolerances for residues until adequate data were provided by the petitioner to show that the use of leptophos on lettuce and tomatoes will not be detrimental to the public health.

Accordingly, on May 27, 1975, EPA published a notice in the FEDERAL REGISTER proposing to revoke the established tolerances for combined residues of leptophos on lettuce and tomatoes (40 FR 22847). Persons who were registrants or who had submitted an application for registration of a product containing leptophos under the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) as amended (7 U.S.C. 136 et seq.) were given the opportunity to request within thirty days the referral of the proposed revocation to an advisory committee in accordance with section 408(e) of the Federal Food, Drug, and Cosmetic Act (FFDCA) (21 U.S.C. 346a(e)).

Velsicol made a timely request for the referral of the proposed revocation, and on May 17, 1976, EPA published a notice in the FEDERAL REGISTER (41 FR 20210) announcing the appointment of an Advisory Committee pursuant to sections 408 (e) and (g) of the FFDCA (21 U.S.C. 346 (e), (g)). The members of the Committee were Julius M. Coon, Ph.D., M.D., Chairman; Seymour L. Friess, Ph.D.; Tetsuo R. Fukuto, Ph.D.; Bernard P. McNamara, Ph.D.; and Gerald Rosen, Ph.D. The Committee was charged:

> To consider and evaluate all relevant scientific evidence concerning the safety of leptophos * * * [and] to submit a report and recommendation on the proposed revocation of the tolerances on lettuce and tomatoes together with all underlying data and a statement of the reasons and basis for the recommendation. (41 FR 20210).

The Committee first met in Washington, D.C. on July 20-21, 1976, at which time the tolerance petition PP 2F1228 was presented to it. Under section 408(e) the Advisory Committee had sixty days after it received the petition to submit its report to EPA, subject to a request by the Chairman for an additional thirty days to complete the report. The Chairman requested the additional thirty days.

On August 18, 1976, Velsicol withdrew its request for referral of the matter to the Advisory Committee. Nevertheless, EPA informed the Advisory Committee on August 27, 1976, of its desire that the Committee furnish its report and make its recommendations under the charge previously given.

On October 20, 1976, the Committee submitted its report to EPA. The Committee concluded that:

> No scientifically supportable "no effect" dose or tolerance limits can be established at the present time because of insufficient data on chronic toxicity in a sensitive species, i.e., the chicken. (Report of the Leptophos Advisory Committee at 67.)

Among the recommendations made by the Committee was the following:

> The existence of tolerances implies that the specified limits are safe. This cannot be proven at the present time. Consequently, the currently existing tolerances should be revoked.

Based on the available information, including evidence of delayed neuro-

toxicity in chickens and the Report of the Leptophos Advisory Committee, the Agency has determined to amend and repeal the regulations which established the tolerances for leptophos on lettuce at 10 ppm and tomatoes at 2 ppm.

Any person adversely affected by this regulation may file objections thereto with the Administrator on or before December 22, 1976. The objections shall specify with particularity the provisions of the regulation deemed objectionable, state reasonable grounds therefore, and request a public hearing upon such objections. Pursuant to 40 CFR 180.13, objections shall be submitted in quintuplicate to the Hearing Clerk (A–110), Room 1019, East Tower, Environmental Protection Agency, 401 M St. SW, Washington D.C. 20460, and shall be accompanied by a filing fee of $1,000.

Copies of the Report of the Leptophos Advisory Committee are available for inspection at the office of the Federal Register Section, Technical Services Division (WH–569), Office of Pesticide Programs, Environmental Protection Agency, Room 401, East Tower, 401 M St., SW., Washington, D.C. 20460 (202–755–4854), from 8:30 a.m. to 4 p.m., Monday through Friday.

Interested persons are invited to submit written comments on this regulation to the office of the Federal Register Section at the above address. Three copies of the comments should be submitted to facilitate the work of the Agency and of others interested in reviewing them. The comments must be received within on or before December 22, 1976 and should bear the identifying notation (OPP–260022). All written comments filed pursuant to this notice will be available for public inspection in the office of the Federal Register Section as noted above.

Effective on November 22, 1976, 40 CFR 180.3(e)(5) is amended and § 180.345 is revoked as set forth below.

(Secs. 408 (e) and (m) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a (e) and (m)).)

Dated: November 16, 1976.

ANDREW W. BREIDENBACH,
Assistant Administrator for Water and Hazardous Materials.

§ 180.3 [Amended]

1. Part 180, Subpart A, § 180.3(e)(5) is amended by deleting the sentence "Leptophos and its cholinesterase-inhibiting metabolites".

§ 180.345 [Removed]

2. Part 180, Subpart C is amended by revoking § 180.345.

[FR Doc.76–34492 Filed 11–19–76;8:45 am]

Title 43—Public Lands: Interior

SUBTITLE A—OFFICE OF THE SECRETARY OF THE INTERIOR

PART 2—RECORDS AND TESTIMONY

Nomenclature Changes

A reorganization within the Office of the Secretary has made necessary an amendment to the Department of the Interior's regulations for handling appeals from denials of freedom of information act requests. The authority to decide appeals has been vested in the Assistant Secretary—Program Development and Budget. The amendment will reassign that authority to the Assistant Secretary—Administration and Management. The functions and responsibilities of the Solicitor, the Director of Communications, and the program Assistant Secretaries with respect to appeals are not affected, however.

The effective date of this amendment is November 15, 1976. The Department of the Interior will institute internal procedures to assure that appeals and correspondence relating to appeals are promptly redirected to the Assistant Secretary—Administration and Management. The Department asks, however, that, to insure timely processing of appeals, person submitting appeals or corresponding with the Department concerning appeals make timely address changes.

§§ 2.15, 2.16, 2.17, and 2.18 [Amended]

Pursuant to the authority of 5 U.S.C. 301 and 552, 43 CFR Part 2 is amended by substituting the words "Assistant Secretary—Administration and Management" for the words, "Assistant Secretary—Program Development and Budget" in the following places: § 2.15 (e)(4), (g); § 2.16(d)(3), (e)(2); § 2.17(a), (c)(2); § 2.18(a), (c) (1) and (2), (d) (1) and (2), (e).

It is the general policy of the Department of the Interior to allow time for interested parties to take part in the rulemaking process. This amendment is entirely administrative in nature, however. Good cause for waiver of the public rulemaking process therefore exists.

This amendment is effective November 15, 1976.

The Department of the Interior has determined that this document does not contain a major proposal requiring preparation of an Inflation Impact Statement under Executive Order 11821 and OMB Circular A–107.

W. W. LYONS,
Deputy Under Secretary of the Interior.

NOVEMBER 12, 1976.

[FR Doc.76–34339 Filed 11–19–76;8:45 am]

CHAPTER II—BUREAU OF LAND MANAGEMENT, DEPARTMENT OF THE INTERIOR

APPENDIX—PUBLIC LAND ORDERS

[Public Land Order 5608; AA–9234, 11181]

ALASKA

Exclusion of Lands From Chugach National Forest

By virtue of the authority vested in the President by section 1 of the Act of June 4, 1897, 16 U.S.C. 473 (1970), and pursuant to Executive Order No. 10355 of May 26, 1952 (17 FR 4831), it is ordered as follows:

The following described tracts of national forest land in Alaska, occupied as homesites, are hereby excluded from the Chugach National Forest and restored to the public domain, subject to valid existing rights, for purchase as homesites under section 10 of the Act of May 14, 1898, as amended, 43 U.S.C. 687a:

CHUGACH NATIONAL FOREST

SEWARD MERIDIAN

Homesite No. 222, Clear Lake Group, Lot 3, U.S. Survey No. 4979, Containing 1.58 acres.
Homesite No. 205, Clear Lake Group, Lot 1, U.S. Survey No 4979, Containing 1.67 acres.

JACK O. HORTON,
Assistant Secretary of the Interior.

NOVEMBER 16, 1976.

[FR Doc.76–34470 Filed 11–19–76;8:45 am]

Title 45—Public Welfare

CHAPTER II—SOCIAL AND REHABILITATION SERVICE (ASSISTANCE PROGRAMS), DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

PART 250—ADMINISTRATION OF MEDICAL ASSISTANCE PROGRAMS

Limitation on Coverage of Inpatient Hospital Costs

Notice of proposed rulemaking was published on April 23, 1976, in the FEDERAL REGISTER (41 FR 16971), relating to payment for inpatient hospital services under State Medicaid programs (title XIX, Social Security Act). The purpose of the proposal was to conform, where applicable, requirements under Medicaid with Medicare regulations which establish cost limits.

The basis of the proposal was section 223 of Pub. L. 92–603, which amends section 1861(v)(1), of the Social Security Act as amended, and section 1902(a)(13)(D) of the Act, which requires that Medicaid payments for the reasonable cost of inpatient hospital services not exceed the amounts which would be determined under section 1861(v)(1) as the reasonable cost of such services under Medicare.

The Medicare regulations provide that:

1. The determination of allowable provider costs excludes those estimated to be unnecessary to the efficient delivery of needed health services. This is accomplished through the establishment of prospective per diem cost limitations on the inpatient general routine service costs. These limitations are subject to periodic change.

2. A provider of services which customarily furnishes an individual items or services which are more expensive than those determined to be necessary in the efficient delivery of needed health services may, subject to meeting certain criteria, charge an individual entitled to benefits under Medicare for them even though they were not requested by the individual.

Title XIX regulations currently require that, except where an alternative reimbursement method is approved, reimbursement for inpatient hospital services

must be made of the same basis as determined under Medicare, excluding the routine nursing salary cost differential recognized by Medicare. However, under Medicaid hospitals must accept the State's vendor payment as payment in full for the services rendered. (45 CFR 250.30(a)(8)).

The proposed Medicaid regulations:

1. Cross-referred to the appropriate new sections added to the Medicare reimbursement regulations.

2. Specified that, under Medicaid, the Medicare option for hospitals to charge individuals for services not reimbursed under the routine services cost limitations is not applicable.

Comments were received from 2 hospital associations, 1 county association, 1 hospital, and 1 State (which expressed approval of the regulation). Specific major concerns expressed and the Department's response are as follows:

1. *Comment.* The delay in publication of the Medicaid proposed regulations (since the Medicare regulations were published on June 6, 1974), and the retroactive effective date, place hospitals in a position of risk.

Response. Under the statute and existing regulations, Medicare cost reimbursement limits apply under Medicaid. The purpose of the proposed rule making was to update the references to the Medicare regulations and to make it clear that the option to charge beneficiaries does not apply under Medicaid. Thus, the retroactive effective date does not place the hospitals at a disadvantage since the Medicare regulations were already applicable under Medicaid.

2. *Comment.* The proposed rules state that, in determining the cost limitations, an adjustment must be made for the nursing salary cost differential recognized under Medicare. It is recommended that the same cost limitation set by Medicare be used for Medicaid.

Response. The Medicare limitations as published, in fact, do apply to Medicaid. The exclusion of the inpatient routine nursing salary cost differential does not represent a current revision in regulations in relation to the cost limits, but continues in Medicaid regulations to provide for the exclusion of any nursing salary cost differential recognized by Medicare under its regulations in 20 CFR 405.430.

3. *Comment.* Presently, hospitals can seek an exception to the Medicare limitations by filing a request. The proposal should indicate that Medicaid will abide by the Medicare determinations.

Response. An Information Memorandum to Medicaid single State agencies (SRS–IM–76–32, July 12, 1976) provides that Medicare determinations on requests for exceptions, exemptions and classification adjustments are also applicable for purposes of Medicaid reimbursement. Where Medicaid agencies employ the Medicare reimbursement principles, Medicare determinations are specifically applicable in terms of dollar limits on routine services costs for Medicaid purposes. Where an alternative reimbursement method is used, such Medicare determinations serve to adjust the total upper limit for Medicaid.

4. *Comment.* The Bureau of Health Insurance will not review exceptions for Medicaid participating hospitals which do not have Medicare beneficiaries. In some cases, hospitals having no Medicare utilization have sent exception requests to Medicare only to be advised that authority for determining their requests lies with SRS. The proposal does not address this problem.

Response. Administration of requests for exceptions, exemptions, and classification adjustments in cases where there is no Medicare utilization, is the responsibility of the Medicaid State agency. Criteria in Medicare regulations under 20 CFR 405.460(f) and in the Medicare Provider Reimbursement Manual would be applied under Medicaid in States utilizing Medicare's methodology for determining reasonable cost. Information Memorandum SRS–IM–76–32 provides that hospitals should be advised of the State agency's decision on requests within 30 working days after receipt of the request.

5. *Comment.* Medicare regulations allow facilities to charge patients for the excessive cost of services. Medicaid's regulations prohibit such charges to its patients. If a patient is eligible under both programs may the facility charge such patients for excessive costs?

This policy of allowing facilities to charge Medicare but not Medicaid patients for services in excess of those considered to be "routine service costs" will encourage two service systems, with and without frills.

Response. Medicaid regulations do not permit hospitals to bill recipients for costs in excess of those allowed under the Medicare cost limitations. This applies whether or not the Medicaid recipient is also covered under the Medicare program.

The cost limitations do not relate to levels of services available to Medicare beneficiaries as distinct from services available to Medicaid recipients but to a total payment which exceeds reasonable cost.

Accordingly, the proposed regulations with modification are hereby adopted.

Section 250.30 of Part 250, Chapter II, Title 45 of the Code of Federal Regulations is amended by revising subparagraphs (a)(2)(i) and (iii) and paragraph (b)(1) as set forth below:

§ 250.30 Reasonable charges.

(a) *State plan requirements.* A State plan for medical assistance under title XIX of the Social Security Act must:

* * * * *

(2) Provide for payment of the reasonable cost of inpatient hospital services as determined in accordance with methods and standards, consistent with the provisions of section 1122 of the Social Security Act for participating States, which shall be developed by the State and approved in advance of implementation by the Regional Commissioner, Social and Rehabilitation Service. Under this requirement:

* * * * *

(i) Plans for payment of reasonable cost will be approved which adopt the title XVIII standards and principles described in 20 CFR 405.402–405.455 (excluding the inpatient routine nursing salary cost differential) and which, in addition, are subject to the limitations on coverage of costs established by the Secretary pursuant to 20 CFR 405.460. With respect to cost reporting periods beginning after December 31, 1973, payments to hospitals for inpatient services shall be based on the lesser of the reasonable cost of services or the customary charges to the general public for such services, or, in the case of public hospitals rendering services free of or at a nominal charge, on the basis of fair compensation for such services, in accordance with the provisions of title XVIII regulations.

* * * * *

(iii) Plans for payment of reasonable cost will not be approved under which payment for inpatient hospital services exceeds the amount which would be determined as reasonable cost using the title XVIII standards and principles described in 20 CFR 405.402–405.460 (excluding the inpatient routine nursing salary cost differential) as modified under paragraph (a)(2)(i) of this section.

* * * * *

(b) *Upper limits.* * * *

(1) *Inpatient hospital services.* The upper limits for payment shall not exceed the payment which would be determined as reasonable cost using the title XVIII standards and principles described in 20 CFR 405.402–405.460 (excluding the inpatient routine nursing salary cost differential). Under title XIX, the title XVIII option for hospitals to charge individuals for services not reimbursed under the routine services cost limitations is not applicable. With respect to cost reporting periods beginning after December 31, 1973, payments to hospitals for inpatient services shall be based on the lesser of the reasonable cost of services or the customary charges to the general public for such services, or, in the case of public hospitals rendering services free of or at a nominal charge, on the basis of fair compensation for such services, in accordance with the provisions of title XVIII regulations.

* * * * *

(Sec. 1102, 49 Stat. 647 (42 U.S.C. 1302).)

Effective date: The regulations in this section are effective with cost-reporting periods beginning after June 1974.

Answers to specific questions may be obtained by calling Joseph E. Dougherty, 202–245–0256.

(Catalog of Federal Domestic Assistance Program No. 13.714 Medical Assistance Program.)

Dated: September 13, 1976.

ROBERT FULTON,
Administrator, Social and Rehabilitation Service.

Approved: November 12, 1976.

MARJORIE LYNCH,
Acting Secretary.

[FR Doc.76–34440 Filed 11–19–76;8:45 am]

Title 47—Telecommunication

CHAPTER I—FEDERAL COMMUNICATIONS COMMISSION

PART 94—PRIVATE OPERATIONAL-FIXED MICROWAVE SERVICE

Technical Standards for Microwave Radio Stations

In the Matter of Editorial amendment of Part 94 of the Commission's Rules to insert therein the technical standards applicable to "grandfathered" microwave stations.

1. On May 6, 1975, the Commission amended its Rules (Docket No. 19869) to establish a Private Operational-Fixed Microwave Radio Service (Part 94).

2. New technical standards for microwave stations were established and defined in Part 94, Subpart C. The new technical standards, which became effective July 1, 1976, apply to authorizations for new stations and for changes in stations presently authorized. Stations authorized prior to July 1, 1976, are allowed to continue to be operated until July 31, 1985, under previously applicable microwave technical standards contained in Parts 89, 91, and 93 of the Commission's Rules.

3. Those standards, however, were deleted from Parts 89, 91, and 93 when Part 94 was established, and are not presently in Part 94. Since there are many stations whose technical standards have been "grandfathered" and whose continued operation until July 31, 1985, will be governed by those standards, it is felt that they should be inserted in Part 94 of the Rules for convenient reference.

4. This action is purely editorial and, therefore, it may be taken without compliance with the requirements of 5 U.S.C. 553. Accordingly, *it is ordered*, effective November 22, 1976, pursuant to the authority contained in Sections 4(i) and 303(r) of the Communications Act of 1934, as amended, and § 0.231 of the Commission's Rules, That Subpart C of Part 94 of the Commission's Rules is amended as shown below.

(Secs. 4, 303, 48 Stat., as amended, 1066, 1082; 47 U.S.C. 154, 303.)

Adopted: November 5, 1976.

Released: November 12, 1976.

FEDERAL COMMUNICATIONS COMMISSION,
RICHARD D. LICHTWARDT,
Executive Director.

Part 94 of Chapter I of Title 47 of the Code of Federal Regulations is amended as follows:

1. Section 94.61(a) is revised to read as follows:

§ 94.61 Applicability.

(a) The technical standards of this subpart shall govern, effective July 1, 1976, the issuance of authorizations for new stations and changes in authorized stations as specified in § 94.45. Stations authorized prior to this date not meeting the provisions of this subpart may continue to be authorized for operation under previous technical standards as shown in § 94.92 through July 31, 1985. Except as provided in § 94.65, effective August 1, 1985, all stations will be required to operate in accordance with the provisions of this subpart.

* * * * *

2. Section 94.92 is added to read as follows:

§ 94.92 Technical standards for stations authorized prior to July 1, 1976.

(a) The technical standards indicated in the table in this section apply to private microwave systems using the frequency bands above 952 MHz listed in the table and which were authorized prior to July 1, 1976, but after July 20, 1961.

(b) These standards shall not be applicable to transmitting equipment (including antennas) which were authorized to be operated on these frequencies prior to July 20, 1961, or for which an authorization is issued based on an application filed with the Commission prior to July 20, 1961. Such licensees of equipment and systems not subject to these technical standards, including their successors or assigns in business, will be permitted to utilize such equipment provided such operation does not result in harmful interference to another station or system which is conforming to these technical standards. In case of such harmful interference, such nonconforming licensee will be required to take whatever measures are necessary to alleviate the interference.

Microwave technical standards table

Frequency band—megahertz	Power [1] (watts)	Tolerance (percent)	Bandwidth [2]	Beamwidth [3] (degrees)
952-960	[4] 30	0.0005	100 kHz	[5] 20
1850-1990	18	.02	8 MHz	10
2130-2150	15	.001	800 kHz	10
2150-2160	15	.001	10 MHz	360
2180-2200	15	.001	800 kHz	10
2450-2500 [4]	12	(5)	(5)	(5)
2550-2656 [6]				
2662-2668 [6]				
2674-2680 [6]				
2686.9375 [6]				
2687.9375 [6]				
2688.9375 [6]				
6525-6575	7	.02	25 MHz	7
6575-6875	7	.02	10 MHz	5
10550-10680	5	(5)	25 MHz	4
12200-12700	5	.05	20 MHz	4
Above 16000	5	(5)	50 MHz	(5)

[1] Maximum rated power output of transmitter. Power in excess of that shown herein will be authorized only if specifically provided on a particular frequency or under exceptional circumstances based upon a factual showing of need. For pulsed systems average power shall be limited to the values shown, peak power shall not exceed five times this limit.

[2] Maximum bandwidth (necessary or occupied, whichever is greater) which will be authorized. Except in the 2130-2150 and 2180-2200 MHz bands, consideration will be given, on a case-by-case basis, to requests for additional adjacent channels based upon a complete and specific factual showing of unique or unusual circumstances, apart from economic considerations, requiring such additional channels. In the band 952-960 MHz, bandwidths up to 500 kHz may be authorized.

[3] Maximum beamwidth of major lobe between 0.5 power points in horizontal plane. Exceptions may be granted for stations in remote areas or until harmful interference is caused to other stations operating areas or until harmful interference is caused to other stations operating in accordance with these provisions.

[4] Subject to no protection from ISM equipment on 2450 MHz.

[5] To be specified in the station authorization.

[6] This frequency band is available only for operational fixed stations employing television transmissions. The transmitting equipment for such stations shall meet the technical standards prescribed for instructional television fixed stations contained in part 74, subpart I, § 74.901, et seq. of this chapter. Use of these frequencies in the industrial radio service is secondary to stations in the public safety radio service. Operational fixed stations authorized in the band 2500-2690 MHz prior to July 16, 1971, may continue to be authorized on a coequal basis to other stations operating in accordance with the Table of Frequency allocations. No expansion of existing systems on frequencies not allocated to this service will be permitted. Additional stations or new assignments may be authorized only in accordance with the provisions of this section.

[7] Except for the frequencies 952.1, 952.2, 952.3, 952.4, 956.4, 956.5, 959.8, and 959.9 MHz where the antenna may be omnidirectional, and except for the frequencies 952.8, 952.9, 956.2, and 956.3 MHz which may be used only with directional antennas with a minimum gain of 7.5 dBd in the major lobe and no more than −3 dBd gain in any direction 90° or more off the axis of the major lobe.

[8] Except for the frequencies 952.1, 952.2, 952.3, 952.4, 956.4, 956.5, 959.8, and 959.9 MHz where the maximum power may be 100 W.

[9] Response frequencies. When authorized they are to be paired respectively with the bands 2650-2656, 2662-2668, and 2674-2680 MHz, and used in accordance with the technical standards prescribed for ITFS response stations in part 74, subpart I, of this chapter.

[FR Doc.76-34188 Filed 11-19-76;8:45 am]

Title 50—Wildlife and Fisheries

CHAPTER I—U.S. FISH AND WILDLIFE SERVICE, DEPARTMENT OF THE INTERIOR

PART 32—HUNTING

Browns Park National Wildlife Refuge, Colorado

The following special regulation is issued and is effective November 22, 1976.

§ 32.22 Special regulations; upland game; for individual wildlife refuge areas.

COLORADO

BROWNS PARK NATIONAL WILDLIFE REFUGE

Public hunting for cottontail rabbits is permitted on the Browns Park National Wildlife Refuge, Colorado, except in those areas designated by signs as closed to hunting. This open area, comprising 4,501 acres, is delineated on maps available at refuge headquarters, Greystone, Colorado, and from the Regional Director, U.S. Fish and Wildlife Service, 10597 West Sixth Avenue, Denver, Colorado 80215.

Hunting shall be in accordance with all applicable State regulations covering the hunting and possession of cottontail rabbits.

The provisions of this special regulation supplement the regulations which govern hunting of wildlife refuge areas generally which are set forth in Title 50, Code of Federal Regulations, Part 32, and are effective through February 28, 1977.

HERBERT G. TROESTER,
Refuge Manager, Browns Park National Wildlife Refuge, Vernal, Utah.

NOVEMBER 12, 1976.

[FR Doc.76-34397 Filed 11-19-76;8:45 am]

proposed rules

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

[7 CFR Parts 1094 and 1096]

[Docket Nos. AO-103-A40 and AO-257-A28]

MILK IN THE NEW ORLEANS-MISSISSIPPI AND GREATER LOUISIANA MARKETING AREAS

Postponement of Hearing on Proposed Amendments to Tentative Marketing Agreements and Orders

A notice was issued on November 3, 1976 (41 FR 49112) giving notice of a public hearing to be held at the Oak Manor Motor Hotel, 8181 Airline Highway, Baton Rouge, Louisiana, beginning at 1:30 p.m. on November 22, 1976, with respect to proposed amendments to the tentative marketing agreements and to the orders, regulating the handling of milk in the New Orleans-Mississippi and Greater Louisiana marketing areas.

Notice is hereby given, pursuant to the rules of practice applicable to these proceedings (7 CFR Part 900) that the said hearing is postponed until a date to be announced at a later time.

Signed at Washington, D.C. on: November 17 1976.

WILLIAM T. MANLEY,
Deputy Administrator
Program Operations.

[FR Doc.76-34442 Filed 11-19-76;8:45 am]

Farmers Home Administration

[7 CFR Parts 1822 and 1933]

SELF-HELP TECHNICAL ASSISTANCE GRANTS

Proposed Revision; Redesignation

Notice is hereby given that the Farmers Home Administration (FmHA) has under consideration the establishment under Chapter XVIII, Title 7, a new Subchapter J—"Loan and Grant Programs (Group)—Part 1933, Low and Grant Programs (Group)," in the Code of Federal Regulations. Subpart I, "Self-Help Technical Assistance Grants," (§§ 1933.401–1933.450) of this new Part 1933 is revised, transferred and redesignated from Part 1822, Subpart I (35 FR 11226, as amended at 37 FR 3802; 40 FR 52837; 41 FR 7486) of this Chapter XVIII. This regulation will contain the general regulations, material and forms that are common to the Self-Help Technical Assistance Grant program.

In addition, the proposed subpart implements new procedures for applications, approval, supervision and servicing of grants. Also, it implements provisions of the Housing and Community Development Act, including the site option loan program.

Interested persons are invited to submit written comments, suggestions or objections regarding the proposed subpart to the Office of the Chief, Directives Management Branch, Farmers Home Administration, U.S. Department of Agriculture, Room 6316, South Building, Washington, D.C. 20250, on or before December 22, 1976. All written submissions made pursuant to this notice will be made available for public inspection at the Office of the Chief, Directives Management Branch, during regular business hours (8:15 a.m. to 4:45 p.m.).

Subpart I—Self-Help Technical Assistance [Redesignated]

As proposed, Subpart I of Part 1822 of Title 7 CFR Chapter XVIII is redesignated as Subpart I of Part 1933.

As proposed, Subpart I of Part 1933 as revised and redesignated reads as follows:

SUBCHAPTER J—LOAN AND GRANT PROGRAMS (GROUP)

PART 1933—LOAN AND GRANT PROGRAMS (GROUP)

Subpart I—Self-Help Technical Assistance Grants

Sec.

AUTHORITY: 42 U.S.C. 1480; delegation of authority by the Sec. of Agri., 7 CFR 2.23; delegation of authority by the Asst. Sec. for Rural Development, 7 CFR 2.70.

Subpart I—Self-Help Technical Assistance Grants

§ 1933.401 Purpose.

This subpart sets forth the policies and procedures and delegates authority for providing Technical Assistance (TA) funds to eligible applicants to finance programs of technical and supervisory assistance for self-help housing as authorized under Section 523 of the Housing Act of 1949. This financial assistance may pay part or all of the costs of developing, administering, or coordinating programs of technical and supervisory assistance to aid needy families in carrying out mutual self-help housing efforts in rural areas.

§ 1933.402 Authority.

The State Director is authorized to approve or disapprove TA grants in accordance with this subpart. For an initial grant in excess of $150,000 or in any case in which the amount of the grant plus any unexpended funds from a previous grant will exceed $250,000, the prior written consent of the National Office will be required. In such cases, the docket along with the State Director's recommendations will be submitted to the National Office for review.

§ 1933.403 Definitions.

As used in this instruction:

(a) *Agreement.* The contract between Farmers Home Administration (FmHA) and the applicant which sets forth the terms and conditions under which TA funds will be made available.

(b) *Agreement period.* The period of time for which an agreement is in force.

(c) *Applicant or grantee.* An organization which applies for or receives TA funds under an agreement. "Grantee" also means a borrower under Exhibit F of this subpart.

(d) *Date of completion.* The date when all work under a grant is completed or the date in the TA grant agreement, or any supplement or amendment to it, when Federal assistance ends.

(e) *Disallowed costs.* Those charges to a grant which FmHA determines cannot be authorized.

(f) *Grant closeuot.* The process by which FmHA determines that the grant period has expired and all applicable administrative actions and all required work to be funded with the grant have been completed by the grantee and FmHA.

(g) *Mutual self-help.* The construction method by which participating families, usually organized in groups of 6 to 10 families, utilize their own labor to reduce

the total construction cost of their homes. Participating families complete construction work on their homes by exchanging actual labor with one another. The mutual self-help method will be used only for new construction unless an exception is obtained from the National Office in accordance with § 1933.409(a).

(h) *Organization.* (1) A State or political subdivision or public nonprofit corporation authorized to receive and administer TA funds; or

(2) A private nonprofit corporation that is owned and controlled by private persons or interests and is organized and operated for purposes other than making gains or profits for the corporation and is legally precluded from distributing any gains or profits to its members.

(i) *Participating family.* Needy individuals and their families who agree to build homes by the mutual self-help method. Participating families may obtain the necessary home financing from FmHA or from other sources. A participating family must have financing arrangements completed before the start of construction and have sufficient time and show a desire to work with other families in building their own home. Each family should contribute at least 700 hours of labor in building each others homes in order for the mutual self-help method to be carried out. The available time of a participating family must coincide with the other group members so that the mutual concept of the project can be met.

(j) *Rural area.* Open country or rural places as defined in § 1822.3 of this chapter (FmHA Instruction 444.1).

(k) *Sponsor.* An existing entity that is willing and able to assist an applicant without charge, in applying for a grant and in carrying out its responsibilities under the agreement. Examples of sponsors are local rural electric cooperatives and institutions of higher education.

(l) *Suspension of a grant.* An action by FmHA which temporarily suspends Federal assistance under the grant pending corrective action by the grantee or pending a decision to terminate the grant by FmHA.

(m) *Termination of a grant.* The cancellation of Federal assistance, in whole or in part, under a grant at any time before the date of completion.

(n) *Technical assistance.* The organizing and supervising of groups of families in the building of their own homes and includes such functions as:

(1) Recruiting families who are interested in sharing labor in the construction of each other's homes and assisting such families in obtaining housing loans.

(2) Assisting at meetings of the families at which the self-help program and subjects related to home ownership, such as loan payments, taxes and insurance, are explained and discussed;

(3) Helping families locate suitable building sites;

(4) Assisting families in selecting house plans for homes which will meet their needs and which they can afford;

(5) Assisting families in obtaining cost estimates for construction materials and any subcontracting that will be required;

(6) Providing assistance in the preparation of loan applications;

(7) Providing technical supervision and training for families while they construct their homes;

(8) Assisting families in solving other housing problems.

§ 1933.404 Eligibility.

(a) *Eligibility of applicant.* To be eligible to receive a grant the applicant must:

(1) Be an organization as defined in § 1933.403(h).

(2) Have the financial, legal, administrative, and actual capacity to assume and carry out the responsibilities imposed by the agreement. To meet this requirement of actual capacity it must either:

(i) Have necessary background and experience with proven ability to perform responsibily in the field of mutual self-help or other business management or administrative ventures which indicate an ability to perform responsibly in the field of mutual self-help; or

(ii) Be sponsored by an organization which has such background experience and ability and which agrees in writing that it will provide, without charge, the help the applicant will need to carry out its responsibilities.

(3) Legally obligate itself to administer TA funds, provide an adequate accounting of the expenditure of such funds, and comply with the agreement and FmHA regulations.

(4) If the organization is a private nonprofit corporation, it should also:

(i) Be a corporation organized for the primary purpose of assisting low- and moderate-income families to obtain adequate housing.

(ii) Have local representation among its membership.

(iii) Adopt, if it is being newly organized, Articles of Incorporation and Bylaws that generally conform to Exhibits D and E of Subpart D of art 1822 of this chapter, which are available in FmHA offices, with changes appropriate to include the purposes and powers of an eligible applicant under this subpart. The Office of the General Counsel (OGC) should be requested to review and adopt the exhibits for use in the respective States.

(iv) Have a Board of Directors which will consist of not less than five but generally not more than nine members. The number of Directors to be paid or reimbursed from TA funds for attending meetings will not exceed five.

(v) If engaged in or plans to be engaged in other activities that will affect the operation of the TA grant, be able to provide sufficient evidence and documentation that it will have sufficient funds to assure continued operation for at least the period of the grant agreement.

(b) *Authorized representative of applicant.* FmHA will deal only with authorized representatives of the applicant. The authorized representatives must be members of the applicant-organization and have no pecuniary interest in the award of any engineering, architectural, or construction contracts, purchase of the necessary equipment, or purchase or development of the land.

§ 1933.405 Purposes.

TA funds will be used only for the following purposes:

(a) Hiring personnel as authorized in the agreement.

(b) Payment of necessary and reasonable office expenses such as office rental, office utilities, and office equipment rental.

(c) Purchase of office supplies such as paper, pens and pencils.

(d) Payment of necessary reasonable administrative costs such as workmen's compensation, liability insurance, audit reports, travel and training, and employer's share of social security and health benefits.

(e) Purchase and maintenance of power or specialty tools such as a power saw, electric drill, and sabre saw which are needed but are not readily available to participating families on a rental basis at reasonable cost.

(f) Payment of reasonable fees for necessary training of grantee personnel.

(g) Payment for technical and consultant services not readily available without cost to the participating families.

(1) Generally, however, training and consulting will be limited to obtaining outside expertise to help the grantee's employees with local problems they are encountering in administering the TA proposal.

(2) Ordinarily, FmHA will furnish needed guidance for the development of a TA application. The State Director may, however, with the prior approval of the National Office, authorize the use of TA funds to enable an applicant to pay a qualified consulting organization or foundation, operating on a nonprofit basis, charges for necessary services, for development of such an application: *Provided,* The State Director determines that:

(i) Either the applicant, even with the available FmHA guidance, cannot develop a sound TA application without the professional services; or the services would permit significant financial savings to the Government, either directly or by reducing the workload in processing applications; and,

(ii) The charges are reasonable considering the amount of TA funds covered by the agreement and the cost of similar services in the same or similar rural areas.

§ 1933.406 Conditions for approving an agreement.

An agreement may be approved for an eligible applicant only when all the following conditions are present:

(a) A need clearly exists in the area for self-help housing and is likely to continue for several years.

(b) Evidence is available that the applicant has or can hire qualified people

to carry out its responsibilities. The Board of Directors will hire the TA Director with the written approval of the State Director. The State Director should authorize approval only after the candidate's qualifications are reviewed and show that the candidate is capable of carrying out these responsibilities.

(c) Funds for the proposed TA project are not available from other sources.

(d) The applicant must have at least the first self-help group organized and the group's Rural Housing (RH) 502 loans approved before the grant is closed. The group should be ready to begin construction, generally, within 30 days after grant closing.

(e) Sites are available for the initial group and are o rwill be available for subsequent groups. An RH site loan to the applicant may be considered for approval simultaneously with or before approval of the agreement if necessary to obtain adequate sites.

§ 1933.407 Limitations.

The size of the TA grant will depend on the experience and capability of the applicant. In any case, the application will fully justify the number of homes proposed.

(a) *Maximum amount.* An initial TA grant will not exceed $150,000 without prior approval of the National Office.

(b) *Average TA cost.* An agreement should be developed on the basis of reasonable costs per house. A new organization may have higher costs because of difficulties encountered during the early stages of operation. During the first year of operation the TA cost should not exceed $2,500 per house. As a general guide, the TA cost should average not more than $2,000 per house for an applicant with a year or more experience in self-help housing. The savings, in any case, should be significantly more than the TA cost as determined on line 9 of Exhibit E of this subpart.

(c) *Agreement period.* An agreement will cover a period not to exceed 2 years from the date the TA grant is closed.

(d) *Advances.* Funds may be advanced initially under an agreement to cover TA needs for the balance of the month in which the grant is closed and the next month. Each additional advance will be made for a 1-month period in accordance with § 1933.416(d) (4) and (5).

(e) *Prohibited use of funds.* An applicant may use TA funds only for the purposes stated in § 1933.405. Among the purposes for which TA funds will not be used are the following:

(1) Hiring personnel to perform any of the construction work for participating families in the self-help projects.

(2) Buying real estate or building materials or other property of any kind for participating families.

(3) Paying any debts, expenses, or costs which should be the responsibility of the participating families in the self-help projects, other than those listed in § 1933.405.

(f) *Obligations incurred before execution of the agreement.* An applicant should not obligate itself for any debts before executing the agreement. If, nevertheless, the applicant incurs debts for technical and consultant services of the type listed in § 1933.405(g) and the requirements of that paragraph are met, funds may be used to pay these debts.

§ 1933.408 [Reserved]

§ 1933.409 Other considerations.

(a) *Type of construction.* An application will be based only on the need to build new houses by the mutual self-help method, unless prior approval for repair work is obtained from the National Office. Some forms of manufactured housing may be used such as precut or panelized exterior walls which will reduce construction time for the families. However, each family should contribute at least 700 hours of labor in order for the mutual self-help method to be carried out. The family labor contribution must result in a significant cost savings. Grantees may, after they begin working in an area, find that a need exists for a mutual self-help project to enable homeowners to make repairs to their homes. These repairs may be either minor or extensive. With prior approval of the National Office, an applicant may organize a mutual self-help project for purposes other than new construction, provided all the following additional conditions are met:

(1) The self-help group must be composed entirely of individuals and families needing to repair their homes. The repair work on all homes should be reasonably comparable in the amount of labor exchange that is required.

(2) Participating families must have the time and ability to complete the type of work required in the project.

(3) Participating families must assure the applicant that they will follow through to the conclusion of the project.

(b) *Staffing of applicant*—(1) *Initial staff.* The initial staff for a new organization will consist of the TA Director. The TA Director will be responsible for contracting and organizing the first families into groups, coordinating all activities necessary in promoting self-help housing, and hiring the balance of the staff. The director will perform the work of director and coordinator-trainer until the volume of work justifies hiring a coordinator-trainer. Other staff members will be hired only when needed.

(2) *Typical staff.* (i) One director.

(ii) One to two coordinator-trainers who will work with participating families during the planning and development stages and will provide any necessary and appropriate assistance throughout construction.

(iii) One secretary-bookkeeper who should be hired part-time until the volume of work justifies a full-time position.

(iv) One to three construction supervisors who will provide guidance and instructions to participating families during the construction of their homes. A construction supervisor who has not worked with self-help families before should work with groups of 6 to 10 families and, after gaining experience, should be able to work with groups of 10 to 20 participating families. A construction supervisor must be available when families can work on their houses, and may be hired initially on an hourly basis.

(v) Other staff positions to be paid for with grant funds may be added only if the State Director determinees they are necessary for the success of the TA grant and justified from an economic standpoint.

(c) *Area to be served.* An application for TA funds must specify the area to be served under the proposed agreement. Generally, the area will not include more than the area of a single county. In any event, it will be restricted to the area served by one County Office, unless specific authority for an exception is given by the National Office before approval of the grant.

(d) *Authorizing resolution.* A resolution will be adopted by the applicant's governing body authorizing the appropriate officers to apply to FmHA for a specified amount of TA funds and to execute Exhibit A, "Self-Help Technical Assistance Grant Agreement," and Form FmHA 400–4, "Nondiscrimination Agreement." The applicant's board of directors and officers should fully understand the "Self-Help Technical Assistance Grant Agreement" and the "Nondiscrimination Agreement" to be aware of their responsibilities. A certified copy of the authorizing resolution will be included in the agreement docket before the agreement is approved.

(e) *Nondiscrimination.* The applicant will be bound by the nondiscrimination and equal employment opportunity covenants contained in the "Self-Help Technical Assistance Agreement" and will execute Form FmHA 400–4 which will become a part of the agreement docket.

(f) *Compliance with local codes and regulations.* Applicants must insure that the planning and development of self-help housing will conform with any applicable laws, ordinancees, codes, and regulations governing such matters as construction, heating, plumbing, electrical installation, fire prevention, health, sanitation, and zoning.

(g) *Reports.* Applicants receiving TA funds will be required to submit to the County Office:

(1) "Request for Advance or Reimbursement" on Form AD–628 and the information requested in Exhibit E of this subpart by the 15th of each month.

(i) Names and salaries of personnel hired,

(ii) Number of families contacted,

(iii) Number who have indicated a willingness to be a participating family,

(iv) Number of mutual self-help groups organized,

(v) Progress on any construction started, and

(vi) Any problems that have been encountered.

(2) An audit of the grantee's accounts at the end of each year of operation in accordance with the handbook, "Instruction to Independent Certified Public Accountants and Licensed Public Ac-

countants Performing Audits of Farmers Home Administration Borrower and Grantees." A copy of the handbook may be obtained from any FmHA Office.

(3) Form AD–626, "Financial Status Report," at the end of the agreement period. The report will be on a cash or accrual basis and submitted to the County Supervisor within 90 days after the end of the grant period or the completion or termination of the program.

(h) *Use and accountability for TA funds.* All TA funds will be placed in a depository bank which is a member of the Federal Deposit Insurance Corporation. Collateral for such deposits also will be pledged in accordance with Part 1803 of this chapter. The use of minority banks is encouraged. Checks must be signed by at least two authorized officials of the applicant who have been properly bonded in accordance with paragraph (i) of this section. No expenditures will be made for items or amounts not authorized under the agreement. When necessary to assure proper use, the State Director may require TA funds to be deposited in a supervised bank account in accordance with Part 1803 of this chapter.

(i) *Bonding.* The applicant will provide fidelity bond coverage for its officers and employees entrusted with the receipt, custody, or disbursement of its funds, and the custody of any other negotiable or readily salable personal property. The amount of the bond will be at least equal to the maximum amount of such funds and property that the applicant will have in its possession or control at any time, including funds in bank accounts, except that State or local units of government will not be required to provide fidelity bonds over and above those normally required for their operations. If not prohibited by State law, the United States will be named co-obligee on the bond. Form FmHA 440–24, "Position Fidelity Schedule Bond," may be used if permitted by State law.

(j) *Records.* If the applicant is a private nonprofit organization, it must submit to FmHA, by the end of the first months, evidence that it has established an accounting system which, in the opinion of a certified or otherwise duly licensed public accountant, is adequate to meet the purposes of the agreement. If this requirement cannot be met by the time specified, the applicant must show that such an accounting system is in the process of development, with a definite completion date. Establishment of such certified adequate system must in any event be completed before the third monthly advance is made.

(k) *Site option (SO) loans.* A TA grantee may obtain a site option loan for the purchase of land options in accordance with Exhibit F of this subpart.

§ 1933.410 Processing preapplications, applications and completing grant dockets.

(a) *Form AD–621, "Preapplication for Federal Assistance."* Form AD–621 will be submitted by each applicant in an original and two copies to the County Supervisor. It will be used to establish communication between the applicant and FmHA, determine the applicant's eligibility, determine how well the project can compete with similar applications from other organizations and eliminate any proposals which have little or no chance for Federal funding before applicants incur insignificant expenditures for preparing an application. The following information will be attached to and become a part of the preapplication, as Part IV, Program Narrative Statement:

(1) Complete information about the applicant's previous experience and capacity to carry out the objective of the agreement.

(2) If the applicant is already formed, a copy of, or an accurate reference to, the specific provisions of State law under which the applicant is organized; a certified copy of the applicant's Articles of Incorporation and Bylaws or other evidence of corporate existence; certificate of incorporation for other than public bodies; evidence of good standing from the State when the corporation has been in existence 1 year or more; the names and addresses of the applicant's members, directors, and officers; and if another organization is a member of the applicant-organization, its name, address, and principal business. If the applicant is not already formed, copies of the proposed organizational documents as outlined in § 1933.404(a)(4)(iii).

(3) A current, dated, signed financial statement showing the amounts and specific nature of assets and liabilities, together with information on the repayment schedule and status of any debt owed by the applicant. If the applicant is a new organization being sponsored by another organization, the same type of financial statement also should be provided by the applicant's sponsor.

(4) A narrative statement which includes information about the amount of the grant request, area to be served, the need for self-help housing in the area, and the number of self-help units that can be built in the agreement period.

(5) A list of other activities the applicant is engaged in and expects to continue, and a statement as to whether it will have sufficient funds to assure continued operation of the other activities for at least the period of the agreement.

(b) *Preapplication review.* The County Supervisor will review Form AD–621 and other information submitted with it. The preapplication and the County Supervisor's comments, recommendations, and any additional information will be forwarded to the State Director for advice about further processing. The State Director will review the preapplication and related information to determine whether it meets the eligibility requirements.

(1) The State Director will review the applicant's Articles of Incorporation and Bylaws and, if they conform to approved model forms for the State as provided in § 1933.404 (a) (4) (iii), the State Director need not obtain a preliminary opinion regarding the legality of organization of applicant from OGC. In all other cases, the State Director will, and, in any case, may, submit the preapplication with any comments or questions to OGC for a preliminary opinion as to whether the applicant is or will be a legal organization of the type required by these regulations and for advice on any other aspects of the preapplication.

(2) The State Director, if unable to determine eligibility or qualifications with the advice of the OGC, may submit the preapplication to the National Office for review. The preapplication will contain a memorandum from OGC, setting forth the results of its review. The State Director will identify in the transmittal memorandum to the National Office the specific problem, and will recommend possible solutions. Any information about the applicant which would be helpful to the National Office in reaching a decision also should be included.

(c) *Form AD–622, "Notice of Preapplication Review Action."* The State Director will authorize the County Supervisor to prepare and execute Form AD–622 informing applicants about the results of the review.

(1) If, after review of the preapplication, the applicant is not eligible or if the applicant is eligible and no funds are available, the applicant will be promptly notified.

(2) If the State Director determines that the applicant is eligible and could carry out the agreement, and if funds have not been allocated to a State to cover the request, the State Director will contact the National Office as to the availability of funds. If funds are available, the applicant will then be requested to submit an application and other necessary docket items.

(3) If the preapplication review cannot be performed within 45 days, the applicant will be informed by letter as to when the review will be completed.

(d) *Form AD–625, "Application for Federal Assistance (Short Form)."* The applicant will submit Form AD–625 in an original and two copies to the County Supervisor. The applicant also should provide a detailed proposal of its goals including information about:

(1) Evidence of the need for self-help housing in the area, including the following:

(i) Housing conditions of low- and moderate-income families in the area.

(ii) Reasons why families cannot obtain adequate housing without self-help assistance.

(iii) Names and addresses of families who have been personally contacted by the applicant and are interested in participating in a self-help housing project. Community organizations including minority organizations may be used as a source of names of people interested in self-help housing.

(iv) Ability of prospective participating families to qualify for financial assistance fraom FmHA or other sources.

(v) Cost of adequate but modest housing in the area.

(2) Proposed staff needed, including qualifications, experience, proposed hiring schedule, and availability of any prospective employees.

(3) Name, address, and official position of applicant's representative or representatives authorized to act for the applicant and work with the County Supervisor.

(4) Budget information including items such as a proposed monthly progress schedule showing the proposed dates for hiring employees and starting and completion of homes in each group, a detailed budget based upon the needs outlined in the proposal for the agreement period, and a proposed monthly schedule of the funds that will be needed.

(5) Personnel procedures and practices that will be established in accordance with Exhibit B of this subpart. Exhibit C of this subpart contains sample forms that applicants can use in maintaining their personnel records. Any forms to be used will be submitted with the application.

§ 1933.411 [Reserved]

§ 1933.412 Planning and performing development work.

The development work will be planned and completed in accordance with Subparts A and D of Part 1804 of this chapter.

§ 1933.413 [Reserved]

§ 1933.414 Docket preparation.

(a) *Assembly.* When the application and all items required for the complete docket have been received, they will be thoroughly examined by the County Supervisor to insure that they have been properly and accurately prepared and include the required dates and signatures. The agreement docket items will be assembled in the following order and distributed as indicated:

Form No.	Name of form or document	Total number of copies	Signed by applicant	Number for agreement docket	Copy for applicant
AD-621	Preapplication for Federal assistance (with attachments).	3	1	1 original and 2 copies.	1
AD-622	Notice of pre-application review action	2		1 copy	1
AD-625	Application for Federal assistance (short form) (with attachments).	3	1	1 original and 2 copies.	1
FmHA 440-1	Request for obligation of funds	5	2	4 original and 3 copies.	1
FmHA 400-4	Nondiscrimination agreement	2	1	1 original	1
	Certified copy of authorizing resolution	1	1	do	
	Self-help technical assistance grant agreement (exhibit A).	2	1	do	1
	Any personnel forms to be used	2	2	do	1

(b) *Review.* (1) The County Supervisor will review the docket, comment on the need for self-help housing in the area, the applicant's capacity to carry out the agreement, and evaluate and verify the applicant's financial statement. These comments and the docket will be submitted to the State Director for review.

(2) The State Director will review the docket and determine either that it is complete or it is incomplete and requires additional information.

§ 1933.415 [Reserved]

§ 1933.416 Approval and closing.

(a) *Responsibilities of approval official.* The approval official will review the docket to determine compliance with established policies and all pertinent regulations and, specifically, determine that the:

(1) Applicant is eligible.

(2) Funds are requested for authorized purposes.

(3) Proposal is sound.

(4) Preapproval requirements have been met.

(b) *Approval of grant.* To approve the grant, the approval official will: (1) Execute and distribute form FmHA 440-1, "Request for Obligation of Funds," in accordance with instructions contained in the Forms Manual Insert (FMI). The initial advance of TA grant funds will not be requested on Form FmHA 440-1.

(2) Prepare and distribute Form FmHA 071-1, "Project Information Card," in accordance with FmHA Instruction 2015-C.

(c) *Disapproval of grant.* If a grant is disapproved after the docket has been developed, the approval official will state the reason on the original Form FmHA 440-1, or in a memorandum to the County Supervisor. The County Supervisor will notify the applicant of the disapproval and the reasons for disapproval. The docket will then be handled in accordance with FmHA Instruction 151.1.

(d) *Actions subsequent to approval of a grant.* (1) *Change in amount of grant.*—If it becomes necessary for the amount of TA funds provided for in the agreement to be increased or decreased before closing, the County Supervisor will request that all distributed docket forms be returned to the County Office. The grant docket will be revised accordingly and reprocessed.

(2) *Cancellation of an approved grant.*—An approved grant may be canceled before closing, if the applicant is determined to no longer be eligible, or the proposal is no longer feasible, or the applicant requests cancellation. Cancellation will be accomplished as follows:

(i) The County Supervisor will prepare Form FmHA 440-10, "Cancellation of Loan or Grant Check and/or Obligation," in an original and two copies, or three copies if the TA check has been received in the County Office from the disbursing office. The form will be revised by changing the word "loan" to "grant" wherever the word appears. Form FmHA 440-10 will be sent to the State Director with the reasons for requesting cancellation.

(ii) If the State Director approves the request for cancellation, he will forward the original of the form to the Finance Office. After making appropriate record changes, a copy of Form FmHA 440-10 will be returned to the County Office. If the TA check is received in the County Office, the County Supervisor will return it to the United States Treasury, Regional Disbursing Office, Kansas City, Kansas, with a copy of Form FmHA 440-10.

(iii) The applicant and all other interested parties, including the National Office, will be notified of the cancellation.

(3) *Requesting initial TA check.*—(i) The initial TA check may cover the applicant's needs for the first calendar month. If the initial check is for a partial month, it will cover the needs for the partial month and the next whole month. For example, if it is delivered on February 10, it will cover the applicant's needs for the balance of February and the month of March.

(ii) The initial advance of TA grant funds may not be requested simultaneously with the request for obligation of TA grant funds on Form FmHA 440-1. The initial TA grant check must be requested on Form FmHA 440-57, "Acknowledgement of Obligated Funds/Check Request," in accordance with the FMI after Form FmHA 440-57 has been received from the Finance Office indicating that funds will be obligated.

(4) *Requesting additional TA checks.*—Additional advances may be made each month provided:

(i) A satisfactory monthly report on Form AD-628, "Request for Advance or Reimbursement," and the information requested in Exhibit E of this subpart has been received.

(ii) The quartely progress reports have been submitted to FmHA as outlined in § 1933.409 (g); (2) and,

(iii) The monthly and quarterly reports verify that the applicant has fully complied with the agreement. The financial transaction will be reviewed carefully to ascertain that all TA funds are used only for authorized purposes as outlined in § 1933.405. Additional TA checks will not be requested until all previous expenditures of TA funds have been determined to be in accordance with the authorized purposes. Reimbursements for unauthorized expenditures may be accepted from the applicant, or subsequent advances reduced by the amount of the unauthorized expenditures. Reimbursements will be sent to the Finance Office as returned grant funds.

(A) If the County Supervisor questions the applicant's compliance with the terms of the agreement, the County Supervisor will immediately request the advice of the State Director.

(B) If the State Director determines that the applicant has failed to comply with the terms of the agreement, he will, with the advice of OGC, determine appropriate corrective action to be taken.

(5) *Receiving additional TA checks.*—If the applicant's reports are satisfactory, the County Supervisor and the applicant

will determine the amount of funds necessary for the next month. An advance of TA grant funds will then be requested on Form FmHA 440-57 in accordance with the FMI. Form FmHA 440-57 requesting the check should be forwarded to the Finance Office in sufficient time to allow check delivery to be made on the first day of the following month.

(i) To show the timing of additional advances, if an applicant's initial advance covered part of February and all of March, the additional advance should cover the month of April. The additional advance check would be delivered on April 1. The next advance would be delivered on May 1. The applicant will normally receive operating funds for each month on the first day of the month unless otherwise agreed upon.

(e) *Grant closing.* A grant will be considered closed on the date the agreement is executed by the applicant and the Government, and the initial advance check is delivered to the applicant. The agreement should be executed and the check delivered on the same date. County Supervisors and Assistant County Supervisors are authorized to execute the "Self-Help Technical Assistance Agreement" on behalf of the Government. The applicant will execute the agreement as authorized in its Authorizing Resolution.

(f) *Extending and revising grant agreements.* (1) *Extending time of grant agreement.*—The State Director may extend the time of an agreement for as long as 1 year on determining that the extension is justified and that the applicant is likely to complete the goals outlined in the initial proposal during that period. This will be done by the State Director authorizing the County Supervisor to execute on behalf of the Government an "Amendment to Self-Help Technical Assistance Grant Agreement" in the form of Exhibit D. In paragraph 2, line 2, the word "none" will be inserted in the blank space to indicate that no additional funds are being made available. The County Supervisor and the applicant's authorized officials will execute the form at the same time.

(2) *Additional funding during the grant agreement period.*—If an applicant needs additional funds to achieve the goals set out in the initial application and the increase is justified, the following actions will be taken:

(i) The State Director will require and review a copy of the new proposed budget, and a complete justification for the request.

(ii) After determining that funds are available and the total grant is within his approval authority, the State Director may approve the request in accordance with this subpart. If funds have not been allocated to a State or are not available on a national basis to cover a request, or if the grant is not within the State Director's approval authority, the State Director will contact the National Office as to the availability of funds and approval authority.

(iii) Checks will be ordered and handled in accordance with paragraph (d) (3), (4),(5), and (6) of this section.

(iv) The County Supervisor, Assistant County Supervisor, and the applicant's authorized officials will execute an "Amendment to Self-Help Technical Assistance Grant Agreement" (see Exhibit D).

§ 1933.417 Subsequent grants.

A subsequent grant is a self-help TA grant made to an applicant that has previously received a grant and has achieved or nearly achieved the goals set up for the previous grant and is submitting a new proposal for TA funds. A new "Self-Help Technical Assistance Agreement will be required for each subsequent grant.

(a) The State Director may approve subsequent grants in accordance with the authority of this subpart providing the following conditions exist:

(1) The applicant has complied with the terms of the initial grant agreement and has made satisfactory progress towards achieving its goals.

(2) A continuing need clearly exists in the local area for self-help housing.

(3) The funding period of the subsequent grant will not begin until the end of the grantees current funding period unless the proposal covers a different geographical area.

(4) The State Director has examined the new application and determined that the approval conditions can be met.

(5) Funds are available. If funds have not been allocated to a State, or are not all available on a National basis, the State Director will contact the National Office as to the availability of funds.

(b) When the subsequent grant is approved or disapproved, the State Director will prepare and distribute the forms in accordance with 1933.416 (b).

(c) The period of the subsequent grant may not be more than 2 years.

(d) Subsequent grant checks will be delivered in the same manner as initial grants.

§ 1933.418 Management assistance.

The State Director will see that each TA grantee receives the management assistance necessary to achieve a successful program.

(a) *Training.* TA employees who will be locating and recruiting families should receive training in packaging RH loans for self-help housing when or shortly after they are hired so they can work more effectively. The grantee's other employees also should receive training on FmHA policies, procedures, and requirements appropriate to their positions. The County Supervisor or other FmHA employees should give this training.

(b) *Coordination of management assistance.* The County Supervisor should advise the TA Director, of the necessity of working closely with and coordinating all activities with the County Office. Meetings should be scheduled between the director and the County Supervisor at least monthly. These meetings should coincide with the time when Form AD-628 and the information requested in Exhibit E of this subpart are submitted by the grantee in accordance with § 1933.409(g)(1). The County Supervisor will report any problems that cannot be resolved to the State Director.

(c) *Evaluating grantees.* Each grantee will be required to prepare and submit a monthly evaluation of its performance by the completion of a report in the form of Exhibit E of this subpart. The evaluation will be submitted in duplicate to the County Supervisor who will review it and make sure that the information is correct and forward it to the State Director. The State Director should evaluate each grantee's performance monthly by reviewing Exhibit E and any comments from the County Supervisor. At the end of each grantee's 12th month of operation, a copy of the 12th Exhibit E is to be forwarded to the National Office. The State Director may submit a problem or unusual case to the National Office at any time. A copy of Exhibit E should accompany any request for assistance from the National Office. When analyzing the monthly reports submitted, the State Director should consider if the TA cost is excessive, the problem causing the high costs should be determined. The savings, in any case, should be significantly more than the TA cost as determined on line 9 of Exhibit E. If the problems can be corrected, the grant should be continued and specific actions agreed to by the grantee to be taken within a specified period. If it is determined that the grantee cannot correct the problems, lower the TA cost to a reasonable level, or grant purposes have not been accomplished, the grant should be suspended. The grantee should be promptly notified in writing of this determination and given the reasons for and the effective date of suspension.

§ 1933.419 Grant closeout, suspension, and termination.

(a) *Grant purposes completed.* Promptly after the date of completion, grant closeout actions will be taken to allow the orderly discontinuance of grantee activity.

(1) The grantee will immediately refund to FmHA any balance of grant funds advanced that are not committed for the payment of authorized expenses.

(2) The grantee will send Form FmHA AD-626 to FmHA within 90 days after the date of completion of the grant. All other financial, performance, and other reports required as a condition of the grant also will be completed.

(3) The grantee will account for any property acquired with TA grant funds or otherwise received from FmHA.

(4) After the grant closeout FmHA retains the right to recover any disallowed costs which are discovered as a result of the final audit.

(b) *Grant purposes not completed.* (1) *Suspension.*—When the grantee has failed to comply with the terms of the agreement, the County Supervisor will

promptly report the facts to the State Director. The State Director will determine the action to be taken and promptly notify the grantee in writing of the determination and give the reasons for and the effective date of the suspension. The State Director will also withhold further payments, or prohibit the grantee from incurring additional obligations of grant funds, pending corrective action by the grantee or a decision to terminate in accordance with paragraph (b)(2) of this section. FmHA may allow all necessary and proper costs which the grantee could not reasonably avoid during the period of suspension. If the grantee corrects the reasons for the suspension within a reasonable time satisfactory to the State Director, the grant may be reinstated.

(2) *Termination.*—If the grantee fails to correct the conditions giving rise to the suspension, the State Director will consider termination of the grant. Termination will be handled as follows:

(i) *Termination for cause.* The grant agreement may be terminated in whole, or in part, at any time before the date of completion, whenever FmHA determines that the grantee has failed to comply with the terms of the agreement. FmHA will promptly notify the grantee in writing of the determination and give the reasons for and the effective date of the termination in accordance with the provisions of the agreement.

(ii) *Termination for convenience.* FmHA or the grantee may terminate the grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate with the further expenditure of funds. The two parties will agree to the termination conditions including the effective date and, in the case of partial termination, the portion to be terminated.

§ 1933.420 Review of decision.

If the State Director suspends or terminates the grant, the grantee may request the Administrator to review the State Director's decision by writing to: Administrator, Farmers Home Administration, United States Department of Agriculture, Washington, D.C. 20250. The request for review must be in accordance with the agreement.

§ 1933.421–1933.50 [Reserved]

EXHIBIT A

SELF-HELP TECHNICAL ASSISTANCE GRANT AGREEMENT

This Grant Agreement dated _____, 19____, between _____

_____

a nonprofit corporation, herein called "Grantee," organized and operating under _____

_____

(authorizing State statute)

and the United States of America acting through the Farmers Home Administration, Department of Agriculture, herein called "FmHA."

Witnesseth:

In consideration of financial assistance in the amount of $_____ (herein called "Grant Funds") to be made available by FmHA to Grantee under section 523b(1)(A) of the Housing Act of 1949 to be used in (specify area to be served) _____

_____ for the purpose of providing or assisting a program of technical and supervisory assistance which will aid low-income families in carrying out mutual self-help housing efforts.

Definitions: (1) "Date of Completion" means the date when all work under a grant is completed or the date in the TA grant Agreement, or any supplement or amendment thereto, on which Federal assistance ends.

(2) "Disallowed costs" are those charges to a grant which the FmHA determines cannot be authorized.

(3) "Grant Closeout" is when the grant period has expired and FmHA has determined that all applicable administrative actions and all required work to be funded with the grant have been completed by the applicant and the FmHA.

(4) "Suspension" of a grant is an action by FmHA which temporarily suspends Federal assistance under the grant pending corrective action by the grantee or pending a decision to terminate the grant by the FmHA.

(5) "Termination" of a grant means the cancellation of Federal assistance, in whole or in part, under a grant at any time prior to the date of completion.

Grantee covenants, promises, and agrees as follows:

(a) This grant Agreement shall terminate _____ years from this date unless extended or sooner terminated under paragraphs 5 and 6 below.

(b) Grantee shall carry out the self-help housing activity described in the application docket which is attached to and made a part of this Agreement. Grantee will be bound by the conditions set forth in the docket and the further conditions set forth in this Agreement. If any of the conditions in the docket are inconsistent with those in the Agreement, the latter will govern. A waiver of any condition must be in writing and must be signed by an authorized representative of FmHA.

(c) Grantee shall use grant funds only for the purposes and activities specified in FmHA regulations and in the application docket approved by FmHA including the approved budget. Any uses not provided for in the approved budget must be approved by FmHA in advance.

(d) If the grantee is a private nonprofit corporation, expenses charged for travel or per diem shall not exceed those approved by FmHA. If the grantee is a public body, the rates will be those that are allowable under the customary practice in the government of which the grantee is a part.

(e) Grant closeout suspension and termination procedures will be as follows:

(1) Promptly after the date of completion, grant closeout actions are to be taken to allow the orderly discontinuation of grantee activity.

(i) The grantee shall immediately refund to FmHA any uncommitteed balance of grant funds.

(ii) The grantee will furnish to the FmHA within 90 days after the date of completion of the grant a "Financial Status Report," Form AD–626. All financial, performance, and other reports required as a condition of the grant will also be completed.

(iii) The grantee shall account for any property acquired with technical assistance (TA) grant funds, or otherwise received from FmHA.

(iv) After the grant closeout, FmHA retains the right to recover any disallowed costs which may be discovered as a result of the audit.

(2) When there is reasonable evidence that the grantee has failed to comply with the terms of this Agreement the FmHA may, on reasonable notice, suspend the grant, and withhold further payments, or prohibit the grantee from incurring additional obligations of grant funds, pending corrective action by the grantee. FmHA shall promptly notify the grantee in writing of the determination, and give the reasons for and the effective date of the suspension. The FmHA may allow all necessary and proper costs which the grantee could not reasonably avoid during the period of suspension. The grantee may request a hearing concerning the FmHA determinations before the State Director. The State Director will duly consider any additional facts presented. If corrective actions do not result in compliance with this Agreement, FmHA may, on reasonable notice, terminate the grant as provided in paragraph (3) below.

(3) Grant termination will be handled as outlined in this paragraph.

(i) *Termination for cause.* This grant may be terminated in whole, or in part, at any time before the date of completion, whenever FmHA determines that the grantee has failed to comply with the terms of the agreement. The reasons for termination may include but are not limited to such problems as:

(A) Actual TA costs exceeding the amount stipulated in the proposal.

(B) The number of homes being built is less than or not on schedule in accordance with the prosposal.

(C) The cost of housing not being appropriate for the self-help program.

(D) Failure of grantee to use grant funds only for authorized purposes.

(E) Failure of grantee to submit adequate and timely reports of its operation.

(F) Failure of grantee to require families to work together in groups by the mutual self-help method.

(G) Serious or repetitive violation of any of the provisions of any laws administered by FmHA or any regulation issued thereunder.

(H) Violation of any nondiscrimination or equal opportunity requirements administered by FmHA in connection with any FmHA programs.

(ii) *Termination for convenience.* FmHA or the grantee may terminate the grant in whole, or in part, when both parties agree that the continuation of the project would not produce beneficial results commensurate

with the further expenditure of funds. The two parties shall agree upon the termination conditions, including the effective date and, in case of partial termination, the portion to be terminated.

(f) FmHA shall promptly notify the grantee in writing of the determination and the reasons for and the effective date of the termination. The grantee may appeal the determination of FmHA directly to the State Director.

(g) If FmHA suspends or terminates the grant, the grantee may after appealing to the State Director, request the Administrator of FmHA to review the State Director's decision. The address is: Administrator, Farmers Home Administration, United States Department of Agriculture, Washington, D.C. 20250.

(1) The request for review must be in writing and must be made within 60 days after the grantee receives notice of the action to which objection is being made, and must be accompanied by supporting material and documentation. A copy of the request and supporting material must be sent by the requesting party to the State Director at the same time such party forwards the original to the Administrator.

(2) Upon receipt of the copy of the material, the State Director will furnish a full report on the matter to the Administrator.

(3) The Administrator will act on the request as expeditiously as possible under all the circumstances, and will notify the requesting party and the State Director in writing of his decision and the reason therefore.

(4) Extension of this grant may be approved by FmHA provided in its opinion, the extension is justified and there is a likelihood that the grantee can accomplish the goals set out an approved in the application docket during the period of the extension.

(5) Grant funds may not be used to pay obligations incurred prior to the date of this Agreement except as authorized in applicable FmHA regulations. The grantee will not obligate grant funds subsequent to the grant termination or completion date.

(6) As requests and in the manner specified by FmHA, the grantee will make financial and program progress reports monthly, a financial status report at the end of the grant period, and other reports, and permit on-site inspections of program progress by FmHA representatives. Grantee will maintain records and accounts, including property, personnel and financial records, to assure a proper accounting of all grant funds. These records will be made available for audit purposes to the FmHA and will be retained by grantee for three years after the termination or completion of this grant.

(7) Title to personal property acquired with grant funds shall vest in the grantee: *Provided*, That the grantee shall not sell, assign, lease, encumber, or otherwise dispose of such property or any interest therein without the written consent of FmHA. Grantee agrees that, if this grant is completed, terminated, suspended or canceled for any reason, ownership and possession of all such personal property will be promptly transferred to another grantee approved by FmHA, conveyed to FmHA or other Government agency, or disposed of as authorized by the FmHA State Director.

(8) Results of the program assisted by grant funds may be published by the grantee without prior review by FmHA, provided that such publications acknowledge the support provided by funds pursuant to the provisions of Title V of the Housing Act of 1949 and that five copies of each such publication are furnished to the local representative of FmHA.

(9) Grantee certifies that no person or organization has been employed or retained to solicit or secure this grant for a commission, percentage, brokerage, or contingent fee.

(10) No person in the United States shall, on the grounds of race, creed, color, sex, marital status, national origin or a mental or physical handicap, be excluded from participating in, be denied the proceeds of, or be subject to discrimination in connection with the use of grant funds. Grantee will comply with regulations of the FmHA.

(11) That in all hiring or employment made possible by or resulting from this grant, grantee: (a) Will not discriminate against any employee or applicant for employment because of race, color, sex, marital status, national origin or a mental or physical handicap, and (b) will take affirmative action to insure that applicants are employed, and that employees are treated during employment without regard to their race, creed, color, sex, marital status or national origin or a mental or physical handicap. This requirement shall apply to, but not be limited to, the following: Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selections for training, including apprenticeship. In the event grantee signs a contract which would be covered by any Executive Order, law or regulation prohibiting discrimination, grantee shall include in the contract the "Equal Employment Clause" as specified by FmHA.

(12) Grantee shall not, without the prior written approval of FmHA, enter into any contract obligating it to perform any service or expenditure of funds except as necessary to carry out its planned activities as indicated in the grantee's approved application for funds or approved revisions thereof. If the grantee is engaged in activities other than self-help technical assistance, the grantee will submit for approval only those contracts affecting the TA operation.

(13) It is understood and agreed by grantee that any assistance granted under this Agreement will be administered subject to the limitations of Title V of the Housing Act of 1949 as amended, 42 U.S.C. 1472 et. seq., and related regulations and that rights granted to FmHA herein or elsewhere may be exercised by it in its sole discretion to carry out the purposes of the assistance, and protect FmHA's financial interest.

Agreed to this ____ day of _____ 19__.

_____
(Name of Grantee)

By _____
(Signature)

_____
(Title)

United States of America.

By _____
(Signature)

_____
(Title)

Farmers Home Administration.

PERSONNEL GUIDELINES

I. Personnel Procedures: The personnel procedures and practices outlined below constitute the basic guidelines which will be followed by the grantee in the selection and employment of staff members.

(A) *Employment Policy.*—(1) *Standards For Selection.* In selecting staff, each applicant will be reviewed and considered on the basis of sound character, individual skills, and qualifications for the job. Education qualifications, unless required by State or local law or regulations, will not be made a condition of employment or advancement if a candidate is otherwise qualified to perform the duties of the position.

(2) *Equal employment.* No person shall be excluded from employment or participation in any aspect of the program on the grounds of sex, religion, race, creed, color, marital status, national origin, mental or physical handicap.

(3) *Persons ineligible for employment.* (a) Any person serving as a voting member of the Board of Directors, or other major policy-advisory body, may not be employed by the organization.

(b) No person may hold a position over which any member of his or her immediate family or household has authority or responsibility either as a member of the governing body or as an employee of the organization.

(B) *Hiring procedure.* (1) The Board of Directors will hire the TA Director with the written approval of the FmHA State Director. The salary for the TA Director will be recommended by the Board of Directors within the FmHA approved salary range and approved by the FmHA State Director.

(2) All other staff will be hired by the TA Director.

(3) The appointment period for each employee will be consistent with the time each is needed.

(C) *Employment Practices*—(1) *Salary Schedules.* (a) The salary range for all positions will be established by the Board of Directors within the following guidelines:

Position	Basic starting salary	Maximum salary
Director	$13,482	$16,255
Coordinator-trainer	11,046	13,482
Construction supervisor	8,925	11,046
Secretary-bookkeeper	7,102	8,925

(b) Beginning salaries for each position, other than Director, will be determined by the TA Director with approval of FmHA within the ranges given above and within budget limitations. If necessary because of high wage levels in the area, higher salaries for Construction Supervisors may be authorized by the State Director to obtain qualified persons to fill these positions.

(c) Each staff member will be evaluated by the TA Director 12 months after employment and annually thereafter. This evaluation will be in writing. Step increases may be given annually to all employees with satisfactory evaluations. An employee whose position is changed will receive future annual increases 12 months after this change and annually thereafter subject to satisfactory evaluations.

(d) Step increases are each 5 percent of the basic starting salary for the first 5 years of employment by the grantee. Any increase after that will be on the basis of a schedule developed by the organization with the approval of FmHA.

(2) *Vacations.* (a) Each full-time employee will receive 12 working days (96 hours) of vacation per year with pay.

(b) After a minimum of 3 month's employment, earned vacation may be taken. Vacation will be taken with the prior approval of the TA Director.

(c) Vacation time is accrued at the rate of 1 day (8 hours) per month. Employees who start on or before the 15th of the month begin to accrue vacation time the same month; those who start after the 15th of the month begin to accrue vacation time the following month.

(d) Unused vacation time is to be carried over to the following year. The maximum vacation time that may be accrued by an employee is 30 working days.

(e) Upon resignation or discharge, all accumulated vacation time may be taken before separation.

(3) *Sick Leave.* (a) Each employee will receive 12 days (96 hours) sick leave per year with pay.

(b) Sick leave will be accumulated at the rate of 1 day (8 hours) per month. Employees

who start on or before the 15th of the month begin to accrue sick leave the same month; those who start after the 15th begin to accrue sick leave the following month.

(c) Unused sick leave is to be carried over to the following year. The maximum sick leave that may be accrued by an employee is 60 working days.

(d) Sick leave maybe taken for personal illness, injury, and medical appointments. Usually no more than 5 consecutive days of sick leave may be taken, unless a medical certificate is presented to the leave approval official.

(e) Upon resignation or discharge, all accumulated sick leave will be considered lost.

(4) *Holidays.* The following will be recognized as official paid holidays: New Year's Day, Washington's Birthday, Memorial Day, the Fourth of July, Labor Day, Columbus Day, Veteran's Day, Thanksgiving, and Christmas.

(5) *Work Week.* For accounting purposes, a 40 hour work week is to be considered the minimum requirement for each full-time staff member. However, hours worked must be flexible to fit job need. Some night and weekend work is probable. Compensatory time can be taken as work permits, with permission of the TA Director.

(6) *Employee Benefits.* The grantee will participate in and provide for Workmen's Compensation, Federal Insurance Contributions Act and Unemployment Compensation Insurance, if applicable, and up to 40 percent of the health benefits cost.

(7) *Discharge.* An employee is subject to discharge for good cause. The TA Director is responsible for discharging employees. The Board of Directors is responsible for discharging the Director, and will review his capability of continuing the management of the program upon the request of the FmHA State Director.

(D) *Personnel Records.* Exhibit C contains sample forms that may be used by applicants in maintaining personnel records.

II *Official travel, mileage and per diem policies.* Prior written approval from the FmHA State Director must be obtained for reimbursement for travel outside of the State.

(A) *Reimbursement mileage.* (1) Mileage will be paid for travel from the office to the job (construction site, home interview location, group meetings, and so forth) and for any travel needed to expedite the job.

(2) Travel from the employee's residence to the office will not be paid. However, if a staff member lives closer to the job than to the office, the mileage incurred traveling to and from the job may be counted. Under certain circumstances, such as staff meetings, travel will be paid to the office. The validity of these claims will be determined by the TA Director.

(3) The TA Director, with prior written approval of the FmHA State Director, must authorize all trips outside the area covered by the grant. Where such travel has been authorized, mileage may be paid.

(B) *Mileage summary.* Employees should submit their travel claims to the office on a weekly basis no later than 10:00 a.m. each Friday.

(C) *Mileage rate.* The mileage rate for travel is $.11 per mile for motorcycles and $.155 per mile for all other privately owned vehicles, or lowest commercial rate on rental vehicle. Except that for a grantee that is a public body the travel rates will be those allowable under the customary practice in the Government of which the grantee is a part.

(D) *Per diem.* With written approval of the TA Director, staff members whose official duties require overnight, out-of-town travel are allowed $16 a day for meals and the actual cost of lodging: *Provided,* The total does not exceed $35 per day. Grant funds will not be used to pay for the cost of meals for employees or officials of grantee except when in travel status. For a grantee that is a public body the per diem will be that allowable under the customary practice in the Government of which the grantee is a part.

(E) *Reimbursable expenses of Board of Directors.* (1) Members of the Board of Directors with extremely low incomes who have difficulty meeting expenses arising from their official duties and responsibilities may be reimbursed for transportation to and from meetings, or other official appointments and for lodging and meals when an official meeting or appointment requires overnight lodging.

(2) With the prior approval of the State Director, the Board may establish rates of reimbursement for eligible Board members not to exceed the amounts authorized in paragraphs A, B, C and D of this Exhibit.

III. *Code of conduct.* The grantee will maintain a code or standards of conduct which will govern the performance of its officers, employees, or agents. Grantee's officers, employees or agents, will neither solicit nor accept gratuities, favors, or anything of monetary value from suppliers, contractors, or others doing business with the grantee. To the extent permissible by State or local law, rules or regulations, such standards will provide for penalties, sanctions, or other disciplinary actions to be taken for violations of such standards.

EXHIBIT C

[SAMPLE] PERSONNEL FORMS

Sample Forms. The following are suggested sample forms that organizations may use for maintaining personnel records.

Time and attendance report_____
Employee leave record_____
Travel authorization_____
Mileage summary_____
Out of town travel expense statement _____
Telephone calls log for the months of _____

TIME AND ATTENDANCE REPORT

NAME:_____ WEEK ENDING:_____

COMPONENT	TOTAL HRS.	FRI.	SAT.	SUN.	MON.	TUES.	WED.	THURS.
SELF-HELP HOUSING								

Using the code letters shown below, insert daily hours and pertinent code letter for each dat. (Example: 8-W)

SUMMARY

Hours Worked	_____	W-WORKED
Holiday	_____	H-HOLIDAY
Sick Leave Taken	_____	S-SICK LEAVE
Vacation Taken	_____	V-VACATION
Leave w/out Pay	_____	E-AUTHORIZED EMERGENCY LEAVE
Comp. Time Taken	_____	LOP-LEAVE WITHOUT PAY
		C-COMPENSATORY TIME TAKEN
TOTAL HOURS		
Compensatory Time Earned:	_____	

I certify that the report information is correct:

Employee Date Supervisor Date

EMPLOYEE LEAVE RECORD

Name: _____ Date Employed: _____

Title: _____ Annual Salary: _____

Year 19

	SICK LEAVE				VACATION				COMPENSATORY TIME			
	Accured Per Mo.	Net - Accrual	Used	Net	Accrued Per Mo.	Net - Accrual	Used		Accured Per Mo.	Net - Accrual	Used	Net
Previous Balance												
January												
February												
March												
April												
May												
June												
July												
August												
September												
October												
November												
December												
Barred Forward												

TRAVEL AUTHORIZATION

DATES: _____

PLACE: _____

PURPOSE: _____

I request authorization for the above proposed travel.

_____
Signed

APPROVED: _____ DATE: _____

MILEAGE SUMMARY

FOR THE PERIOD _____ THRU _____

SUBMITTED BY: _____ DATE: _____

DATE	BEGIN MILEAGE	END MILEAGE	TOTAL MILES	PURPOSE OF TRIP

TOTAL MILES _____ @ $.11 PER MILE= $_____

TOTAL MILES _____ @ $.155 PER MILE= $_____

AMOUNT PAID FOR MILEAGE $_____

PAID BY CHECK NO. _____ DATED: _____

(SIGNATURE)

AUTHORIZED BY: _____

OUT-OF-TOWN TRAVEL EXPENSE STATEMENT

NAME: _____ TITLE: _____

_____

DEPARTURE _____ POINTS OF TRAVEL _____ ARRIVAL _____

DATE _____ HOUR _____ FROM _____ TO _____ DATE _____ HOUR _____

_____

_____

_____

_____

_____

TRANSPORTATION BY COMMON CARRIER, IF NOT PREPAID BY OFFICE: $ _____

TRANSPORTATION BY EMPLOYEE'S MOTORCYCLE: _____ MILES @ $.11 PER MILE $ _____

BEGIN MILEAGE _____ END MILEAGE _____

TRANSPORTATION BY ANY OTHER PRIVATELY OWNED VEHICLE
_____ MILES @ $.155 PER MILE $ _____

PER DIEM ALLOWANCE: _____ DAYS @ _____ PER DAY: $ _____
(Per Diem Allowance equals $16 per day for food plus average actual cost of lodging not to exceed $35 per day)

TOTAL EXPENSES CLAIMED: $ _____

TRAVEL ADVANCE GIVEN: YES ____ NO ____ AMOUNT: $ _____

AMOUNT DUE (EMPLOYEE): $ _____

AMOUNT DUE (AGENCY): $ _____

I certify that this statement, the amounts claimed and attachments are true, correct and complete to the best of my knowledge and belief, and that payment for the amount claimed has not been received.

_____ _____ _____ _____
REQUESTED BY DATE APPROVED BY DATE

TELEPHONE CALLS LOG FOR THE MONTH OF _____

Date	No. called	City/State	Name of Party

Signed _____

Title _____

Amendment
to
Self-Help Technical Assistance Grant Agreement

This Agreement dated _____ 19____ between _____
_____
a nonprofit corporation, herein called "Grantee," organized and operating under _____ and the United States of America
(authorizing State Statute)
acting through the Farmers Home Administration, Department of Agriculture, herein called "FmHA," amends the Self-Help Technical Assistance Grant Agreement" between the parties hereto dated _____, 19____, herein called "said Agreement."

Said agreement is amended by providing additional financial assistance in the amount of _____ to be made available by FmHA to grantee pursuant to section 523 of Title V of the Housing Act of 1949 for the purpose of assisting in providing a program of technical and supervisory assistance which will aid low-income families in carrying out mutual self-help housing efforts. Said Agreement is amended by changing the completion date specified in covenant 1 from _____ to _____ and by making effective the following attachments hereto: (List and identify proposal and any other documents attached.)

Agreed to this _____ day of _____ 19____.

_____
(Name of Grantee)

By _____
(Signature)

_____
(Title)

UNITED STATES OF AMERICA
BY _____
(Signature)

_____
(Date)

_____
(Title)
FARMERS HOME ADMINISTRATION

Evaluation Report of Self-Help Technical Assistance (TA) Grants

Evaluation for Month Ending _____ _____, 19 _____

1. a. Name of Grantee _____

   b. Address _____

2. a. Date of Agreement _____

   b. Amount of Grant $ _____

   c. Amount budgeted next month $ _____

   d. Advance needed for next draw $ _____

   e. Amount Advanced to date $ _____

   f. Amount on hand $ _____

   g. Amount of Grant used $ _____

3. a. Number of houses initially planned _____

   b. Theoretical number of units completed to date (See pp. 3, 4 & 5) _____

   c. Total TA cost per theoretical unit (item 2g - by item 3b) $ _____

4. a. Number of TA employees _____

   b. Number of theoretical units completed per TA employee to date (3b - 4a) _____

   c. Number of construction supervisors _____

   d. Number of theoretical units completed per construction supervisor to date (3b - 4c) _____

5. Average time needed to complete construction of a house. If no self-help homes have been completed by this grantee, use other projects or your best estimate as a guide.

_____

6. Average current cost of self-help houses if built by contractor (Attach detailed cost for each model unless previously submitted) _____

7. Average of borrower's cost per house (loan plus $ contribution) (Attach detailed cost for each model unless previously submitted) _____

8. Savings to the Self-Help borrower (6 -7) _____

9. Savings after TA cost (8 - 3c) _____

10. Is mutual self-help concept of family contribution of labor working on each other's homes being followed? _____ If not, explain. Average number of hours contributed by each family _____

11. Does TA recipient have control of group in terms of equitable labor contributions, purchase of materials, and moving into house? _____ If not, explain.

12. Attach comments concerning any other problems encountered, such as lack of sites, difficulties recruiting families, etc., or any other comments relating to this grant.

_____ DATE

_____ GRANTEE

_____ TITLE

COUNTY OFFICE REVIEW

I have reviewed the above information which I have found to be substantially correct.

Comments:

_____ DATE

_____ COUNTY SUPERVISOR

EXHIBIT E

INSTRUCTIONS FOR COMPLETING THE EVALUATION REPORT OF SELF-HELP TECHNICAL ASSISTANCE GRANTS

To determine the TA cost per unit at any time during its progress, it is necessary to have a formula for arriving at that cost. Devising such a formula is complicated by the fact that a self-help program will have several groups in various stages of progress at any given time. The following formula has been devised to provide a tool to determine more accurately the technical assistance cost per unit.

Formula

[In percent]

Phase breakdown	Value of each phase	Cumulative
Preconstruction:		
Phase I	10	10
Phase II	10	30
Phase III	10	30
Construction:		
Phase IV	20	50
Phase V	20	70
Phase VI	20	90
Phase VII	10	100

Using the following *Description of Phase Breakdown* as a guide, the project staff selects the cumulative total percentage pertinent to the stage the self-help group is in and multiplies that percentage by the number of families (units) in the group. The result is the *theoretical number of units completed*. No credit may be given to Phase I, II, and III until the house enters the construction phase. When this computation has been completed for each group that falls within Phases I–VII, the total number of units completed is divided into the total grant funds *expended* to that date. The result is the TA cost per unit at that stage of the program's progress.

DESCRIPTION OF PHASE BREAKDOWN

PRE-CONSTRUCTION

Phase I: Hold community meetings; conduct interviews; obtain house plans; prepare cost estimates; begin search for land; submit family applications to the Farmers Home Administration (FmHA); FmHA runs credit check; applications are either "viewed with favor" or "rejected."

Phase II: Organize association of FmHA approved families; association conducts weekly meetings at which required FmHA forms are discussed and completed; house plans and land sites are selected; outside speakers explain and discuss taxes, insurance, how to keep a checking account, how interest is computed, home maintenance and decorating, landscaping, etc.; completed loan dockets for each family are submitted to FmHA.

Phase III: Family loan dockets are reviewed and recommendations made as to the loan amounts requested; the FmHA County Supervisor reviews family loan dockets; preliminary title search of each proposed building site is begun; requests loan check from Finance Office; when check arrives, FmHA County Supervisor final title search is made, loan closed, checking accounts opened, and construction begun.

CONSTRUCTION

Phase IV: Streets cut and base course in place; building sites prepared; top soil saved; house laid out; foundation dug; footing placed; underground rough plumbing completed; well drilled or dug or water connection made; waste disposal system begun; floor slab or platform completed; rough grading completed; exterior walls built and primed (excluding doors, windows, interior partitions); roof in place.

Phase V: Partitions installed; walls insulated; wall firred as necessary; windows and doors in place; above ground rough plumbing in place; well or water connection completed; waste disposal system completed, but not covered; electrical wiring installed; house dried in; ready for rough-in inspection.

Phase VI: Exterior walls sealed or painted second coat; dry walls and ceilings installed and insulated; exterior walls completed; third and final plumbing and waste disposal phase completed; kitchen cabinets and built-ins installed.

Phase VII: Exterior and interior walls final painting finished; floor finish laid; wearing surface on streets (or escrow account prepared); walks, steps, and drive in place; final grading completed; landscaping in place, all equipment systems tested and final inspection completed; houses occupied.

EXHIBIT F

SITE OPTION LOAN TO TECHNICAL ASSISTANCE GRANTEES

I. *Objectives.* The objective of a Site Option (SO) loan under section 523(b)(1)(B) of Title V of the Housing Act of 1949 is to enable TA grantees to establish revolving fund accounts in order to obtain options on land needed to make sites available to families that will build their own homes by the self-help method. An SO loan will be considered only when sites cannot be made available by other means including a regular Rural Housing Site (RHS) loan.

II. *Eligibility requirements.* To be eligible for an SO loan, the applicant must be a TA grantee that is currently operating in a satisfactory manner under a technical assistance grant agreement. If the SO loan applicant has applied for TA funds but is not already a TA grantee, the SO loan may be approved but not closed until the TA grant is closed, if it appears that the TA grant will be made.

III. *Loan purposes.* Loans may be made only as necessary to enable eligible applicants to establish revolving accounts with which to obtain options on land that will be needed as building sites by self-help families participating in the TA self-help housing program. Loans will not be made to pay the full purchase price of land but only for the minimum amounts necessary to obtain an option from the seller. The option should be for as long as necessary but in no case should the option be for less than 90 days.

IV. *Limitations.* (A) If the amount of a SO loan will exceed $5,000, the prior consent of the National Office shall be obtained before approval.

(B) The amount of the SO loan should not exceed 15 percent of the selling price of the land expected to be under option at any one time.

(C) Form FmHA 440–34, "Option to Purchase Real Property," will be used without modification in all cases for obtaining options under this subpart.

(D) The limitations of § 1822.266(b)(1)(2) of this chapter concerning land purchase will apply to options purchased under this subpart.

V. *Rates and terms*—A *Interest.* Loans will be made at an interest rate of 3 percent.

(B) *Repayment period.* Each SO loan will be repaid in one installment which will include the entire principal balance and accrued interest. The maximum repayment period for each SO loan will be the applicant's remaining TA grant funding period.

(1) A shorter repayment period should be established if SO funds will not be needed for the entire TA grant funding period.

(2) If a regular RHS loan is to be processed, the SO loan should be scheduled for repayment when RHS funds will be available to purchase the land, unless SO loan funds will still be needed to purchase other options. Under no circumstances, however, will the repayment period exceed the applicant's remaining TA grant funding period.

VI. *Processing application.* (A) Form of application: The application for assistance will be in the form of a letter to the FmHA County Supervisor having jurisdiction over the area of the proposed site to be optioned. The letter will be signed by the applicant or his authorized representative and contain, as a minimum, the following information:

(1) A copy of the proposed option information that shows a legal description of the land, option price, purchase price and terms of the option. If more than one site option is to be purchased, a schedule of the proposed options should be included.

(2) Information to verify that a regular RHS loan cannot be processed in time to secure the option.

(3) Proposed method of repayment of the SO loan.

(4) Resolution from the applicant's governing body authorizing the application for a SO loan from the Farmers Home Administration.

(B) Responsibility of the County Supervisor. Upon receipt of a SO loan application. the County Supervisor will:

(1) Determine whether the applicant is eligible. If the applicant is not eligible, or the loan cannot be made for other reasons, the application may be rejected by the County Supervisor with the concurrence of the District Director. The reasons for the rejection should be clearly stated and provided to the applicant.

(2) Review and verify the accuracy of the information provided.

(3) Make an inspection and a memorandum appraisal of each proposed site "as is." The appraisal will include a narrative statement as to whether the site has been recently sold, verify that the seller is the owner of the property, and indicate whether the purchase price is acceptable based on the selling price of similar properties in the area.

(4) Indicate whether or not it appears that considering the location and cost of development, that adequate building sites can be provided at reasonable costs.

(5) If the option is for a tract of land on which 10 or more sites are proposed, the County Supervisor will request the Architect/Engineer in the State Office to review the proposal at this point and inspect the proposed site.

(6) If approval is recommended, prepare and have the applicant execute Form FmHA 440-1, "Request for Obligation of Funds," for the amount needed.

(7) Forward the SO loan application and the applicant's TA application or TA docket to the State Director. The submission will include the appraisal report and the County Supervisor's comments and recommendations.

VII. *Loan approval authority and State Office actions.* The State Director is authorized to approve SO loans developed in accordance with this exhibit. The approval or disapproval of the loan will be handled in the same manner as provided in § 1822.272 of this chapter. Checks may be requested at the time that Form FmHA 440-1, "Request for Obligation of Funds," is submitted to the Finance Office.

VIII. *Loan closing.*—(A) *General.* Loan closing instructions will be provided by OGC to assure that the Promissory Note is properly completed and executed. The County Supervisor may then close the loan.

(B) *Security for the loan.* The loan will be secured by a Promissory Note properly executed by the grantee using Form FmHA 440-22, "Promissory Note." A lien on the optioned real estate will not be taken.

(1) The "kind of loan" block on the note will read "SO loan."

(2) The note will be modified to show that the only installment on the loan will be the final installment.

(C) The loan will be considered closed when the note is executed and the loan check delivered to the grantee.

IX. *Establishment of SO loan revolving account.* (A) Supervised bank accounts will not be used for SO loans.

(B) Grantee will deposit SO loan funds in a bank of its choice which is a member of the Federal Deposit Insurance Corporation. Such funds will remain separate from any other account of the grantee.

(C) Checks drawn on the revolving account will be for the sole purpose of purchasing land options and must be signed by at least two authorized officials who have been properly bonded in accordance with § 1933.409(h)(1) of this subpart.

(D) Grantees will not expend funds for any options until the site and the option form have been reviewed and approved by the County Supervisor.

(1) Site option funds will not be left unused in the revolving account in excess of 60 days.

(2) If the funds are not used for the intended purpose by the specified time the unused portion will be refunded on the account.

(E) When funds become available for repayment of the SO loan, such funds will be the purchase of additional site options. If such funds are not needed to purchase more options, such funds will be applied on the SO loan.

X. *Source of funds.* SO loans will be funded from the self-help housing land development fund.

Dated: November 12, 1976.

FRANK B. ELLIOTT,
Administrator,
Farmers Home Administration.

[FR Doc.76-34146 Filed 11-19-76;8:45 am]

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

[10 CFR Part 710]

ACCESS TO RESTRICTED DATA OR NATIONAL SECURITY INFORMATION

Criteria and Procedures for Determining Eligibility

The Atomic Energy Commission was abolished by the Energy Reorganization Act of 1974, Pub. L. 93-438, and the nonregulatory authority of the Commission under the Atomic Energy Act of 1954, as amended, was transferred to the Energy Research and Development Administration (ERDA). On August 20, 1975, ERDA republished and recodified at 40 FR 36302, Part 710 of Chapter III of Title 10.

ERDA proposes amendment to Part 710 to adopt the provisions of such part as the criteria and procedures to be used in determining eligibility for access to significant quantities of special nuclear material. ERDA has determined that a program for approval of persons conducting activities involving significant quantities of special nuclear material is essential if it is to fulfill its responsibility under the Atomic Energy Act of 1954 and the Energy Reorganization Act of 1974 to protect the common defense and security. All interested persons who desire to submit written comments and suggestions for consideration should send them on or before December 22, 1976 to:

Administrator, U.S. Energy Research and Development Administration, Washington, D.C. 20545.

It is therefore proposed to amend 10 CFR Part 710 in the manner set forth below.

1. The name of the part would be revised to read "Criteria and Procedures for Determining Eligibility for Access to Restricted Data, National Security Information or Significant Quantities of Special Nuclear Material."

2. Section 710.1 would be revised to read as follows:

§ 710.1 Purpose.

This part establishes the criteria, procedures, and methods for resolving questions concerning the eligibility of individuals who are employed by or applicants for employment with ERDA contractors, agents, and access permittees of the ERDA, individuals who are ERDA employees or applicants for ERDA employment and other persons designated by the Administrator of the ERDA for access to Restricted Data or significant quantities of special nuclear material pursuant to the Atomic Energy Act of 1954, as amended, and the Energy Reorganization Act of 1974 or for access to national security information.

This part is published to implement Executive Orders 10865, 25 FR 1583 (February 24, 1960) and 10450, 18 FR 2489 (April 27, 1954).

3. In § 710.3, Section 161 of the Atomic Energy Act, as revised, would be set forth as follows:

§ 710.3 Reference.

Sec. 161. General provisions. In the performance of its functions the Commission is authorized to:

(a) Establish advisory boards to advise with and make recommendations to the Commission on the legislation, policies, administration, research and other matters; *Provided,* That the Commission issues regulations setting forth the scope, procedure, and limitations of the authority of each such board.

(b) Establish by rule, regulation, or order, such standards and instructions to govern the possession and use of special nuclear material, and byproduct material as the Commission may deem necessary or desirable to promote the common defense and security or

to protect health or to minimize danger to life or property.

(c) Make such studies and investigations, obtain such information, and hold such meetings or hearings as the Commission may deem necessary or proper to assist it in the administration or enforcement of this Act, or any regulations or orders issued thereunder. For such purposes the Commission is authorized to administer oaths and affirmations, and by subpoena to require any person to appear and testify, or to appear and produce documents, or both, at any designated place. No person shall be excused from complying with any requirements under this paragraph because of his privilege against self-incrimination, but the immunity provisions of the Compulsory Testimony Act of February 11, 1893, shall apply with respect to any individual who specifically claims such privilege. Witnesses subpoenaed, under this subsection, shall be paid the same fees and mileage as are paid witnesses in the district courts of the United States.

* * * * *

(i) Prescribe such regulations or orders as it may deem necessary (1) to protect Restricted Data received by any person in connection with any activity authorized pursuant to this Act, (2) to guard against the loss or diversion of any special nuclear material acquired by any person pursuant to Section 53 or produced by any person in connection with any activity authorized pursuant to the Act, to prevent any use or disposition thereof which the Commission may determine to be inimical to the common defense and security, including regulations or orders designating activities, involving quantities of special nuclear material which in the opinion of the Commission are important to the common defense and security, that may be conducted only by persons whose character, associations, and loyalty shall have been investigated under standards and specifications established by the Commission and as to whom the Commission shall have determined that permitting each such person to conduct the activity will not be inimical to the common defense and security, and (3) to govern any activity authorized pursuant to this Act, including standards and restrictions governing the design, location, and operation of facilities used in the conduct of such activity, in order to protect health and to minimize danger to life or property;

* * * * *

(n) Delegate to the General Manager or other officers of the Commission any of those functions assigned to it under this Act except those specified in Sections 51, 57b., 61, 108, 123, 145b. (with respect to the determination of those persons to whom the Commission may reveal Restricted Data in the national interest), 145f. and 161a.

* * * * *

(p) Make, promulgate, issue, rescind, and amend such rules and regulations as may be necessary to carry out the purposes of this Act.

4. In § 710.5, paragraph (a) would be revised and paragraph (g) would be added to read as follows:

§ 710.5 Definitions.

As used in this part:

(a) "Access authorization" means an administrative determination that an individual (including a consultant) who is employed by or an applicant for employment with ERDA contractors, agents, and access permittees of the ERDA is eligible for access to Restricted Data or National Security Information or is eligible for access to, or control over, significant quantities of special nuclear material; and an individual (including a consultant) who is an ERDA employee or applicant for ERDA employment and other persons designated by the Administrator of the ERDA is eligible for security clearance;

* * * * *

(g) "Significant quantity of special nuclear material" means unclassified special nuclear material, not subject to an NRC license, in one facility or one shipmnt in the following quantities:

(1) Uranium 235 (contained in uranium enriched 20% or more in the Uranium 235 isotope) alone, or in combination with Plutonium and/or Uranium 233 when (multiplying the plutonium and/or content by 2½) the total is 5,000 grams or more.

(2) Plutonium and/or Uranium 233 when the Plutonium and/or Uranium 233 content is 2,000 grams or more.

6. In § 710.11, paragraph (b)(7) would be revised to read as follows:

§ 710.11 Derogatory information.

* * * * *

(b) * * *

(7) Has been grossly careless in failing to protect or safeguard Restricted Data, national security information or special nuclear material.

* * * * *

7. § 710.20 would be revised to read as follows:

§ 710.20 Purpose of the procedures.

These procedures establish methods for the conduct of Personnel Security Board hearings and administrative review of questions concerning an individual's eligibility for access authorization when it is determined that such questions cannot be favorably resolved by interview or other investigation.

8. § 710.21 would be revised to read as follows:

§ 710.21 Suspension of access authorization.

In those cases where information is received which raises a question concerning the continued eligibility of an individual for ERDA access authorization, the Manager of the office concerned shall forward to the Assistant Administrator for National Security via the Director, Division of Safeguards and Security, ERDA, recommendation as to whether the individual's access authorization should be suspended pending the final determination resulting from the operation of the procedures provided in this part. In making this recommendation the Manager shall consider such factors as the seriousness of the derogatory information developed, the possible access of the individual to classified information or significant quantities of special nuclear material, and the individual's opportunity by reason of his position to commit acts adversely affecting the national security. The access authorization of an individual shall not be suspended except by direction of the Assistant Administrator for National Security.

Section 710.27 is amended by revising paragraph (m)(2), (o), and paragraph (p)(2) as follows:

§ 710.27 Conduct of proceedings.

* * * * *

(m) * * *

(2) The Administrator or his special designee for that particular purpose has preliminarily determined, after considering information furnished by the investigative agency as to the reliability of the person and the accuracy of the statement concerned, that the statement concerned appears to be reliable and material, and the Administrator or such special designee has determined that failure of the Board to receive and consider such statement would, in view of the access to Restricted Data, national security information, or significant quantities of special nuclear material sought, be substantially harmful to the national security and that the person who furnished the information cannot appear to testify (i) due to death, severe illness, or similar cause, in which case the identity of the person and the information to be considered shall be made available to the individual, or (ii) due to some other cause determined by the Administrator to be good and sufficient.

* * * * *

(o) Records compiled in the regular course of business, or other physical evidence other than investigative reports, may be received and considered subject to rebuttal without authenticating witnesses, provided that such information has been furnished to the ERDA by an investigative agency pursuant to its responsibilities in connection with assisting the Administrator to safeguard Restricted Data, national security information or significant quantities of special nuclear material.

(p) * * *

(2) The Administrator or such designee has made a determination that failure to receive and consider such physical evidence would, in view of the access to Restricted Data, national security information or significant quantities of special nuclear material sought, be substantially harmful to the national security; and

* * * * *

12. In § 710.33, paragraph (c) would be revised to read as follows:

§ 710.33 Action by the Administrator.

* * * * *

(c) Nothing contained in these procedures shall be deemed to limit or affect the responsibility and powers of the Administrator to deny or revoke access to Restricted Data, national security information, or significant quantities of special nuclear material if the security of the nation so requires. Such authority may not be delegated and may be exercised only when the Administrator determines that the procedures prescribed in § 710.27 (m), (n), (o), or (p) cannot be invoked consistently with the national

security and such determination shall be conclusive.

13. In § 710.34, paragraph (b) would be revised to read as follows:

§ 710.34 Reconsideration of cases.

* * * * *

(b) Where, pursuant to these procedures, the Administrator or the Assistant Administrator for National Security has made a determination denying access authorization to an individual, the individual's eligibility for access authorization may be reconsidered when there is a bona fide offer of employment requiring access to restricted data, national security information or significant qauntities of special nuclear material and either material and relevant new evidence, which the individual and his representatives are without fault in failing to present before, or convincing evidence of reformation or rehabilitation. Requests for reconsideration shall be submitted in writing to the Assistant Administrator for National Security through the Manager of Operations having jurisdiction over the position for which access authorization will be reconsidered and, if so, the method by which such reconsideration will be accomplished.

* * * * *

(Sec. 145., 68 Stat. 942, as amended; 42 U.S.C. 2165; Sec. 161., 68 Stat. 948, as amended; 42 U.S.C. 2201; Sec. 104, 88 Stat. 1237; 42 U.S.C. 5814; Sec. 105., 88 Stat. 1238; 42 U.S.C. 5815.)

Dated: October 7, 1976.

ALFRED D. STARBIRD,
Assistant Administrator for National Security.

[FR Doc.76-34335 Filed 11-19-76;8:45 am]

FEDERAL DEPOSIT INSURANCE CORPORATION

[12 CFR Part 329]

INTEREST ON DEPOSITS

Proposed Amendment To Require Notice to Depositors of Maturing Time Deposits

1. The Federal Deposit Insurance Corporation ("the Corporation"), pursuant to its authority contained in Sec. 9, 64 Stat. 881, 12 U.S.C. 1819, Sec. 18, 64 Stat. 891, 12 U.S.C. 1828, is considering amending § 329.3(f) of its regulations (12 CFR 329.3(f)) to require notice to depositors of maturing time deposits. Under the provisions of § 329.3(f), unless a time deposit is renewed or withdrawn within 10 days after maturity, it becomes a demand deposit and no interest may be paid thereon following maturity.

It has been brought to the FDIC's attention that the foregoing provision has caused confusion on the part of some depositors and ill feelings toward banks on the part of others, either because they were unaware of the existence of the provision, and assumed that a time deposit continues to draw interest until actually redeemed irrespective of maturity (as is the case with other types of consumer obligations, e.g., Series E bonds), or because they simply overlooked the maturity date. In either case, some bank customers have lost interest on their deposits. While the amounts involved have usually been small, those customers, for example, who are retired and live on fixed incomes have complained about what they see as a loss of income due to some obscure Federal regulation and/or lack of concern on the part of their bank.

In the case of automatically renewable time deposits, the "penalties" are even more severe. The depositor, if unaware of the conditions of renewal, may find himself or herself "locked in" to another maturity period even though the individual might have chosen to withdraw his or her funds prior to the renewal date. Now the depositor has to decide whether to leave his or her money on deposit until it again matures or forfeit interest for premature withdrawal.

In recognition of the above difficulties, the FDIC has previously expressed an informal policy favoring some means of notifying depositors that their time deposits have matured and, in the case of automatically renewable time deposits, the conditions of renewal.

On June 4, 1975, the Board of Governors of the Federal Reserve System amended Federal Reserve Regulation Q to require notice of maturity on the deposit instrument itself.

The Corporation now deems it advisable to issue for public comment a proposed amendment to § 329.3(f) of its regulations (12 CFR 329.3(f)) embodying the substance of the Federal Reserve regulation.

2. Section 329.3 of Part 329 of Chapter III, Title 12 of the Code of Federal Regulations, is amended by adding the following sentence at the end of paragraph (f):

§ 329.3 Interest on time and savings deposits.

* * * * *

(f) *No interest after maturity or expiration of notice; exception.* * * *

On each certificate, passbook, or other document representing a time deposit, the bank shall have printed or stamped a conspicuous statement indicating that no interest will be paid on the deposit after the maturity date, or, in the case of a time deposit that is automatically renewable, a conspicuous statement indicating that the contract will be renewed automatically upon maturity and indicating the terms of such renewal, including a specific statement to the effect that the penalties for premature withdrawal apply to time deposits that are automatically renewable from and after the renewal date. The requirements contained in the preceding sentence shall be applicable to all time deposits entered into after March 1, 1977, including renewals of existing time deposits.

* * * * *

3. Interested persons are invited to submit comments in writing on the above proposal. Such comments should be addressed to the Office of the Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, D.C. 20429, not later than December 20, 1976.

By order of the Board of Directors, November 16, 1976.

FEDERAL DEPOSIT INSURANCE CORPORATION,
ALAN R. MILLER,
Executive Secretary.

[FR Doc.75-34334 Filed 11-19-76;8:45 am]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 71]

[Airspace Docket No. 76-CE-12]

DESIGNATION OF TRANSITION AREA

Gordon, Nebr.

The Federal Aviation Administration is considering amending Part 71 of the Federal Aviation Regulations so as to designate a transition area at Gordon, Nebraska.

Interested persons may participate in the proposed rule making by submitting such written data, views or arguments as they may desire. Communications should be submitted in triplicate to the Director, Central Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106. All communications received on or before December 22, 1976, will be considered before action is taken on the proposed amendment. No public hearing is contemplated at this time, but arrangements for informal conferences with Federal Aviation Administration officials may be made by contacting the Regional Air Traffic Division Chief.

Any data, views or arguments presented during such conferences must also be submitted in writing in accordance with this notice in order to become part of the record for consideration. The proposal contained in this notice may be changed in the light of comments received.

A public docket will be available for examination by interested persons in the Office of the Regional Counsel, Federal Aviation Administration, Federal Building, 601 East 12th Street, Kansas City, Mo. 64106.

The Federal Aviation Administration has determined that this document does not contain a major proposal requiring preparation of an Inflation Impact Statement under Executive Order 11821 and OMB Circular A-107.

A new public-use instrument approach procedure is being established for the Gordon, Nebraska Municipal Airport predicated on a non-directional beacon located on the airport. Consequently, it is necessary to provide controlled airspace protection for aircraft executing this new approach procedure by designating a 700-foot floor transition area at Gordon, Nebraska.

In consideration of the foregoing, the Federal Aviation Administration proposes to amend Part 71 of the Federal

Aviation Regulations as hereinafter set forth:

In § 71.181 (41 FR 441), the following transition area is added:

GORDON, NEBRASKA

That airspace extending upward from 700 feet alone the surface within a 7 mile radius of the Gordon, Nebraska, Municipal Airport (latitude 42°48'15" N, longitude 102°11'45" W); within 3 miles each side of the 032° bearing from Gordon NDB (latitude 42°48'03" N, longitude 102°10'45" W) extending from the 7 mile radius to 8.5 miles northeast of the airport.

(Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348); Sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)).)

Issued in Kansas City, Mo., on November 5, 1976.

JOHN E. SHAW,
Acting Director, Central Region.

[FR Doc.76-34145 Filed 11-19-76;8:45 am]

[14 CFR Part 71]

[Airspace Docket No. 76-WA-10]

CONTROL AREA

Proposed Alteration

The Federal Aviation Administration (FAA) is considering amendments to Part 71 of the Federal Aviation Regulations that would alter the boundary and lower the base altitude of the Narragansett, R.I., control area.

Interested persons may participate in the proposed rule making by submitting such written data, views or arguments as they may desire. Communications should identify the airspace docket number and be submitted in triplicate to the Director, New England Region, Attention: Chief, Air Traffic Division, Federal Aviation Administration, 12 New England Executive Park, Burlington, Mass. 01803. All communications received on or before December 22, 1976 will be considered before action is taken on the proposed amendments. The proposals contained in this notice may be changed in the light of comments received .

An official docket will be available for examination by interested persons at the Federal Aviation Administration, Office of the Chief Counsel, Attention: Rules Docket, AGC-24, 800 Independence Avenue, SW., Washington, D.C 20591. An informal docket also will be available for examination at the office of the Regional Air Traffic Division Chief.

Request for copies of this Notice of Proposed Rule Making should be addressed to the Federal Aviation Administration, Office of Public Affairs, Attention: Public Information Center, APA-230, 800 Independence Avenue, S.W., Washington, D.C. 20591.

As parts of these proposals relate to the navigable airspace outside the United States, this notice is submitted in consonance with the ICAO International Standards and Recommended Practices.

Applicability of International Standards and Recommended Practices by the Air Traffic Service, FAA, in areas outside domestic airspace of the United States is governed by Article 12 of and Annex 11 to the Convention on International Civil Aviation, which pertain to the establishment of air navigation facilities and services necessary to promoting the safe, orderly, and expeditious flow of civil air traffic. Their purpose is to insure that civil flying on international air routes is carried out under uniform conditions designed to improve the safety and efficiency of air operations.

The International Standards and Recommended Practices in Annex 11 apply in those parts of the airspace under the jurisdiction of a contracting state, derived from ICAO, wherein air traffic services are provided and also whenever a contracting state accepts the responsibility of providing air traffic services over high seas or in airspace of undetermined sovereignty. A contracting state accepting such responsibility may apply the International Standards and Recommended Practices to civil aircraft in a manner consistent with that adopted for airspace under its domestic jurisdiction.

In accordance with Article 3 of the Convention on International Civil Aviation, Chicago, 1944, state aircraft are exempt from the provisions of Annex 11 and its Standards and Recommended Practices. As a contracting state, the United States agreed by Article 3(d) that its state aircraft will be operated in international airspace with due regard for the safety of civil aircraft.

Since these actions involve, in part, the designation of navigable airspace outside the United States, the Administrator has consulted with the Secretary of State and the Secretary of Defense in accordance with the provisions of Executive Order 10854.

The proposed amendments would:

1. Redefine the Narragansett, R.I., control area and Warning Area W-105 by excluding that airspace northeast of a line between Lat. 41°07'00" N., Long 70°22'00" W. to Lat. 41°05'00" N. Long. 70°10'00" W.

2. Lower the base altitude of the Narragansett, R.I., control area to 2,000 feet MSL.

These actions would provide a cardinal altitude coincident with the altitude of contral area 1145 and would further allow lowering the minimum radar vectoring altitude for that segment encompassing the Narragansett, R.I., control area.

(Sec. 307(a) and 1110 of the Federal Aviation Act of 1958 (49 U.S.C. 1348(a) and 1510), Executive Order 10854 (24 FR 9565) and sec. 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)).)

Issued in Washington, D.C., on November 16, 1976.

WILLIAM E. BROADWATER,
Chief, Airspace and Air Traffic Rules Division.

[FR Doc.76-34376 Filed 11-19-76;8:45 am]

[14 CFR Parts 71 and 73]

[Airspace Docket No. 76-SO-78]

TEMPORARY RESTRICTED AREAS

Proposed Designation

Correction

In FR Doc. 32532 appearing at page 49149, in the issue of Monday, November 8, 1976, on page 49149, column 3, under the captioned heading "R-5309B SOLID SHIELD 77", line 2, the figure "70" should read "79".

CIVIL AERONAUTICS BOARD

[14 CFR Part 252]

[EDR-306A, Docket 29044, Dated November 16, 1976]

PROVISION OF DESIGNATED "NO-SMOKING" AREAS ABOARD AIRCRAFT OPERATED BY CERTIFICATED AIR CARRIERS

Supplemental Notice of Proposed Rulemaking

By notice of proposed rulemaking, EDR-306, October 5, 1976, the Board gave notice that it is proposing to amend Part 252 of the Economic Regulations (14 CFR Part 252) to prohibit the smoking of cigars and/or pipes aboard aircraft operated by certificated air carriers. In addition to this proposal requested by Action on Smoking and Health (ASH), we proposed other detailed amendments designed to improve the effectiveness of the existing rules with respect to segregation of smokers and nonsmokers. We also invited comments on the possible adoption of rules completely prohibiting smoking aboard aircraft operated by certificated air carriers.[1] The notice of proposed rulemaking established November 8, 1976, and November 23, 1976, as the respective due dates for initial comments and reply comments.

On November 8, 1976, ASH filed with the Board a motion requesting a ninety day extension of time in which to file comments. In support of its request, ASH alleges that because the notice of proposed rulemaking encompassed important and complicated matters in addi-

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[1] Specifically, we expressed an interest in comments on the following issues:

1. Should all passenger smoking on commercial aircraft be prohibited?

2. Should any prohibition with respect to passenger smoking on commercial aircraft (whether limited or all-inclusive, as to type of smoke) be applicable on all passenger flights on all aircraft operated by certificated air carriers?

3. Should any prohibition with respect to passenger smoking on commercial aircraft be conditioned on:

(a) Type of aircraft;

(b) Length of flight; or

(c) Other (e.g., number of stops)?

4. Should there be "no-smoking" flights and, if so, in what markets and under what circumstances should they be provided?

5. Should the "no-smoking" area be prescribed as a minimum percentage of seats on the aircraft, e.g., 40 percent?

tion to the amendment requested in ASH's petition, ASH would require substantially more time in which to complete preparation of its comments. Aviation Consumer Action Project (ACAP) has filed an answer opposing ASH's request for an additional ninety day period.

Upon consideration of the request, the answer, and the underlying issues here involved, we are persuaded that it would be appropriate to allow further time to obtain additional useful information, materials and suggestions, which may be of assistance to the Board in its deliberations on the various matters raised in this rulemaking. As the petitioner in this rulemaking and on the face of its motion, ASH's genuine interest in making a significant contribution to this proceeding is evident, and its request for more time is clearly not made for dilatory purposes. Nonetheless, we are not persuaded that this proceeding should be interrupted for the full 90-day extension period requested by ASH, and we have therefore determined to allow only an additional 60 days for filing initial comments, in response to this Supplemental Notice, and to establish a due date 30 days thereafter for the filing of reply comments.

Accordingly, notice is hereby given that all relevant material contained in comments received on or before January 21, 1977, and in reply comments received on or before February 21, 1977, will be considered by the Board before taking final action on the rule proposed in EDR-306. Twenty (20) copies of such comments and reply comments should be submitted, addressed to the Docket Section, Civil Aeronautics Board, Washington, D.C. 20428. They shall be served, at the time of filing, on persons on the Service List and appropriate proof of service shall be included with each filing. (Rule 8(e), 14 CFR 302.8(e).)

Copies of such communications will be available for examination by interested persons in the Docket Section of the Board, Room 711 Universal Building, 1825 Connecticut Avenue, NW., Washington, D.C., upon receipt thereof.

Individual members of the general public who wish to express their interest as consumers by participating informally in this proceeding, may do so through submission of comments in letter form to the Docket Section at the above indicated address, without the necessity of filing additional copies thereof.

By the Civil Aeronautics Board.

JAMES R. DERSTINE,
Acting Secretary.

[FR Doc.76-34417 Filed 11-19-76;8:45 am]

DEPARTMENT OF COMMERCE

Domestic and International Business Administration

[15 CFR Part 369]

EXPORT ADMINISTRATION REGULATIONS

Restrictive Trade Practices or Boycotts

As part of its continuing review of the regulations relating to restrictive trade practices and boycotts, the Department of Commerce proposes to revise § 369.3 (Other Restrictive Trade Practices or Boycotts) with respect to requests for information or certifications relating to the origin of goods being shipped or material utilized in their manufacture. Also, the Department proposes two modifications to reporting form DIB-621P which will conform it more closely to the statutory language and will allow firms to elaborate on their reports. The purpose of this notice is to invite comments by interested persons on these proposals.

REVISION TO THE REGULATIONS

The proposed revision to § 369.3 would, consistent with this Department's past interpretation, recognize customary international commercial practice by explicitly stating that requests for "positive" certificates of origin do not fall within the provisions of §§ 369.3 and 369.4. (A "positive" certificate of origin typically states, for example, that shipped goods are of "United States origin," whereas a negative certificate of origin states that such goods "do not originate in" country X). A country may require a positive certificate for any of several valid reasons unrelated to any boycott, including customs regulations regarding the imposition of duty or impoundment of goods and the monitoring of quotas pursuant to international agreements. Thus, under the proposed revision, absent direct evidence to the contrary in a particular case, requests for positive certificates of the United States origin of goods, services, or components, will be deemed not to be restrictive trade practices within the meaning of the Export Administration Act of 1969, as amended, 50 U.S.C. App. 2402(5).

The proposed revision would make clear, however, that a boycott-related request for a negative certificate of origin (e.g., certification that the goods being shipped are not of Israeli origin and do not incorporate Israeli material) must be reported under § 369.4 as a restrictive trade practice within the provisions of § 369.3, even if the response given by the reporting entity is in the form of a positive certificate of origin. (A positive certificate of origin given after reading an exporters' guidebook or similar publication which lists a negative certificate of origin as an import requirement would not, however, be reportable since in that instance the action taken would be the reportable event. See second paragraph, § 369.4.)

REVISIONS TO REPORTING FORMS

In accordance with the policy of the United States, as set forth in 50 U.S.C. App. Section 2402(5) and § 369.1 of the regulations, this Department continues to encourage and request American business to refuse to take any action, including the furnishing of information or the signing of agreements, which has the effect of furthering or supporting restrictive trade practices or boycotts fostered or imposed by any foreign country against another country friendly to the United States. Included in reporting form DIB-621P is an "Action" section (block 8) which calls for the reporting firm to indicate whether it intends to "comply" with the request. Some firms have complained that the use of this word imples affirmative action by the firm to boycott Israel or some active change in business practices, rather than a response to an informational request. Although the statement of United States policy in 50 U.S.C. App. 2402(5), as amended, makes no such distinctions in types of conduct (all such action is contrary to United States policy), the Department believes that use of the statutory language itself will reduce controversy regarding the meaning of the reported information and, by reducing misunderstandings, improve the quality of boycott reporting to the Department. Accordingly, the proposed revision to the "Action" block would more directly reflect the statutory language.

In addition, should a reporting entity desie to include a statement discussing its action or the reasons why it has or has not changed its business practices or policies as the result of the boycott request it is reporting, it may of course do so. Consistent with current practice of the Office of Export Administration, such statement will be made a part of the reporting file and will be made public along with the related boycott report and attached documents. Such statement cannot, however, be substituted for full answers to all questions on the reporting form.

PROPOSED REVISIONS

§ 369.3 [Amended]

1. Delete from the fourth sentence of § 369.3(b) the phrase "the country of origin of the goods."

2. Add at the end of § 369.3(b) a new example (vi), as follows:

* * * * *

(vi) A request for information or a restriction concerning the country of origin of the goods or material utilized in its manufacture. (However, a request or a restriction requiring that the goods be of United States origin is not deemed a restrictive trade practice within the meaning of Section 3(5) of the Export Administration Act, but rather a customs certification of the goods. Accordingly, absent particular evidence to the contrary in a particular case, this type of positive U.S. certificate of origin is not included within the reporting requirements of this section.)

* * * * *

PROPOSED AMENDMENTS TO REPORTING FORMS

1. The present block 8 "Action" of Form DIB-621P (Rev. 10-76) is deleted and the following substituted therefor:

8. Action (check one of the following three boxes):

(a) [ ] I/We have refused or will refuse to take the action, furnish the information, or sign the agreement requested. (With respect to related service organizations (particularly banks) where appropriate, this statement should be interpreted, "I/We have refused to process or will refuse to process the documents containing the request reported.)

(b) [] I/We have taken or will take the action, furnish the information, or sign the the agreement requested. (With respect to related service organizations (particularly banks) where appropriate, this statement should be interpreted, "I/We have processed or will process the documents containing the request reported.")

(c) [] I/We have not decided what action I/We will take with respect to the request(s). I/We will inform the Office of Export Administration of my/our decision within 10 calendar days of making a decision."

2. Add a sentence below the signature space (Block 8 of Form DIB–630P (Rev. 10–76) and Block 9 of Form DIB–621P (Rev. 10–76)) as follows:

NOTE.—The firm submitting this report may, if it so desires, state on a separate sheet additional information relating to the request reported or the reporting firm's response thereto. Such statements will constitute a part of this report and will be a matter of public record.

* * * * *

(Sec. 2, E.O. 11940, September 30, 1976, 41 FR 43707.)

Interested persons are invited to submit written data, views, or arguments regarding the action proposed herein to the Director, Office of Export Administration Room 1886–C, U.S. Department of Commerce, Washington, D.C. 20230. Each person submitting a comment should include his/her name and address, identify the notice and give reasons for any recommendations. Comments received before December 17, 1976 will be considered before the proposed changes are effected. Copies of all written comments received will be available for examination by interested persons in Room 1617M, U.S. Department of Commerce, 14th and Constitution Avenue, NW., Washington, D.C. This proposal may be changed in light of the comments received.

RAUER H. MEYER,
Director, Office of Export Administration.

[FR Doc.76–34485 Filed 11–17–76;4:34 pm]

National Oceanic and Atmospheric Administration

[15 CFR Part 931]

COASTAL ENERGY IMPACT PROGRAM

Extension of Comment Period

On October 22, 1976, the National Oceanic and Atmospheric Administration (NOAA) published proposed regulations in the FEDERAL REGISTER (41 FR 46724) defining the procedures by which coastal states and local governments could qualify for coastal energy impact assistance provided by section 308 of the Coastal Zone Management Act of 1972, as amended. NOAA requested that comments on the proposed regulations be submitted on or before November 22, 1976.

Following publication, a number of reviewers requested that the comment period be extended due to the difficulty in reviewing the complex and significant procedures developed in the regulations. NOAA has concluded that the requests for extension should be approved. Accordingly, written comments may be submitted to the Office of Coastal Zone Management, NOAA, 3300 Whitehaven Street, N.W., Washington, D.C. 20235, on or before December 3, 1976.

Dated: November 18, 1976.

T. P. GLEITER,
Assistant Administrator for Administration.

[FR Doc.76–34580 Filed 11–19–76;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Social Security Administration

[20 CFR Part 401]

DISCLOSURE OF OFFICIAL RECORDS AND INFORMATION

Intent and Hearings

The Commissioner of Social Security intends to propose an amendment to the regulation issued under section 1106 of the Social Security Act pertaining to the conditions of disclosure of personal information held by the Social Security Administration. The regulation is found in title 20, Part 401 of the Code of Federal Regulations. The authorizing statute is found in title 42, section 1306 of the United States Code as modified by the provisions of the Privacy Act of 1974 which is found in title 5, section 552a of the United States Code and the Freedom of Information Act which is found in title 5, section 552 of the United States Code as amended by the Government in the Sunshine Act, Pub. L. 94–409, enacted on September 13, 1976.

This action is necessary in order to conform the regulation which originally was for the sole purpose of implementing section 1106 of the Social Security Act to the provisions of the Privacy Act and the Freedom of Information Act as amended by the Government in the Sunshine Act. In addition, the Social Security Administration wishes to reevaluate its existing policies concerning confidentiality and disclosure of personal information to determine whether current policies are so restrictive they are not in the best interests of the public.

Regulation No. 1 of the Social Security Administration, which treats of the disclosure of information from social security records, was issued by the Social Security Board in 1937 at the inception of the social security program in fulfillment of a pledge to the public that the personal information necessary to administer the program would be used only for social security purposes. This was in response to the grave concerns which had been expressed concerning the possible uses which could be made of such information. In 1939, Congress reinforced this administrative pledge by adding section 1106 to the Social Security Act which prohibits disclosure of information obtained by the Social Security Administration in the administration of the social security program except as the Secretary of Health, Education, and Welfare provides by regulation. Historically, these regulations have permitted disclosure without the consent of the individual involved only in very limited circumstances. These include disclosures to other Federal and State agencies conducting benefit programs, disclosures required by Federal law, and disclosures in the interest of national secruity.

The Freedom of Information Act enacted in 1967 permits the general public to have detailed information about the activities of the Government with some exception. One exception is the disclosures considered to be a clearly unwarranted invasion of an individual's privacy. As a result of these 1974 amendments to the Freedom of Information Act, Regulation No. 1 was revised so that the prohibition against disclosure would ap-ply only to information about individuals. Non-personal information then became disclosable under the Public Information regulations of the Department and the Social Security Administration. A recent amendment to the Freedom of Information Act, enacted on September 13, 1976 has the effect of precluding the Social Security Administration in most instances from using the statutory provision (section 1106 of the Social Security Act) as a basis for denying requests for information about individuals from social security records. Therefore, any refusal would generally have to be based on the fact that it pertains to personnel or medical information or any information the disclosure of which would constitute a clearly unwarranted invasion of the privacy of an individual.

With the passage of the Privacy Act of 1974 minimum standards were established for safeguarding the confidentiality of personal information. Basically, the Privacy Act provided for the disclosure of information without the consent of the individual only for a purpose compatible with that for which it was obtained or for one of ten other specifically enumerated circumstances. The Privacy Act also placed limitations on the collection or data providing that there must be a need for such data in the performance of the collecting agency's function under the law.

Underlying the issues which the revised regulation must address is the basic conflict between preservation of confidentiality of personal information about an individual collected for purposes of administering the Social Security Act vs. interchange of such information with State or Federal agencies to further efficient administration of other benefit programs or to meet other governmental needs. A further concern is the public's right to know.

The Social Security Administration believes these matters are of vital concern to the public and wants to insure that the wishes of the public are considered and reflected in the regulations, to the extent possible. We solicit comments from every group or individual

who has an interest in any or all of the questions posed below:

1. What personal information (including the social security number) should be disclosed by SSA without the consent of the individual as for example in the following situations;

a. For entitlement or potential entitlement to other local/State/Federal benefits or services;

b. For investigative or prosecution purposes;

c. For research and statistical purposes;

d. For any purpose to another Government agency?

2. Should there be limitations on the type of information disclosed such as:

a. medical information to third parties and special procedures for disclosing medical information to the subject individual;

b. fees paid to individual physicians, incorporated individual physicians, and other providers of medical services—to other agencies and to the public?

3. If an individual consents to or wants release of information from his record to another individual or an organization for a purpose unrelated to that individual's social security benefits, should SSA provide such a service?

Anyone who wants to give his or her opinions on any of these questions or any others relating to the proposed regulation should write to the Commissioner of Social Security, Department of Health, Education and Welfare, P.O. Box 1585, Baltimore, Md. 21203. Letters should be sent no later than January 6, 1977.

The Social Security Administration will not reply separately to each letter. However, copies of all the letters received may be seen at the Washington Inquiries Section, Office of Information, Social Security Administration, Department of Health, Education, and Welfare, North Building, Room 4146, 330 Independence Avenue, S.W. Washington, D.C. 20201.

The Social Security Administration plans to hold hearings to enable members of the public and organizations having an interest in the proposed regulations to express their views in person to representatives of the Social Security Administration. The hearings will take place beginning on December 1 in Pennsylvania, Missouri, and California.

Individuals who wish to participate in a particular hearing should register prior to the meeting whether by writing or by phoning the contact person in the city in which they wish to be heard, or they may register in person at the hearing room on the day of the hearing. Persons who register in advance should provide their names, telephone numbers, and, if appropriate, the organizations they represent. Only one oral presentation will be permitted for any one organization in any of the three hearings. All speakers will be limited to 5 to 10 minutes speaking time depending upon the number of participants.

Since the oral presentation for each individual will be limited, written comments are encouraged so that they may be introduced into the hearings.

Persons who plan to testify or who wish additional information should contact the offices listed below.

The hearings are scheduled as follows:

Date: December 1, 1976.
Time: 9 a.m. to 12 Noon, 1.30 p.m. to 4 p.m.
Place: Radisson, Muehlebach Hotel, Baltimore & 12th Street, Kansas City, Mo. 64105.
Person to contact: Mr. John Gardner (816–374–3581), Federal Building, Room 431A, 601 E. 12th Street, Kansas City, Mo. 64106.
Date: December 1, 1976.
Time: 9 a.m. to 12 Noon, 1:30 p.m. to 4 p.m.
Place: Ben Franklin Hotel, Franklin Suite, 9th and Chestnut, Philadelphia, Pa. 19107.
Person to contact: Ms. Alice Wallace (215–596–6942), 3521–35 Market St., Philadelphia, Pa. 19104 (Mailing Address: P.O. Box 8788–19101).
Date: December 3, 1976.
Time: 9 a.m. to 12 Noon, 1:30 p.m. to 4 p.m.
Place: Hotel San Franciscan, 1231 Market Street, San Francisco, California 94103.
Person to contact: Mr. Ed Kramer (415–556–4270), 26th Floor, 100 Van Ness Avenue, San Francisco, California 94102.

After comments have been received and studied and the results of the hearings considered, a proposed version of these new regulations will be published in the FEDERAL REGISTER at which time the public will again have an opportunity to comment.

(Secs. 205, 1102 and 1106 of the Social Security Act (42 U.S.C. 405, 1302, and 1306) the Privacy Act of 1974 (5 U.S.C. 552a) and the Freedom of Information Act 5 U.S.C. 552 as amended by P.L. 94–409 (the Government in the Sunshine Act) enacted September 13, 1976.)

Dated: November 17, 1976.

MARJORIE LYNCH,
Acting Secretary of Health, Education, and Welfare.

[FR Doc.76-34567 Filed 11-19-76;8:45 am]

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

[23 CFR Part 1204]

[Docket No. 76–07; Nottee 1]

HIGHWAY SAFETY PROGRAM STANDARDS

Motor Vehicle Titling and Theft

The purpose of this notice is to propose a highway safety program standard to deal with motor vehicle theft.

The economic consequences of vehicle theft are well known. The safety consequences, while less widely known, as significant and have been of concern to highway safety professionals for a number of years. Studies conducted by the FBI and the Law Enforcement Assistance Administration have shown that stolen vehicles are involved in accidents at a disproportionate rate. The common practices of stripping stolen vehicles and of modifying stolen cars for resale have safety consequences in that the resulting vehicles may conceal serious safety problems which can endanger the unsuspecting buyer. Also, the utilization of stolen Vehicle Identification Numbers makes defect notification impossible thereby limiting the effect of defect recall campaigns. The lack of strengthened ownership documentation also detracts from the ability to identify stolen vehicles quickly and accurately.

The problem of theft is approachable in different ways under two Acts administered by this agency. Under the National Traffic and Motor Vehicle Safety Act, Pub. L. 89–563, as amended, (15 U.S.C. 1381–1431), the agency has issued a safety standard requiring passenger cars to have a key-locking system with a warning buzzer (Motor Vehicle Safety Standard No. 114, 49 CFR 571.114). The agency has recently acted to revise this standard by publishing an advance notice of proposed rulemaking, Docket No. 1–21; Notice 3 (41 FR 9374). If, as a result of this rulemaking action, the agency concludes that theft prevention features can be improved, it will amend Standard No. 114 accordingly. Federal Motor Vehicle Safety Standard No. 115, Vehicle Identification Number (49 CFR 571.15) is directed towards the theft problem by providing each passenger car with a unique and readily reservable identifier.

Under the Highway Safety Act, Pub. L. 89–564, as amended, (23 U.S.C. 401–406), the agency can develop uniform standards to be implemented by the States. This notice accordingly proposes to have the States adopt certain uniform elements in their vehicle registration and titling systems. Uniformity is essential in this area due to the well-known tendency of stolen vehicles to migrate from strict jurisdictions to the more lenient.

The initial proposal is therefore to have each State adopt a title law to require each vehicle to have a certificate of title before it can be registered for operation in the State. Almost all States have adopted satisfactory title laws, so that this requirement would serve to close the few remaining gaps. Currently, an effort is underway to standardize the format of title certificates. Likewise, special tamper-proof paper, similar to that used for checks, has been developed which should be effective in limiting the counterfeiting of the titling document itself.

The second proposal is designed to change the current titling procedures to make it more difficult to secure clean titles for stolen vehicles and to provide an opportunity to examine the safety of reconstructed vehicles before allowing them to be registered for use on the public highways. To this end, the proposed standard would require the owner of a vehicle sold for salvage to submit the title to the State for cancellation. This requirement would apply to all owners, including insurance companies whose ownership occupies only a brief time before the sale for salvage. It is anticipated the State would forward the cancelled title to the buyer after noting the VIN. The proposal would require further that the Vehicle Identification Number for

each vehicle titled in the State be recorded and that a cancelled title or equivalent document be presented before a reconstructed vehicle could be titled or registered.

In addition to the elements of the standard proposed as uniform requirements, the standard would contain supplementary requirements relating to visual inspection of the vehicle identification number upon titling and to cooperation with the National Crime Information Center. The particular items from the supplementary list to be adopted by each State would be negotiated between the State and NHTSA based upon the State's program needs.

Comments are requested concerning the cost and practicability of the proposed requirements. Commenters should indicate cost estimates (including any costs related to enforcement, adjudication, and evaluation) for implementing the various measures that States might employ to deal with the problem of theft.

Because of the technical nature of this standard, a draft standard was furnished to the American Association of Motor Vehicle Administrators and other organizations intimately involved in this area. Forty-three comments from 33 States and two associations were received. A number of suggestions have been incorporated into the current version of the draft standard. All comments received by the agency have been placed in docket number 76–07. It is hoped that those who have already commented will resubmit a second set of comments concerning the revised proposal.

The draft standard also requested that those commenting provide data concerning the cost of implementing the proposal. This data has been used to prepare an analysis as required by the Secretary of Transportation's Policies to Improve Analysis and Review of Regulations (41 FR 16200).

All States except one currently maintain a titling system and a number of States meet the requirements of the proposed regulation to a great degree. Among the proposed requirements, however, there are three which carry with them financial consequences. Section 4 (d) would require a safety inspection for reconstructed vehicles. States which are not in compliance with Highway Safety Program Standard No. 1, Periodic Motor Vehicle Inspection, would have to develop a means of inspecting these vehicles. Currently, every State has some form of inspection for certain types of vehicles, although not all are in compliance with Standard No. 1. It is difficult to predict the economic consequences of this requirement, as it is likely that a State which is not complying with Standard No. 1 would also not comply with his provision.

Section 4(f) would require an evaluation of the effectiveness of the program initiated by the standard. It is anticipated that the evaluation will be structured to allow it to be carried out at a reasonable cost. Finally, it is anticipated that the requirements of the standard would result in the need for increased enforcement personnel, although this cost will be moderate. In terms of the supplementary components which are not required of the States but agreed to between the parties, the only element requiring a significant financial outlay is the computer interface with the National Crime Information Center. This cost would be largely dependent on the number of terminals a State Department of Public Safety or Motor Vehicles has and the amount of equipment currently in place. Minnesota, for example, has estimated that the development cost for their 140 branch offices would be $700,000 and the annual expense $100,000. New Jersey estimated that the initial cost of bringing their 54 field offices on line would be $4.5 million with an annual operating cost of $150,000. It is the intent of the NHTSA to consider carefully the cost to a State in negotiating this supplementary component. Statistics provided by the Federal Bureau of Investigation indicate that 973,800 vehicles were stolen during 1974 with a loss of approximately $1.5 billion.

States generally pass on the costs of titling to the consumer. Based on the comments received from the States, it is the view of the NHTSA that the cost of the proposal to the consumer would be less than $1 per title transfer.

It is important to note that section 208 of the Highway Act of 1976 (Pub. L. 94–280, 90 Stat. 454) directed that the adequacy and appropriateness of all Highway Safety Program Standards be studied. This study is to include an investigation of the necessity of establishing new standards. The NHTSA is currently carrying out the study and will report to the Congress by July 1, 1977. Any decision on the issuance of a Titling and Theft Standard will be made in the context of this study.

If the NHTSA decides to continue rulemaking after reviewing the comments and the conclusions of its study for the Congress, it will submit a final draft standard to the Congress pursuant to 23 U.S.C. 402(h) (Section 229, Pub. L. 93–87, 87 Stat. 293). Section 402(h) restricts NHTSA from issuing new standards except as provided by law. If the agency obtains a favorable response to the proposed standard, it will submit the standard to Congress to have it added to the existing program standards.

A titling and theft file has been established in the NHTSA technical reference library to serve as a collection point for relevant material. The library is located in Room 5108, 400 Seventh Street, S.W., Washington, D.C. 20590, telephone: 202–426–2768, and is open weekdays from 8:00 a.m. to 4:30 p.m.

Written comments on this notice should refer to the docket number 76–07, and should be submitted to: Docket Section, National Highway Traffic Safety Administration, Room 5108, 400 Seventh Street, S.W., Washington, D.C. 20590, telephone: 202–426–2768. To speed the distribution of comments, 5 copies are requested, but are not required.

Persons desiring to discuss this notice or arrange a meeting regarding it should contact Mr. Fred W. Vetter, Jr., Associate Administrator for Traffic Safety Programs, National Highway Traffic Safety Administration, Room 5208, 400 Seventh Street, S.W., Washington, D.C. 20590, telephone: 202–426–0837.

All comments received before the close of business on the comment closing date indicated below will be considered in the development of the standard and will be available for examination in the docket both before and after the comment closing date. To the extent possible, comments filed after the closing date will also be considered. The NHTSA will continue to file relevant material in both the docket and reference file after the closing date, and recommends that interested persons continue to examine the docket and file for new material.

Comment closing date: February 15, 1977.

(Sec. 101, Pub. L. 89–564, 80 Stat. 731; 23 U.S.C. 402; delegations at 49 CFR 1.50(b) and 49 CFR 501.8(d).)

Issued on November 15, 1976.

FRED W. VETTER, JR.,
Associate Administrator for Traffic Safety Programs.

It is proposed to amend 23 CFR 1204.4 by adding a new Highway Safety Program Standard as set forth below:

HIGHWAY SAFETY PROGRAM STANDARD
No. 19

MOTOR VEHICLE TITLING AND THEFT

S1. *Scope.* This standard specifies uniform procedures to be adopted by the States for the titling of motor vehicles and for the disposition of titles after vehicles are sold for salvage.

S2. *Purpose.* The purpose of this standard is to increase highway safety by specifying motor vehicle titling procedures that will reduce the incidence of motor vehicle theft and the resulting operation of unsafe vehicles.

S3. *Definitions.* "Certificate of title" means a document issued by a jurisdiction as proof of a vehicle's ownership for purposes of registration or assignment.

"Reconstructed motor vehicle" means any motor vehicle which has at any time been a salvage vehicle and for which application is made to a State for retitling.

"Salvage vehicle" means a motor vehicle which is sold to a salvage dealer to be scrapped, dismantled, destroyed, or salvaged for parts.

S4. *Requirements.* Each State shall have a motor vehicle titling program which meets the following requirements:

(a) The program shall require the issuance of a certificate of title upon proof of purchase to each owner of a motor vehicle, other than an owner who has purchased a vehicle for purposes of resale, and shall provide space on the certificate of title for an affidavit or other declaration authorized by law by the seller that the vehicle is or is not being sold as a salvage vehicle.

(b) The program shall require each owner of a motor vehicle for which a certificate of title has been issued to send the certificate of title to the appropriate agency of the issuing State for cancellation upon any sale of the motor vehicle as a salvage vehicle.

(c) The program shall require the issuance of a specially designated certificate of title for each reconstructed vehicle and shall require that the request for such certificate be accompanied by a cancelled certificate of title or by such other evidence of ownership as the State shall require.

(d) The program shall provide that no reconstructed vehicle may be permanently registered for highway use unless it has been inspected for safety in accordance with criteria of Highway Safety Program Standard No. 1, 23 CFR 1204.4 and by an inspector authorized by the State to determine that the vehicle is in fact the vehicle which had been sold for salvage pursuant to paragraph (b) of this section.

(e) The program shall require a record of the vehicle identification number of each vehicle for which a title is issued and of each vehicle for which a title is submitted for cancellation pursuant to section (b) of this section.

(f) The program shall require an annual evaluation of the State's motor vehicle titling program utilizing a methodology to be determined cooperatively by the State and the National Highway Traffic Safety Administration. The evaluation may consider such audit indicators as the number of stolen vehicles involved in accidents, the effectiveness of the vehicle ownership system in identifying stolen vehicles prior to registration, and the safety of reconstructed vehicles.

(g) The program shall require each State to return to the State of origin a title document obtained in the retitling process.

S5. *Supplementary components.* Each State shall agree with the Administrator of the National Highway Traffic Safety Administration to supplement the State's motor vehicle titling program with such of the following countermeasures as they determine to be necessary to meet the State's needs:

1. Transmission of the VIN of each vehicle which is stolen to the National Crime Information Center.

2. Querying State records and, in the case of out-of-State vehicles, the National Crime Information Center to determine if the VIN of a vehicle whose owner seeks titling corresponds to a vehicle which has either been stolen or whose title has been cancelled.

3. Assignment of license plates to owners and not to vehicles.

4. Enactment of provisions for the control of salvage vehicle transactions by the issuance of salvage certificates of title or other documents evidencing the ownership of salvage vehicles prior to its being retitled as a motor vehicle.

5. Ensuring that sufficient safeguards are attached to the issuance of special and/or replacement vehicle identification plates to eliminate their misuse.

[FR Doc.76-34136 Filed 11-19-76;8:45 am]

DEPARTMENT OF THE TREASURY

Bureau of Alcohol, Tobacco and Firearms

[27 CFR Part 4]

[Notice No. 304]

"APPELLATION OF ORIGIN", "VITICULTURAL AREA", "ESTATE BOTTLED", "GRAPE TYPE DESIGNATIONS", AND MISCELLANEOUS AMENDMENTS

Hearings; Withdrawal of Previous Notices

Correction

In FR Doc. 76-33289 appearing on page 50004 in the issue for Friday, November 12, 1976, the following corrections should be made:

(1) On page 50004 in the second column, second line, "19:00 a.m." should have read "10:00 a.m.".

(2) On page 50005, in the third column under "Vintage Wine", in the 6th line "§ 41.10 (h)" should have read "§ 4.10(h)".

LIBRARY OF CONGRESS

Copyright Office

[37 CFR Part 201]

[Docket RM 76-1]

FILING OF AGREEMENTS BETWEEN COPYRIGHT OWNERS AND PUBLIC BROADCASTING ENTITIES, TERMINATION OF TRANSFERS AND LICENSES COVERING EXTENDED RENEWAL TERMS, ETC.

Notice of Proposed Rulemaking

Correction

In FR Doc. 76-33820 appearing at page 50300 in the issue for Monday, November 15, 1976, in the introduction to the proposed amendment of § 201.2(b), appearing as item 3, middle column, page 50301, delete the phrase "and by revising (b)(1) as follows".

No revision to § 201.2(b)(1) is proposed in FR Doc. 76-33820. It is quoted for the purposes of identification, preceding the proposed deletion of § 201.2 (b)(2).

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[49 CFR Part 225]

[Docket No. RAR-2]

REPORTING OF ACCIDENTS/INCIDENTS

Information Provisions

The Federal Railroad Administration (FRA) is considering amendment of several provisions of its regulations governing the reporting of railroad accidents/incidents.

FRA proposes to delete paragraph (c) of § 225.11 as surplusage. It duplicates reporting instructions that are spelled out in more detail in the "FRA Guide for Preparing Accident/Incident Reports". Moreover, paragraph (a) of § 225.11 provides that such reports must be completed as prescribed in the FRA Guide.

FRA also proposes to amend §§ 225.19 (d) and 225.33 (a) and (b) to require information concerning accidents/incidents to be reported on Form FRA F 6180.55a instead of Form FRA F 6180.55 which has been revised and submitted to the Office of Management and Budget for approval (44 U.S.C. 3509). Conforming amendments would also be made in §§ 225.21 (b) and (c).

The revised Form FRA F 6180.55 will require railroads to state in each monthly report the total number of train accidents reported and the total number of Forms FRA F 6180.55a, FRA F 6180.54, and FRA F 6180.57 submitted for that month. In addition, railroads would be required to recapitulate in the space designated for that purpose, the number of casualties incurred by employees, passengers, other nontrespassers, trespassers and contract employees in train accidents, train incidents and non-train incidents during the month. The revised form would also provide space for reporting fatalities resulting from accidents/incidents reported in previous monthly reports.

The Administrator has evaluated the regulatory impact of the amendments proposed in this notice in accordance with the policies of the Department of Transportation as stated in the April 16, 1976 issue of the FEDERAL REGISTER (41 FR 16200). The proposed deletion of § 225.11(c) and amendment of §§ 225.19, 225.21, and 225.23 will impose no additional reporting burden. The proposed amendment of § 225.19(d) would merely require each railroad to tally or enumerate data and forms contained in the body of its monthly report. The additional time required to meet this new requirement will average less than one additional manhour per month per each railroad. Accordingly, the Administrator has determined that the impact of these amendments will be minimal.

Interested persons are invited to participate in the development of these rules by submitting written data, views, or comments. FRA does not anticipate scheduling an opportunity for oral comment as the facts do not appear to warrant it. An opportunity to present oral comment will be provided, however, if requested by any interested person prior to December 5, 1976. Communications should be identified by the regulatory docket number and should be submitted to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, 400 Seventh Street, SW., Washington, D.C. 20590. Communications received before December 21, 1976, will be considered before final action is taken on the proposed rules. All comments received will be available for examination by interested persons at any time during regular working hours in Room 5101, Nassif Building, 400 Seventh Street, SW., Washington, D.C. 20590. The proposals may be changed in light of the comments received.

(Secs. 12 and 20, 24 Stat. 383, 386, as amended (49 U.S.C. 12 and 20); sections 1–7, 36 Stat. 350, as amended, (45 U.S.C. 38–43); sections 202, 208, and 209, 84 Stat. 971 and 975, (45 U.S.C. 431, 437, and 438); sections 6(e) and (f), 80 Stat. 939, (49 U.S.C. 1655(e) and (f)); and sections 1.49(c) (11), (h), and (n) of the regulations of the Office of the Secretary of Transportation.)

In consideration of the foregoing, it is proposed to amend Part 225 of Title 49 of the Code of Federal Regulations as follows:

1. By revising § 225.11 to read as follows:

§ 225.11 Reporting of accidents/incidents.

(a) Each railroad subject to this part must submit to FRA a monthly report of all railroad accidents/incidents described in § 225.19. The report must be made on the forms prescribed in § 225.21 and must be submitted within 30 days after expiration of the month during which the accidents/incident occurred. Reports must be completed as required by the current FRA Guide for Preparing Accident/Incident Reports. A copy of this guide may be obtained from the Office of Safety, Federal Railroad Administration, 2100 Second Street, SW., Washington, D.C. 20590.

(b) As part of each monthly report, each Class I railroad and switching and terminal company must include a copy of its "Monthly Report of Employees, Service and Compensation" (ICC Wage Statistics, Forms A and B) submitted to the Interstate Commerce Commission for the same month.

(c) As part of its monthly reports for March, June, September and December of each year, each Class 1 railroad and switching and terminal company must include copies of the current quarterly Form OS–A report required by the Interstate Commerce Commission. As part of its monthly reports for April, July, October, and January of each year, each Class I railroad and switching and terminal company must include copies of current quarterly Form OS–B report required by the Interstate Commerce Commission.

2. By revising paragraph (d) § 225.19 to read as follows:

§ 225.19 Primary groups of accidents/incidents.

* * * * *

(d) *Death, injury or occupational illness.* Each accident/incident, arising from the operation of a railroad, must be reported on Form FRA F 6180.55a if it results in:

(1) The death of any person from an injury within 365 days of the accident/incident;

(2) The death of a railroad employee from occupational illness within 365 days after the occupational illness was diagnosed by a physician;

(3) Injury to any person other than a railroad employee that required medical treatment;

(4) Injury to a railroad employee that requires medical treatment or results in restriction of work or motion for one or more work days, one or more lost work days, termination of employment, transfer to another job or loss of consciousness; or

(5) Any occupational illness of a railroad employee as diagnosed by a physician.

3. By revising paragraphs (b) and (c) of § 225.21 to read as follows:

§ 225.21 Forms.

* * * * *

(b) *Form FRA F 6180.55—Railroad Injury and Illness Summary.* Form FRA F 6180.55 must be filed each month, even though no reportable accident/incident occurred during the month covered. Each report must include an oath or verification, made by the proper officer of the reporting railroad, as provided for attestation on the form. If no reportable accident/incident occurred during the month, that fact must be stated on this form. Class I and II line-haul and terminal and switching railroads, must show on this form the total number of locomotive train miles, motor train miles, and yard switching miles run during the month, computed in accordance with Train-Mile, Locomotive Mile, Car-Mile, and Yard Switching accounts in the Uniform System of Accounts for Railroad Companies prescribed by the Interstate Commerce Commission in 49 CFR Part 1200.

(c) *Form FRA F 6180.55a—Railroad Injury and Illness Summary (Continuation Sheet).* Form FRA F 6180.55a shall be used to report all reportable fatalities, injuries and occupational illnesses that occurred during the preceding month.

* * * * *

4. By revising paragraphs (a) and (b) of § 225.23 to read as follows:

§ 225.23 Joint operations.

(a) Any reportable death or injury to an employee arising from an accident/incident involving joint operations must be reported on Form FRA F 6180.55a by the employing railroad.

(b) In all cases involving joint operations, each railroad must report on Form FRA F 6180.55a the casualties to all persons on its train or other on-track equipment. Casualties to railroad employees must be reported by the employing railroad regardless of whether the employees were on or off duty. Casualties to all other persons not on trains or on-track equipment must be reported on Form FRA F 6180.55a by the railroad whose train or equipment is involved. Any person found unconscious or dead, if such condition arose from the operation of a railroad, on or adjacent to the premises or right-of-way of the railroad having track maintenance responsibility must be reported by that railroad on Form FRA F 6180.55a.

* * * * *

Issued in Washington, D.C. on November 17, 1976.

BRUCE M. FLOHR,
Deputy Administrator.

[FR Doc.76-34438 Filed 11-19-76;8:45 am]

[49 CFR Part 231]

[Rulemaking Docket SA–3, Notice 3]

BOX AND OTHER HOUSE CARS

Proposed Safety Appliance Standards

The Federal Railroad Administration (FRA) is considering extension of the period allowed for the completion of the removal of roof running boards required by the Safety Appliance Standards (49 CFR 231). The provision establishing the period for completion of the removal of roof boards is contained in a note to § 231.1 (49 CFR 231.1).

The provision now requires that certain railroad freight cars be modified by December 31, 1976. The freight cars that must be modified include box and other house cars, such as refrigerator cars and covered hopper cars, which were constructed on or before April 1, 1966 or were under construction on that date and were placed in service prior to October 1, 1966. The modifications required by this provision are intended to bring these freight cars into conformity, to the degree that such conformity is possible, with the provisions of § 231.27 or § 231.28 (49 CFR 231.27, 231.28). The most salient feature of the modification work needed to bring older freight cars into conformity with § 231.27 or § 231.28 is the removal of roof running boards from the older cars.

On September 15, 1976, the Association of American Railroads (AAR) filed a petition requesting that this provision be amended to provide a three year extension of this period, until December 31, 1979. The AAR estimates that approximately 127,000 cars will not have been modified when the present time period expires. The present financial and operating conditions of the railroads, including the limited shop facilities available for such modification work, are provided as reasons which support the granting of a three year extension. AAR also urges that carrier operating rules, which prohibit employees from riding or walking upon the roof of any moving freight car, ensure that the safety of operating personnel will not be impaired by this extension of time. A three year extension will in AAR's view be sufficient time to complete the modification program and such an extension will avoid the serious adverse impact on freight car supply which compliance with the current provision would require.

After carefully reviewing the AAR petition and other information at its disposal, FRA believes that a three year extension is warranted. The data available to FRA indicates that in 1966, when this regulatory provision was initially adopted, the national freight fleet numbered approximately 1,826,000 cars. A portion of that fleet, approximately 714,000 freight cars, required modification pursuant to this provision in order to remain in service. About eighteen percent of these cars still require modification if they are to remain in service. In view of the efforts of the railroads to modify this equipment or to retire older cars and replace that equipment with new freight

cars which are in compliance with § 231.27 or § 231.28. FRA believes that sufficient progress has been accomplished to permit an additional three year period for the completion of this modification program.

Although the modification effort has taken longer than previously anticipated, FRA does not have accident data which suggests that the delay represents a significant safety hazard. The available accident data for the last five years, the period between January 1971 and December 1975, does not identify any unmodified equipment as being a causal factor in accidents involving on duty railroad employees.

The Administrator has evaluated this proposed amendment of the regulation in accordance with the policies of the Department of Transportation which were stated in the public notice on April 16, 1976, in the FEDERAL REGISTER (41 FR 16200). The purpose for proposing this amendment is to respond to the problem being encountered by various railroads that are attempting to complete the modification program within the current time constraint of the existing regulatory provision. The amendment being proposed, which will only serve to provide additional time to accomplish this task, will not alter in any significant fashion the costs or benefits associated with the existing regulatory provision. Therefore, the Administrator has determined that this amendment, if adopted, will have such a minimal regulatory impact that further evaluation of this proposed regulation is not warranted.

Interested persons are invited to participate in this proceeding by submitting written data, views or comments. FRA does not anticipate scheduling an opportunity for oral comment as the facts do not appear to warrant it. An opportunity to present oral comments will be provided, however, if requested by any interested person prior to December 5, 1976. Communications should identify the regulatory docket number and should be submitted in triplicate to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, Room 5101, Nassif Building, 400 Seventh Street, SW., Washington, D.C. 20590. Communications received before December 21, 1976, will be considered by the Federal Railroad Administrator before taking final action on the rule. All comments received will be available for examination by interested persons at any time during regular working hours in Room 5101, Nassif Building, 400 Seventh Street, SW., Washington, D.C. The proposals contained in this notice may be changed in light of the comments received. Because the period allowed for removal of running boards expires on January 1, 1977, the final rule in this proceeding may be issued before and become effective on that date.

In consideration of the foregoing, it is proposed to amend § 231.1 by substituting "December 31, 1979" for "December 31, 1976" in the note, as follows:

§ 231.1 Box and other house cars.

NOTE.—After December 31, 1979, cars of this type built on or before April 1, 1966, or under construction prior to that date and placed in service before October 1, 1966, must be equipped as nearly as possible with the same complement of safety appliances, depending upon type, as specified in § 231.27 for box and other house cars without roof hatches, or in § 231.28 for box and other house cars with roof hatches. Cars built after April 1, 1966, or under construction prior thereto and placed in service after October 1, 1966, must be equipped, depending upon type, as specified in § 231.27 for box and other house cars without roof hatches, or in § 231.28 for box and other house cars with roof hatches.

* * * * *

(Safety Appliance Acts (45 USC 2, 4, 6, 8, 10, 11–16, as amended, 49 USC 1655(e); and Section 1.49(c) of the regulations of the Office of the Secretary of Transportation, 49 CFR 1.49(c).)

Issued in Washington, D.C. on November 17, 1976.

BRUCE M. FLOHR,
Deputy Administrator.

[FR Doc.76-34437 Filed 11-19-76;8:45 am]

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[50 CFR Part 17]

ENDANGERED AND THREATENED WILDLIFE AND PLANTS

Proposed Determination of Critical Habitat for the Grizzly Bear; Correction

In the FEDERAL REGISTER of November 5, 1976 (41 FR 48757–48759) and November 11, 1976 (41 FR 49859), the telephone number for the St. Anthony, Idaho, contact (Philip A. Lehenbauer) was incorrectly given as (503) 429–4041. The correct number at which to contact Mr. Lehenbauer is (503) 234–3361, ext. 4041.

Dated: November 16, 1976.

LYNN A. GREENWALT,
Director, Fish and Wildlife Service.

[FR Doc.76-34396 Filed 11-19-76;8:45 am]

notices

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Forest Service

CASCADE HEAD SCENIC-RESEARCH AREA

Availability of Final Environmental Statement

Pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969, the Forest Service, Department of Agriculture, has prepared a Final Environmental Statement for the Management Plan on the Cascade Head Scenic-Research Area, USDA–FS–FES (Adm) 76–06.

The environmental statement concerns a Management Plan which specifies management objectives and management controls necessary for the protection, management and development of the Cascade Head Scenic-Research Area. The Management Plan strives to promote a cooperative relationship with private landowners within the Area so the intent of Pub. L. 93–535 and the plan can be met. It provides for limited new public facilities to aid area visitors and it severely limits some uses and activities. It outlines management direction for the Lower Slope-Dispersed Residential Subarea which may result in some additional residences being built. It establishes a land acquisition program to implement the provisions of this plan and of Pub. L. 93–535. It establishes a long term goal of restoring the Salmon River estuary and its associated wetlands to a natural estuarine system free from man's developments. It displays a research program designed to study the coastal ecosystem.

The Final Environmental Statement was transmitted to CEQ on November 16, 1976.

Copies are available for inspection during regular working hours at the following locations:

USDA, Forest Service, South Agriculture Bldg., Room 3210, 12th St. and Independence Ave., SW., Washington, D.C. 20250.

USDA, Forest Service, Pacific Northwest Region, Multnomah Building, 319 S.W. Pine Street, Portland, Oregon 97204.

USDA, Forest Service, Siuslaw National Forest, 545 S.W. 2nd, Corvallis, Oregon 97330.

USDA, Forest Service, Siuslaw National Forest, Hebo Ranger District, Hebo, Oregon 97122.

A limited number of single copies are available upon request to:

Forest Supervisor, Siuslaw National Forest, 545 SW. 2nd, Corvallis, Oregon 97330.

Copies of the Environmental Statement have been sent to various Federal, State, and local agencies as outlined in the CEQ guidelines.

R. MAX PETERSON,
Deputy Chief, Forest Service.

NOVEMBER 16, 1976.

[FR Doc.76-34368 Filed 11-19-76;8:45 am]

Packers and Stockyards Administration

JOE TATE COMMISSION BARN, INC., LEBEAU, LOUISIANA, ET AL.

Deposting of Stockyards

It has been ascertained, and notice is hereby given, that the livestock markets named herein, originally posted on the respective dates specified below as being subject to the Packers and Stockyards Act, 1921, as amended (7 U.S.C. 181 et seq.), no longer come within the definition of a stockyard under said Act and are, therefore, no longer subject to the provisions of the Act.

Facility No., Name and Location of Stockyard		*Date of Posting*
LA–124	Joe Tate Commission Barn, Inc., Lebeau, La.	Oct. 15, 1964.
MI–125	Lincoln Livestock Auction Yards, Lincoln, Mich.	Apr. 23, 1959.
PA–118	Greenville Livestock Auction, Greenville, Pa.	Jan. 15, 1960. Apr. 25, 1973.
SC–126	Greer Livestock Co., Greer, S.C.	Nov. 20, 1958.
TX–159	Community Exchange, Inc., Edinburg, Tex.	
VT–108	Whiting Livestock Commission Sales, Whiting, Vt.	May 16, 1961.

Notice or other public procedure has not preceded promulgation of the foregoing rule. There is no legal justification for not promptly deposting a stockyard which is no longer within the definition of that term contained in the Act.

The foregoing is in the nature of a rule relieving a restriction and may be made effective in less than 30 days after publication in the FEDERAL REGISTER. This notice shall become effective on November 22, 1976.

(42 Stat. 159, as amended and supplemented; 7 U.S.C. 181 et seq.)

Done at Washington, D.C. this 16th day of November, 1976.

EDWARD L. THOMPSON,
Chief, Registrations, Bonds, and Reports Branch, Livestock Marketing Division.

[FR Doc.76-34441 Filed 11-19-76;8:45 am]

CENTRAL INTELLIGENCE AGENCY

CONTROL OF RECORDS DESTRUCTION

Procedures and Policy

On September 7, 1976 a notice was issued to all CIA personnel setting out policy and procedures for the control of records destruction. The purpose of this Notice is to insure that destruction of unnecessary or improperly maintained records is carried out in the manner prescribed by statute and by clearance of the Senate Select Committee on Intelligence.

Records subject to the moratorium on destruction will not be destroyed prior to December 10, 1976.

The text of the Notice is as follows:

RECORDS CONTROL SCHEDULES AND THE DESTRUCTION MORATORIUM

(1) CIA has statutory obligations (44 U.S.C. 33) to obtain approval of the Administrator of General Services for the retention and destruction of records. The mechanism for obtaining this approval is the submission of records control schedules to the National Archives and Records Service (NARS) for approval by the Archivist of the United States. GSA Bulletin FPMR B–62, dated 22 January 1976, requires Federal agencies to submit to NARS updated records control schedules by 31 December 1976. In a memorandum dated 20 April 1976, the DCI directed that Agency records control schedules be updated by 30 September 1976 and processed through the Directorate of Administration for approval by NARS prior to the destruction of records.

(2) Senate Resolution 21, dated 21 January 1975, established the Senate Select Committee to Study Governmental Operations With Respect to Intelligence Activities. The Senate leadership requested in a letter dated 27 January 1975 that the Agency not dispose of any records or documents bearing on the subjects under investigation by the Select Committee. In a memorandum dated 28 January 1975, Mr. Colby directed that any records or documents that may have a bearing on Senate Resolution 21 not be destroyed. This was extended to include practically all Agency documents. This hold on destruction has since been referred to as "the moratorium." In a letter to the Senate leadership dated 22 June 1976, the DCI extended the moratorium on destruction of records until 10 December 1976.

(3) CIA policy on destruction of records is that:

(a) All records, including those falling under General Records Schedules, will be covered by records control schedules approved by NARS (with a copy provided to the Senate Select Committee on Intelligence) prior to their destruction.

(b) Routine administrative records not involved under Senate Resolution 21 that are scheduled for immediate destruction will be destroyed upon receipt of NARS approval and after appropriate clearance from the Senate Select Committee.

(c) Records involved under Senate Resolution 21 that are scheduled for immediate destruction will be destroyed after NARS approval, and appropriate clearance from the Senate Select Committee but in no case prior to 10 December 1976.

(d) Any Agency documents and materials that are identified by the General Counsel as the subject of litigation or of possible litigation, or as of interest in matters under investigation by the Justice Department, will not be destroyed without the prior approval of the General Counsel. This includes documents and materials relating to Freedom of Information Act and Privacy Act requests to the Agency.

(e) Extra copies of documents preserved only for convenience of reference or for distribution stocks of publications may be destroyed when no longer needed.

JOHN F. BLAKE,
Deputy Director for Administration.

[FR Doc.34393 Filed 11-19-76;8:45 am]

CIVIL AERONAUTICS BOARD

[Order 76-11-73; Docket 27592, Agreement C.A.B. 26202; Docket 29123, Agreement C.A.B. 26204 R-1 through R-6, Agreement C.A.B. 26206 R-1 and R-2, R-4 through R-9, Agreement C.A.B. 26214, Agreement C.A.B. 26231]

INTERNATIONAL AIR TRANSPORT ASSOCIATION

Passenger Fare Matters

Agreements have been filed with the Board pursuant to section 412(a) of the Federal Aviation Act of 1958 (the Act) and Part 261 of the Board's Economic Regulations between various air carriers, foreign air carriers and other carriers embodied in the resolutions of the Traffic Conferences of the International Air Transport Association (IATA). The agreements were adopted at either the Special Composite Passenger and Cargo Traffic Conference-Currency or the Composite Passenger Traffic Conference both held in Miami during August and September–October, respectively, of this year and, unless otherwise noted, intended for effect in November or December of 1976.

The agreements would have either direct application in air transportation as defined by the Act as follows: Agreement C.A.B. 26202 would exempt Fiji domestic and add-on fares from application of a currency-related surcharge on passenger fares originating in that country destined to Area 2 (Europe/Middle East/Africa). Agreement C.A.B. 26204 would amend a number of proportional fares use to construct through fares over the Mid Atlantic. Agreement C.A.B. 26206 would permit departure from the IATA fare construction rules for certain specified intra-Pacific routings, increase passenger fares between most Middle Eastern points by 3 percent, increase passenger fares between Italy/Paris and Tel Aviv by 5 percent, and amend certain South Atlantic proportional fares. Agreement C.A.B. 26214 would permit an existing exception to the IATA fare construction rules for certain Mid Atlantic normal economy fares to continue through March 31, 1977. Finally, Agreement C.A.B. 26231 would increase all passenger fares between certain Middle Eastern points and points on the Indian Subcontinent by 5 percent, effective April 1, 1977.

We will approve the agreements which, for the most part, involve passenger fares which are combinable with fares to/from the United States and thus have only indirect application in air transportation as defined by the Act. The changes in Mid-Atlantic proportional fares, used to construct through fares to/from Puerto Rico and the Virgin Islands over the Mid Atlantic, appear warranted inasmuch as they reffect changes in domestic fares within Area 2.

Pursuant to authority duly delegated by the Board in the Board's Regulations, 14 CFR 385.14:

1. It is not found that the following resolutions, incorporated in Agreement C.A.B. 26204 as indicated, are adverse to the public interest or in violation of the Act:

Agreement CAB	IATA No.	Title	Application
26204:			
R-1	054b(I)	Mid-Atlantic First-Class Fares (Amending)	1/2
R-2	064b(I)	Mid-Atlantic Economy-Class Fares (Amending)	1/2
R-3	054b(II)	Mid-Atlantic First-Class Fares (Amending)	1/2
R-4	064b(II)	Mid-Atlantic Economy-Class Fares (Amending)	1/2
R-5	054b(III)	Mid-Atlantic First-Class Fares (Amending)	1/2
R-6	064b(III)	Mid-Atlantic Economy-Class Fares (Amending)	1/2

2. It is not found that the following resolutions, incorporated in the agreements as indicated and which have indirect application in Air Transportation as defined by the Act, are adverse to the public interest or in violation of the Act:

Agreement CAB	IATA No.	Title	Application
26202	022f	JT23/123 Special Rules for Sales of Passenger Air Transportation (Expedited) (Amending).	2/3; 1/2/3.
R-1	002m	Special Amending Resolution (Expedited)	3.
R-2	002n	Special Amending Resolution (Expedited)	3.
R-4	003b	General Increase in Passenger Fares (Expedited) (New)	2.
R-5	003c	General Increase In Passenger Fares (Expedited) (New)	2.
R-7	054c	South Atlantic Normal First-Class Fares (Expedited) (Amending)	1/2.
R-8	064c	South Atlantic Economy-Class Fares (Expedited) (Amending)	1/2.
26214	002k	Special Amending Resolution (Expedited)	1/2 (Mid-Atlantic).
26231	005k	General Increase in Passenger Fares (New)	2/3.

3. It is not found that the following resolutions, incorporated in Agreement C.A.B. 26206 as indicated, affect air transportation within the meaning of the Act:

Agreement CAB	IATA No.	Title	Application
26206:			
R-6	045	Passenger Charters (Expedited) (Amending)††	1/2; 1/2/3 (South Atlantic).
R-9	084kk	TC3 Group Inclusive Tour Fares—Asia/South West Pacific (Expedited) (Amending).	3.

Accordingly, *it is ordered*, That:

1. Those resolutions set forth in finding paragraphs one and two above be and hereby are approved; and

2. Jurisdiction be and hereby is disclaimed with respect to the resolutions set forth in finding paragraph three above.

Persons entitled to petition the Board for review of this order, pursuant to the Board's Regulations, 14 CFR 385.50, may file such petitions within ten days after the date of service of this order.

This order shall be effective and become the action of the Civil Aeronautics Board upon expiration of the above period, unless within such period a petition for review thereof is filed or the Board gives notice that it will review this order on its own motion.

This order will be published in the FEDERAL REGISTER.

PHYLLIS T. KAYLOR,
Secretary.

[FR Doc.76-34269 Filed 11-19-76;8:45 am]

[Order 76-11-92; Docket 29965]

UNITED AIR LINES, INC.

Round-Trip Charter Charge; Order Dismissing Complaint

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. on the 16th day of November, 1976.

By tariff revisions[1] marked to become effective November 18, 1976, United Air Lines, Inc. (United) proposes to establish a round-trip point-to-point charter rate of $229.00 per seat from New York to Honolulu applicable on and after January 1, 1977 on Tuesdays and Wednesdays on flights operated with 223-seat DC–8–61 aircraft.[2] The proposed rate reflects a reduction from United's present plane-mile rate of about 13.5 percent.

In support of its proposal, United alleges that it is matching the B–747 charter rate presently in effect for American Airlines, Inc. (American) between these points, and that the aircraft operating costs per seat are lower for its DC–8 aircraft than for American's B–747 aircraft.

American has filed a complaint alleging that United's cost comparison does not constitute cost justification, that to be cost justified a rate must cover the cost of providing the service, and that United provides no evidence that this is the case.

United has answered, alleging that the comparison of cost characteristics of its DC–8 and American's B–747 aircraft contained in United's justification were submitted not to justify the fares on a cost basis but, rather, to show that United's operations are substantially similar to American's and that United should therefore be permitted to meet American's rate for competitive reasons under § 221.165(d)(iv)(a) of the Board's Economic Regulations. Assuming arguendo that cost justification is relevant, United alleges that its use of the lower rate is more justifiable than is American's because United's aircraft operating costs per seat mile are lower.

Upon consideration of all relevant matters, the Board finds that the complaint does not set forth sufficient facts to warrant investigation, and consequently the request for suspension will be denied and the complaint dismissed.

As United alleges, during the first six months of 1976 its overall DC–8–61 operating expenses were about 20 percent lower on a seat-mile basis than were American's corresponding B–747 costs. In addition, we have no reason to believe that United's traffic costs or indirect costs exceed those of American so as to offset United's apparent direct operating cost advantage. In these circumstances we believe United should be permitted to match its competitor's lower rate, notwithstanding the different type of aircraft involved.

Accordingly, pursuant to the Federal Aviation Act of 1958, and particularly sections 204(a), 403, 404, and 1002 thereof,

It is ordered, That, 1. The complaint of American Airlines, Inc. in Docket 29965 is hereby dismissed; and

2. Copies of this order be served upon United Air Lines, Inc. and American Airlines, Inc.

This order will be published in the FEDERAL REGISTER.

By the Civil Aeronautics Board.

JAMES R. DERSTINE,
Acting Secretary.

[FR Doc.76–34415 Filed 11–19–76;8:45 am]

[1] Revisions to United's Tariff C.A.B. No. 340.

[2] The proposed rate would apply only to noncommissionable types of charters.

CIVIL RIGHTS COMMISSION

CALIFORNIA ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the California Advisory Committee (SAC) of the Commission will convene at 1 p.m. and end at 4 p.m. on December 12, 1976, at the Ambassador Hotel, 3400 Wilshire Boulevard, Lido Room, Los Angeles, California 90005.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Western Regional Office of the Commission, 312 North Spring Street, Room 1015, Los Angeles, California 90012.

The purpose of this meeting is a planning session and briefing by Project Team Leader of the National School Desegregation Study (Los Angeles Hearing Team). Discussion of followup to recently released Advisory Committee reports and progress on media study.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 16, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76–34357 Filed 11–19–76;8:45 am]

ILLINOIS ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Illinois Advisory Committee (SAC) of the Commission will convene at 10:30 a.m. and end at 3:00 p.m. on December 14, 1976, at 230 South Dearborn Street, Room 3280, Chicago, Illinois 60604.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Mid-western Regional Office of the Commission, 230 South Dearborn Street, 32nd Floor, Chicago, Illinois 60604.

The purpose of this meeting: Report on Regional Conference; Discussion of Education Subcommittee project; and consider future projects proposed by the Committee.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 16, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76–34359 Filed 11–19–76;8:45 am]

KANSAS ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Kansas Advisory Committee (SAC) to this Commission will convene at 10:30 a.m. and at 2:00 p.m. on December 11, 1976, at the Cody Motor Inn, 4th and Shawnee Streets, Red Room, Leavenworth, Kansas.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Central States Regional Office of the Commission, Old Federal Office Bldg., Room 3103, 911 Walnut Street, Kansas City, Missouri 64106.

The purpose of this meeting is to discuss followup to the Committee's prison report.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 15, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76–34359 Filed 11–19–76;8:45 am]

LOUISIANA ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a confreence of the Louisiana Advisory Committee (SAC) of the Commission will convene at 8 a.m. and end at 5:30 p.m. on December 11, 1976, at the Southern University, W. W. Stewart Hall, Baton Rouge, Louisiana 70813.

Persons wishing to attend this conference should contact the Committee Chairperson or the Southwest Regional Office of the Commission, New Moore Building, Room 231, 106 Broadway, San Antonio, Texas 78205.

The purposes of this conference are: Five workshops on improving prisons through actions of the legislature; improving prisons through legal action; improving prisons with community action; development and utilization of alternatives to incarceration and reforming prisons with community based corrections. The recommendations in the Louisiana prison report will be discussed.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 15, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76-34360 Filed 11-19-76;8:45 am]

MASSACHUSETTS ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Massachusetts Advisory Committee (SAC) of the Commission will convene at 12 noon and end at 5 p.m. on December 9, 1976, at the Jewish Labor Committee, 27 School Street, Boston, Massachusetts.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Northeastern Regional Office of the Commission, 26 Federal Plaza, Room 1639, New York, New York 10007.

The purpose of this meeting is to discuss status of subcommittees.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 16, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76-34361 Filed 11-19-76;8:45 am]

MINNESOTA ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Minnesota Advisory Committee (SAC) of the Commission will convene at 7 p.m. and end at 9 p.m. on December 10, 1976, at St. Paul Radisson Hotel, 11 E. Kellogg, St. Paul, Minnesota 55101.

Persons wishing to attend this open should contact the Committee Chairperson, or the Mid-western Regional Office of the Commission, 230 South Dearborn Street, 32nd Floor, Chicago, Illinois 60604.

The purpose of this meeting: American Indians Sub-Committee—Followup project—Review Proposal for Mini-hearing and Correspondence Regarding Duluth Alternative School Situation.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 16, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76-34362 Filed 11-19-76;8:45 am]

MINNESOTA ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Minnesota Advisory Committee (SAC) of the Commission will convene at 9:00 a.m. and end at 12:00 noon on December 11, 1976, at St. Paul Radisson Hotel, 11 E. Kellogg, St. Paul, Minnesota 55101.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Mid-western Regional Office of the Commission, 230 South Dearborn Street, 32nd Floor, Chicago, Illinois 60604.

The purpose of this meeting will be to discuss and plan a mini-conference on Police/Community Relations for January. Discuss mini-hearing on American Indians as followup to SAC report "Bridging the Gap."

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washigton, D.C., November 16, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76-34363 Filed 11-19-76;8:45 am]

NEW HAMPSHIRE ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the New Hampshire Advisory Committee (SAC) of the Commission will convene at 7:30 p.m. and end at 9:30 p.m. on December 14, 1976, at the Ramada Inn, Concord, New Hampshire.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Northeastern Regional Office of the Commission, 26 Federal Plaza, Room 1639, New York, New York 10007.

The purpose of this meeting is to discuss current projects affirmative action and aging.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 16, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76-34364 Filed 11-19-76;8:45 am]

NEW HAMPSHIRE ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the New Hampshire Advisory Committee (SAC) of the Commission will convene at 7:30 p.m. and end at 10 p.m. on December 7, 1976, at the New Hampshire Highway Hotel, Concord, New Hamphire.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Northeastern Regional Office of the Commission, 26 Federal Plaza, Room 1639, New York, New York 10007.

The purpose of this meeting is to plan program activities on affirmative action and problems of the aging.

This meeting will be conducted pursuant to the provision of the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 16, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76-34356 Filed 11-19-76;8:45 am]

NEW JERSEY ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the New Jersey Advisory Committee (SAC) to this Commission will convene at 6:30 p.m. and end at 10:00 p.m. on January 13, 1977, at the Ramada Inn, New Brunswick, New Jersey.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Northeastern Regional Office of the Commission, 26 Federal Plaza, Room 1639, New York, New York 10007.

The purpose of this meeting is to discuss status of Advisory Committee projects.

This meeting will be conducted pursuant to the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 15, 1976.

ISAIAH T. CRESWELL, Jr.,
Advisory Committee Management Officer.

[FR Doc.76-34365 Filed 11-19-76;8:45 am]

VERMONT ADVISORY COMMITTEE

Agenda and Open Meeting

Notice is hereby given, pursuant to the provisions of the Rules and Regulations of the U.S. Commission on Civil Rights, that a planning meeting of the Vermont Advisory Committee (SAC) of the Commission will convene at 7:30 p.m. and end at 10 p.m. on December 13, 1976, at the Tavern Motor Inn, Montpelier, Vermont.

Persons wishing to attend this open meeting should contact the Committee Chairperson, or the Northeastern Regional Office of the Commission, 26 Fed-

eral Plaza, Room 1639, New York, New York 10007.

The purpose of this meeting is to discuss followup activities on SAC projects.

This meeting will be conducted pursuant to the provisions of the Rules and Regulations of the Commission.

Dated at Washington, D.C., November 15, 1976.

ISAIAH T. CRESWELL, JR.,
Advisory Committee Management Officer.

[FR Doc.76-34366 Filed 11-19-76;8:45 am]

DEPARTMENT OF COMMERCE

Maritime Administration

[Docket No. S-522]

BOLTON SHIPPING CO., INC. (BOLTON) AND COLBY SHIPPING CO., INC. (COLBY)

Applications

Notice is hereby given that applications have been filed under the Merchant Marine Act, 1936, as amended (the Act), for operating-differential subsidy with respect to bulk cargo carrying service in the U.S. foreign trade, principally between the United States and the Union of Soviet Socialist Republics, to expire on December 31, 1976, or upon completion of a voyage(s) in progress on that date.

Bolton and Colby are affiliated with Judge Oil Transport, Inc., an affiliate of Worth Oil Transport Company in which Leo V. Berger and Peter Constas (sole stockholders of Bolton and Colby) have an interest. Inasmuch as Judge Oil Transport, Inc. operates a barge in the U.S. coastwide trade, written permission of the Maritime Administration under section 805(a) of the Merchant Marine Act, 1936, as amended will be required by Bolton and Colby if their respective applications for operating-differential subsidy are to be granted.

Written permission is required under section 805(a) notwithstanding the fact that a voyage in the proposed service on which the vessels engaged in domestic intercostal or coastwide trade would not be eligible for subsidy.

Any person, firm, or corporation having any interest (within the meaning of section 805(a)) in such applications and desiring to be heard on issues pertinent to section 805(a) and desiring to submit comments or views concerning the applications must, by close of business on December 2, 1976, file same with the Secretary, Maritime Administration, in writing, in triplicate, together with petition for leave to intervene which shall state clearly and concisely the grounds of interest, and the alleged facts relied on for relief.

If no petitions for leave to intervene are received within the specified time or if it is determined that petitions filed do not demonstrate sufficient interest to warrant a hearing, the Maritime Administration will take such action as may be deemed appropriate.

In the event petitions regarding the relevant section 805(a) issues are received from parties with standing to be heard, a hearing will be held, the purpose of which will be to receive evidence under section 805(a) relative to whether the proposed operations (a) could result in unfair competition to any person, firm, or corporation operating exclusively in the coastwise or intercoastal service, or (b) would be prejudicial to the objects and policy of the Act relative to domestic trade operations.

(Catalog of Federal Domestic Assistance Program No. 11.504 Operating-Differential Subsidies (ODS).)

By order of the Maritime Subsidy Board.

Dated: November 17, 1976.

JAMES S. DAWSON, JR.,
Secretary.

[FR Doc.76-34486 Filed 11-19-76;8:45 am]

COMMISSION ON POSTAL SERVICE

ISSUES OF POSTAL POLICY BEFORE THE COMMISSION

Invitation to Comment

Pursuant to section 7(c)(2) of the Postal Reorganization Act Amendments of 1976 ("the Act"), Public Law 94-421, 90 Stat. 1309, the Commission on Postal Service gives notice of its intention to receive comments and testimony from the public on issues which it has been charged to consider by section 7(b) of the Act.

The Commission is composed of nine members, three appointed by the President of the United States, two appointed by the President pro tempore of the Senate, two appointed by the Speaker of the House of Representatives, the Postmaster General and the Chairman of the Postal Rate Commission. The Commission was established to make and submit to Congress and the President, by March 15, 1977, a report on "the problems facing the United States Postal Service and recommend(ed) actions to be taken to resolve these problems."

The Commission is not limited to consideration of particular issues but practical limitations on the Commission's time suggest that the five issues specified in section 7(b) of the Act are of predominant importance. The five issues are as follows:

The Commission shall not be limited to any particular subject areas for consideration but the Commission—

(1) shall identify and study the public service aspects of the United States Postal Service, shall recommend to what extent and by what means such aspects may be defined and costs thereof reasonably estimated, and shall, insofar as practicable, identify any difference between—

(A) the costs that the Postal Service should reasonably be expected to incur in providing postal services in accordance with the policies of title 39, United States Code, and

(B) the revenues that the Postal Service may reasonably be expected to receive from rates and fees for postal services, with due consideration to the fact that demands for postal services may be reflected by changes in the levels of such rates and fees;

(2) shall determine the extent to which the public service aspects of the Postal Service shall be supported by appropriations and shall recommend a plan for such appropriations with due consideration being given to—

(A) the economic and social benefits of the postal system to the user and recipient of the mail.

(B) the relative economic ability of the users of various classes of mail to absorb the costs of the postal system,

(C) the extent to which the costs of maintaining a system which would provide a reasonable degree of regular postal services to the entire public without regard to individual usage, and the degree to which such costs should be borne by the public generally rather than by mail users in particular,

(D) the relative economic and social benefits of other uses of private and public funds, and

(E) the need of the Postal Service for adequate and dependable funding and for systematic planning and ratemaking to provide efficient and economical postal services in accordance with the policies of title 39, United States Code;

(3) shall study the desirability and feasibility of—

(A) the ratemaking procedures established under title 39, United States Code, particularly the functions and responsibilities of the Postal Rate Commission, and shall develop recommendations for more expeditious and economical procedures that are responsive to the needs of the Postal Service and the public, including, if the Commission recommends the abolition of the Postal Rate Commission, a method of assuring that changes in postal rates shall be reviewed independently outside the Postal Service,

(B) a system in which changes in postal rates shall not exceed changes in consumer prices unless greater changes in such rates are approved by a body independent of the Postal Service,

(C) the ratemaking criteria established by section 3622(b) of title 39, United States Code, and

(D) a statutory requirement for cost attributions to particular classes of mail or types of mail service;

(4) shall review the appropriateness of current and future service levels and the extent to which, if any, such levels should be supported by appropriations; and

(5) shall review the long range impact of new electronic fund transfers and communication techniques, the effect of such transfers and techniques on mail volumes and revenues of the Postal Service, and the feasibility of the Postal Service operating such systems.

Hearings will be held during January, 1977, in Washington, D.C., to allow interested parties to testify. Further information regarding hearing dates and procedures will be published in the FEDERAL REGISTER.

The Commission presently invites interested persons to submit written

comments. Comments should contain a separately labeled statement on each issue. Comments should state the name and address of the person in whose behalf the document is submitted and, in the case of comments filed by groups or associations, a complete membership listing. The document should also provide information regarding the types and volumes of postal services (by class of mail or type of special service) utilized by filing party or group or association members.

Comments should be typewritten on paper of letter size, 8 to 8½ inches wide by 10½ to 11 inches long, with left-hand margin not less than 1½ inches wide and other margins not less than 1 inch, except that tables, charts or special documents attached thereto may be larger if required, provided that they are folded to the size of the document to which they are attached. The text shall be double-spaced except that footnotes and quotations may be single spaced. Fifteen copies shall be filed of all comments which exceed 5 pages in length; 4 copies shall be filed of comments of 5 pages or less. Comments submitted by individual citizens expressing personal views will be considered even if they are not prepared in compliance with the foregoing requirements.

Comments must be mailed by December 23, 1976, addressed to the Commission on Postal Service, 1750 K Street, N.W., Washington, D.C. 20006. Reply comments must be mailed by January 7, 1977. A file of all comments will be maintained at Commission offices for public inspection during regular office hours of 9 a.m. to 5:30 p.m., Monday thru Friday.

By the Commission.

DAVID MINTON,
Executive Director.

[FR Doc.76-34495 Filed 11-19-76;8:45 am]

DELAWARE RIVER BASIN COMMISSION

HOFFMANN-LAROCHE, INC.

Negative Declaration; Proposed Water Intake Project

Pursuant to Section 2-4.5 of the Rules of Practice and Procedure of the Delaware River Basin Commission, a Notice of Intent having been duly published on October 12, 1976, the Executive Director hereby finds and determines that action on the proposed facility would not have a significant environmental impact and would not constitute a major action significantly affecting the quality of the human environment in the Delaware River Basin. This determination is based upon an environmental assessment dated October 1976.

This Negative Declaration is issued pursuant to Article 4 of the Commission's Rules of Practice and Procedure this 9th day of November 1976.

JAMES F. WRIGHT,
Executive Director.

[FR Doc.76-34338 Filed 11-19-76;8:45 am]

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

COMMITTEE ON SENIOR REVIEWERS

Meeting

NOVEMBER 17, 1976.

The Committee of Senior Reviewers will hold a meeting on December 13 and 14, 1976, at the Savannah River Operations Office, Aiken, South Carolina. The subjects scheduled for discussion involve weapons, laser fusion, isotope separation, and other topics concerned with Restricted Data and other National Security Information.

This meeting will be closed to the public under the authority of subsection 10(d) of Pub. L. 92-463 (the Federal Advisory Committee Act).

I have determined, in accordance with subsection 10(d) of Pub. L. 92-463, that the discussions will concern Restricted Data which is exempt from disclosure under 5 U.S.C. 552(b) (1) and (3) and other National Security Information which is exempt from disclosure under 5 U.S.C. 552(b)(1). It is essential to close the meeting to protect such classified information.

HARRY L. PEEBLES,
Deputy Advisory Committee Management Officer.

[FR Doc.76-34398 Filed 11-19-76;8:45 am]

ENVIRONMENTAL PROTECTION AGENCY

[FRL 640-3]

GUIDELINES FOR STATE AND AREAWIDE WATER QUALITY MANAGEMENT PROGRAM DEVELOPMENT

Availability for Public Review and Comment

Correction

In FR Doc. 76-32510 appearing on page 48777 in the issue for Friday, November 5, 1976, on page 48778, in the first paragraph under the heading "Summary", the seventh line now reading "* * * on the water be achieved by July 1, 1983' " should have read "* * * on the water be achieved by July 1, 1983" wherever attainable".

[FRL 647-3; OPP-00033]

FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE SCIENTIFIC ADVISORY PANEL

Appointment of Panel Members and Notice of First Meeting

Notice is hereby given of the appointment of members of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) Scientific Advisory Panel established pursuant to section 25(d) of FIFRA, as amended (86 Stat. 973 and 89 Stat. 751; 7 U.S.C. 136 et seq.). Public notice of nominees along with a request for public comments appeared in the FEDERAL REGISTER on August 3, 1976 (41 FR 32464), and August 31, 1976 (41 FR 36682).

Congress mandated that the Panel would consist of seven members, selected from candidates nominated by the National Science Foundation (NSF) and the National Institutes of Health (NIH). The selection process for this Panel was exceptionally difficult since all candidates were distinguished scientists with outstanding credentials. Nominees appointed by the Administrator to serve as members of the FIFRA Scientific Advisory Panel are as follows:

John E. Davies, M.D., M.P.H. (epidemiology) (NIH)
John Doull, M.D., Ph.D. (Pharmacology) (NIH)
Robert A. Neal, Ph.D. (toxicology) (NIH)
Edward A. Smuckler, M.D., Ph.D. (pathology) (NIH)
David E. Davis, Ph.D. (animal ecology) (NSF)
Robert Lee Metcalf, Ph.D. (entomology/biochemistry) (NSF)
Dewayne C. Torgeson, Ph.D. (plant pathology) (NSF)

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), notice is hereby given that a two-day meeting of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA) Scientific Advisory Panel will be held from 8:30 a.m. to 4:30 p.m. on Thursday, December 9, 1976, and on Friday, December 10, 1976. The meeting will be held in Room 1112A, Crystal Mall Building Number 2, 1921 Jefferson Davis Highway, Arlington, Virginia.

In accordance with section 25(d) of FIFRA as amended, the Scientific Advisory Panel will comment on the impact on health and the environment of regulatory actions under sections 6(b) and 25(a) prior to implementation. This is the inaugural meeting of the Panel. The purpose of the meeting is to discuss the following topics.

1. Organizational activities of the Panel.
2. Explanation of EPA regulatory programs with special emphasis on pesticides.
3. Comprehensive briefing on plans for implementation of FIFRA, as amended.
4. Overview of pending regulatory actions to be submitted to the Panel for review during the next 12 months.

The meeting will be open to the public. Any member of the public wishing to attend or submit a paper should contact Dr. H. Wade Fowler, Jr., Executive Secretary, FIFRA Scientific Advisory Panel, Office of Pesticide Programs (WH-567), Room E315, Environmental Protection Agency, 401 M Street S.W., Washington, D.C. 20460 (telephone: 202/755-4851).

Dated: November 16, 1976.

JAMES M. CONLON,
Acting Deputy Assistant Administrator for Pesticide Programs.

[FR Doc.76-34491 Filed 11-19-76;8:45 am]

[FRL 647-6; OPP-250002]

PESTICIDE PROGRAMS

Notification of the Secretary of Agriculture of A Proposed Rule

Notice is hereby given as required by section 25(a)(2)(D) of the Federal Insecticide, Fungicide, and Rodenticide

Act, as amended (Pub. L. 92–516, 86 Stat. 973; Pub. L. 94–140, 89 Stat. 755; 7 U.S.C. 136 et. seq., hereinafter referred to as FIFRA) that the Administrator of the Environmental Protection Agency (EPA) has forwarded to the Secretary of the U.S. Department of Agriculture, a draft copy of EPA's proposed rules designed to fully implement the data compensation provisions of FIFRA, section 3(c)(1)(D).

Section 25(a)(2)(A) of FIFRA provides that the Administrator shall provide the Secretary of Agriculture a copy of any proposed regulation at least 60 days prior to signing it for publication in the FEDERAL REGISTER. If the Secretary comments in writing regarding the proposed regulation within 30 days of receiving it, the Administrator shall publish in the FEDERAL REGISTER (with the proposed regulation) the comments of the Secretary and the response thereto of the Administrator. If the Secretary does not comment in writing within 30 days after receiving the proposed regulation, the Administrator may sign such regulation for publication in the FEDERAL REGISTER anytime after such 30 day period.

Pursuant to FIFRA section 25(a)(3), the draft copy of these proposed regulations has also been forwarded to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture and Forestry of the Senate. In addition, as soon as the Scientific Advisory Panel of FIFRA section 25(d) convenes, these proposed regulations will be submitted to them for comment as to the impact, if any, on health and the environment.

Dated: November 17, 1976.

EDWIN L. JOHNSON,
Deputy Assistant Administrator for Pesticide Programs.

[FR Doc.76-34493 Filed 11-19-76;8:45 am]

FEDERAL COMMUNICATIONS COMMISSION

FM AND TV TRANSLATOR APPLICATIONS READY AND AVAILABLE FOR PROCESSING

Adopted: November 11, 1976.

Released: November 16, 1976.

Notice is hereby given pursuant to §§ 1.472(c) and 1.573(d) of the Commission's rules, that on January 4, 1977, the TV and FM translator applications listed in the attached Appendix will be considered as ready and available for processing. Pursuant to §§ 1.227(d) and 1.519(b) of the Commission's rules, an application, in order to be considered with any application appearing on the attached list or with any other application on file by the close of business on January 3, 1977, which involves a conflict necessitating a hearing with any application on this list, must be substantially complete and submitted for filing at the offices of the Commission in Washington, D.C., by the close of business on January 3, 1977.

The attention of any party in interest desiring to file pleadings concerning any pending TV and FM translator application, pursuant to section 309(d)(1) of the Communications Act of 1934, as amended, is directed to § 1.580(i) of the Commission's rules for provisions governing the time for filing and other requirements relating to such pleadings.

FEDERAL COMMUNICATIONS COMMISSION,
VINCENT J. MULLINS,
Secretary.

FM TRANSLATOR APPLICATIONS

BPFT-353 (new), Marathon, Wis., Wisconsin Valley Christian Radio, Inc., Req: Channel 221A, 92.1 MHz, 1 watt. Primary: WRVM (FM), Suring, Wis.

BPFT-355 (new), Sundance, Wyo., Midland Broadcasting Co. of Wyoming. Req: Channel 296, 107.1 MHz, 1 watt. Primary: KOLL-FM, Gillette, Wyo.

BPFT-356 (new), Hot Springs, S.D., James B. Kinney. Req: Channel 296, 107.1 MHz, 1 watt. Primary: KKLS-FM, Rapid City, S. Dak.

BPFT-357 (new), Custer, S. Dak., James B. Kinney, Req: Channel 296, 107.1 MHz, 1 watt. Primary: KKLS-FM, Rapid City, S. Dak.

BPFT-358 (new), Dunsmuir and Mt. Shasta, Calif., William Alden Bevins. Req: Channel 288, 105.5 MHz, 10.0 watts. Primary: KVIP-FM, Redding, Calif.

BPFT-359 (new), Selma, Ala., Selma Area Christian Radio Association. Req: Channel 288A, 105.5 MHz, 1.0 watt. Primary: WPCS-FM, Pensacola, Fla.

BPFT-360 (new), Klamath Falls, Henley, Altamont, Keno, Merrill, Malin, all Oreg.—Tulelake, Calif. Inspirational Radio, Southern Oregon. Req: Channel 278, 103.5 MHz, 10 watts. Primary: KVIP(FM), Redding, Calif.

UHF TV TRANSLATOR APPLICATIONS

BPTT-3106 (new), Capitan & Ruidoso, N. Mex., Apache Tribe of Mescalero. Req: Channel 64, 770–776 MHz, 10 watts. Primary: KOB-TV, Albuquerque, N. Mex.

BPTT-3107 (new), South Fork & Cedar Canyon Communities, N. Mex., Apache Tribe of Mescalero. Req: Channel 67, 788–794 MHz, 1 watt. Primary: KOB-TV, Albuquerque, N. Mex.

BPTT-3110 (new), Mountaintop Area, Pa., Scranton Broadcasters, Inc. Req: Channel 65, 776–782 MHz, 100 watts. Primary: WDAU-TV, Scranton, Pa.

BPTT-3112 (new), Boulder City, Nev., Boulder City, Nev. Req: Channel 65, 776–782 MHz, 100 watts. Primary: KSHO, Las Vegas, Nev.

BPTT-3113 K70AB Hawthorne & Babbit, Nev., Mineral Television District No. 1. Req: To delete Babbit, Neveda from present principal community.

BPTT-3114 K80AH Hawthorne & Babbit, Nev., Mineral Television District No. 1. Req: To delete Babbit, Nevada from present principal community.

BPTT-3123 (new), Augusta, Ky., Kentucky State Board of Education. Req: Channel 58, 734–740 MHz, 100 watts. Primary: WCVN-TV, Covington, Ky.

BPITT-3124 (new), Lucerne Valley, Calif., County of San Bernardino, County Service Area 29. Req: Channel 48, 674–680 MHz, 100 watts. Primary: KTTV(TV), Los Angeles, Calif.

BPTT-3125 (new), North Steptoe Valley, Nev., White Pine Television District No. 1. Req: Channel 61, 752–758 MHz, 100 watts. Primary: KSL-TV, Salt Lake City, Utah.

VHF TV TRANSLATOR APPLICATIONS

BPTTV-5687 (new), BP Alaska Camp—Prudhoe Bay, Alaska, Northern Television, Incorporated. Req: Channel 8, 180–186 MHz, 100 watts. Primary: KENI-TV, and KTVA-TV, Anchorage, Alaska.

BPTTV-5688 (new), Pagosa Springs, Colo., XYZ-Television, Inc. Req: Channel 2, 54–60 MHz, 10 watts. Primary: KREZ-TV, Durango, Colo.

BPTTV-5689 (new), Coyote, N. Mex., Coyote Television Translator Company. Req: Channel 2, 54–60 MHz, 1 watt. Primary: KGGM-TV, Albuquerque, N. Mex.

BPTTV-5690 (new), Coyote, N. Mex., Coyote Television Translator Company. Req: Channel 9, 186–192 MHz, 1 watt. Primary: KOB-TV, Albuquerque, N. Mex.

BPTTV-5691 (new), Coyote, N. Mex., Coyote Television Translator Company, Req: Channel 11, 198–204 MHz, 1 watt. Primary: KOAT-TV, Albuquerque, N. Mex.

BPTTV-5692 (new), Hillsboro, N. Mex., Hillsboro T.V. Association. Req: Channel 2, 54–60 MHz, 1 watt. Primary: KVIA, El Paso, Tex.

BPTTV-5693 (new), Cottonwood Creek Area, Idaho, Cottonwood Creek TV. Req: Channel 9, 186–192 MHz, 1 watt. Primary: KHQ-TV, Spokane, Wash.

BPTTV-5694 (new), Cottonwood Creek Area, Idaho, Cottonwood Creek TV. Req: Channel 11, 198–204 MHz, 1 watt. Primary: KXLY-TV, Spokane, Wash.

BPTTV-5695 (new), Cottonwood Creek Area, Idaho, Cottonwood Creek TV. Req: Channel 13, 210–216 MHz, 1 watt. Primary: KREM-TV, Spokane, Wash.

BPTTV-5696 (New), Guadalupita, N. Mex., Guadalupita Television Association. Req: Channel 11, 198–204 MHz, 1 watt. Primary: KGGM-TV, Albuquerque, N. Mex.

BPTTT-5700 (New), Perryville, Alaska, Village of Perryville. Req: Channel 9, 186, 186–192 MHz, 10 watts. Primary: KTVA-TV, KENI-TV, KIMO-TV and KAKM-TV, Anchorage, Alaska.

BPTTV-5701 KO6HE Genoa, Nev., Genoa TV Cooperative Association. Req: To add Jack's Valley, Nevada to present principal community.

BPTTV-5702 K11KT Genoa, Nev., Genoa TV Cooperative Association. Req: To add Jack's Valley, Nevada to present principal community.

BPTTV-5703 K13LC Genoa, Nev. Genoa TV Cooperative Association. Req: To add Jack's Valley, Nevada to present principal community.

BPTTV-5705 (New), Somerset, Colo., Somerset TV Association. Req: Channel 10, 192–198 MHz, 1 watts. Primary: KBTV, Denver, Colo.

BPTTV-5706 (New), Conchos Dam & Garita, N. Mex., Conchas Television Association. Req: Channel 6, 82–88 MHz, 10 watts. Primary: KGGM-TV, Albuquerque, N. Mex.

BPTTV-5707 KO2CE North Fork, Idaho, North Fork TV Association. Req: To add Fourth of July Creek, Idaho to present principal community.

BPTTV-5708 (New), Whittier, Alaska, Whittier Historical and Fine Arts Museum. Req: Channel 2, 54–60 MHz, 10 watts. Primary: KAKM(TV), Anchorage, KYUK-TV, Bethel, and KUAC-TV, Fairbanks, Alaska.

Application deleted from Public Notice released June 3, 1976, (Mimeo No. 65650, 41 FR 22626).

BPFT-317 (New), Marathon, Wis., Wisconsin Valley Christian Radio, Inc. Req: Channel 288, 105.5 MHz, 1 watt. Primary: WRVM (FM), Suring, Wis.

(Assigned new file number BPFT-353.)

Application deleted from Public Notice re-

leased August 20, 1976, (Mimeo No. 71191, 41 FR 36545).

BPFT-340 (New), Klamath Falls, Henley, Altamont, Keno, Merrill, Malin, all Oreg.—Tulelake, Calif., Inspirational Radio, Southern Oregon. Req: Channel 296, 107.1 MHz, 10 watts. Primary: KVIP(FM), Redding, Calif.

(Assigned new file number BPFT-360.)

Application deleted from Public Notice released March 25, 1976, (Mimeo No. 62550, 41 FR 12922).

BPTT-2970 (New), Lucerne Valley, Calif., County of San Bernadino, County Service Area 29. Req: Channel 57, 100 watts. Primary: KTTV(TV), Los Angeles, Calif.

(Assigned new file number BPTT-3124.)

Application deleted from Public Notice released September 24, 1976, (Mimeo No. 72505, 41 FR 4367).

BPTTV-5644 (New), BP Alaska Camp, Prudhoe Bay, Alaska, Northern Television Incorporated. Req: Channel 12, 100 watts. Primary: ENI-TV, and TVA-TV, Anchorage, Alaska.

(Assigned new file number BPTTV-5687.)

[FR Doc.76-34189 Filed 11-19-76;8:45 am]

FEDERAL ENERGY ADMINISTRATION

INDUSTRY ADVISORY BOARD

Meeting

In accordance with section 252(c)(1)(A)(i) of the Energy Policy and Conservation Act (Pub. L. 94-163) notice is hereby provided of a meeting of the Industry Advisory Board (IAB) to the International Energy Agency (IEA) will be held on December 2 and 3, 1976, at the offices of Shell International Petroleum Company Limited, Shell Centre, London, England, beginning at 9:30 a.m. on December 2. The agenda is as follows:

1. Opening remarks by Chairman and report on communications to and from IEA including a report on the SEQ meeting of September 29 and 30, and the Governing Board meeting of November 8.
2. Matters arising from record note of IAB meeting on September 22.
3. Position of Reporting Companies under:
   a. EEC Competition regulations.
   b. U.S. Voluntary Plan.
4. Report of IEA Secretariat on and discussion of:
   a. SEQ Forecast.
   b. Demand restraint.
5. Report on and discussion of work of Subcommittee C, including:
   a. Extraordinary costs.
   b. Settlement of disputes.
   c. Pricing in an emergency.
6. Industry Supply Advisory Group (ISAG), including manning of positions.
7. Report on and discussion of work of Subcommittee A, including:
   a. Report on the Allocation Systems Test.
   b. Acceptance of preliminary appraisal report.
   c. Consideration of future work arising from the appraisal report.
8. Organization of subcommittees and IAB future work program.
9. Dates and venues of future meetings of IAB and subcommittees.

As provided in section 252(c)(1)(A)(ii) of the Energy Policy and Conservation Act, this meeting will not be open to the public.

Issued in Washington, D.C., November 16, 1976.

MICHAEL F. BUTLER,
General Counsel,
Federal Energy Administration.

[FR Doc.76-34305 Filed 11-17-76;9:18 am]

INDUSTRY ADVISORY BOARD, SUBCOMMITTEE "C"

Meeting

In accordance with section 252(c)(1)(A)(i) of the Energy Policy and Conservation Act (Pub. L. 94-163) notice is hereby provided of a meeting of Subcommittee C of the Industry Advisory Board (IAB) to the International Energy Agency (IEA) to be held on December 1, 1976, at the offices of Mobil Europe Inc., Mobil Court, 3 Clements Inn, London, England, beginning at 10:00 a.m. The agenda is as follows:

1. Opening comments.
2. Review of SEQ discussion on pricing in an emergency, extraordinary costs and disputes settlement.
3. Pricing in an emergency.
4. Extraordinary costs.
5. Disputes settlement mechanism.
6. Future work of Subcommittee C.

As provided in section 252(c)(1)(A)(ii) of the Energy Policy and Conservation Act, this meeting will not be open to the public.

Issued in Washington, D.C., November 16, 1976.

MICHAEL F. BUTLER,
General Counsel,
Federal Energy Administration.

[FR Doc.76-34306 Filed 11-17-76;9:18 am]

REFINERS CRUDE OIL ALLOCATION PROGRAM

Allocation Quarter of December 1, 1976 Through February 28, 1977

The notice specified in § 211.65(e) of the refiners' crude oil allocation program is hereby published for the allocation quarter of December 1, 1976, through February 28, 1977.

The buy-sell list for refiners is set forth as an appendix to this notice. The provisions of 10 CFR 211.65 apply to all transactions made under the buy-sell list. Included as part of the list, as required by § 211.65(e), are: The quantity of crude oil each refiner-buyer is eligible to purchase, the total allocation obligation for all refiner-sellers, the fixed percentage share for each refiner-seller, and the quantity of crude oil that each refiner-seller is obligated to offer for sale to refiner-buyers, with a specification as to the portions thereof that constitute the primary and secondary sales obligations for each refiner-seller, in accordance with 10 CFR 211.65(d).

The allocations shown on the buy-sell list for refiner-buyers that own and operate second priority refineries (as defined in Part 214 of 10 CFR) reflect two types of adjustments resulting from reductions in Canadian crude oil exports to the United States. Adjustments have been made for the December 1976-February 1977 allocation quarter based on FEA's estimate of Canadian crude oil exports during that allocation quarter. In addition, a further adjustment has been made for certain refiner-buyers that operate second priority refineries and that purchased their entire allocation for the September-November 1976 allocation quarter. This adjustment reflects the difference between FEA's estimates of Canadian crude oil available for September through November, which were used to adjust allocations during the September-November allocation quarter, and the actual export level subsequently announced by the Canadian government.

Adjustments have also been made pursuant to 10 CFR 211.65(a)(4) for refiner-buyers that have recently experienced losses of Federal royalty oil. FEA had anticipated making corresponding adjustments to refiner-buyers that are gaining royalty oil for this allocation quarter. However, FEA lacks detailed information on the large number of refiners involved and is unable to make these adjustments at this time. FEA still anticipates making the adjustments in a subsequent allocation quarter.

In amendments to § 212.94 adopted on April 19, 1976, FEA provided that the price of crude oil sold under § 211.65 be calculated on the basis of the refiner-seller's weighted average landed cost of all imported crude oil for the month in which the sale took place and in the two previous months, excluding imports from Canada. These pricing procedures would not reflect actual market conditions if significant changes were to take place in the price of imported crude oil. Therefore, FEA intends to adjust these pricing provisions as they would apply during the December 1976 through February 1977 allocation quarter in the event of signifiant price changes in the world market so that these provisions do not result in inequities to either refiner-sellers or refiner-buyers under the program.

The buy-sell list covers PAD Districts I through V, and amounts shown are in barrels of 42 gallons each, for the specified period. Pursuant to § 211.65(d), each refiner-seller shall offer for sale, directly or through exchange, to refiner-buyers during an allocation quarter a quantity of crude oil equal to that refiner-seller's primary sales obligation plus any portion of that refiner-seller's secondary sales obligation as to which the FEA directs a sale pursuant to 10 CFR 211.65(h). No refiner-seller shall be required to offer for sale to refiner-buyers, whether by directed sale or otherwise, any portion of its secondary sale obligation until each other refiner-seller (except refiner-sellers with minimal primary sales obligations) has sold at least 80% of its primary sales obligation.

The procedures of 10 CFR 211.65(h) provide that if a sale is not agreed upon within 15 days of the date of publication of this notice, a refiner-buyer that has not been able to negotiate a contract to

purchase crude oil may request FEA to direct one or more refiner-sellers to sell a suitable type of crude oil to such refiner-buyer. Such a request must be made within 30 days of the publication of this notice. Upon such request, FEA may direct one or more refiner-sellers that have not completed their required sales to sell crude oil to the refiner-buyer. If the refiner-buyer declines to purchase the crude oil specified by FEA, the rights of that refiner-buyer to purchase that volume of crude oil are forfeited during this allocation quarter, providing that the refiner-seller or refiner-sellers in question have fully complied with the provisions of 10 CFR 211.65. Refiner-buyers making such requests must provide the FEA with the following information:

1. Name of the refiner-buyer and of the person authorized to act for the refiner-buyer in buy-sell list transactions.

2. Names and locations of the refineries for which crude oil is sought, the amount of crude oil sought for each refinery, and the technical specification range of crude oil that can be processed in each refinery.

3. Statement of any restrictions, limitations or constraints on the refiner-buyer's purchases of crude oil, particularly as to the manner or time of deliveries.

4. Names and locations of all refiner-sellers from which crude oil has been sought under the buy-sell list and the volume and specification of the crude oil sought from each.

5. The response of each refiner-seller to which a request to purchase crude oil has been made, and the name and telephone number of the individual contacted as each such refiner-seller.

6. Such other pertinent information as FEA may request.

Each refiner-buyer and refiner-seller will report the details of each transaction under the buy-sell list to FEA on Form FEA P–118–Q–1 within 15 days of the completion of arrangements for the transaction. Each refiner-buyer and refiner-seller is requested to report as promptly as practicable every such transaction to which it is a party.

Refiner-buyers wishing to receive an allocation in the allocation quarter commencing March 1, 1977, with respect to future refining capacity (as defined in 10 CFR 211.62) that is not presently taken into account in determining their respective purchase opportunities, must apply to the FEA for certification of that capacity and provide all necessary information required to enable FEA to evaluate the factors set forth in 10 CFR 211.65 (b) (1) no later than January 3, 1977.

All reports and applications made under this notice should be addressed to:

Manager, Crude Oil Allocation Programs, Crude Oil Buy-Sell Program, 20th Street Postal Station, P.O. Box 19028, Washington, D.C. 20036.

Issued in Washington, D.C., November 17, 1976.

MICHAEL F. BUTLER,
General Counsel.

APPENDIX

The list of refiner-sellers and refiner-buyers for the period December 1, 1976, through February 28, 1977, is as follows. The list sets forth the identity of each refiner-seller and refiner-buyer, the fixed percentage share of each refiner-seller and the volumes of crude oil (reflecting all adjustments required under § 211.65) that each such refiner-seller is obligated to offer for sale (with a specification as to primary and secondary sales obligations) or that each such refiner-buyer is eligible to purchase, as the case may be.

Federal Energy Administration crude oil allocation program for the period December 1976 through February 1977

		Sales	
		Barrels	
	Share	Primary obligation	Secondary obligation
Amoco Oil Co	.099	4,565,114	5,579,771
Atlantic Richfield	.072	3,208,367	4,097,488
Cities Service Oil	.023	1,979,905	1,310,345
Continental Oil Co	.034	0	1,919,893
Exxon Corp	.112	3,861,565	6,311,410
Getty/Skelly	.020	738,206	1,130,150
Gulf Oil Corp	.086	3,419,281	4,853,674
Marathon Oil Co	.022	1,177,757	1,217,533
Mobil Oil Corp	.089	3,223,456	5,011,981
Phillips Petroleum	.039	1,545,934	2,204,081
Shell Oil Co	.107	4,330,136	6,052,599
Socal/Chevron	.096	3,550,127	5,410,548
Sun Oil Co	.052	1,906,167	2,956,422
Texaco Inc	.107	4,028,093	6,057,520
Union Oil Co of California	.043	2,375,892	2,435,010
Total		40,000,000	56,548,425
Total allocation obligation			96,548,425

FEDERAL ENERGY ADMINISTRATION CRUDE OIL ALLOCATION PROGRAM FOR THE PERIOD DECEMBER 1976 THROUGH FEBRUARY 1977

Purchases	*Barrels*
Allied Materials Co	123,502
Amerada Hess Corp	8,830,000
American Petrofina	1,101,318
Apco Oil Corp	437,113
Arizona Fuels Corp	0
Asamera Oil, Inc	351,147
Ashland Oil, Inc	5,159,704
Axel Johnson	130,486
Bayou State Oil Corp	0
Beacon Oil Co	21,025
C&H	4,130
Calumet Industries	0
Canal Refining Co	0
Caribou Four Corners	0
CFP	0
Champlin Petroleum	0
Charter Oil Co	0
Claiborne Gas Co	0
Clark Oil & Refining	1,618,000
Coastal Independent	0
Coastal States Gas	6,394,295
Commonwealth Oil Ref	2,637,050
CRA-Farmland Ind. Inc	2,440,198
Cross Oil & Ref-Ark	95,091
Crown Central Petro	2,073,190
Crystal Oil Co	0
Crystal Refining Co	182,679
Delta Refining Co	1,471,094
Diamond Shamrock Corp	164,262
Dorchester Gas	0
Dow/Refinery	1,103,838
Eddy Refining Co	44,232
Edgington Oil Co	621,273
Edgington Oxnard Ref	0
Evangeline Refining	0
Farmers Union Central Exchange	1,219,597
Fletcher Oil and Ref	192,658
Flint Chemical Corp	0
Gary Western Co	209,500
Giant Industries	416,882
Glacier Park	0
Gladieux Refining	420,438
Golden Eagle Ref. Co	377,250
Good Hope Refineries	901,612
Guam Oil & Refining	0
Gulf States	218,722
HIRI	0
Howell Corp	931,701
Hunt Oil Co	453,175
Husky Oil Co	1,193,680
Independent Refinery Corp. (Union Texas)	0
Indiana Farm Bureau	713,031
J&W Refining Inc	568,156
Kentucky Oil Ref. Co	0
Kern County Ref., Inc	0
Kerr McGee Co	4,115,753
Koch Refining Co	406,492
La Gloria Oil-Gas Co	499,680
Lakeside Refining Co	170,024
Laketon Asphalt Ref	190,625
Little America Ref	723,074
La. Land & Exploration Co	0
MacMillan RF Oil Co	428,546
Marion Corp	256,981
Mid-America Refining	3,750
Midland Coop. Inc	1,282,415
Mohawk Petroleum Co	149,125
Monsanto Co	1,665,391
Morrison Petroleum	23,733
Mountaineer Refinery	15,096
Murphy Oil Corp	1,763,078
National Coop. Ref	1,521,188
Navajo Refining Co	76,113
Newhall Refining Co	209,375
North American Petroleum	0
Northland Oil & Ref	240,250
OKC Corp	222,250
Pennzoil Co	332,554
Pioneer Refining	2,750
Placid Refining	2,320,519
Plateau Inc	104,978
Powerine Oil Co	1,635,500
Pride Refining Inc	1,130,238
Princeton Refinery, Inc	0
Quaker State Oil Refining Co	0
Road Oil Sales, Inc	5,750
Rock Island Refining	0
Saber Refining Co	520,604
Sabre Refining Inc. (Dingman)	55,159
Sage Creek Refining Co	61,250
San Joaquin Refining	0
Seminole Asphalt Ref	187,500
Sigmor Corp	0
Somerset Refinery	0
Sound Refining, Inc	50,625
South Hampton	1,257,415
Southern Union (Famariss)	1,228,076
Southland Oil Co	263,774
Southwestern Refining Co	0
Standard Oil of Ohio	16,672,994
Sunland Refining Co	375,779
Tenneco Oil Co	995,125
Tesoro Petrloeum Co	714,541
Texas American	278,866
Texas Asphalt & Refining	93,174
Texas City Refining	3,490,443
Thagard Oil	0
Thriftway Oil Co	77,983
Thunderbird Resources	41,770
Tonkawa Refining Co	29,250
TOSCO	2,070,750
Total Leonard, Inc	909,550
United Independent Oil Co	10,171
United Refining Co	1,857,000
U.S. Oil & Refining Co	379,323
USA Petrochem	0
V–1 Oil Co	0
Vickers Petroleum Co	1,135,835
Vulcan Asphalt Ref	0
Warrior Asphalt Corp	69,750
West Coast Oil	0
Western Refining Co	587,750
Winston Refining Co	82,991

Purchases	Barrels
Wireback Oil Co	8,095
Witco Chemical Corp	522,375
Yetter Oil Co	1,000
Young Refining Corp	204,250
Total	96,548,425

[FR Doc.76-34379 Filed 11-17-76;1:51 pm]

CANADIAN ALLOCATION PROGRAM

Supplemental Allocation Notice for the July 1 through December 31, 1976 Allocation Period

In accordance with § 214.32(c) of FEA's Mandatory Canadian Crude Oil Allocation Regulations, 10 CFR Part 214, a supplemental notice to reflect revisions in authorized export levels of Canadian crude oil for the allocation period July 1 through December 31, 1976, is hereby published.

The revised issuance of Canadian crude oil rights for the July 1, 1976 allocation period to refiners and other firms is set forth in the Appendix to this notice. As to this allocation period, the Appendix lists the name of each refiner and other firm to which rights have been issued, the revised number of rights, expressed in barrels per day, issued to each such refiner or other firm and the specific first or second priority refineries for which such rights are applicable.

These issuances are based upon the following export levels authorized by the Canadian Government for the July 1 through December 31, 1976 export period:

Month:	Barrels per day
July	450,000
August	450,000
September	450,000
October	435,000
November	400,000
December	385,000

The average authorized Canadian export level for this allocation period is 428,370 barrels per day. The adjusted base period volumes for all first priority refineries total 264,216 barrels per day, and those for second priority refineries submitting nominations total 468,729 barrels per day. To conform to the authorized Canadian export level of 428,370 barrels per day, a factor of 0.350211 was applied to all second priority base period volumes which as so adjusted total 164,154 barrels per day.

This notice is issued pursuant to Subpart G of FEA's regulations governing its administrative procedures and sanctions, 10 CFR Part 205. Any person aggrieved hereby may file an appeal with FEA's Office of Exceptions and Appeals in accordance with Subpart H of 10 CFR Part 205. Any such appeal shall be filed on or before December 22, 1976.

Issued in Washington, D.C. on November 17, 1976.

MICHAEL F. BUTLER,
General Counsel.

APPENDIX

Canadian Allocation Program

Rights for July 1, 1976 to December 31, 1976

REFINER/REFINERY	PRIORITY	ALLOCATION (B/D)
AMOCO		
Whiting, Ind.	II	9,369
Casper, Wyo.	II	1,047
Mandan, N. Dakota	II	3,150
Sugar Creek, Mo.	II	111
ARCO		
Cherry Point, Wash.	II	11,986
East Chicago, Ind.	II	3,783
AMERICAN PETROFINA		
El Dorado, Ark.	II	68
ASHLAND		
Buffalo, N.Y.	II	12,871
Findlay, Ohio	II	769
St. Paul Park, Minn.	I	44,707
APCO		
Arkansas City, Kan.	II	0
DOW		
Bay City, Mich.	II	969
CLARK		
Blue Island, Ill	II	5,571
CONSUMERS POWER		
Essexville, Mich.	I	13,872
Marysville, Mich.	I	27,306

REFINER/REFINERY	PRIORITY	ALLOCATION (B/D)
CONTINENTAL		
Billings, Mont.	I	25,994
Denver, Colo.	II	1,629
Ponca City, Okla.	II	416
Wrenshall, Minn.	I	20,651
CRA		
Coffeyville, Kan.	II	112
Phillipsburg, Kan.	II	60
Scotts Bluff, Neb.	II	140
CRYSTAL REFINING		
Carson City, Mich.	II	387
DETROIT EDISON		
River Rouge, Mich.	II	0
EXXON		
Billings, Mont.	I	15,908
FARMERS UNION		
Laurel, Mont.	I	13,439
GLADIEUX		
Fort Wayne, Ind.	II	271
GULF		
Toledo, Ohio	II	4,642
HUSKY		
Cheyenne, Wyo.	II	1,704
Cody, Wyo.	II	282

REFINER/REFINERY	PRIORITY	ALLOCATION (B/D)
KOCH		
St. Paul, Minn.	I	74,383
LAKE SUPERIOR DIST. POWER		
Ashland, Wisc.	I	125
LAKETON		
Laketon, Ind.	II	80
LAKESIDE		
Kalamazoo, Mich.	II	434
LITTLE AMERICA		
Casper, Wyo.	II	787
MARATHON		
Detroit, Mich.	II	3,608
MOBIL		
Buffalo, N.Y.	II	8,753
Pernoale, Wash	II	15,914
Joliet, Ill.	II	5,115
MURPHY		
Superior, Wisc.	I	25,625
NCRA		
McPherson, Kans.	II	293
PASCO		
Sinclair, Wyo.	II	249

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REFINER/REFINERY	PRIORITY	ALLOCATION (B/D)
PHILLIPS		
Great Falls, Mont.	II	428
Kansas City, Kans.	II	1,174
ROCK ISLAND		
Indianapolis, Ind.	II	372
THE REFINERY CORP.		
Commerce City, Colo.	II	61
SHELL		
Anacortes, Wash.	II	19,584
Wood River, Ill.	II	3,037
SUN		
Toledo, Ohio	II	5,753
STANDARD OIL OF OHIO		
Toledo, Ohio	II	10,220
TENNECO		
Chalmette, La.	II	619
TESORO		
New Castle, Wyo.	II	237
TEXACO		
Anacortes, Wash.	II	14,439
Casper, Wyo	II	484
Lockport, Ill.	II	435

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REFINER/REFINERY	PRIORITY	ALLOCATION (B/D)
THUNDERBIRD		
Cut Bank, Mont.	II	194
Kevin, Mont.	I	2,208
TOTAL LEONARD		
Alma, Mich.	II	3,407
UNION OIL OF CALIF.		
Lemont, Ill.	II	4,[illegible]
UNITED REFINING		
Warren, Pa.	II	3,473
West Branch, Mich.	II	600

[FR Doc.76-34489 Filed 11-17-76;4:52 pm]

DOMESTIC CRUDE OIL ALLOCATION PROGRAM

Entitlement Notice for September 1976

In accordance with the provisions of 10 CFR § 211.67 relating to FEA's domestic crude oil allocation program the monthly notice specified in § 211.67(i) is hereby published.

Based on reports submitted to FEA by refiners and other firms as to crude oil receipts, crude oil runs to stills and eligible product imports for September 1976, imported naphtha utilized as a petrochemical feedstock in Puerto Rico, application of the entitlement adjustment for residual fuel oil production for sale in the East Coast market provided in § 211.67(d)(4), and application of the entitlement adjustment for small refiners provided in § 211.67(e), the national domestic crude oil supply ratio for September 1976 is calculated to be .296021.

In accordance with § 211.67(b)(2), to calculate the number of barrels of deemed old oil included in a refiner's adjusted crude oil receipts for the month of September 1976, each barrel of old oil is equal to one barrel of deemed old oil and each barrel of upper tier crude oil is equal to .155759 of a barrel of deemed old oil.

The issuance of entitlements for the month of September 1976 to refiners and other firms is set forth in the Appendix to this notice. The appendix lists the name of each refiner and other firm to which entitlements have been issued, the number of barrels of deemed old oil included in each such refiner's adjusted crude oil receipts, the number of entitlements issued to each such refiner or other firm, and the number of entitlements required to be purchased or sold by each such refiner or other firm.

Pursuant to 10 CFR § 211.67(i)(4), FEA hereby fixes the price at which entitlements shall be sold and purchased for the month of September 1976 at $7.80, which is the exact differential as reported for the month of September between the weighted average per barrel costs to refiners of old oil and of imported crude oil, less the sum of 21 cents.

In accordance with 10 CFR § 211.67(b), each refiner that has been issued fewer entitlements for the month of September 1976 than the number of barrels of deemed old oil included in its adjusted crude oil receipts is required to purchase a number of entitlements for the month of September 1976 equal to the difference between the number of barrels of deemed old oil included in those receipts and the number of entitlements issued to and retained by that refiner. Refiners which have been issued a number of entitle-

ments for the month of September 1976 in excess of the number of barrels of deemed old oil included in their adjusted crude oil receipts for that month and other firms issued entitlements shall sell such entitlements to refiners required to purchase entitlements. In addition, certain refiners are required to purchase or sell entitlements to effect corrections for reporting errors for the months September 1975 through August 1976 pursuant to 10 CFR § 211.67(j)(1).

Pursuant to § 211.67(j)(2), corrections for reporting errors for months prior to September 1975 are reflected in this entitlement notice for September 1976 and will be reflected in entitlement notices through the notice for February 1977. The total dollar amounts of the special corrections set forth in the revised special correction notice issued on September 21, 1976 have been divided into eight substantially equal installments for reflection in each firm's entitlement position for each of the months July 1976 through February 1977, based on the particular month's entitlement price. The entitlements required to be purchased or sold for September 1976 under these procedures are shown in a separate column in the listing.

The listing of refiners' old oil receipts contained in the Appendix reflects any adjustments made by FEA pursuant to § 211.67(h).

The listing contained in the Appendix identifies in a separate column additional entitlements issued to refiners pursuant to relief granted by FEA's Office of Exceptions and Appeals. Also set forth in this column are the adjustments for relief granted by the Office of Exceptions and Appeals for 1975, which adjustments will be reflected in monthly installments commencing with this entitlement notice. The number of installments is dependent on the magnitude of the adjustment to be made. For a full discussion of the issues involved, see Beacon Oil Company, et al., 4 FEA par. ____ (November 5, 1976).

For purposes of the adjustments to refiners' crude run volumes under § 211.67(d)(4), total production of residual fuel oil for sale in the East Coast market (in excess of the first 5,000 barrels per day thereof for each refiner reporting such production) was 8,862,944 barrels for September 1976. For that month, imports of residual fuel oil eligible for entitlement issuances totaled 36,551,944 barrels.

The total number of entitlements required to be purchased and sold under this notice is 22,713,741.

Payment for entitlements required to be purchased under 10 CFR § 211.67(b) for September 1976 must be made by November 30, 1976.

On or prior to December 10, 1976, each firm which is required to purchase or sell entitlements for the month of September 1976 shall file with FEA the monthly transaction report specified in 10 CFR § 211.66(i) certifying its purchases and sales of entitlements for the month of September. FEA has mailed the monthly transaction report forms for the month of September to reporting firms. FEA requests that firms which have been unable to locate other firms for required entitlement transactions by November 30, 1976 contact FEA at 202–254–6296 to expedite consummation of these transactions. For firms that have failed to consummate required entitlement transactions on or prior to November 30, 1976, FEA may direct sales and purchases of entitlements pursuant to the provisions of 10 CFR § 211.67(k).

This notice is issued pursuant to Subpart G of FEA's regulations governing its administrative procedures and sanctions, 10 CFR Part 205. Any person aggrieved may file an appeal with FEA's Office of Exceptions and Appeals in accordance with Subpart H of 10 CFR Part 205. Any such appeal shall be filed on or before December 22, 1976.

Issued in Washington, D.C. on November 17, 1976.

MICHAEL F. BUTLER,
General Counsel.

APPENDIX
ENTITLEMENTS FOR DOMESTIC CRUDE OIL PAGE: 6

REPORTING FIRM SHORT NAME	DEEMED OLD OIL ADJUSTED RECEIPTS	********** TOTAL ISSUED	ENTITLEMENT POSITION EXCEPTIONS AND APPEALS	PRODUCT ENTITLEMENTS	10 MONTH CLEAN-UP	REQUIRED TO BUY	********** REQUIRED TO SELL
A-JOHNSON	0	191,502	0	26,625	-6,056	0	191,502
AGWAY	0	-23	0	0	-23	23	0
ALLIED	50,637	142,844	0	0	-67	0	92,207
AMER-PETROFINA	1,125,523	1,072,656	0	0	61,970	52,867	0
AMERADA-HESS	2,816,070	3,852,798	0	125,079	-30,076	0	1,036,728
AMOCO	11,684,300	9,702,282	0	10,627	-16,961	1,982,018	0
APCO	383,931	497,825	0	0	-1,370	0	113,894
APEX	0	-9	0	0	-9	9	0
ARCO	5,831,267	5,885,689	14,538*	0	-142,769	0	54,422
ARIZONA	52,835	41,120	11,944	0	348	11,715	0
ASAMERA	86,421	181,729	0	0	265	0	95,308
ASHLAND	1,665,931	3,221,626	0	0	-23,638	0	1,555,695
ASIATIC	0	288,651	0	291,556	-2,905	0	288,651
ATLANTIC-CEMENT	0	198	0	0	198	0	198
AUGSBURY	0	4,702	0	4,706	-4	0	4,702
BAYOU	49,896	45,418	0	0	58	4,478	0
BEACON	253,459	226,091	59,264	0	-5,235	27,368	0
BELCHER	0	190,084	0	190,562	-478	0	190,084
BLUE-RIDGE	0	-310	0	0	-310	310	0
C&H	32	544	0	0	-12	0	512
CALUMET	23,404	35,359	0	0	-213	0	11,955
CANAL	62,431	60,889	0	0	-1,357	1,542	0
CARIBOU	87,984	106,420	0	0	104	0	18,436
CASTLE	0	22,869	0	23,134	-265	0	22,869
CENTRAL	0	23,424	0	23,613	-189	0	23,424
CF-PETROLEUM	0	795,019	0	0	0	0	795,019
CHAMPLIN	1,908,299	1,170,246	0	0	12,835	738,053	0
CHARTER	1,007,348	667,759	28,926	0	12,401	339,589	0
CIRILLO	0	36,125	0	37,159	-1,034	0	36,125
CITGO	3,619,659	2,432,857	0	0	-4,215	1,186,802	0
CLAIBORNE	8,358	34,720	0	0	17,781	0	26,362
CLARK	334,340	959,483	0	0	-2,416	0	625,143
COASTAL	666,754	1,521,040	0	0	26,864	0	854,286
COLONIAL	0	57,335	0	57,715	-380	0	57,335

REPORTING FIRM SHORT NAME	DEEMED OLD OIL ADJUSTED RECEIPTS	********** TOTAL ISSUED	ENTITLEMENT POSITION EXCEPTIONS AND APPEALS	PRODUCT ENTITLEMENTS	10 MONTH CLEAN-UP	REQUIRED TO BUY	********** REQUIRED TO SELL
CON-ED	0	-2,207	0	0	-2,207	2,207	0
CON-REF	0	56	0	0	56	0	56
CONUCO	5,110,576	2,976,392	0	0	8,613	134,184	0
CONSUMERS-POWER	0	-451	0	0	-451	451	0
CORCO	0	1,385,883	209,994	0	-3,898	0	1,385,883
CRA-FARMLAND	417,841	656,595	0	0	-2,414	0	238,754
CROSS	33,096	62,542	0	0	2,963	0	29,446
CROWN	313,313	616,784	0	0	-2,143	0	303,471
CRYSTAL-OIL	149,649	184,867	0	0	-12,423	0	35,218
CRYSTAL-REF	633	43,097	0	0	-541	0	42,464
DEEPWATER	0	13,054	0	13,145	-91	0	13,054
DELTA	303,295	326,613	-48,714	0	809	0	23,318
DETROIT-ED	0	742	0	0	742	0	742
DIAMOND	684,282	501,823	0	0	4,139	182,459	0
DORCHESTER	7,043	11,748	0	0	-56	0	4,705
DOW	50,365	182,288	0	0	135	0	131,923
E-SEABOARD	0	204,755	0	205,743	-988	0	204,755
EDDY	38,550	39,901	0	0	68	0	1,351
EDGINGTON-OIL	457,972	370,793	120,151	0	531	87,179	0
EDGINGTON-OXN	9,051	92,350	0	0	-5	0	83,299
ELM	0	-325	0	0	-325	325	0
ENTERPRISE	0	-38	0	0	-38	38	0
EVANGELINE	49,794	31,363	0	0	51	18,431	0
EXXON	13,193,349	11,718,926	0	758,210	-4,051	1,474,423	0
F-FLETCHER	0	1	0	0	1	0	1
FAMARISS	223,550	374,726	479	0	-41	0	151,176
FARMERS-UN	189,659	424,114	0	0	-226	0	234,455
FLETCHER	37,709	157,085	-9,969	0	13,461	0	119,376
FLINT	12,584	10,931	0	0	-8	1,653	0
FLORIDA-POWER	0	678	0	0	678	0	678
GARY	44,884	94,192	0	0	-71	0	49,308
GEN-PORTLAND	0	-16	0	0	-16	16	0
GETTY	834,611	934,395	0	0	-4,346	0	99,784
GIANT	12,006	152,561	0	0	-185	0	140,555

REPORTING FIRM SHORT NAME	DEEMED OLD OIL ADJUSTED RECEIPTS	********** TOTAL ISSUED	ENTITLEMENT POSITION EXCEPTIONS AND APPEALS	PRODUCT ENTITLEMENTS	10 MONTH CLEAN-UP	REQUIRED TO BUY	********** REQUIRED TO SELL
GIBBS	0	-374	0	0	-374	374	0
GIBSON	52	0	0	0	0	52	0
GLACIER-PARK	128,314	51,746	0	0	0	76,568	0
GLADIEUX	48,766	148,008	0	0	254	0	99,242
GOLDEN-EAGLE	41	186,566	0	0	-2,620	0	186,525
GOLDEN-EAGLE-NY	0	14,360	0	12,181	2,179	0	14,360
GOOD-HOPE	161,248	378,288	-582	0	-444	0	217,040
GREAT-NORTHERN	0	-126	0	0	-126	126	0
GUAM	0	323,740	0	0	-2,255	0	323,740
GULF	10,328,382	6,600,480	0	44,983	-12,462	3,727,902	0
GULF-STS	218,871	139,019	0	0	72	79,852	0
HIRI	0	558,159	0	0	2,033	0	558,159
HOWARD	0	68,303	0	69,771	-1,468	0	68,303
HOWELL	687,999	412,309	0	0	1,159	275,690	0
HUNT	285,129	351,805	49,839	0	-506	0	66,676
HUSKY	654,215	654,663	215,897	0	448	0	448
INDEPENDENT-REF	103,003	160,731	0	0	0	0	57,728
INDIANA-FARM	41,834	251,296	0	0	-468	0	209,462
INTL-PAPER	0	74	0	0	74	0	74
IRVING	0	29,227	0	29,290	-63	0	29,227
J&W	183,393	182,068	72,056	0	-1,325	1,325	0
K-H-WHITE	0	-36	0	0	-36	36	0
KENTUCKY	2,447	6,554	0	0	-29	0	4,107
KERN	311,780	279,187	57,896	0	0	32,593	0
KERR-MCGEE	1,359,766	1,420,210	0	0	27,756	0	60,444
KOCH	283,237	895,029	0	0	-2,192	0	611,792
LA-WATER	0	7,370	0	0	7,370	0	7,370
LAGLORIA	470,192	209,260	0	0	-74,065	260,932	0
LAKESIDE	23,271	47,918	0	0	-242	0	24,647
LAKETON	143,913	139,687	16,713	0	-6,425	4,226	0
LITTLE-AMER	1,240,689	1,055,499	476,411	0	327	185,190	0
LOUISIANA-LAND	153,249	385,026	0	0	0	0	231,777
MACMILLAN	23,788	180,080	0	0	-3,527	0	156,292
MARATHON	3,697,880	2,800,231	0	0	-5,700	897,649	0

REPORTING FIRM SHORT NAME	DEEMED OLD OIL ADJUSTED RECEIPTS	********** TOTAL ISSUED	ENTITLEMENT POSITION EXCEPTIONS AND APPEALS	PRODUCT ENTITLEMENTS	10 MONTH CLEAN-UP	REQUIRED TO BUY	********** REQUIRED TO SELL
MARION	196,961	435,792	174,273	0	-800	0	238,831
MID-AMER	3,876	44,575	0	0	-325	0	40,699
MID-TEX	0	134,584	0	0	177	0	134,584
MIDLAND	49,352	217,318	-11,302	0	-117	0	167,966
MOBIL	8,445,642	6,759,600	0	61,880	-201,720	1,686,042	0
MOHAWK	370,133	365,487	42,330	0	855	4,646	0
MONSANTO	361,100	362,464	0	0	-634	0	1,364
MORRISON	41,752	124,496	0	0	2	0	82,744
MOUNTAINEER	4,618	4,801	0	0	4	0	183
MURPHY	731,136	887,482	0	0	212	0	156,346
N-AMER-PETRO	54,620	164,322	13,460	0	-2,131	0	109,702
NARRAGANSETT	0	-116	0	0	-116	116	0
NATL-COOP	221,110	474,924	0	0	372	0	253,814
NAVAJO	386,502	442,077	93,939*	0	-1,838	0	55,575
NEW-ENGL-PETRO	0	413,353	0	417,070	-3,717	0	413,353
NEW-ENGL-POWER	0	-72	0	0	-72	72	0
NEWHALL	140,676	153,103	-6,718	0	95	0	12,427
NEWMAN	0	-65	0	0	-65	65	0
NORCO	0	62	0	0	62	0	62
NORTHEAST-PETRO	0	59,093	0	60,012	-919	0	59,093
NORTHLAND	37,114	139,622	0	0	-51	0	102,508
NORTHVILLE	0	14,409	0	15,195	-786	0	14,409
OIL-SHALE	2,436,924	1,484,710	1,024	0	-2,565	952,214	0
OKC	201,202	218,126	-53,918	0	2,015	0	16,924
ORANGE&ROCKLAND	0	65	0	0	65	0	65
PASCO	0	-44,277	-49,015	0	4,738	44,277	0
PATCHOGUE	0	2,991	0	3,286	-295	0	2,991
PENNZOIL	572,707	458,497	0	0	-454	114,210	0
PEPCO	0	-972	0	0	-972	972	0
PETRO-HEAT-CT	0	19,326	0	19,913	-587	0	19,326
PETRO-HEAT-PA	0	-330	0	0	-330	330	0
PG&E	0	-477	0	0	-477	477	0
PHILLIPS	2,506,116	2,842,607	0	0	101,540	0	336,491
PHILLIPS-PR	0	228,370	228,370	0	0	0	228,370

REPORTING FIRM SHORT NAME	DEEMED OLD OIL ADJUSTED RECEIPTS	********** TOTAL ISSUED	ENTITLEMENT POSITION EXCEPTIONS AND APPEALS	PRODUCT ENTITLEMENTS	10 MONTH CLEAN-UP	REQUIRED TO BUY	********** REQUIRED TO SELL
PIONEER	70,536	157,015	0	0	-5	0	86,479
PITTSTON	0	121,775	0	122,896	-1,121	0	121,775
PLACID	206,156	403,559	0	0	-1,311	0	197,403
PLATEAU	81,154	159,580	0	0	-485	0	78,426
POWERINE	316,042	423,394	0	0	275	0	107,352
PRIDE	76,348	283,100	0	0	-337	0	206,752
PRULEASE	0	-882	0	0	-882	882	0
QUAKER-ST	29,093	266,905	0	0	-1,838	0	237,812
REMINGTON	0	-90	0	0	-90	90	0
RICO	0	-48	0	0	-48	48	0
ROAD-OIL	0	24,085	0	0	-7	0	24,085
ROCK-ISLAND	374,111	412,359	8,876	0	547	0	38,248
ROYAL	0	-139	0	0	-139	139	0
SABER-TEX	20,242	151,974	0	0	-7,702	0	131,732
SABRE-CAL	55,749	55,626	21,116	0	-123	123	0
SAGE-CREEK	2,404	5,141	0	0	-7	0	2,737
SAN-JOAQUIN	212,260	250,300	78,918	0	-1,545	0	38,040
SEARS	0	-31	0	0	-31	31	0
SEMINOLE	68,693	123,527	0	0	-3,017	0	54,834
SHELL	12,242,518	9,425,066	0	19,833	346,606	2,817,452	0
SIGMOR	3,160	157,635	0	0	1,818	0	154,475
SKELLY	1,020,743	602,741	0	0	802	418,002	0
SO-HAMPTON	66,476	233,978	0	0	978	0	167,502
SOCAL	7,607,937	9,800,950	0	26,247	-5,826	0	2,193,013
SOCALEDISON	0	-88	0	0	-88	88	0
SOHIO	1,374,737	3,243,101	0	0	19,913	0	1,868,364
SOMERSET	46,039	72,357	0	0	-311	0	26,318
SOUND	68,679	51,888	1,026	0	-153	16,791	0
SOUTHLAND	393,776	323,292	82,981	0	201	70,484	0
SOUTHWESTERN	5,926	4,457	0	0	0	1,469	0
SPRAGUE	0	22,136	0	22,136	0	0	22,136
STEUART	0	27,409	0	28,306	-897	0	27,409
SUNLAND	255,335	261,635	116,307	0	6,300	0	6,300
SUNOCO	5,746,514	4,477,902	0	0	-74,916	1,268,612	0

REPORTING FIRM SHORT NAME	DEEMED OLD OIL ADJUSTED RECEIPTS	********** TOTAL ISSUED	EXCEPTIONS AND APPEALS	ENTITLEMENT POSITION PRODUCT ENTITLEMENTS	10 MONTH CLEAN-UP	REQUIRED TO BUY	********** REQUIRED TO SELL
SWANN	0	62,064	0	62,535	-471	0	62,064
TARRICONE	0	-121	0	0	-121	121	0
TAUBER	0	-83	0	0	-83	83	0
TENNECO	899,375	656,874	0	0	-51,726	242,501	0
TESORO	1,178,261	810,899	0	0	3,477	367,362	0
TEXACO	11,103,729	9,262,902	0	356,904	40,815	1,840,827	0
TEXAS-AMERICAN	16,231	86,281	0	0	0	0	70,050
TEXAS-ASPH	1,069	159,714	21,466**	0	-7,146	0	158,645
TEXAS-CITY	516,048	671,853	0	0	-29,208	0	155,805
THAGARD	137,554	132,820	39,025	0	-4	4,734	0
THE-REFINERY	0	-2,637	0	0	-2,637	2,637	0
THRIFTWAY	22,092	38,106	0	0	-107	0	16,014
THUNDERBIRD	116,874	178,602	0	0	-295	0	61,728
TONKAWA	96,698	71,617	0	0	-194	25,081	0
TOTAL-LEONARD	148,868	380,546	0	0	-1,913	0	231,678
UCC-CARIBE	0	161,538	161,538	0	0	0	161,538
UNION-OIL	4,967,231	3,927,467	0	0	79,909	1,039,764	0
UNION-PETRO*	0	34,211	0	34,211	0	0	34,211
UNION-TEXAS	-4,431***	228****	0	0	228	0	4,659
UNTD-IND	29,643	39,068	0	0	54	0	9,425
UNTD-REF	205,642	392,641	0	0	-14,605	0	186,999
US-OIL	19,437	224,230	0	0	-488	0	204,793
USA-PETROCHEM	44,846	161,827	0	0	0	0	116,981
VEN-FUEL	0	-89	0	0	-89	89	0
VICKERS	459,850	591,369	0	0	675	0	131,519
VULCAN	37,500	131,141	0	0	-124	0	93,641
WALLER	0	8,631	0	8,782	-151	0	8,631
WARRIOR	40,871	36,770	12,629	0	-5,099	4,101	0
WEBBER	0	179	0	0	179	0	179
WELLEN	0	-116	0	0	-116	116	0
WEST-COAST	19,359	37,056	-1,262	0	-2,528	0	17,697
WESTERN	46,694	133,151	0	0	7,121	0	86,457
WHALECO	0	-38	0	0	-38	38	0
WICKETT	77,541	82,103	3,367	0	-4	0	4,562

REPORTING FIRM SHORT NAME	DEEMED OLD OIL ADJUSTED RECEIPTS	********** TOTAL ISSUED	EXCEPTIONS AND APPEALS	ENTITLEMENT POSITION PRODUCT ENTITLEMENTS	10 MONTH CLEAN-UP	REQUIRED TO BUY	********** REQUIRED TO SELL
WINSTON	95,056	200,426	0	0	-10	0	105,370
WIREBACK	0	972	0	0	32	0	972
WITCO	36,997	206,556	0	0	-247	0	169,559
WYATT	0	62,030	0	62,742	-712	0	62,030
YETTER	0	685	0	0	-6	0	685
YOUNG	149,993	152,781	69,315	0	-5	0	2,788
TOTAL	140,013,347	140,013,347	2,322,588	3,246,047	0	22,713,741	22,713,741

*Also includes entitlements issued to correct an error in this firm's special correction amount.

**Reflects entitlements issued to correct errors in this firm's special correction amount.

***Reflects a correction to a prior month's report.

****Does not include entitlements issued by virtue of the negative volume of adjusted receipts shown.

[FR Doc.76-34488 Filed 11-17-76;4:52 pm]

FEDERAL ENERGY ADMINISTRATION

PROPOSED INDUSTRIAL ENERGY EFFICIENCY IMPROVEMENT TARGETS

Time of Hearings

On October 27, 1976, the Federal Energy Administration (FEA) issued a notice announcing proposed industrial energy efficiency improvement targets, and public hearings thereon for each affected two-digit SIC-code industry (41 FR 48169, November 2, 1976). Due to an oversight, the notice failed to specify the time at which such hearings would begin. Accordingly, FEA hereby announces that in all cases the hearings will begin at 9:30 a.m., e.s.t.

Issued in Washington, D.C., November 17, 1976.

MICHAEL F. BUTLER,
General Counsel,
Federal Energy Administration.

[FR Doc.76-34378 Filed 11-17-76;1:51 pm]

FEDERAL SUPPLY SERVICE

[Fed. Procurement Reg. 24]

FEDERAL PROCUREMENT

Interagency Procurement Policy Committee

• 1. *Purpose.* This bulletin sets forth the functions, membership, and governing rules of the Interagency Procurement Policy Committee which was established in accordance with FPR 1–1.010. •

2. *Expiration date.* This bulletin contains information of a continuing nature and will remain in effect until canceled.

3. *Background.* GSA Bulletin FPR 20, April 16, 1973, set forth the functions of the Committee and included a list of agency representatives. Since the issuance of that bulletin numerous changes have been made with respect to agency representation. Accordingly, this bulletin restates committee functions and rules and includes a current list of Committee members and their alternates.

4. *Functions of the Committee.* In order to facilitate the planning and development of a Government-wide program for coordinated procurement policies and procedures, the Committee will:

a. Advise and assist the Administrator of General Services or his designee concerning major procurement matters;

b. Review and appraise major procurement developments and current emphasis in procurement policies and procedures; and

c. Review and appraise, at appropriate intervals, the overall progress of the program and the effectiveness of existing policies and procedures.

5. *Committee membership.* The agencies comprising the Committee and the representative of each, as designated by the heads thereof, together with their telephone numbers and addresses are listed on attachment A.

6. *Governing rules.* Operations of the Committee will be conducted in accordance with the following rules:

a. *Chairmanship.* The Chairman of the Committee is the Director, Federal Procurement Regulations Staff, Federal Supply Service, General Services Administration.

b. *Committee activities.* The activities of the Committee will be carried out under the direction of the Chairman.

c. *Meetings.* Meetings will be held at the call of the Chairman.

d. *Records.* The Committee will maintain such records as are necessary in the proper performance of its functions.

e. *Changes in representation.* Agencies should promptly notify the Chairman, in writing, whenever changes are made in Committee representation. Such notification should specify the name of the new representative, whether he is a member or alternate, and his title, organizational designation, address, and telephone number.

7. *Cancellation.* This bulletin cancels GSA Bulletin FPR 20, April 16, 1973.

Dated: November 2, 1976.

WALLACE H. ROBINSON, Jr.,
Commissioner,
Federal Supply Service.

ATTACHMENT A—GSA BULLETIN FPR 24

AGENCIES AND REPRESENTATIVES COMPRISING THE INTERAGENCY PROCUREMENT POLICY COMMITTEE

(Unless otherwise noted, all addresses are Washington, D.C.)

Members and alternates—address and telephone number

GENERAL SERVICES ADMINISTRATION

Philip G. Read, Chairman, Director of Federal Procurement Regulations, 557–8947, room 1107, Crystal Sq. 5 20406.

AGENCY FOR INTERNATIONAL DEVELOPMENT

Joseph C. Watkins, Chief, Support Division, 235–9125, room 701, Pomponio Plaza Bldg. 20523.

Clarence Snyder (alternate), Chief, Policy Branch, 235–9107, room 713, Pomponio Plaza Bldg. 20523.

AGRICULTURE, DEPARTMENT OF

George C. Knapp, Acting Director, Office of Operations, 447–3937, room 118W, Administration Bldg, 20250.

Dean T. Smith (alternate), Assistant Director, Office of Operations, 447–7527, room 131W, Administration Bldg. 20250.

CENTRAL INTELLIGENCE AGENCY

Aubrey T. Chason, Chief, Procurement Management Staff, 281–8167, room 2G31, Page Bldg. 20505.

No alternate.

COMMERCE, DEPARTMENT OF

George Merlino, Deputy Director for Program Development, 377–5192, room 6859, 14th and Constitution Ave., NW. 20230.

Joseph J. Shallcross (alternate), Chief, Programs and Policy, 377–3322, room 8060, 14th and Constitution Ave., NW. 20230.

DEFENSE, DEPARTMENT OF

Colonel Thomas F. Blake, Jr., USAF, Chairman, ASPR Committee, OASD (I&L), 697–2026, room 3D776, The Pentagon 20301.

Thomas Cassidy (alternate), Alternate Chairman, ASPR Comm. OASD (I&L), 697–4796, room 3D776, The Pentagon 20301.

ENERGY RESEARCH AND DEVELOPMENT ADMINISTRATION

Michael J. Tashjian, Director of Procurement, 376–9232, room 300, The Railway Labor Bldg. 20545.

Anthony G. Carretta (alternate), Assistant Director for Policy, 353–5526, room C–161, Main Headquarters Germantown, Md. 20545.

ENVIRONMENTAL PROTECTION AGENCY

William E. Mathis, Director Contracts Management Division, 755–0822, room 2003, Waterside Mall (PM 214) 20460.

Robert L. Wright (alternate), Deputy Director, Contracts Management Division, 755–0822, room 2003, Waterside Mall (PM 214) 20460.

FEDERAL COMMUNICATIONS COMMISSION

Kenneth A. Gordon, Chief, Procurement Division, 632–6407, room A–104, 1229 20th St., NW. 20554.

Thomas N. Anderson (alternate), Contract Administrator, 632–6407, room A–104, 1229 20th St., NW. 20554.

FEDERAL ENERGY ADMINISTRATION

William B. Ferguson, Director of Procurement, 566–9067, room 8435, Federal Bldg., 13th and Pennsylvania Ave., NW. 20461.

Carl P. Blakely (alternate), Director of Intergovernment Agreements and Grants, 566–9542, room 8517, Federal Bldg., 13th and Pennsylvania Ave., NW. 20461.

GENERAL ACCOUNTING OFFICE

Paul Shnitzer, Associate General Counsel, 275–6071, room 7041, 441 G. St., NW. 20548.

Seymour Efros (alternate), Assistant General Counsel, 386–4387, room 7079, 441 G. St., NW. 20548.

HEALTH, EDUCATION, AND WELFARE, DEPARTMENT OF

Murray Weinstein, Director, Division of Procurement Policy and Regulations, Development, Office of Grants and Procurement Management, 245–8791, room 539H, South Portal Bldg. 20201.

Frederick C. Lewis (alternate), Chief, Procurement Policy, 245–6347, room 539H, South Portal Bldg. 20201.

HOUSING AND URBAN DEVELOPMENT, DEPARTMENT OF

Thomas Whittleton, Director, Office of Procurement and Contracts, 382–5431, room 918, 711 Bldg. 20410.

Duane Murray (alternate), Director, Policy, Evaluation, and Administrative Division, 382–1925, room 908, 711 Bldg. 20410.

INTERIOR, DEPARTMENT OF THE

James E. Johnson, Assistant Director for Procurement—Office of Management, Services, 343–5914, room 5524, 18th and C. St., NW. 20240.

William S. Opdyke (alternate), Procurement Analyst, 343–5914, room 5524, 18th and C. St., NW. 20240.

JUSTICE, DEPARTMENT OF

William H. O'Donoghue, Chief, Administrative Programs Section—Office of Management, 739–2971, room 6525, 10th and Constitution Ave., NW. 20530.

Paul Flester (alternate), chief, Supply Management Unit, 739–5201, room 6525, 10th and Constitution Ave., NW. 20530.

JUSTICE, DEPARTMENT OF (LAW ENFORCEMENT ASSISTANCE ADMINISTRATION)

W. W. Hudson, Director, Grants and Contracts, Management Division, Office of Comptroller (LEAA), 376–3675, room 784, 633 Indiana Ave., NW. 20531.

Stanley M. Stirman (alternate), Small Business Advisor, 376–3675, room 784, 633 Indiana Ave., NW. 20531.

LABOR, DEPARTMENT OF

Theodore Goldberg, Assistant Director, Grant, Procurement, and ADP Management Policy, 523–9174, room S–1325, 200 Constitution Ave., NW., 20210.

Richard Strom (alternate), Senior Procurement Analyst, 523–9174, room S–1325, 200 Constitution Ave., NW. 20210.

LIBRARY OF CONGRESS

Floyd D. Hedrick, Chief, Procurement and Supply Division—Administrative Department, 426–5180, room 331, Navy Yard, Bldg. 159, 20540.

John G. Kormos (alternate), Contracting Officer, 426–5180, room 331, Navy Yard, Bldg. 159, 20540.

OFFICE OF MANAGEMENT AND BUDGET

LeRoy J. Haugh, Assistant Administrator for Regulations, Office of Federal Procurement Policy, 395–6186, room 9013, New Executive Office Bldg. 20503.

William J. Maraist, Jr. (alt.), Deputy Assistant Administrator for Regulations, 395–4946, room 5002, New Executive Office Bldg. 20503.

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

J. O'Neil Mackey, Jr., Deputy Assistant Administrator for Procurement, 755–2252, room 101, 600 Independence Ave., SW. 20546.

George W. Coleman (alternate), Director, Policy Division, 755–8529, room 100, 600 Independence Ave., SW. 20546.

NATIONAL SCIENCE FOUNDATION

Leonard A. Redecke, Contracts Administrator, Contracts Branch, Grants and Contracts Office, 632–5872, room 640, 1800 G. St., NW. 20550.

Donald W. Frenzen (alternate), Assistant General Counsel, Office of General Counsel, 632–4397, room 501, 1800 G. St., NW. 20550.

NUCLEAR REGULATORY COMMISSION

Edward Halman, Director, Division of Contracts, 427–4460, room 200, Willste Bldg. 20555.

Chief, Policy Branch (Alternate), Division of Contracts, 427–4383, room 1040, Willste Bldg., 20555.

PANAMA CANAL COMPANY—CANAL ZONE

Thomas M. Constant, Secretary, Assistant to the Governor, 382–6453, room 312, Pennsylvania Bldg., 20004.

R. K. Erbe (Alternate), Supply & Community Service Bureau, 382–6453, room 312, Pennsylvania Bldg., 20004.

POSTAL SERVICE, U.S.

Eugene A. Keller, Assistant for Procurement Policy, Procurement and Supply Department, 245–4818, room 1512, 475 L'Enfant Plaza West, 20260.

Ronald E. Barnes (Alternate), Procurement & Supply Programs Officer, 245–4818, room 1502, 475 L'Enfant Plaza West, 20260.

SMALL BUSINESS ADMINISTRATION

R. F. McDermott, Director, Office of Procurement Assistance, 653–6588, room 622, Imperial Bldg., 1441 L. St., NW, 20416.

Ralph F. Turner (Alternate), SBA Liaison Representative, 695–2435, OASD (I & L), room 1E526, Pentagon, 20301.

SMITHSONIAN INSTITUTION

Harry P. Barton, Director, Office of Supply Services, 381–5924, room 3120, Amtrak Bldg., 955 L'Enfant Plaza, SW, 20024.

Robert P. Perkins (Alternate), Deputy Director, Office of Supply Services, 381–5924, room 3120, Amtrak Bldg., 955 L'Enfant Plaza, SW, 20024.

STATE, DEPARTMENT OF

Harry M. Hite, Supply Management Representative, Supply & Transportation Division, 235–9529, room 532, State Annex 6, 20520.

Richard M. Albaugh (Alternate), Chief, Contracts Branch, 235–9546, room 527B, State Annex 6, 20520.

TRANSPORTATION, DEPARTMENT OF

Barnett M. Anceleitz, Director of Installations & Logistics, 426–4237, room 9100, Nassif Building, 400 7th St, SW, 20590.

Harry E. Tetirick (Alternate), Chief, Procurement Management Division, 426–4237, room 9100, Nassif Bldg., 400 7th St., SW, 20590.

TREASURY, DEPARTMENT OF THE

Thomas P. O'Malley, Assistant Director, Office of, Administrative Programs, Procurement and Personal, Property Management, 376–0650, room 900, 1331 G. St., NW, 20220.

Charles J. Schaefer (Alternate), Procurement Analyst, 376–0650, room 900, 1331 G. St., NW, 20220.

U.S. ARMS CONTROL AND DISARMAMENT AGENCY

Walter L. Baumann, Assistant General Counsel, 632–3530, room 5534, New State Bldg., 21st and Virginia Ave., NW, 20451.

Evalyn W. Dexter (Alternate), Contracting Officer, 632–0450, room 5635, New State Bldg., 21st and Virginia Ave., NW, 20451.

UNITED STATES INFORMATION AGENCY

James T. McIlwee, Chief, Contract and Procurement Division, 632–4807, room 523, 1776 Pennsylvania Ave., NW, 20547.

Daniel Drullard (Alternate), Chief, Policy & Procedures Staff Contract & Procurement Division, 632–6503, room 525, 1776 Pennsylvania Ave., NW, 20547.

VETERANS ADMINISTRATION

A. G. Vetter, Procurement Policy Specialist, 389–3882, room 7751, 810 Vermont Ave., NW, 20420.

Joseph M. Cumiskey (Alternate), Chief, Procurement Division, 389–3054, room 765, 810 Vermont Ave., NW, 20420.

PENSION BENEFIT GUARANTY CORPORATION

E. Robert Perlstein, Chief, Procurement Branch, 254–4767, room 6202, 2020 K. St., NW, 20006.

Charles W. Snearer (Alternate), Administrative Officer, 254–4776, room 6000, 2020 K. St., NW, 20006.

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FEDERAL PROCUREMENT

Cost Accounting Standards Administration—Interim Guidance

• 1. *Purpose.* This bulletin provides interim guidance concerning the administration of Subpart 1–3.12, Cost Accounting Standards, of the Federal Procurement Regulations (FPR). •

2. *Expiration date.* This bulletin contains items of information of a continuing nature which will remain in effect until canceled.

3. *Background.* a. The regulations and standards of the Cost Accounting Standards Board (CASB) are implemented by Subpart 1–3.12 of the FPR. Section 1–3.1219 contemplates the issuance of bulletin items for informational guidance, particularly when time or experience is not sufficient for development of fully coordinated provisions for FPR codification.

b. As § 1–3.1208 provides, for the majority of contractors/subcontractors subject to CASB rules and regulations, the contractor's Department of Defense cognizant contracting officer for CASB matters acts for civilian agencies on their CAS-covered contracts with these contractors. Other contractors/subcontractors will be assigned cognizant contracting officers by civilian agencies as provided by paragraph (b) of § 1–3.1208. GSA Bulletin FPR 22 also deals with CASB cognizant contracting officers' interagency administration.

c. The Department of Defense from time to time issues Defense Procurement Circular items and guidance letters for the information of their contracting officers. Republication of this information as FPR bulletin items should be of assistance to civilian agency personnel dealing with cost accounting standards matters.

4. *Guidance items.* Attachment A to this bulletin contains a listing of guidance items, source or prior publication data on the items, and the text of the items. Where appropriate, FPR references have been added to the text and are identified by brackets ([]). In regard to source citations, this bulletin contains Defense Procurement Circular items which are not codified into ASPR but are considered Department of Defense interim but uncoordinated regulatory material, as well as other items of a nonmandatory informational nature such as items identified by "W.G." Items identified by "W.G." were developed by the Working Group of the Department of Defense Cost Accounting Standards (CAS) Steering Committee. Both the committee and working group have civilian agency representation.

Dated: OCTOBER 29, 1976.

WALLACE H. ROBINSON, JR.,
Commissioner,
Federal Supply Service.

INTERIM GUIDANCE ON COST ACCOUNTING STANDARDS MATTERS

Item No.:	*Title and Source*
1	Guidance for the implementation of CAS 409, Depreciation of Tangible Capital Assets: DPC 75–4, October 3, 1975, Item XVI
2	CAS-covered contracts versus uncovered contracts: DPC 75–6, January 19, 1976, Item VIII (DPC 76–1, August 30, 1976)
3	Increased costs paid under CAS-covered contracts: DPC 75–6, January 19, 1976, Item VIII (DPC 76–1, August 30, 1976)
4	Individual contract adjustments: DPC 75–6, January 19, 1976, Item VIII (DPC 76–1, August 30, 1976)
5	Noncompliance cases involving contractor proposals: DPC 76–1, August 30, 1976, Item X (revised from DPC 75–6, January 19, 1976)
6	Interim guidance for implementing CAS 412: W.G. 76–1, February 24, 1976
7	Interim guidance for application of CAS to contract modifications and to orders placed under basic agreements: W.G. 76–2, February 24, 1976
8	Interim policy for application of CAS to subcontracts: W.G. 76–3, March 11, 1976
9	Interim guidance for determining increased costs to the Government for CAS-covered FFP contracts: W.G. 76–4, October 1, 1976
10	Interim guidance on treatment of implementation costs related to changes in cost accounting practices: W.G. 76–5, October 1, 1976
11	Interim guidance on application of CAS clause to changes in contractor's established practices when a disclosed statement has been submitted: W.G. 76–6, October 1, 1976
12	Interim guidance on the significance of "effective" and "applicability" dates included in cost accounting standards: W.G. 76–7, October 1, 1976

ITEM 1. GUIDANCE FOR THE IMPLEMENTATION OF CAS 409, DEPRECIATION OF TANGIBLE CAPITAL ASSETS; DPC 75–4, OCTOBER 3, 1975, ITEM XVI

Applicability. Cost Accounting Standard 409, Depreciation of Tangible Capital Assets, is effective July 1, 1975. Award of any CAS-covered contracts subsequent to that date makes the standard applicable to the contractor. Further, the standard is applicable only to those assets acquired after the beginning of the contractor's first fiscal year after the award of a contract subject to Standard 409. Proposals should be priced taking into consideration the effect of Standard 409 provided the period of performance extends into the contractor's next fiscal year. Actual accounting changes need not be made until the beginning of the first fiscal year after award of a CAS-covered contract. To facilitate negotiations of contracts which will be subject to Standard 409, contractors should identify the anticipated changes in their accounting practices. Only those CAS-covered contracts awarded prior to July 1, 1975, will be subject to an equitable adjustment under the terms of the Cost Accounting Standards clause.

Method of depreciation. The Standard does not encourage the use of one method over another, nor does it prohibit the use of any specific type of method. Contractors may select any appropriate method so long as it reflects the consumption pattern of the asset. The method used by contractors for financial accounting purposes shall be used for contract costing purposes UNLESS:

It does not reasonably reflect expected consumption of the asset, or

It is not recognized by IRS for tax purposes (409.50(f)(1)).

If contractors continue to use the methods previously used, and found acceptable to the Government, on similar assets for financial accounting purposes, no additional support is ordinarily required. It is believed that the methods selected as appropriate for financial accounting are usually intended to approximate the actual consumption of services. Thus, the Standard's reliance on financial accounting methods is expected to result in few challenges to existing methods consistently applied.

Contractors will be required to support the methods of depreciation they select to be applied to newly acquired assets:

If the standard is applicable to the contractor, and

If the method selected is different from the method currently applied by the contractor to "like assets in similar circumstances" (409.50(f)(2)). Such support will be based on projections of expected consumption, the criteria for which are described in paragraph 409.50(f)(3) of the Standard.

Service lives and records of service lives. The Standard requires depreciation charges to be based on estimates of service life and pattern of consumption (409.50(a)). The service life of an asset is defined by the standard as the period of usefulness to its current owner. Thus, it is not necessarily synonymous with either "physical life" or "period of retention." In estimating service lives, contractors should reasonably approximate expected actual periods of usefulness as supported by records of asset retirement or records of withdrawal from active use. If the assets are retained beyond periods of usefulness for secondary or standby use, these additional periods need not be considered in determining the service life of the asset provided the contractor maintains adequate records on the withdrawal of the asset from active use.

In developing projections for the service lives of new assets, the data on actual periods of usefulness for similar assets provide the baseline from which such projections are made. However, the standard permits the data to be modified by future expectations, including changes in contractor operating practices, changes in expected obsolescence of the new assets, and changes in quantity of products produced (409.50(e)(1)).

If a contractor has adequate records to support estimates of service lives, he shall begin to apply these estimates to new acquisitions immediately upon the date he must begin following the requirements of the standard. If the contractor determines that he does not have records sufficient to support estimates of service lives, the standard provides a period not to exceed 2 years during which the contractor shall develop such estimates from his current and historical asset records. During this period while estimates of service lives are developed from asset records, the contractor shall apply the estimated service lives used for financial accounting purposes, provided the estimates are not unreasonable. (See 409.50(e)(3).) Once the contractor has supportable estimates of service lives, these estimates shall be applied prospectively to newly acquired assets. If unique or special circumstances warrant, a shorter estimated service life of an asset may be negotiated by the contractor parties if the shorter life can be reasonably predicted (409.50(e)(5)).

In some instances, contractors may not have prior experience with an asset; e.g., future acquisitions, or there are no available data on the asset (e.g., assets recently developed or acquired). The standard permits the use of projected estimates of services lives, provided such estimates are not less than the mid-range periods established for asset guideline classes by the Internal Revenue Service. (See 409.50(e)(4).) However, this alternative may be used only until the contractor is able to develop estimates supported by his own experience. Many of the assets (or groups of assets) which would be temporarily subject to this technique could be identified from contractor's short and long range capital expenditure plans.

DOD (FPR) does not anticipate establishing recordkeeping requirements which extend beyond those contained in the standard.

Residual value. The standard requires that estimated residual values for all tangible capital assets be determined in establishing depreciable costs. However, the standard does make an exception for tangible personal property. In this case only residual values exceeding 10 percent must be used in computing depreciable costs.

The standard prohibits depreciation of assets or groups of assets significantly below residual value. However, this requirement does not apply to the individual assets within a group.

Gains and losses on disposition of fixed assets. The standard imposes certain requirements concerning accounting for gains and losses on the disposition of tangible capital assets. It should be noted, however, that these requirements apply only to assets *acquired* after the beginning of the first fiscal year after receipt of a contract subject to the standard.

Compliance. The responsibility for complying with Standard 409 rests with contractors. Contractors may wish to formulate their plans for complying with the standard and submit such plans to the cognizant ACO for review. This may be done concurrently with or as soon as practicable after submission of a proposal which could result in a contract subject to the standard. Contractors should prepare their plans in sufficient detail to permit Government personnel to evaluate the documentation in accordance with the standard. Government personnel will, upon request, review and evaluate such submissions and provide advisory comments on the proposed actions.

The period for developing adequate records on service lives is limited by the standard to 2 years. (See 409.50(e)(3).) Consequently, contractors who fail to do so within this period may be determined to be in noncompliance with the standard.

A copy of the standard as published in the FEDERAL REGISTER on January 29, 1975, is at § 1–3.1220–9).

ITEM 2. CAS-COVERED CONTRACTS VERSUS UNCOVERED CONTRACT: DPC 75–6, JANUARY 19, 1976, ITEM VIII (DPC 76–1, AUGUST 30, 1976)

There are contracts which do not contain the CAS clause either because they were awarded before Cost Accounting Standards requirements were effective or because they are exempt from such requirements. Although these contracts are not subject to CAS, they may be significantly affected by changes to the contractor's cost accounting practices. Because these contracts are not subject to CASB rules and regulations, they must be treated apart from CAS contracts when negotiating contract adjustments pursuant to the CAS clause. For example, if a new standard becomes effective, the CAS clause provides for equitable adjustment only on CAS contracts. In the case of voluntary changes to accounting practices (see ASPR 3–1214) (§ 1–3.1214) or changes occasioned by inadvertent noncompliance, offsets may be allowed among CAS contracts but non-CAS contracts cannot be considered in these offsets of CAS contracts. Notwithstanding this separation of CAS and non-CAS for price adjustment purposes, the ACO (CASB cognizant contracting officer) still has the same responsibility he always had to protect the Government's interest under all Government contracts by requiring compliance with ASPR Section XV; e.g., 15–201.3(a)(iv) and 15–203(d) (Part 1–15; e.g., §§ 1–15.201–3(d) and 1–15.203(d)) except on CAS-covered contracts where CASB promulgations take precedence over ASPR Section XV (FPR Part 1–15) allocability provisions.

ITEM 3. INCREASED COSTS PAID UNDER CAS-COVERED CONTRACTS: DPC 75–6, JANUARY 19, 1976, ITEM VIII (DPC 76–1, AUGUST 30, 1976)

There are two major aspects of "increased costs paid" as interpreted under the CAS clause (7–104.83(a)) (§ 1–3.1204–1) by the CASB regulations in (4 CFR) 331.70 of Appendix O:

(a) A contractor as the result of a failure to follow his disclosed or established accounting practices used during negotiations is paid more during performance than was contemplated at the time the contract was negotiated.

Example: A CPFF, CAS contract has $500,000 additional costs allocated to it as a result of a noncompliance. If all or any part of this $500,000 is paid by the Government, such payment constitutes an increased cost to the Government and must be recovered with interest.

(b) The contractor allocates less cost to a fixed-price contract than would have been allocated to the contract by use of the established or disclosed practice on which the negotiation of the contract was based.

Example: An FFP proposal is prepared in accordance with the contractor's disclosed cost accounting practices and applicable cost accounting standards. During contract performance, the contractor noncomplies either by not following his disclosed practices or by not complying with applicable cost accounting standards. The noncompliance results in $500,000 less costs being allocated to

the contract than if appropriate practices had been followed. The contractor should be requested to correct the noncompliance and properly allocate the costs. However, if the contractor failed to correct the noncompliance and the Government paid the firm fixed price agreed to during negotiations, then the contractor is making an additional profit of $500,000 on this contract as a result of the noncompliance. The $500,000 additional profit is "increased costs" paid by the Government and must be recovered with interest.

The amount of the increased cost to be recovered under either of the foregoing examples may be reduced if the contractor voluntarily corrects his accounting records to reflect the proper cost to that contract and all other contracts, and as a result of the correction, no increased costs have been paid by the United States. However, to the extent increased costs were actually paid by the United States prior to the correction, the amount of any signficant payment should be recovered together with interest.

In cases of voluntary changes to accounting practices, paragraph 331.70(f) clearly prohibits the total amount of upward adjustment of costs to the Government to exceed the total amount of cost decreases. It does not specifically address the opposite situation where cost decreases are greater than cost increases. However, the CASB has stated that the CAS clause requires all significant decreases in cost to the Government beyond the amount by which costs to the Government are increased to be recovered.

In paragraph (4 CFR) 331.70(g) the CAS Board introduces the concept of inadvertent noncompliance. In this paragraph, the Board urges contracting officers to permit offsets when, through inadvertence, the contractor has failed to use applicable cost accounting standards or to follow his disclosed practices. The CAS Board has stated that the burden of demonstrating inadvertence rests with the contractor and if an inadvertence is not demonstrated, offset is not permitted.

ITEM 4. INDIVIDUAL CONTRACT ADJUSTMENTS: DPC 75–6, JANUARY 19, 1976, ITEM VIII (DPC 76–1, AUGUST 30, 1976)

Paragraph (4 CFR) 331.70(f) of Appendix O states that adjustments to contract prices or cost allowances may not be required when, under the offset concept, decreased costs under one or more contracts are at least equal to increased costs under other affected contracts. Similarly, paragraph 331.70(g) urges contracting officers to negotiate required price adjustments using the offset principle in appropriate cases of inadvertent noncompliance. Although these paragraphs permit offsets among CAS contracts, price adjustments to each CAS contract are not precluded if necessary. In most cases, adjustments to each affected contract will be necessary, unless the amounts involved, both for individual contracts and the net effect, are considered to be insignificant. Costs allocated to cost and incentive contracts should automatically reflect the cost effect of any changes in accounting practices. While the same is true of firm fixed-price contracts, these changes in cost allocation would not affect the firm price paid. In addition, failure to adjust estimated costs, target costs, or prices could result in substantial overruns or underruns. The impact of such contract cost adjustments on profit or fee must also be considered. Unless contract adjustments are made, windfall profits or inappropriate losses to contractors having a mix of contract types could result. Such a result is inconsistent with the intent of the offset concept. Paragraph (c) of the Administration of Cost Accounting Standards clause (7–104.83(b)) (§ 1–3.1204–2) obligates a contractor to agree to appropriate contract amendments to reflect adjustments required by the Cost Accounting Standards clause (7–104.83(a)) (§ 1-3.1204–1).

ITEM 5. NONCOMPLIANCE CASES INVOLVING CONTRACTOR PROPOSALS: DPC 76–1, AUGUST 30, 1976, ITEM X (REVISED FROM DPC 75–6, JANUARY 19, 1976)

In some cases the ACO (CASB cognizant contracting officer) may be advised by DCAA (or other cognizant contract auditor) that, in relation to a proposed contract, a particular offeror did not submit a proposal which is consistent with its disclosed or established accounting practices, or with applicable cost accounting standards. Since noncompliance with CAS has no remedy outside a contract containing the CAS clause, this lack of consistency cannot be handled as a contractual noncompliance. The ACO, if he concurs with the audit report, shall make a determination of lack of consistency and shall so advise both the offeror and the PCO (buying office contracting officer). In the event this issue of lack of consistency with CAS cannot be resolved prior to award to the offeror in question, either by voluntary action on the part of the offeror or after negotiations conducted by the ACO, the PCO may conclude price negotiations on the basis of the proposal then extant with no adjustment being made on account of the alleged lack of consistency with CAS; *provided*, the resulting contract shall reserve the Government's rights with regard to the issues involved. The ACO will be responsible for resolving the noncompliance issues and negotiating any resulting price adjustments.

ITEM 6. INTERIM GUIDANCE FOR IMPLEMENTING CAS 412: W.G. 76–1, FEBRUARY 24, 1976

Background. Cost Accounting Standard 412—Composition and Measurement of Pension Cost—was promulgated on September 24, 1975 (FEDERAL REGISTER, Vol. 40, No. 186). The effective date of the standard was January 1, 1976.

Beginning with the standard's effective date, all effort on new contracts that is projected to occur after this standard becomes applicable must be estimated in conformance with its provisions. (Though the requirement for pricing begins with the effective date, actual compliance in regard to contract costing is required after the beginning of the next cost accounting period following the receipt of a contract to which this standard applies.) For example, Contractor A, whose accounting period begins July 1, 1976, is awarded a CAS-covered contract on May 1, 1976. The proposal for the contract was submitted January 15, 1976. According to the provisions of CAS 412, Contractor A will be required to comply at the beginning of its next fiscal year (July 1, 1976). Since the proposal was submitted after the effective date, the effort projected to occur after the applicability date (July 1, 1976) must be estimated in conformance with CAS 412.

Discussion. Under section 412.50(b)(2) of the standard, a contractor using an aggregate cost method to measure pension cost is required to make an alternative calculation to ascertain the funding status of the pension plan. The intent of this provision is to reduce the pension cost determined by the aggregate method for any excess funding disclosed by the alternative calculation. Where appropriate, this adjustment should be reflected in estimating the cost of contract effort scheduled to be performed after the standard becomes applicable.

It appears likely that a substantial number of affected contractors will be unable to make the required alternate computation prior to the period when the standard will be applicable. Thus, proposals submitted may not reflect proper pension costs. This condition could cause the issuance of an inordinate number of noncompliance reports and, to a large extent, impede the negotiation process. Where such conditions occur, this guidance outlines a course of action for contracting officers to follow which will minimize the need for issuing noncompliance reports and facilitate the pricing and the negotiation of contracts while adequately protecting the Government's interest.

Guidance. When companies using an aggregate actuarial cost method demonstrate, to the satisfaction of the ACO (CASB cognizant contracting officer), the inability to make the alternate computation (CAS 412.50 (b)(2)) as required by the standard, the following guidance should be followed.

1. The ACO shall establish a specific date for the contractor to furnish the alternate computation required by Standard (412.50 (b)(2)).

2. Contract negotiations should be conducted using the actuarial cost method currently employed by the contractor.

3. Contract terms should include a provision for a price adjustment for any significant cost impact resulting from the alternate computation required by the standard. If a substantial overpayment results, interest should be assessed at a rate prescribed by the provisions of Public Law 91–379.

ITEM 7. INTERIM GUIDANCE FOR APPLICATION OF CAS TO CONTRACT MODIFICATIONS AND TO ORDERS PLACED UNDER BASIC AGREEMENTS: W.G. 76–2, FEBRUARY 24, 1976

Background. Questions arise from time to time on how and when CAS is to be applied to changes negotiated on existing contracts. There have also been questions on when CAS should be applicable to basic agreements and to the orders placed pursuant to such agreements (ASPR 3–410.1 and 3–410.2) [§§1–3.410–1 and 1–3.410–3]. In the case of contract modifications the questions often comes up when an advertised contract is modified requiring negotiation of a price adjustment which involves costs above the $100,000 or $500,000 CAS threshold. Similar questions arise when a negotiated contract not subject to CAS is modified and the pricing action involves amounts that exceed the threshold for CAS application.

In the case of basic agreements under which orders are placed from time to time, as is the case with basic ordering agreements, the question is whether CAS should be applied only to orders which exceed the CAS threshold or whether the sum of all orders should be considered. If the latter policy is followed CAS would apply to all orders regardless of individual dollar amount if their sum exceeds the threshold for CAS.

Guidance. With respect to contract modifications the general rule is that any modifications made to a contract pursuant to the terms and conditions of the contract will not affect the status of the contract with respect to CAS appli-

cation. That is, if CAS was applicable to the original contract, it will be applicable to the modification, if CAS was not applicable to the original contract, it will not apply to the modification.

Notwithstanding the apparent simplicity of this concept, there are many cases when it may be difficult to decide if CAS is applicable. The following examples are furnished to provide guidance for types of cases that have come to the attention of the CAS Working Group and Steering Committee.

1. The contract was advertised and not subject to CAS, but it contains an option for additional quantities that would exceed the threshold for applying CAS.

a. At a fixed price; b. At a price not to exceed 125 percent of initial quantity.

In the case of "a," there should be no doubt that the option quantity would not be subject to CAS, because it was part of the original advertised solicitation and award was made in accordance with the rules of advertising. In the case of "b," there may be a question since an element of negotiation appears to be involved in establishing the final price. Nevertheless, a firm ceiling price was established and was considered at the time of the initial contract award. CAS would not apply.

If at the time the option is exercised, a decision is made to increase the quantity beyond the amount provided for in the option clause, and if the price negotiated for this portion of the increase exceeds the CAS threshold, CAS will apply to that portion. This increment was not contemplated under the terms of the original contract and must therefore be treated as if it were a new negotiated contract.

2. The contract was negotiated and called for a quantity that was priced below the threshold for CAS ($100,000 or $500,000 as the case may be). The contract includes an option that, added to the initial requirement, would exceed the CAS threshold.

This contract was subject to CAS at the outset because it contemplates a total requirement in excess of the CAS threshold.

In the case of basic agreements, 3-410 specifically states that they are not contracts (3-41.1(a)). The same statement appears in 3-410.2(a)(1) with respect to basic ordering agreements. All documents falling within the definitions of these two agreements are only to be used to establish certain terms and conditions under which contracts may be placed. (Specific statements do not appear in §§ 1-3.410-1 and 1-3.410-3 although the intent is the same.)

The individual contracts or orders are therefore to be individually considered when determining the applicability of CAS. If the CAS dollar threshold is reached and the negotiated contract or order is not otherwise exempt under the CAS rules and regulations the contract or order is subject to CAS.

ITEM 8. INTERIM POLICY FOR APPLICATION OF CAS TO SUBCONTRACT: W.G. 76-3, MARCH 11, 1976

Background. Paragraph (a)(3) of the CAS clause (§ 1-3.1204-1) requires the contractor to "comply with all cost accounting standards in effect on the date of award of this contract * * *." Prime contractors and subcontractors are required by paragraph (d) of the clause to flow its provisions down to lower tier subcontractors.

It is clear that paragraph (a)(3) requires prime contractors to comply with all standards that are effective when the contract is placed. This requirement has also been applied to subcontracts. Recently, however, we have learned that the CAS Board does not construe its rules to require subcontracts to be subject to any standards which are not effective for the prime contract at the time the prime contract is awarded, except to the extent necessary to comply with the second sentence of paragraph (a)(3) of ASPR 7-104.83 (§ 1-3.1204-1). ("The contractor shall also comply with any cost accounting standard which hereafter becomes applicable to a contract or subcontract of the contractor.")

Discussion. After careful consideration of the CAS Board interpretation and its impact, we have concluded that, in many cases, the administrative effort to implement this approach could be considerably greater than that required when subcontracts are subject to all standards in effect at the time the subcontracts are placed. This is evident when the two situations are compared. In the one instance, each new subcontract would bring with it all current standards. This would leave no doubt as to the standards applicable to all the contractor's CAS-covered work. In the other case, it would be necessary to track back to the prime contract to determine the standards that were effective. Following this, other existing contracts and new awards would have to be reviewed. The results of this would disclose which prime or subcontract included the latest standards, and thus establish the standards applicable to all CAS work.

Admittedly, the problem of identifying standards could be alleviated by requiring the prime contractor and each subcontractor to identify the standards applicable when they place a subcontract. However, this procedure, at best, would still require greater administrative effort than a criterion based on the time of subcontract award.

Guidance. In view of the above, contracting officers should be advised to require their prime contractors to include language in their CAS flow down clause which requires the subcontractors at all tiers to comply with all standards, rules, and regulations in effect at the time the subcontract is awarded. In unusual cases, the head of the procuring agency should waive the requirement if, in his judgment, such a waiver is necessary; provided, however, that such waivers cannot relieve the subcontractor from compliance with rules and regulations established by the CAS Board. Thus, the flow down clause must require as a minimum that standards applicable to the prime contract at the time it was awarded shall be applicable to the subcontract and further, that standards applicable to any of the subcontractor's other prime or subcontracts shall also be applicable to the subcontract.

ITEM 9. INTERIM GUIDANCE FOR DETERMINING INCREASED COSTS TO THE GOVERNMENT FOR CAS-COVERED FFP CONTRACTS: W.G. 76-4, OCTOBER 1, 1976

Background. Paragraph 4 CFR 331.70(b) of the CAS Rules and Regulations discusses the concept of "increased costs" on firm fixed-price (FFP) contracts as related to noncompliances; i.e., failure to follow disclosed practices or cost accounting standards.

DOD guidance on "increased costs paid under CAS-covered contracts" contained in DPC 75-6 (Item 3, this bulletin) gave an example of increased costs on FFP contracts where there was a noncompliance that resulted in less costs being allocated to the FFP contract than would have been had the appropriate practices been followed.

Discussion. In cases other than noncompliance the opinion has been expressed that no increased cost can occur unless the contract price of an FFP contract is actually increased. This concept cannot adequately protect the Government as was contemplated by Pub. L. 91-379, because it provides a situation under which a contractor may overtly or inadvertently adjust accounting procedures so as to cause less costs to be allocated to FFP contracts. The contractor may thus receive a windfall.

To protect the Government in all situations where FFP contracts are involved it is therefore necessary to recognize the phenomenon that occurs when cost allocations are decreased due to accounting changes. The CAS Board did so in 4 CFR 331.70(b). A basic premise of this paragraph is that the amount of such decrease represents the amount of "increased costs to the Government." It is logical that this premise be extended to apply to all cases involving FFP contracts.

Guidance. Increased costs to the Government under firm fixed price contracts should be considered to exist when the costs allocated to the contracts are less than would have been allocated if the method of allocation had not been changed.

ITEM 10. INTERIM GUIDANCE ON TREATMENT OF IMPLEMENTATION COSTS RELATED TO CHANGES IN COST ACCOUNTING PRACTICES: W.G. 76-5, OCTOBER 1, 1976

Background. When a cost accounting practice is changed, whether the change is mandatory (issuance of a new cost accounting standard) or voluntary (any change other than mandatory) costs to implement the change may be incurred. Questions have arisen as to whether implementation costs associated with such practice changes may be included in cost impact statements, and whether such costs should be charged only to CAS-covered contracts.

Discussion. Since mandatory changes are required because of CAS Board actions, it has been proposed that total implementation costs should be allocated only to CAS-covered contracts. In the case of voluntary changes CAS Board regulations state that there can be no increased cost to the Government. This adds additional significance to the question of whether implementation costs should be included in the cost impact statement. Cost of implementing changes to accounting practices may include the cost of work performed by the contractor's personnel and/or work performed by outside organizations. Such costs are normally included in the contractors' overhead accounts and allocated to appropriate cost objectives.

Guidance. Implementation costs may be included in cost impact statements only to the extent they are a part of appropriate indirect expense pools and allocated in accordance with the contractor's normal accounting practices. This principle applies to both voluntary changes and changes resulting from the issuance of standards.

ITEM 11. INTERIM GUIDANCE ON APPLICATION OF CAS CLAUSE TO CHANGES IN CONTRACTOR'S ESTABLISHED PRACTICES WHEN A DISCLOSED STATEMENT HAS BEEN SUBMITTED: W.G. 76-6, OCTOBER 1, 1976

Background. Contractors and subcontractors are required to disclose in writing (Disclosure Statement) their cost accounting practices under the criteria set forth in 4 CFR 351.40 and 351.41 of the CAS Rules and Regulations. For those contractors and subcontractors who are not required to submit a Disclosure Statement their "established cost accounting practices" govern.

ASPR 3-1205 (§ 1-3.1205) requires the ACO (cognizant contracting officer) to make a determination as to whether the Disclosure Statement adequately describes the contrac-

tor's cost accounting practices. In order to be deemed adequate, the Disclosure Statement submitted by the contractor must be current, accurate, and complete.

Discussion. A contractor required to submit a Disclosure Statement may have a cost accounting practice which may not be specifically covered by Disclosure Statement Form CASB–DS–1 or there may be other reasons why the practice was not disclosed; therefore, the practice will not be considered a "disclosed practice." When this nondisclosed cost accounting practice is revised due to either a mandatory or voluntary change, the question arises as to whether there is a requirement for a revision to the Disclosure Statement and a contract price adjustment. The CAS clause discusses changes to an "established cost accounting practice" as well as a "disclosed cost accounting practice." When a contractor is required to disclose his practices he is, in effect, disclosing his established practices and should be disclosing all relevant cost accounting practices. Therefore, a cost accounting practice not disclosed is considered an "established cost accounting practice" whether or not it should have been disclosed on CASB–DS–1.

Guidance. When an ACO makes a determination that the conrtactor's Disclosure Statement is adequate it does not necessarily indicate that the ACO is certifying that all cost accounting practices have been disclosed. It does indicate that those practices disclosed have been adequately described and the ACO currently is not aware of any additional practices that should have been disclosed. Subsequently, when it is discovered that a contractor is not following a cost accounting practice that he failed to disclose or a change to that practice is made the practice will be considered an "established cost accounting practice and appropriate guidance in ASPR 3–1200 [Subpart 1–3.12] on changes and noncompliance will be followed.

ITEM 12. INTERIM GUIDANCE ON THE SIGNIFICANCE OF "EFFECTIVE" AND "APPLICABILITY" DATES INCLUDED IN COST ACCOUNTING STANDARDS: W.G. 76–7, OCTOBER 1, 1976

References. a. Cost Accounting Standards Clause (§ 1–3.1204–1) b. ASPR 3–1213 [§ 1–3.1213].

Background. Public Law 91–379 authorizes the Cost Accounting Standards Board (CASB) to promulgate cost accounting standards designed to increase uniformity and consistency in the accounting practices used by defense prime contractors and subcontractors. Companies are required to follow the standards in estimating, accumulating, and reporting costs on Government procurements subject to the CASB rules and regulations.

To facilitate the implementation process, each promulgated standard carries its own statement (4 CFR 4—.80) regarding the date it becomes effective and generally, a statement describing the time and conditions under which the standard should be applied to the contractor's accounting system—the applicability date.

The effective date designates the point in time the Government can require compliance with the standard's provisions. As a matter of policy, the CASB generally defers the application of the standard to the contractor's accounting system beyond the effective date. This deferral is intended to provide affected contractors adequate time to make necessary preparation for compliance and to provide a more convenient time to initiate the required accounting changes. In this regard, the CASB regulation provides that an effective standard need only be applied after the receipt of the first CAS-covered contract following the effective date. The applicability statement included in most standards extends the date the contractor must actually change his practices to the start of the next cost accounting period following the receipt of the triggering CAS-covered contract.

Since it is apparent that the effective date and the applicability date of a standard generally do not coincide, contracting personnel should be aware of the significance of these dates and understand the appropriate administrative actions required.

Discussion. Effective Date—Subparagraph (a)(3) of the Cost Accounting Standards Clause of ASPR 7–104.83(a) [§ 1–3.1204–1] requires compliance with all effective cost accounting standards as of the date of contract award or if the contractor has submitted cost or pricing data, on the date of final agreement on price as shown on the contractor's signed certificate of current cost or pricing data. Therefore, only those CAS-covered contracts in existence on the date a standard becomes *effective* will be equitably adjusted to reflect the prospective application of the new accounting requirements.

In summary, we can conclude that the *effective date* of a standard does two important things:

a. Designates the point in time when the pricing of all future CAS-covered procurement must reflect the requirements of the newly promulgated standard; and

(b) Identifies those existing contracts eligible for an equitable adjustment to reflect the cost impact of applying, prospectively, the provisions of the new standard.

Applicability Date—This date marks the beginning of the period when the contractor must actually change the accounting and reporting systems to conform to the standard. Up to this point, only the estimates prepared after the standard's effective date had to take into account compliance with the new standard as more fully discussed below. From this point forward, covered contracts must be priced and the cost reported in compliance with all applicable standards.

As indicated earlier, the CASB sets the *applicability date* beyond the effective date in order to achieve a smooth implementation of the standard. However, special care is needed in considering contractors' proposals submitted for a contract to be awarded after a new standard's effective date but before the standard must be applied.

The proposed effort occurring after the effective date but before the *applicability date* should be priced using the contractor's old accounting practice. Effort projected to occur on or after the *applicability date* should be priced in compliance with the new standard.

The equitable adjustment for those CAS-covered contracts in existence when a standard becomes effective should cover the period from the date the standards become applicable through contract completion.

Guidance. Procurement, administration, and audit personnel should carefully review the appropriate section of each newly promulgated standard to identify the effective date and the conditions governing the application of its provisions to actual practices.

A listing of all CAS-covered contracts and subcontracts in existence as of the standard's effective date should be obtained from the contractor. This listing, as confirmed with contract administration records, should represent those contracts eligible for equitable adjustments. ASPR 3–1213 [§ 1–3.1213] should be followed in administering any equitable adjustments caused by the new standard.

Proposals for contracts to be awarded after the effective date of a standard should be carefully reviewed to ascertain whether it reflects compliance with the standard. The proposal need only reflect compliance with the standard from the applicability date forward.

There will be instances where the impact of the standard cannot reasonably be predicted at the time the proposal is prepared or before the negotiations. Consequently, the effects of applying the standard cannot be reflected in the negotiated price. When this condition occurs procurement officials should make use of contract provisions protecting the Government's interest.

[FR Doc.76–34312 Filed 11–19–76;8:45 am]

FEDERAL MARITIME COMMISSION

CONTINENTAL NORTH ATLANTIC WESTBOUND FREIGHT CONFERENCE

Modification of Agreement

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1100 L Street, N.W., Room 10126; or may inspect the agreement at the Field Offices located at New York, N.Y., New Orleans, Louisiana, San Francisco, California and Old San Juan, Puerto Rico. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C. 20573, on or before December 13, 1976. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of Agreement Filed by:

Howard A. Levy, Esq., Suite 727, 17 Battery Place, New York, New York 10004.

Agreement No. 8210–34, among the member lines of the above named conference, provides for appointment of an independent neutral body as a possible alternative to naming the Executive Director of the Associated North Atlantic Freight Conference as exclusive enforcement authority for self-policing.

By Order of the Federal Maritime Commission.

Dated: November 17, 1976.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.76–34474 Filed 11–19–76;8:45 am]

[Independent Ocean Freight Forwarder License No. 299]

ATLANTIC FORWARDING CO., INC.

Order of Revocation

On November 11, 1976, Mr. Marcus Felsen, President, Atlantic Forwarding Co., Inc., voluntarily surrendered his Independent Ocean Freight Forwarder License No. 299 for revocation.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 201.1 (Revised), Section 5.01 (b), dated June 30, 1975;

It is ordered, That Independent Ocean Freight Forwarder License No. 299 issued to Atlantic Forwarding Co., Inc., be and is hereby revoked effective November 1, 1976 without prejudice to reapply for a license in the future.

It is further ordered, That a copy of this Order be published in the FEDERAL REGISTER and served upon Atlantic Forwarding Co., Inc.

LEROY F. FULLER,
Director, Bureau of Certification and Licensing.

[FR Doc.76-34473 Filed 11-19-76;8:45 am]

MATSON TERMINALS, INC. AND SEATTLE/CRESCENT CONTAINER SERVICE

Agreement Filed

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1100 L Street, N.W., Room 10126; or may inspect the agreement at the Field Offices located at New York, N.Y., New Orleans, Louisiana, San Francisco, California, and Old San Juan, Puerto Rico. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, on or before December 13, 1976. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of Agreement Filed by:

Peter P. Wilson, Esquire, Senior Counsel, Matson Navigation Company, 100 Mission Street, San Francisco, California 94105.

Agreement No. T-3342, as amended by Agreement No. T-3342-1, is between Matson Terminals, Inc., (Matson) and Seattle Crescent Container Service (SCCS). Agreement No. T-3342, as amended, is a maintenance and repair agreement wherein SCCS will furnish certain maintenance and repair services for Matson and Matson Navigation Company containers, trailers, generator units and other equipment at Seattle, Washington. SCCS's compensation is to be as agreed to by the parties and filed with the Federal Maritime Commission.

By Order of the Federal Maritime Commission.

Dated: November 17, 1976.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.76-34471 Filed 11-19-76;8:45 am]

NORTH ATLANTIC WESTBOUND FREIGHT ASSOCIATION

Modification of Agreement

Notice is hereby given that the following agreement has been filed with the Commission for approval pursuant to section 15 of the Shipping Act, 1916, as amended (39 Stat. 733, 75 Stat. 763, 46 U.S.C. 814).

Interested parties may inspect and obtain a copy of the agreement at the Washington office of the Federal Maritime Commission, 1100 L Street, N.W., Room 10126; or may inspect the agreement at the Field Offices located at New York, N.Y., New Orleans, Louisiana, San Francisco, California and Old San Juan, Puerto Rico. Comments on such agreements, including requests for hearing, may be submitted to the Secretary, Federal Maritime Commission, Washington, D.C., 20573, on or before December 13, 1976. Any person desiring a hearing on the proposed agreement shall provide a clear and concise statement of the matters upon which they desire to adduce evidence. An allegation of discrimination or unfairness shall be accompanied by a statement describing the discrimination or unfairness with particularity. If a violation of the Act or detriment to the commerce of the United States is alleged, the statement shall set forth with particularity the acts and circumstances said to constitute such violation or detriment to commerce.

A copy of any such statement should also be forwarded to the party filing the agreement (as indicated hereinafter) and the statement should indicate that this has been done.

Notice of Agreement Filed by:

Howard A. Levy, Esq., Suite 727, 17 Battery Place, New York, New York 10004.

Agreement No. 5850-33, among the member lines of the above named conference, provides for appointment of an independent neutral body as a possible alternative to naming the Executive Director of the Associated North Atlantic Freight Conference as exclusive enforcement authority for self-policing.

By Order of the Federal Maritime Commission.

Dated: November 17, 1976.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.76-34475 Filed 11-19-76;8:45 am]

[Docket No. 72-41; General Order 35]

TRUCK DETENTION AT THE PORT OF NEW YORK

Parties Responsible for Receipt and Settlement of Claims

The following constitute additions and/or corrections to the list of Parties Responsible For Receipt And Settlement Of Claims in this proceeding published September 21, 1976 (41 FR 41162).

International Terminal Operating Co., Inc., 17 Battery Place, New York, N.Y. 10004. New York City Passenger Ship Terminal, Piers 6 and 7, Brooklyn-P.A. Marine Terminal, Foot of 21st Street, Brooklyn, Foot of 58th Street, Brooklyn Army Terminal, Piers 1, 2, and 3, 23rd St. Pier, Brooklyn. Port Newark, Berths 12, 14, 16, 18, 20, 22, Buildings 137, 141, 145, 152. Elizabeth-P.A. Terminal (container division), Berths 62, 64, and 66, Buildings 2240, 2270, and 2300. (212) 269-2200.

McGrath Corp., John W., 21 West Street, New York, N.Y. 10006. Brooklyn-P.A. Marine Terminal, Piers 8, 9A, 9B, 10, and 11. (212) 944-3600.

Maersk Container Service Compay, Inc., Th. Larsen, Terminal Manager, Berth 51, Port Newark, N.J. 07114. (201) 465-1000.

Howland Hook Marine Terminal Corporation, Mr. Michael Gallo, Operations Manager, 300 Western Avenue, Staten Island, N.Y. 10303. (212) 273-6500.

FRANCIS C. HURNEY,
Secretary.

[FR Doc.76-34472 Filed 11-19-76;8:45 am]

FEDERAL POWER COMMISSION

[Docket No. E-8851]

ALABAMA POWER CO.

Extension of Time

NOVEMBER 16, 1976.

On November 5, 1976, Alabama Power Company filed a motion to extend the date for filing Briefs on Exceptions and Briefs Opposing Exceptions to the Initial Decision, issued October 22, 1976, in the above-designated proceeding.

Upon consideration, notice is hereby given that the date for filing Briefs on Exceptions to the Initial Decision is extended to and including December 14, 1976, and the date for filing Briefs Opposing Exceptions is extended to and including January 10, 1977.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34425 Filed 11-19-76;8:45 am]

[Docket Nos. E-8071, etc.]

ARKANSAS POWER & LIGHT CO.

Order Approving Settlement Agreement and Terminating Proceedings

NOVEMBER 15, 1976.

On October 7, 1976, Arkansas Power & Light Company (AP&L) filed a proposed Settlement Agreement dated September 16, 1976 signed by all parties which would resolve all issues in the proceedings, pertaining to Docket Nos. E-8250 and ER76-110.

Docket No. E-8071 involved the filing of an initial Power Service Agreement with the City of Jonesboro, Arkansas and an investigation into the automatic cost of money clause, the form of fuel clause, and the justness and reasonableness of the rates under section 206 of the Federal Power Act. Jonesboro did not protest, nor did it intervene in E-8071. An acceptably revised fuel adjustment clause for Jonesboro was subsequently proffered in Docket No. ER76-110.

Additionally, based upon our analysis of AP&L's rates to Jonesboro after application of the filed rate increase in Docket No. ER76-110, it is our conclusion that the proposed rates in Docket No. ER76-110 (Jonesboro's rates will remain the same as the proposed rates), will not result in excess revenues.

Docket No. E-8142 involved the inclusion of an automatic cost of money adjustment provision in a supplement to FPC Rate Schedule No. 67 with Arkansas Electric Cooperative Corporation. By order issued July 3, 1973, the Commission instituted a section 206 investigation into the reasonableness of this clause. The Cooperative did not protest the filing in E-8142, nor did it intervene in the ensuing proceeding.

Since the settlement is a package agreement which includes issues raised in Docket Nos. E-8071 and E-8142, all issues are resolved in these proceedings and therefore these dockets also should be terminated.

In an Order issued July 31, 1973, in Docket No. E-8250, we accpeted for filing and suspended until January 1, 1974, the proposed rate increase filed by AP&L. With respect to Docket No. ER76-110, we accepted for filing and suspended AP&L's proposed increase until December 1, 1975.

Public Notice of the filing of the Settlement Agreement was issued October 26, 1976, with comments from all interested parties due on or before November 1, 1976. The certification of the Settlement Agreement by the Administrative Law Judge in Docket No. ER76-110 was sent to all parties listed on service cards for this docket on October 8, 1976 and on October 7, 1976 in Docket No. E-8250. Staff comments in support of the Agreement were filed out of time on November 9, 1976. No other person or party opposes the settlement.

The Settlement Agreement as related to Docket No. E-8250 will require refunds of $2,972,624 or 90 percent of the revenues collected subject to refund for the locked-in Phase I period. In Docket No. ER76-110, the agreement provides for a reduction in originally proposed rates of approximately $1,385,000 or 20 percent of the revenues collected subject to refund. The company will retain all amounts collected subject to refund in Phase II of Docket No. E-8250.

Cost of money adjustment clauses which provide that the demand charge will be increased or decreased by one cent ($.01) per kilowatt of billing demand for each one-tenth of one percent (0.1 percent) increase or decrease in the company's embedded long-term debt cost above or below 7.67 percent have been included in the revised rate schedules appended to the Settlement Agreement. While we will not require that the clause be stricken in view of the fact that this is a part of the settlement package, we will treat such clause in a manner similar to our treatment of tax adjustment clauses, i.e., we will not allow such clause to serve as a basis for a change in rates absent a filing pursuant to § 35.13 of the Commission's Rules and Regulations. Upon receipt of such a proposed rate filing, we will review it in a manner similar to any proposed rate change filing under section 205 of the Federal Power Act.

The major elements of the agreement include the following:

1. The Company will furnish to its customers prior to filing with the Federal Power Commission its proposed rate design and within twenty days the customers will advise of any objections they have to such design. If agreement cannot be reached, the company test year data, rate base items, expenses, with this Commission, provided that no change in design can be implemented within two years of the filing date of such rates.

2. The Company agrees in the future to develop a cost of service study for each wholesale classification using the same total company test year data, rate base items, expenses, rate of return, etc. consistent with rules and regulations of the Arkansas Public Service Commission in effect at the time of AP&L's filing of its most recent retail rate case or cost of service study.

3. After August 30, 1976, AP&L will file for retail rate increases first, followed by a filing for increases in wholesale rates based, among other things, on the fact that the cost of providing service in each jurisdiction is increasing at about the same rate.

4. In the event that such differences in relative amount of allowed rate increases result in a significant change in the relationship between gross wholesale and retail rates, from that produced by the above uniform costing approach, and to the extent that such relationship is significantly changed, whether by decision of the Arkansas Public Service Commission, Federal Power Commission or otherwise, so that the comparable wholesale rates are significantly higher or lower than they would be if set as described above in relation to the retail rate authorized or to be charged, the Company will immediately, either:

(a) File a unilateral reduction of pending wholesale rates to levels substantially equivalent to the newly-effective retail rates, or

(b) Commence negotiations with customers for the express purpose of negotiating and seeking FPC approval of settlement rates developed in conformance with the uniform costing methodology established in this agreement and which are consistent with FPC's implementation of the holding of the United States Supreme Court in *Federal Power Commission* v. *Conway Corp., et al.* If negotiations do not result in an agreed upon settlement rate within such ninety (90) days period, or a mutually agreed extension thereof, then, in that event, those matters still at issue shall be submitted to the Federal Power Commission for determination; or

(c) Refile for rates at wholesaale to attain gross rate levels substantially equivalent to the then effective retail rates.

5. All wholesale rates filed as a result of any of the above shall be retroactive to the effective date of the wholesale rate being superseded, unless mutually agreed upon.

We will accept the Settlement Agreement subject to the following proviso that all parties should recognize that these provisions do not in any way bind the Commission in exercising its responsibility for fixing just and reasonable rates under the Federal Power Act.

The Commission's review of the proposed Settlement Agreement indicates that it reflects a just and reasonable resolution of the issues in this proceeding, and provides for cost-based rates. Accordingly, approval and adoption of the agreement is in the public interest, and should be accepted.

The Agreement provides that within 30 days after the Commission's Order approving this Settlement becomes final and nonappealable, the Company will file in Docket No. ER76-110 revised Rate Schedules U4 and B4, attached as Appendix A to the proposed settlement. AP&L will refund the difference between the amounts billed pursuant to Rate Schedules U4 and B4 as originally filed in Docket No. ER76-110, and placed into effect subject to refund on December 1, 1975, and the attached revised rate schedules, plus interest. Interest shall be computed at 7 percent per annum for the period January 1, 1974 through October 9, 1974, and at 9 percent per annum for the period October 10, 1974 through December 18, 1974. All amounts subject to refund from December 1, 1975 will be computed at 9 percent per annum.

The Commission finds: Good cause exists to accept and approve the proposed Settlement Agreement.

The Commission orders:

(a) The Settlement Agreement, incorporated by reference, is accepted and approved.

(b) The revised rate schedules, attached as Appendix A to the Settlement Agreement will be filed within 30 days after this Order becomes final and nonappealable and shall be made effective as of December 1, 1975.

(c) Within 30 days after this Order becomes final and nonappealable AP&L will refund the difference between the amounts billed pursuant to Rate Schedules U4 and B4 as originally filed in Docket No. ER76-110 and the revised rate schedules attached to the settlement agreement plus interest. Interest shall be computed at 7 percent per annum for the period January 1, 1974 through October 9, 1974, and at 9 percent per annum for the period October 10, 1974 through December 18, 1974. All amounts subject to refund from December 1, 1975 will be computed at 9 percent per annum.

(d) AP&L shall be required to make a rate filing pursuant to § 35.13 of the

Commission's Rules and Regulations to implement changes under the cost of money adjustment clause.

(e) AP&L is directed to file a compliance report within 15 days after refunds have been made to show monthly billing determinants and revenues under prior, present and settlement rates. The report should also show the monthly settlement increase, the monthly rate refund, and the monthly interest computation together with a summary of such information for the total refund period in each docket. A copy of this report shall be furnished to the Arkansas Public Service Commission and any other state commission within whose jurisdiction the wholesale customers distribute and sell electric energy at retail.

(f) Dockets Nos. E-8071 and E-8142 are terminated.

(g) This order is without prejudice to any findings or orders which have been made or which may be made afterward by the Commission, and is without prejudice to any claims or contentions which may be made by the Commission, the Staff or any other person affected by this order in any proceeding now pending or to be instituted in the future by or against AP&L or any other person or party.

(h) The Secretary shall have this order published promptly in the FEDERAL REGISTER.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34423 Filed 11-19-76;8:45 am]

[Docket No. RP76-135]

CITIES SERVICE GAS CO.

Extension of Procedural Dates

NOVEMBER 11, 1976.

On November 2, 1976, Staff Counsel filed a motion to extend the date to February 1, 1977, for service of Staff top sheets, as fixed by order issued August 19, 1976, in the above-designated proceeding.

Upon consideration, notice is hereby given that an extension of time is granted to and including January 7, 1977, within which Staff shall serve top sheets on all parties in the above matter.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34418 Filed 11-19-76;8:45 am]

[Project No. 289]

LOUISVILLE GAS & ELECTRIC CO.

Issuance of Annual License(s)

NOVEMBER 12, 1976.

On November 9, 1972, the Louisville Gas & Electric Company, Licensee for the Ohio Falls Project No. 289, located in Louisville, Jefferson County, Kentucky, at U.S. Corps of Engineers McAlpine Locks and Dam, filed an application for a new license pursuant to the Federal Power Act and Commission Regulations thereunder.

The license for Project No. 289 was issued effective November 11, 1925, for a period ending November 10, 1975. Since expiration of the original license, the project has been maintained and operated under an annual license, which will expire November 10, 1976. In order to authorize the continued operation and maintenance of the project, pending Commission action on Licensee's application, it is appropriate and in the public interest to issue an annual license to the Louisville Gas & Electric Company.

Take notice that an annual license is issued to the Louisville Gas & Electric Company for the period November 11, 1976, to November 10, 1977, or until Federal takeover, or until the issuance of a new license for the project, whichever comes first, for the continued operation and maintenance of the Ohio Falls Project No. 289 subject to the terms and conditions of the original license. Take further notice that if Federal takeover or issuance of a new license does not take place on or before November 10, 1977, a new annual license will be issued each year thereafter, effective November 11 of each year, until such time as Federal takeover takes place or a new license is issued, without further notice being given by the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34420 Filed 11-19-76;8:45 am]

[Docket No. E-9555]

METROPOLITAN WATER DISTRICT OF SOUTHERN CALIFORNIA

Order Providing for Pre-Hearing Conference Regarding Jurisdiction

NOVEMBER 16, 1976.

On April 19, 1976, the Metropolitan Water District of Southern California (Metropolitan) filed with this Commission a document styled "Declaration of Intention Incorporating Petition to Disclaim Jurisdiction Before the Federal Power Commission." Therein, Metropolitan stated its intention to construct hydroelectric power facilities in Southern California, and petitioned the Commission to disclaim jurisdiction over these proposed facilities.

From the document described above, it appears that Metropolitan has operated for over 30 years as a public agency of the State of California to provide supplemental water to the heavily-populated but semi-arid regions of Southern California, including greater Los Angeles and San Diego. Metropolitan's water supply comes from (1) the Colorado River on the California-Arizona border via the Colorado River Aqueduct, and (2) the Sacramento-San Joaquin Delta adjacent to the San Francisco Bay in Northern California via the California Aqueduct. Metropolitan operates an extensive water distribution system consisting of many miles of large diameter pressure pipelines, which deliver water to various public agencies which are members of Metropolitan and thence to individual customers. Metropolitan controls the flow of water throughout its system by means of numerous pressure control facilities utilizing large throttling valves to make flow rate adjustments and dissipate excess hydraulic energy. Instead of routing water through such existing control facilities, Metropolitan presently proposes to install turbine-generator hydroelectric units at five locations in the distribution system to recover a portion of the excess hydraulic energy that is dissipated and lost in the current control facilities.

Metropolitan states that the five proposed hydroelectric power facilities will have a combined capacity of approximately 47 megawatts, and estimates an annual yield of 200 million kilowatt-hours of electrical energy. This power will be consumed by Metropolitan or marketed to public utilities or municipalities in Southern California or to the State. Plans call for the interconnection of these hydroelectric facilities to the power grids of the public utility in the service area in which each facility is located.

Metropolitan contends in its petition that these proposed hydroelectric power facilities are not within the licensing jurisdiction of the Commission under the Federal Power Act (16 U.S.C. 794a-825r), and thus requests the Commission to issue an order in which it disclaims jurisdiction to license the facilities. Metropolitan asserts primarily that the Commission has no jurisdiction over hydroelectric projects, such as proposed by Metropolitan, which utilize "artifical head" and are not in a natural stream bed. Metropolitan describes "artificial head" as head that is created when "Mechanical devices, entirely man-made"[1] are used to raise the water in elevation and thus create a power drop. Metropolitan states that its "proposed power plants would utilize the power potential introduced into the water not as a result of head placed on it at the (Sacramento-San Joaquin) Delta, but as a result of pumping necessary for delivery."[2]

Metropolitan also alleges that policy considerations dictate a disclaimer of jurisdiction over the proposed project by this Commission, citing the energy shortage and arguing that an assertion of Commission jurisdiction over the proposed hydroelectric development would constitute unnecessary governmental regulation and would have a deleterious effect on the generation of electric energy.

Public notice of Metropolitan's Declaration of Intention and accompanying Petition was given June 25, 1976, with August 11, 1976, as the last date for timely petitions to intervene or protests. None was received.

We find it appropriate to set a pre-hearing conference, to bring the parties, including Commission Staff, together to explore the facts concerning the question of Commission jurisdiction over the

[1] Petition of Metropolitan at 5.
[2] Id.

hydroelectric project proposed by Metropolitan. If the parties are able to agree on the facts bearing on jurisdiction, the Presiding Administrative Law Judge shall then require briefs and render his initial decision on that question pursuant to §§ 1.29 and 1.30 of the Rules of Practice and Procedure (18 CFR 1.29, 1.30) (1976). If there are issues of fact relating to jurisdiction, the Presiding Administrative Law Judge shall fix a hearing on those issues. A staff draft environmental impact statement need not be prepared or circulated in connection with such hearing, nor shall the need for such a statement be an issue at such hearing. Upon conclusion of the hearing on the question of jurisdiction, the Presiding Administrative Law Judge shall proceed as noted above under the applicable sections of the Rules.

It is emphasized that the hearing described above would be solely on the question of jurisdiction. In the event that the ultimate decision of the Commission is that it has jurisdiction in this case, it may be appropriate to set further hearings on such other issues as may arise from an application for license for the proposed hydroelectric project.

The Commission finds: (1) It is appropriate and in the public interest to hold a pre-hearing conference as hereinafter provided on the question of Commission jurisdiction regarding the hydroelectric project proposed by Metropolitan and described in its declaration of intention filed April 19, 1976.

(2) This order does not constitute a major Federal action having a significant effect on the human environment.

The Commission orders: (a) Pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission by the Federal Power Act, particularly sections 4(e), 10(a), 23(b), and 308 thereof, and the Commission's Rules of Practice and Procedure, an initial conference shall be held at 9:30 a.m. on December 14, 1976, in a hearing room of the Federal Power Commission, 825 North Capitol Street, Washington, D.C., respecting the issue of Commission jurisdiction over the proposed facilities.

(b) A Presiding Administrative Law Judge, to be designated by the Chief Administrative Law Judge for that purpose pursuant to § 3.5(d) of the Commission's Regulations, 18 CFR 3.5(d) (1976) shall preside at the hearing in this proceeding, with authority to establish and change all procedural dates and to rule on all motions, with the exceptions of petitions to intervene, motions to consolidate and sever, and motions to dismiss, as provided for in the Commission's Rules of Practice and Procedure.

(c) The parties to this proceeding shall be prepared to address themselves at the initial conference to the specific issues of fact relating to the question of jurisdiction.

(d) The Commission's Rules of Practice and Procedure shall apply in this proceeding except to the extent they are modified or supplemented herein.

(e) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34426 Filed 11-19-76;8:45 am]

[Project No. 2360 and 2363]

MINNESOTA POWER AND LIGHT CO. AND POTLATCH CORP.

Extension of Time

NOVEMBER 16, 1976.

On October 28, and November 9, 1976, respectively, Minnesota Power and Light Company and Potlatch Corporation filed motions for an extension of time to June 1, 1977, to file the initial statement of costs for constructed projects required by § 4.20 of the Commission's Regulations.

Upon consideration, notice is hereby given that an extension of time is granted to and including February 28, 1977, within which Minnesota Power and Light Company and Potlatch Corporation shall file the initial statement of costs required by the Commission's Regulations.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34427 Filed 11-19-76;8:45 am]

[Docket No. ER76-788]

POTOMAC EDISON CO.

Order On Petition for Rehearing Regarding Electric Rates

NOVEMBER 16, 1976.

On October 18, 1976, the Borough of Chambersburg, Pennsylvania (Chambersburg) filed a petition for rehearing of the Commission's order issued in this docket on September 17, 1976, insofar as it found that Chambersburg may be subject to unilateral rate changes with regard to purchases in excess of its contract ceiling (25,000 kw), and failed to address Chambersburg's contention that the Potomac Edison Company's (Potomac Edison) refusal to accord Chambersburg full requirements status while providing such service to the City of Front Royal, Virginia (Front Royal), is discriminatory. For the reasons hereinafter stated, the Commission shall deny Chambersburg's petition for rehearing.

On July 15, 1976, as completed on August 19, 1976, Potomac Edison tendered for filing a proposed Electric Service Agreement for application to Potomac Edison's service to Chambersburg. The proposed Electric Service Agreement would cancel and supersede the Service Agreement between the Company and Chambersburg dated January 31, 1966. The 1966 Agreement as amended limits the capacity which Chambersburg may purchase to 25,000 kilowatts, and provides that if Chambersburg desires to exceed this limitation the parties are to enter into a new agreement. By order issued September 17, 1976, we rejected the proposed Electric Service Agreement as it would have applied to the first 15,000 kw of service, but accepted it subject to refund for service in excess of 25,000 kw, pending the outcome of the proceedings established in Docket No. ER76-221.

In its petition for rehearing, Chambersburg alleges that it is entitled to service in excess of 25,000 kw under the fixed-rate provisions of its existing Electric Service Agreement with Potomac Edison, inasmuch as Potomac Edison has allegedly effected a modification to the demand limitations of the contract by virtue of its having provided service in excess of 25,000 kw for two months. Chambersburg also refers the Commission to certain letters that purport to evince an "ongoing" understanding between the parties that Potomac Edison could meet Chambersburg's load requirements in excess of 25,000 kw.

As indicated in our order of September 17, 1976, the Commission does not believe that the instant situation is similar to that presented in *Mid-South Electric Cooperative Association* v. *F.P.C.*, 515 F.2d 998 (1975), wherein the court found that maximum contract demands may be removed based on the impact of the course of dealing between the parties. In that case, although the supplier's maximum monthly commitment was only 300 kw, such limit was exceeded periodically for a period of no less than thirteen years, and reached as high as 11,940 kw. Given those circumstances, the court found:

> Accordingly, we hold that FPC was under a duty, at the time of Gulf States' attempt to increase its rates with respect to Mid-South, to ascertain whether or not the proposed increase conflicted with any existing contractual arrangement between Gulf States and Mid-South. Such an inquiry would necessarily include an evaluation of Mid-South's claim that their mutual course of dealing served to effect a modification of the terms of the written contract on file with the FPC. In remanding this case to the FPC, we leave to it the initial determination of whether such a modification did in fact occur [8] (515 F.2d at 1009.) (Footnote omitted.)

While the Commission agrees with the court that parties to a contract may, under certain circumstances, modify the terms of that contract by their conduct, the above-quoted language clearly gives the Commission the discretion based upon its expertise in utility matters and the facts at hand, to determine whether or not such a modifiaction has in fact occurred. The mere fact that a supplier has delivered capacity in excess of its maximum contractual obligation does not per se result in a modification of the contract. Where it has been found that the Commission should evaluate the course of dealing of the parties to determine whether or not their conduct has served to modify the terms of an original contract between them, an examination is necessary to determine whether the parties had been acting in the belief that the original contract terms had been abrogated. As fully explained in our order of September 17, 1976, however, we determined that the conduct of the parties in the instant case was clearly not sufficient to infer a modi-

fication of the contract capacity limitations. Neither the sale of capacity in excess of 25,000 kw during the months of January and February, 1976, which we have previously considered, nor the recently filed letters between Chambersburg and Potomac Edison, convince us to the contrary. We therefore reject Chambersburg's contention that its contract with Potomac Edison has been modified by the actions of the parties.

Chambersburg also argues that Potomac Edison's refusal to accord Chambersburg full requirements status while providing such service to Front Royal, an allegedly comparable customer, is discriminatory and in violation of section 205(b) of the Federal Power Act. In Gulf States Utilities Company [1] the basic test to be used in construing the discrimination provisions of section 205(b) was described as follows:

> Proper practice and the avoidance of undue discrimination requires, except in unusual cases, that once a new rate is adopted by a company it be made available and applied uniformly to all customers of the same class at the same time (1 FPC at p. 524).

We elaborated upon this test in Otter Tail Power Company [2] by indicating that the proper scope of inquiry under section 205(b) would take into account whether "the same kind of service under substantially similar conditions is rendered" to each of the wholesale customers, and whether the difference in rates might be justified by "substantial lawful differences in cost of service or operating conditions". We affirmed this position in Wisconsin-Michigan Power Company,[3] wherein we stated:

> Section 205(b) thus does not prohibit all rate distinctions but only discrimination as between customers of the same class, and then only undue discrimination—that which is not justified by differences in cost of service, operating conditions or other such considerations * * * Section 205(e) makes clear that the utility filing a rate increase carries the burden of justifying it. (31 FPC at 1451)

Chambersburg's discrimination allegations have thus raised several issues that require further investigation in an administrative hearing. These issues may be further explored pursuant to the procedural schedule established in Docket No. ER76-221, wherein the justness and reasonableness of the rates proposed herein will be determined. Chambersburg's request that the Commission order Potomac Edison to provide it full requirements service is therefore denied without prejudice to Chambersburg's raising any issues related thereto during the proceedings established in Docket No. ER76-221.

The Commission finds: Good cause exists to deny Chambersburg's petition for rehearing.

The Commission orders: (a) Chambersburg's petition for rehearing of the Commission's September 17, 1976, order in this docket is hereby denied.

(b) The Secretary shall cause prompt publication of this order to be made in the FEDERAL REGISTER.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34428 Filed 11-19-76;8:45 am]

[1] 1 FPC 522 (1938).
[2] 2 FPC 134 (1940).
[3] 31 FPC 1445 (1964).

[Docket No. ER77-46]

PUBLIC SERVICE CO. OF NEW HAMPSHIRE

Filing of Agreement

NOVEMBER 16, 1976.

Take notice that Public Service Company of New Hampshire (PSHN) on November 8, 1976, tendered for filing as an initial rate schedule a Purchase Agreement with Central Maine Power Company (the Buyer).

Under the agreement, PSNH sold to the Buyer forty-eight (48) megawatts of capacity and the energy associated therewith from PSNH's White Lake and Merrimack combustion turbine generating units during the period September 1, 1976 through September 30, 1976.

PSNH requested that the Commission waive the normal 30-day notice requirement and permit the rate schedule to be effective as of September 1, 1976.

According to PSNH, a copy of the filing was served upon the Buyer.

Any person desiring to be heard or to protest said application should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 6, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this application are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34429 Filed 11-19-76;8:45 am]

[Docket No. E-8570]

SOUTHERN CALIFORNIA EDISON CO.

Further Extension of Time

NOVEMBER 15, 1976.

On November 8, 1976, the Cities of Anaheim, Riverside, Banning, Colton and Azusa, California, filed a motion to further extend the time, as most recently modified by notice issued September 28, 1976, for filing Briefs on Exceptions to the Initial Decision, issued July 20, 1976, in the above-designated proceeding.

Upon consideration, notice is hereby given that the date for filing Briefs on Exceptions to the Initial Decision is extended to and including November 19, 1976, and the date for filing Briefs Opposing Exceptions is extended to and including December 10, 1976.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34424 Filed 11-19-76;8:45 am]

[Docket Nos. RP75-84, et al.]

SOUTHERN NATURAL GAS CO.

Certification of Settlement Agreement

NOVEMBER 16, 1976.

Take notice that on November 9, 1976, Presiding Administrative Law Judge Michel Levant certified to the Commission a stipulation and agreement, together with the record, in the captioned proceeding. The settlement agreement is intended to resolve all issues arising in the captioned proceeding except for one issue which was the subject of a hearing before the Judge.

Any person desiring to be heard or to protest said settlement agreement should file comments with the Federal Power Commission, 825 North Capitol Street, NE., Washington, D.C. 20426, on or before November 30, 1976. Comments will be considered by the Commission in determining the appropriate action to be taken. Copies of this agreement are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34430 Filed 11-19-76;8:45 am]

[Docket Nos. RP74-6 and RP72-74]

SOUTHERN NATURAL GAS. CO.

Order Providing for Phased Hearing

NOVEMBER 16, 1976.

On October 1, 1976, Southern Natural Gas Company (Southern) tendered for filing a proposed modification in its FPC Gas Tariff Volume No. 1. Said modification provided that during the period November 1, 1976, through March 31, 1977, the penalty provisions applicable to gas taken in excess of curtailment orders shall not be applicable to a Purchaser which certifies that on the day in question (a) it did not authorize consumers to take gas other than consumers in priority-of-service categories 1, 2 and 3; (b) gas from other sources was utilized to the extent feasible; and (c) gas purchases did not exceed Contract Demand or Maximum Delivery Obligation.

Southern states that the tariff modification was necessary in order to avoid hardships attendant to possible curtailment orders which did not take into account high priority requirements not reflected in the Index of Requirements used to implement the Commission's Order No. 747/747-B curtailment plan on Southern's system. The currently effecitve Index of Requirements was developed from a base period of 24-months ending in February 1973. Southern stated that through November 1975, certain customers added requirements not reflected in the currently effective Index.

Southern further stated that the issue of growth since the base period used to compute the Index of Requirements was an important issue that must be resolved.

Southern stated that the Audit Committee has made only "very limited progress" in this area and that a survey of such new requirements had yet to be made. Southern stated that the tariff modification proposed herein is intended to be only an interim solution.

On October 15, 1976, Carolina Pipeline Company (Carolina) filed a petition for leave to intervene coupled with a motion to reject the tariff filing or in the alternative for a formal hearing. Carolina stated that all previous changes in the Index of Requirements were filed by Southern only after review and recommendation by the Audit Committee, whereas the change proposed herein has not been submitted to the Audit Committee. Carolina stated that the action requested by Southern would open the door to flagrant abuses of the Index of Requirements by Southern's customers to serve newly attached or expanded loads. Carolina further stated that any customer requiring extraordinary relief is free to make necessary application to the Commission. Other protests were filed by South Carolina Electric and Gas Company, The South Carolina Public Service Commission and Mississippi Valley Gas Company.

We had substantial problems with Southern's October 1 tariff filing. First, the exemption from overrun penalty was available to Priority 1, 2 and 3 consumers, thereby making significant volumes of industrial gas subject to the exemption. Second, it was stated that the purchaser must certify that it was using all types of available gas supplies. No provision was made for an end-use consumer to certify that it is using all available gas supplies. Third, no provision was made for an end-use consumer to certify that it has exhausted the remedy of using alternate fuel, if such capability exists. Fourth, although Southern argued in its statement of reasons for the tariff change that new consumers were added up to November 1975, there was no provision in the tariff sheets excluding consumers added after November 1975 from utilizing the exemption. Fifth, Southern failed to state any projected magnitude of the gas volumes which would require exemption.

By order issued October 29, 1976, we suspended the filing for five months unless otherwise ordered. It was our intention at that time to set the matter for administrative hearing to determine the problems that will exist if relief from the overrun penalty is not granted. Accordingly, we will order Southern and any distributor who foresees a hardship this winter if the overrun penalty is not waived to submit evidence with regard to the specific problems faced. We herein instruct the Presiding Administrative Law Judge and the parties to endeavor to find an interim solution to this problem. Should such a solution arise, we instruct the Judge to certify the proposal to the Commission in order to insure prompt action. If an interim solution cannot be achieved, the hearing with regard to waiver of the overrun penalty should follow the normal administrative process. Given our expansion of the proceeding to examine the overall question of growth, as detailed below, the hearing on waiver of the overrun penalty will be designated as Phase I.

We would agree with Southern that the issue of growth on the Southern pipeline system should be examined. Accordingly, following conclusion of Phase I of this proceeding, we will direct the Presiding Administrative Law Judge to set procedural dates for the taking of evidence on the issue of growth. In Opinion No. 747, we stated that the Index of Requirements was subject to change only upon allegation of error. We were, therefore, affirming that the Index of Requirements constitutes a fixed base period. It is not our intention in Phase II to consider whether the Index of Requirements should become a rolling base period or whether requirements added after the issuance of Opinion No. 747 should receive an allocation. The sole issue in Phase II is whether the Index of Requirements should undergo a one-time adjustment to include high priority requirements added after the base period and prior to the issuance of Opinion No. 747. The Phase II proceeding should determine, in specific detail, the gas requirements added during this period, with particular regard to end-use. The burden of supporting a one time change in the index of requirements shall be upon those parties supporting such changes.

The Commission finds: It is necessary and proper that the issue of growth on the Southern system be set for formal hearing to determine whether Southern's overrun penalty should be waived and to determine whether there should be a one-time upgrading of requirements on the Southern system.

The Commission orders: (a) Pursuant to the authority of the Natural Gas Act, the Commission's Rules of Practice and Procedure, and the Regulations under the Natural Gas Act, an administrative hearing shall be held in these dockets commencing on December 13, 1976, at 10 a.m. (EST) in a hearing room of the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426. The Presiding Judge has authority to establish and change all procedural dates, and to rule on all motions (with the sole exception of petitions to intervene, motions to consolidate and sever, and motions to dismiss) as provided for in the Rules of Practice and Procedure.

(b) The direct case of Southern and its supporters on the issues raised by the tariff sheet filing shall be filed and served on all parties, the presiding Administrative Law Judge, and the Commission Staff on or before November 30, 1976.

(c) All answering testimony with regard to the tariff sheet filing including that of the Commission Staff shall be filed on a date to be established by the Presiding Judge.

(d) The proceeding to consider Southern's October 1 tariff filing is herein designated as Phase I and the proceeding to consider the issue of growth, as herein defined, is herein designated as Phase II.

(e) Following completion of Phase I, the Presiding Judge shall set procedural dates for the taking of evidence in Phase II.

By the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34432 Filed 11-19-76;8:45 am]

[Docket No. RP77-11]

SOUTHWEST GAS CORP.

Proposed Rate Increase

NOVEMBER 16, 1976.

Take notice that Southwest Gas Corporation (Southwest) on November 8, 1976 tendered for filing proposed changes in its FPC Gas Tariff, Original Volume No. 1. The proposed changes would increase revenues from jurisdictional sales and service by $578,908 based on the twelve-month period ending August 31, 1976, as adjusted. The proposed effective date is December 9, 1976.

The reason for the proposed increase in rates is to compensate Southwest for increases in virtually all items of cost, such as capital, labor, materials and supplies, and taxes, including a rate of return of 11.27 percent.

Copies of the filing were served upon Southwest's jurisdictional customers, Sierra Pacific Power Company and California-Pacific Utilities Company, including the California Public Utilities Commission and the Public Service Commission of Nevada.

Any person desiring to be heard or to protest said filing should file a petition to intervene or protest with the Federal Power Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with §§ 1.8 and 1.10 of the Commission's Rules of Practice and Procedure (18 CFR 1.8, 1.10). All such petitions or protests should be filed on or before December 2, 1976. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34431 Filed 11-19-76;8:45 am]

[Docket No. RI76-121]

T.W. MCGUIRE & ASSOCIATES, INC., ET AL.

Amended Petition for Special Relief

NOVEMBER 16, 1976.

Take notice that on November 4, 1976, T. W. McGuire & Associates, Inc., et al. (Petitioner), P.O. Box 1763, Shreveport, Louisiana 71166, submitted on amendment to its April 16, 1976 petition for special relief filed pursuant to § 2.76 of

the Commission's General Policy and Interpretations in the above-captioned docket. By this amendment petitioner seeks a rate of 63.26 cents per Mcf at 14.65 psia for its sales of natural gas to Texas Gas Transmission Corporation from the Carthage Field, Panola County, Texas. Petitioner had previously sought a rate of 79.39 cents per Mcf.

Any person desiring to be heard or to make any protest with reference to said petition should on or before December 7, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10). All protests filed with the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any party wishing to become a party to a proceeding, or to participate as a party in any hearing therein, must file a petition to intervene in accordance with the Commission's Rules.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34433 Filed 11-19-76;8:45 am]

[Docket Nos. CP75-306 etc.]

TEXAS EASTERN TRANSMISSION CORP. ET AL.

Extension of Time

NOVEMBER 11, 1976.

On October 7, 1976, Texas Eastern Transmission Corporation filed a motion for an extension of time within which to complete the abandonment and construction authorized in the above-designated proceedings.

Notice is hereby given that an extension of time is granted to and including November 21, 1977, within which Texas Eastern Transmission Corporation shall complete the abandonment and construction authorized in the above-designated proceedings.

By direction of the Commission.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34419 Filed 11-19-76;8:45 am]

[Docket No. CP77-45]

TRANSCONTINENTAL GAS PIPE LINE CORP.

Application

NOVEMBER 12, 1976.

Take notice that on November 4, 1976, Transcontinental Gas Pipe Line Corporation (Applicant), P.O. Box 1396, Houston, Texas 77001, filed in Docket No. CP77-45 an application pursuant to section 7(c) of the Natural Gas Act for a certificate of public convenience and necessity authorizing Applicant to transport natural gas, on an interruptible basis, for Delmarva Power & Light Company (Delmarva) an existing distribution customer of Applicant, all as more fully set forth in the application on file with the Commission and open to public inspection.

The application states that Delmarva has entered into an arrangement with Algonquin LNG, Inc. (Algonquin LNG), a subsidiary of Algonquin Gas Transmission Corporation (Algonquin Gas), under which Algonquin LNG is storing in liquid form (LNG) the vaporous equivalent of approximately 300,000 Mcf in Providence, Rhode Island, for use during the 1976-77 winter to supplement Delmarva's supply in its Wilmington, Delaware, service area. It is further stated that Delmarva has requested the assistance of Algonquin Gas, Texas Eastern Transmission Corporation (Texas Eastern) and Applicant in having equivalent quantities of gas delivered to it at the rate of approximately 10,000 Mcf per day commencing on or about November 15, 1976, and extending through May 31, 1977.

Applicant states that Algonquin Gas would receive from Algonquin LNG by displacement and would transport and deliver equivalent quantities of gas by displacement to its supplier Texas Eastern by reducing its purchases from Texas Eastern; Texas Eastern would in turn transport and deliver equivalent quantities of gas by displacement to Applicant at mutually agreeable existing exchange points in the New Jersey-Pennsylvania area; and Applicant would make deliveries to Delmarva at existing points of delivery.

It is stated in the application that the transportation and delivery of natural gas would be interruptible and on a best-efforts basis. The delivery by Algonquin Gas to Texas Eastern and by Texas Eastern to Applicant would be on a thermally equivalent basis to that delivered by Algonquin LNG on any given day, but deliveries by Applicant to Delmarva would be equivalent to the volume of gas delivered by Texas Eastern to Applicant on any given day. It is indicated that under the transportation agreement with the distributor, Delmarva, the daily quantity to be transported and delivered, when combined with the quantity the distributor is scheduling under FPC rate schedule CD-3, other transportation agreements with Applicant and any quantities being scheduled for transportation by industrial customers of the distributor, shall not exceed the distributor's CD-3 authorized daily entitlement. The Applicant states that Delmarva is experiencing substantial curtailment in deliveries of contract demand volumes from Applicant due to the shortage of flowing gas supplies on the Applicant's system. Furthermore, the additional gas to be made available by Algonquin LNG through the assistance of Algonquin Gas, Texas Eastern and Applicant will help offset these curtailments under Applicant's FPC rate schedule CD-3.

Any person desiring to be heard or to make any protest with reference to said application should on or before December 7, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Power Commission and by sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission on this application if no petition to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a petition for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or be represented at the hearing.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34421 Filed 11-19-76;8:45 am]

[Docket No. CP75-265]

UNITED GAS PIPE LINE CO. AND TENNESSEE GAS PIPELINE CO., A DIVISION OF TENNECO INC.

Petition To Amend

NOVEMBER 12, 1976.

Take notice that on November 2, 1976, United Gas Pipe Line Company (United), P.O. Box 1478, Houston, Texas 77001, and Tennessee Gas Pipeline Company, a Division of Tenneco Inc. (Tennessee), Tenneco Building, Houston, Texas 77002, filed in Docket No. CP75-265, pursuant to section 7(c) of the Natural Gas Act, a petition to amend the Commission's order of July 15, 1975, issued in the instant docket so as to authorize the exchange of up to 2,000 Mcf of natural gas per day at an additional point of exchange, all as more fully set forth in the petition to amend which is on file with the Commission and open to public inspection.

It is stated that United and Tennessee make exchanges of natural gas pursuant to an Exchange Agreement dated August 22, 1975, as amended. It is further stated that United and Tennessee by a letter agreement of October 5, 1976, have agreed to amend further the Exchange Agreement, dated August 22, 1975, as amended.

It is stated that under the terms of the agreement Tennessee would receive, at a

proposed exchange point on its system in Section 25, Township 18 North, Range 2 East, in Quachita Parish, Louisiana, gas delivered by Joseph L. Hargrove, et al. (Hargrove) for the account of United. It is indicated that the gas would be produced from the Tensas Delta No. 1 Browder Well in Drew Field, Quachita Parish, Louisiana. Tennessee would redeliver equivalent volumes to United at mutually agreeable existing authorized points of exchange, it is said.

It is stated that Tennessee has facilities in the area of Drew Field which, if utilized in the proposed exchange of gas, would allow United to receive into its system additional volumes of gas purchased from Hargrove with the construction of only minor facilities required. Implementation would require the construction of a 4-inch metering station by United on Tennessee's 20-inch pipeline in Section 25, Township 18 North, Range 2 East, Quachita Parish, Louisiana, at an estimated cost of $5,027, it is said.

Any person desiring to be heard or to make any protest with reference to said petition to amend should on or before December 4, 1976, file with the Federal Power Commission, Washington, D.C. 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 1.8 or 1.10) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a petition to intervene in accordance with the Commission's Rules.

KENNETH F. PLUMB,
Secretary.

[FR Doc.76-34422 Filed 11-19-76;8:45 am]

FEDERAL RESERVE SYSTEM

AMERIBANC, INC.

Order Approving Acquisition of Bank

Ameribanc, Inc., St. Joseph, Missouri ("Applicant"), a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 80 percent or more of the voting shares of Peoples State Bank, Spickard, Missouri ("Bank").

The application has been processed by the Federal Reserve Bank of Kansas City, pursuant to authority delegated by the Board of Governors of the Federal Reserve System, under the provisions of § 265.2(f)(24) of the Rules Regarding Delegation of Authority.

Notice of the application, affording an opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The Federal Reserve Bank has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the ninth largest banking organization in Missouri, controls 12 banks with aggregate deposits of $259.5 million,[1] representing 1.50 percent of the total deposits in commercial banks in the State. Acquisition of Bank, ranked 474th in the State, would increase Applicant's share of deposits to 1.54 percent, and would result in no significant increase in concentraiton of banking resources in Missouri.

Consummation of the proposed acquisition would neither eliminate any significant existing competition nor foreclose the development of future competition between any of Applicant's subsidiary banks and Bank. Bank ($6.9 million in deposits) is the third largest of four banks in the relevant banking market, defined as Grundy County, and controls 11.12 percent of deposits therein. None of Applicant's subsidiary banks are located in the relevant market. Applicant's nearest subsidiary is Farmers State Bank, Princeton, which is located approximately 13 road miles north of Spickard. However, it has been determined that no significant competition would be eliminated as a result of the proposed acquisition. Current population per banking office ratios suggest that de novo entry is unlikely. Overall, competitive considerations are consistent with approval.

The financial and managerial resources and future prospects of Applicant, its subsidiaries and Bank are regarded as satisfactory and consistent with approval. Affiliation with Applicant should enable Bank to offer expanded services, especially in the areas of agricultural lending and trust services. These factors, as they relate to the convenience and needs of the community to be served, are consistent with approval of this application. It is the Reserve Bank's judgment that consummation of the proposed acquisition is in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order, or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Kansas City, pursuant to delegated authority.

WILBUR T. BILLINGTON,
Senior Vice President.

NOVEMBER 12, 1976.

[FR Doc.76-34399 Filed 11-19-76;8:45 am]

[1] Unless otherwise indicated all banking data are as of December 31, 1975, and have been adjusted to reflect all bank holding company applications approved by the Board through October 29, 1976.

ANCORP BANCSHARES, INC.

Order Approving Acquisition of Bank

Ancorp Bancshares, Inc., Chattanooga, Tennessee, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire 51 per cent of the voting shares of Hamilton Bank of Johnson City, Johnson City, Tennessee ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the seventh largest banking organization in Tennessee, controls one bank with deposits of $382.6 million, representing approximately 2.9 per cent of the total commercial bank deposits in Tennessee.[1] Acquisition of Bank ($84.9 million in deposits) will increase applicant's share of deposits by only 0.7 per cent and its ranking Statewide will remain unchanged.

Applicant is seeking to make its initial entry into the Johnson City bank market (the relevant market)[2] through acquisition of Bank, which is the largest of eight banks operating in the market, controlling approximately 33.3 per cent of market deposits. Also competing in this market are bank subsidiaries of the State's first and third largest multibank holding companies, which control, respectively, 16.2 and 14.7 per cent of the market's deposits. Applicant's banking subsidiary is located 200 miles southwest of Bank. There is no present competition between Applicant's banking subsidiary and Bank. Although Applicant has the financial capability to enter the market de novo, Tennessee's banking laws preclude such entry at this time.[3] Accordingly, based on the above and other facts of record, the Board has determined that competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant, its subsidiary bank, and Bank are generally satisfactory. Therefore, considerations relating to banking factors are consistent with approval of the application. Affiliation with Applicant will give Bank access to a large staff of specialists and support personnel which will

[1] All banking data are as of December 31, 1975.

[2] The Johnson City banking market is approximated by the counties of Washington and Carter.

[3] Tennessee's banking laws (Tenn. Code Ann. tit. 45, section 45-621 (Supp. 1975)) prohibits de novo entry prior to January 1, 1980, into any county having a 1970 population of 200,000 or less. Washington and Carter Counties have a combined 1970 population of approximately 116,500, and therefore Applicant is prohibited from entering this market de novo.

enable Bank to improve and expand banking services that it has been forced to cut back due to the Bankruptcy of its previous parent holding company, Hamilton Bancshares.[4] Accordingly, considerations relating to the convenience and needs of the community to be served lend weight toward approval of the application. It is the Board's judgment that the proposed acqiusition is in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of Atlanta pursuant to delegated authority.

By order of the Board of Governors,[5] effective November 10, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34400 Filed 11-19-76;8:45 am]

BRAYMER BANKSHARES, INC.

Order Approving Action to Become A Bank Holding Company and Acquisition of Insurance Agency Activities

Pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956 (12 U.S.C. 1842(a)(1) and § 225.3(a) of Regulation Y (12 CFR 225.3(a)), Braymer Bankshares, Inc., Braymer, Missouri ("Applicant") has supplied for prior approval to become a bank holding company through the acquisition of 80.88 percent of the voting shares of The First National Bank of Braymer, Braymer, Missouri ("Bank"). Concurrently, Applicant has applied pursuant to section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and § 225.4(b)(2) of Regulation Y for approval to acquire credit-related insurance business generated by extensions of credit of Bank. Such activities have been determined by the Board of Governors to be closely related to banking (12 CFR 225.4(a)(9)).

The applications have been processed by the Federal Reserve Bank of Kansas City pursuant to authority delegated by the Board of Governors of the Federal Reserve System under provisions of § 265.2(f)(22) and (32) of the Rules Regarding Delegation of Authority.

Notice of the applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with sections 3 and 4 of the Act (41 FR 43963 (1976)). Time for filing comments and views has expired and the applications and all comments received have been considered in light of the factors set forth in section 3(c) of the Act (12 U.S.C. section 1842(c)) and the considerations specified in section 4(c)(8) of the Act (12 U.S.C. section 1843(c)(8)).

Applicant is a newly formed corporation organized for the purpose of becoming a bank holding company through the acquisition of Bank. With total deposits of $7.1 million,[1] Bank is the second largest of four banks in the relevant banking market, which is approximated by Caldwell County in northwestern Missouri, and has 25.17 percent of the total deposits in commercial banks therein. Upon acquisition of Bank, Applicant would control the 465th largest bank in Missouri holding .04 percent of total deposits in commercial banks in the State.

Inasmuch as this proposal represents a restructuring of existing ownership of Bank and since Applicant has no present operating subsidiaries, consummation of the proposal would eliminate neither existing nor potential competition, nor does it appear that there would be any adverse effects on any bank in the area. Thus, competitive considerations are consistent with approval.

The financial and managerial resources and future prospects of Applicant are dependent upon those of Bank and Applicant's insurance agency activities. Applicant proposes to service the debt incurred over a 12-year period through dividends received from Bank. In light of past earnings of Bank, the anticipated growth in Bank earnings appears to provide Applicant with the necessary financial flexibility to meet its annual debt servicing requirements and to maintain an adequate capital position for Bank. Therefore, considerations relating to banking factors are consistent with approval of the application.

Also incidentally to the reorganization, Applicant has applied to engage in the sale of credit life and credit accident and health insurance, pursuant to § 225.4(a)(9) of the Board's Regulation Y. Such insurance activities, formerly conducted by Applicant's principal, would continue to be offered upon the premises of Bank. It does not appear that the commencement of these insurance agency activities by Applicant would have any significant adverse effect upon either existing or future competition, and approval would enable Applicant to offer Bank's customers a convenient source of insurance services, which factor is regarded as being in the public interest. There is no evidence in the record indicating that consummation of the proposal would result in any undue concentration of resources, unfair competition, conflicts of interest, unsound banking practices or other adverse effects on the public interest.

Based upon the foregoing and other considerations reflected in the record, the Reserve Bank has determined that the considerations affecting the competitive factors, under section 3(c) of the Act, and the balance of the public interest factors under section 4(c)(8), both favor approval of Applicant's proposal.

On the basis of the record, the applications are aproved for the reasons summarized above. The acquisition of Bank shall not be made before the thirtieth calendar day following the effective date of this Order. The acquisition of Bank and the commencement of insurance agency activities shall be made not later than three months after the effective date of this Order, unless such such period is extended for good cause by the Board of Governors or by the Federal Reserve Bank of Kansas City, pursuant to delegated authority. The determination as to Applicant's insurance activities is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require reports by, and to make examinations of, bank holding companies and their subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

WILBUR T. BILLINGTON,
Senior Vice President.

NOVEMBER 12, 1976.

[FR Doc.76-34404 Filed 11-19-76;8:45 am]

CCNB BANCSHARES CORP.

Order Approving Formation of Bank Holding Company

CCNB Bancshares Corporation, Ozark, Missouri, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) of formation of a bank holding company through acquisition of 100 percent (less directors' qualifying shares) of the voting shares of Christian County National Bank, Ozark, Missouri ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and the Board has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant is a corporation organized under the laws of the State of Missouri for the purpose of becoming a bank holding company through the acquisition of shares of Bank. Bank (deposits of $2.1 million)[1] opened for business on February 2, 1976, and is the smallest of four banks in the relevant market.[2] Inasmuch as the present proposal represents a reorganization of the ownership of Bank from individuals to a corporation owned by the same individuals, and Applicant

[4] Bank was a subsidiary of Hamilton Bancshares, Inc., Chattanooga, Tennessee, which is now in bankruptcy.

[5] Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Jackson, and Partee. Absent and not voting: Governor Lilly.

[1] All banking data are as of December 31, 1975.

[1] As of June 30, 1976.

[2] The relevant market is approximated by all but the northwestern portion of Christian County.

has no present banking subsidiaries, it appears that the acquisition of Bank by Applicant would not have any significant adverse effect on either existing or potential competition within the relevant banking market. Accordingly, on the basis of the record, the Board concludes that competitive considerations are consistent with approval of the application.

The financial condition, managerial resources, and future prospects of Applicant are entirely dependent upon the operation of Bank, and are regarded as satisfactory. Although Applicant will incur debt in connection with this proposal, it appears that Applicant will be able to service the debt without adversely affecting the financial condition of Bank. In addition, Applicant's principals have committed to purchase additional shares of Applicant to enable Applicant to inject additional capital into Bank if this action becomes necessary in order to maintain an acceptable capital to assets ratio in Bank. Accordingly, considerations relating to the banking factors are consistent with approval of the application. Although consummation of the transaction would effect no immediate changes in the services that are being offered by Bank, the Board regards considerations relating to convenience and needs of the community to be served as being consistent with approval. It is the Board's judgment that consummation of the holding company formation would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be made (a) before the thirtieth calendar day following the effective date of this Order, or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board, or by the Federal Reserve Bank of St. Louis pursuant to delegated authority.

By order of the Board of Governors,[3] effective November 12, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34401 Filed 11-19-76;8:45 am]

CENTRAL BANCOMPANY

Acquisition of Bank

Central Bancompany, Jefferson City, Missouri, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 57 percent or more of the voting shares of The First National Bank of Mexico, Mexico, Missouri. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of St. Louis. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than December 13, 1976.

Board of Governors of the Federal Reserve System, November 12, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34402 Filed 11-19-76;8:45 am]

DAIWA BANK, LTD.

Formation of Bank Holding Company

The Daiwa Bank, Limited, Osaka, Japan, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of 100 per cent of the voting shares of Daiwa Bank Trust Company, New York, New York, a proposed new bank. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of New York. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than December 13, 1976.

Board of Governors of the Federal Reserve System, November 12, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34403 Filed 11-19-76;8:45 am]

FIRST NATIONAL BANCSHARES OF DODGE CITY, INC.

Formation of Bank Holding Company

First National Bancshares of Dodge City, Inc., Dodge City, Kansas, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of 87.1 percent of the voting shares of The Frst National Bank in Dodge City, Dodge City, Kansas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Kansas City. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than December 10, 1976.

Board of Governors of the Federal Reserve System, November 15, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34405 Filed 11-19-76;8:45 am]

FIRST SECURITY CORP.

Formation of Bank Holding Company

First Security Corporation, Harrison, Arkansas, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company through acquisition of 98.4 percent of the voting shares of The Security Bank, Harrison, Arkansas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of St. Louis. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than December 10, 1976.

Board of Governors of the Federal Reserve System, November 15, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34407 Filed 11-19-76;8:45 am]

MARINE CORP.

Order Approving Acquisition of Bank

The Marine Corporation, Milwaukee, Wisconsin, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)), to acquire 90 percent or more of the voting shares of The Merchants National Bank of Watertown, Watertown, Wisconsin ("Bank").

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired, and the Federal Reserve Bank of Chicago has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the third largest banking organization in Wisconsin, controls fifteen subsidiary banks with aggregate deposits of $906.0 million,[1] representing approximately six percent of the total commercial bank deposits in the State. Consummation of this proposal would increase Applicant's share of State deposits by only one-tenth of a percent which would not significantly increase the concentration of banking resources in the State or in any relevant market area.

Bank (deposits $19.0 million) ranks third among sixteen banking organizations in the Watertown banking market[2] and holds approximately 12.8 percent of the total commercial bank deposits therein. None of Applicant's banking subsidiaries compete in the relevant banking market; thus consummation of the transaction would have no adverse

[3] Voting for this action: Vice Chairman Gardner and Governors Wallich, Jackson and Partee. Absent and not voting: Chairman Burns and Governors Coldwell and Lilly.

[1] All deposit data are as of December 31, 1975.

[2] The Watertown banking market is approximated by the southern third of Dodge County and the northern half of Jefferson County.

effect on existing competition. Furthermore, since the population per banking office ratio for the Watertown area is below the State average, it appears that the relevant banking market is not attractive for *de novo* entry at this time. Accordingly, in our view, consummation of the proposal would have no significant effect upon existing or potential competition. Thus, competitive considerations are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant, its subsidiary bank, and Bank are considered generally satisfactory in view of Applicant's commitment to inject additional equity capital into two of Applicant's subsidiary banks and Bank. Earnings of Bank are at an acceptable level, and its future prospects as a subsidiary of Applicant appear to be favorable. Consequently, banking factors are consistent with approval of the application.

Although Bank's services to the public appear adequate, the added availability of Applicant's resources to Bank would tend to increase Bank's internal efficiencies and increase the quality of service to the public. Applicant's further contributions would include extending its expertise in agricultural and commercial and industrial loans, improving Bank's physical facilities, and providing lease financing, international banking services, market research, money market services, computer services, and trust services. Accordingly, convenience and needs considerations are consistent and lend some weight toward approval of the application. It is this Reserve Bank's judgment that consummation of the proposal to acquire Bank would be in the public interest and that the application should be approved.

On the basis of the record as summarized above, the application is approved for the reasons summarized above. The acquisition of Bank shall not be made (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or this Federal Reserve Bank pursuant to delegated authority.

By Order of the Federal Reserve Bank of Chicago, acting pursuant to delegated authority for the Board of Governors of the Federal Reserve System, effective November 8, 1976.

ROBERT P. MAYO,
President.

[FR Doc.76-34408 Filed 11-19-76;8:45 am]

MERCANTILE TEXAS CORP.

Order Approving Merger of Bank Holding Companies and Acquisition of Nonbanking Co.

Mercantile Texas Corporation, Dallas, Texas ("Mercantile"), a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval under section 3(a)(5) of the Act (12 U.S.C. 1842(a)(5)) to merge with Federated Capital Corporation, Houston, Texas ("Federated"), under the charter and title of Mercantile. Immediately subsequent to the merger, Mercantile would assume all assets and liabilities of Federated whereupon Federated would cease to exist as a legal entity.

In a concurrent application, Mercantile has also applied for the Board's approval, under section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)) and section 225.4(b)(2) of the Board's Regulation Y, to acquire shares of Financial Protection Insurance Company of Texas, Houston, Texas ("FPIC"), and thereby engage in the activity of underwriting, as a direct insurer and reinsurer, credit life and credit accident and health insurance directly related to extensions of credit by Federated's existing subsidiary banks. Mercantile's acquisition of FPIC, which is currently a wholly-owned nonbanking subsidiary of Federated, would be accomplished as a result of the proposed merger of Federated with and into Mercantile. Such insurance underwriting activity has been determined by the Board to be closely related to banking (12 CFR 225.4(a)(10)).

Notice of the receipt of these applications, affording opportunity for interested persons to submit comments and views, has been given in accordance with sections 3 and 4 of the Act (41 FR 28359 and 33336). The time for filing comments and views has expired, and the Board has considered the applications and all comments received, including those of the Comptroller of the Currency,[1] in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)) and the considerations specified in section 4(c)(8) of the Act.

Mercantile controls one bank, Mercantile National Bank at Dallas, Dallas, Texas ("Mercantile Bank"), with deposits of approximately $939 million, representing 2 percent of the total commercial bank deposits in Texas, and is the eighth largest banking organization in the State.[2] Federated controls six banks with aggregate deposits of approximately $1.03 billion, representing 2.2 percent of total deposits in commercial banks in the State, and is the seventh largest banking organization in Texas. Upon consummation of the proposed merger, Mercantile would become the State's fifth largest banking organization consisting of seven banking subsidiaries (in five major banking markets) with aggregate deposits of $1.97 billion, representing 4.2 percent of the total commercial bank deposits in Texas. However, Mercantile's rank would be a distant fifth behind the four largest banking organizations in the State, each with more than $3 billion in total deposits.[3] Approval of the subject merger would add only slightly to the share of total deposits held by the five largest Texas banking organizations. Consequently, the Board finds that this proposal would not have significant adverse effects upon the concentration of banking resources in Texas.

Mercantile and Federated do not compete directly in any local banking market in the State. Mercantile's sole subsidiary bank, Mercantile Bank, is the third largest banking organization in the Dallas banking market[4] and controls 10.2 per cent of total market deposits.

By comparison, Federated's six subsidiary banks operate in four separate banking markets and are located considerable distances from Mercantile Bank; the Closest Federated bank is over 200 miles away. In the Houston banking market,[5] Federated, through two subsidiary banks, Capital National Bank, Houston (Deposits of $310 million) and West Loop National Bank, Houston (deposits of $9 million), is the seventh largest banking organization in the market and holds 2.8 per cent of total deposits therein. In the San Antonio banking market,[6] Federated ranks as the third largest banking organization through two subsidiary banks, The Alamo National Bank, San Antonio (deposits of $268 million) and The Guaranty State Bank of New Braunfels, New Braunfels (deposits of $21.4 million), and controls 10.6 per cent of total market deposits. In the Austin banking market,[7] Federated, with one subsidary bank, The American National Bank of Austin, Austin (deposits of $186 million), is the fourth largest banking organization in the market, holding 12 per cent of total market deposits. Finally, in the Corpus Christi banking market,[8] Feder-

[1] By letter dated August 31, 1976 to the Board, the Comptroller recommended approval of the merger application.

[2] All banking data, unless otherwise indicated, are as of December 31, 1975 and reflect bank holding company formations and acquisitions approved as of September 30, 1976.

[3] As of July 1976, the largest banking organization, First International Bancshares, Inc., Dallas, had 23 banking subsidiaries in 12 major banking markets with $3.6 billion in deposits; the second largest banking organization, First City Bancorporation of Texas, Inc., Houston, had 24 banking subsidiaries in 7 major banking markets with $3.4 billion in deposits; the third largest banking organization, Texas Commerce Bancshares, Inc., Houston, had 31 banking subsidiaries in 10 major banking markets with $3.3 billion in deposits; and the fourth largest banking organization, Republic of Texas Corporation, Dallas, had 8 banking subsidiaries in 2 major banking markets with $3.3 billion in deposits.

[4] The Dallas banking market is approximated by the Dallas RMA.

[5] The Houston banking market is approximated by the Houston RMA, which is comprised of Harris County and portions of five adjacent counties.

[6] The San Antonio banking market is approximated by the San Antonio SMSA, which is comprised of Bexar, Comal and Guadalupe Counties.

[7] The Austin banking market is approximated by the Austin SMSA, which is comprised of Hays and Travis Counties.

[8] The Corpus Christi banking market is approximated by the Corpus Christi SMSA, which is comprised of Nueces and San Patricio Counties.

ated's subsidiary bank, Corpus Christi National Bank, Corpus Christi (deposits of $240 million), is the largest banking organization and controls 28 per cent of total deposits in the market. Based upon the fact that Mercantile Bank and the six Federated banks do not compete in any of the same banking markets, the Board concludes that consummation of the proposed merger would not eliminate any existing competition nor increase deposit concentration in any relevant area.

With respect to potential competition, it appears from the record that consummation of the proposed merger would have, overall, only slight adverse effects on potential competition in the aforementioned banking markets. As discussed below, Federated, on its own, does not appear to be in a position to pursue an expansionary policy, and thus may not be considered to be a likely entrant into the Dallas or any other banking market in the foreseeable future. Mercantile, on the other hand, does have the financial and managerial resources to enter into the markets currently served by the Federated banks. With this fact in mind, the Board has carefully examined the banking structure of each of those banking markets currently served by the Fedany significant adverse effects on potential competition would result from the proposed merger. Based upon that examination, the Board concludes that in no market would the anticompetitive effects with respect to potential competition be sufficient to warrant denial of the instant merger application.

On the basis of the foregoing and other facts of record, the Board concludes that consummation of the subject proposal would not have any adverse effects on existing competition nor would it foreclose the development of significant potential competition in any relevant area. Although the Board believes that the proposal may have some slight adverse effects on potential competition, those effects when viewed in light of the other considerations reflected in the record are not serious enough to require denial of the subject proposal. Therefore, the Board considers competitive considerations to be consistent with approval of the subject merger.

The financial and mangerial resources and future prospects of Mercantile and Mercantile Bank are satisfactory and consistent with approval of the proposed merger. Federated and its subsidiary banks have been experiencing some financial and mangerial problems.[9] As a consequence, the Board believes that Federated is not presently a source of financial strength to its banking subsidiaries and it appears that Federated's management has been unable to effect significant improvements in the condition of the holding company system. In the Board's view, approval of the proposed merger of Federated with Mercantile would lead to needed corrective action since Mercantile possesses the financial resources and flexibility to act as a source of financial strength to its proposed subsidary banks. Furthermore, Mercantile's management would be able to provide the managerial leadership and support necessary to correct Federated's existing problems. In view of the above, the Board has determined that financial and mangerial considerations lend substantial weight toward approval of the merger application.

Considerations relating to convenience and needs also lend weight toward approval of the merger application. Upon consummation of the transaction, Mercantile would provide both financial and managerial strength to the six Federated subsidiary banks, thereby enabling them to become more effective competitors in their respective markets and to offer new and improved services to their customers. These factors lend additional weight toward approval of this application and clearly outweigh any adverse competitive effects of the merger.[10] Based upon the foregoing, it is the Board's judgment that the proposed merger application is in the public interest and that it should be approved.

As indicated above, Mercantile's acquisition of FPIC would be accomplished as a result of the proposed merger of Federated with and into Mercantile. FPIC is currently engaged in underwriting, as a direct insurer and reinsurer, credit life and credit accident and health insurance directly related to extensions of credit by five of Federated's subsidiary banks.[11] From the date it commenced operations on May 1, 1976 to June 20, 1976, FPIC generated approximately $55,000 of net written premiums from the sale of credit life and disability insurance. Upon consummation of the subject merger, FPC will underwrite credit-related insurance for all of Federated's subsidiary banks; FPIC will not perform these insurance services in connection with extensions of credit by Mercantile Bank because such insurance is currently underwritten by an unaffiliated insurance company. In view of the above, including the fact that FPIC recently commenced operations as a nonbanking subsidary of Federated, the Board concludes that consummation of the transaction would not have any significant adverse effects on existing or potential competition in any relevant market.

Credit life and credit accident and health insurance is generally made available by banks and other lenders and is designed to assure repayment of a loan in the event of death or disability of the borrower. In connection with its addition of the underwriting of such insurance to the list of permissible activities for bank holding companies, the Board stated:

> To assure that engaging in the underwriting of credit life and credit accident and health insurance can reasonably be expected to be in the public interest, the Board will only approve applications in which an applicant demonstrates that approval will benefit the consumer or result in other public benefits. Normally, such a showing would be made by a projected reduction in rates or increase in policy benefits due to bank holding company performance of this service. (12 CFR 225.4(a)(10))

Mercantile has stated that following consummation of the merger, FPIC would continue to provide the same premium reductions for several types of credit insurance policies that were specified by the Board in its Order of February 11, 1976. For example, FPIC would continue to offer decreasing term single and joint credit life insurance at a premium rate 3.4 per cent below the Texas maximum and level term single and joint credit life insurance (on single payment loans) at a premium rate 3.7 per cent below the statutory maximum. Furthermore, FPIC would offer credit accident and health insurance (single debtor) at premium rates 4.7 per cent below the maximum allowable rates and credit accident and health insurance (joint debtor) at premium rates 5 per cent below the State maximum. The Board is of the view that Mercantile's proposed reductions in insurance premiums are procompetitive and in the public interest.

Based upon the foregoing and other considerations reflected in the record, including a commitment by Mercantile, with respect to its proposed underwriting activities, to maintain on a continuing basis the public benefit that the Board has found to be reasonably expected to result from this proposal and upon which the approval of that aspect of this proposal is based, the Board has determined that the balance of the public interest factors the Board is required to consider under section 4(c)(8) is favorable. Accordingly, the application to acquire FPIC should be approved.

On the basis of all facts of record, the applications to merge Federated with and into Mercantile and to acquire FPIC are approved for the reasons summarized above. The subject merger shall not be made before the thirtieth calendar day following the effective date of this Order; and neither the subject merger nor the acquisition of FPIC shall be made later than three months after the effective date of this Order, unless such period is extended for good cause by the Board or by the Federal Reserve Bank of Dallas pursuant to delegated authority. The determination as to Mercantile's acquisi-

[9] See Board Order denying application by Federated to acquire South Park National Bank, San Antonio, Texas, a proposed new bank (62 Federal Reserve Bulletin 262 (1976)).

[10] The Board has considered whether the financial and managerial problems of Federated may be resolved by means even less anticompetitive than the proposed merger and has concluded that such means are unavailable.

[11] By Order dated February 11, 1976, the Board approved an application by Federated to acquire FPIC and to engage de novo in the activities of underwriting and reinsuring credit life and credit accident and health insurance directly related to extensions of credit by Federated's lending subsidiaries (62 Federal Reserve Bulletin 272).

tion of FPIC is subject to the conditions set forth in section 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors,[12] effective November 16, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34413 Filed 11-19-76;8:45 am]

NCNB CORP.

Order Approving Retention of NCNB Financial Services, Inc.

NCNB Corporation, Charlotte, North Carolina, a bank holding company within the meaning of the Bank Holding Company Act, has applied for the Board's approval, under section 4(c)(8) of the Act and § 225.4(b)(2) of the Board's Regulation Y, to retain all of the voting shares of NCNB Financial Services, Inc. Charlotte, North Carolina ("Company"). Company engages in factoring and commercial financing activities. Such activities have been determined by the Board to be closely related to banking (12 CFR 225.4(a)(1)).

Notice of the application, affording opportunity for interested persons to submit comments and views on the public interest factors, has been duly published (41 FR 41165). The time for filing comments and views has expired, and the Board has considered all comments received in the light of the public interest factors set forth in section 4(c)(8) of the Act (12 U.S.C. 1843(c)(8)).

Applicant, a one-bank holding company, became a bank holding company as a result of the 1970 Amendments to the Act by virtue of its control of North Carolina National Bank, Charlotte, North Carolina ("Bank"). Applicant acquired all of the outstanding shares of Company on March 2, 1970. Pursuant to the provisions of section 4 of the Act, Applicant has until December 31, 1980 to divest its shares of Company or, in the alternative, to apply to the Board for approval to retain them.[1]

Applicant is the second largest banking organization in North Carolina by virtue of its control of Bank. Bank has deposits of approximately $2.1 billion, representing approximately 17.2 percent of the total deposits in commercial banks in the State.[2] In addition to engaging in factoring and commercial financing activities through Company, Applicant engages in mortgage banking, consumer financing, leasing, and trust activities through nonbank subsidiaries.

Company (formerly Factors, Inc., High Point, North Carolina) conducts its factoring and commercial financing business from one office located in Charlotte, North Carolina, and derives the bulk of its factoring and commercial financing business from a four-State area comprised of the States of North Carolina, South Carolina, Tennessee, and Kentucky. On June 30, 1976, Company had total assets of $51.5 million and net receivables of $51.2 million.

The Board regards the standards under section 4(c)(8) of the Act for retention of shares to be the same as the standards for a proposed acquisition. In 1969, the last full year prior to the acquisition, Company derived over 80 percent of its business from North Carolina and, in that year Company factored total accounts of $33.9 million, and held $1 million of commercial finance outstandings when acquired. The record indicates that there is a large number of competing firms in the factoring and commercial financing industries and that in 1970, Company accounted for less than 1 percent of factored volume in North Carolina and 0.2 percent in the United States. Furthermore, it does not appear that Company and Applicant were in competition in either commercial financing or factoring in 1970, since both forms of financing differ significantly from commercial bank lending. Thus, the board regards Applicant's acquisition of Company as a foothold acquisition by Applicant in the factoring and commercial financing industries. Accordingly, the Board concludes that Applicant's acquisition of Company did not have any significant adverse effects on either existing or potential competition in any relevant area.

Since its acquisition by Applicant in 1970, Company has grown from a business which essentially served only one State to one which now serves four States, and its volume of accounts factored has more than tripled while its commercial financing volume has grown even more rapidly. Company's volume of accounts factored was $122.3 million in 1975 and commercial finance outstandings was $16.3 million at year end. Company's continued affiliation with Applicant is likely to result in further growth of Company, accompanied by increased efficiencies of operation and increased competition in the areas served by Company. On the basis of these and other facts of record, the Board concludes that the benefits to the public resulting from Applicant's acquisition of Company outweigh any adverse effects that could have resulted from the affiliation. Further, it is the Board's view that approval of Applicant's retention of Company can reasonably be expected to continue to produce benefits to the public that would outweigh possible adverse effects.

Based upon the foregoing and other considerations reflected in the record, the Board has determined that the balance of the public interest factors the Board is required to consider under section 4(c)(8) is favorable, and the application should be approved. Accordingly, the application is hereby approved. This determination is subject to the conditions set forth in § 225.4(c) of Regulation Y and to the Board's authority to require such modification or termination of the activities of a holding company or any of its subsidiaries as the Board finds necessary to assure compliance with the provisions and purposes of the Act and the Board's regulations and orders issued thereunder, or to prevent evasion thereof.

By order of the Board of Governors,[3] effective November 16, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34409 Filed 11-19-76;8:45 am]

NORTHEAST BANCORP, INC.

Order Approving Acquisition of Bank

Northeast Bancorp, Inc., New Haven, Connecticut, a bank holding company within the meaning of the Bank Holding Company Act (Act), has applied for the Board's approval under section 3(a)(3) of the Act (12 U.S.C. 1842(a)(3)) to acquire all of the voting shares (less directors' qualifying shares) of the successor by merger to Metropolitan Bank and Trust Company, Bridgeport, Connecticut (Bank). Incident to the proposed merger, Bank would assume the title of Union Trust Company of Bridgeport. The interim bank which would be merged into Bank has no significance except as a means to facilitate the acquisition of the voting shares of Bank. Accordingly, the proposed acquisition of shares of the successor organization is treated herein as the proposed acquisition of the shares of Bank.

Notice of the application, affording opportunity for interested persons to submit comments and views, has been given in accordance with section 3(b) of the Act. The time for filing comments and views has expired and the Federal Reserve Bank of Boston has considered the application and all comments received in light of the factors set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Applicant, the third largest banking organization in Connecticut, controls one bank with aggregate deposits of $679.3 million, representing approximately 9.2 percent of the total deposits in commercial banks in the State.[1] Ac-

[12] Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Partee and Lilly. Absent and not voting: Governor Jackson.

[1] Section 4 of the Act provides inter alia, that nonbanking activities acquired between June 30, 1968 and December 31, 1970 by a company which becomes a bank holding company as a result of the 1970 Amendments may not be retained beyond December 31, 1980, without Board approval.

[2] Banking data are as of June 30, 1976.

[3] Voting for this action: Chairman Burns and Governors Gardner, Wallich, Coldwell, Jackson, Partee and Lilly.

[1] All banking data are as of December 31, 1975, unless otherwise noted and reflect acquisitions approved through October 20, 1976.

quistion of Bank would increase Applicant's share of the total commercial bank deposits in the State by 0.15 percent and would not significantly increase the concentration of banking resources in Connecticut.

Bank ($9.1 million in deposits as of June 30, 1976), a unit bank, is the eleventh largest of 17 commercial banking organizations in the Bridgeport banking market [2] and controls approximately 1.1 percent of total deposits in commercial banks in that market. Applicant's subsidiary bank operates a total of four offices in the Bridgeport market and ranks as the eighth largest banking organization in the market with 2.2 percent of market deposits. The closest offices of Applicant and Bank are five miles apart. Upon consummation of the proposal, Applicant would rank as the market's seventh largest organization, controlling approximately 3.3 percent of market deposits. Although Applicant's acquisition of Bank would eliminate some existing competition between Bank and Applicant's existing bank, the elimination of such competition is not regarded as significant in the context of the banking structure in the relevant market.

The three largest banking organizations in the market control 71.1 percent of market deposits. The proposed acquisition would enable Applicant to enter the City of Bridgeport, presently closed to branching by Applicant's subsidiary bank because of Connecticut's home office protection law. Through Applicant's support, Bank's ability to compete in the market would be enhanced and should serve to stimulate market deconcentration. Consummation of the transaction would not have an adverse effect on future competition between Applicant's subsidiary bank and Bank in view of Bank's size, condition and Connecticut's restrictive branching laws. On the basis of the facts of record, the Federal Reserve Bank of Boston concludes that the competitive considerations of the transaction are consistent with approval of the application.

The financial and managerial resources and future prospects of Applicant and its subsidiary bank are regarded as satisfactory. The financial and managerial resources and future prospects of Bank are not entirely satisfactory at the present time. Since the time it opened for business in 1974, Bank has been operating at a loss. Financial and managerial resources and future prospects are expected to show an improvement as a result of Bank's affiliation with Applicant. Accordingly, banking factors lend substantial weight toward approval of the application.

Affiliation with Applicant would enable Bank to draw upon Applicant's resources and expertise and thereby offer expanded and improved services to its customers. It is expected that enabling Bank's customers to obtain these services through Bank would result in Bank's becoming a more attractive banking alternative. Convenience and needs factors lend some weight toward the approval of the application. It is this Reserve Bank's judgment that, under the circumstances of this case, consummation of the proposed transaction would be in the public interest and that the application should be approved.

On the basis of the record, the application is approved for the reasons summarized above. The transaction shall not be consummated (a) before the thirtieth calendar day following the effective date of this Order or (b) later than three months after the date of this Order, unless such period is extended for good cause by the Board.

By order of the Federal Reserve Bank of Boston, acting pursuant to delegated authority for the Board of Governors of the Federal Reserve System effective November 5, 1976.

HERBERT F. WASS,
Secretary.

[FR Doc.76-34410 Filed 11-19-76;8:45 am]

[2] The Bridgeport banking market, which is the relevant market, is approximated by the nine towns in the Bridgeport SMSA plus the towns of Oxford, Seymour, and Ansonia. Market share data are as of June 30, 1975.

PAN NATIONAL GROUP, INC.

Request for Determination and Notice Providing Opportunity for Hearing

Notice is hereby given that a request has been made to the Board of Governors of the Federal Reserve System, pursuant to the provisions of section 2(g)(3) of the Bank Holding Company Act of 1956 (12 U.S.C. 1841(g)(3)) ("the Act"), by Pan National Group, Inc., El Paso, Texas ("Pan National"), for a determination that Pan National is not nor will be capable of controlling Kansas City Structural Steel Company, Kansas City, Missouri ("Kansas City Steel") notwithstanding the indebtedness incurred by Darbyshire Steel Company, Inc., El Paso, Texas, ("Darbyshire"), Kansas City Steel's wholly-owned subsidiary, to Pan National in connection with Kansas City Steel's purchase from Pan National of its interest in Darbyshire. Darbyshire's indebtedness is secured by Kansas City Steel's pledge of all the issued and outstanding stock of Darbyshire.

Section 2(g)(3) of the Act provides that shares transferred after January 1, 1966, by any bank holding company (or any company which but for such a transfer, would be a bank holding company) directly or indirectly to any transferee that is indebted to the transferor or has one or more officers, directors, trustees, or beneficiaries in common with or subject to control by the transferor, shall be deemed to be indirectly owned or controlled by the transferor, unless the Board, after opportunity for hearing, determines that the transferor is not, in fact, capable of controlling the transferee.

Notice is hereby given, that, pursuant to section 2(g)(3) of the Act, an opportunity is provided for filing a request for oral hearing. Any such request or written comments on the application should be submitted in writing (in duplicate) to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received no later than December 14, 1976. If a request for oral hearing is filed, each request should contain a statement of the nature of the requesting person's interest in the matter, his reasons for wishing to appear at an oral hearing, and a summary of the matters concerning which such person wishes to give testimony. The Board subsequently will designate a time and place for any hearing it orders, and will give notice of such hearing to the transferor, the transferee, and all persons that have requested an oral hearing. In the absence of a request for an oral hearing, the Board will consider the requested determination on the basis of documentary evidence filed in connection with the application.

Board of Governors of the Federal Reserve System, November 15, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34406 Filed 11-19-76;8:45 am]

[H.2, 1976 No. 44]

ACTIONS OF THE BOARD

Applications and Reports Received During the Week Ending October 30, 1976

The Board announced that the initial meeting of its new Consumer Advisory Council will take place November 10 and 11 at the Board; the meeting will be open to the public.

Senators Proxmire and Williams requested a prompt investigation of Bank of America's involvement in a bank consortium investment in Reynolds Securities, Inc., a major domestic securities firm.

Response to a request for the Board's views concerning a commercial bank's mortgage backed securiites proposal.

Issuance of subordinated capital notes by Commerce Bank of Tipton, Tipton, Missouri.

Issuance of subordinated capital notes by Commerce Bank of Mexico, Mexico, Missouri.

Issuance of subordinated capital notes by Commerce Bank of St. Charles, St. Charles, Missouri.

Issuance of subordinated capital notes by Commerce Bank of Lebanon, Lebanon, Missouri.

Issuance of subordinated capital notes by Commerce Bank of Moberly, Moberly, Missouri.

Bank of Union Point, Union Point, Georgia, proposed merger with The Citizens Bank, Greensboro, Georgia; report to the Federal Deposit Insurance Corporation on competitive factors.

Union Company, Ames, Iowa, proposed merger with the Union Story Trust & Savings Bank, Ames, Iowa; report to the Federal Deposit Insurance Corporation on competitive factors.

Deregistration statements for lender registered pursuant to Regulation G, Baptist Foundation of Texas, Dallas; Great National Life Insurance Company, Dallas; and for Kraft Employees Credit Union, Garland, Texas.[1]

Deregistration statement for lender registered pursuant to Regulation G, for National Trust Life Insurance Co., Memphis, Tennessee.[1]

Dauphin Deposit Corp., Harrisburg, Pennsylvania, extension of time to February 1, 1977, within which to consummate acquisition of 100 per cent of the voting shares of Dauphin Deposit Bank and Trust Company, Harrisburg, Pennsylvania.[1]

Trans Texas Bancorporation, Inc., El Paso, Texas, extension of time to January 10, 1977, within which to consummate and open for business Chamizal National Bank, El Paso, Texas, a proposed new bank.[1]

York State Company, York, Nebraska, extension of time to January 24, 1977, within which to complete the acquisition of 100 per cent of the voting shares of York State Bank and Trust Company.[1]

Security State Bank of Basin, Basin, Wyoming, to make an investment in bank premises.[1]

Community State Bank of Dowagiac, Dowagiac, Michigan, proposed merger with DSB Bank, Dowagiac, Michigan; report to the Federal Deposit Insurance Corporation on competitive factors.[1]

Lorain County Savings & Trust Company, Elyria, Ohio, extension of time to December 21, 1976, within which to establish its branch at 4520 Liberty Street, Vermilion, Ohio.[1]

United Jersey Bank/Northwest, Dover, New Jersey, extension of time within which to establish a branch office at the north side of East Mill Road, between Mountain View Avenue and Old Farmers Road, Washington Township, New Jersey.[1]

Note.—The H.2 release is now published in the FEDERAL REGISTER. It will continue to be sent, upon request, to anyone desiring a copy.

To Establish a Domestic Branch Pursuant to section 9 of the Federal Reserve Act.

APPROVED

Baybank Newton-Waltham Trust Company, Waltham, Massachusetts. Branch to be established at 100 Central Street, Holliston.[2]

Baybank Harvard Trust Company, Cambridge, Massachusetts. Branch to be established in the Monument Square Building, Bedford Road, Carlisle.[2]

Villa Park Trust & Savings Bank, Villa Park, Illinois. Branch to be established at 27 West Park Boulevard, Villa Park.[2]

Old Kent Bank of Kentwood, Kentwood, Michigan. Branch to be established in the vicinity of 52nd Street and Eastern Avenue, S.E., Kentwood.[2]

The Bank of Versailles, Versailles, Missouri. Branch to be established on Highway No. 5, Town of Laurie, Morgan County.[2]

To Withdraw from Membership in the Federal Reserve System Without a Six-Month Notice as Prescribed by section 9 of the Federal Reserve Act.

DENIED

Union Bank and Trust Company, Kokomo, Indiana.[2]

International Investments and Other Actions Pursuant to sections 25 and 25 (a) of the Federal Reserve Act and sections 4(c)(9) and 4(c)(13) of the Bank Holding Company Act of 1956, as amended.

APPROVED

Citibank Overseas Investments Corporation: investment—additional in First National City Development Finance Corp. (Thailand) Limited.

Bank of America N T and S A: investment—additional in Banco International S.A., Sao Paulo, Brazil.

Thirty Day Notice of Intention to Establish an Additional Branch in a Foreign Country.

APPROVED

Citibank N A: branch—four additional in the United Arab Emirate.

Bank of America N T and S A: branch—additional in Montevideo, Uruguay.

To Form a Bank Holding Company Pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956.

WITHDRAWN

Security Bancshares, Inc., Tulsa, Oklahoma, for approval to acquire 100 per cent of the voting shares of Security Bank, Tulsa, Oklahoma.

APPROVED

Charter Clarendon Bancorporation, Inc., Northfield, Illinois, for approval to acquire 80 per cent or more of the voting shares of Bank of Clarendon Hills, Clarendon Hills, Illinois.

Peninsula Financial, Inc., Sturgeon Bay, Wisconsin, for approval to acquire 98.20 per cent of the voting shares of First State Bank of Algoma, Algoma, Wisconsin.

To Expand a Bank Holding Company Pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956.

APPROVED

The Royal Trust Company, Montreal, Quebec, Canada and Royal Trust Bank Corp., Miami, Florida, for approval to acquire 51 per cent or more of the voting shares of Worth Avenue National Bank, Palm Beach, Florida.

Texarkana National Bancshares, Inc., Texarkana, Texas, for approval to acquire 100 per cent of the voting shares (less directors' qualifying shares) of Liberty Eylau State Bank, Texarkana, Texas, a proposed new bank.

To Expand a Bank Holding Company Pursuant to section 4(c)(8) of the Bank Holding Company Act of 1956.

WITHDRAWN

Liberty National Corporation, Oklahoma City, Oklahoma, notification of intent to engage in de novo activities (originating real estate mortgage loans on commercial properties) at 3801 N.W. 63rd Street, Oklahoma City, Oklahoma, through a wholly-owned indirect subsidiary, Liberty Mortgage Company. (10/21/76)[3]

Liberty National Corporation, Oklahoma City Oklahoma, notification of intent to engage in de novo activities (selling and servicing real estate mortgage loans on residential and commercial properties) at 1707 Cache Road, Lawton, Oklahoma, through a wholly-owned indirect subsidiary, Liberty Mortgage Company. (10/21/76)[3]

DELAYED

First Alabama Bancshares, Inc., Montgomery, Alabama, notification of intent to engage in de novo activities (acting as insurance agent or broker with respect to non-filing insurance, insurance in lieu of perfecting any security interest on a transaction that is directly related to the extension of credit by a bank; single interest insurance (vendor's single interest insurance) against loss of or damage to property including coverage for skip, concealment, repossessions, conversion, confiscation, and errors and omissions written in connection with a credit transaction) at 44 First Alabama Plaza, Montgomery, Albama, through a subsidiary, FAB Agency, Inc. (10/29/76)[3]

Sun Banks of Florida, Inc., Orlando, Florida, notification of intent to engage in de novo activities (making or acquiring, for its own account or for the account of others, loans and other extensions of credit and servicing loans and other extensions of credit for any person) at 200 South Orange Avenue, Orlando, Florida, through a subsidiary, Sunbank Mortgage Company. (10/25/76)[3]

BankAmerica Corporation, San Francisco, California, notification of intent to engage in *de novo* activities (in a community welfare project designed to improve neighborhoods by restoring abandoned and substandard properties located in Oakland to use by purchase, rehabilitation, and disposition) at 300 Pendleton Way, Oakland, California, through a subsidiary, BA City Improvement and Restoration Program Corporation (10/29/76)[3]

REACTIVATED

Liberty National Corporation, Oklahoma City, Oklahoma, notification of intent to engage in *de novo* activities (originating real estate mortgage loans on residential properties) at 3801 N.W. 63rd Street, Oklahoma City, Oklahoma, through a wholly-owned indirect subsidiary, Liberty Mortgage Company (10/25/76)[3]

Liberty National Corporation, Oklahoma City, Oklahoma, notification of intent to engage in *de novo* activities (originating real estate mortgage loans on residential properties) at 1707 Cache Road, Lawton, Oklahoma, through a wholly-owned indirect subsidiary, Liberty Mortgage Company (10/25/76)[3]

[1] Application processed on behalf of the Board of Governors under delegated authority.

[2] Application processed by the Reserve Bank on behalf of the Board of Governors under delegated authority.

[3] 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

PERMITTED

Lincoln First Banks Inc., Rochester, New York, notification of intent to relocate *de novo* activities (making or acquiring, for its own account or for the account of others, loans and other extensions of credit such as would be made by a commercial finance or factoring company; such activities will include making advances on on demand to various domestic commercial customers secured by assignments of accounts receivable, inventory, equipment, and other collateral and servicing loans and other extensions of credit for any person) from 67 Wall Street, New York, New York to 99 Park Avenue, New York, New York, through its subsidiary, Lincoln First Commercial Corporation (10/25/76)[2]

First Maryland Bancorp, Baltimore, Maryland, notification of intent to engage in *de novo* activities (making or acquiring, for its own account or for the account of others, loans and other extensions of credit secured by first or second mortgages or deeds of trust on real property or leasehold interest; servicing such loans and other extensions of credit for its own account or for the account of others; acting as investment of financial adviser to the extent of providing portfolio investment advice to any other person covering generally the investment of funds in real property interests other than real property which is to be used in the trade or business of the person being advised and furnishing general economic information and advice, general economic statistical forecasting services, and industry studies for the real estate business and industry in general and leasing real property or acting as agent, broker, or adviser in leasing such property) at 25 South Charles Street, Baltimore, Maryland, through a subsidiary, First Maryland Mortgage Corporation (10/29/76)[2]

Ancorp Bancshares Inc., Chattanooga, Tennessee, notification of intent to engage in *de novo* activities (making or acquiring, for its own account and the account of others, loans and other extensions of credit such as would be made by a finance company; and acting as insurance agent or broker with respect to any insurance that is directly related to loans and other extensions of credit by Ancorp Finance Company and is directly related to the providing of other financial services by Ancorp Finance Company) at Richland Park Shopping Center, Dayton, Tennessee, through a subsidiary, Ancorp Finance Company (10/24/76)[2]

Great American Corporation, Baton Rouge, Louisiana, notification of intent to engage in *de novo* activities (the organization of real estate and mortgage loans and such other business as is customarily engaged in by mortgage companies; including the sale of credit life insurance, accident and health insurance, and property insurance for collateral supporting loans made by said subsidiary) at 2025 Mandeville-Covington Highway, Covington, Louisiana, through a subsidiary, Ambank Mortgage Company (10/24/76)[2]

Southeast Banking Corporation, Miami, Florida, notification of intent to engage in *de novo* activities (performing or carrying on any one or more of the functions or activities that may be performed or carried on by a trust company including activities of a fiduciary, agency, or custodian nature) at 801 West Bay Drive, Largo, Florida and 1710 South Andrews Avenue, Fort Lauderdale, Florida, through a subsidiary, Southeast Banks Trust Company, N.A. (10/27/76)[2]

To Expand a Bank Holding Company Pursuant to section 4(c)(12) of the Bank Holding Company Act of 1956.

PERMITTED

Warner Communications Inc., New York, New York, notification of intent to acquire the shares of Coco-Cola Bottling Company of New York, Inc. and Bausch & Lomb, Inc. (10/28/76)[2]

Sterling Precision Corporation, West Palm Beach, Florida, notification of intent to acquire through its subsidiary, McKerlie-Millen, Inc., the assets of Centennial Auto Parts Limited of Ottawa, Canada, an automotive replacement parts distributor 10/30/76)[2]

Gamble-Skogmo, Inc., Minneapolis, Minnesota, notification of intent to acquire up to 20 Fabs Fashion Fabrics Stores (10/27/76)[2]

APPLICATIONS RECEIVED

To Establish a Domestic Branch Pursuant to section 9 of the Federal Reserve Act.

The Detroit Bank-Southfield, Southfield, Michigan. Branch to be established at the southeast corner of Southfield and Edwards roads in Southfield.

To Become a Member of the Federal Reserve System Pursuant to section 9 of the Federal Reserve Act.

New England Securities Depository Trust Company, Boston, Massachusetts.

To Establish an Overseas Branch of a Member Bank Pursuant to section 25 of the Federal Reserve Act.

United States Trust Company of New York: branch—George Town, Grand Cayman, Cayman Islands.

To Form a Bank Holding Company Pursuant to section 3(a)(1) of the Bank Holding Company Act of 1956.

AmeriCorp, Shawnee, Oklahoma, for approval to acquire 80 percent or more of the voting shares of American National Bank and Trust Company of Shawnee, Shawnee, Oklahoma.

First Bancshares, Inc., Kansas City, Missouri, for approval to acquire 81.87 percent of the voting shares of The First State Bank of Kansas City, Kansas, Kansas City, Kansas.

West Texas Bancorporation, Inc., Post, Texas, for approval to acquire 80 percent or more of the voting shares of The First National Bank of Post, Post, Texas.

To Expand a Bank Holding Company Pursuant to section 3(a)(3) of the Bank Holding Company Act of 1956.

Mountain Financial Services, Inc., Denver, Colorado, for approval to acquire 100 per cent of the voting shares of Southeast State Bank, Denver, Colorado.

To Expand a Bank Holding Company Pursuant to section 4(c)(8) of the Bank Holding Company Act of 1956.

Old Stone Corporation, Providence, Rhode Island, for approval to acquire the successor by absorption to The New Bedford Morris Plan Company, New Bedford, Massachusetts and the successor by absorption to Morris Plan Bank and Banking Company of Chelsea, Chelsea, Massachusetts (making consumer installment loans and consumer demand loans; purchasing rediscounted notes; purchasing installment loans originated by others; accepting consumer savings deposits in the manner authorized by Massachusetts state law for Morris Plan banks; in connection with extensions of credit, making available to borrowers credit life insurance under a group policy issued to the Morris Plan Banking Companies as policyholders; and originating first mortgage loans as authorized for Morris Plan banks by Massachusetts law).

Dominion Bankshares Corporation, Roanoke, Virginia, notification of intent to engage in *de novo* activities (making and servicing personal loans secured by first and second mortgages and acting as agents in the sale of credit life insurance in connection with such mortgage loans) at 2101 Executive Drive, Hampton, Virginia, through a subsidiary, State Mortgage Corporation (10/25/76).[2]

Barnett Banks of Florida, Inc., Jacksonville, Florida, notification of intent to engage in *de novo* activities (providing bookkeeping and data processing services for the internal operations of the holding company and its subsidiaries and storing and processing banking, financial, or related economic data for others) at 3210 Cleveland Avenue, Fort Myers; 491 North State Road Nr. 7, Suite 301, Plantation; 1000 West Garden Street, Pensacola; and 1000 North Ashley, Suite 216, Tampa; all located in Florida, through a subsidiary, Barnett Computing Company (10/27/76)[2]

Barnett Banks of Florida, Inc., Jacksonville, Florida, notification of intent to engage in *de novo* activities (leasing personal property and equipment where at the inception of the initial lease the expectation is that the effect of the transaction will be to compensate the lessor for not less than the lessor's full investment in the property plus the estimated total cost of financing the property over the term of the lease; and acting as agent, broker, or adviser in the leasing of personal property and equipment the preceding paragraph) at 1000 North Ashley, Tampa, Florida, through a subsidiary, Barnett Leasing Company (10/27/76)[2]

St. Joseph Bank and Trust Company and St. Joseph Agency, Inc., both of South Bend, Indiana, notification of intent to engage in *de novo* activities (originating, acquiring, selling, and servicing of residential, commercial, and industrial mortgage loans) in the vicinity of 86th and Virginia, Merrillville, Indiana, through its subsidiary, St. Joseph Mortgage Co., Inc. (10/28/76)[2]

Northwest Bancorporation, Minneapolis, Minnesota, notification of intent to acquire a *de novo* trust company (assume trust activities from four subsidiary banks) at 204 South First Street, Aberdeen, South Dakota; 825 St. Joe Street, Rapid City, South Dakota; 101 North Phillips Avenue, Sioux Falls, South Dakota; and 20 North Maple Street, Watertown, South Dakota, through First Northwestern Trust Co. of South Dakota (10/26/76)[2]

Mountain Financial Services, Inc., Denver, Colorado, for approval to engage *de novo* in the sale of credit life and credit accident and health insurance directly related to extensions of credit by Bank upon the premises of Southeast State Bank, Denver, Colorado.

First Hawaiian, Inc., Honolulu, Hawaii, notification of intent to relocate *de novo* activities (operating as an industrial loan company in the manner authorized by State law) from 94–246 Mokuola Street to 94–144 Farrington Highway, Waipahu, Hawaii, through its subsidiary, Hawaii Thrift & Loan, Incorporated (10/15/76)[2]

[2] 4(c)(8) and 4(c)(12) notifications processed by Reserve Bank on behalf of the Board of Governors under delegated authority.

REPORTS RECEIVED

Registration Statement Filed Pursuant to section 12(g) of the Securities Exchange Act.

Union Trust Company of Wildwood, Wildwood, New Jersey (Amendment #1)

Current Report Filed Pursuant to section 13 of the Securities Exchange Act.

Bank of the Commonwealth, Detroit, Michigan.
The Maplewood Bank and Trust Company, Maplewood, New Jersey.

Proxy Statement (Special Meeting) Filed Pursuant to section 14(a) of the Securities Exchange Act.

Tompkins County Trust Company, Ithaca, New York.

Ownership Statement Filed Pursuant to section 13(d) of the Securities Exchange Act.

Bank of the Commonwealth, Detroit, Michigan. (Filed by Ghaith Pharaon—Amendment #3).

PETITIONS FOR RULEMAKING

None.

Board of Governors of the Federal Reserve System, November 16, 1976.

GRIFFITH L. GARWOOD,
Deputy Secretary of the Board.

[FR Doc.76-34411 Filed 11-19-76;8:45 am]

GENERAL ACCOUNTING OFFICE

REGULATORY REPORTS REVIEW

Receipt of Report Proposals

The following requests for clearance of reports intended for use in collecting information from the public were received by the Regulatory Reports Review Staff, GAO, on November 12, 1976 (FEA) and November 16, 1976 (FCC). See 44 U.S.C. 3512 (c) and (d). The purpose of publishing this notice in the FEDERAL REGISTER is to inform the public of such receipts.

The notice includes the title of each request received; the name of the agency sponsoring the proposed collection of information; the agency form number, if applicable; and the frequency with which the information is proposed to be collected.

Written comments on the proposed FEA and FCC requests are invited from all interested persons, organizations, public interest groups, and affected businesses. Because of the limited amount of time GAO has to review the proposed requests, comments (in triplicate) must be received on or before December 10, 1976, and should be addressed to Mr. John M. Lovelady, Acting Assistant Director, Regulatory Reports Review, United States General Accounting Office, Room 5216, 425 I Street, NW., Washington, D.C. 20548.

Further information may be obtained from Patsy J. Stuart of the Regulatory Reports Review Staff, 202-376-5425.

FEDERAL ENERGY ADMINISTRATION

FEA requests clearance of its new Form C607-S-O entitled Major Fuel Burning Installations—Early Planning Process Report, Schedules A-1 and A-2. Form C607-S-O, Schedules A-1 and A-2, will enable the FEA to identify major fuel burning installations (MFBI's) in the early planning process so that construction orders may be issued which will require the recipient MFBI's to be designed and constructed so as to be capable of burning coal as the primary energy source. Schedules A-1 and A-2 are primarily concerned with the identification of those MFBI's currently in the early planning process. Once identified, companies must submit a third schedule, A-3 (schedule A-3 will be submitted to GAO for clearance in the future), providing the necessary information for the FEA to determine the practicability of installing a 100 percent coal firing capability in newly planned MFBI's. It is this analysis that will determine whether or not the FEA will issue a construction order to a given company. FEA estimates respondents to be approximately 1,000 Major Fuel Burning Installations and burden for Schedules A-1 and A-2 to average 75 hours per response.

FEDERAL COMMUNICATIONS COMMISSION

FCC requests an extension no change clearance of Form L, Annual Report of Licensee in the Domestic Public Land Mobile Radio Service. Form L is required to be filed annually by licensees in the domestic public land mobile radio services who do not report to the Commission on its Annual Report Form M. The use of this form is prescribed by section 219 of the Communications Act of 1934, as amended, and § 1.785 of the Commission's Rules and Regulations. FCC estimates respondents to be approximately 871 Domestic Land Mobile Radio Licensees who file approximately 1,792 reports for individual stations and 365 combined reports for licensees who own more than one station, and reporting burden to average six hours per response.

NORMAN F. HEYL,
Regulatory Reports Review Officer.

[FR Doc.76-34382 Filed 11-19-76;8:45 am]

GENERAL SERVICES ADMINISTRATION

[Docket No. 27065, Intervention Notice No. 9]

NEW YORK PUBLIC SERVICE COMMISSION, NEW YORK DISTRIBUTION EXPLORATION GROUP

Proposed Intervention in Utility Exploratory Proceeding

The General Services Administration seeks to intervene in a proceeding before the New York Public Service Commission concerning an application by eight retail gas distribution companies forming the New York Distribution Exploration Group, for authority to conduct a gas exploration and development program. The GSA represents the interests of the executive agencies of the United States Government, as users of utility services.

The New York Distribution Exploration Group initially estimated its venture capital for the operation to be $200 million, which will be raised through a 1 cent per 100 cubic feet surcharge on all firm retail gas sales. There remain many questions about the safeguards and possible rewards this exploration will bring to the ratepayer.

Persons desiring to make inquiries concerning this case to GSA should submit them, in writing, to Mr. Spence W. Perry, Assistant General Counsel, Regulatory Law Division, General Services Administration, 18th & F Streets, NW., Washington, DC, 20405, telephone (202) 566-0750, on or before December 22, 1976.

Persons making inquiries are put on notice that the making of an inquiry shall not serve to make any persons parties of record in the proceeding.

[Sec. 201(a)(4), Federal Property and Administrative Services Act, 40 U.S.C. 481(a)(4)]

Dated: November 12, 1976.

TERRY CHAMBERS,
Acting Administrator of General Services.

[FR Doc.76-34309 Filed 11-19-76;8:45 am]

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of the Secretary

SECRETARY'S ADVISORY COMMITTEE ON THE RIGHTS AND RESPONSIBILITIES OF WOMEN

Meeting

The Health Subcommittee of the Secretary's Advisory Committee on the Rights and Responsibilities of Women, which was established to review the policies, programs, and activities of the Department of Health, Education, and Welfare relative to women and to make recommendations to the Secretary on how to better the services of HEW's programs to meet these special needs of women, will meet on Tuesday, and Wednesday, December 7-8, 1976, from 9:00 a.m. to 5:00 p.m. each day in Room 624-D, HEW-South Portal Building, 200 Independence Avenue SW., Washington, D.C. The agenda will include 1977 work project and plans for 1977 activities of the Health Subcommittee.

Interested persons wishing to address the Committee, should contact the Secretary's Advisory Committee on the Rights and Responsibilities of Women by COB Tuesday, November 30. Phone: 202-245-8454. Written statements received by November 30 will be duplicated and distributed to the members. Members of the public are invited to attend the meeting.

Dated: November 17, 1976.

SUSAN HONEYCUTT,
Special Assistant to the Under Secretary.

[FR Doc.76-34487 Filed 11-19-76;8:45 am]

OFFICE OF THE REGIONAL DIRECTOR, REGION VII

Statement of Organization, Functions, and Delegations of Authority

Part 1 of the Statement of Organization, Functions, and Delegations of Au-

thority of the Department of Health, Education, and Welfare is amended to reflect certain changes in Chapter 1E87, "Office of the Regional Director, Region VII, Kansas City, Missouri." These changes consist in the deletion of the Office of the Assistant Regional Director for Administration and Management and the Office of the Assistant Regional Director for Financial Management (40 FR 1729, January 9, 1975, as amended by 40 FR 4955, February 3, 1975) and the substitution therefor of a new combined organization, the Office of the Assistant Regional Director for Management and Finance. The amended chapter reads as follows:

SECTION 1E87.10 ORGANIZATION

Delete: Office of the ARD for Administration and Management and Office of the ARD for Financial Management.

Add: Office of the ARD for Management and Finance.

Section 1E87.20 functions. Delete paragraphs J and K. Add new paragraph J, Office of the ARD for Management and Finance to read as follows:

J. Office of the ARD for Management and Finance. Office of the ARD for Management and Finance through its Director serves as the principal advisor to the Regional Director and provides all aspects of administrative management and financial management and financial services, including management analysis, information systems, personnel management, contracts operations, office services, property management activities, architectural/engineering services, financial accounting and reporting, budget, and grantee liaison and assistance. Specifically, the Office:

a. Advises the Regional Director and operating program managers on financial and administrative management matters and interprets financial and administrative management policy as established by the Secretary; Under Secretary; Assistant Secretary, Comptroller; Assistant Secretary for Administration and Management; or the Regional Director.

b. Provides financial management support to the Regional Director and Regional Principal Operating Components (POC's) for decentralized programs and activities. Under policies and procedures established by the Office of the Assistant Secretary, Comptroller, supervises the performance of the following financial management functions: accounting and financial reporting, budget formulation and execution, and work with state and local governments and HEW grantees to include indirect cost negotiations, single letter of credit implementation, and technical assistance audit follow-up.

c. Receives from the Office of the Regional Director and Regional POC's all Regional budget and fiscal data, including allowances and allotments, budgeted positions authorized, and employment ceiling allocations; makes recommendations to the Regional Director on the management of budgetary resources for Regional programs, maintaining close contact with counterparts, at the POC level and in the Office of the Comptroller to coordinate questions of Departmental financial management policy; represents the Regional Director with Treasury Department, the HEW Audit Agency, GSA, and GAO on financial management matters.

d. Performs Regional accounting and financial reporting for all HEW activities for which the Regional Director is assigned such support responsibility. Is responsible for the recording and reporting of all financial transactions of HEW Office of the Regional Director and Regional POC's operations through the maintenance of a standardized Regional Accounting System.

e. Is responsible for the financial administration and management of Office of the Secretary Working Capital Fund and Departmental Management allotments or allowances issued to the Regional Director.

f. Performs budget activities as follows: prepares consolidated regional budget estimates and justifications for activities for which the Regional Director has been delegated authority; assists the Regional Director and Regional POC's in advocating program budget priorities for centralized and decentralized programs based on Regional needs and characteristics; assesses Regional impact of Regional POC's budget proposals for use by the Regional Director in providing comments to the Secretary on the Departmental budget; supervises budget execution in the Region, including the recording and distribution of budget resources based on allocations, allotments, and allowances for Regional activities; receives Regional personnel ceiling allowances; prepares recommended allowances and manpower allocations for submission to the Regional Director; and monitors recruitment and employment against these allowances. Develops and implements a budget data system capable of monitoring financial operating plans and of maintaining current information of fund availability for Regional programs; provides assistance to the Regional planning offices in formulating a Regional plan, overseeing the development of financial operating plans for other Regional activities, reviewing these plans and providing comments to the Regional Director and other Regional personnel; certifies to the availability of funds for all expenditures based on allotments and allowances issued to the Office of the Regional Heads of the POC's.

g. Carries on cost allocation and payment system activities as follows: pursuant to delegation of authority from the Regional Director, is responsible for indirect cost rate negotiations (including state and local cost allocation plans) based on cost policies and procedures established by the Division of Financial Management Standards and Procedures at the Department headquarters; provides financial management technical assistance to state and local governments, and other HEW grantees and contractors; assists the Office of the Assistant Secretary, Comptroller to develop the single letter of credit system within the Region and assists the Regional Director and Regional POC's in assuring effective follow-up of audit findings of major managerial significance as disclosed by reviews of grantee's management system.

h. Serves as the principal advisor to the Regional Director and directs or participates actively in all aspects of administrative management, including organization, procedures, personnel management, office services, management information systems, management analysis, manpower management and management surveys and studies, paperwork management, and grants and contracts management; identifies needed administrative and programmatic linkages to assure coordinated HEW thrust; and maintains records of delegations of authority.

i. Has been designated responsibility for the management of certain centralized contracting services in the Region. Accomplishes, directs, and/or sets Regional policy and establishes procedures for all contracting within the authority of the Regional Director.

j. Provides leadership in the establishment, maintenance, and effective use of management information and the systems related thereto.

k. Administers all activities related to Regional manpower utilizaiton surveys and work measurement studies.

l. Directs the operation of the Regional Personnel Office through the Regional Personnel Officer; serves as the principal advisor to the Regional Director on all aspects of personnel management, including the classification of positions, the staffing and processing of appointments, the conduct of selected on-the-job training activities, and the provision of employee relations services.

m. Directs the provisions of office services through the Administrative Services Division; provides office services to all activities in and near the Regional headquarters location, including: Mail pick up and delivery, procurement, stocking and distribution of common supplies, maintenance of the official Regional files, printing and reproduction services, moving and storage services, and the establishment and maintenance of a system of effective property management, including item and financial property accounting records.

n. Directs the activities of the Division of Regional Operations for Facilities Engineering and Construction through the Regional Engineer, assures the delivery of the total architectural/engineering services in support of HEW grant and loan and direct Federal construction programs, carries out property management activities for HEW-owned and utilized facilities within the Region, and furnishes other services to the operation and maintenance of facilities used by Regional staffs.

o. Ensures Regional Office compliance with Occupational Safety and Health Act, related laws, executive orders, regulations and guidelines. Conducts periodic

inspections of Regional space and facilities to assure the application of optimum standards and practices related to physical and personal safety.

Dated: October 21, 1976.

JOHN OTTINA,
Assistant Secretary for Administration and Management.

[FR Doc.76-34439 Filed 11-19-76;8:45 am]

Social Security Administration

VOCATIONAL FACTORS IN DISABILITY DETERMINATIONS

Public Meeting

The Social Security Administration regulations with respect to disability determinations under titles II and XVI of the Social Security Act (20 CFR Part 404, Subpart P and 20 CFR Part 416, Subpart I, respectively) provide that when a disability determination cannot be made on medical considerations alone and the individual is unable to return to past work, the determination as to disability rests on the individual's ability to do other substantial gainful work. Determinations must be made on this basis in a significant percentage of the claims adjudicated.

The evaluation of ability to do other work requires consideration of impairment severity in conjunction with the vocational factors of age, education, and past work experience. Rules for evaluating these factors have been developed over the years on the basis of the Social Security Administration's operating experience and are utilized by State agencies and the Social Security Administration in making determinations of disability. These rules, however, have not yet been incorporated into the regulations.

The Social Security Administration has drafted a Notice of Proposed Rule Making setting forth and incorporating into the regulations rules and criteria for evaluating vocational factors.

Several public interest and advocacy groups have suggested that the public be given an opportunity to comment on the proposed regulation prior to its promulgation. Therefore, before the publication of the Notice of Proposed Rule Making, which will enable a detailed explanation to be published and extensive comments to be received, we believe it would be beneficial to meet with representatives of interested groups and individuals on a variety of matters relating to the publication of this amended regulation. These matters would include the history of the development of, and current application of, the rules which govern the way that disability determinations are presently made, the steps taken to codify these rules in the form of proposed regulations, the types of review already given these draft proposals, the kinds of questions which these regulations pose, and the method that has been chosen to disseminate information about these regulations.

This meeting is designed to facilitate a full understanding of these matters so that all interested parties will have a better basis for later comment on the substance of the regulations. It is not a hearing on the substantive content of the regulations themselves, nor will it substitute for the opportunity to submit extended written comments that will be provided upon publicaion of the Notice of Proposed Rule Making.

The meeting is scheduled for Wednesday, December 8, from 9 a.m. to 4 p.m., in the Multipurpose Room (adjacent to the Auditorium) at the Social Security Administration Headquarters, 6401 Security Boulevard, Baltimore, Maryland 21235. Presentations on the above points will be made by Social Security Administration representatives at this meeting and public comment and responses will be sought.

In order to assure adequate scheduling for those attending the meeting, persons interested in attending are requested to notify D. Dwight Dowling, Social Security Administration, P.O. Box 1585, Baltimore, Maryland 21203, or by telephoning Mr. Dowling at (301) 594-8304. Mr. Dowling may also be contacted for additional information regarding the meeting and for advance draft copies of the Notice of Proposed Rule Making.

(Catalog of Federal Domestic Assistance Program No. 13.802, Social Security-Disability Insurance; Catalog of Federal Domestic Assistance Program No. 13.807, Supplemental Security Income Program.)

Dated: November 17, 1976.

JAMES B. CARDWELL,
Commissioner of Social Security.

[FR Doc.76-34371 Filed 11-19-76;8:45 am]

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Federal Insurance Administration

[Docket No. N-76-663]

NATIONAL INSURANCE DEVELOPMENT PROGRAM ADVISORY BOARD

Appointment of Board Members

The purpose of this notice is to announce the appointment by the Secretary of Housing and Urban Development of the National Insurance Development Program Advisory Board members. Members representing the insurance industry are: David Green, Motor Club of America; R. Wayne Herbert, Underwood Insurance; Robb B. Kelley, Employers Mutual Casualty; Danforth Loring, Foster-Barker Company, Russell H. Perry, Republic Insurance; Edward B. Rust, State Farm. Those from the public are: George K. Bernstein, Washington, D.C.; Professor John S. Bickley, University, Alabama; Richard L. Grijalva, Tucson, Arizona; Lloyd W. Raikes, Los Angeles, California. Those representing State and Local governments are: David J. Lane, Massachusetts Representative; Thomas C. Jones, Michigan Insurance Commissioner; Wesley J. Kinder, California Insurance Commissioner; Richard L. Rottman, Nevada Insurance Commissioner; Francis Whaland, New Hampshire Insurance Commissioner. Representing the Federal government are Brenda J. Hamer, HUD; Constance Newman, HUD, Richard F. Walsh, DOT; J. Robert Hunter, HUD, Chairman of the Board.

The National Insurance Development Advisory Board, established under the authority of section 1202 of the National Housing Act, enacted by the Urban Property Protection and Reinsurance Act of 1968, as amended by the National Insurance Development Act of 1975 (Pub. L. 94-13, April 8, 1975), advises the Secretary of existing or potential problems of unavailability of essential property insurance, and other matters related to FAIR (Fair Access to Insurance Requirements) Plan operations and riot reinsurance rates and coverage.

The Board members were installed during a meeting on September 22, 1976.

Issued in Washington, D.C., on November 16, 1976.

J. ROBERT HUNTER,
Federal Insurance Administrator.

[FR Doc.76-34350 Filed 11-19-76;8:45 am]

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[Tentative Sale #49]

MID-ATLANTIC OUTER CONTINENTAL SHELF

Call for Nominations of and Comments on Areas for Oil and Gas Leasing

Pursuant to the authority prescribed in 43 CFR 3301.3 (1975), nominations are hereby requested for areas in the Mid-Atlantic Outer Continental Shelf (OCS) for possible oil and gas leasing under the Outer Continental Shelf Lands Act (43 U.S.C. 1331-1343 (1970)). Nominations will be considered for any or all of that part of the following mapped area beginning at the SW corner of block 427, found on OCS Official Protraction Diagram NJ 18-11; thence north to the NW corner of block 31; thence east to the SW corner of block 1001, found on OCS Official Protraction Diagram NJ 18-8; thence north to the NW corner of block 913; thence east to the SW corner of block 870; thence north to the NW corner of block 738, thence east to the SW corner of block 696; thence north to the NW corner of block 564; thence east to the SW corner of block 522; thence north to the NW corner of block 434; thence east to the SW corner of block 391; thence north to the NW corner of block 391; thence east to the SW corner of block 349; thence north to the NW corner of block 261; thence east to the SW corner of block 179, found on OCS Official Protraction Diagram NJ 18-9; thence north to the NW corner of block 47; thence east to the SW corner of block 4; thence north to the NW corner of block 928, found on OCS Official Protraction Diagram NJ 18-6; thence east to the SW corner of block 886; thence north to the NW corner of block 886; thence east to the SW corner of block 844; thence north to the NW corner of block 800; thence east to the SW corner of block 757; thence north to the NW corner of block 713; thence east to the SW corner of block 670; thence

north to the NW corner of block 670; thence east to the SW corner of block 628; thence north to the NW corner of block 584; thence east to the SW corner of block 542.

Thence north to the NW corner of block 542; thence east to the SW corner of block 499; thence north to the NW corner of block 411; thence east to the SW corner of block 370; thence north to the NW corner of block 326; thence east to the SW corner of block 284; thence north to the NW corner of block 196; thence east to the SW corner of block 154; thence north to the NW corner of block 110; thence east to the SW corner of block 67; thence north to the NW corner of block 23, thence east to the SW corner of block 994, found on OCS Official Protraction Diagram NJ 18–3; thence north to the NW corner of block 950; thence east to the SW corner of block 907; thence north to the NW corner of block 907; thence east to the SW corner of block 866; thence north to the NW corner of block 866; thence east to the SW corner of block 825; thence north to the NW corner of block 781; thence east to the SW corner of block 739; thence north to the NW corner of block 651; thence east to the SW corner of block 584, found on OCS Official Protraction Diagram NJ 19–1; thence north to the NW corner of block 496; thence east to the SW corner of block 454; thence north to the NW corner of block 410; thence east to the SW corner of block 367; thence north to the NW corner of block 367; thence east to the SW corner of block 325; thence north to the NW corner of block 281; thence east to the SW corner of block 239; thence north to the NW corner of block 239; thence east to the SW corner of block 198; thence north to the NW corner of block 198; thence east to the SW corner of block 156; thence north to the NW corner of block 24; thence east to the SW corner of block 1000, found on OCS Official Protraction Diagram NK 19–10; thence north to the NW corner of block 120; thence west to NW corner of block 103; thence south to the SW corner of block 235; thence west to the NW corner of block 275; thence south to the SW corner of block 275; thence west to the NW corner of block 346, found on OCS Official Protraction Diagram NK 18–12; thence south to the SW corner of block 390; thence west to the NW corner of block 427; thence south to the SW corner of block 427; thence west to the NW corner of block 468; thence south to the SW corner of block 644; thence west to the NW corner of block 673; thence south to the SW corner of block 358, found on OCS Official Protraction Diagram NJ 18–3; thence west to the NW corner of block 400.

Thence south to the SW corner of block 620; thence west to the NW corner of block 661; thence south to the SW corner of block 881; thence west to the NW corner of block 962, found on OCS Official Protraction Diagram NJ 18–2; thence south to the SW corner of block 258, found on OCS Official Protraction Diagram NJ 18–5; thence west to the NW corner of block 298; thence south to the SW corner of block 518; thence west to the NW corner of block 559; thence south to the SW corner of block 779; thence west to the NW corner of block 820; thence south to the SW corner of block 996; thence west to the NW corner of block 24, found on OCS Official Protraction Diagram NJ 18–8; thence south to the SW corner of block 68; thence west to the NW corner of block 111; thence south to the SW corner of block 199; thence west to the NW corner of block 241; thence south to the SW corner of block 329; thence west to the NW corner of block 371; thence south to SW corner of block 459; thence west to the NW corner of block 502; thence south to the SW corner of block 590; thence west to the NW corner of block 633; thence south to the SW corner of block 721; thence west to the NW corner of block 763; thence south to the SW corner of block 895; thence west to the NW corner of block 937; thence south to the SW corner of block 57, found on OCS Protraction Diagram NJ 18–11; thence east to the NW corner of block 102; thence south to the SW corner of block 234; thence east to the NW corner of block 279; thence south to the SW corner of block 411; thence east to the point of beginning.

OCS Official Protraction Diagrams

1. NJ 18–2.	6. NJ 18–9.
2. NJ 18–3.	7. NJ 18–11.
3. NJ 18–5.	8. NJ 19–1.
4. NJ 18–6.	9. NK 18–12.
5. NJ 18–8.	10. NK 19–10.

This area is located offshore the States of New York, New Jersey, Delaware, Maryland and Virginia, and it is at the closest point approximately 15 statute miles from the shoreline.

These protraction diagrams may be purchased for $2.00 each from the Manager, New York Outer Continental Shelf Office, Bureau of Land Management, 6 World Trade Center, Suite 600D, New York, New York 10048. All nominations must be described in accordance with the Outer Continental Shelf Official Protraction Diagrams prepared by the Bureau of Land Management, Department of the Interior and referred to above. Only whole blocks may be nominated.

In addition to requesting nominations of tracts for possible oil and gas leasing within the specified area, this notice also requests the identification of particular tracts recommended to be either specifically excluded from oil and gas leasing or leased under special conditions because of conflicting values and environmental concerns. Particular geological, environmental, archaeological, socio-economic or other information which might bear upon potential leasing and development of particular tracts is requested where available. Information on these subjects will be used in the tentative selection of tracts which precedes any final selection by the Director pursuant to 43 CFR 3301.4. This information is requested from Federal, State and local governments; industry; universities; research institutes; environmental organizations; and members of the general public. Comments may be submitted on blocks or portions thereof, as required for nominations, or on all areas or portions thereof as described above. They should be directed to specific factual matters which bear upon the Department's decision whether to make a preliminary selection of particular tracts within these areas for further environmental analysis pursuant to the National Environmental Policy Act of 1969 (42 U.S.C. 4321–4347 (1970)), and possible leasing. Comments relating to general matters which would be applicable to oil and gas operations in any part of the OCS are not sought at this time.

Nominations and comments should be submitted not later than January 24, 1977, in envelopes labeled "Nominations of Tracts for Leasing on the Outer Continental Shelf—Mid-Atlantic" or "Comments on Leasing on the Outer Continental Shelf—Mid-Atlantic," as appropriate. They must be submitted to the Director, Bureau of Land Management, Attention: 720, Department of the Interior, Washington, D.C. 20240. Copies must be sent to the Conservation Manager, Geological Survey, Eastern Region, Suite 204, 1725 K Street, NW., Washington, D.C. 20006 and to the Manager, New York Outer Continental Shelf Office, Bureau of Land Management, at his address cited above.

This call for nominations and comments does not in any way commit the Department to leasing in the Mid-Atlantic. It is an information gathering component of the Department's leasing procedure.

Final selection of tracts for competitive bidding will be made only after compliance with established Departmental procedures and all requirements of the National Environmental Policy Act of 1969. Notice of any tracts finally selected for competitive bidding will be published in the FEDERAL REGISTER stating the conditions and terms for leasing and the place, date, and hour at which bids will be received and opened.

GEORGE L. TURCOTT,
Associate Director,
Bureau of Land Management.

Approved: November 12, 1976.

RONALD G. COLEMAN,
Assistant Secretary of the Interior.

[FR Doc.76-34180 Filed 11-19-76;8:45 am]

Bureau of Land Management

[F-14870-A]

ALASKA

Alaska Native Claims Selection

On January 14, 1974, Kaktovik Inupiat Corporation, the Native corporation for the village of Kaktovik, filed selection application F-14870-A under the provisions of section 12(a) of the Alaska Native Claims Settlement Act of December 18, 1971 (43 U.S.C. 1601) for the surface estate of certain lands in the Kaktovik area.

The application, as amended, is properly filed and meets the requirements of the act and of the regulations issued pursuant to the act. The selected lands described below do not include any lawful entry perfected under or being maintained in compliance with laws leading to acquisition of title.

In view of the foregoing, the surface estate of the following described lands, aggregating approximately 65,773.7 acres, is considered proper for acquisition by Kaktovik Inupiat Corporation and is hereby approved for interim conveyance pursuant to section 14(a) of the act:

UMIAT MERIDIAN, ALASKA

T. 7 N., R. 32 E.
Sec. 1.
T. 8 N., R. 32 E.
Secs. 1 to 3, inclusive;
Secs. 9 to 16, inclusive;
Secs. 19 to 33, inclusive;
Sec. 36:
Excluding the Beaufort Sea.
T. 8 N., R. 33 E.
Secs. 1 to 21, inclusive;
Secs. 29 to 32, inclusive;
Excluding Arey Lagoon.
T. 8 N., R. 34 E.
Secs. 1 to 17, inclusive;
Excluding Arey Lagoon.
T. 8 N., R. 35 E.
Secs. 1 to 18, inclusive;
Secs. 24, 25 and 36.
T. 8 N., R. 36 E.
Secs. 1 to 13, inclusive;
Secs. 18, 19 and 30;
Excluding Tapkaurak Lagoon.
T. 9 N., R. 32 E. (Fractional)
All.
T. 9 N., R. 33 E.
Secs. 19 to 22, inclusive;
Secs. 26 to 29, inclusive;
Secs. 33, 34 and 35;
Excluding Tract A, Tract B, Arey Lagoon, Kaktovik Lagoon and the Beaufort Sea.
T. 9 N., R. 34 E.
Secs. 7, 8 and 9;
Secs. 13 to 18, inclusive;
Secs. 20, 21, 23, 24 and 28;
Secs. 32 to 36, inclusive;
Also including that portion of Tract A affected by Public Land Order No. 5448; excluding the remainder of Tract A, Kaktovik Lagoon, Jago Lagoon and the Beaufort Sea.
T. 9 N., R. 35 E. (Fractional)
All.
T. 9 N., R. 36 E. (Fractional)
All.

The interim conveyance issued for the surface estate of the lands described above shall contain the following reservations to the United States.

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States. Act of August 30, 1890, 26 Stat. 391, 43 U.S.C. 945.

2. A right-of-way thereon for the construction of railroads, telegraph and telephone lines, as prescribed and directed by the act of March 12, 1914, 38 Stat. 305, 43 U.S.C. 975(d).

3. The subsurface estate therein, and all rights, privileges, immunities and appurtenances, of whatsoever nature, accruing unto said estate pursuant to the Alaska Native Claims Settlement Act of December 18, 1971, 85 Stat. 688, 43 U.S.C. 1601–1624.

4. Pursuant to section 17(b) of the Alaska Native Claims Settlement Act of December 18, 1971, 85 Stat. 688, the following public easements referenced by easement identification number (EIN) on the easement map in case file F–14870–EE are reserved to the United States and subject to further regulation thereby:

a. (EIN 1 C3, C5, D9) a trail easement twenty-five (25) feet in width for access to and from public lands to the south of the selection. The easement follows an existing trail south from the village of Kaktovik, and its use is to be controlled by applicable State or Federal law or regulation.

b. (EIN 2 C3, D1, D9) A continuous linear easement twenty-five (25) feet in width upland of and parallel to the mean high tide line in order to provide access to and along the marine coastline and use of such shore for purposes such as the beaching of watercraft or aircraft, travel along the shore, recreation, and other similar uses. Deviations from the waterline are permitted when specific conditions so require, e.g., impassable topography or waterfront obstruction. This easement is subject to the right of the owner of the servient estate to build upon such easement a facility for public or private purposes, such right to be exercised reasonably and without undue or unnecessary interference with or obstruction of the easement. When access along the marine coastline easement is to be obstructed, the owner of the servient estate will be obligated to convey to the United States an acceptable alternate access route, at no cost to the United States, prior to the creation of such obstruction.

c. (EIN 5 C3, C5, C6, D1) A trail easement twenty-five (25) feet in width for access to and from public lands to the south of the selection. Said easement runs from Martin Point, southerly along the right bank of the Jago River to public lands, and its use is to be controlled by applicable State or Federal law or regulation.

d. (EIN 6 C3, C5, D1) A trail easement twenty-five (25) feet in width for access to and from public lands to the south of the selection. Said easement extends from the mouth of the Okpilak River, along its right bank, southerly to public lands, including a spur trail in section 18, T. 8 N., R. 33 E., Umiat Meridian to provide access to and from easement number 11 C–6. Use of the above-described trails is to be controlled by applicable State or Federal law or regulation.

e. (EIN 8 C6) A trail easement twenty-five (25) feet in width for access to and from public lands to the south of the selection. Also included is a one (1) acre site easement for a boat or float plane pullout area, camping site, and waiting area for transportation to and from the village of Kaktovik. The site is located on the extreme northwestern point of the sand spit known as Manning Point, adjacent to Nelsaluk Pass. The trail easement extends southerly from the site easement along the sand spit and across the selection to public lands, and its use is to be controlled by applicable State or Federal law or regulation.

f. (EIN 9 C6) A trail easement twenty-five (25) feet in width for access to and from public lands to the south of the selection. The proposed trail extends from the shore of Jago Lagoon in section 35, T. 9 N., R. 34, Umiat Meridian, southeasterly across the Jago River to join easement number 5 C3, S5, C6, D1 in section 12, T. 8 N., R. 35 E., Umiat Meridian. The use of this trail is to be controlled by applicable State or Federal law or regulation.

g. (EIN 10 C6) A one (1) acre site easement for a boat or float plane pullout area and campsite on the left bank of the mouth of the Jago River in section 29, T. 9 N., R. 35 E., Umiat Meridian.

h. (EIN 11 C6) A one (1) acre site easement for a campsite and boat pullout area on the right bank of the Hulahula River in section 18, T. 8 N., R. 33 E., Umiat Meridian.

i. (EIN 14 C3, C5, D1) A river easement twenty-five (25) feet in width along both banks of the Hulahula River for public recreational use. This easement also includes the river bed.

j. (EIN 16–C) The right of the United States to enter upon the lands herein granted for cadastral, geodetic, or other survey purposes, together with the right to do all things necessary in connection therewith.

k. (EIN 17–C) An easement for the transportation of energy, fuel, and natural resources which are the property of the United States or which are intended for delivery to the United States or which are produced by the United States. This easement also includes the right to build any related facilities necessary for the exercise of the right to transport energy, fuel, and natural resources including those related facilities necessary during periods of planning, locating, constructing, operating, maintaining, or terminating transportation systems. The specific location of this easement shall be determined only after consultation with the owner of the servient estate. Whenever the use of such easement will require removal or relocation of any structure owned or authorized by the owner of the servient estate, such use shall not be initiated without the consent of the owner of such improvement; provided, however, that the United States may exercise the right of eminent domain if such consent is not given. Only those portions of this easement that are actually in use or that are expressly authorized on March 3, 1996, shall continue to be in force.

The grant of lands by the interim conveyance shall be subject to:

1. Issuance of a patent confirming the boundary description of the lands granted after approval and filing by the Bureau of Land Management of the official plat of survey covering such lands.

2. Valid existing rights therein, including but no limited to those created by any lease (including a lease issued under section 6(g) of the Alaska Statehood Act (72 Stat. 339, 341)), contract,

permit, right-of-way, or easement and the right of the lessee, contractee, permittee, or grantee to the complete enjoyment of all rights, privileges and benefits thereby granted to him.

3. Requirements of section 14(c) of the Alaska Native Claims Settlement Act, 85 Stat. 688, 703; 43 U.S.C. 1613(c), that the grantee hereunder convey those portions of land hereinafter granted, as are prescribed in said section.

4. Requirements of section 22(g) of the Alaska Native Claims Settlement Act, 85 Stat. 688, 714; 433 U.S.C. 1621(g) that (a) the portion of the above described lands, which has been withdrawn by Public Land Order No. 2214, on December 8, 1960, and is now a part of the Arctic National Wildlife Range, remains subject to the laws and regulations governing use and development of such Range, and that (b) the United States reserve from the interim conveyance the right of first refusal if the said portion of land in such Range, or any part thereof, is ever sold by the above named corporation.

Interim conveyance of the remaining entitlement will be made at a later date. It should be noted that no interim conveyance will be issued to Arctic Slope Regional Corporation for the subsurface estate of these lands, since the lands involved are entirely located within the boundaries of the Arctic National Wildlife Range. Subsection 12(a)(1) of the Alaska Native Claims Settlement Act provides that when a village corporation selects the surface estate of lands within the National Wildlife Refuge System, the regional corporation may make selections of the subsurface estate, in an equal acreage, from other lands withdrawn by subsection 11(a) of the act.

In accordance with Departmental regulation 43 CFR 2650.7(d), notice of this decision is being published once in the FEDERAL REGISTER and once a week, for four (4) consecutive weeks, in the Fairbanks Daily News-Miner. Any party claiming a property interest in land affected by this decision may appeal the decision to the Alaska Native Claims Appeal Board, P.O. Box 2433, Anchorage, Alaska 99510 and with a copy served upon the Bureau of Land Management and the Regional Solicitor, 1016 West Sixth Avenue, Suite 201, Anchorage, Alaska 99501; also;

1. Any party receiving actual notice of this decision shall have 30 days from the receipt of actual notice to file an appeal.

2. Any unknown parties, any parties unable to be located after reasonable efforts have been expended to locate, and any parties who failed or refused to sign a receipt for actual notice, shall have until December 22, 1976 to file an appeal.

3. Any party known or unknown who may claim a property interest which is adversely affected by this decision shall be deemed to have waived their rights which were adversely affected unless an appeal is timely filed with the Alaska Native Claims Appeal Board.

To avoid summary dismissal of the appeal, there must be strict compliance with the regulations governing such appeal. Further information on the manner of, and requirements for, filing an appeal may be obtained from the Bureau of Land Management, 555 Cordova Street, Anchorage, Alaska 99501.

ROBERT E. SORENSON,
Chief, Branch of Lands, and Minerals Operations.

[FR Doc. 76-34394 Filed 11-19-76; 8:45 am]

[F-14921-A]

ALASKA

Alaska Native Claims Selection

On November 15, 1973, Tigara Corporation, the village of Point Hope, filed selection application F-14921-A under the provisions of section 12(a) of the Alaska Native Claims Settlement Act for the surface estate of certain lands located in the Point Hope area. The application was amended on July 19, 1974, to include additional lands and on November 5, 1974, to include lands in this area covered by Native allotment applications filed pursuant to the act of May 17, 1906 (34 Stat. 197).

The application, as amended, is properly filed and meets the requirements of the act and of the regulations issued pursuant to it. The selected lands described below are unoccupied and do not include any lawful entry perfected under or being maintained in compliance with laws leading to acquisition of title.

In view of the foregoing, the surface estate of the following described lands, aggregating approximately 134,143 acres, is considered proper for acquisition by the Tigara Corporation and is hereby approved for interim conveyance pursuant to section 14(a) of the act:

KATEEL RIVER MERIDIAN, ALASKA
(UNSURVEYED)

T. 32 N., R. 32 W.,
Secs. 2 and 3;
Secs. 4, 5, 8, and 9 (fractional);
Secs. 10 and 11.
T. 33 N., R. 30 W.,
Secs. 1 to 5, inclusive;
Secs. 9 to 12, inclusive;
Secs. 14, 15, 21, 22, 28, 29, 31 and 32.
T. 33 N., R. 32 W.,
Sec. 4;
Secs. 5 and 6 (fractional);
Sec. 7 (fractional), excluding Native Allotment application F-16710;
Sec. 8 (fractional);
Secs. 9, 10, 15 and 16;
Secs. 17, 18, 20, 21 and 22 (fractional);
Sec. 25;
Secs. 26, 27, 28, 34 and 35 (fractional);
Sec. 36.
T. 33 N., R. 33 W.,
Secs. 1 and 2 (fractional), excluding Native Allotment application F-16709;
Secs. 3 and 11;
Sec. 12 (fractional), excluding Native Allotment application F-16709.
T. 34 N., R. 30 W.,
Secs. 7, 8 and 9;
Secs. 16 to 21, inclusive;
Secs. 28, 29, 30, 32 and 33.
T. 34 N., R. 31 W.,
Secs. 9 and 10;
Sec. 11, excluding Native Allotment application F-16702;
Secs. 12 to 20, inclusive;
Sec. 24.
T. 34 N., R. 32 W.,
Secs. 7 and 8;
Secs. 17 to 20, inclusive;
Secs. 29 and 30;
Sec. 31 (fractional);
Sec. 32.
T. 34 N., R. 33 W. (fractional),
All.
T. 34 N., R. 34 W. (fractional),
All.
T. 34 N., R. 35 W. (fractional),
All.

UMIAT MERIDIAN, ALASKA (UNSURVEYED)

T. 9 S., R. 61 W.,
Sec. 3;
Secs. 4 and 9 (fractional);
Sec. 10;
Secs. 16, 20, 21, 28, 32 and 33 (fractional).
T. 10 S., R. 61 W.,
Sec. 4;
Secs. 5, 8, 9, 16, 17 and 20 (fractional);
Secs. 21 and 28;
Secs. 29, 31 and 32 (fractional).
T. 11 S., R. 61 W.,
Sec. 5;
Sec. 6 (fractional), excluding Native Allotment application F-17014;
Sec. 7 (fractional);
Secs. 8 and 17;
Secs. 18 and 19 (fractional);
Secs. 20 and 29;
Sec. 30 (fractional);
Secs. 31 and 32.
T. 11 S., R. 62 W. (fractional),
All.
T. 12 S., R. 58 W.,
Secs. 7, 8 and 9;
Secs. 16 to 19, inclusive.
T. 12 S., R. 59 W.,
Secs. 7, 12, 13, 14, 18 and 19;
Secs. 22 to 30, inclusive.
T. 12 S., R. 60 W.,
Secs. 4 to 14, inclusive;
Sec. 15, excluding Native Allotment application F-19023;
Secs. 16 to 30, inclusive.
T. 12 S., R. 61 W.,
Secs. 1 and 2;
Secs. 5 to 9, inclusive;
Sec. 10, excluding Native Allotment application F-13865;
Secs. 11 to 22, inclusive;
Secs. 27 to 30, inclusive.
T. 12 S., R. 62 W. (fractional),
All.
T. 12 S., R. 63 W. (fractional),
All.

The interim conveyance issued for the surface estate of the lands described above shall contain the following reservations to the United States:

1. A right-of-way thereon for ditches and canals constructed by the authority of the United States. Act of August 30, 1890 (26 Stat. 391), 43 U.S.C. 945;

2. A right-of-way thereon for the construction of railroads, telegraph and telephone lines, as prescribed and directed by the act of March 12, 1914 (38 Stat. 305), 43 U.S.C. 975(d);

3. The subsurface estate therein, and all rights, privileges, immunities, and appurtenances, of whatsoever nature, accuring unto said estate pursuant to the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688), 43 U.S.C. 1601-1624;

4. Pursuant to section 17(b) of the Alaska Native Claims Settlement Act of December 18, 1971 (85 Stat. 688), the following public easements referenced by easement identification number (EIN) on the easement map in case file F-14921-EE are reserved to the United

States and subject to further regulation thereby:

a. (EIN 1 C4). A road easement one hundred (100) feet in width for access to and from public lands. Said easement extends from Point Hope easterly along the coast south of Marryat Inlet, then northeasterly to the Kukpuk River area where one branch crosses the Kukpuk River and goes north across Regional selection as EIN 25 C4 to public lands. The other branch continues along the left bank of the Kukpuk River easterly through the village selection, and connects with EIN 11 C5 L which crosses Regional selection to public lands. The use of these easements is to be controlled by applicable State or Federal law or regulation.

b. (EIN 2 C4, C5). A one (1) acre site easement for boat landing, camping, and related uses, located on the right bank of the Kukpuk River at the junction of the Kukpuk and Ipewik Rivers. The site easement extends twenty-five (25) feet into the water. That portion extending into the water is in addition to the one (1) acre on the land.

c. (EIN 3 C4, C5). An easement twenty-five (25) feet in width for access to and from public lands via an existing trail which proceeds north and south from Point Hope. In the area north of Cape Thompson, a proposed branch of this trail proceeds westerly through the village selection and connects with EIN 12 C5, which crosses Regional selection into the upper Ogotoruk Valley. The use of these easements is to be controlled by applicable State or Federal law or regulations.

d. (EIN 4 C4, C5). A continuous linear easement twenty-five (25) feet in width upland of and parallel to the mean high tide line in order to provide access to and along the marine coastline and use of such shore for purposes such as the beaching of watercraft or aircraft, travel along the shore, recreation, and other similar uses. Deviations from the waterline are permitted when specific conditions so require, e.g., impassable topography or waterfront obstruction. This easement is subject to the right of the owner of the servient estate to build upon such easement, a facility for public or private purposes, such right to be exercised reasonably and without undue or unnecessary interference with or obstruction of the easement. When access along the marine coastline easement is to be obstructed, the owner of the servient estate will be obligated to convey to the United States an acceptable alternate access route, at no cost to the United States, prior to the creation of such obstruction.

e. (EIN 5 C4). An easement fifty (50) feet in width for a proposed trail for access to and from public lands along the left bank of the Haripak Creek, connecting with EIN 26 C4, which crosses Regional selection into public lands. Also included is a two (2) acre site easement on the coast for a staging area for access to public lands. The use of the trail easement is to be controlled by applicable State or Federal law or regulation.

f. (EIN 7 C4). An easement fifty (50) feet in width for a proposed trail for access to and from public lands along the left bank of Akalolik Creek, and connecting with EIN 27 C4, which crosses Regional selection into public lands. Also included is a two (2) acre site easement on the coast for a staging area for access to public lands. The use of the trail easement is to be controlled by applicable State or Federal law or regulation.

g. (EIN 22 C). The right of the United States to enter upon the lands herein granted for cadastral, geodetic, or other survey purposes, together with the right to do all things necessary in connection therewith.

h. (EIN 23 C). An easement for the transportation of energy, fuel and natural resources which are the property of the United States or which are intended for delivery to the United States or which are produced by the United States. This easement also includes the right to build any related facilities necessary for the exercise of the right to transport energy, fuel and natural resources including those related facilities necessary during periods of planning, locating, construction, operating, maintaining or terminating transportation systems. The specific location of this easement shall be determined only after consultation with the owner of the servient estate. Whenever the use of such easement will require removal or relocation of any structure owned or authorized by the owner of the servient estate, such use shall, not be initiated without the consent of the owner of such improvement; provided, however, that the United States may exercise the right of eminent domain if such consent is not given. Only those portions of this easement that are actually in use or that are expressly authorized on March 3, 1996, shall continue to be in force.

The grant of lands by the interim conveyance shall be subject to:

1. Issuance of a patent confirming the boundary description of the lands granted after approval and filing by the Bureau of Land Management of the official plat of survey covering such lands.

2. Valid existing rights therein, including but not limited to those created by any lease (including a lease issued under section 6(g) of the Alaska Statehood Act (72 Stat. 339, 341)), contract, permit, right-of-way, or easement and the right of the lessee, contractee, permittee, or grantee to the complete enjoyment of all rights, privileges and benefits thereby granted to him.

3. Requirements of section 14(c) of the Alaska Native Claims Settlement Act, 85 Stat. 688, 703; 43 U.S.C. 1613(c), that the grantee hereunder convey those portions of land hereinafter granted, as are prescribed in said section.

Interim conveyance to the subsurface estate of the land described above will be granted to Arctic Slope Regional Corporation, pursuant to section 14(f) of the act, when convenyance is granted to Tigara Corporation for the surface estate. Interim conveyance of the remaining entitlement of Tigara Corporation will be made at a later date.

In accordance with Departmental regulation 43 CFR 2650.7(d), notice of this decision is being published in the FEDERAL REGISTER and once a week, for four (4) consecutive weeks, in the Fairbanks Daily News-Miner. Any party claiming a property interest in land affected by this decision may appeal the decision to the Alaska Native Claims Appeal Board, P.O. Box 2433, Anchorage, Alaska 99510 and with a copy served upon the Bureau of Land Management and the Regional Solicitor, Office of the Solicitor, 1016 West Sixth Avenue, Suite 201, Anchorage, Alaska 99510; also:

1. Any party receiving actual notice of this decision shall have 30 days from the receipt of actual notice to file an appeal.

2. Any unknown parties, any parties unable to be located after reasonable efforts have been expended to locate, and any parties who failed or refused to sign a receipt for actual notice, shall have until December 22, 1976 to file an appeal.

3. Any party known or unknown who may claim a property interest which is adversely affected by this decision shall be deemed to have waived their rights which were adversely affected unless an appeal is timely filed with the Alaska Native Claims Appeal Board.

To avoid summary dismissal of the appeal, there must be strict compliance with the regulations governing such appeal. Further information on the manner of, and requirements for, filing an appeal may be obtained from the Bureau of Land Management, 555 Cordova Street, Anchorage, Alaska 99501.

ROBERT E. SORENSON,
Chief, Branch of Lands, and Minerals Operations.

[FR Doc.76-34395 Filed 11-19-76;8:45 am]

DEPARTMENT OF THE INTERIOR

Office of the Secretary

APPOINTEE'S STATEMENT OF FINANCIAL INTERESTS

In accordance with the requirements of section 302(b) of Executive Order 10647, I am filing the following statement for publication in the FEDERAL REGISTER:

(1) Names of any corporations of which I am, or had been within 60 days preceding my appointment, on 7 October 1976 as ----------, ----------, an officer or director:
(Title) (Organization)

None.

(2) Names of any corporations in which I own, or did own within 60 days preceding my appointment, any stocks, bonds, or other financial interests:

Supervised Investors Fund (a mutual fund).

(3) Names of any partnerships in which I am associated, or had been associated within 60 days preceding my appointment:

None.

(4) Names of any other businesses which I own, or owned within 60 days preceding my appointment:

None.

Dated: November 8, 1976.

MERRILL S. SCHULTZ.

[FR Doc.76-34341 Filed 11-19-76;8:45 am]

INTERNATIONAL TRADE COMMISSION

PRELIMINARY DRAFTS OF PARTS OF AN ENUMERATION OF ARTICLES TO PROVIDE FOR COMPARABILITY AMONG U.S. IMPORT, PRODUCTION, AND EXPORT DATA

Release for Public Comment

Notice is hereby given that the United States Departments of the Treasury and Commerce and the United States International Trade Commission are releasing for public comment the following preliminary drafts of parts of an enumeration of articles which will provide for comparability among U.S. import, production, and export data pursuant to section 484(e) of the Tariff Act of 1930 (19 U.S.C. 1484(e)), as amended by section 608(a) of the Trade Act of 1974 (19 U.S.C. 2101):

Aircraft and spacecraft—schedule 6, part 6C, *Tariff Schedules of the United States Annotated (TSUSA)*;
Arms and ammunition—schedule 7, part 5A, *TSUSA*;
Pens, pencils, leads, crayons, and chalks—schedule 7, part 10, *TSUSA*;
Articles of fur and of leather—schedule 7, part 13B, *TSUSA*.

Background. The preparation of the drafts by the three agencies has generally proceeded from recommendations made in a joint report of the Secretary of Commerce and the U.S. International Trade Commission, dated August 1, 1975, submitted to Congress and the President pursuant to section 608(b) of the Trade Act of 1974, and entitled *Principles and Concepts Which Should Guide the Organization and Development of an Enumeration of Articles Which Would Result in Comparability of U.S. Import, Production, and Export Data.*

The report noted that the principal advantages of achieving comparability among import, production, and export data are—

1. To permit the development and implementation of a more coordinated and efficient program for the administration, interpretation, and maintenance of national systems;
2. To improve and facilitate the publication of trade data most useful for international economic analysis;
3. To permit more reliable analysis of the impact of external trade on domestic industry.

In making specific recommendations concerning the organization and development of an enumeration of articles which would result in comparability, the report recognized various prerequisites to achieving comparability, such as adhering to sound nomenclature principles, employing identical descriptive techniques and product definitions, using compatible standards of valuation and measurement, and providing for centralized responsibility for interpretation and coordinated responsibility for maintenance. The report also acknowledged many of the practical considerations involved in achieving comparability among the three generally discordant classification systems presently used for the collection of import, production, and export data, including reconciling differences among the three existing systems, preserving statistical continuity, and achieving useful levels of product comparability with the least disruptive impact on current programs and reporting.

In summary, the specific recommendations provided that—

1. The organizational framework of the TSUS should be adopted as the basis for the enumeration of the export schedule.
2. The review and development of an enumeration should take into account the current import, production, and export product classes, with the primary aim of obtaining comparability at a common level.
3. Changes may be proposed to any system, including combinations, subdivisions, and modifications of existing language and content. In particular, consideration should be given to updating of definitions and terms to make them more reflective of current practice in the trade. It must be borne in mind that the TSUS structure and detail are legally based. Therefore, the enumeration should consist of individual TSUSA classifications, or combinations of individual TSUSA classifications (current or as proposed by this program), since this is the only way to attain comparability to the relatively rigid classifications of imports. Combinations may be made of commodities falling in different TSUS classes, if necessary, as long as they consist of aggregations of individual TSUSA classifications.

Continuing program for statistical annotation.—The establishment of an enumeration for statistical purposes is, and should be looked upon as, a continuing program. It is intended that the initial modifications to the import, production, and export schedules will serve as a basis for further refinement and change. Modifications to each of the systems will be made from time to time to reflect changing statistical needs and also to improve the comparability of U.S. trade data with trade data reported by other countries on the basis of the Standard International Trade Classification (SITC). The publication of trade data by the Department of Commerce on the basis of the SITC will continue.

Modifications to the Tariff Schedules of the United States.—Any proposals to modify the TSUS (other than statistical annotations thereto) could not be implemented without legislative approval. After comments have been recovered and reviewed, consideration may then be given to the extent of, and need for, amendatory legislation.

Comments by interested parties.—Over the next several months further preliminary drafts will be released for public comment and consideration. Interested parties are invited to comment on all aspects of the comparability program. Specific recommendations and proposals are invited with respect to the extent to which the drafts would—

(1) Recognize the specific needs of users of statistics;
(2) Facilitate economic analysis;
(3) Reflect sound principles of commodity identification and specification; and
(4) Impose undue reporting burdens for business establishments.

We would also welcome comments with respect to modifications which would provide greater comparabiilty with the SITC (revision 2).

Copies of the drafts are available from the Chief, Industry and Commodity Classification Branch, Economic Surveys Division, U.S. Bureau of the Census, Washington, D.C. 20233.

Written comments should be submitted at the earliest practicable date, but, to be assured of conisderation, not later than 60 days after release of the drafts. Such statements should be submitted to the Chief, Industry and Commodity Classification Branch, at the address shown above.

By order of the Commission:

Issued: November 17, 1976.

KENNETH R. MASON,
Secretary.

[FR Doc.76-34469 Filed 11-19-76;8:45 am]

DEPARTMENT OF JUSTICE

Law Enforcement Assistance Administration

NATIONAL ADVISORY COMMITTEE FOR JUVENILE JUSTICE AND DELINQUENCY PREVENTION

Meeting

Notice is hereby given that the National Advisory Committee for Juvenile Justice and Delinquency Prevention and three subcommittees will meet Wednesday, Thursday and Friday, December 8, 9 and 10 at the Hotel Biltmore, Madison Avenue at 43rd Street, New York, New York.

On Wednesday, December 8 the Executive Committee will meet from 8:00 a.m. to 9:00 a.m. The meeting of the full Committee is scheduled to convene at 9:00 a.m. From 10:00 a.m. to 12 noon, the Coordinating Council on Juvenile Justice and Delinquency Prevention will meet. Mr. Abraham Weiss, Assistant Secretary for Policy, Evaluation and Research, U.S. Department of Labor, will make a presentation on the transition from school to work. After a luncheon break, the meeting will continue with a presentation on youth unemployment and juvenile delinquency, beginning at 1:30 p.m. and continuing until 2:45 p.m. From 3:00 p.m. to 4:00 p.m. there will be a panel presentation on perspectives on youth employment and delinquency, conducted by representatives from business, government and organized labor. At 4:00 p.m. the meeting will adjourn for the day.

On Thursday, December 9 the full Committee will convene at 9:00 a.m. with a panel presentation on barriers to youth employment, discussed by representatives from research, economics and legal areas, followed from 10:00 a.m. to 12 noon by small group discussions on related topics. After a luncheon break, the

Advisory Committee for the National Institute for Juvenile Justice and Delinquency Prevention, the Advisory Committee on Concentration of Federal Effort and the Advisory Committee to the Administrator on Standards for the Administration of Juvenile Justice will meet beginning at 1:30 p.m.

On Friday, December 10 the full Committee will convene at 9:00 a.m. to review the Second Annual Analysis and Evaluation of All Federal Juvenile Delinquency Programs which is to be submitted to the President and Congress by December 31, 1976. From 9:30 a.m. to 10:30 a.m. the Committee will hear a panel presentation on criteria statements on Federal juvenile delinquency programs. From 10:30 a.m. to 12:00 noon the Committee will review the morning's discussions. At 12:00 noon the chairman of each subcommittee will report on the activties of their respective committees. After closing remarks the full Committee meeting will adjourn at 1:00 p.m.

All meetings will be open to the public. For further information, contact Mr. Frederick P. Nader, Deputy Assistant Administrator, Office of Juvenile Justice and Delinquency Prevention, Law Enforcement Assistance Administration 633 Indiana Ave., N.W., Washington, D.C. 20531.

GERALD YAMADA,
Attorney Advisor,
Office of General Counsel.

[FR Doc.76-34307 Filed 11-19-76;8:45 am]

NATIONAL ENDOWMENT FOR THE HUMANITIES

EDUCATION PANEL

Renewal

NOVEMBER 15, 1976.

In accordance with the provisions of the Federal Advisory Committee Act (Pub. L. 92-463); section 10(a)(4) of the National Foundation on the Arts and the Humanities Act of 1965, as amended (20 U.S.C. 959(a)(4)); and paragraph 9 of OMB Circular A-63, notice is hereby given that renewal of the Education Panel has been approved by the Chairman of the National Endowment for the Humanities for a period of two years until November 14, 1978.

The Education Panel advises the National Council on the Humanities concerning the recommendations Council members should make on applications for financial support presented to the Education Division of the Endowment and to advise the Chairman of the National Endowment for the Humanities concerning the action he should take on applications for financial support presented to the Education Division. The Committee will report to the Chairman of the National Endowment for the Humanities and to the National Council on the Humanities.

The charter for the Education Panel will be filed with standing committees of the Senate and the House of Representatives having legislative jurisdiction over the Endowment and with the Library of Congress.

JOHN W. JORDAN,
Advisory Committee
Management Officer.

[Doc.76-34348 Filed 11-19-76;8:45 am]

RESEARCH PANEL

Renewal

NOVEMBER 15, 1976.

In accordance with the provisions of the Federal Advisory Committee Act (Pub. L. 92-463); section 10(a)(4) of the National Foundation on the Arts and the Humanities Act of 1965, as amended (20 U.S.C. 959(a)(4); and paragraph 9 of OMB Circular A-63, notice is hereby given that renewal of the Research Panel has been approved by the Chairman of the National Endowment for the Humanities for a period of two years until November 14, 1978.

The Research Panel advises the National Council on the Humanities concerning the recommendations Council members should make on applications for financial support presented to the Research Division of the Endowment and to advise the Chairman of the National Endowment for the Humanities concerning the action he should take on applications for financial support presented to the Research Division. The Committee will report to the Chairman of the National Endowment for the Humanities and to the National Council on the Humanities.

The charter for the Research Panel will be filed with standing committees of the Senate and the House of Representatives having legislative jurisdiction over the Endowment and with the Library of Congress.

JOHN W. JORDAN,
Advisory Committee
Management Officer.

[FR Doc.76-34349 Filed 11-19-76;8:45 am]

NATIONAL SCIENCE FOUNDATION

ADVISORY PANEL FOR THE DIVISION OF POLICY RESEARCH AND ANALYSIS

Establishment

Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), it is hereby determined that the establishment of the Advisory Panel for the Division of Policy Research and Analysis is necessary, appropriate, and in the public interest in connection with the performance of the duties imposed upon the Director, National Science Foundation (NSF) by the National Science Foundation Act of 1950, as amended, and other applicable law. This determination follows consultation with the Office of Management and Budget (OMB), pursuant to section 9(a)(2) of the Federal Advisory Committee Act and OMB Circular No. A-63, Revised.

1. *Name of Group:* Advisory Panel for the Division of Policy Research and Analysis.

2. *Purpose:* The purpose of the Advisory Panel for the Division of Policy research and Analysis is to provide advice about program emphases and directions of the Division of Policy Research and Analysis, NSF, as well as to review proposals to that Division or awards made by the Division.

3. *Effective Date of Establishment and Duration:* The establishment of the Advisory Panel for the Division of Policy Research and Analysis is effective upon filing the charter with the Director, NSF and with the standing committees of Congress having legislative jurisdiction of the National Science Foundation. The Advisory Panel for the Division of Policy Research and Analysis will continue for two calendar years from the effective date.

4. *Membership:* The membership of the Advisory Panel for the Division of Policy Research and Analysis shall be fairly balanced in the terms of the point of view represented and the Panel's functions. Membership of the Advisory Panel for the Division of Policy Research and Analysis will consist of persons of eminence selected from nonfederal organizations with diverse specialties and an understanding of the requirements for policymaking.

5. *Adivsory Group Operation:* The Advisory Panel for the Division of Policy Research and Analysis will operate in accordance with provisions of the Federal Advisory Committee Act (Pub. L. 92-463), NSF policy and procedures, OMB Circular No. A-63, Revised, and other directives and instructions issued in implementation of the Act.

E. C. CREUTZ,
Acting Director.

NOVEMBER 10, 1976.

[FR Doc.76-34380 Filed 11-19-76;8:45 am]

SCIENCE INFORMATION ACTIVITIES TASK FORCE

Establishment

Pursuant to the Federal Advisory Committee Act (Pub. L. 92-463), it is hereby determined that the establisment of the Science Information Activities Task Force is necessary, appropriate, and in the public interest in connection with the performance of the duties imposed upon the Director, National Science Foundation (NSF) by the National Science Foundation Act of 1950, as amended, and other applicable law. This determination follows consultation with the Office of Management and Budget (OMB), pursuant to section 9(a)(2) of the Federal Advisory Committee Act and OMB Circular No. A-63, Revised.

1. *Name of Group:* Science Information Activities Task Force.

2. *Purpose:* The purpose of the Science Information Activities Task Force is to provide advice and recommendations to the Director of NSF concerning the appropriate roles and responsibilities of the National Science Foundation in the communication and use of scientific and technical information.

3. *Effective Date of Establishment and Duration:* The establishment of the Task

Force is effective upon filing of the charter with the Director, NSF and with the standing committees of Congress having legislative jurisdiction of the National Science Foundation. The Task Force is being established for one calender year from the date of filing.

4. *Membership:* The membership of the Task Force shall be fairly balanced in terms of the points of view represented and the group's function. Membership of the Task Force will consist of approximately 12 eminent persons selected from universities, industrial firms, and professional organizations who will contribute toward obtaining sound advice in this area. The range of expertise represented by the mmebers of the Task Force will include: Physical, biological, and social science disciplines; research and development management, and information science and technology.

5. *Task Force Operation.* The Task Force will operate in accordance with provisions of the Federal Advisory Committee Act (Pub. L. 92–463). Foundation policy and procedures, OMB Circ. No. A–63, Revised, and other directives and instructions issued in implementation of the Act.

RICHARD C. ATKINSON,
Acting Director.

NOVEMBER 12, 1976.

[FR Doc.76-34381 Filed 11-19-76;8:45 am]

NUCLEAR REGULATORY COMMISSION

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS, SUBCOMMITTEE ON THE CLINCH RIVER BREEDER REACTOR

Meeting

In accordance with the purposes of sections 29 and 182b. of the Atomic Energy Act (42 U.S.C. 2039, 2232b.), the ACRS Subcommittee on the Clinch River Breeder Reactor will hold a meeting on December 8, 1976 in Room 1046, 1717 H Street, NW, Washington, D.C. 20555. The purpose of this meeting is to continue its review of the combined application of the U.S. Energy Research and Development Administration, the Tennessee Valley Authority, and the Project Management Corporation (hereinafter referred to as the CRBR Project Office) for a permit to construct this nuclear power plant.

The agenda for subject meeting shall be as follows:

Wednesday, December 8, 1976, 8:30 a.m. until the conclusion of business. The Subcommittee will meet in open session to hear presentations by representatives of the NRC Staff and the CRBR Project Office and will hold discussions with these groups pertinent to the review. In particular, this review will concern thermal hydraulics aspects of the design and aspects of a core disruptive accident.

It may be necessary for the Subcommittee to hold one or more closed sessions for the purpose of exploring with the NRC Staff and Applicant matters involving proprietary information.

I have determined, in accordance with subsection 10(d) of Pub. L. 92–463, that it is necessary to conduct the above closed session to protect confidential proprietary information (5 U.S.C. 552(b)(4)).

Practical considerations may dictate alterations in the above agenda or schedule. The Chairman of the Subcommittee is empowered to conduct the meeting in a manner that, in his judgment, will facilitate the orderly conduct of business, including provisions to carry over an incompleted open session from one day to the next.

With respect to public participation in the open portion of the meeting, the following requirements shall apply:

(a) Persons wishing to submit written statements regarding the agenda may do so by providing a readily reproducible copy to the Subcommittee at the beginning of the meeting. Comments should be limited to safety related areas within the Committee's purview.

Persons desiring to mail written comments may do so by sending a readily reproducible copy thereof in time for consideration at this meeting. Comments postmarked no later than December 1, 1976 to Mr. Thomas G. McCreless, ACRS, NRC, Washington, D.C. 20555, will normally be received in time to be considered at this meeting.

Background information concerning items to be considered at this meeting can be found in documents on file and available for public inspection at the NRC Public Document Room, 1717 H St., NW., Washington, D.C. 20555; at the Oak Ridge Public Library, Civic Center, Oak Ridge, Tenn. 37830; and at the Lawson McGhee Public Library, 500 W. Church Street, Knoxville, Tenn. 37902.

(b) Those persons wishing to make an oral statement at the meeting should make a written request to do so, identifying the topics and desired presentation time so that appropriate arrangements can be made. The Committee will receive oral statements on topics relevant to the Committee's purview at an appropriate time chosen by the Chairman of the Subcommittee.

(c) Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call on December 7, 1976 to the Office of the Executive Director of the Committee (telephone 202/634–1374, Attn: Mr. Thomas G. McCreless) between 8:15 a.m. and 5:00 p.m., e.s.t.

(d) Questions may be propounded only by members of the Subcommittee and its consultants.

(e) The use of still, motion picture, and television cameras, the physical installation and presence of which will not interfere with the conduct of the meeting, will be permitted both before and after the meeting and during any recess. The use of such equipment will not, however, be allowed while the meeting is in session.

(f) Persons with agreements or orders permitting access to proprietary information may attend portions of ACRS meetings where this material is being discussed upon confirmation that such agreements are effective and relate to the material being discussed.

The Executive Director of the ACRS should be informed of such an agreement at least three working days prior to the meeting so that the agreement can be confirmed and a determination can be made regarding the applicability of the agreement to the material that will be discussed during the meeting. Minimum information provided should include information regarding the date of the agreement, the scope of material included in the agreement, the project or projects involved, and the names and titles of the persons signing the agreement. Additional information may be requested to identify the specific agreement involved. A copy of the executed agreement should be provided to Mr. Thomas G. McCreless of the ACRS Office, prior to the beginning of the meeting.

(g) A copy of the transcript of the open portion of the meeting will be available for inspection on or after December 17, 1976 at the NRC Public Document Room, 1717 H St., NW., Washington, D.C. 20555; at the Oak Ridge Public Library, Civic Center, Oak Ridge, Tenn. 37830; and at the Lawson McGhee Public Library, 500 W. Church Street, Knoxville, Tenn. 37902.

Copies of the minutes of the meeting will be made available for inspection at the NRC Public Document Room, 1717 H St., NW., Washington, D.C. 20555 after March 8, 1977. Copies may be obtained upon payment of appropriate charges.

Date: November 16, 1976.

JOHN C. HOYLE,
Advisory Committee Management Officer.

[FR Doc.76-34323 Filed 11-19-76;8:45 am]

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS, SUBCOMMITTEE ON REGULATORY GUIDES

Meeting

In accordance with the purposes of sections 29 and 182b. of the Atomic Energy Act (42 U.S.C. 2039, 2232b), the Advisory Committee on Reactor Safeguards Subcommitee on Regulatory Guides will hold a meeting on December 8, 1976 in Room 1062, 1717 H Street, NW., Washington, D.C. 20555. This meeting will have both open and closed sessions.

The following constitutes that portion of the Subcommittee's agenda for the above meeting which will be open to the public:

Wednesday, December 8, 1976, 9 a.m. until about 12 noon. The Subcommittee will hear presentations from the NRC Staff and will hold discussions with this group pertinent to the following items:

(1) Regulatory Guide 1.63, Revision 1, "Electrical Penetration Assemblies in Containment Structures for Light-Water Cooled Nuclear Power Plants."

(2) Regulatory Guide 1.97, "Instrumentation for Light-Water Cooled Nuclear Power Plants to Assess Plant Conditions During and Following an Accident."

In addition, the following preliminary working paper will be discussed by the Subcommittee and NRC Staff:

Regulatory Guide 1.XX, "Medical Certification and Monitoring of Personnel Requiring Operator Licenses."

In connection with the above agenda items, the Subcommittee may hold one or more Executive Sessions, not open to the public, at approximately 8:30 a.m. and at the conclusion of business to consider matters related to the above reviews. These sessions will involve an exchange of opinions and discussions of preliminary views and recommendations of Subcommittee members and internal deliberations for the purpose of formulating recommendations to the ACRS.

I have determined, in accordance with subsection 10(d) of Pub. L. 92–463, that it is necessary to conduct the above closed sessions to protect the free interchange of internal views in the final stages of the Subcommittee's deliberative process (5 U.S.C. 552(b)(5)). Separation of factual material from individual's advice, opinions, and recommendations while closed Executive Sessions are in progress is considered impractical.

Practical considerations may dictate alterations in the above agenda or schedule. The Chairman of the Subcommittee is empowered to conduct the meeting in a manner that, in his judgment, will facilitate the orderly conduct of business, including provisions to carry over an incompleted open session from one day to the next.

With respect to public participation in the open portion of the meeting, the following requirements shall apply:

(a) Persons wishing to submit written statements regarding the above agenda may do so by providing a readily reproducible copy to the Subcommittee at the beginning of the meeting. Such comments shall be based upon documents on file and available for public inspection at the NRC Public Document Room, 1717 H St., NW., Washington, D.C. 20555.

Persons desiring to mail written comments may do so by sending a readily reproducible copy thereof in time for consideration at this meeting. Comments postmarked no later than December 1, 1976 to Mr. G. R. Quittschreiber, ACRS, NRC, Washington, D.C. 20555 will normally be received in time to be considered at this meeting.

(b) Those persons wishing to make an oral statement at the meeting should make a written request to do so, identifying the topics and desired presentation time so that appropriate arrangements can be made. The Committee will receive oral statements on topics relevant to the Committee's purview at an appropriate time chosen by the Chairman of the Subcommittee.

(c) Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call on December 7, 1976 to the Office of the Executive Director of the Committee (telephone 202/634–1374, Attn: Mr. G. R. Quittschreiber) between 8:15 a.m. and 5:00 p.m., EST.

(d) Questions may be propounded only by members of the Subcommittee and its consultants.

(e) The use of still, motion picture, and television cameras, the physical installation and presence of which will not interfere with the conduct of the meeting, will be permitted both before and after the meeting and during any recess. The use of such equipment will not, however, be allowed while the meeting is in session.

(f) A copy of the transcript of the open portion of the meeting will be available for inspection on or after December 17, 1976 at the NRC Public Document Room, 1717 H St., NW., Washington, D.C. 20555.

Copies of the minutes of the meeting will be made available for inspection at the NRC Public Document Room, 1717 H St., NW., Washington, D.C. 20555 after March 8, 1977. Copies may be obtained upon payment of appropirate charges.

Dated: November 16, 1976.

JOHN C. HOYLE,
Advisory Committee Management Officer.

[FR Doc.76-34322 Filed 11-19-76;8:45 am]

[Docket No. 50-325]

CAROLINA POWER & LIGHT CO.

Issuance of Amendment to Facility Operating License

Notice is hereby given that the U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 1 to Facility Operating License No. DPR–71, issued to Carolina Power & Light Company for the Brunswick Steam Electric Plant, Unit 1, located in Brunswick County, North Carolina. Amendment No. 1 authorizes the licensee to operate the facility at full power subject to approval by the Commission of acceptance criteria in the power ascension program before proceeding beyond Test Condition 3.

In accordance with the Commission's General Statement of Policy (41 FR 34707, August 16, 1976), Carolina Power & Light Company was issued Facility Operating License No. DPR–71 on September 8, 1976, authorizing operation of Brunswick Steam Electric Plant, Unit 1, at a reactor core power level not to exceed 24.36 megawatts thermal (1 percent) for testing purposes, limited to cumulative fuel exposure of 300 megawatt days. Subsequently, the Commission issued Supplemental General Statement of Policy (41 FR 49898, November 11, 1976) which concluded that full-power licensing of light water reactors may be resumed on a conditional basis using existing fuel cycle impact values (Table S–3) for reprocessing and waste management, provided the revised values presented in the Commission's notice of proposed rulemaking of October 8, 1976 (41 FR 45849) were also examined to determine the effect on the cost-benefit balance for operating the plant. This examination has been performed by the Commission staff and is set forth in the "Environmental Assessment, Brunswick Steam Electric Plant, Unit 1, Fuel Cycle Considerations." The assessment concludes that use of such revised values would not tilt the cost-benefit balance against issuance of the operating license.

The amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment. The Commission has also made appropriate findings which are set forth in the license regarding the environmental impacts associated with operation of the facility. Amendment No. 1 also includes the condition that the license is subject to the outcome of the proceedings in *Natural Resource Defense Council* v. *NRC* (D.C. Circuit, July 21, 1976), Nos. 74–1385 and 74–1586.

Amendment No. 1 is effective as of the date of issuance. Facility Operating License No. DPR–71, as amended, shall expire at midnight, February 7, 2010. This action completes the licensing action encompassed in the Notice of Consideration of Issuance of Facility Operating Licenses and Opportunity for Hearing; Notice of Hearing Pursuant to 10 CFR Part 50, Appendix D, Section B, dated October 27, 1972.

For further information see: A copy of (1) Facility Operating License No. DPR–71, complete with Technical Specifications (Appendices "A", "A-Prime", and "B"); (2) the "Negative Declaration Regarding Issuance of a Limited Facility License DPR–71, Brunswick Steam Electric Plant, Unit 1", (3) the "Environmental Impact Appraisal of Issuance of Fuel Loading, Criticality Low-Power Testing Operating License for Brunswick Steam Electric Plant, Units 1 and 2"; (4) the report of the Advisory Committee on Reactor Safeguards, dated December 11, 1973: (5) the Office of Nuclear Reactor Regulation's Safety Evaluation Report dated November 1973, and Supplements thereto dated January 31, 1974, December 23, 1974, December 27, 1974, and September 1976, respectively; (6) the Final Safety Analysis Report and amendments thereto; (7) the applicant's Environmental Report dated June 15, 1973, and supplements thereto; (8) the Final Environmental Statement dated January 1974; (9) Amendment No. 1 to License No. DPR–71; (10) and the "Environmental Assessment, Brunswick Steam Electric Plant,

Unit 1, Fuel Cycle Consideration." These items are available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C., and the Southport-Brunswick County Library, 109 W. Moore Street, Southport, North Carolina 28461. Single copies of items (1), (2), (3), (4), (5), (8), (9) and (10) may be obtained upon request addressed to the United States Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Project Management.

Dated at Bethesda, Maryland, this 12th day of November, 1976.

For the Nuclear Regulatory Commission.

STEVEN A. VARGA,
Chief, Light Water Reactors Branch No. 4, Division of Project Management.

[FR Doc.76-34327 Filed 11-19-76;8:45 am]

[Docket No. 50-247]

CONSOLIDATED EDISON CO. OF NEW YORK, INC.

Availability of Final Environmental Statement for Facility License Amendment for the Extension of Operation With Once-Through Cooling for Indian Point Nuclear Generating Unit No. 2

Pursuant to the National Environmental Policy Act of 1969 and the United States Nuclear Regulatory Commission's regulations in 10 CFR Part 51, notice is hereby given that a Final Environmental Statement (NUREG-0130) prepared by the Commission's Office of Nuclear Reactor Regulation related to the facility license amendment for the extension of operation with once-through cooling for Indian Point Unit No. 2, located in Westchester County, New York, is available for inspection by the public in the Commission's Public Document Room at 1717 H Street, NW., Washington, D.C. and in the Hendrick Hudson Free Library, 31 Albany Post Road, Montrose, New York 10548. The Final Statement is also being made available at the New York State Division of the Budget, State Capitol, Albany, New York, 12224 and the Tri-State Regional Planning Commission, 1 World Trade Center, 56 South, New York, New York 10048.

The notice of availability of the Draft Environmental Statement for the facility license amendment for the extension of operation with once-through cooling and requests for comments from interested persons was published in the FEDERAL REGISTER (41FR35213) on August 20, 1976. The comments received from Federal, State and local officials and interested members of the public have been included as an appendix to the Final Environmental Statement.

Copies of the Final Environmental Statement (Document No. NUREG-0130) may be purchased, at current rates, from the National Technical Information Service, Springfield, Virginia 22161. ($5.50 printed copy; $3.00 microfiche).

Dated at Rockville, Maryland, this 15th day of November 1976.

For the Nuclear Regulatory Commission.

GEORGE W. KNIGHTON,
Chief, Environmental Projects Branch 1, Division of Site Safety and Environmental Analysis.

[FR Doc.76-34324 Filed 11-19-76;8:45 am]

[Dockets No. 50-250 and 50-251]

FLORIDA POWER AND LIGHT CO.

Issuance of Amendments to Facility Operating Licenses

Notice is hereby given that the U.S. Nuclear Regulatory Commission (the Commission) has issued Amendments Nos. 21 and 19 to Facility Operating Licenses Nos. DPR-31 and DPR-41, respectively, issued to Florida Power and Light Company which revised Technical Specifications for operation of the Turkey Point Nuclear Generating Units Nos. 3 and 4, located in Dade County, Florida. The amendments are effective as of the date of issuance.

The amendments modify the Technical Specifications to change certain specified surveillance test frequencies and accepance criteria so that surveillance tests are not required during those facilit yoperational modes when the relevant limiting conditions for operation (LCO's) are not applicable. The requested changes clarify the wording of the specified surveillance tests but do not modify the original intent of the specifications.

The application for the amendments complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendments. Prior public notice of these amendments was not required since the amendments do not involve a significant hazards consideration.

The Commission has determined that the issuance of these amendments will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement, negative declaration or environmental impact appraisal need not be prepared in connection with issuance of these amendments.

For further details with respect to this action, see (1) The application for amendments dated March 26, 1976, (2) Amendments Nos. 21 and 19 to Licenses Nos. DPR-31 and DPR-41 and (3) the Commission's related Safety Evaluation. All of these items are available for public inspection at the Commission's Public Document Room, 1717 H Street NW., Washington, D.C. and at the Environmental & Urban Affairs Library, Florida International University, Miami, Florida 33199.

A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Operating Reactors.

Dated at Bethesda, Maryland, this 15th day of November, 1976.

For the Nuclear Regulatory Commission.

GEORGE LEAR,
Chief, Operating Reactors Branch No. 3, Division of Operating Reactors.

[FR Doc.76-34328 Filed 11-19-76;8:45 am]

[Docket No. 50-298]

NEBRASKA PUBLIC POWER DISTRICT

Issuance of Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 32 to Facility Operating License No. DPR-46, issued to Nebraska Public Power District (the licensee), which revised the Technical Specifications for operation of the Cooper Nuclear Station (the facility) located in Nemaha County, Nebraska. The amendment is effective as of its date of issuance.

The amendment revised the Technical Specifications for the facility to authorize operation with (1) up to 120 General Electric 8 x 8 type reload fuel assemblies, (2) modified fuel assembly lower tie plates as part of facility modifications to eliminate in-core vibration of instrument and source tubes, (3) a modified Rod Sequence Control System, and (4) modifications to improve the performance of the Low Pressure Coolant Injection System of the Emergency Core Cooling System.

The applications for the amendment comply with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment. Notice of Proposed Issuance of Amendment to Facility Operating License in connection with items (1) and (2) above was published in the FEDERAL REGISTER on October 4, 1976 (41 FR 43783). No request for a hearing or petition for leave to intervene was filed following notice of the proposed action on items (1) and (2) above. Prior public notice of items (3) and (4) above was not required since these actions do not involve a significant hazards consideration.

The Commission has determined that the issuance of this amendment will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with issuance of this amendment.

For further details with respect to this action, see (1) the applications for amendment dated April 7 and August 9, 1976 and supplements dated July 20, September 20, October 8, 9, 15, 20 and 26, and November 4 and 10, 1976, (2) Amendment No .32 to License No. DPR–46, and (3) the Commission's related Safety Evaluation. All of these items are available for public inspection at the Commission's Public Document Room, 1717 H Street, NW., Washington, D.C. and at the Auburn Public Library, 118—15th Street, Auburn, Nebraska 68305.

A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Operating Reactors.

Dated at Bethesda, Maryland, this 10th day of November, 1976.

For the Nuclear Regulatory Commission.

DENNIS L. ZIEMANN,
Chief, Operating Reactors Branch No. 2, Division of Operating Reactors.

[FR Doc.76–34329 Filed 11–19–76;8:45 am]

[Docket No. STN 50–484]

NORTHERN STATES POWER CO. (MINNESOTA) ET AL.

Receipt of Additional Antitrust Information; Time for Submission of Views

Northern States Power Company, pursuant to Section 103 of the Atomic Energy Act of 1954, as amended, filed on August 20, 1976, information requested by the Attorney General for Antitrust Review as required by 10 CFR Part 50, Appendix L. This information adds Cooperative Power Association, Dairyland Power Cooperative, and Lake Superior District Power Company as owners of the Tyrone Energy Park, Unit No. 1.

The information was filed by Northern States Power Company (Minnesota) in connection with an application for a construction permit and operating license for a pressurized water nuclear reactor to be located on the applicants' site in Dunn County, Wisconsin. The Tyrone Energy Park, Unit No. 1 is a SNUPPS standardized plant design.

The original antitrust portion of the application was submitted on April 30, 1974, and Notice of Receipt of Application for Construction Permits and Facility Licenses and Availability of Applicants' Environmental Report; Time for Submission of Views on Antitrust Matters was published in the FEDERAL REGISTER on August 30, 1974 (39 FR 31683). The Notice of Hearing was published in the FEDERAL REGISTER on August 30, 1974 (39 FR 31688).

A copy of all the above stated documents are available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C. 20555 and at the University of Wisconsin, Stout Library, Menomonie, Wisconsin 54751.

Any person who wishes to have his views on the antitrust matters of the application presented to the Attorney General for consideration should submit such views to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Antitrust and Indemnity Group, Nuclear Reactor Regulation, on or before January 10, 1977.

Dated at Bethesda, Maryland, this 2nd day of November, 1976.

For the Nuclear Regulatory Commission.

OLAN D. PARR,
Chief, Light Water Reactors Branch No. 3, Division of Project Management.

[FR Doc.76–32768 Filed 11–5–76;8:45 am]

[Docket Nos. 50–329 and 50–330]

CONSUMERS POWER CO. (MIDLAND PLANT, UNITS 1 & 2)

Order Rescheduling Hearing

On October 4, 1976, the Atomic Safety and Licensing Board (the Board) set an evidentiary hearing on whether the construction permits for the above-identified nuclear facility should be continued, modified or suspended pending completion of reopened hearings which will consider the issues remanded to the U.S. Nuclear Regulatory Commission (the Commission) by the U.S. Court of Appeals for the District of Columbia Circuit in *Aeschliman* v. *NRC*, Appeal Nos. 73–1776 and 73–1867, decided July 21, 1976.

The Intervenors herein with the exception of Dow Chemical Company have filed a motion to continue the suspension hearing until on or after November 29, 1976. The basis for this request is that counsel for the Intervenors is unable to handle the suspension hearing because of conflicting court commitments in the U.S. Circuit Court of Appeals for the Ninth Circuit. The Applicant opposes this Motion and the NRC Staff agrees to the request for continuance.

In view of the time limitation, the Board conducted a conference call with the parties on November 11, 1976.[1] At that conference call the Board heard extensive discussion from the parties regarding the need for the continuance and proposals regarding timing for any continuance. At the conference call, the Board ruled that there was good cause for the continuance and granted the motion. The Board then set the suspension hearing for November 30, 1976. The purpose of this Notice and Order is to set out that ruling and to reschedule the hearing.

Accordingly, Please Take Notice And *It Is Hereby Ordered*, That the suspension hearing set for November 16, 1976, is continued until 9:30 a.m. on Tuesday, November 30, 1976, at the Holiday Inn, 1500 West Wackerly Road, Midland, Michigan. This hearing shall run continuously until all evidence and oral argument on the suspension issues has been received or until continued by further order of the Board.

Members of the public are invited to attend the suspension hearing and the Board will receive limited appearances prior to the taking of evidence at the hearing. Limited appearances will be restricted to ten (10) minutes each, unless the person requesting the limited appearance can show good cause for taking more time.

It is so ordered.

Issued at Bethesda, Maryland this 15th day of November 1976.

For the Atomic Safety and Licensing Board.

DANIEL M. HEAD,
Chairman.

[FR Doc.76–34325 Filed 11–19–76;8:45 am]

[1] The call involved all parties except the Intervenor Dow Chemical Company who has not to date actively participated in the reopened proceeding.

[Docket No. STN 50–437]

OFFSHORE POWER SYSTEMS (FLOATING NUCLEAR POWER PLANTS)

Order Resuming the Evidentiary Hearing

The public evidentiary hearing will resume[1] at 9:30 A.M. local time, Wednesday, December 8, 1976 at the following location:

NRC Public Hearing Room, 5th Floor, East-West Towers Building, 4350 East-West Highway, Bethesda, Maryland 20014.

This hearing is being resumed for the limited purpose of hearing the evidence upon turbine generator matters, i.e., upon the allegations made in the limited appearance statement of Mr. Effenberger during the hearing session on June 15, 1976. If it appears at the afternoon session on December 8th that the taking of evidence cannot be concluded on December 10th, the Board will consider requests (a) to convene the December 9th and December 10th sessions at an earlier hour and/or to extend said sessions to a later hour, and/or (b) to reconvene the hearing on December 15th and continue through December 17th in order to conclude the taking of evidence.

The Applicant, Staff and Atlantic County Board of Chosen Freeholders (which are the only parties which have notified us that they intend to submit direct testimony) shall submit their written direct testimonies ten days in advance of December 8, 1976.

It is so ordered.

Dated at Bethesda, Maryland this 15th day of November, 1976.

For the Atomic Safety and Licensing Board.

SHELDON J. WOLFE, ESQ.,
Chairman.

[FR Doc.76–34330 Filed 11–19–76;8:45 am]

[1] Applicant's Motion #4 To Establish Schedule dated October 22, 1976 is herewith denied.

[Docket Nos. STN-50-546 and STN 50-547]

PUBLIC SERVICE COMPANY OF INDIANA, INC. (MARBLE HILL NUCLEAR GENERATING STATION, UNITS 1 AND 2)

Order Relative to the Prehearing Conference

At the conclusion of the prehearing conference on October 21, 1976 the Board and the parties agreed on a date for the prehearing conference required by 10 CFR 2.752. The prehearing conference will commence at 9:30 a.m. (local time) on December 2, 1976 at Madison County Public Library, 420 West Main Street, Madison, Indiana.

In accordance with the regulation the following matters will be considered:

1. Simplification, clarification and specification of the issues;
2. The necessity or desirability of amending the pleadings;
3. The obtaining of stipulations and and admissions of fact and the contents and authenticity of documents to avoid unnecessary proof;
4. Identification of witnesses and the limitation of the number of expert witnesses and other steps to expedite the presentation of evidence;
5. The setting of a hearing schedule; and
6. Such other matters as may aid in the orderly disposition of the proceeding.

The parties are urged, if possible, to confer prior to the conference to attempt to arrive at stipulations on the matters to be discussed.

The public is invited to attend. No limited appearance statements will be accepted at the prehearing conference but will be called for later when the evidentiary hearing is scheduled.

It is so ordered.

Dated at Bethesda, Maryland this 11th day of November, 1976.

For the Atomic Safety and Licensing Board.

ELIZABETH S. BOWERS,
Chairman.

[FR Doc.76-34331 Filed 11-19-76;8:45 am]

[Docket Nos. 50-338 OL and 50-339 OL]

VIRGINIA ELECTRIC AND POWER CO. (NORTH ANNA POWER STATION, UNITS 1 AND 2)

Evidentiary Hearing

The Atomic Safety and Licensing Board will hold an Evidentiary Hearing beginning on November 30, 1976, at 9 a.m. in the City Council Chambers on the Second Floor of City Hall, 7th and Main Streets, Charlottesville, Virginia.

This hearing will be held to consider issues raised by the parties concerning the application of Virginia Electric and Power Company for an operating license for Units 1 and 2 of the North Anna Power Station now under construction.

Persons wishing to make limited appearances should be present at the time and place above indicated.

Dated at Bethesda, Maryland, this 15th day of November, 1976.

The Atomic Safety and Licensing Board.

FREDERIC J. COUFAL,
Chairman.

[FR Doc.34326 Filed 11-19-76;8:45 am]

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS

Proposed Meetings

In order to provide advance information regarding proposed meetings of ACRS Subcommittees and Working Groups and of the full Committee, the following preliminary schedule is being published. This preliminary schedule reflects the current situation, taking into account additional meetings which have been scheduled and meetings which have been postponed or cancelled since the last list of proposed meetings published in FR Vol. 41, October 26, 1976, page 46912. Those meetings that are definitely scheduled have had, or will have, an individual notice published in the FR approximately 15 days (or more) prior to the meeting. Those Subcommittee and Working Group meetings for which it is anticipated that there will be a portion or all of the meeting open to the public are indicated by an asterisk (*). It is expected that the sessions of the full Committee meeting designated by an asterisk (*) will be open in whole or in part to the public. Information as to whether a meeting has been firmly scheduled, cancelled, or rescheduled, or whether changes have been made in the agenda for the December 9-11, 1976 ACRS full Committee meeting can be obtained by a prepaid telephone call to the Office of the Executive Director of the Committee (telephone 202/634-1374, Attn: Mary E. Vanderholt) between 8:15 a.m. and 5 p.m., e.s.t.

**Pressurized Water Reactor Pressure Vessel Blowdown Forces*, December 1, 1976, Los Angeles, CA to discuss with the NRC Staff and representatives of the Licensees, as appropriate, the effects of blowdown forces on pressurized water reactor pressure vessels designed by Babcock and Wilcox Company and Combustion Engineering, Inc. and Westinghouse Electric Corp. NRC funded research in this area will also be discussed. Notice of this meeting was published in FR Vol. 41, page 50361, November 15, 1976.

**Assessment of Selected Light-Water Reactor Safety Matters*, December 3, 1976, Washington, DC to review selected matters related to LWR safety referred to it by NRC. Notice of this meeting was published in FR Vol. 41, November 19, 1976 and also appears elsewhere in this issue.

**Resolution of Generic Items*, December 7, 1976, Washington, DC to consider the current status and degree of resolution of the generic items identified in the Committee's report dated April 16, 1976. Notice of this meeting appears elsewhere in this issue.

**Regulatory Guides*, December 8, 1976, Washington, DC to review working papers regarding future Regulatory Guides and proposed changes to existing Guides. Notice of this meeting appears elsewhere in this issue.

**Clinch River Breeder Reactor*, December 8, 1976, Washington, DC to develop information for consideration by the ACRS in its review of the combined application of the U.S. Energy Research and Development Administration, the Tennessee Valley Authority, and the Project Management Corporation for a permit to construct this nuclear power plant. In particular, this meeting will concern aspects of a core disruptive accident and of thermal hydraulics. Notice of this meeting appears elsewhere in this issue.

**Reactor Safety Study*, December 8, 1976, Washington, DC to continue the review of WASH-1400 (NUREG-75/014), "An Assessment of Accident Risks in U.S. Commercial Nuclear Power Plants." Notice of this meeting appears elsewhere in this issue.

**North Anna Power Station, Units 1 and 2*, rescheduled from December 8, 1976 to January 5, 1977.

**Emergency Core Cooling System*, December 20, 1976, Washington, DC to discuss technical aspects associated with plenum filling following a loss-of-coolant accident.

**Emergency Core Cooling System*, December 21, 1976, Washington, DC (rescheduled from November 6, 1976) to review EXXON Nuclear Company, Inc. analytical models formulated to meet current ECCS criteria for fuel fabricated by EXXON for pressurized water reactors with ice condensers and for nonjet-pump boiling water reactors, and to review the application of these models to the Donald C. Cook, Unit No. 1 and the Oyster Creek, Unit No. 1 Nuclear Power Plants.

**Davis-Besse Nuclear Power Station, Unit 1*, December 21, 1976, Washington, DC to review the application of the Toledo Edison Company for an operating license.

**Donald C. Cook Nuclear Power Plant, Unit 1*, December 22, 1976, Washington, DC to continue the review of the EXXON Nuclear Company, Inc. fuel reload, the related emergency core cooling system analysis, and other items to determine if the plant should be allowed to operate at a 100% power level following refueling.

**Regulatory Guides*, January 5, 1977, Washington, DC to review working papers regarding future Regulatory Guides and proposed changes to existing Guides.

**North Anna Power Station, Units 1 and 2*, January 5, 1977, Washington, DC to develop information for consideration by the ACRS in its continuing review of the application of the Virginia Electric and Power Company for a license to operate North Anna Power Stations, Units 1 and 2.

**Cherokee Nuclear Station, Units 1, 2, and 3, and Perkins Nuclear Station, Units 1, 2, and 3*, January 19, 1977, Charlotte, NC to review the application of the Duke Power Company for a permit to construct these Units.

**Seismic Activity*, February 8-9, 1977, Washington, DC, to discuss Appendix A to 10 CFR 100 and the derivation of earthquake response spectra.

FULL COMMITTEE MEETINGS

December 9-11, 1976

*General Electric Standard Safety Analysis Report (GESSAR-238/GESSAR-251)—Preliminary Design Approval.

January 6-8, 1977

Agenda to be announced.

Dated: November 18, 1976.

JOHN C. HOYLE,
Advisory Committee Management Officer.

[FR Doc.76-34502 Filed 11-19-76;8:45 am]

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS; REACTOR SAFETY STUDY WORKING GROUP

Meeting

In accordance with the purposes of sections 29 and 182 b. of the Atomic

Energy Act (42 U.S.C. 2039, 2232b.), the ACRS Reactor Safety Study Working Group will hold a meeting on December 8, 1976 in Room 1146, 1717 H St., NW., Washington, D.C. 20555. The purpose of this meeting is to continue the review of WASH-1400 (NUREG-75/014), "An Assessment of Accident Risks in U.S. Commercial Nuclear Power Plants."

The agenda for the subject meeting shall be as follows:

WEDNESDAY, DECEMBER 8, 1976

8:30 a.m.–9 a.m. The Working Group will meet in closed Executive Session, with any of its consultants who may be present, to explore their preliminary opinions, based upon their independent review of WASH-1400, regarding matters which should be considered during the open session in order to formulate a Working Group report and recommendations to the full Committee.

9 a.m. until conclusion of business. The Working Group will meet in open session to hear presentations from and hold discussions with individuals and various organizations who commented on the Reactor Safety Study Report, and from the NRC Staff regarding the final version of the Report and the current and future efforts of the Study Group.

At the conclusion of the open session, the Working Group will meet in closed session to exchange advice, opinions and recommendations regarding the Study. During this session Working Group members and consultants will discuss their opinions and recommendations on these matters.

I have determined, in accordance with subsection 10(d) of Pub. L. 92-463, that it is necessary to conduct the above closed sessions to protect the free interchange of internal views in the Working Group's deliberative process (5 U.S.C. 552(b)(5)). Separation of factual material from individuals' advice, opinions and recommendations while closed Executive Sessions are in progress is considered impractical.

Practical considerations may dictate alterations in the above agenda or schedule. The Chairman of the Working Group is empowered to conduct the meeting in a manner that, in his judgment, will facilitate the orderly conduct of business, including provisions to carry over an incompleted open session from one day to the next.

With respect to public participation in the open portion of the meeting, the following requirements shall apply:

(a) Persons wishing to submit written statement regarding the agenda items may do so by providing a readily reproducible copy to the Working Group at the beginning of the meeting. Comments should be limited to safety related areas within the Working Group's purview.

Persons desiring to mail written comments may do so by sending a readily reproducible copy thereof in time for consideration at this meeting. Comments postmarked no later than December 1, 1976 to Mr. J. C. McKinley, ACRS, NRC, Washington, D.C. 20555 will normally be received in time to be considered at this meeting.

(b) Those persons wishing to make an oral statement at the meeting should make a written request to do so, identifying the topics and desired presentation time so that appropriate arrangements can be made. The Working Group will receive oral statements on topics relevant to its purview at an appropriate time chosen by the Chairman of the Working Group.

(c) Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call on December 7, 1976 to the Office of the Executive Director of the Committee (telephone 202/634-1371, Attn: Mr. J. C. McKinley) between 8:15 a.m. and 5 p.m., e.s.t.

(d) Questions may be propounded only by members of the Working Group and its consultants.

(e) The use of still, motion picture, and television cameras, the physical installation and presence of which will not interfere with the conduct of the meeting, will be permitted both before and after the meeting and during any recess. The use of such equipment will not, however, be allowed while the meeting is in session.

(f) A copy of the transcript of the open portion of the meeting will be available for inspection on or after December 15, 1976 at the NRC Public Document Room, 1717 H Street, NW., Washington, D.C. 20555.

Copies of the minutes of the meeting will be made available for inspection at the NRC Public Document Room, 1717 H Street, NW., Washington, D.C. 20555 after March 8, 1977. Copies may be obtained upon payment of appropriate charges.

Dated: November 17, 1976.

JOHN C. HOYLE,
Advisory Committee Management Officer.

[FR Doc.76-34501 Filed 11-19-76;8:45 am]

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS; SUBCOMMITTEE ON RESOLUTION OF GENERIC ITEMS

Meeting

In accordance with the purposes of Sections 29 and 182b. of the Atomic Energy Act (42 U.S.C. 2039, 2232b.), the ACRS Subcommittee on Resolution of Generic Items, will hold a meeting on December 7, 1976 in Room 1047, 1717 H Street, NW., Washington, D.C. 20555. The purpose of this meeting is to review the status of generic items identified by the ACRS and to determine if any new items should be added to the list.

The agenda for subject meeting shall be as follows:

TUESDAY, DECEMBER 7, 1976

8:30 a.m.–9 a.m. The Subcommittee will meet in closed Executive Session, with any of its consultants who may be present, to explore their preliminary opinions, based upon their independent review of safety reports, regarding matters which should be considered during the open session in order to formulate a Subcommittee report and recommendations to the full Committee.

9 a.m. until the conclusion of business. The Subcommittee will meet in open session to hear presentations by and hold discussions with representatives of the NRC Staff regarding matters pertinent to this review.

At the conclusion of the open session, the Subcommittee may caucus in a brief, closed session to determine whether the matters identified in the initial closed session have been adequately covered and whether they are ready for review by the full Committee. During the session Subcommittee members and consultants will discuss their final opinions and recommendations on these matters.

I have determined, in accordance with subsection 10(d) of Pub. L. 92-463, that it is necessary to conduct the above closed sessions to protect the free interchange of internal views in the final stages of the Subcommittee's deliberative process (5 U.S.C. 552(b)(5)). Separation of factual material from individuals' advice, opinions, and recommendations while closed Executive Sessions are in progress is considered impractical.

Practical considerations may dictate alterations in the above agenda or schedule. The Chairman of the Subcommittee is empowered to conduct the meeting in a manner that, in his judgment, will facilitate the orderly conduct of business, including provisions to carry over an incompleted open session from one day to the next.

With respect to public participation in the open portion of the meeting, the following requirements shall apply:

(a) Persons wishing to submit written statements regarding the agenda may do so by providing a readily reproducible copy to the Subcommittee at the beginning of the meeting. Comments should be limited to safety related areas within the Committee's purview.

Persons desiring to mail written comments may do so by sending a readily reproducible copy thereof in time for consideration at this meeting. Comments postmarked no later than November 29, 1976 to Mr. John C. McKinley, ACRS, NRC, Washington, D.C. 20555, will normally be received in time to be considered at this meeting.

(b) Those persons wishing to make an oral statement at the meeting should make a written request to do so, identifying the topics and desired presentation time so that appropriate arrangements can be made. The Committee will receive oral statements on topics relevant to the Committee's purview at an appropriate time chosen by the Chairman of the Subcommittee.

(c) Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call on December 6, 1976 to the Office of the Executive Director of the Committee (telephone 202/634-1371, Attn: Mr. John C. McKinley) between 8:15 a.m. and 5 p.m., e.s.t.

(d) Questions may be propounded only by members of the Subcommittee and its consultants.

(e) The use of still, motion picture, and television cameras, the physical installation and presence of which will not interfere with the conduct of the meeting, will be permitted both before and after the meeting and during any recess. The use of such equipment will not, however, be allowed while the meeting is in session.

(f) A copy of the transcript of the open portion of the meeting will be available for inspection on or after December 15, 1976 at the NRC Public Document Room, 1717 H Street, NW., Washington, D.C. 20555.

Copies of the minutes of the meeting will be made available for inspection at the NRC Public Document Room, 1717 H Street, NW., Washington, D.C. 20555 after March 7, 1976. Copies may be obtained upon payment of appropriate charges.

Dated: November 17, 1976.

JOHN C. HOYLE,
Advisory Committee Management Officer.

[FR Doc.76-34500 Filed 11-19-76;8:45 am]

ADVISORY COMMITTEE ON REACTOR SAFEGUARDS

Meeting

In accordance with the purposes of Sections 29 and 182 b. of the Atomic Energy Act (42 U.S.C. 2039, 2232 b.), the Advisory Committee on Reactor Safeguards will hold a meeting on December 9–11, 1976, in Room 1046, 1717 H Street, NW, Washington, DC.

The agenda for the subject meeting will be as follows:

THURSDAY, DECEMBER 9, 1976

8:30 a.m.–9:00 a.m.: Executive session (closed). The Committee will meet in closed executive session to exchange and discuss the personal opinions of individual members leading to the formulation of advice and recommendations regarding generic safety matters related to nuclear facilities, protection of information related to safeguarding special nuclear material, and appointment of ACRS members.

9:00 a.m.–10:30 a.m.: Executive session (open). The Committee will hear and discuss the report of the ACRS Working Group and consultants who may be present on the Resolution of Selected Technical Matters Relating to LWR Safety. Portions of this session will be closed if required to discuss material which if released would identify NRC employees who have provided information in confidence. Portions will also be closed if required to discuss proprietary material or intra-agency memoranda prepared for internal use only.

10:30 a.m.–12:30 p.m.: Meeting on resolution of technical safety issues (open). The Committee will hear presentations and hold discussions regarding resolution of selected technical issues related to light water reactor safety. Portions of this session will be closed if necessary to receive reports from individual NRC employees who have provided their personal opinion and recommendations in confidence. Ports will also be closed if required to review documents containing proprietary information or intra-agency memoranda prepared for internal use only and for Committee deliberative sessions.

1:30 p.m.–2:30 p.m.: Meeting with NRC commissioners (open/closed). The Committee will meet with members of the Nuclear Regulatory Commission to discuss ACRS review of generic matters related to light water reactors, provisions for protection of information related to safeguarding special nuclear material and the basis for appointment of ACRS members. Portions of this meeting concerning provisions for protection of information related to safeguarding special nuclear material and the basis for appointment of ACRS members will deal solely with internal agency policy and practice and/or personnel policy and practices and will therefore be closed to the public. This meeting will be held in Room 1115 at 1717 H Street, NW, Washington, DC.

2:30 p.m.–5:00: Meeting on resolution of technical safety issues (open). The Committee will hear presentations and hold discussions regarding resolution of selected technical issues related to light water reactor safety. Portions of this session will be closed if necessary to receive reports from individual NRC employees who have provided their personal opinion and recommendations in confidence. Portions will also be closed if required to review intra-agency memoranda prepared for internal use only and for Committee deliberative sessions.

5:00 p.m.–6:00 p.m.: Executive session (open). The Committee will hear and discuss the reports of ACRS Subcommittees and consultants who may be present regarding generic items related to light water reactors, and the environmental effects of spent fuel reprocessing and the waste management portions of the LWR fuel cycle.

FRIDAY, DECEMBER 10, 1976

8:30 a.m.–11:00 a.m.: Meeting with members of the NRC staff (open). This portion of the meeting will include discussion with the Executive Director for Operations and other members of the NRC Staff related to current licensing activities and recent reactor operating experience, the environmental effects of spent fuel reprocessing and related waste management portions of the LWR fuel cycle, generic items related to light water reactors, and the future schedule for ACRS activities.

11:00 a.m.–12:30 p.m.: Meeting on design of nuclear plants to preclude sabotage (closed). The Committee will hear presentations by and hold discussions with representatives of the NRC Staff, Sandia Laboratories and the industry Working Group related to the design of nuclear facilities to preclude sabotage and other acts of terrorism. Information to be discussed has been designated national security information and has been classified under E.O. No. 11652.

1:30 p.m.–2:00 p.m.: Executive session (open). The Committee will hear and discuss the report of the ACRS Subcommittee and consultants who may be present regarding the request for Preliminary Design Approvals for the General Electric Standard Safety Analysis Reports, GESSAR–238 and GESSAR–251. Portions of this session will be closed if required to discuss proprietary material related to the design, construction or operation of this type of nuclear steam supply system. Closed portions will also be held if necessary to discuss security arrangements for this facility.

2:00 p.m.–5:00 p.m.: General Electric standard safety analysis reports (GESSAR–238 and GESSAR–251) (open). The Committee will hear presentations by and hold discussions with representatives of the NRC Staff and the General Electric Company related to the request for Preliminary Design Approval for these standardized nuclear steam supply systems. Closed portions will be held if necessary to discuss proprietary information related to the design, construction or operation of this type facility. Closed portions will also be held if required to discuss security provisions for this type system and for Committee deliberative sessions.

5:00 p.m.–6:00 p.m.: Executive session (closed). The Committee will meet in closed Executive Session to discuss the personal opinions and recommendations of individual members leading to the formulation of advice and recommendations to the Commission regarding resolution of selected technical issues related to light water reactor safety.

SATURDAY, DECEMBER 11, 1976

8:30 a.m.–4:00 p.m.: Executive session (closed). The Committee will meet in closed executive session to exchange and discuss personal opinions and recommendations leading to the formulation of advice with respect to items considered at this meeting. Proposed ACRS activities and reports on generic matters such as management of radioactive wastes and the Reactor Safety Study (WASH–1400) will also be discussed.

I have determined in accordance with Subsection 10(d) of Pub. L. 92–463 that it is necessary to close portions of the meeting as noted above to protect material, which has been designated national security information and is classified under E.O. No. 11652 (5 U.S.C. 552(b)(1)), and to protect proprietary data (5 U.S.C. 552(b)(4)), to protect the free exchange of opinion during the Committee's deliberative process (5 U.S.C. 552(b)(5)), to protect the confidentiality of intra-agency memoranda prepared for internal agency use only and discussion of information which, if written, would fall within the provisions of exemption 5 of 5 U.S.C. 552(b) (5 U.S.C. 552(b)(5)), to preserve the confidentiality of procedures for the protection of information related to safeguarding of special nuclear material and the basis for appointment of ACRS members which is intra-agency and/or personnel policy information (5 U.S.C. 552(b)(2), and (5)),

and to protect information which, if released, would represent an undue invasion of privacy (5 U.S.C. 552(b)(6)). These closed sessions will consist primarily of deliberative discussion among the Committee members leading to the formulation of advice and recommendations to the Nuclear Regulatory Commission. Separation of factual information and information considered exempt from disclosure under exemption (1), exemption (2), exemption (4), exemption (5), and exemption (6) of 5 U.S.C. 552(b) from the individual advice, opinion or recommendations of ACRS members and consultants during this discussion is not considered practical.

Practical considerations may dictate alterations in the above agenda or schedule. The Chairman of the Committee is empowered to conduct the meeting in a manner that in his judgment will facilitate the orderly conduct of business, including provisions to carry over an incompleted open session from one day to the next.

With respect to public participation in the open portion of the meeting, the following requirements shall apply:

(a) Persons wishing to submit written statements regarding the agenda items may do so by providing a readily reproducible copy to the Committee at the beginning of the meeting. Comments should be limited to safety related areas within the Committee's purview. Persons desiring to mail written comments may do so by mailing a readily reproducible copy thereof in time for consideration at this meeting. Comments postmarked no later than December 1, 1976, to the Executive Director, Advisory Committee on Reactor Safeguards, Nuclear Regulatory Commission, Washington, DC 20555 will normally be received in time to be considered at this meeting. Background information concerning items to be considered at this meeting can be found in documents on file and available for public inspection at the Nuclear Regulatory Commission's Public Document Room, 1717 H Street, NW, Washington, DC 20555.

(b) Those persons wishing to make oral statements regarding agenda items at the meeting should make a request to do so prior to the meeting, identifying the topics and desired presentation time so that appropriate arrangements can be made. The Committee will receive oral statements in safety related areas within the Committee's purview at an appropriate time chosen by the Chairman of the Committee.

(c) Further information regarding topics to be discussed, whether the meeting or portions of the meeting have been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements, and the time allotted therefor, can be obtained by a prepaid telephone call on December 8, 1976, to the Office of the Executive Director of the Committee (Telephone: 202-634-1371) between 8:15 a.m. and 5:00 p.m., Eastern Time. It should be noted that the above schedule is tentative, based on the anticipated availability of related information, etc. It may be necessary to reschedule items to accommodate required changes. The ACRS Executive Director will be prepared to describe these changes on December 8, 1976.

(d) Questions may be propounded only by members of the Committee and its consultants.

(e) The use of still, movie, and television cameras, the physical installation and presence of which will not interfere with the course of the meeting, will be permitted both before and after the meeting and during any recess. The use of such equipment will not, however, be allowed while the meeting is in session.

(f) Persons with agreements or orders permitting access to proprietary information other than safeguards information may attend portions of ACRS meetings where this material is being discussed upon confirmation that such agreements are effective and relate to the material being discussed.

The Executive Director of the ACRS should be informed of such an agreement at least 3 days prior to the meeting so that the agreement can be confirmed and a determination can be made regarding the applicability of this agreement to the material that will be discussed during the meeting. Minimum information provided should include information regarding the date of the agreement, the scope of material included in the agreement, the project or projects involved, and the names and titles of the persons signing the agreement. Additional information may be requested to identify the specific agreement involved. A copy of the executed agreement should be provided to the Executive Director at the beginning of the meeting.

(g) A copy of the transcript of the open portions of the meeting will be available for inspection during the following workday at the Nuclear Regulatory Commission's Public Document Room, 1717 H Street, NW., Washington, D.C. Copies of the minutes of the meeting will be made available for inspection at the Nuclear Regulatory Commission's Public Document Room, 1717 H Street, NW., Washington, D.C., on or after March 12, 1977. Copies may be obtained upon payment of appropriate charges.

Dated: November 19, 1976.

JOHN C. HOYLE,
Advisory Committee Management Officer.

[FR Doc.76-34649 Filed 11-19-76;9:35 am]

SECURITIES AND EXCHANGE COMMISSION

[File No. 20-2112A1, 3-4892]

CAVALIER OIL & GAS CO., INC.

Order Permanently Suspending Regulation B Exemption

NOVEMBER 16, 1976.

In the matter of Schedule D offering sheets filed by Cavalier Oil & Gas Company, Inc., Shreveport, Louisiana, Benefield Estate Lease No. 1.

On January 20, 1976, the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheet filed by Cavalier Oil & Gas Company, Inc. (Cavalier), stating that it had reasonable cause to believe that:

1. No exemption is available for this offering under Regulation B because the offeror failed to comply with Rules 330 (a) and 330(b) [17 CFR 230.330(a) and 230.330(b)] in that the offeror filed an offering sheet relating to the Benefield Estate Lease #1 with the Commission and delivered copies thereof to prospective investors and purchasers when such offering sheets made untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, including but not limited to, the following:

(a) That Cavalier omitted to state that it does not own any interest in the lease in which it is selling fractional undivided working interests to investors; and,

(b) That Cavalier omitted to state that it is not financially able to refund the proceeds of the offering to investors in the event that no well is drilled on the lease.

2. No exemption is available for this offering under Regulation B because the offeror made the offering in violation of the antifraud provisions of Section 17(a) of the Securities Act of 1933 and Section 10(b) of the Securities Exchange Act of 1934 and Rule 10b-5 thereunder, in that the offeror, while engaged in the offer and sale of fractional undivided working interests in the Benefield Estate Lease No. 1, directly and indirectly made use of the mails and means and instruments of transportation and communication in interstate commerce and of the means and instrumentalities of intersate commerce, and in such connection with such offer and sale made to prospective investors and purchasers untrue statements of material facts and omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, the following:

(a) That Cavalier omitted to state that it does not own any interest in the lease in which it is selling fractional undivided working interests to investors; and,

(b) That Cavalier omited to state that it is not financially able to refund the proceeds of the offering to investors in the event that no well is drilled on the lease.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of investors that the exemption be permanently suspended.

Accordingly, *it is ordered*, pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemption from registration with respect to

Cavalier's Benefield Estate Lease No. 1 (20–2112A1) offerings be, and hereby is, permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76–34314 Filed 1–19–76;8:45 am]

[File No. 20–2134A1 et al.]

KENTUCKY CRUDE OIL & GAS, INC.

Order Permanently Suspending Regulation B Exemption

NOVEMBER 16, 1976.

In the matter of Schedule D offering sheets filed by Kentucky Crude Oil & Gas, Inc. Louisville, Kentucky, Koehn No. 1 (File No. 20–2134A1, 3–4938), Eck "B" No. 1 (File No. 20–2134A2, 3–4939), Federal NE 1–7 (File No. 20–2134A3, 3–4940), Federal NW 1–7 (File No. 20–2134A4, 3–4941).

On January 27, 1976 the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheets filed by Kentucky Crude Oil & Gas, Inc., stating that it had reasonable cause to believe that:

1. No exemption is available for this offering under Regulation B according to Rule 306(a)(ii) [17 CFR 230.306(a)(2)] because Petco Oil & Gas, Inc., an affiliate of the offeror, was restrained and enjoined temporarily on October 10, 1975 by the District Court of the State of Oklahoma from offering or selling securities in the form of fractional undivided working interests in oil and gas leases without complying with Sections 201 and 301 of the Oklahoma Securities Act.

2. No exemption is available for this offering under Regulation B according to Rule 306(a)(vi) [17 CFR 230.306(a)(6)] because Petco Oil & Gas, Inc., an affiliate of the offereor, is and has been subject to an order of temporary suspension issued by the Commission on December 17, 1975.

3. No exemption is available for this offering under Regulation B because the offering sheet used failed to comply with Rules 330(a) and 330(b) of Regulation B (17 CFR 230.330(a) and (b)), by failing to disclose that on October 10, 1975, Petco Oil & Gas, Inc., an affiliate of the offeror, was restrained and enjoined temporarily by the District Court of the State of Oklahoma, from offering or selling securities within and from the State of Oklahoma, including securities in the form of fractional undivided working interests in oil and gas leases, without complying with Sections 201 and 301 of the Oklahoma Securities Act.

4. No exemption is available for this offering under Regulation B because the offering sheet used failed to comply with Rules 330(a) and 330(b) of Regulation B (17 CFR 230.330(a) and (b)) by failing to disclose that Petco Oil & Gas, Inc., an affiliate of the offeror, is and has been subject to an order of temporary suspension issued by the Commision on December 17, 1975.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of investors that the exemption be permanently suspended.

Accordingly, *it is ordered*, pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemption from registration with respect to Kentucky Crude Oil & Gas, Inc.'s Koehn No. 1, Eck "B" No. 1, Federal NE 1–7 and Federal NW 1–7 (20–2134A1 through 20–2134A4, inclusive) offerings be, and hereby is, permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76–34315 Filed 11–19–76;8:45 am]

[Administrative Proceeding File Nos. 3–4747 and 3–4771—3–4787]

MERICLE OIL CO.

Order Permanently Suspending Regulation B Exemption

In the matter of Schedule D Offering Sheets filed by Mericle Oil Co., Phoenix, Arizona; Mitchell Lease—Chicago Martinex Field: Well No. 35–30 (File No. 20–1686A2, 3–4747), Well No. 35–31 (File No. 20–1686A4, 3–4771), Well No. 35–32 (File No. 20–1686A5, 3–4772), Well No. 35–49 (File No. 20–1686A6, 3–4773), Well No. 35–33 (File No. 20–1686A7, 3–4774), Well No. 35–50 (File No. 20–1686A8, 3–4775), Well No. 35–34 (File No. 20–1686A9, 3–4776), Well No. 35–51 (File No. 20–1696A10, 3–4777), Well No. 35–101 (File No. 20–1686A11, 3–4778), Well No. 35–35 (File No. 20–1686A12, 3–4779).

Mitchell Lease, Chico-Martinez Field: Well No. 35–36 (File No. 20–1686A13, 3–4780), Well No. 35–52 (File No. 20–1686A14, 3–4781), Well No. 35–53 (File No. 20–1686A15, 3–4782), Well No. 35–102 (File No. 20–1686A16, 3–4783), Well No. 35–103 (File No. 20–1686A17, 3–4784), Stonestreet Lease, Well No. M–2 (File No. 20–1686A18, 3–4785).

Mitchell Lease, Chico-Martinez Field: Well No. 35–37 (File No. 20–1686A19, 3–4786), Stonestreet Lease, Well No. M–6 (File No. 20–1686A20, 3–4787).

On October 1, 1975, the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheets filed by Mericle Oil Company stating that it had reasonable cause to believe that:

1. No exemption is available for these offerings under Regulation B according to Rule 306(a)(6) because Co-Operative Oil Investments, Inc. was an affiliate of Mericle Oil Company on November 23, 1973 at the time an order of permanent suspension was entered against an offering sheet filed by Co-Operative Oil Investments, Inc. on January 22, 1973.

2. No exemption is available for these offerings under Regulation B because the offering sheets failed to comply with Rules 330(a) and 330(b) of Regulation B by failing to disclose that a Regulation B offering sheet of Mericle Oil Company's affiliate, Co-Operative Oil Investments, Inc. is and has been the subject of an order of permanent suspension since November 23, 1973, the date of the order.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of investors that the exemption be permanently suspended.

Accordingly, *It is Ordered*, Pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemptions from registration with respect to the above-captioned Mericle Oil Company's offerings be, and hereby are, permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76–34385 Filed 11–19–76;8:45 am]

[Release No. 12976]

MIDWEST STOCK EXCHANGE, INC.

Order Approving Proposed Rule Change By the Midwest Stock Exchange, Inc. (SR–MSE–76–14)

NOVEMBER 15, 1976.

In the matter of Midwest Stock Exchange, Inc., 120 South Lasalle Street, Chicago, Illinois 60630.

On August 26, 1976 the Midwest Stock Exchange, Incorporated ("MSE") filed with the Commission, pursuant to section 19(b) of the Securities Exchange Act of 1934 (the "Act"), as amended by the Securities Acts Amendments of 1975, and Rule 19b–4 thereunder, copies of a proposed rule change to amend the MSE Certificate of Incorporation and Constitution to provide the membership structure for its planned entry into option trading.[1] This submission was amended by three separate amendments submitted on August 26, 1976, October 12, 1976, and October 22, 1976, respectively.

Notice of the proposed rule change together with the terms of substance of the proposed rule change was given by publication of a Commission Release (Securities Exchange Act Release No. 34–12780, (September 9, 1976)) and by publication in the FEDERAL REGISTER (41 FR 39856, (September 16, 1976)).

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to national securities exchanges, and in particular, the requirements of section 6 and the rules and regulations threunder.

[1] MSE has substantially filed proposed rule changes and policies for the regulation of its program (SR–MSE–76–21) published in Release 34–12881, 41 FR 45921. That proposal is not the subject of the present approval order.

It Is Therefore Ordered, Pursuant to section 19(b)(2) of the Act, that the above-mentioned proposed rule change be, and it hereby is, approved.

By the Commission.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-34386 Filed 11-19-76;8:45 am]

[Administrative Proceeding File No. 3-4950]

RIO GRANDE OIL CO.

Order Permanently Suspending Regulation B Exemption

NOVEMBER 16, 1976.

In the matter of Schedule D offering Sheets filed by Rio Grande Oil Co., Houston, Texas; O'Brien No. 18 Lease (Filed No. 20-2095A9, 3-4950).

On January 27, 1976, the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheet filed by Rio Grande Oil Company (Rio Grande), stating that it had reasonable cause to believe that:

(1) No exemption is available for this offering under Regulation B according to Rule 306(a)(ii) (17 CFR 230.306(a)(ii)) because Rio Grande was restrained from selling securities in or from the State of Texas by a State Court in Harris County, Texas, on December 15, 1975.

(2) No exemption is available for this offering under Regulation B because the offering sheet failed to comply with Rules 330(a) and 330(b) (17 CFR 230.330(a) and 230.330(b)) by:

(a) Failing to disclose that Thomas J. Norton, a controlling stockholder of Rio Grande, is presently a defendant in a lawsuit filed by the Commission in May 1975, alleging violations of the federal securities laws;

(b) Failing to disclose that Lawrence Gardner, a salesman for Rio Grande, was indicted on January 22, 1975, by a grand jury in Harris County, Texas, on charges of violating the Texas Securities Act; and,

(c) Making an untrue statement of a material fact by stating in the offering sheet that there was no pending litigation, when Rio Grande had no reasonable grounds to believe that such statement was substantially correct.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of investors that the exemption be permanently suspended.

Accordingly, *It Is Ordered*, Pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemption from registration with respect to Rio Grande's O'Brien No. 1 Lease (20-2095A) offerings be, and hereby is permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-34387 Filed 11-19-76;8:45 am]

[Administrative Proceeding File No. 3-4949]

RIO GRANDE OIL CO.

Order Permanently Suspending Regulation B Exemption

NOVEMBER 16, 1976.

In the matter of Schedule D Offering Sheets filed by Rio Grande Oil Co., Houston, Texas; Hoegemeyer No. 1 Lease (File No. 20-2095A8, 3-4949).

On January 27, 1976, the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheet filed by Rio Grande Oil Company (Rio Grande), stating that it had reasonable cause to believe that:

(1) No exemption is available for this offering under Regulation B according to Rule 306(a)(ii) (17 CFR 230.306(a)(ii)) because Rio Grande was restrained from selling securities in or from the State of Texas by a State Court in Harris County, Texas, on December 15, 1975.

(2) No exemption is available for this offering under Regulation B because the offering sheet failed to comply with Rules 330(a) and 330(b) (17 CFR 230.330(a) and 230.330(b)) by:

(a) Failing to disclose that Thomas J. Norton, a controlling stockholder of Rio Grande, is presently a defendant in a lawsuit filed by the Commission in May 1975, alleging violations of the federal securities laws;

(b) Failing to disclose that Lawrence Gardner, a salesman for Rio Grande, was indicted on January 22, 1975, by a grand jury in Harris County, Texas, on charges of violating the Texas Securities Act; and,

(c) Making an untrue statement of a material fact by stating in the offering sheet that there was no pending litigation, when Rio Grande had no reasonable grounds to believe that such statement was substantially correct.

3. No exemption is available for this offering under Regulation B according to Rule 334(a)(iv) (17 CFR 230, 334(a)(iv)) because Rio Grande has failed to cooperate with and has obstructed and refused to permit the making of an investigation by the Commission in connection with the offering.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of investors that the exemption be permanently suspended.

Accordingly, *It is ordered*, pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemption from registration with respect to Rio Grande's Hoegemeyer No. 1 Lease (20-2095A8) offering be, and hereby is, permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-34388 Filed 11-19-76;8:45 am]

[Administrative Proceeding File No. 3-4947]

RIO GRANDE OIL CO.

Order Permanently Suspending Regulation B Exemption

NOVEMBER 16, 1976.

In the matter of Schedule D Offering Sheets filed by Rio Grande Oil Co., Houston, Texas; Louvier No. 1 Lease (File No. 20-2095A6, 3-4947).

On January 27, 1976, the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheet filed by Rio Grande Oil Company (Rio Grande), stating that it had reasonable cause to believe that:

(1) No exemption is available for this offering under Regulation B according to Rule 306(a)(ii) (17 CFR 230.306(a)(ii)) because Rio Grande was restrained from selling securities in or from the State of Texas by a State Court in Harris County, Texas, on December 15, 1975.

(2) No exemption is available for this offering under Regulation B because the offering sheet failed to comply with Rules 330(a) and 330(b) (17 CFR 230.330(a) and 230.330(b)) by:

(a) Failing to disclose that Thomas J. Norton, a controlling stockholder of Rio Grande, is presently a defendant in a lawsuit filed by the Commission in May 1975, alleging violations of the federal securities laws;

(b) Failing to disclose that Lawrence Gardner, a salesman for Rio Grande, was indicted on January 22, 1975, by a grand jury in Harris County, Texas, on charges of violating the Texas Securities Act;

(c) Failing to disclose that on December 15, 1975, a State Court in Harris County, Texas, entered a temporary restraining order against Rio Grande, which order restrained the sale of securities in or from the State of Texas; and,

(d) Making an untrue statement of a material fact by stating in the offering sheet that there was no pending litigation, when Rio Grande had no reasonable grounds to believe that such statement was substantially correct.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of investors that the exemption be permanently suspended.

Accordingly, *It is ordered*, Pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemption from registration with respect to Rio Grande's Louvier No. 1 Lease (20-2095A6) offerings be, and hereby is, permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-34389 Filed 11-19-76;8:45 am]

[Administrative Proceeding File Nos. 3-4945 and 3-4948]

RIO GRANDE OIL CO.

Order Permanently Suspending Regulation B Exemption

NOVEMBER 16, 1976.

In the matter of Schedule D Offering Sheets filed by RIO GRANDE Oil Co., Houston, Texas; Pearmon No. 1 Lease (File No. 20-2095A4, 3-4945), J. C. Mitchell No. 1 Lease (File No. 20-2095A7, 3-4948).

On January 27, 1976, the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheets filed by Rio Grande Oil Company (Rio Grande), stating that it had reasonable cause to believe that:

(1) No exemption is available for these offerings under Regulation B according to Rule 306(a)(ii) (17 CFR 230.306(a)(ii)) because Rio Grande was restrained from selling securities in or from the State of Texas by a State Court in Harris County, Texas, on December 15, 1975.

(2) No exemption is available for these offerings under Regulation B because Rio Grande failed to comply with Rule 310(b) (17 CFR 230.310(b)) by failing to deliver the offering sheet to prospective investors at or prior to the time of the initial offer.

(3) No exemption is available for these offerings under Regulation B because Rio Grande failed to comply with Rule 310(d) (17 CFR 230.310(d)) by failing to deliver the offering sheet to investors at least 48 hours before sales were made.

(4) No exemption is available for these offerings under Regulation B because Rio Grande failed to comply with Rule 318(b) (17 CFR 230.318(b)) by utilizing, in addition to the offering sheet, prohibited sales literature in connection with the offering.

(5) No exemption is available for these offerings under Regulation B because the offering sheet failed to comply with Rules 330(a) and 330(b) (17 CFR 230.330(a) and 230.330(b)) by:

(a) Failing to disclose that Thomas J. Norton, a controlling stockholder of Rio Grande, is presently a defendant in a lawsuit filed by the Commission in May 1975, alleging violations of the federal securities laws;

(b) Failing to disclose that Lawrence Gardner, a salesman for Rio Grande, was indicted on January 22, 1975, by a grand jury in Harris County, Texas, on charges of violating the Texas Securities Act;

(c) Failing to disclose that on December 15, 1975, a State Court in Harris County, Texas, entered a temporary restraining order against Rio Grande, which order restrained the sale of securities in or from the State of Texas;

(d) Making an untrue statement of a material fact by stating in the offering sheet that there was no pending litigation, when Rio Grande had no reasonable grounds to believe that such statement was substantially correct.

(6) No exemption is available for these offerings under Regulation B according to Rule 334(a)(iv) (17 CFR 230.334(a)(iv)) because Rio Grande has failed to cooperate with and has obstructed and refused to permit the making of an investigation by the Commission in connection with the offering.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of investors that the exemption be permanently suspended.

Accordingly, *it is ordered*, Pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemption from registration with respect to Rio Grande's Pearmon No. 1 Lease (20-2095A4) and J. C. Mitchell No. 1 Lease (20-2095A7) offerings be, and hereby are, permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-34390 Filed 11-19-76;8:45 am]

[Administrative Proceeding File Nos. 3-4942, etc.]

RIO GRANDE OIL CO.

Order Permanently Suspending Regulation B Exemption

NOVEMBER 16, 1976.

In the matter of Schedule D offering sheets filed by Rio Grande Oil Co., Houston, Texas, No. 1 Hastings Lease (File No. 20-2095A1, 3-4942), Avis No. 1 Lease (File No. 20-2095A2, 3-4943), No. 1 Beasley Lease (File No. 20-2095A3, 3-4944), Judy No. 1 Lease (File No. 20-2095A5, 3-4946).

On January 27, 1976, the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheets filed by Rio Grande it had reasonable cause to believe that Oil Company (Rio Grande), stating that

No exemption is available for this offering under Regulation B because the offering sheet failed to comply with Rules 330(a) and 330(b) (17 CFR 230.330(a) and 230.330(b)) by:

(a) Failing to disclose that Thomas J. Norton, a controlling stockholder of Rio Grande, is presently a defendant in a lawsuit filed by the Commission in May 1975, alleging violation of the Federal securities laws;

(b) Failing to disclose that Lawrence Gardner, a salesman for Rio Grande, was indicted on January 22, 1975, by a grand jury in Harris County, Texas, on charges of violating the Texas Securities Act; and

(c) Making an untrue statement of a material fact by stating in the offering sheet that there was no pending litigation, when Rio Grande had no reasonable grounds to believe that such statement was substantially correct.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of invesors that the exemption be permanently suspended.

Accordingly, *It Is Ordered*, pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemption from registration with respect to Rio Grande's No. 1 Hastings Lease (20-2095A1), Avis No. 1 Lease (20-2095A2), No. 1 Beasley Lease (20-2095A3) and Judy No. 1 Lease (20-2095A5) offerings be, and hereby are permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-34391 Filed 11-19-76;8:45 am]

[Administrative Proceeding File No. 3-4984 and 3-4985]

SOUTHERN CRUDE OIL AND GAS CO., INC.

Order Permanently Suspending Regulation B Exemption

NOVEMBER 16, 1976.

In the matter of Schedule D offering sheets filed by Southern Crude Oil and Gas Co., Inc., Metairie, Louisiana, Southern Keel No. 1 (File No. 20-2117A1, 3-4984), Southern Keel No. 2 (File No. 20-2117A2, 3-4985).

On March 12, 1976, the Commission issued an order temporarily suspending the Regulation B exemption in the captioned offering sheets filed by Southern Crude Oil and Gas Co., Inc. (Southern Crude) stating that it had reasonable cause to believe that:

(1) The offering was made in violation of the antifraud provisions of section 17(a) of the Securities Act of 1933 and section 10(b) of the Securities Exchange Act of 1934, and Rule 10b-5 thereunder, in that Southern Crude, while engaged in the offering, directly and indirectly, made use of the means and instruments of transportation and communication in interstate commerce and of the means and instrumentalities of interstate commerce, and in connection with the offer and sale of this offering, made to prospective purchasers and investors untrue statements of material facts and omitted to state material facts necessary to make the statements made, in light of the circumstances under which they were made, not misleading, including, but not limited to, the following:

(a) That the Southern Crude Keel No. 1 was in the same field and adjacent to a Petco Oil & Gas, Inc. well which was producing, when, in fact, that was not the case;

(b) That the salesman owned Southern Crude and was retaining from 20 percent to 25 percent of the offering for himself, when, in fact, he was a commissioned salesman with no ownership of interests offered;

(c) That there was little or no risk involved in purchasing interests in a well to be drilled, when, in fact, there is always a great deal of risk in drilling for oil and gas;

(d) That only a few interests remained in the offering to be sold and the investor would lose his chance to invest if he did not immediately send in his money, when, in fact, these statements were made throughout the offering and bore no relation to the number of units available;

(e) That an investment in a well to be drilled by Southern Crude was 100 percent tax deductible, when, in fact, a portion of the investment was not deductible;

(f) That it would take a "freak of nature" to cause the Southern Crude wells to be a non-producer, when, in fact, there is no way to ascertain whether a well will produce until it is drilled;

(g) That the cost of drilling and completing the well would total $106,400, when, in fact, Southern Crude had entered into a turnkey contract which fixed the price at no more than $70,000;

and including, but not limited to, the following omissions:

(a) That the funds paid by investors to Southern Crude would be diverted by the owners of the firm for their own personal use and benefit and would not be used in the manner represented in the offering sheets;

(b) That neither of the owners of Southern Crude, Martin Kingshill III and John Ernest Faletti, nor any of the firm's salesmen had any prior experience in the oil and gas business other than their association with other firms selling interests pursuant to a purported regulation B exemption;

(c) That Southern Crude did not own the leases in which fractional undivided interests were being offered to investors;

(d) That the firm's sales manager, William Brewer, received substantial overriding sales commissions on the sales of the interests offered;

(a) That no wells ever drilled by any company with which Martin Kingshill III, John Ernest Falletti, or William Brewer were associated has produced oil or gas in quantities stated in the offering sheets as necessary to return to investors their initial capital investment;

(f) That Southern Crude failed to comply with the requirements of Regulation B in the offer and sale of fractional undivided working interests and therefore, no exemption from registration was available.

(2) No exemption is available for this offering under Regulation B because the offering sheets used failed to comply with Rules 330 (a) and (b) (17 CFR 230.330 (a) and (b)) by containing untrue statements of material facts and by omitting to state material facts necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading, including, but not limited to, the statement that the cost of drilling and completing the well would total $106,400, when, in fact, Southern Crude had entered into a turnkey contract which fixed the price at no more than $70,000, and including, but not limited to, the following omissions:

(a) That the funds paid by investors to Southern Crude would be diverted by the owners of the firm for their own personal use and benefit and would not be used in the manner represented in the offering sheet;

(b) That neither of the owners of Southern Crude, Martin Kingshill III and John Ernest Faletti, nor any of the firm's salesman, had any prior experience in the oil and gas business other than their association with other firms selling interests pursuant to a purported Regulation B exemption;

(c) That Southern Crude did not own the leases in which fractional undivided interests were being offered to investors;

(d) That the firm's sales manager, William Brewer, received substantial overriding sales commissions on the sales of the interests offered;

(e) That no wells ever drilled by any company with which Martin Kingshill III, John Ernest Faletti, or William Brewer were associated, has produced oil or gas in quantities stated in the offering sheets as necessary to return to investors their initial capital investment;

(f) That Southern Crude failed to comply with the requirements of Regulation B in the offer and sale of fractional undivided working interests and therefore, no exemption from registration was available.

(3) No exemption is available for these offering sheets under Regulation B because Southern Crude failed to comply with Rule 310(b) (17 CFR 230.310(b)) by failing to deliver copies of the offering sheets to the investors at or prior to the time of the initial offer.

No hearing having been requested by the issuer within thirty days after the entry of the order temporarily suspending its exemption under Regulation B, the Commission finds that it is in the public interest and for the protection of investors that the exemption be permanently suspended.

Accordingly, *It Is Ordered*, pursuant to Rule 334 of Regulation B under the Securities Act of 1933, that the exemption from registration with respect to Southern Crude's Southern Keel No. 1 (20-2117A1) and Southern Keel No. 2 (20-2117A2) offerings be, and hereby are, permanently suspended.

For the Commission, by its Secretary, pursuant to delegated authority.

GEORGE A. FITZSIMMONS,
Secretary.

[FR Doc.76-31392 Filed 11-19-76;8:45 am]

SMALL BUSINESS ADMINISTRATION

[License No. 06/060171]

FIRST OKLAHOMA VENTURE CORP.

Approval of the Transfer of Control of A Small Business Investment Company

On October 19, 1976, a notice was published in the FEDERAL REGISTER (41 FR 46063) stating that First Oklahoma Venture Corporation (First Oklahoma), 120 North Robinson Avenue, Oklahoma City, Oklahoma 73102, had filed an application with the Small Business Administration (SBA), pursuant to Section 107.701 of the Rules and Regulations governing small business investment companies (13 CFR 107.701 (1976)), for the transfer of control of this company to First Bancshares, Incorporated, 121 S.W. 4th Street, Bartlesville, Oklahoma 74003. With the approval of SBA, the offices of First Oklahoma have been moved to Suite 402, Professional Building, Bartlesville, Oklahoma 74003.

Interested parties were given to the close of business November 3, 1976, to submit their written comments to SBA.

Notice is hereby given that, having considered the application and all other information, SBA approved this application for transfer of control effective November 8, 1976.

(Catalog of Federal Domestic Assistance Program No. 59.0011, Small Business Investment Companies.)

Dated: November 11, 1976.

PETER F. MCNEISH,
Deputy Associate Administrator for Investment.

[FR Doc.76-34340 Filed 11-19-76;8:45 am]

DEPARTMENT OF STATE

Agency for International Development

VOLUNTARY FOREIGN AID ADVISORY COMMITTEE

Meeting

Pursuant to Executive Order 11769 and the provisions of section 10(a)(2), Pub. L. 92-463, Federal Advisory Committee Act, notice is hereby given of the meeting of the Advisory Committee on Voluntary Foreign Aid which will be held on December 16, 1976, from 9:30 a.m. to 12:30 p.m., and from 2:00 p.m. to 5:00 p.m., in Room 1309A, Loy Henderson Conference Room, New State Building, 21st and Virginia Avenue, N.W.

The purpose of the meeting will be to obtain public comment and discussion of recommendations regarding the recent Congressional requirement for a "registry" of all private and voluntary organizations eligible for U.S. Government assistance; the criteria for inclusion in the registry; the role of the Committee with respect to such a registry; the advisory role of the Committee; and to consider such other matters related to the foreign assistance advisory concerns of the Committee as may be appropriate.

The meeting will be open to the public. Any interested person may attend, appear before, or file statements with the Committee in accordance with procedures established by the Committee and to the extent time available for the meeting permits. Written statements may be filed before or after the meeting.

Dr. Fred O. Pinkham will be the A.I.D. representative at the meeting. Information concerning the meeting may be obtained from Mr. Robert S. McClusky, Telephone: AC202-632-1892. Persons desiring to attend the meeting should enter the New State Building through the Diplomatic Entrance, 22nd and C Streets.

Dated: November 15, 1976.

ALLAN R. FURMAN,
Acting Assistant Administrator for Population and Humanitarian Assistance.

[FR Doc.76-34414 Filed 11-19-76;8:45 am]

DEPARTMENT OF THE TREASURY

Customs Service

[T.D. 76-326]

GLASS BEADS FROM CANADA

Receipt of Notice From Petitioner Contesting Countervailing Duty Determination

On September 2, 1976, a final countervailing duty determination, Treasury Decision 76-247, was published in the FEDERAL REGISTER (41 FR 37103) in the case of glass beads from Canada not over six millimeters in diameter produced by Canasphere Industries, Ltd. The determination stated that imports of such glass beads "benefit from the payments or bestowals of bounties or grants within the meaning of section 303 of the Tariff Act of 1930, as amended (19 U.S.C. 1303). These benefits include a grant from the Federal Department of Regional Economic Assistance and an interest-free loan from the Saskatchewan Economic Development Corporation". The determination went on to state that "[i]t has also been determined that other allegations, including allegations of below-cost or preferential freight rates, of the purchase of the facility from the City of Moose Jaw at a favorable price, and of the ability of Canasphere to secure lines of credit not otherwise available without Government assistance have not been sustained by that quantum of proof necessary to enable the Department of the Treasury to conclude that 'bounties or grants' have, as to those allegations, been paid or bestowed." The petition which led to this determination was filed with the Customs Service on August 25, 1975.

On September 29, 1976, notification was received by the Department that Potters Industries, Inc., an American manufacturer of glass beads, desires to contest the negative portion of the above-noted determination before the United States Customs Court.

In accordance with the provisions of section 516, Tariff Act of 1930, as amended by the Trade Act of 1974 (19 U.S.C. 1516), publication is hereby made of the fact that the necessary notice has been received that an American manufacturer desires to contest the determination that, as to certain allegations, a bounty or grant is not being bestowed, within the meaning of section 303, Tariff Act of 1930, as amended (19 U.S.C. 1303), on certain glass beads from Canada.

LEONARD LEHMAN,
Acting Commissioner of Customs.

Approved: November 15, 1976.

JERRY THOMAS,
Under Secretary of the Treasury.

[FR Doc.76-34383 Filed 11-19-76;8:45 am]

Office of the Secretary

[Treasury Department Order No. 249-3]

COMMISSIONER, BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

Delegation of Authority To Perform the Secretary of the Treasury's Responsibilities Pertaining to Surety Companies Acceptable on Federal Bonds

By virtue of the authority vested in the Secretary of the Treasury, including the authority in Reorganization Plan No. 26 of 1950, and by virtue of the authority vested in me as Fiscal Assistant Secretary by Treasury Department Order No. 190, as revised, there is hereby delegated to the Commissioner, Bureau of Government Financial Operations, the authority of the Secretary of the Treasury under 6 U.S.C. 6-13, and the regulations issued to carry out those responsibilities.

The authority herein delegated may be further redelegated by the Commissioner, Bureau of Government Financial Operations.

I hereby ratify and confirm any actions taken by the Commissioner, Bureau of Government Financial Operations, or his delegates in exercise of the authority delegated herein. Treasury Department Order No. 229-2, dated February 20, 1976, is hereby rescinded.

Dated: November 5, 1976.

DAVID MOSSO,
Fiscal Assistant Secretary.

[FR Doc.76-34333 Filed 11-19-76;8:45 am]

[Treasury Dept. Order No. 244]

COMMISSIONER, BUREAU OF GOVERNMENT FINANCIAL OPERATIONS

Delegation of Authority

Authority to represent the shipper interest of the civilian agencies of the Federal Government in a motor carrier operating right proceeding before the Interstate Commerce Commission.

Pursuant to the authority delegated to the Secretary of the Treasury by General Services Administration Federal Property Management Regulations, Temporary Regulation G-29, 41 FR 44900 (1976), including the authority in Reorganization Plan No. 26 of 1950, which was delegated to me in Treasury Order No. 190, as revised, it is hereby ordered that:

1. The authority delegated to the Secretary of the Treasury by General Services Administration Federal Property Management Regulations, Temporary Regulation G-29, 41 FR 44900 (1976) is delegated to the Commissioner, Bureau of Government Financial Operations.

2. This authority may be redelegated to any officer or employee under his supervision and control. Authority delegated under this paragraph may not be redelegated.

3. This delegation is effective: July 1, 1976.

Dated: November 9, 1976.

WARREN F. BRECHT,
Assistant Secretary (Administration).

[FR Doc.76-34336 Filed 11-19-76;8:45 am]

INTERSTATE COMMERCE COMMISSION

[Notice No. 194]

ASSIGNMENT OF HEARINGS

NOVEMBER 17, 1976.

Cases assigned for hearing, postponement, cancellation or oral argument appear below and will be published only once. This list contains prospective assignments only and does not include cases previously assigned hearing dates. The hearings will be on the issues as presently reflected in the Official Docket of the Commission. An attempt will be made to publish notices of cancellation of hearings as promptly as possible, but interested parties should take appropriate steps to insure that they are notified of cancellation or postponements of hearings in which they are interested.

MC 12662 (Sub 5), Audet and Megantic Transport, Ltd. now being assigned January 24, 1977 (1 week) at Concord, New Hampshire in a hearing room to be later designated.

MC 142263, Meteghan Trucking, Ltd. now being assigned January 19, 1977 (3 days) at Boston, Massachusetts in a hearing room to be later designated.

AB-1 (Sub-No. 50), Chicago and North Western Transportation Company Abandonment Between Sleepy Eye and Redwood Falls, In Redwood and Brown Counties, Minnesota, now assigned December 7, 1976 at Redwood Falls, Minnesota; will be held in the National Guard Armory, North De Kalb Street.

MC 118202 (Sub-No. 50), Schultz Transit, Inc., now assigned December 9, 1976 at St. Paul, Minnesota; will be held in Court Room 2 Federal Building, 316 North Roberts Street.

MC 128772 (Sub-No. 12), Star Bulk Transport, Inc., now assigned December 10, 1976 at St. Paul, Minnesota; will be held in Court Room 2 Federal Building, 316 North Roberts Street.

MC-F-12808, BN Transport, Inc.—Purchase (Portion)—Joliet Warehouse and Transfer Company and MC 63562 (Sub-No. 54), BN Transport, Inc., now assigned December 13, 1976 at Chicago, Illinois; will be held in Room 1319 Everett McKinley Dirksen Building, 219 South Dearborn Street.

MC-C 8974, Mrs. Charles Hodgens, Individual, dba Tour of the Month Club and Greyhound World Tours, Inc. V.S. & C. Corporation, dba Piedmont Tours now assigned December 15, 1976 at Columbia, South Carolina and will be held in Court No. 3, City Municipal Courthouse, 811 Washington Street.

MC-F 12707, The Chief Freight Lines Co.—Control and Merger—Morrison Motor Freight, Inc. now assigned January 11, 1977

at Tulsa, Oklahoma and will be held in Room 3469, Page Belcher Federal Building, 333 West 3rd Street.

MC 128555 (Sub 10), Meat Dispatch, Inc. now assigned December 8, 1976 at Buffalo, New York and will be held in Room No. 1320, 1111 West Huron.

MC 130378, B.W.C. Transportation Agency, Inc. now assigned December 13, 1976 at Buffalo, New York and will be held in Room No. 1320, 1111 West Huron.

MC 114211 (Sub-No. 290), Warren Transport, Inc., now being assigned December 2, 1976 (2 days) at San Francisco, Ca.; in Suite 500, 5th Floor, 211 Main Street.

AB 46 (Sub-No. 11), Chicago, Rock Island and Pacific Railroad Co.—Abandonment of Trackage Rights—Over Missouri Pacific Railroad and Texas & Pacific Railway Between Lamourie & Alexandria; Abandonment of Line Between Eunice & Lamourie; and Abandonment of Operation Between Eunice & Alexandria, Louisiana, now assigned December 2, 1976 at Eunice, Louisiana; will be held in Meeting Room Saint Landry Bank & Trust Company, 101 North Second Street.

H. G. HOMME, Jr.,
Acting Secretary.

[FR Doc.76-34481 Filed 11-19-76;8:45 am]

FOURTH SECTION APPLICATIONS FOR RELIEF

NOVEMBER 17, 1976.

An application, as summarized below, has been filed requesting relief from the requirements of section 4 of the Interstate Commerce Act to permit common carriers named or described in the application to maintain higher rates and charges at intermediate points than those sought to be established at more distant points.

Protests to the granting of an application must be prepared in accordance with Rule 40 of the General Rules of Practice (49 CFR 1100.40) and filed within 15 days from the date of publication of this notice in the FEDERAL REGISTER.

FSA No. 43278—*Joint Water-Rail Container Rates—Seatrain International, S. A.* Filed by Seatrain International, S. A., (No. WEE-19), for itself and interested rail carriers. Rates on general commodities, between rail terminals in Texas and Louisiana, and European ports and terminals.

Grounds for relief—Water competition.

Tariffs—Seatrain International, S. A. tariffs I.C.C. Nos. 9, 10, 11, 12, 13, and 14. Rates are published to become effective on December 16, 1976.

FSA No. 43279—*Joint Water-Rail Container Rates—Seatrain International, S. A.* Filed by Seatrain International, S. A., (No. WEE-20), for itself and interested rail carriers. Rates on general commodities, between ports in the Caribbean, and rail carriers' terminals in Alabama, Florida, Louisiana and Texas.

Grounds for relief—Water competition.

Tariff—Seatrain International, S. A. tariff I.C.C. No. 21. Rates are published to become effective on December 17, 1976.

By the Commission.

H. G. HOMME, Jr.,
Acting Secretary.

[FR Doc.76-34483 Filed 11-19-76;8:45 am]

[Notice No. 68]

MOTOR CARRIER BOARD TRANSFER PROCEEDINGS

The following publications include motor carrier, water carrier, broker, and freight forwarder transfer applications filed under sections 212(b), 206(a), 211, 312(b), and 410(g) of the Interstate Commerce Act.

Each application (except as otherwise specifically noted) contains a statement by applicants that there will be no significant effect on the quality of the human environment resulting from approval of the application.

Protests against approval of the application, which may include a request for oral hearing, must be filed with the Commission on or before December 22, 1976. Failure seasonably to file a protest will be construed as a waiver of opposition and participation in the proceeding. A protest must be served upon applicants' representative(s), or applicants (if no such representative is named), and the protestant must certify that such service has been made.

Unless otherwise specified, the signed original and six copies of the protest shall be filed with the Commission. All protests must specify with particularity the factual basis, and the section of the Act, or the applicable rule governing the proposed transfer which protestant believes would preclude approval of the application. If the protest contains a request for oral hearing, the request shall be supported by an explanation as to why the evidence sought to be presented cannot reasonably be submitted through the use of affidavits.

The operating rights set forth below are in synopses form, but are deemed sufficient to place interested persons on notice of the proposed transfer.

No. MC-FC-76662, filed July 15, 1976. Transferee: Delmar L. Schull and Rosemary Shull a partnership, d.b.a. Beach-Crest Mobile Home Park and Sales, Ketchikan, AK 99901. Transferor: Wallace A. Crowe, d.b.a. Tongass Sanitation & A. Crowe Enterprises, Ketchikan, AK 99901. Applicants' representative: Richard Whittaker, Esquire, P.O. Box 13, Ketchikan, AK 99901. Authority sought for purchase by transferee of a portion of the operating rights of transferor, as set forth in Certificate No. MC 126972, as follows: Trailers designed to be drawn by passenger vehicles, in secondary movements, in truckaway service, between points in that part of Alaska east and south of an imaginary line constituting a southward extension of the United States (Alaska)-Canada (Yukon Territory) Boundary line. Transferee is presently authorized to operate as a common carrier under Certificate No. MC 127885 Sub. 2. Application has not been filed for temporary authority under Section 210a(b).

No. MC-FC-76734, filed November 16, 1976. Transferee: Marvin H. Doll, Rural Route 1, Box 98, Conway Springs, Kans. 67031. Transferor: Eugene E. Langner, (Mildred L. Langner, Survivor-in-Interest), 4728 South Pattie, Wichita, Kans. 67216. Applicants' representative: Roger L. Hiatt, attorney-at-law, 308 Casson Building, 6th & Topeka Blvd, Topeka, Kans. 66603. Authority sought for purchase by transferee of the operating rights set forth in Certificate No. MC 126108, issued November 24, 1964, in the name of Sunflower Company, Inc., and acquired by transferee herein pursuant to No. MC-FC-76430, approve March 22, 1976, and consummated May 3, 1976, as follows: Wheat, standard middlings, bran, mill feed, and wheat grey shorts, from Wichita, Kans., to Beebe, Clarksville, Conway, Damascus, Danville, Fort Smith, Heber Springs, Hot Springs, Mena, Morrilton, and Russellville, Ark. Transferee presently holds no authority from this Commission. Application has not been filed for temporary authority under Section 210a(b).

No. MC-FC-76777, filed November 11, 1976. Transferee: Shively's Services, Inc., 47 E. Union Blvd., Bethlehem, Pa. Transferor: Jacob J. Elliott Jr. and Alvin R. Roth, a partnership, doing business as Shively's 47 E. Union Blvd., Bethlehem, Pa. Applicant's representative: David M. Hirshorn, attorney-at-law, 1110 N.W. End Boulevard, Quakertown, Pa. 18951. Authority sought for purchase by transferee of the operating rights set forth in Certificate No. MC 34874 (Sub-No. 5), issued February 10, 1972, in the name of transferor, as follows: General commodities, except cement, commodities in bulk, and motor vehicles, between Allentown, Pa., on the one hand, and, on the other, points in Berks, Bucks, Carbon, Lehigh, Luzerne, Monroe, Montgomery, Northampton, and Schuylkill Counties, Pa., and Hunterdon and Warren Counties, N.J., restricted to the transportation of traffic having a prior or subsequent movement by rail. Transferee presently holds no authority from this Commission. Application has not been filed for temporary authority under Section 210a(b) of the Act.

No. MC-FC-76815, filed November 3, 1976. Transferee: Whatley Supply Co., Inc., doing business as Whatley Equipment Co., 230 Ross Clark Circle N.E., Dothan, Ala. 36301. Transferor: E. E. Caroll, doing business as Carroll Trucking Co., 200 Sixth Street, North, Montgomery, Ala. 36104. Applicants' representative: William K. Martin, attorney

at law, 57 Adams Ave., Montgomery, Ala. 36104. Authority sought for purchase by transferee of the operating rights of transferor as set forth in Certificate No. MC–133814 Sub-2, Sub-6, and Sub-7, issued March 9, 1970, August 31, 1970 and June 16, 1971, respectively, as follows: *Brick*, over irregular routes, from the plant site of Henry Brick Company, located at Selma, Ala., to points in Georgia, Mississippi, and Tennessee, from points in Jefferson County, Ala., to points in Alabama, Georgia, Florida, Mississippi, and Tennessee. *Used building materials*, over irregular routes, between points in Alabama, on the one hand, and, on the other, points in Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee. Brick from Coosada, Ala., to points in Georgia, Mississippi, a specified part of Tennessee and specified points in Florida. *Brick* and *tile*, except floor tile, from Montgomery, Ala., to points in Georgia, Mississippi, a specified part of Tennessee and points in a specified part of Florida. *Brick and clay products*, from Selma and Montgomery, Ala., to points in that part of Florida west of the Apalachicola River; and *Damaged and rejected shipments* of brick and clay products, from points in that part of Florida west of the Apalachicola River, to Selma and Montgomery, Ala. *Brick and Clay products*, from points in Florida, Georgia (except from points in Baldwin and Muscogee Counties, Ga.), Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee to points in Alabama. From Montgomery, Ala., to points in Louisiana, North Carolina, South Carolina, a specified part of Tennessee and to specified points in Florida. From Birmingham, Ala., to points in Louisiana, North Carolina and South Carolina. *Concrete silo blocks* and *articles* used in the installation and erection of concrete silos (except commodities in bulk and cement). From points in Alabama to points in Florida, Georgia, Mississippi and Tennessee. Transferee is presently authorized to operate as a contract carrier under permit No. MC 134054 and subs thereafter. Application has been filed for temporary authority under section 210a(b).

ROBERT L. OSWALD,
Secretary.

[FR Doc.76–34484 Filed 11–19–76;8:45 am]

[Notice No. 154]

MOTOR CARRIER TEMPORARY AUTHORITY APPLICATIONS

NOVEMBER 17, 1976.

The following are notices of filing of applications for temporary authority under Section 210a(a) of the Interstate Commerce Act provided for under the provisions of 49 CFR 1131.3. These rules provide that an original and six (6) copies of protests to an application may be filed with the field official named in the FEDERAL REGISTER publication no later than December 7, 1976. One copy of the protest must be served on the applicant, or its authorized representative, if any, and the protestant must certify that such service has been made. The protest must identify the operating authority upon which it is predicated, specifying the "MC" docket and "Sub" number and quoting the particular portion of authority upon which it relies. Also, the protestant shall specify the service it can and will provide and the amount and type of equipment it will make available for use in connection with the service contemplated by the TA application. The weight accorded a protest shall be governed by the completeness and pertinence of the protestant's information.

Except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application.

A copy of the application is on file, and can be examined at the Office of the Secretary, Interstate Commerce Commission, Washington, D.C., and also in the ICC Field Office to which protests are to be transmitted.

MOTOR CARRIERS OF PROPERTY

No. MC 94201 (Sub-No. 143TA), filed November 5, 1976. Applicant: BOWMAN TRANSPORTATION, INC., 1500 Cedar Grove Road, P.O. Box 17744, Atlanta, Ga. 30316. Applicant's representative: Donald B. Sweeney, Jr., 603 Frank Nelson Bldg., Birmingham, Ala. 35203. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Brass, bronze and copper pipe, fittings, rods, castings and valves or cocks*, from the plantsite, storage and warehouse facilities of Mueller Brass Company, at or near Covington, Tenn., to points in Alabama, Arkansas, Delaware, Florida, Georgia, Illinois, Indiana, Kentucky, Louisiana, Massachusetts, Mississippi, Missouri, North Carolina, Ohio, Rhode Island, South Carolina, Texas, Virginia; points in New York, New Jersey and Connecticut within 35 miles of Columbus Circle, N.Y.; Baltimore, Md.; Philadelphia, Pa., and Washington, D.C., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Muella Brass Company, c/o FPE, Route 1, Fort Mill, S.C. 29715. Send protests to: Sara K. Davis, Interstate Commerce Commission, 1252 W. Peachtree St., N.W., Room 546, Atlanta, Ga. 30309.

No. MC 95540 (Sub-No. 963TA), filed November 8, 1976. Applicant: WATKINS MOTOR LINES, INC., 1144 W. Griffin Road, P.O. Box 1636, Lakeland, Fla. 33801. Applicant's representative: Clyde W. Carver, Suite 212, 5299 Roswell Road, N.E., Atlanta, Ga. 30342. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Foods stuffs* (except commodities in bulk, in tank vehicles), from Kansas City, Mo., and Kansas City, Kans.; to points in Alabama, Georgia, Florida, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee, Virginia and West Virginia, for 180 days. Supporting shippers: Southeastern Public Service Company, P.O. Box 356, Bonner Springs, Kans. 66012. Bonded Frozen Foods Corp., P.O. Box 2666, Boise, Idaho 83701. Continental Processors, Inc., 985 Moraga Road, P.O. Box 414, Lafayette, Calif. 94549. Kansas City Cold Storage Corporation, 500 E. 3rd, Kansas City, Mo. 64106. Send protests to: Joseph B. Teichert, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Monterey Bldg., Suite 101, 8410 N.W. 53rd Terrace, Miami, Fla. 33166.

No. MC 106674 (Sub-No. 215TA) filed November 8, 1976. Applicant: SCHILLI MOTOR LINES, INC., P.O. Box 123, Remington, Ind. 47977. Applicant's representative: Jerry L. Johnson (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Propane, liquid*, in bulk, from West Kankakee, Ill., to points in Indiana, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Indiana Farm Bureau Cooperative Ass'n, Inc., 47 S. Pennsylvania St., Indianapolis, Ind. 46204. Send protests to: J. H. Gray, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 345 W. Wayne St., Room 204, Fort Wayne, Ind. 46802.

No. MC 111045 (Sub-No. 135TA) filed November 5, 1976. Applicant: REDWING CARRIERS, INC., P.O. Box 426, 7809 Palm River Road, Tampa, Fla. 33601. Applicant's representative: J. V. McCoy (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Sodium sulphite and mixtures thereof*, in bulk, in tank vehicles, from the plant site or storage facilities of Reichhold Chemicals, Inc., Montgomery, Ala., to the plantsite of Stone Container Corporation, Coshocton, Ohio, and the plantsite of Calgon Corporation, Frisco, Pa., for 180 days. Supporting shipper: Reichhold Chemicals, Inc., P.O. Box 1610, Reichhold Road, Tuscaloosa, Ala. 35401. Send protests to: Joseph B. Teichert, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Monterey Bldg., Suite 101, 8410 N.W. 53rd Terrace, Miami, Fla. 33166.

No. MC 113434 (Sub-No. 70TA), filed November 5, 1976. Applicant: GRABELL TRUCK LINE, INC., 679 Lincoln Ave., Holland, Mich. 49423. Applicant's representative: Wilhelmina Boersma, 1600 First Federal Bldg., Detroit, Mich. 48226. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Frozen foods*, from the plantsites and warehouse facilities of Chef-Pierre, in Grand Traverse County, Mich., to points in New York and New Jersey, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Chef-Pierre, Inc., P.O. Box 1009, Traverse City, Mich. 49684. Send protests to: C. R.

Flemming, District Supervisor, Bureau of Operations, Interstate Commerce Commission, 225 Federal Bldg., Lansing, Mich. 48933.

No. MC 114457 (Sub-No. 274TA), filed November 5, 1976. Applicant: DART TRANSIT COMPANY, 2102 University Ave., St. Paul, Minn. 55114. Applicant's representative: James H. Wills (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Polyurethane foam*, from Middleton, Wis., to points in Minnesota, Iowa, Illinois, and Michigan, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Future Foam, Incorporated, 400 N. 10th St., Council Bluffs, Iowa. Send protests to: Marion L. Cheney, Transportation Assistant, Interstate Commerce Commission, Bureau of Operations, 414 Federal Bldg., and U.S. Courthouse, 110 S. 4th St., Minneapolis, Minn. 55401.

No. MC 119789 (Sub-No. 313TA), filed November 8, 1976. Applicant: CARAVAN REFRIGERATED CARGO, INC., P.O. Box 6188, Dallas, Tex. 75222. Applicant's representative: James K. Newbold, Jr. (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Electrical appliances, equipment and supplies*, from Searcy, Ark., to points in Colorado, Idaho, Montana, Oregon and Washington, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Speed Queen, a McGraw Edison Division, 200 Queens Way, Searcy, Ark. 72143. Send protests to: Opal M. Jones, Transportation Assistant, Interstate Commerce Commission, 1100 Commerce St., Room 13C12, Dallas, Tex. 75242.

No. MC 119789 (Sub-No. 314TA) filed November 8, 1976. Applicant: CARAVAN REFRIGERATED CARGO, INC., P.O. Box 6188, Dallas, Tex. 75222. Applicant's representative: James K. Newbold, Jr. (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Prepared foodstuffs* between Opelousas, La., on the one hand, and, on the other, points in Arizona, California, New Mexico and Texas, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Louana Foods, Inc., P.O. Box 591, Opelousas, La. 70570. Send protests to: Opal M. Jones, Transportation Assistant, Interstate Commerce Commission, 1100 Commerce St., Room 13C12. Dallas, Tex. 75242.

No. MC 124594 (Sub-No. 1TA) filed November 8, 1976. Applicant: BRAZOS, INC., 1602 Main St., Lubbock, Tex. 79401. Applicant's representative: Richard Hubbert, 1607 Broadway, P.O. Box 2976, Lubbock, Tex. 79408. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *General commodities*, between Lubbock Regional Airport, located near Lubbock, Tex., and Lubbock, Tex., and DFW Airport, located near Dallas, Tex., and Dallas, Tex., restricted to shipments having an immediate prior or subsequent movement by air for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shippers: Burlington Northern Air Freight, P.O. Box 1311; and Texas Instruments, Inc., 2301 N. University, Lubbock, Tex. 79408. Profit By Air; and Airborne Air Freight, P.O. Box 61066, DFW Airport, Tex. 75261. Send protests to: Haskell E. Ballard, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Box H–4395 Herring Plaza, Amarillo, Tex. 79101.

No. MC 126899 (Sub-No. 111TA) filed November 9, 1976. Applicant: USHER TRANSPORT, INC., 3925 Old Benton Road, P.O. Box 3051, Paducah, Ky. 42001. Applicant's representative: George M. Catlett, 703–706 McClure Bldg., Frankfort, Ky. 40601. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Malt beverages*, in containers, *and empty malt beverage containers* on return, from Columbus, Ohio, to Buffalo, N.Y., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Try-It Distributing Co., Inc., 210 Industrial Parkway, Buffalo, N.Y. 14224. Send protests to: Floyd A. Johnson, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 110 N. Main St., Suite 2006, Memphis, Tenn. 38103.

No. MC 128527 (Sub-No. 71TA), filed November 5, 1976. Applicant: MAY TRUCKING CO., P.O. Box 398, Payette, Idaho 83611. Applicant's representative: Edward G. Rawle (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Meats, meat products, meat by-products and articles distributed by meat packinghouses* as described in *Descriptions in Motor Carrier Certificates*, 61 M.C.C. 209 and 766, from the facilities of Armour & Co., at or near Nampa, Idaho, to Clackamas and Portland, Oreg., and Seattle, Bellevue and Tacoma, Wash., restricted to the transportation of traffic originating at the named origin, for 180 days. Supporting shipper: Armour Food Company, 111 W. Clarendon, Greyhound Tower, Phoenix, Ariz. 85077. Send protests to: Barney L. Hardin, District Supervisor, 550 W. Fort St., Box 07, Boise, Idaho 83724.

No. MC 130310 (Sub-No. 2TA) filed November 9, 1976. Applicant: G. E. BELMORE, doing business as MOTOR TRANSIT COMPANY, 5822 N. Interstate, Portland, Oreg. 97217. Applicant's representative: Earle V. White, 2400 S.W. Fourth Ave., Portland, Oreg. 97201. Authority sough tto operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Compressed gases*, in cylinders; *Cylinders; cylinder trucks; welders' machinery, equipment, kits, accessories, parts, and supplies including metal, cable, calcium carbide, electrodes, hose;* (1) between Portland, Oreg., and Longview, Wash.; and (2) between Longview, Wash., on the one hand, and, on the other, points in Columbia and Clatsop Counties, Oreg., and Cowlitz, Wahkiakum and Pacific Counties, Wash., under a continuing contract with Liquid Air, Inc., for 180 days. Supporting shipper: Liquid Air, Inc., 3200 N.W. Yeon Ave., Portland, Oreg. 97210. Send protests to: R. V. Dubay, Transportation Specialist, Bureau of Operations, Interstate Commerce Commission, 114 Pioneer Courthouse, Portland, Oreg. 97204.

No. MC 134096 (Sub-No. 6TA) filed November 5, 1976. Applicant: TROPICANA TRANSPORTATION CORP., P.O. Box 338, Bradenton, Fla. 33506. Applicant's representative: Harold E. Spencer, 20 N. Wacker Drive, Room 1034, Chicago, Ill. 60606. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (1) (a) *Canned, chilled and frozen citrus products; citrus by-products; beverages; and beverage preparations*, from the plant and storage facilities of Tropicana Products, Inc., located at Bradenton and Fort Pierce, Fla., to the storage distribution facilities of Tropicana Products, Inc., located at Hammond, Ind., restricted to shipments moving to the named facilities for in-transit storage, and (b) the commodities listed in (a) above, from the destination facilities listed in (a) above to points in Illinois, Indiana, Iowa, Michigan, Minnesota, Ohio and Wisconsin, restricted to transited shipments from the named facilities, under a continuing contract with Tropicana Products, Inc., and (2) *Canned and frozen foods* (except in bulk), from the plant and storage facilities of Green Giant Company, located at Belvidere and Chicago, Ill.; Lafayette, Ind.; Niles, Mich.; and points in Minnesota and Wisconsin, to the storage and distribution facilities of Green Giant Company, located in Florida and Georgia, under a continuing contract with Green Giant Company, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shippers: Tropicana Products, Inc., P.O. Box 338, Bradenton, Fla. 33506. Green Giant Company, 1100 N. 4th St., Le Sueur, Minn. 56058. Send protests to: Joseph B. Teichert, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Monterey Bldg., Suite 101, 8410 N.W. 53rd Terrace, Miami, Fla. 33166.

No. MC 134145 (Sub-No. 63TA), filed November 9, 1976. Applicant: NORTH STAR TRANNSPORT, INC., Route 1, Highway 1 and 59 West, Thief River Falls, Minn. 56701. Applicant's representative: Robert P. Sack, P.O. Box 6010, West St. Paul, Minn. 55118. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Three wheeled utility truck*, self-propelled, weighing less than 1500 pounds, from Roseau, Minn., to Spokane, Wash., Santa Ana, Calif.,

Gaithersburg, Md., and Fuquay Varina, N.C., under a continuing contract with Polaris, Division of Textron, Inc., for 180 days. Supporting shipper: Polaris, Division of Textron, Inc., Roseau, Minn. 56751. Send protests to: Ronald R. Mau, District Supervisor, Bureau of Operations, Interstate Commerce Commission, P.O. Box 2340, Fargo, N. Dak. 58102.

No. MC 134150 (Sub-No. 10TA), filed October 18, 1976. Applicant: SOUTHWEST EQUIPMENT RENNTAL, INC., doing business as SOUTHWEST MOTOR FREIGHT, INC., 2391 South Market St., Chattanooga, Tenn. 37410. Applicant's representative: Patrick E. Quinn, P.O. Box 82028, Lincoln, Nebr. 68501. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Heating and air conditioning equipment*, from Columbus and Bellevue, Ohio to points in the United States (except Alaska, Hawaii and Ohio), under contract with Johnson Corporation. RESTRICTED against the transportation of commodities which by reason of size or weight require the use of special equipment, for 180 days. Supporting shipper(s): Johnson Corporation, 851 West Third Avenue, Columbus, Ohio 43212. Send protests to: Joe J. Tate, District Supervisor, Bureau of Operations, ICC Suite A–422 U.S. Court House, 801 Broadway, Nashville, Tenn. 37203.

No. MC 140612 (Sub-No. 11TA), filed November 9, 1976. Applicant: ROBERT F. KAZIMOUR, P.O. Box 2011, 1200 Norwood Drive, S.E., Cedar Rapids, Iowa 52403. Applicant's representative: Robert F. Kazimour (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Processed fruits and vegetables*, packaged, from points in Oregon, to points in Iowa, Minnesota, Illinois, Indiana, Ohio, Kentucky, Tennessee and Texas, for 180 days. Supporting shipper: Agripac, Inc., P.O. Box 5346, Salem, Oreg. 97304. Send protests to: Herbert W. Allen, District Supervisor, Interstate Commerce Commission, Bureau of Operations, 518 Federal Bldg., Des Moines, Iowa 50309.

No. MC 140617 (Sub-No. 3TA), filed November 8, 1976. Applicant: KERN COUNTY TRANSFER, INC., P.O. Box 1641, Bakersfield, Calif. 93302. Applicant's representative: William J. Monheim, 15942 Whittier Blvd., P.O. Box 1756, Whittier, Calif. 90609. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Grape concentrate and wine* (except in bulk), moving in ocean containers for subsequent movement by water from the facilities of California Wine Association, at or near Delano, Calif., to points in the Los Angeles Harbor, Calif., Commercial zone as defined by the Commission, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: California Wine Association, P.O. Box 818, Delano, Calif. 93215. Send protests to: Mary A. Francy, Transportation Assistant, Interstate Commerce Commission, Bureau of Operations, Room 1321 Federal Bldg., 300 N. Los Angeles St., Los Angeles, Calif. 90012.

No. MC 141084 (Sub-No. 3 TA), (Correction) filed October 22, 1976, published in the FEDERAL REGISTER issue of November 5, 1976, and republished as corrected this issue. Applicant: NATIONAL FREIGHT LINES, INC., 6069 Maywood Ave., Huntington Park, Calif. 90058. Applicant's representative: Daniel C. Sullivan, 327 S. LaSalle St., Chicago, Ill. 60604. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Cleaning compounds*, from Cleveland, Ohio, to Los Angeles, Calif.; North Bergen, N.J.; and Atlanta, Ga. Restriction: Restricted to the transportation of traffic under a continuing contract with State Chemical Manufacturing Company, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: State Chemical Manufacturing Co., 3100 Hamilton Ave., Cleveland, Ohio. Send protests to: Mary A. Francy, Interstate Commerce Commission, Bureau of Operations, Room 1321 Federal Bldg., 300 N. Los Angeles St., Los Angeles, Calif. 90012. The purpose of this republication is to correct the applicant and applicant's representatives address.

No. MC 141570 TA, (correction) filed October 18, 1976, published in the FEDERAL REGISTER issue of November 8, 1976, and republished as corrected this issue. Applicant: WELDON G. WILSON, doing business as ADVANCE MOVING & STORAGE CO., 120 East "D," Altus, Okla. 73521. Applicant's representative: Weldon G. Wilson (same address as applicant). Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Pickup and delivery service, in connection with packing, crating and containerization or unpacking, uncrating and decontainerization* of household goods and military baggage, between Beckham, Greer, Harmon, Jackson, Custer, Dewey, Ellis, Roger Mills, Washita and Beaver Counties, Okla.; Childress, Collingsworth, Donley Hall, Gray, Wheeler, Roberts, Hemphill, Ochiltree and Lipscomb Counties, Tex., under a continuing contract with Chief, Contract Administration, for 180 days. Supporting shipper: Chief, Contract Administration, 443 MAW, Altus AFB, 443 MAW/LGP, Altus AFB, Okla. 73521. Send protests to: Haskell E. Ballard, District Supervisor, Interstate Commerce Commission, Bureau of Operations, Box H–4395 Herring Plaza, Amarillo, Tex. 79101. The purpose of this republication is to correct the applicant's name.

No. MC 142543 (Sub-No. 1TA), filed November 8, 1976. Applicant: L. D. FONTAINE, doing business as L. D. FONTAINE TRUCKING, 504 Riverview Blvd., Great Falls, Mont. 59404. Applicant's representative: L. D. Fontaine (same address as applicant). Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Apple cider*, when transported in the same vehicle with commodities exempt under 203(b)(6) of the Interstate Commerce Act, from Yakima, Wash., and the commercial zone thereof, including Selah, Wash., to ports of entry located at or near the United States–Canada International Boundary line at Eastport, Idaho, Sweetgrass, Mont., Raymond, Mont., Portal, N.Dak., and Noyes, Minn., restricted to traffic destined for all points in British Columbia, Alberta, Saskatchewan and Manitoba, Canada, for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Archie Kisinger, Traffic Manager, Scott National Company Limited, P.O. Box 4340, Station C, Calgary, Alberta, Canada T2T 5P2. Send protests to: Paul J. Lebane, District Supervisor, Interstate Commerce Commission, 2602 First Ave., North, Billings, Mont. 59101.

No. MC 142602TA, filed November 5, 1976. Applicant: CONTAINERIZED MOVING SERVICE, INC., 1327 Wilkes St., Alexandria, Va. 22304. Applicant's representative: Martin R. Martino, 475 L'Enfant Plaza, Suite 4400, Washington, D.C. 20024. Authority sought to operate as a *common carrier*, by motor vehicle, over irregular routes, transporting: *Household goods*, as defined by the Commission in containers, *and empty containers* used in the transportation of said household goods, between points in the United States (except Alaska, Hawaii, Idaho, Montana, Wyoming, North Dakota, South Dakota and Minnesota), for 180 days. Supporting shippers: There are approximately 9 statements of support attached to the application, which may be examined at the Interstate Commerce Commission in Washington, D.C., or copies thereof which may be examined at the field office named below. Send protests to: Interstate Commerce Commission, 12th & Constitution Ave., N.W., Room 1314, W. C. Hersman, District Supervisor, Washington, D.C. 20423.

No. MC 142603TA, filed November 5, 1976. Applicant: CONTRACT CARRIERS OF AMERICA, INC., P.O. Box 1968, Springfield, Mass. 01101. Applicant's representative: S. Michael Richards, 44 North Ave., P.O. Box 225, Webster, N.Y. 14580. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: *Abrasives*, from Chester and Westfield, Mass., to Fort Smith, Ark.; Compton, Los Angeles, Oakland, San Leandro, Whittier, Calif.; Hartford, Conn.; Coral Gables, Fla.; Atlanta, Ga.; Chicago, Moline, Morton Grove, Skokie, Ill.; Fortville, LaPorte, North Manchester, Ind.; Ottumwa, Iowa; Kansas City, Kans.; Louisville, Ky.; Frederick, Md.; Methuen, Mass.; Chelsea, Detroit, Grand Rapids, Jackson, Kalamazoo, Owosso, Oxford, Whitehall, Mich.; Minneapolis, St. Paul, Minn.; Liberty, Mo.; Belvidere, Cinnaminson, Dover, Glen Ridge, Irvington, Linden, Matawan, Paterson, Riverton,

N.J.; Fruitland, N. Mex.; Brooklyn, N. Tonawanda, Tonawanda, N.Y.; Aberdeen, N.C.; Barberton, Cincinnati, Columbus, Evendale, Newcomerstown, Oakley, Tiffin, Wooster, Ohio; Midwest City, Oklahoma City, Tulsa, Okla.; Altoona, Bribesburg, Lock Haven, Montgomery, Montgomeryville, Morgan, Pennsburg, Philadelphia, Sproul, Worcester, Zelienopole, Pa.; Charleston, S.C.; Arlington, Dallas, Ft. Worth, Highland, Houston, Laredo, Marshall, Tex.; Hampden, Hampton, Norfolk, Petersburg, Richmond, Va.; Brookfield, Sun Praire, Wis., under a continuing contract with Bendix-Abrasives Division, for 180 days. Supporting shipper: Bendix-Abrasives Division, Jackson, Mich. 49204. Send protests to: J. D. Perry, Jr., District Supervisor, 436 Dwight St., Room 338, Springfield, Mass. 01103.

No. MC 142607TA, filed November 5, 1976. Applicant: A. FUSCO SERVICE, INC., 3138 Webster Ave., Bronx, N.Y. 10467. Applicant's representative: Bruce J. Robbins, One Lafrak City Plaza, Flushing, N.Y. 11368. Authority sought to operate as a *contract carrier*, by motor vehicle, over irregular routes, transporting: (A) *Small electric kitchen appliances*, cartoned and uncartoned; between points in Baldwin, Castile, East Rochester, Mineola and Perry, N.Y., and points in the New York, N.Y. Commercial Zone as defined by the Commission; Secaucus and South Kearney, N.J., and Manchester, Ky.; (B) *Small electric kitchen appliances*, cartoned and uncartoned; from Baldwin, Castile, East Rochester, Mineola and Perry, N.Y.; Secaucus and South Kearny, N.J., and Manchester, Ky., to San Diego, Calif.; Miami, Fla.; Brownsville and Houston, Tex., and Seattle, Wash.; (C) *Returned, refused and rejected shipments* of the commodities described in (B) above, from the destination points to the origin points named in (B) above; and (D) *Materials, parts, equipment and supplies* used in manufacture, packaging, sale and distribution of small electric kitchen appliances; from Canonsburg and Canton, Pa.; Bloomfield, Hoboken, Phillipsburg, Secaucus, South Kearny and Vineland, N.J.; Buffalo, Mineola, Mo. Kisco, Syosset and Tonawanda, N.Y.; and points in the New York, N.Y. Commercial Zone as defined by the Commission and Muskogee, Okla., to Castile, East Rochester, Mineola and Perry, N.Y.; Secaucus and South Kearny, N.J., and Manchester, Ky. Restriction: The operations authorized herein are limited to a transportation service to be performed under a continuing contract with Van Wyck International Corporation, Mineola, N.Y., for 180 days. Applicant has also filed an underlying ETA seeking up to 90 days of operating authority. Supporting shipper: Van Wyck International Corporation, 49 Windsor Ave., Mineola, N.Y. 11501. Send protests to: Maria B. Kejss, Transportation Assitant, Interstate Commerce Commission, 26 Federal Plaza, New York, N.Y. 10007.

By the Commission.

H. G. Homme, Jr.,
Acting Secretary.

[FR Doc.76-34482 Filed 11-19-76;8:45 am]

[Notice No. 139]

TEMPORARY AUTHORITY TERMINATION

The temporary authorities granted in the dockets listed below have expired as a result of final action either granting or denying the issuance of a Certificate or Permit in a corresponding application for permanent authority, on the date indicated below:

Temporary authority application	Final action or certificate or permit	Date of action
Neuendorf Transportation Co., Inc., MC-2754 (Sub-26)	MC-2754 (sub-No. 27)	Sept. 2, 1976
The Kelley Transit Co., Inc., MC-2832 sub 10	MC-2832 sub 12	Aug. 4, 1976
A. & H. Truck Line, Inc. MC-2962 sub 53	MC-2962 sub 54	Aug. 10, 1976
D.b.a. Mack Transportation Co., MC-10223 sub 10	MC-10223 sub 11	Sept. 3, 1976
Dotseth Truck Line, Inc., MC-20992 sub 35	MC-20992 sub 36	Do.
Midland Truck Lines, Inc., MC-21227 Sub 10	MC-21227 sub 11	Aug. 17, 1976
Porter Truck Service Inc., MC-32213 sub 6	MC-32213 sub 7	Sept. 1, 1976
D.b.a. John Galt Line, MC-33899 sub 1	MC-33899 sub 2	Oct. 18, 1976
Central Motor Express, Inc., MC-38320 sub 16	MC-38320 sub 17	Aug. 23, 1976
Orscheln Bros. Truck Lines, Inc., MC-40387 sub 44	MC-40387 sub 45	July 20, 1976
Ellex Transportation, Inc., MC-52460 sub 160	MC-52460 sub 162	Sept. 1, 1976
Rauch Truck Lines, Inc., MC-55512 sub 1	MC-55512 sub 2	Do.
Gross & Hecht Trucking, Inc., MC-59806 sub 3	MC-59806 sub 4	Aug. 20, 1976
Herman Bros., Inc., MC-61396 sub 289	MC-61396 sub 290	Sept. 13, 1976
Navajo Freight Lines, Inc., MC-76032 sub 303	MC-76032 sub 256	Aug. 2, 1976
Dakota Express, Inc., MC-83217 sub 66	MC-83217 sub 69	Sept. 1, 1976
Dakota Express, Inc., MC-83217 sub 68	MC-83217 sub 67	Sept. 3, 1976
Vann Express Inc., MC-85621 sub 8	MC-85621 sub 9	Sept. 20, 1976
Transit Homes, Inc., MC-94350 sub 357	MC-94350 sub 360	Aug. 13, 1976
Watkins Motor Lines, Inc., MC-95540 sub 934	MC-95540 sub 935	Aug. 27, 1976
Victorville-Barstow Truck Line, MC-97863 sub 6	MC-97863 sub 7	July 20, 1976
Ross Neely Express, Inc., MC-99610 sub 23	MC-99610 sub 25	Sept. 1, 1976
Melton Truck Lines, Inc., MC-100666 sub 311	MC-100666 sub 297	July 19, 1976
Huston Truck Line, Inc., MC-104523 sub 61	MC-104523 sub 60	Sept. 10, 1976
Miller Transporters, Inc., MC-107002 sub 460	MC-107002 sub 462	Sept. 8, 1976
Bulk Carriers, Inc., MC-107010 sub 51	MC-107010 sub 52	July 19, 1976
Refrigerated Transport Co., Inc., MC-107515 sub 983	MC-107515 sub 990	Sept. 10, 1976
Groendyke Transport, Inc., MC-111401 sub 442	MC-111401 sub 449	Do.
Tractor Transport, Inc., MC-111717 sub 26	MC-111717 sub 27	July 16, 1976
Liquid Transporters, Inc., MC-112617 sub 334	MC-112617 sub 335	July 14, 1976
Bray Lines, Inc., MC-112822 sub 355	MC-112822 sub 357	Sept. 10, 1976
Slay Transportation Co., Inc., MC-113325 sub 138	MC-113325 sub 140	Aug. 23, 1976
Lester C. Newton Trucking Co., MC-113388 sub 108	MC-113388 sub 110	July 15, 1976
Dart Transit Co., MC-114457 sub 208	MC-114457 sub 222	Sept. 1, 1976
Propane Transport, Inc., MC-114969 sub 48	MC-114969 sub 49	July 16, 1976
Texas Oklahoma Express, Inc., MC-116004 sub 33	MC-116004 sub 34	Sept. 2, 1976
Western-Commercial Transport, Inc., MC-116063 sub 143	MC-116063 sub 145	Sept. 13, 1976
Scott Transfer Co. Inc., MC-116947 sub 34	MC-116947 sub 32	Sept. 2, 1976
Willis Shaw Frozen Express, Inc., MC-117119 sub 514	MC-117119 sub 515	Sept. 10, 1976
Kearney's Trucking Service, Inc., MC-129459 sub 10	MC-129459 sub 11	July 12, 1976
Charlotte Truck Service, Inc., MC-133559 sub 1	MC-133559 sub 2	Sept. 10, 1976
D.b.a. Zipco, MC-134022 sub 12	MC-134022 sub 13	Sept. 2, 1976
Acheraft Trucking, Inc., MC-135052 sub 8	MC-135052 sub 9	Aug. 20, 1976
Carolina Western Express, Inc., MC-136464 sub 5	MC-136464 sub 6	July 29, 1976
Loyd Simpson Trucking, MC-136532 sub 3	MC-136532 sub 4	July 14, 1976
Moore Transportation Co., Inc., MC-138104 sub 17	MC-138104 sub 10	Aug. 25, 1976
Wiley Sanders, Inc., MC-138882 sub 7	MC-138882 sub 9	Sept. 10, 1976
Transportation Services, Inc., MC-140016 sub 3	MC-140016 sub 4	Sept. 13, 1976
Joseph Jennaro and George Kroeos, a partnership, MC-140880	MC-140880 sub 1	July 30, 1976
C. Palumo Trucking Co., Inc., MC-140907 sub 1	MC-140907 sub 2	July 19, 1976
D.b.a. J. & V. Delivery Co., MC-141036 sub 1	MC-141036 sub 2	July 13, 1976
Andrews and Sons Trucking, Inc., MC-141387	MC-141387 sub 1	Feb. 14, 1976

H. G. Homme, Jr.,
Acting Secretary.

[FR Doc.76-34289 Filed 11-19-76;8:45 am]

federal register

MONDAY, NOVEMBER 22, 1976

PART II:

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

■

AIRPORT NOISE REGULATORY PROCESS

Proposal and Announcement of Public Hearing

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[14 CFR Part 140]

[Docket No. 16279; Notice No. 76-24]

AIRPORT NOISE REGULATORY PROCESS

Proposed Regulations Submitted to the FAA By the Environmental Protection Agency

This notice of proposed rulemaking contains recommended regulations submitted by the Environmental Protection Agency (EPA) to the Federal Aviation Administration (FAA), pursuant to section 611(c)(1) of the Federal Aviation Act of 1958, as amended by the Noise Control Act of 1972 (Pub. L. 92-574). Section 611(c)(1) of the Federal Aviation Act of 1958 provides that EPA shall submit to the FAA recommended regulations to provide such control and abatement of aircraft noise and sonic boom as EPA determines is necessary to protect the public health and welfare. That section also provides that the FAA "shall consider such proposed regulations submitted by EPA under this paragraph and shall, within thirty days of its submission to the FAA, publish the proposed regulations in a notice of proposed rulemaking." This notice is published pursuant to that provision of law.

The EPA recommended regulation contained in this notice of proposed rulemaking (NPRM) proposes to amend Subchapter G of the Federal Aviation Regulations (14 CFR Chapter I) to establish a new Part 140 to prescribe (as stated by the EPA) "procedures for the development, approval, and implementation of an Airport Noise Abatement Plan for airports reqiured to be certificated under Part 139. This plan would constitute an amendment to the existing Airport Operating Certificate."

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the docket number and be submitted in duplicate to the Federal Aviation Administration, Office of the Chief Counsel, Attention: Rules Docket, AGC-24, 800 Independence Avenue SW., Washington, D.C. 20591. Comments on the overall environmental aspects of the proposed rule are specifically invited. Information on the economic impact that might result because of the adoption of the proposed rule is also requested. All communications received by the FAA on or before March 24, 1977, will be considered by the Administrator before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of the comments received. All comments will be available, both before and after the closing date for comments, in the FAA Rules Docket for examination by interested persons. The EPA has requested that an additional information copy of each public comment be sent to: U.S. Environmental Protection Agency, Office of Noise Control, AW-471, Attention: Docket No. ONAC 76-13, 401 "M" Street SW., Washington, D.C. 20460. However, to ensure consideration as part of the regulatory process of the FAA, each comment must be submitted to the FAA Rules Docket.

Any person may obtain a copy of this notice of proposed rule making (NPRM) by submitting a request to the Federal Aviation Administration, Office of Public Affairs, Attention: Public Information Center, APA-430, 800 Independence Avenue SW., Washington, D.C. 20591, or by calling (202) 426-8058. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRMs should also request a copy of Advisory Circular No. 11-2 which describes the application procedure.

A separate notice of hearing, published today in the "Notices" section of the FEDERAL REGISTER, announces that, pursuant to section 611(c) of the Federal Aviation Act of 1958, as amended, the FAA will conduct a public hearing in Washington, D.C., on January 17, 1977, to receive oral, as well as written, comments regarding the proposals contained in this notice of proposed rule making.

The following EPA opinions, conclusions, and proposed regulatory language are published verbatim as received from EPA by the FAA on October 26, 1976:

EPA PROPOSAL AS SUBMITTED TO FAA

In accordance with a recommendation made by the Administrator of the Environmental Protection Agency, pursuant to Section 7 of the Noise Control Act of 1972, the Federal Aviation Administration is considering the adoption of a new Part 140 to the Federal Aviation Regulations prescribing procedures for the development, approval, and implementation of an Airport Noise Abatement Plan for airports required to be certificated under Part 139. This plan would constitute an amendment to the existing Airport Operating Certificate.

LEGISLATIVE HISTORY

Under the requirements of section 7(a) of the Noise Control Act of 1972 (Pub. L. 92-574; 86 Stat. 1239) The Administrator of the Environmental Protection Agency conducted a study of the adequacy of Federal Regulation of aircraft and airport noise and submitted a report thereon to the Congress (Report on Aircraft/Airport Noise, Senate Committee on Public Works, Serial No. 93-8, August 1973). Under section 611 of the Federal Aviation Act, as amended by the Noise Control Act of 1972, the Administrator of the EPA is also required to submit to the Federal Aviation Administration proposed regulations to provide such control and abatement of aircraft noise and sonic boom (including control and abatement of aircraft noise through the exercise of any of the FAA's regulatory authority over air commerce or transportation or over aircraft or airport operations) as the Administrator of the EPA determines is necessary to protect the public health and welfare. In accordance with the foregoing requirement, the EPA published in the FEDERAL REGISTER on February 19, 1974 (39 FR 6112), a "Notice of Public Comment Period" containing a synopsis of the proposed rules it was considering to achieve a level of aircraft noise control and abatement satisfactory for the protection of the public health and welfare. The proposed aircraft and airport rules were divided into three categories: flight procedures for noise control, source noise control, and airport operations and planning for noise control. EPA has already proposed the following rules to the FAA:

Title	Date to FAA	NPRM No. Publication Date Federal Register	Date of hearings
1. Noise standards for propeller driven small airplanes.	Dec. 6, 1974	74-39, Jan. 6, 1975, 40 FR 1061	Mar. 3, 1975
2. Noise abatement minimum altitudes for turbojet airplanes in terminal areas.	do	74-40, Jan. 6, 1975, 40 FR 1072	Mar. 5, 1975
3. Civil subsonic turbojet engine-powered airplanes: noise retrofit requirements.	Jan. 28, 1975	75-4, Feb. 26, 1975, 40 FR 8218	Mar. 18, 1975
4. Fleet noise level requirements	do	75-6, Feb. 26, 1975, 40 FR 8222	Apr. 17, 1975
5. Civil supersonic airplanes	Feb. 27, 1975	75-15, Mar. 28, 1975, 40 FR 14093	May 16, 1975 May 22, 1975
6. Reduced flap setting noise abatement approach for turbojet engine-powered airplanes.	Aug. 29, 1975	75-35 I, Sept. 25, 1975, 40 FR 44256.	Nov. 5, 1975
7. Visual 2-segment noise abatement approach for turbojet engine-powered airplanes.	Aug. 28, 1975	75-35 II, Sept. 25, 1975	Do.
8. 2 segment ILS noise abatement approach for turbojet-engine powered airplanes.	Aug. 29, 1975	75-35 III	Do.
9. Airplane noise requirements for operation to or from U.S. airports.	Jan. 13, 1976	76-1, Feb. 12, 1976, 41 FR 6270	Apr. 5, 1976

The EPA is currently preparing the following further regulations which may be submitted to the FAA in the near future.

Noise Levels for Turbojet Powered Airplanes and Large Propeller Driven Airplanes
Modifications to Noise Measurement and Evaluation Procedures for Aircraft Type & Airworthiness Certification
Aircraft Takeoff Procedures for Noise Control

All of the above proposals are directed at source noise control, to be complied with by manufacturers, or operational procedures, to be complied with by air carriers. In its report to Congress, the EPA emphasized that a full aviation noise control program would require action by airport proprietors as well. The rule which is the subject of this notice of proposed rulemaking, identified as the Airport Noise Regulation, would implement a comprehensive planning and abatement process at the nation's airports serving certificated air carriers. This proposed rule is the result of an intense investigation and analysis over the past two years and pilot projects at eight domestic airports. The key elements of the process consist of: (1) Determining boundary line noise levels at the airport

in order to determine the extent of planning needed at the facility, (2) development of a noise abatement plan by the airport proprietor, (3) presentation of the plan to all interested parties at a public hearing, (4) submission of the plan, revised pursuant to public hearing as appropriate, to the Administrator (FAA) for his review, (5) inclusion of a plan as part of amended Airport Operating Certificate, and (6) implementation of the plan by the proprietor. This regulatory precedure is therefore established under Title 14 of Chapter I of the Code of Federal Regulations, Part 140, and would provide for an amendment to airport operating certificates issued pursuant to Part 139.

The FAA's authority to promulgate these requirements derives from the Federal Aviation Act of 1958, as amended, and the Airport and Airway Development Act of 1970. Section 611 of Title VI of the Federal Aviation Act of 1958, as amended (Pub. L. 90–411), provides in pertinent part that the Administrator of FAA shall prescribe and amend such rules as he finds necessary for the control and abatement of aircraft noise, including the application of such rules in the issuance or amendment of any certificate authorized by Title VI of that Act. Under section 612 of that title, as amended by the Airport and Airway Development Act of 1970 (Pub. L. 91–258), the Administrator of FAA is authorized to issue airport operating certificates to airports serving air carriers certificated by the Civil Aeronautics Board, and to establish minimum safety standards for the operation of those airports.

Congress has repeatedly expressed its intent that airport planning and development be consistent with environmental considerations. The Airport and Airway Development Act of 1970 (Pub. L. 91–258) provides for Federal aid to airport development projects, including the location of an airport, runway, or runway extension. Encompassing the process of application, hearing, and approval at all levels for airport development projects is the declaration of national policy that those projects provide for the protection and enhancement of the natural resources and the quality of environment of the nation. In this respect the Secretary of Transportation may not approve an airport development project found to have an adverse environmental impact unless he finds that there is "no feasible and prudent alternative", and that "all possible steps have been taken to minimize" such adverse effects. (49 U.S.C.A. 1716 (c)(4)).

Section 16(a) of the Airport and Airway Development Act of 1970 also requires any development to be in accordance with standards established by the Secretary of the Department of Transportation, including standards for site location and airport layout. In addition, under section 18 of that Act before the Secretary approves an airport development he must receive satisfactory assurance that appropriate action, including the adoption of zoning laws, has been or will be taken, to the extent reasonable, to restrict the use of land adjacent to or in the immediate vicinity of airport operations. Finally, that Act provides in pertinent part that no airport development project may be approved by the Secretary of Transportation unless he is satisfied that "fair consideration has been given to the interest of the communities in or near which the project may be located." "Fair consideration" as used in that provision of the Act is based upon criteria designed to "provide for the protection and enhancement of the natural resources and the quality of the environment of this nation." (49 U.S.C.A. 1716(c)(3)).

Section 13 of the Act also authorizes the FAA to make grants to public and planning agencies for prepartion of airport master plans. Under this Planning Grant Program, Federal grants of up to two-thirds of the eligible costs are available, with no state being eligible for more than 7.5 percent of the funds available in any one fiscal year. All grants are subject to the National Environmental Policy Act of 1969; and section 102(2)(C) of the Act requires an environmental impact statement when any Federal action would constitute a major action significantly affecting the environment.

In summary, the foregoing statutory provisions establish a firm foundation for the formulation of airport and aircraft noise abatement rules and for requiring airports to prepare and implement noise abatement plans as provided for in this proposed regulation.

The Problem

The airport noise problem results primarily from three factors: (1) The introduction of jets into the air carrier fleet in 1959, (2) airport encroachment by neighboring communities, and (3) airport expansion and operational increases and changes.

A portion of residential areas currently exposed to high levels of aircraft noise were developed before 1959 and were constructed, for the most part, in areas not then seriously impacted by aircraft noise. The rapid replacement of propeller driven aircraft by jets during the 1960's increased the extent and intensity of the noise problem.

However, in many cases a considerable portion of land already impacted by aircraft noise was subsequently developed for residential uses. By 1964 the FAA had developed the "composite noise rating" system (CNR) which permitted the prediction of community annoyance as a function of the number and type of aircraft operations and the time of day during which they occur. Even with the availability of CNR, local government bodies continued to permit incompatible development.

An increase in aircraft operations coincided with the replacement of propeller aircraft by jets. Runways and flight tracks at many large and severely encroached airports become saturated and rapid airport expansion resulted in additional runways and flight tracks and noise complaints.

Among the more serious constraints to the development of a workable airport noise regulation are: (1) The individuality of each airport/community conflict situation, (2) the attraction which airports provide for incompatible development, (3) complexities associated with noise impact assessment, and (4) ambiguities in the judicial and political allocation of authority, accountability, and liability. The availability of noise abatement options, often thought to be the major constraint, is not in EPA's judgment a serious impediment to substantial improvement in the noise environment around most of the nation's airports. There are many cost-effective noise abatement actions which can be taken, provided the constraints identified above can be dealt with. This proposed regulation provides a simple approach to noise impact assessment and establishes a planning and decision-making process designed to deal with the other enumerated constraints.

Each airport is an individual case requiring special consideration. The types of airport proprietorship, extent of fragmentation of local government, the operational mission and size of airport and the pattern of surrounding land use are presented in an astounding number of combinations. Thus, a national regulation must make many simplifying generalizations to be workable. The tradeoffs between equitable uniformity and reasonable flexibility have been difficult to make and undoubtedly have impeded progress more than any other single factor. Some actions clearly should be taken on a nationally uniform basis. Others are best suited to site specific application, especially where a national rule would of necessity have to be a "lowest common denominator" approach which would leave serious noise problems unabated at a significant number of airports.

Airport proprietorship may be public, quasi-public, or private. A typical form of public proprietorship is exemplified by the municipal department of airports; it varies depending on the form of local government in question, but many are line agencies directly accountable to a chief executive, council, or commission. Quasi-public airport proprietorship is typified by the port authority or commission and is subject to all of the variations associated with special purpose forms of government. Private proprietorship is rare among airports serving certificated air carriers, with Burbank Airport (which is presently owned by Lockheed Air Terminal Corp.) providing the only example.

The operational mission and size of an airport also present a set of limiting factors, the most important of which are related to the national or international status of the airport, the amount of air cargo shipped, the annual number of operations, the type of aircraft accommodated, the physical size of the airport, and the degree of encroachment. Large international airports and airports with high volumes of air cargo operations re-

quire a higher percentage of night operations and are less amenable to night curfew. Adjoining land use patterns also create a wide variety of constraints. Some airport related activities and the community infrastructure necessary to support them are noise sensitive, for example, residential land uses, schools, and theaters. The spatial distribution of such incompatible development varies considerably from airport to airport; encroachment may be partial or circumferential gradually increasing or decreasing in intensity as a function of distance from the airport. In addition, the nature of housing types and population densities which are critical determinants of background noise levels, as well as structural absorption and human sensitivity also vary.

The airport is an example of an essential land use which must be effectively integrated into the urban economy it serves, but which is incompatible with the land use that, if unconstrained, tends to develop in the impacted land area.

There have also been many important constraints associated with the art of aircraft noise impact assessment. All but the most experienced practitioners have difficulty deciphering the abbreviations and acronyms which abound in the field of psychoacoustics. Planners and airport proprietors have digested dB, dBA, dBD, PNL, EPNL, SEL, SENEL, CNR, NEF, CNEL, ASDS L., and L., with patience and understandable confusion.

Finally, a remarkable court history has resulted in a type of legal constraint which is so pervasive and important that it deserves separate and special consideration—the legal liability for aircraft noise effects. The liability for the aircraft noise effects experienced by property owners has been left by the courts to the airport proprietor, who in the past has frequently been held to have limited or no authority to abate aircraft noise. This has created a serious dilemma for airport proprietors, the Federal Aviation Administration, and local land use decisionmakers.

The proprietor's dilemma arises from the fact that the aircraft serving his airport are engaged in interstate commerce and are flying in Federally controlled airspace. Thus, many attempts to implement noise abtement strategies have been seen as interfering with interstate commerce or as being null and void because of Federal preemption. If litigation is pending against the proprietor, it is likely that he will be reluctant to reveal aircraft noise forecasting information for fear that it will be used against him in court. This confused and paradoxial situation has dissuaded many airport proprietors from moving to reduce noise and has encouraged them to keep a low profile and to concentrate on those tasks related to the day-to-day running of the airport.

Local governments face their own peculiar dilemma. Noise has simply not been a priority consideration in most local land use decisions. Even where the prevention of encroachment does receive priority local attention, many forces operate to mitigate its effectiveness. Every local governing body must face the difficult choice between (1) acquiring rights in property for a public purpose at considerable expense, or (2) regulating land use without compensation in the name of protecting the public health, safety, and welfare. At some point, increasing regulatory restrictions placed on the use of property may constitute a whole or partial taking of property, in which case compensation is necessary.

The uncertainty associated with the legal authority, accountability, and liability for noise has been compounded by the large number of diverse groups and their respective interests which play a major role in noise and noise abatement around airports. Included in the involved groups are the Federal and State governments, aircraft manufacturers, air carriers, owners of general aviation aircraft, airline pilots, land developers, home owners around the airport, the airport proprietor, local land use planners, and city councils of those communities either benefiting from or adversely affected by the airport. In the past, no one group has wanted to shoulder the principal burden of noise abatement. The unhappy result has been that noise abatement actions which could have been taken have not been, and the neighbors of our nation's airports have continued to suffer.

The Regulatory Rationale

Despite the foregoing constraints there are many noise abatement actions that can be taken by various levels of government, the public, and the aviation industry, including airport proprietors. The history of noise control indicates that little is accomplished, notwithstanding large expenditures of money, unless a comprehensive approach is taken that considers all of the elements and participants involved in a particular situation and their relationship to each other. Nowhere is there a single private or governmental entity that has the complete capability, legally and technically, to address the entire aviation noise problem. The EPA believes that a Federal/State/local program for airport noise control and abatement, established under uniform procedures prescribed by the Federal Government for the coordination, consideration, and resolution of a particular airport/community noise problem is needed: That is the purpose of this proposed procedure. EPA has already made a number of regulatory proposals which, if adopted by the Federal Aviation Administration, will provide Federal leadership on a national basis for noise abatement. However, additional noise abatement actions need to be taken at the local level. In the past, progress in such abatement actions has suffered from a lack of an overall airport noise abatement strategy which evaluates the available options and chooses those which are the most cost-effective for the protection of public health and welfare. The Environmental Protection Agency believes that such a noise abatement strategy for a specific airport can best be developed by the airport proprietor in cooperation with the other interested groups. To this end, this regulation requires that the airport proprietor evaluate each of the following possible noise abatement actions and develop a noise abatement program for his airport which provides for the protection of the health and welfare of the surrounding community:

1. Takeoff and landing noise abatement procedures for aircraft.
2. Limitations on the use of aircraft which do not meet the certification noise limits of Federal Aviation Regulation 36.
3. Noise abatement preferential runway systems.
4. Glide slopes and glide slope intersections for landing configuration.
5. Flight tracks.
6. Approach paths.
7. Landing paths.
8. Limitations on the class of aircraft using the airport.
9. Shifting aircraft to neighboring airports.
10. Location of run-up areas.
11. Operational limitations/curfews.
12. Priority landing directions for all aircraft.
13. Landing fees based on performance specifications.
14. Landing fees based on noise emission characteristics.
15. Compatible use of impacted land.
16. Other actions which would have a beneficial impact on public health and welfare.
17. Other actions recommended for analysis by the FAA or EPA for the specific airport.

The depth of the analysis required of an individual airport proprietor will depend on the extent of the noise problem at that particular airport. For most airports in the country, the actual amount of planning and analysis required will be small. The EPA has prepared, and will furnish, a manual technique for evaluating noise abatement options; this technique, which does not require the use of computers, can be used at most certificated air carrier airports.

In order to carry out this abatement planning and implementation effectively the airport proprietor must have a planning process by which he can determine the most effective means of noise abatement in his particular situation and by which there can be a meaningful dialogue with those—local governing bodies, airport neighbors, airport users, local Chambers of Commerce, and airlines, among others—who want and should have a role in determining what is to be done at the airport to abate noise.

EPA has designed and developed an environmental aircraft noise impact assessment methodology for airports to meet those needs. This methodology, called the Airport Noise Evaluation Process (ANEP) is set forth in Appendix A to this regulation. This process has the very important quality of providing for the display of the relative effectiveness of various noise abatement actions in a form which is understandable to both technical and non-technical persons, including the airport's neighbors.

The ANEP methodology is based upon the use of the Day-Night Average Sound

Level (L_{dn}) description which EPA has recommended for use in all community noise studies and planning efforts. The L_{dn} noise description is formulated to encompass all of the noise events which take place within a 24 hour period, with a penalty for nighttime noise events. Although one may argue that an averaged description which is based upon a 24 hour time period cannot fully reflect specific variations in noise level during discrete time periods, EPA believes that the use of such a formulation is warranted since (1) predicted public reaction to noise correlates well with average daily levels, and (2) data requirements for analyses by specific time periods during the day rapidly assume such awesome proportions as to render any analytical scheme unmanageable.

Under the planning process proposed herein, city councils and land use planners, as well as the people most directly affected by aircraft noise will have the opportunity to take a part in the planning and abatement process. Their effective participation is made possible by the nontechnical manner in which this methodology presents the results of the analysis. This kind of participant process is essential if the airport and the community are to continue to coexist on an amicable basis and if the growing problem of incompatible land use is to be brought under reasonable control.

Under the present proposal, every airport in the United States subject to Part 139, serving air carriers holding a certificate of public convenience and necessity from the Civil Aeronautics Board, must develop and implement a noise abatement plan. In many cases, general aviation airports also generate severe noise impacts on the airport neighbors. Thus, they will need to be brought within the regulatory process at a subsequent date. However, because only air carrier airports are presently required to have an Airport Operating Certificate under Part 139 of Title 14 of the Code of Federal Regulations and because a regulatory process such as this must start with the most serious problems, air carrier airports are the natural starting point.

A noise abatement plan must be developed and implemented under this regulation for both two years and five years from promulgation and thereafter on a continuing basis every five years.

Development of the Airport Noise Abatement Plan must be coordinated with areawide and local planning programs so that alternative noise abatement strategies under study by the airport proprietor consider and are coordinated with patterns of residential and other major land uses in the area, with other transportation facilities and public services, and with objectives, policies and programs for the area in which the airport is located. It is desirable for areawide and local planning to be integrated with noise abatement planning in all plans developed under this regulation. The regulation requires that these two types of planning be fully integrated in the plan submitted under this regulation for the second five-year period.

METHODOLOGY

It is essential that a uniform methodology be used to evaluate and describe the noise impact of present and future operations at the nation's airports and the relative effectiveness of controls which could be implemented at these airports. Such a uniform methodology will ensure consistent and equitable evaluation among all airports and will greatly simplify the decision-making process which today is plagued by numerous methodologies. The EPA-proposed methodology (Airport Noise Evaluation Process—ANEP) has the added advantage of being understandable to persons who are not trained in aviation noise matters. This is essential since noise abatement around airports requires intelligent and farsighted actions on the part of many groups of persons, many of which are not generally skilled in the intricacies of noise control, per se.

The EPA uniform methodology for conducting aircraft noise impact analyses is prescribed by the proposed regulation in detail in Appendix A. The methodology requires: (1) The delineation of all land areas exposed to aircraft noise levels in excess of 55 L_{dn}, which is the gross study area for a specified base year; (2) the projection of the incremental contribution of aircraft noise to community noise in the study area; (3) the delineation of a net study area, which is developed or developable land within the gross study area which is exposed to an increment of aircraft noise of more than 2 dB (This eliminates from the study area land whose noise levels would not be significantly affected by abatement of aviation noise.); (4) the determination of the population exposed to the aircraft increments estimated in (2); and (5) the demonstration of the beneficial effects of various noise abatement options, in terms of the reduction of noise exposure to the population. On the basis of this analysis, the airport proprietor in conjunction with the community will evaluate all options, and determine which should be included in the noise abatement implementation plan for the airport in question.

Each regulation which EPA recommends to FAA under section 611(c) of the Federal Aviation Act, as amended, must in the EPA Administrator's judgment, be necessary to protect public health and welfare. Further, under section 611(d), the FAA Administrator must consider cost, safety, the needs of air transportation in the public interest, and other factors in addition to the protection of public health and welfare. In pursuance of this mandate, this regulation would require that each plan provide for the noise abatement requisite to protect public health and welfare, taking into consideration the matters set forth in section 611(d) of the Act. Each plan will be different in that the measures appropriate for each airport will be determined by the characteristics of the specific site. EPA considered the desirability of specifying particular health and welfare-based boundary line standards in the body of the regulation which every airport would be required to meet. EPA determined that such national uniform standards are not appropriate to the airport noise problem. For some less-impacted airports a national uniform standard would require far less abatement than could be effectively developed for the protection of health and welfare. For other severely impacted airports, uniform national standards would result in very little improvement in health and welfare protection. Consequently, the EPA has recommended that the health and Welfare test be applied on a local basis.

In addition, this rule is to be distinguished from one which would require the airport proprietor to abate to the extent necessary to mitigate every possible impact which may have an adverse effect on the economic value of land around the airport (taking into account cost and the other section 611(d) factors). This objective, although perhaps desirable from the point of view of the individual community, is not within the authority and responsibility of the Federal Government. It can be expected that meeting the health and welfare standard of this regulation will eliminate much of the serious economic impact on the value of land around the nation's airports. A final decision regarding all the actions which will constitute an acceptable plan can best be made after an examination of the available options based on an analysis developed pursuant to the use of ANEP. However, the minimum that should be expected of a plan can be specified on a national basis for certain categories of airports based upon the experience at the eight pilot projects which EPA has conducted using the ANEP methodology.

EPA's judgment of the abatement which would be acceptable on a national basis as a minimum step toward meeting the health and welfare standard of this regulation is based on an assessment of the effectiveness and feasibility of the available options, their impact on the air transport system, and the severity of the noise problem at various classes of airports. That judgment is specified below for various classes of airports catgorized according to the severity of their noise problems and their stage of development.

With regard to the first category of airports, which at a minimum should require that all aircraft using the facility meet the 1969 Federal Aviation Regulations (FAR) Part 36 noise levels and should utilize takeoff and landing noise abatement procedures, it should be noted that EPA has proposed or will shortly propose national rules for promulgation by the FAA requiring the use of all of these abatement options on a national scale. It is EPA's recommendation that the FAA promulgate these requirements. However, if the FAA has not finally promulgated these requirements by the time that airport plans are required to be submitted under this regulation, then it is EPA's judgment that the health and welfare standard used in this regu-

lation would require the airport proprietor to implement these requirements at the categories of sites indicated below.

Additional efforts will be necessary at many airports in order to comply with the health and welfare requirement of this regulation. A conclusion as to what these additional efforts are for a particular airport should be based on the analysis of available options made pursuant to the application of the planning methodology required by this regulation (ANEP). In addition, a proprietor may, at his own discretion, decide to include even more restrictive actions in his plan in order to deal with other problems at the airport including those adverse impacts of the airport's operation on local land values not related to health and welfare.

MINIMUM ACCEPTABLE PLAN

As used in the following discussion, "community impact boundary level" means the day-night average sound level resulting solely from aircraft operations at the line established by (1) the land held in fee simple by the airport or (2) land not held in fee simple by the airport (a) provided such land is actually being used and can reasonably be expected to continue to be used in a way which is compatible with the noise levels to which it is exposed or (b) provided the development rights of such land have been purchased such that only development compatible with the airport noise levels is allowed. Land which is merely zoned for compatible use with no other legal controls or for which aviation easements have been purchased and on which incompatible land use is possible is not included in this definition of community impact boundary level. Compatibility is to be judged according to guidelines adopted from HUD Report TE/NA-472, November 1972, "Aircraft Noise Impact: Planning Guidelines for Local Agencies." EPA's use of the referenced HUD document is based upon an analysis of the materials contained therein and does not preclude later modification of the compatibility criteria as new information becomes available. The key elements of the compatibility vs. noise level data base are contained in Table 1 of Appendix A. The noise resulting from aircraft operations is the noise level computed in terms of the annual average daily level of operations at the facility.

1. *All airports with a community impact boundary noise level of 65 L_{dn} or over at any point on the boundary.* At a minimum, these airports should require takeoff and landing noise abatement procedures for aircraft using their facilities and limit such aircraft to those meeting 1969 FAR 36 noise levels. The one exception to this minimum acceptable plan should be where the proprietor is able to reduce the community impact boundary level below 65 L_{dn} using other abatement measures which he finds more acceptable.

If these other measures do not reduce the community impact boundary level to below 65 L_{dn}, then at a minimum the proprietor should require takeoff and landing noise abatement procedures and exclude the use of non-FAR 36 aircraft. Having determined the community impact boundary level resulting from the implementation of an approvable plan under this regulation, the airport proprietor shall use whatever addditional available abatement measures are necessary to maintain no greater than this level in the future.

2. *Airports with community impact boundary levels of less than 65 L_{dn} at all points on the boundary.* At a minimum, these airports should use whatever available abatement options are necessary to maintain the community impact boundary level now existing and to reduce it further if this is possible.

3. *Airports which contemplate expansion of their facilities.* At a minimum, these airports should maintain their community impact boundary level after expansion at a level which is no greater than that which represents the level necessary for an acceptable plan prior to expansion.

4. *New airports.* At a minimum, these airports should be designed and developed so that at no time in the future will the community impact boundary noise level exceed 65 L_{dn}.

In the development of noise abatement plans pursuant to this regulation, special attention should be focused on those airports which are so severely impacted that they have community impact boundary noise levels of 75 L_{dn} or over. This situation can have such a serious impact on the health and welfare of the population exposed to such levels that every reasonable effort should be made to reduce this level to under 75 L_{dn} as soon as possible.

As an immediate objective, EPA believes that every airport with a community impact boundary level in excess of 75 L_{dn} should reduce that level to less than 75 L_{dn} as soon as possible but in any case by the end of 1980 unless this would impose a severe hardship. In EPA's view such a severe hardship would exist only in the event that (1) the less than 75 L_{dn} goal cannot be met fully without the purchase of land; (2) such purchase is not covered by the 1970 Airport and Airway Development Act (ADAP), as amended or, (3) such extra-ADAP purchases are not reasonably possible in relation to the airport proprietor's financial capability, the amount of litigation damages which the purchase would diminish, and the excess in purchase price over the recoupment value of converting the land to a compatible use.

In summary, the EPA believes that as a longer-term objective, all airports should work toward bringing their community impact boundary levels down below 65 L_{dn}. Furthermore, in those cases where community impact boundary levels are at 75 L_{dn} or above, a serious problem exists which calls for immediate and forceful action.

It is generally agreed that 75 L_{dn} is an unacceptable exposure level for people in normally constructed homes. 65 L_{dn} was chosen as a longer-term objective because present limited data indicate that at some airports, a contribution of noise from aircraft of less than 65 L_{dn} is difficult to distinguish from other ambient noise, given the environmental noise levels around those airports. However, as indicated in "Information on Levels of Environmental Noise Requisite to Protect Public Health and Welfare With An Adequate Margin of Safety" (EPA 550/9-74-004, March 1974), effects from noise occur at levels below L_{dn} 65 and further analysis is needed in the future to refine further practical objectives for airport noise abatement.

PUBLIC HEARING AND EVALUATION OF THE PLAN

Upon completion of the draft Airport Noise Abatement Plan, the proprietor of an airport (or the State, if the proprietor is a political subdivision thereof) is required by this proposed regulation to hold a public hearing to afford all interested persons an opportunity to submit data, views, and comments with regard to the merits of the draft implementation plan for that airport.

Based upon the record of the hearing, the draft plan is, to the extent practicable and necessary, to be changed by the proprietor of the airport to reflect the views, data, and comments received at the hearing. The revised plan will then be forwarded to the Administrator of the FAA.

If the Administrator does not notify the airport proprietor of his disapproval of the plan, the plan is then automatically incorporated as submitted into the Airport Operating Certificate for that airport. Notification of disapproval will be made within 120 days of the date of receipt of the plan by the FAA. The Administrator may disapprove any plan on the basis of (1) safety, (2) significant disruption of the national air transportation system, or (3) evidence that the plan has not been the subject of adequate public participation.

If the Administrator is considering a disapproval action, he may ask the airport proprietor for any additional pertinent information which is needed to clarify those issues which are being considered as the basis for disapproval. Such a request will stop the running of the 120-day period which will then begin to run again as soon as the additional information is submitted. This request and the submission of new information does not authorize an additional period of 120 days; the intent rather is to allow the proprietor to gather and submit new information without this period of time being counted against the 120-day review period.

If the Administrator intends to disapprove a Plan, he will publish in the FEDERAL REGISTER a notice of his intention to disapprove the Plan, setting forth his reasons for such disapproval and inviting comment. The Admmistrator must also notify directly those persons who testified at the local hearing. Thereafter, the Administrator will either withdraw his disapproval of the Plan or direct the airport proprietor to prepare a revised

plan to overcome the adverse findings of the Administrator.

COMPLIANCE

If the plan is not disapproved within 120 days, the plan automatically is incorporated as an amendment to the Airport Operating Certificate for that airport. The regulation requires that the airport proprietor must then implement this plan. Each such plan will be in effect for no more than five (5) years. The Plan must be revised and the revision submitted to the Administrator for review no later than one (1) year prior to the termination date of the original plan. The first such revision is due four (4) years after incorporation of the original plan in the operating certificate. The Administrator may suspend the Airport Operating Certificate if at any time the airport proprietor does not carry out the abatement plan as so incorporated. During such suspension the Administrator may limit operations at the airport and no ADAP funds may be expended or obligated in connection with the airport except for noise planning or abatement purposes.

Failure to comply with the provisions of this regulation within a reasonable time under the circumstances will be deemed by the Administrator to constitute a denial by the airport proprietor of "fair consideration" to the communities in or near which an airport development project may be located, within the meaning of the Airport and Airway Development Act, so as to constitute the basis for denial of grant approval for airport development projects under that Act.

Airport Noise Abatement Plans required by this regulation must be submitted in a phased schedule between January 1, 1978 and July 1, 1979 pursuant to a schedule developed and published by the Administrator of the FAA.

Any action taken by the Administrator of the FAA pursuant to the requirements of this regulation which relate to the disapproval of an Airport Noise Abatement Plan, or the publication of general guidelines or regulations affecting noise planning and abatement at airports, will be taken after consultation with the Administrator of the EPA.

All airports subject to this regulation must develop plans which meet the health and welfare standard of this regulation on a time-phased basis with the first target no later than two (2) years and the second target five (5) years from the date of submission. In addition, each plan is required to project population changes and noise impact for 10 years after submission and display alternatives available to local communities for land use controls.

(Secs. 313(a), 611(c), and 612, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354 (a), 1431(c), and 1432); 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); Title I of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); and Executive Order 11514, March 5, 1970.)

In consideration of the foregoing, it is proposed to amend Subchapter G of the Federal Aviation Regulations (14 CFR Chapter I) to establish a new Part 140 to read as follows:

SUBCHAPTER G—AIR CARRIERS, AIR TRAVEL CLUBS, AND OPERATORS FOR COMPENSATION OR HIRE: CERTIFICATION AND OPERATIONS

PART 140—AIRPORT NOISE ABATEMENT

Sec.

AUTHORITY: Secs. 313(a), 611(c) and 612, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1431(c), 1432); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); Title 1, National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.); Executive Order 11514, March 5, 1970.

§ 140.1 Applicability.

The provisions of this part apply to each airport proprietor subject to part 139 of this title.

§ 140.2 General requirement.

Pursuant to sections 611 and 612 of the Federal Aviation Act of 1958, the Administrator of the Federal Aviation Administration shall require that each airport proprietor must obtain an Amended Airport Operating Certificate which is an amendment to the existing Airport Operating Certificate, to include an Airport Noise Abatement Plan as provide in this part.

§ 140.3 Noise level information.

Each airport proprietor shall submit to the Administrator within 120 days a report prepared in accordance with Appendix A showing the boundary line noise levels ofits airport. The Administrator shall publish this information in the FEDERAL REGISTER.

§ 140.4 Airport noise abatement plan.

Each airport proprietor shall submit to the Administrator on dates to be set by the Administrator (in no case earlier than January 1, 1978, nor later than July 1, 1979) an Airport Noise Abatement Plan, prepared in accordance with the requirements of this section.

(a) Each Plan prepared under this section shall be developed according to the Airport Noise Evaluation Process (ANEP) specified in Appenix A to this part, and shall detail the proprietor's consideration of all available abatement options. All airports subject to this regulation must develop plans which protect the public health and welfare taking into consideration the factors prescribed by section 611(d) of the Federal Aviation Act as amended on a time phased basis with the first target no later than two (2) years and the second target five (5) years from the date of submission. In addition, each plan shall project population changes and noise impacts for ten (10) years after submission and display alternatives available to local communities for land use controls.

(b) Each airport proprietor (or the State if the airport proprietor is a political subdivision of a State) shall, after preparing a Plan meeting the requirements of paragraph (a) of this section prior to submission to the Administrator, conduct a public hearing on the Plan to afford all interested persons an opportunity to submit data, views, and comments with regard to the merits of the draft noise abatement Plan for that airport.

(1) The proprietor shall, no later than one year prior to the date that his initial plan is to be submitted to the Administrator, cause to be published a notice in newspapers and other media of the communities affected by the airport which sets forth his proposed procedure for developing the plan, including the approximate date of the public hearing.

(2) Such hearing shall be conducted in the manner of an informal hearing in accordance with procedures described in § 11.67 of this chapter.

(3) Copies of the draft Plan shall be made available to all interested parties no less than 45 days before the hearing is held.

(c) Based upon the record of the hearings, the draft Plan shall, to the extent practicable and reasonable, be changed by the proprietor of the airport to conform with the views, data, and comments received at the hearing.

(d) The submission of the final Airport Noise Abatement Plan to the Administrator shall include the following:

(1) The Plan, as revised under paragraph (c) of this section.

(2) The record of the hearing held under paragraph (b) of this section;

(3) A list of the parties, and their addresses, who participated in the hearing held under paragraph (b) of this section;

(4) A synopsis of the views presented at the hearing;

(5) The proprietor's comments on the views presented at the hearing.

§ 140.5 Action of the administrator.

Except as otherwise provided in this section, the plan as submitted will be automatically incorporated into the Airport Operating Certificate for each airport for which an Airport Noise Abatement Plan has been properly submitted in accordance with § 140.4(d).

(a) The Administrator will publish in the FEDERAL REGISTER a notice of the incorporation of such plan into an Airport Operating Certificate under this part.

(b) At any time within 120 days following receipt by the Administrator of an Airport Noise Abatement Plan properly submitted in accordance with § 140.4(d), the Administrator may notify the airport proprietor that he intends to disapprove such Plan.

(1) The Administrator may disapprove any Plan if he determines that the Plan

(i) May create a safety hazard, or

(ii) May significantly disrupt the national air transportation system, or

(iii) was submitted without adequate public participation as required by § 140.4(b).

(c) If the Administrator determines that a Plan should be disapproved, he shall publish in the FEDERAL REGISTER his intention to disapprove the Plan, setting forth his reasons for such a determination, and inviting comment.

(1) Within 10 days after publication of any notice under this subsection, the Administrator shall notify directly each party who participated in the public hearing held by the airport proprietor of his determination and invite comment.

(2) The Administrator may at his discretion hold a public hearing for the purpose of receiving views and comments of interested persons in connection with any Plan disapproval. Any such hearing will be conducted by the Administrator as an informal hearing in accordance with the rules of conduct prescribed in § 11.67 of this chapter.

(3) Based upon review of all comments received, the Administrator shall either withdraw his notice of his intent to disapprove or shall direct the airport proprietor to prepare a revised Plan to overcome the adverse findings of the Administrator.

(d) At any time during the 120-day period prescribed in paragraph (b) of this section, the Administrator may request the airport proprietor to submit any additional information which is reasonably necessary to clarify those matters specified in paragraph (b)(1) of this section which may serve as a basis of the Administrator's disapproval. The period of time required by the airport proprietor to furnish this data shall not be counted in determining whether the 120-day period specified in this section has elapsed.

(e) Any actions by the Administrator of the FAA under this section or in the form of general guidelines or regulations affecting noise planning or noise abatement at airports, shall be taken only after consultation with the Administrator of the Environmental Protection Agency or his designee.

(f) Once a plan is incorporated as an amendment to the Airport Operating Certificate the airport proprietor shall implement the plan in accordance with the schedule included in the plan. The airport proprietor may revise his plan by submitting a new plan to the Administrator pursuant to § 140.4.

§ 140.6 Termination of plan.

(a) Each Airport Noise Abatement Plan terminates whenever the Airport Operating Certificate is terminated, surrendered, or revoked as provided in Part 139 of this chapter.

(b) Unless earlier terminated under paragraph (a) of this section each Airport Noise Abatement Plan terminates five years from the date of incorporation of the plan in the Airport Operating Certificate under § 140.5. Termination of the Noise Abatement Plan shall result in the termination of the Airport Operating Certificate.

§ 140.7 Revision of plan.

The Plan must be revised and submitted to the Administrator for review no later than one (1) year before the termination date of the original plan. The first such revision is due not later than four (4) years after incorporation of the original plan in the Airport Operating Certificate. This revision shall include a full description of the relationship of this plan to areawide planning in land use and transportation which has been carried out in neighboring communities. Each revision is subject to all requirements of this part.

§ 140.8 Effect of failure to comply with this part.

Failure to comply with any provision of this part shall be deemed by the Administrator to constitute a denial by the airport proprietor of "fair consideration" to the communities in or near which an airport development project may be located within the meaning of the Airport and Airway Development Act, so as to constitute the basis for denial of grant approval of an airport development project under that Act.

§ 140.9 Failure to comply with plan.

The Administrator may suspend the Airport Operating Certificate at any time that the airport proprietor does not carry out the abatement plan as approved. During such suspension the Administrator may limit or otherwise control operations at the airport and no ADAP funds shall be expended or obligated in connection with the airport except for noise planning or for noise abatement purposes.

APPENDIX A—AIRPORT NOISE EVALUATION PROCESS (ANEP)

1. DEFINITIONS

Sound exposure level (L_{AE}), in decibels, is the level of the time integral of A-weighted squared sound pressure, with reference to the square of the standard reference sound pressure of 20 micro pascals and a reference duration of one second.

Equivalent continuous sound level (L_{eq}), in decibels, is the A-weighted mean square sound pressure level over a stated time period.

Day-night average sound level (L_{dn}), in decibels, is the 24-hour average sound level, from midnight to midnight, obtained after adding 10 decibels to sound levels in the night from midnight to 7 a.m. and from 10 p.m. to midnight (0000 to 0700 and 2200 to 2400 hours).

Indigenous sound level, in decibels, is the day-night average sound level normally associated with activities and sources common to residential neighborhoods, in the absence of aircraft noise and the noise generated by major freeways, trains, industries, or other specific sources.

Background sound level, in decibels, is the common logarithmic sum of indigenous sound level and the contribution to day-night average sound level provided by all other residential noise sources other than aircraft. If other sources in the residential area do not exist, or are disregarded, the background sound level is equal to the indigenous sound level.

Incremental aircraft impact, in decibels, is the positive arithmetic difference between background sound level and the common logarithmic sum of aircraft and background sound levels where that sum is computed on the following scale:

Aircraft Sound Level Less Background Sound Level	Value added to Background Sound Level to Determine Common Logarithmic Sum of Aircraft and Background Levels
10 or more	10 or more
9	10
8	9
7	8
6	7
5	6
4	5
3	5
2	4
1	4
0	3
-1	3
-2*	2

* The cut-off at - 2db is utilized because this is considered as the minimum value where recognition of aircraft noise can be identified as a contributor to total noise, i.e., aircraft plus background.

Gridpoint array is the format used to display aircraft day-night average sound levels and consists of a cartesian grid system of uniformly spaced points; aircraft average day-night sound level is computed at each point of the cartesian grid and so displayed.

Gridblock is the land area bounded by 4 gridpoints which form a square, the sides of which are parallel to the axes of the cartesian grid system.

Gross study area is the land area enclosed by a line which connects the gridpoints of an aircraft day-night average sound level gridpoint array printout which are nearest to 55 L_{dn} but which do not exceed 55 L_{dn}.

Net study area is the land area included within the gross study area which is exposed to an incremental aircraft impact.

Airport boundary line level, in decibels, is the aircraft average day-night sound level on the line established by the land held in fee simple by the airport.

Community impact boundary line is the line established by the land (a) which is now used and can reasonably be expected to continue to be used in a way which is compatible with the noise levels to which it is exposed or (b) for which the development rights have been purchased such that only development compatible with the noise levels to which it is exposed is allowed. Land which is merely zoned for compatible use or for which avigation easements have been purchased and on which incompatible land use is possible is not included. Compatibility is determined according to Table 1 of this Appendix.

Homogenous development is defined as land in residential use upon which there is a uniform spacing of residential structures of a similar type.

Noise units are calculated by taking the product of incremental aircraft impact in a specific area and the residential population of that area.

Potential noise units are calculated by taking the product of incremental aircraft impact in a specific area and the population which would reside in that area if undeveloped property were to be developed in a manner consistent with its principal permitted use, pursuant to local land controls, control policies or use plans.

Undevelopable property is land which cannot be built upon because of permanent physical or legal constraints, e.g., held in fee, flood plains, land subject to use easements, restrictive covenants or lease-hold agreements by governmental entities for public purposes having the same effect as permanent open space restrictions.

Undeveloped property is land which is developable, but which has shown a 10 to 15 year history of stability, i.e., an absence of zoning changes, plating or subdivisions, water, sewer and utility extensions, building permit applications, and the existence of tax assessment valuation consistent with permitted use.

Developing property is land with a 10 to 15 year history of instability, as evidenced by the same public record criteria used to define undeveloped land.

2. PURPOSE

It is the purpose of this part to establish a uniform methodology for Aircraft Noise Evaluation in the vicinity of airports, including the determination of Boundary Line L_{dn} Levels. Such methodology employs a prescribed set of noise descriptors which are used to determine cumulative aircraft noise levels, for boundary line assessments, and to compare cumulative aircraft noise levels with activities indigenous to affected communities, for assessment of Aircraft Incremental Impact. All airport noise abatement plans prepared pursuant to the Airport Noise Regulation shall employ this methodolgy, or its equivalent, for the characterization of aircraft noise impact.

3. NOISE DESCRIPTORS

(a) *Single Event.* The sound exposure level (L_{AE}) shall be employed for the analysis and characterization of single aircraft noise events.

(b) *Cumulative events.* The day-night average level (L_{dn}) shall be employed for the analysis and characterization of multiple aircraft noise events and for the estimation of community indigenous and/or background noise levels. Multiple aircraft events are analyzed in terms of an annual average daily number of operations.

(c) *Incremental aircraft impact.* The positive arithmetic difference between background sound level and the common logarithmic sum of aircraft and background sound levels. Aircraft sound levels are considered to provide an increment to background sound levels when the aircraft level exceeds the background level by an increment at which recognition of aircraft noise can be identified as a contributor to total noise.

4. DETERMINATION OF AIRPORT BOUNDARY AND COMMUNITY IMPACT BOUNDARY L_{dn} VALUES

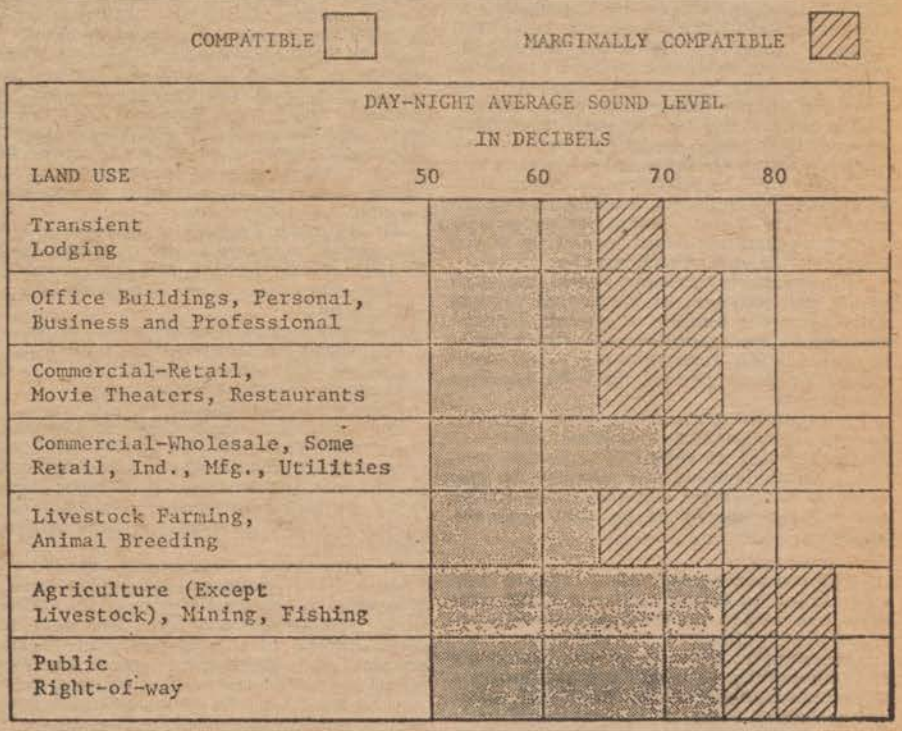
To provide the public with an indication of the extent of the noise impact of an airport, the proprietors of all civil air carrier airports, i.e., those airports which hold a current Airport Operating Certificate under Part 139 of the Federal Aviation Regulations, shall determine their airport boundary line L_{dn} values at a sufficient number of points on thetir boundary line so as to be able to certify that said levels are nowhere in excess of 65 L_{dn} or that said levels do exceed 65 L_{dn} and likewise for L_{dn} 75. At any boundary line where L_{dn} values exceed 65 L_{dn}, the proprietor shall determine the Community Impact Boundary Line and identify land which is exposed to greater than L_{dn} 65 and to greater than L_{dn} 75 which is not contained within the Community Impact Boundary Line. Proprietors may further specify what portions of this latter land is zoned for compatible use. Table 1 of this Appendix presents compatible use information for several land uses as a function of L_{dn} levels for the purpose of identifying the Community Impact Boundary line and land zoned for compatible use.

Airport boundary line level and Community Impact Boundary line designations shall be submitted to the Administrator within 120 days of the date of promulgation of this regulation. Said designations and declarations shall be submitted together with copies of the working materials and data used to develop them, as described below.

Boundary line L_{dn} levels shall be determined according ot the data and methods presented in "Calculation of Day Night Levels (L_{dn}) Resulting From Civil Aircraft Operations," (GPO No. _____) and shall explicitly follow the techniques described in Section III of the referenced document, "Calculation of L_{dn} Values at a Point" where all such points lie on the boundary line. At a minimum, L_{dn} values shall be determined for the intersection of each extended runway centerline and boundary line; L_{dn} calculations shall be performed at a sufficient number of points between the intersections of the extended runway centerlines and boundary lines to enable the proprietor to certify that boundary line levels either do or do not exceed 65 L_{dn} and likewise for L_{dn} 75.

5. INCREMENTAL AIRCRAFT IMPACT

When required by this regulation, the Incremental Aircraft Impact methodology shall be used to determine the extent and severity of aircraft noise problems in the vicinity of civil aviation airports, as well as the effectiveness of noise impact reduction options. The methodology consists of a series of subtasks, as described in the following subsections.



Source: Adapted by R. W. Young from Figure 2-15 of HUD Report TE/NA-472 November 1972 "Aircraft Noise Impact: Planning Guidelines for Local Agencies" by Wilsey & Ham and Bolt Beranek and Newman.

A. *Defining the study area.* The IAI methodology operates on two distinct data bases which are used to characterize (1) the population distributions and demographics in the vicinity of the airport and (2) the aircraft operations at the airport: Each of these data bases is used to determine a "noise picture" of the area around the airport, one for non-aviation sources and the other for aviation sources. A comparison of the two noise pictures leads to a determination of the noise impact of aviation sources, over and above non-aviation sources. Hence, it is desirable to define a study area which is large enough to permit the evaluation of all potentially feasible aviation noise reduction options while minimizing the need to continually acquire additional information for the population distribution and demographics data base. For this reason, the proprietor shall define a Gross Study Area which includes all land exposed to an Aircraft Day-Night Average Sound Level of 55 L_{dn} or greater. Said definition is to be made in terms of annual average daily airport activity levels and mode of operation for the twelve (12) month period prior to the date of promulgation of this regulation, except where the designated 12-month period includes major disruptions to the normal operation and activity of the airport such as reduction of activity levels due to strikes or other abnormal service reductions or modifications such as those imposed by runways closings for resurfacing. Should the 12-month period prior to the date of promulgation of this regulation include such service abnormalities, the proprietor shall use data for the 12-month period prior to the beginning of the service abnormality. The 12-month period used to define the Gross Study Area is hereafter referred to as the Base Year.

For the Base Year, the proprietor shall acquire the aviation operations data necessary to develop a Gridpoint Array using an FAA approved L_{dn} computer program,[1] or its equivalent, or, for smaller airports, the manual technique presented in "Calculation of Day-Night Levels (L_{dn}) Resulting From Civil Aircraft Operations." Although the specific details of alternative equivalent L_{dn} calculation programs may require that data be put into specific formats, all such calculation programs require the same functional types of data which are as follows:

A map of the airport and its environs at a scale of 1 inch to 2000 feet indicating runway length, alignments, landing thresholds, takeoff start-of-roll points, airport boundary, and flight tracks out to at least 50,000 feet from the end of each runway.

Airport activity levels and operational data which will indicate, on an annual average daily basis, the number of aircraft, by type of aircraft, which utilize each flight track, in both the day (0700–2200 hrs.) and night (2200–0700 hrs.) periods for both landings and takeoffs.

For landings—glide slopes, glide slope intercept altitudes, and other pertinent information needed to establish approach profiles, i.e., the relationship altitude to distance to touch-down along with the engine power levels needed to fly that approach profile.

For takeoffs—the flight profile which is the relationship of altitude to distance from start-of-roll along with the engine power levels needed to fly that takeoff profile; these data shall reflect the use of noise abatement departure procedures and the takeoff weight of the aircraft or some proxy for weight such as stage length.

Existing topographical or airspace restrictions which preclude the utilization of alternative flight tracks.

The Government furnished data depicting aircraft noise characteristics.

The Base Year airport activity and operations data and the aircraft noise emission characteristics, when processed by an approved L_{dn} calculation program or the referenced manual technique, will yield aircraft L_{dn} values in the vicinity of the airport in a geographical gridpoint array. The gridpoint array shall be at a scale of 1 inch to 2,000 feet with a uniform spacing of 1,000 feet between gridpoints. The gridpoint array is normally centered on the runway complex; however, for facilities which exhibit a preponderence of operations over specific area adjacent to the airport, the gridpoint array center should be translated toward that area in order to include all impacted areas while excluding areas over which there is minimal aircraft activity.

B. *Determining the gross study area boundary.* The gross study area boundary is that line which includes all land area exposed to 55 L_{dn} or greater due to aircraft operations. This boundary is determined by connecting the line of gridpoints which are nearest to 55 L_{dn} but which do not exceed 55 L_{dn}. The gross study area is then composed of all gridblocks which are intersected by or lie within the connecting line.

C. *Determining the locus and extent of authority.* The gross study area may fall completely within the boundary of a single political jurisdiction which has comprehensive land use planning and control authority or it may be composed of a variety of governmental entities. The airport proprietor shall identify and depict the geographic extent of each governmental entity which is either wholly or partially contained within the Gross Study Area and describe the land use planning and control authority available to each. The description of planning authority shall be of sufficient detail to distinguish between comprehensive or master planning authority and other types such as areawide, regional, special purpose.

An acceptable analysis of the types of land use control available to the impacted jurisdictions should include, but not be limited to, the following general categories of land use control:

Acquisition and disposition of land;
Regulatory (police) power;
Capital improvement programs;
Monetary and fiscal policy; and
Contractual agreements.

For prospective applications of local land use control authority, the airport proprietor shall indicate whether the specified authority is (1) as a matter of administrative discretion, (2) pursuant to the enactment of a local law, or (3) as requiring State enabling legislation.

D. *Estimating community background levels.* The community background level is the common logarithmic sum of the indigenous (self-generated) noise level and the contributions of other specific residential sources such as limited access highways which are within the gross study area. Background levels must be estimated in a manner which is methodologically compatible with the format of the aircraft noise analysis, i.e., background levels must be presented in L_{dn} at each gridpoint in the array which was defined for the aircraft noise analysis.

1. *Estimating indigenous levels.* Indigenous levels shall be estimated for all residentially developed areas within the gross study area. The data requirement for this task consist of (1) a base map of the area surrounding the airport to the same scale as the Aircraft Day-Night Average Sound Level Gridpoint Array (1 inch to 2000 feet), (2) up-to-date aerial photography of the area surrounding the airport, and (3) up-to-date census data and tract maps on population and housing for the gross study area. The selection of a 1 inch to 2,000 foot scale reflects the wide availability of U.S. Geodetic Survey (USGS) and Census maps which are produced in that scale. Aerial photography is not an absolute necessity for airports which are not located within built-up areas; in such cases an existing land use map or physical survey may be used. However, in built-up urban areas the use of aerial photography is advised to determine population densities and land use characteristics for given census tracts. These materials are basically all that are necessary to perfrom the indigenous noise estimation part of impact methodology. However, any additional material such as land use surveys and maps and population and housing surveys and analyses can be used as a supplement to the census information. Census tracts will vary considerably in size throughout urban and rural areas and any additional information on population and where it is actually within tract boundaries will enable more precise calculation of indigenous levels.

In order to estimate indigenous levels, the gross study area must be subdivided into study units which are areas of homogenous residential development. The following items constitute the basic criteria for study unit definition.

A study unit shall be residential development of homogenous density throughout. Residential development is categorized into three separate groups; single unit detached dwellings uniformly distributed, multi-family dwellings uniformly distributed, and a uniformly distributed mix of single and multi-family units.

The boundary of a study unit shall follow the physical boundary of a homogeneous development category.

The maximum geographical size of a study unit shall be the census tract boundaries in which the development category lies.

The minimum geographical area for a study unit of homogenous density in built up urban areas shall be 10 acres (built up is defined as development of homogeneous density which is surrounded by other land uses).

The maximum range of aircraft day-night average sound levels in a study unit shall not exceed 10 db.

Indigenous noise may be estimated as a function of population density for each study unit using the following equation:

$$L_{dn} = 10 \log p + 22$$

Where p=population density, people/square mile or p=Study unit population/study unit area in square miles, and the population may be computed by a physical inspection of the number of dwellings within a study unit and multiplying it by the average number of people per dwelling within the census tract which contains the study unit; if the study unit boundary and the census tract boundary are the same, total population may be directly determined from the census data.

The EPA has identified a minimum criteria level of 55 L_{dn} as being adequate to protect the public health and welfare with an adequate margin of safety and for those study units which due to sparse population do not exhibit an indigenous level of 55 L_{dn}, the estimated level is disregarded and 55 L_{dn} is assigned for the purposes of this study as the

[1] Two computer programs are now in general use for L_{dn} calculations, the AMRL program was used in the development and testing of this regulation.

"Community Noise Exposure Resulting from Aircraft Operations: Computer Program Operator's Manual," AMRL TR 73–108, Aerospace Medical Research Laboratory, Wright-Patterson Air Force Base, Ohio, July 1975.

"Airport Noise Reduction Forecast, Volume II—NEF Computer Program Description and User's Manual," Department of Transportation, DOT–TST–75–4, October 1975.

indigenous level. This procedure applies to any area with a population density of less than 2,000 people per square mile.

2. *Noise from other sources.* The community background level is composed of indigenous noise and the noise contribution from other sources within the community such as freeways and industrial sites. Prediction of noise levels resulting from sources may be done on a site specific basis, based upon measured data and put into the L_{dn} gridpoint format according to the following formula:

L_{dn}=10 log 1/24 (15 antilog L_{eq} day+9 antilog (L_{eq} night+10)

where L_{eq} day and L_{eq} night are the equivalent average sound levels in the day and night periods, 0700–2200 hrs. and 2200 hrs. to 0700 hrs. respectively.

For arterials and freeways approaching design hour volumes, the following formula can be used:

$$L_{dn}=30-30 \log D$$

where D is the distance from the near lane in miles and the equation does not reflect the influance of highway configuration or local topography.

Estimation of the contribution of other noise sources within the community is a potentially complex and time consuming effort. Thus, this methodology leaves that effort to the discretion of the proprietor and allows indigenous levels to be used in lieu of background levels. The use of indigenous levels in lieu of actual background levels yields an optimistic, i.e., low side, estimate of community levels without aircraft noise and hence provides a high side estimate of aircraft impact. Since the formulas specified above are not capable of reflecting the exact physical situation corresponding to specific unique sites, measured background noise levels may be substituted for calculated values when such measurements are available and the proprietor must substitute such measured values where he has reason to believe that the estimation technique yields highly inaccurate levels for a particular land area. Although such measured levels may be more accurate than estimated levels, it is EPA's judgment that the estimated values are generally accurate enough for the use to which they are put in this noise evaluation process—namely, to identify this priority areas for noise abatement and the relative effectiveness of abatement options. The estimation methods may be refined in time as more data become available.

3. *Background levels for undeveloped areas.* Undeveloped property which is within the gross study area must be viewed within the context of constituting a potential noise problem. Once land has been categorized as undeveloped but developable, a determination should be made of the principal permitted use under existing land use regulations. Such information may then be combined with the three development categories to define discrete study areas and assign "potential" population to appropriate gridblocks. This information will be of use in the evaluation of noise abatement options which may shift noise impact to such areas as well as aiding in the evaluation of land use control policies which may be used to preclude development in noise impacted areas. Potential noise impacts shall be evaluated for the time frame 10 years in the future, as required by this regulation.

4. *Determining incremental aircraft impact and noise units.* At this stage of the analysis, several data sets and displays have been produced:

A base map which shows airport configuration and flight tracks (1 inch to 2000 feet)

A gridpoint array of aircraft average day-night sound levels, with gridpoints every 1000 feet, presented at a scale of 1 inch to 2000 feet

A second map, also at 1 inch to 2000 feet which shows the study units, defined according to the criteria in Section B.1.

Indigenous sound levels for each study unit

Sound level contributions of other residential sources; this is optional and may be neglected at the discretion of the airport proprietor

The first step in the combination of the above listed materials to determine Incremental Aircraft Impact and Noise Units is to formulate Community Background Levels from Indigenous Levels and Other Residential Sources at each gridpoint.

The Community Background Level at a gridpoint is the common logarithmic sum of the Indigenous Level at that gridpoint and the contribution of Other Residential Sources at the same gridpoint. If the analyst elects to exclude Other Residential Sources, the Community Background Level at a gridpoint is identical to the Indigenous Level at that gridpoint.

The analyst now has a Community Background Level and an Aircraft Average Day-Night Level for each gridpoint in the airport vicinity.

For each study unit which contains two or more gridpoints, Community Background Level, referred to the study unit, is the arithmetic mean of all gridpoint Community Background Levels contained in the study unit. If the analyst has excluded the contribution of Other Residential Sources, the study unit Community Background Level is identical to the study unit Indigenous Level.

The study unit Aircraft Average Day-Night Level is determined by taking the arithmetic mean of all aircraft gridpoint levels within the boundary of the study unit. Where a small study unit does not have a gridpoint within its boundary, the aircraft gridpoint value at the gridpoint nearest to the study unit boundary is adopted as the study unit aircraft level.

For each study unit, the analyst now has developed a Community Background Level, an Aircraft Average Day-Night Level, and, from the earlier computation of indigenous noise, the study unit population.

The Total Noise Level for a study unit is the common logarithmic sum of the Community Background Level and the Aircraft Average Day-Night Level of the study unit.

The Incremental Aircraft Impact, in a study unit, is the positive arithmetic difference between the Total Noise Level and Community Background Level.

The Noise Units, in a study area, are determined by multiplying the Incremental Aircraft Impact in the study area by the residential population of the study area.

The step by step process described herein is summarized in the following example for a study unit:

LCB=LI+LORS—Lorgarithmic sum
LT=LCB+LA—Logarithmic sum
IAI=LT−LA—Arithmetic Difference
NU=IAI×P—Simple Multiplication

where LORS=Other Residential Sources Level, db

LI=Indigenous Level, db
LCB=Community Background Level, db
LA=Aircraft Level, db
LT=Total Level, db
IAI=Incremental Aircraft Impact, db
P=Population
NU=Noise Units

The information developed in the preceding series of steps should be retained in a tabular form, by study unit, since the later analysis of noise abatement options, leading to an Airport Noise Abatement Plan, will compare future situations to the existing Base Year case. Further, while the total number of Noise Units around an airport is taken as the most aggregated metric for the severity of the noise impact situation, the less aggregated results, i.e., results by study area, are the most useful in actually determining the effectiveness of specific noise abatement options.

5. *Analysis of program alternatives.* The preceding section prescribes a methodology for the characterization and presentation of the aircraft noise impacts which result from an existing set of airport operating conditions and land development configurations. The objective of the Airport Noise Regulation is to reduce the existing noise impact problem and it is probable that the airport proprietor may find it necessary to consider a fairly large number of abatement strategies comprised of different combination of options in order to demonstrate that his noise abatement plan is optimal. Noise abatement options should be considered and presented according to the following categorization:

Noise abatement options for which the airport proprietor has adequate implementation authority.

Noise abatement options for which the requisite implementation authority is vested in a local agency, governing body, or state agency or governing body.

Noise abatement options for which requisite authority is vested in an agency of the Federal Government.

The minimization of Base Year Noise Units can be achieved through actions considered discretionary to the Federal Aviation Administration or the airport proprietor or pursuant to FAA approval or discretionary to State or local governing bodies. At a minimum, the proprietor should analyze the following options, subject to the constraint that the option is appropriate to the specific airport, i.e., evaluation of night curfews is inappropriate if there are no night flights. Even though the airport proprietor responsible for the plan cannot require the FAA or State or local governing bodies to take certain actions which might have a positive noise abatement benefit for the airport, the proprietor must analyze and make available for review the effect which such actions would have on the noise impact from the airport. At a minimum, the following options should be analyzed and displayed.

1. Takeoff and landing noise abatement procedures for aircraft.
2. Limitations on the use of aircraft which do not meet the certification noise limits of Federal Aviation Regulation Part 36.
3. Noise abatement preferential runway systems.
4. Glide slopes and glide slope intersections for landing configuration.
5. Flight tracks.
6. Approach paths.
7. Landing paths.
8. Limitations on the class of aircraft using the airport.
9. Shifting aircraft to neighboring airports.
10. Location of run-up areas.
11. Operational limitations/curfews.
12. Priority landing directions for all aircraft.
13. Landing fees based on performance specifications.
14. Landing fees based on noise emission characteristics.
15. Compatible use of impacted land.
16. Other actions which would have a beneficial impact on public health and welfare.
17. Other actions recommended for analysis by the FAA or EPA for the specific airport.

The set of noise abatement options and strategies which will meet or exceed the health and welfare standard of the regula-

tion shall be presented to the public as a proposed noise abatement plan, subjected to areawide public hearings and delivered to the Administrator of the FAA. Such plans must include the following:

The impact of current operations on the surrounding community.

The effect of the proposed plan on reducing noise impact in the surrounding community for time frames of two (2) and five (5), and ten (10) years from the date of submission, given reasonable assumptions concerning the future operations at the airport and projected population changes in the community.

The relative contribution of each of the proposed options to the overall effectiveness of the plan.

Land use alternatives available to local and State authorities.

A schedule for implementation of the proposed noise abatement plan.

The FAA has not received from the Environmental Protection Agency an inflationary impact assessment for the recommended regulation set forth in this notice.

Issued in Washington, D.C., on November 12, 1976.

CHARLES R. FOSTER,
Director of
Environmental Quality.

[FR Doc.76-34133 Filed 11-19-76;8:45 am]

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Docket No. 16279; Reference Notice No. 76-24]

AIRPORT NOISE REGULATORY PROCESS

Public Hearing

The Federal Aviation Administration will hold a public hearing January 17, 1977, on proposed amendments to the Federal Aviation Regulations (14 CFR Chapter I) submitted to the FAA by the Environmental Protection Agency (EPA) under section 611(c)(1) of the Federal Aviation Act of 1958, as amended by the Noise Control Act of 1972 (Pub. L. 92-574). This hearing will afford interested persons the opportunity to present views, data, and arguments regarding the substance and issues raised in the proposals contained in Notice 76-"Airport Noise Regulatory Process" (published elsewhere in this issue of the FEDERAL REGISTER).

The hearing will be conducted in the Auditorium on the 3rd Floor of the Federal Aviation Administration Building, 800 Independence Avenue, SW., Washington, D.C., convening at 9:00 a.m. In the event that response to this notice exceeds the time allotted to the hearing, it will be continued at 9:00 a.m., January 18, 1977, in the FAA Auditorium.

The hearings will be informal in nature and will be conducted by a designated representative of the Administrator under 14 CFR 11.33. At the hearing, FAA spokesmen will make a brief opening statement regarding the proposals contained in the notice. Since the hearings will not be evidentiary or judicial in nature, there will be no cross-examination or other adjudicatory procedure applied to the presentations. However, interested persons wishing to make rebuttal statements will be given an opportunity to do so at the conclusion of the presentations in the same order in which initial statements are made.

Interested persons are invited to attend the hearings and to participate by making oral or written statements concerning the respective proposals. Written statements should be submitted in duplicate and will be made a part of the regulatory docket. Persons wishing to make oral statements at the hearings must notify the FAA that they desire to be heard, and indicate the amount of time requested for their initial statements. Presentations will be scheduled on a first-come-first-served basis, as time may permit. Requests to be heard should be addressed: "Public Hearing on Notice No. 76-24, Attention: Mr. Laurence J. Aurbach, Chief, Public Liaison (AEQ-120), Office of Environmental Quality, Federal Aviation Administration, 800 Independence Avenue SW., Washington, D.C. 20591; or telephone: (202) 426-8724.

In addition to material presented for the purpose of the hearings, persons not participating in the hearings are invited to submit relevant written comments to the regulatory docket established for the notice of proposed rule making. As stated in the notice, such written comments should identify the notice or docket number and be submitted in duplicate to: Federal Aviation Administration, Office of the Chief Counsel, Attention: Rules Docket, AGC-24, 800 Independence Avenue SW., Washington, D.C. 20591. The closing date for submitting written comments is March 24, 1977. All comments will be available for examination in the FAA Rules Docket both before and after the closing date for comments.

Notice No. 76-24 was issued by the FAA in accordance with section 611(c)(1) of the Federal Aviation Act of 1958, as amended by the Noise Control Act of 1972 (Pub. L. 92-574). The notice contains recommended regulations submitted to the FAA by EPA to provide such control and abatement of aircraft noise as EPA determines is necessary to protect the public health and welfare. The notice presents EPA's analysis of the background of the respective proposals and contains the material that is the subject of the public hearings. While all relevant comments are of interest, the FAA specifically invites relevant statements or comments concerning the following:

(a) Available data relating to aircraft noise, including the results of research, development, testing, and related evaluation activities.

(b) The views and positions of other Federal, State, and interstate agencies.

(c) Whether the proposed regulations would be consistent with the highest degree of safety in air commerce and air transportation in the public interest.

(d) Whether the proposed regulations would be—

(1) Economically reasonable;

(2) Technologically practicable; and

(3) Appropriate for the particular types of aircraft, aircraft engines, appliances, or certificates to which they would apply.

(e) The extent to which the proposed regulations would contribute to providing protection to the public health and welfare by carrying out the purposes of section 611 of the Federal Aviation Act of 1958, as amended.

(f) The overall environmental impacts of the proposed regulations (including environmental factors other than noise).

(g) The economic (inflationary) impact that might result because of adoption of the proposed rules.

Before taking further action under 611(c) of the Federal Aviation Act of 1958, the FAA will consider all statements presented at the hearings and all written statements and comments submitted to the regulatory docket. The specific terms and substance of proposals contained in the notice may be changed in the light of those statements and comments presented.

Transcripts of the hearings will be made and anyone may purchase copies from the reporter. A transcript of each hearing will be available for examination in the Rules Docket.

(Secs. 313(a), 611(c), 612, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1431(c)), 1432; Section 6(c) of the Department of Transportation Act (49 U.S.C. 1655(c)); and 44 U.S.C. 1508.)

Issued in Washington, D.C., on November 12, 1976.

CHARLES R. FOSTER,
Director of Environmental Quality.

[FR Doc.76-34134 Filed 11-19-76;8:45 am]

federal register

MONDAY, NOVEMBER 22, 1976

PART III:

DEPARTMENT OF TRANSPORTATION

Urban Mass Transportation Administration

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UNIFORM SYSTEM OF ACCOUNTS AND RECORDS AND REPORTING SYSTEM

Proposed Implementation

DEPARTMENT OF TRANSPORTATION

Urban Mass Transportation Administration

[49 CFR Part 630]

[Docket No. 76-08, Notice 1]

UNIFORM SYSTEM OF ACCOUNTS AND RECORDS AND REPORTING SYSTEM

Proposed Implementation

The Urban Mass Transportation Administration is considering rulemaking under section 15 of the Urban Mass Transportation Act, which requires the Secretary of Transportation to develop, test and prescribe by January 10, 1977, a reporting system to accumulate public mass transportation financial and operating information by uniform categories, and a uniform system of accounts and records. These systems have been developed and tested; they now must be prescribed.

The purpose of the proposed systems is to assist in meeting the need for information on which to base planning for public transportation services, and to make public sector investment decisions at all levels of government.

After July 1, 1978, the Secretary may not make any grant under section 5 of the Urban Mass Transportation Act unless the applicant for such grant and any beneficiary are each subject to both the reporting system and the uniform system of accounts and records prescribed pursuant to section 15. Grants under section 5 are those apportioned to urbanized areas by formula and usable for either capital investments or operating expenses.

Financial and operating information on public transportation is not altogether lacking. For many years, the American Public Transit Association (APTA) has collected and published financial and operating statistics based on reports from its members. This reporting system has been the main source of comparative information for transit system operators, the research community and governmental planning and programming agencies. The information has included national estimates of operating deficits, transit passengers and other general measures of the status of the industry. It has limitations which have been recognized by the Association and others for many years, the principal ones being lack of precision in the data element definitions, and lack of uniformity in the format and scope of data submissions.

In addition to the APTA information, many states and local agencies require transit operators to report, for regulatory and other purposes, under the Interstate Commerce Commission Chart of Accounts. However, the ICC Chart of Accounts suffers from some of the same deficiencies as the APTA system. Taking into account the general status of information on this industry, and the importance of improving its condition, Congress enacted section 15, calling for the prescription of a uniform system of accounts and records and a reporting system.

The development of the proposed uniform system of accounts and records and the reporting system has actually taken place over a period of several years. Though now a requirement of the Act, it was originally suggested by the transit industry, then funded as a research project by UMTA. This development has been known as Project FARE (Financial Accounting and Reporting Elements). The design theory behind FARE was to establish a reporting system that encompassed a system of accounts and records to satisfy its requirements. It would be sufficiently comprehensive to encourage each transit enterprise to consider utilizing the system of accounts in its own internal accounting system. The FARE reporting system, based on such a concept, was field tested in 1972 and found to be achievable by transit operators. The UMTA considers this testing in compliance with the spirit of section 15 calling for such testing before prescription of the systems. The FARE system was subsequently endorsed by APTA, the National League of Cities/U.S. Conference of Mayors, and National Governors Conference, and was accepted by the Interstate Commerce Commission. The systems being prescribed are drawn from the FARE effort.

It is noteworthy that section 15 calls for the systems to assist in meeting the information needs of individual public mass transportation systems, Federal, state and local governments, and the public. These needs vary widely. Transit operators require relatively detailed information for internal management purposes—comparison of their own operations over time and with other transit systems. The Federal Government on the other hand has significantly fewer requirements. So also do the states. It is likely that differences in the demands of various users on the systems (i.e., differences in their expectations of the systems) will only become clear after a few years' experience. A series of reports are being designed to meet what are thought to be common interests, at the outset.

To recognize differences in the sizes of transit systems to be affected, attempts have been made to classify reporting requirements as to level of detail and in some cases frequency. For example, expense and employee count requirements have been stratified to take into consideration difference in the size of transit operations, their internal management requirements, and their data reporting capability. The stratification for the levels of reporting described in the proposed regulation is as follows:

Level A—More than 500 Revenue Vehicles, (about 20 systems)
Level B—Between 101 and 500 Revenue Vehicles, (about 50 systems)
Level C—100 or Less Revenue Vehicles, (about 800 systems)

With respect to the timing of implementation, the law mandates prescription of the uniform system of accounts and records and the reporting system by January 10, 1977; the effective date of these requirements is July 1, 1978. Each public mass transportation system will be required to report financial and operating data annually. The first report will be due 120 days after the close of the first fiscal year ending after July 1, 1978. For example, a transit property whose fiscal year ends on July 31 must first report by November 28, 1978. This is the earliest case. This property would need to convert to the reqiured system of accounts and records as of August 1, 1977.

The one-time cost of conversion to the prescribed systems will be considered either eligible capital expenditures or operating expense under the section 5 grant program. Therefore, the Federal share will be at 80 percent or 50 percent. For agencies or systems which may not be eligible for Sections 5 funds but want to implement the systems, section 3 funds (capital grant program) may be made available.

This "Notice of Proposed Rulemaking" defines the section 15 Reporting System and the Uniform System of Accounts and Records, to which recipients of section 5 grant funds are subject. Metropolitan Planning Organizations will also be providing data complementing that required by Section 15. For this reason, a proposed appendix to the Joint UMTA–FHWA Planning Regulations describing urban development and transportation indicators to be reported in the planning process will also be published for comment.

Interested persons are invited to participate in the making of the proposed section 15 rule by submitting such data, views or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to the Urban Mass Transportation Administration, Office of the Chief Counsel, Attention: Section 15 Reporting System, 400–7th Street, S.W., Washington, D.C. 20590. All communications received on or before December 14, 1976, will be considered by the Administrator before taking action on the proposed rule.

A public hearing will also be held on this "Notice of Proposed Rulemaking" for the purpose of considering the views of the public including transit operators, Metropolitan Planning Organizations and State agencies. This public hearing will be held on Tuesday, December 7, 1976, from 9:30 a.m. to 12 noon and 2:00 p.m. to 5:00 p.m. (EDT) at the Department of Transportation Headquarters, Nassif Building, 400–7th Street, S.W., Washington, D.C. in Room 2230.

Written presentations by any interested person including those who may not have sufficient time to express their views at the hearing or anyone unable to attend, may be submitted to the Chief Counsel, UMTA, Attention: Section 15 Reporting System, before December 14, 1976.

All persons, official bodies and organizations interested in presenting written and/or oral testimony pertaining to this hearing may register in advance of the hearing by calling (202) 426–4043 or writing the Director, UMTA Office of Public Affairs, 400–7th Street, S.W., Room 9330, Washington, D.C. 20590. Those persons, official bodies or organizations who do not register in advance will

be heard after advanced registrants have been called and heard.

(Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 *et seq.*) and 49 CFR 1.51.)

In consideration of the foregoing it is proposed to issue a new Part 630 of 49 CFR Chapter VI as set forth below:

Issued on November 15, 1976.

ROBERT E. PATRICELLI,
Urban Mass Transportation Administrator.

PART 630—UNIFORM SYSTEM OF ACCOUNTS AND RECORDS AND REPORTING SYSTEM

Subpart A—General

Subpart B—Uniform System of Accounts and Records

Subpart C—Reporting System

AUTHORITY: Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.) and 49 CFR 1.51.

Subpart A—General

§ 630.1 Purpose.

The purpose of this subpart is to define the terms and procedures guiding the application of the Uniform System of Accounts and Records and the Reporting System required to be prescribed by section 15 of the Urban Mass Transportation Act. These systems prescribed by section 15 are the FARE Uniform System of Accounts and Records and Reporting System that are described in the report entitled "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System." For purposes of this part, the section 15 requirements and the FARE systems are identical.

§ 630.2 Scope.

These regulations apply to all applicants and beneficiaries of Federal financial assistance under section 5 of the UMT Act (49 U.S.C. 1604 et seq.). Applicants and beneficiaries under section 5 must adhere to the Uniform System of Accounts and Records and participate in the Reporting System as provided hereunder. Failure to do so will result in loss of eligibility for assistance under section 5.

§ 630.3 Definitions.

(a) Except as otherwise provided, terms defined in the Urban Mass Transportation Act of 1964, as amended (49 U.S.C. 1601 et seq.), are used in this part as so defined.

(b) For purposes of this part—

"The UMT Act" means the Urban Mass Transportation Act of 1964 as amended (49 U.S.C. 1601 et seq.).

"Administrator" means the Urban Mass Transportation Administrator or his designee.

"Applicant" means Applicant for Assistance under section 5 of the UMT Act.

"Assistance" means Federal financial assistance for the acquisition, construction or operation of public mass transportation services.

"Commuter Rail System" means passenger transportation by railroad within, to or from an urbanized area usually typified by closer headways during weekday morning and afternoons and by the sale of commutation tickets.

"Beneficiary" means any organization operating and delivering urban transit services that receives benefits directly from assistance under section 5 of the UMT Act.

"Metropolitan Planning Organization" means that organization designated by the Governor as being responsible, together with the state for carrying out the provisions of 23 U.S.C. 134 (Federal-Aid Highway Planning Requirements) and capable of meeting the requirements of 49 U.S.C. 1603(a) (Urban Mass Transportation planning requirements). This organization is the forum for cooperative decision-making by principal elected officials of general purpose local government.

"Mass Transportation System" or "transit system" means a system to transport people by bus, or rail, or other conveyance, either publicly or privately owned, and which provides to the public, general or special service (but not including school or charter or sightseeing service) on a regular and continuing, scheduled or unscheduled, basis.

"Motor Bus System" means rubber-tired passenger vehicles operating singly on streets in an urbanized area, not necessarily restricted to operating on a fixed route. These vehicles are typically powered by diesel, gasoline or propane engines.

§ 630.4 Overview of the uniform system of accounts and records, and the reporting system.

(a) *Relationship of system of accounts and records to reporting system.* There is a distinction between a uniform system of accounts and records, and a system of reports generated to satisfy the requirements of various users of financial and operating information.

(b) The uniform system of accounts and records consists of (1) various categories of accounts and records for classifying financial and operating data, (2) precise definitions as to what data elements are to be included in these categories, and (3) definition of practices for systematic collection and recording of such information.

(c) The reporting system consists of forms and procedures (1) for transmitting information from operators to the agency designated to collect data from all operators, (2) for editing and storing information, and (3) for the data center to report information to various user groups. User reports may consist of basic data summaries and analytical measures or performance indicators to assist the analysis of information.

(d) The level of detail of data element catagories in the system of accounts and records should not be confused with the level of detail to be reported to the collection agency and ultimately to the users. The level of detail in the system of accounts and records maintained by the reporting agencies should be dictated largely by the management needs of the reporting agency, and by the requirement to provide an audit trail from the present internal accounting system to the prescribed system, if the latter is not actually adopted in practice. The level of detail actually reported to the central processing agency and ultimately to users will depend upon the requirements of various users, and will be more general than that required for internal management purposes.

§ 630.5 Commuter rail reporting requirements.

Commuter railroads shall maintain their internal books of account in the manner specified by the Interstate Commerce Commission (ICC). The commuter rail reporting requirements under section 15 are those proposed by the Rail Services Planning Office (RSPO) under 49 CFR Part 1127 as published in the FEDERAL REGISTER on May 14, 1976.

§ 630.6 Reference documents.

(a) The uniform system of accounts and records and the Reporting System required by section 15 are contained in the report entitled "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System." The report contains a description of the FARE uniform system of accounts and records and reporting system for the urban mass transit industry. It is presented in four volumes.

VOLUME I—GENERAL DESCRIPTION contains a general introduction to the FARE systems, and a description of the analytical capabilities provided by the comparative data generated by the FARE systems.

VOLUME II—UNIFORM SYSTEM OF ACCOUNTS AND RECORDS contains the definitions for the FARE uniform system of accounts and records.

VOLUME III—REPORTING SYSTEM FORMS AND INSTRUCTIONS contains examples of the types of forms that would be used to input data into the FARE reporting system and instructions for completing those forms.

VOLUME IV—REPORTING FORMS AND INSTRUCTIONS FOR SMALL (LEVEL C) MOTOR BUS OPERATORS contains examples of the reporting system input forms and instructions for operators that operate 100 or fewer revenue vehicles and provide only motor bus, dial-a-ride and/or school bus service.

(b) Volumes I and II will be of use to all reporting transit systems. Volume IV will be of use to those operators who operate 100 or fewer revenue vehicles and who provide only motor bus, and/or school bus and/or dial-a-ride service. Volume III will be of use to all other reporting transit operators.

Subpart B—Uniform System of Accounts and Records

§ 630.10 Purpose.

The purpose of this Subpart is to prescribe the Uniform System of Accounts and Records under Section 15 of the Urban Mass Transportation Act.

§ 630.11 General instructions.

(a) Each transit system affected by this regulation, except for commuter rail systems, shall maintain its internal books of account in at least the level of detail described in the publication "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System" available from:

Section Fifteen, Office of Transit Management, UMD–10, Urban Mass Transportation Administration, 2100 2nd Street, SW., Washington, D.C. 20590.

(1) In addition to the prescribed accounts, temporary or experimental accounts and subdivisions of any accounts may be kept, provided the integrity of the prescribed accounts is not impaired. A transit property is not required to adopt the prescribed uniform system of accounts and records as its own internal system of accounts. Each entity can customize its internal books of account to meet its own internal management requirements, provided that it is able to translate its accounts to the prescribed uniform system of accounts and records. It is intended that the records shall be kept as to permit ready analysis by prescribed accounts and to permit preparation of financial and operating data directly from such records at the end of the fiscal year. Any summary and/or translation to the prescribed Uniform System of Accounts and Records must be consistent with the following:

(i) The data have been developed using the accrual basis of accounting. Those transit systems that use cash-basis accounting, in whole or in part, in their books of account will have to make work sheet adjustments to record the data on the accrual basis.

(ii) The accounting treatment specified in the Accounting Practice Instructions in the publication "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System" has been followed.

(iii) The transit system's accounting categories (chart of accounts) have been correctly related, via a clear audit trail, to the accounting categories prescribed in this system.

(b) Commuter rail systems shall maintain their internal books of account in the manner specified by the Interstate Commerce Commission.

§ 630.12 Structure of the uniform system of accounts and records.

(a) In order to aid affected persons, enterprises and the public in comprehending this Uniform System of Accounts and Records, the general structure of the system is described as follows:

(1) *Two-Dimension Classification of Expenses.* In the section 15 system, operating expenses incurred by the transit system are classified within mode according to two dimensions: (i) The type of expenditure (object classes), (ii) The function or activity performed.

Table B–1 presents an example of this two-dimensional classification in its most summarized form:

TABLE B–1

Object classes	Function categories			
	013 operating	040 maintenance	160 general administration	Total all functions
501. Labor				
502. Fringe benefits				
503. Services				
504. Materials and supplies consumed				
505. Casualty and liability cost				
506. Leases and rentals				
507. Depreciation and amortization				
508. Property retirement writeoffs				
509. Interest expense				
510. Other taxes				
511. Expense transfers				
512. Subsidy payments				
Total expenses				

(2) *Expense object classes.* The expense object classes are typical of most transit accounting systems. Although some systems may not identify the specific categories or use the same names, their systems usually capture the same information and can be reclassified into the Section 15 categories. The additional level of detail presented in "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System" Volume II contains definitions that should help in this reclassification. Table B–2 is a list of the Section 15 expense object clasess. The object class definitions are contained in the "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System", Volume II, Chapter 7.

TABLE B–2

EXPENSE OBJECT CLASSES

501. *Labor*

1. Operators' Salaries and Wages.
2. Other Salaries and Wages.

502. *Fringe Benefits*

1. FICA or Railroad Retirement.
2. Pension Plans (including long-term disability insurance).
3. Hospital, Medical and Surgical Plans.
4. Dental Plans.
5. Life Insurance Plans.
6. Short-Term Disability Insurance Plans.
7. Unemployment Insurance.
8. Workmen's Compensation Insurance or Federal Employees Liability Act Contributions.
9. Sick Leave.
10. Holiday (including all premiums paid for working on holidays).
11. Vacation.
12. Other Paid Absence (bereavement pay, military pay, jury duty pay, etc.).
13. Uniform and Work Clothing Allowances.
14. Other Fringe Benefits.
15. Distribution of Fringe Benefits.

503. *Services*

1. Management Service Fees.
2. Advertising Fees.
3. Professional and Technical Services.
4. Temporary Help.
5. Contract Maintenance Services.
6. Custodial Services.
7. Security Services.
8. Propulsion Power.
9. Utilities Other than Propulsion Power.
10. Dues and Subscriptions.
11. Travel and Meetings.
12. Bridge, Tunnel and Highway Tolls.
13. Other Services.
14. (Not used.)
15. Entertainment Expense.
16. Charitable Donations.
17. Fines and Penalties.

504. *Materials and Supplies Consumed*

1. Fuel and Lubricants.
2. Tires and Tubes.
3. Other Materials and Supplies.

505. *Casualty and Liability Costs*

1. Premiums for Physical Damage Insurance.
2. Recoveries of Physical Damage Losses.
3. Premiums for Public Liability and Property Damage Insurance.
4. Payouts for Uninsured Public Liability and Property Damage Settlements.
5. Provision for Uninsured Public Liability and Property Damage Settlements.
6. Payouts for Insured Public Liability and Property Damage Settlements.
7. Recoveries of Public Liability and Property Damage Settlements.
8. Premiums for Other Corporate Insurances.

9. Other Corporate Losses.
10. Recoveries of Other Corporate Losses.

506. *Leases and Rentals*

1. Transit Way and Transit Way Structures and Equipment.
2. Passenger Stations.
3. Passenger Parking Facilities.
4. Passenger Revenue Vehicles.
5. Service Vehicles.
6. Operating Yards or Stations.
7. Engine Houses, Car Shops and Garages.
8. Power Generation and Distribution Facilities.
9. Revenue Vehicle Movement Control Facilities.
10. Data Processing Facilities.
11. Revenue Collection and Processing Facilities.
12. Other General Administration Facilities.

507. Depreciation and Amortization

1. Transit Way and Transit Way Structures and Equipment.
2. Passenger Stations.
3. Passenger Parking Facilities.
4. Passenger Revenue Vehicles.
5. Service Vehicles.
6. Operating Yards or Stations.
7. Engine Houses, Car Shops and Garage.
8. Power Generation and Distribution Facilities.
9. Revenue Vehicle Movement Control Facilities.
10. Data Processing Facilities.
11. Revenue Collection and Processing Facilities.
12. Other General Administration Facilities.

508. Property Retirement Write-Offs and Bad Debt Expenses.

1. Property Retirement Write-Offs.
2. Bad Debt Expense.

509. Interest Expense

1. Interest on Long-Term Debt Obligations (net of interest capitalized).
2. Interest Paid on Working Capital Borrowings.

510. Other Taxes

1. Federal Income Tax.
2. State Income Tax.
3. Property Tax.
4. Vehicle Licensing and Registration Fees.
5. Fuel and Lubricant Taxes.
6. Other Taxes.

511. Expense Transfers

1. Function Reclassifications.
2. Expense Reclassifications.

512. Subsidy Payments

1. Purchased Transportation Service.

(3) *Function Categories.* Most current systems classify expenditures according to organizational categories. These organizational entities may or may not conform to the functional categories. Moreover, the organizational categories vary a great deal among systems. To obtain uniformity and enhance the usefulness of the data, it was necessary to define a standard set of functional classifications. This was done in consideration of the complexity, needs and capabilities of various sizes of operations. Large systems need to develop specialized activities and are able to identify labor and other expenses directly with these activities. Small companies have less need to develop specialized activities. For example, in an operation with ten vehicles, one person may perform general management, operating and maintenance activities.

(i) For the above reasons, three levels of detail for functional categories were developed:

(A) Level A.—Applies to operations with more than 500 vehicles

(B) Level B.—Applies to operations with 101–500 vehicles

(C) Level C.—Applies to operations with 100 vehicles or less

(ii) Table B–3 shows the three levels of functional classification and how they relate to one another. Function definitions are contained in the "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System", Volume II, Chapter 7. Level A is the most detailed. Level B is an aggregation of Level A, and Level C is an aggregation of Level B. The breakdown in Table B–1 is Level C. Note that it will be possible to compare all systems at the C–Level; those with 101 or more vehicles at the B–Level; and those with greater than 500 vehicles at the A-Level. The approximate number of transit systems that would be affected at each level are as follows:

Level A—20
Level B—50
Level C—880

Thus, only a few large systems would maintain their accounts and records at the A or B level. The smaller systems would maintain their accounts at the C Level.

TABLE B–3.—*Aggregation of functions for expense classification*

Level A—detail		Level B (aggregation of A)		Level C (aggregation of B)	
011	Transportation administration	010	Administration of transportation operations.	010	Operations.
012	Revenue vehicle movement control				
021	Scheduling of transportation operations.	020	Scheduling of transportation operations.		
031	Revenue vehicle operation	030	Revenue vehicle operation		
041	Maintenance administration—vehicles	040	Maintenance administration	040	Maintenance.
042	Maintenance administration—facilities				
051	Servicing revenue vehicles	050	Servicing revenue vehicles		
061	Inspection and maintenance of revenue vehicles.	060	Inspection and maintenance of revenue vehicles.		
062	Accident repairs of revenue vehicles	062	Accident repairs of revenue vehicles		
071	Vandalism repairs of revenue vehicles	070	Vandalism repairs of revenue vehicles		
081	Servicing and fuel for service vehicles	080	Servicing and fuel for service vehicles		
091	Inspection and maintenance of service vehicles.	090	Inspection and maintenance of service vehicles.		
101	Maintenance of vehicle movement control systems.	100	Maintenance of vehicle movement control systems.		
111	Maintenance of fare collection and counting equipment.	110	Maintenance of fare collection and counting equipment.		
121	Maintenance of roadway and track	120	Maintenance of other buildings, grounds and equipment.		
122	Maintenance of structures, tunnels, bridges and subways.				
123	Maintenance of passenger stations				
124	Maintenance of operating station buildings, grounds and equipment.				
125	Maintenance of garage and shop buildings, grounds and equipment.				
126	Maintenance of communication system				
127	Maintenance of general administration buildings, grounds and equipment.				
128	Accident repairs of buildings, grounds and equipment.				
131	Vandalism repairs of buildings, grounds and equipment.	130	Vandalism repairs of buildings, grounds and equipment.		
141	Operation and maintenance of electric power facilities.	140	Operation and maintenance of electric power facilities.		
145	Preliminary transit system development.	145	Preliminary transit system development.	160	General administration.
151	Ticketing and fare collection	150	Ticketing and fare collection		
161	System security	160	General administration		
165	Injuries and damages				
166	Safety				
167	Personnel administration				
168	General legal services				
169	General insurance				
170	Data processing				
171	Finance and accounting				
172	Purchasing and stores				
173	General engineering				
174	Real estate management				
175	Office management and services				
176	General management				
162	Customer services	170	Marketing		
163	Promotion				
164	Market research				
177	Planning				
181	General function	180	General function		

(4) *Revenue classes*—A list of the detailed revenue object classes appears in Table B–4. The definitions appear in the "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System", Volume II, Chapter 6. Most systems can classify their revenues in this manner. The objective of the classification is to sort out revenues that are associated with passenger operations and those which are not. In addition, income from operating grants and subsidiaries is highlighted.

TABLE B–4

REVENUE OBJECT CLASSES

401. *Passenger Fares for Transit Service*

1. Full Adult Fares.
2. Senior Citizen Fares.
3. Student Fares.
4. Child Fares
5. Handicapped Rider Fares.
6. Parking Lot Revenue.
99. Other Primary Ride Fares.

402. *Transfer Fees*

1. Transfer Fees for Extra Cost Transfers.

403. *Special Transit Fares*

1. Contract Fares for Postmen.
2. Contract Fares for Policemen.
3. Special Route Guarantees.
4. School Bus Operations.
5. Other Special Contract Transit Fares—State and Local Government.
6. Other Special Contract Transit Fares—Other Sources.
7. Non-Contract Special Service Fares.

404. *Freight Tariffs*

1. Hauling Freight.

405. *Charter Service Revenues*

1. Passenger Fares form Charter Service.

406. *Auxiliary Transportation Revenues.*

1. Station Concessions.
2. Vehicle Concessions.
3. Advertising Services.
4. Automotive Vehicle Ferriage.
99. Other Auxiliary Transportation Revenues.

407. *Nontransportation Revenues*

1. Sales of Maintenance Services.
2. Rental of Revenue Vehicles.
3. Rental of Buildings and other Property.
4. Investment Income.
5. Parking Lot Revenue.
99. Other Nontransportation Revenues.

408. *Taxes Levied Directly by Transit System*

1. Property Tax Revenue.
2. Sales Tax Revenue.
3. Income Tax Revenue.
4. Payroll Tax Revenue.
5. Utility Tax Revenue.
99. Other Tax Revenue.

409. *Local Cash Grants and Reimbursements*

1. General Operating Assistance.
2. Special Demonstration Project Assistance—Local Projects.
3. Special Demonstration Project Assistance—Local Share for State Projects.
4. Special Demonstration Project Assistance—Local Share for UMTA Projects.
5. Handicapped Citizen Fare Assistance.
6. Senior Citizen Fare Assistance.
7. Student Fare Assistance.
8. Other Special Fare Assistance.
9. Reimbursement of Taxes Paid.
10. Reimbursement of Interest Paid.
11. Reimbursement of Transit System Maintenance Costs.
12. Reimbursement of Snow Removal Costs.
13. Reimbursement of Security Costs.
14. Federal Revenue Sharing.
99. Other Financial Assistance.

410. *State Cash Grants and Reimbursements*

1. General Operating Assistance.
3. Special Demonstration Project Assistance—State Projects.
4. Special Demonstration Project Assistance—State Share for UMTA Projects.
5. Handicapped Citizen Fare Assistance.
6. Senior Citizen Fare Assistance.
7. Student Fare Assistance.
8. Other Special Fare Assistance.
9. Reimbursement of Taxes Paid.
10. Reimbursement of Interest Paid.
11. Reimbursement of Transit System Maintenance Costs.
13. Reimbursement of Security Costs.
14. Federal Revenue Sharing.
99. Other Financial Assistance.

411. *Federal Cash Grants and Reimbursements*

1. General Operating Assistance.
4. Special Demonstration Project Assistance.
99. Other Financial Assistance.

430. *Contributed Services*

1. State and Local Government.
2. Contra Account for Expense.

440. *Subsidy From Other Sectors of Operations*

1. Subsidy from Utility Rates.
2. Subsidy from Bridge and Tunnel Tolls.

(5) *Balance sheet object classes*—The detailed classifications for assets, liabilities and capital accounts appear in Table B–5. The definitions appear in the "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System", Volume II, Chapters 3, 4 and 5, respectively.

TABLE B–5

BALANCE SHEET OBJECT CLASSES

Assets

101. *Cash and Cash Items*

1. Cash.
2. Working (Imprest) Funds.
3. Special Deposits, Interest.
4. Special Deposits, Dividends.
5. Special Deposits, Other.
6. Temporary Cash Investments.

102. *Receivables*

1. Accounts Receivable.
2. Notes Receivable.
3. Interest and Dividends Receivable.
4. Receivables from Association Companies.
5. Receivable Subscriptions to Capital Stock.
6. Receivables for Capital Grants.
7. Receivables for Operating Assistance.
8. Other Receivables.
9. Reserve for Uncollectible Accounts.

103. *Materials and Supplies Inventory*

104. *Other Current Assets*

105. *Work in Process*

1. Unbilled Work for Others.
2. Capital Projects.

111. *Tangible Transit Operating Property*

1. Property Cost.
2. Leased-Out Property Cost.
3. Accumulated Depreciation.

112. *Tangible Property Other Than for Transit Operations*

1. Property Cost.
2. Accumulated Depreciation.

121. *Intangible Assets*

1. Organization Costs.
2. Franchises.
3. Patents.
4. Goodwill.
5. Other Intangible Assets.
6. Accumulated Amortization.

131. *Investments*

1. Investments and Advances, Associated Companies.
2. Other Investments and Advances.
3. Reserve for Revaluation of Investments.

141. *Special Funds*

1. Sinking Funds.
2. Capital Asset Funds.
3. Insurance Reserve Funds.
4. Pension Funds.
5. Other Special Funds.

151. *Other Assets*

1. Prepayments.
2. Miscellaneous Other Assets.

Liabilities

201. *Trade Payables*

1. Accounts Payable.
2. Payables to Associated Companies.

202. *Accrued Payroll Liabilities*

203. *Accrued Tax Liabilities*

204. *Short-Term Debt*

1. Notes Payable.
2. Matured Equipment and Long-Term Obligations.
3. Unmatured Equipment and Long-Term Obligations, Current Portion.
4. Matured Interest Payable.
5. Accrued Interest Payable.
6. Current Pension Liabilities.

205. *Other Current Liabilities*

1. Unredeemed Fare.
2. C.O.D.'s Unremitted.
3. Dividends Declared and Payable.
4. Short-Term Construction Liabilities.
5. Miscellaneous Other Current Liabilities.

211. *Advances Payable*

1. Advances Payable to Associated Companies.
2. Other Advances Payable.

221. *Long-Term Debt*

1. Equipment Obligations.
2. Bonds.
3. Receivers' and Trustees' Securities.
4. Long-Term Construction Liabilities.
5. Other Long-Term Obligations.
6. Unamortized Debt Discount and Expense.
7. Unamortized Premium on Debt.
8. Reacquired and Nominally Issued Long-Term Obligations.

231. *Estimated Liabilities*

1. Long-Term Pension Liabilities.
2. Uninsured Public Liability and Property Damage Losses.

241. *Deferred Credits*

Capital

301. *Public (Governmental) Entity Ownership*

1. Investment in Transit System.

302. *Private Corporation Ownership*

1. Preferred Capital Stock.
2. Common Capital Stock.
3. Premiums and Assessments on Capital Stock.
4. Discount on Capital Stock.
5. Commission and Expense on Capital Stock.
6. Capital Stock Subscribe.
7. Reacquired Securities.
8. Nominally Issued Securities.

303. *Private Noncorporate Ownership*

1. Sole Proprietorship Capital.
2. Partnership Capital.

304. *Grants, Donations and Other Paid-In Capital*

1. Federal Government Capital Grants.
2. State Government Capital Grants.
3. Local Government Capital Grants.
4. Nongovernmental Donations and Other Paid-In Capital.

305. *Accumulated Earnings (losses)*

1. Accumulated Earnings (Losses).
2. Dividend Appropriations.
3. Restricted Accumulated Earnings.

306. *Unrealized Effects of Price Level Changes*

(6) *Accumulation Period*—The period of accumulation of data is the operator's fiscal year. This avoids allocation inaccuracies that would occur if the operator were to be forced into a common year, e.g., calendar year, or the disruption which would be caused if all were to be required to adopt a fiscal year ending on the same date.

(7) *Operating Data Elements*—The "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System" also defines and recommends procedures for the collection of certain operating data elements. These appear in Table B–6.

(i) It should be noted here that for urbanized areas with populations over 750,000, this information will be supplemented by a user survey conducted every four years by the Metropolitan Planning Organizations (MPO's). A measure of walking accessibility to transit systems and certain demographic data will also be provided by the MPO's for all urbanized areas with 50,000 or more population. The areas in which the user surveys will be conducted roughly correspond to those which would include the operators that would report on an A or B Level of detail for functional classifications.

TABLE B–6

OPERATING DATA ELEMENTS

Time Periods

Facilities and Equipment

Miles of roadway or track.
Railway classifications.
Bus roadway classifications.
Revenue vehicle inventory classifications.

Employees

Transit operating personnel classifications.
Employee count classifications.

Maintenance Performance and Fuel Consumption

Roadcalls for mechanical failure.
Roadcalls for other reasons.
Labor hours for inspection and maintenance of revenue vehicles.
Fuel power consumption.

Safety

Collision accident classifications.
Noncollision accident classifications.
Injury and damage classifications.

Service Supplied and Vehicle Utilization

Average and total vehicles operated.
Miles of revenue service.
Miles of total service.
Miles of charter and school bus service.
Hours of revenue service.
Hours of total service.
Hours of charter and school bus service.

Passenger Utilization

Unlinked passenger trips.
Passenger miles.
Average time per unlinked trip.

Subpart C—Reporting System

§ 630.20 Purpose.

(a) The purpose of this subpart is to prescribe the Reporting System and present general instructions for reporting the financial and non-financial operating data required.

(b) *Distinction between reporting system inputs and outputs.* (1) *Reporting system inputs.*—The reporting system inputs are the data elements which are actually reported by the system operators to the central processing agency that will be designated by UMTA to collect the data.

(2) *Reporting system outputs.*—The reporting system outputs are the reports which are generated by the data center for the various user groups. These reports may contain the values of the individual data elements reported by the operators, and/or aggregations of the data, and/or ratios or other analyses of interest to various users.

§ 630.21 General instructions.

The urban mass transportation industry is composed of many individual transit systems of varying sizes and modes of operation. This section provides a basis for classifying the transit systems which must report and describes in general terms the reporting requirement for each class.

§ 630.22 Classification of reporting transit systems.

Transit systems are initially classified according to the mode of transit service operated. A multimode transit system is one operating two or more of these modes.

(a) *Rail rapid transit.* High-speed, passenger rail cars operating singly or in trains of two or more cars on fixed rails in separate rights-of-way from which all other vehicular and foot traffic is excluded. The tracks may be located in underground tunnels, on elevated structures, in open cut or at surface level. There are very few, if any, crossings of streets and roads at track level, and rail traffic has the right-of-way at such intersections. The cars are driven electrically with the power being drawn from an overhead electric line via a pantograph or from an electrified third rail.

(b) *Streetcar.* Lightweight passenger rail cars operating singly (or in short, usually two-car, trains) on fixed rails in right-of-way that is not separated from other traffic for much of the way. Streetcars do not necessarily have the right-of-way at at-grade crossings with other traffic. Streetcars are driven electrically with the power being drawn from an overhead electric line via a trolley or a pantograph.

(c) *Trolleybus.* Rubber-tired passenger vehicles operating singly on city streets. These buses are driven electrically with the power being drawn from an overhead electric line via trolleys.

(d) *Motor bus.* Rubber-tired passenger vehicles operating singly on city streets. These buses are powered by diesel, gasoline or propane engines contained within the bus; they are, therefore, not restricted to operating on a fixed route.

(e) *Dial-A-Ride.*[1] Rubber-tired passenger vehicles operating on city streets, propelled by gas, gasoline or diesel engines, equipped to provide personal demand transit service, normally upon dispatch, and used exclusively for this service.

(f) *School bus.*[1] Type I and Type II school vehicles as defined in Highway Safety Program Standard No. 17, used exclusively to transport school students, personnel and equipment.

(g) *Ferryboat.* A vessel for carrying passengers and/or vehicles over a body of water. The vessels are generally steam or diesel-powered conventional ferry vessels. They may also be hovercraft, hydrofoil and other high-speed vessels.

(h) *Other.* Other modes of transit service such as cable cars, personal rapid transit systems of varying designs, monorails, incline railways, etc., not covered in the above categories.

(i) The systems are further classified by the size of their operations. The number of vehicles operated is the variable to be used to indicate the size of the operations.

§ 630.23 Reporting requirements.

(a) The reporting requirements cover the following major segments which are based on the Uniform System of Accounts and Records (subpart 15).

(1) Revenue report;
(2) Balance sheet;
(3) Property report;
(4) Other nonfinancial operating data report;
(5) Expense report; and
(6) Miscellaneous auxiliary questionnaires and subsidiary schedules.

(b) With the exception of the expense report, all transit systems are required to report the same information. The expense reporting requirement has been stratified to take into consideration differences in size and modes of operation.

(c) The single-mode transit systems will complete one of the expense report forms for single-mode operations. Those operating more than 500 revenue vehicles of a single-mode (e.g., motorbuses) will file Level A (most detailed) information. Those operating between 101 and 500 revenue vehicles will file Level B (aggregated) information. Those operating 100 or fewer revenue vehicles will file Level C (further aggregated) information.

(d) All multi-mode systems will complete one of the expense report forms for multi-mode operations, requiring distinction of the direct costs for each mode and the joint costs of two or more modes. Transit system will determine their ex-

[1] Dial-A-Ride and School Bus are considered motor bus mode for property and expense reporting but each is considered a separate mode for reporting operating data.

pense reporting levels using the same cutoffs specified for single-mode systems. The count to use in determining the appropriate reporting level should be the count of revenue vehicles in the principal mode of the transit system's operations.

(e) The expense reporting level for a transit system will change based on increases or decreases in the number of revenue vehicles operated. A transit system is required to change its level of expense reporting if for two consecutive years the transit system's count of revenue vehicles has not corresponded to the level of expense reporting used by the transit system.

§ 630.24 Accounting and reporting period.

(a) In addition, the transit system shall file with such report, a letter or report signed by an independent public accountant or other responsible independent entity such as a state audit agency attesting to the conformity, in all material respects, of the following reporting forms in such report with the prescribed Uniform System of Accounts and Records and Reporting System:

LEVEL A AND B

Form 100	Asset summary schedule.
Form 110	Property subsidiary schedule control summary.
Form 111	Property subsidiary schedule—revenue vehicles.
Form 112	Property subsidiary schedule—Fixed Assets other than revenue vehicles.
Form 113	Property subsidiary schedule—related-parties lease property.
Form 200	Liability summary schedule.
Form 210	Long-term debt subsidiary schedule.
Form 300	Capital summary schedule.
Form 400	Revenue summary schedule.
Form 500A	Single-mode expenses and functions schedule—level A—Detail.
Form 500B	Single-mode expenses and functions schedule—level B—aggregated.
Form 500C	Single-mode expenses and functions schedule—level C—aggregated (initial year only).
Form 501	Multi-mode expenses and functions summary schedule.
Form 510A	Multi-mode expenses and functions subsidiary sceduule—level A—detail.
Form 510B	Multi-mode expenses and functions subsidiary schedule—level B—aggregated.
Form 501C	Multi-mode expenses and functions subsidiary schedule—level C—aggregated (initial year only).
Form 502A	Multi-mode functions summary—level A—detail.
Form 502B	Multi-mode functions summary—level B—aggregated.
Form 502C	Multi-mode functions summary—level C—aggregated (initial year only).
Form 510	Operators' wages subsidiary schedule.
Form 520	Fringe benefits subsidiary schedule.
Form 593	Pension plan questionnaire.

LEVEL C

Form 100	Asset summary schedule.
Form 110MB	Property subsidiary schedule control summary.
Form 111MB	Property subsidiary schedule—revenue vehicles.
Form 112MB	Property subsidiary schedule—fixed assets other than revenue vehicles.
Form 113	Property subsidiary schedule—related-parties lease property.
Form 200	Liability summary schedule.
Form 210	Long-term debt subsidiary schedule.
Form 300	Capital summary schedule.
Form 400	Revenue summary schedule.
Form 500C	Single-mode expenses and functions schedule—Level C—aggregated.
Form 510MB	Operators' wages subsidiary schedule.
Form 520	Fringe benefits subsidiary schedule.
Form 593	Pension plan questionnaire.

(b) A suggested form of a letter or report follows:

In connection with our regular examination of the financial statements of

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for the year ended _____, on which we have reported separately under date of _____, we have also reviewed the reporting forms listed below and included in the _____ report for the year ended _____, required under section 15 of the Urban Mass Transportation Act, for conformity in all material respects with the requirements of the Urban Mass Transportation Administration as set forth in its applicable Uniform System of Accounts and Records. Our review for this purpose included such tests of the accounting records and such other auditing procedues as we considered necessary in the circumstances. We did not make a detailed examination such as would be required to determine that each transaction has been recorded in accordance with the Uniform System of Accounts and Records.

LIST OF REPORTING FORMS BEING REPORTED UPON

Based on our review, in our opinion, the accompanying reporting forms identified above (except as noted below[3]) conform in all material respects with the accounting requirements of the Urban Mass Transportation Administration as set forth in its applicable Uniform System of Accounts and Records.

(b) The letter or report shall state, additionally, which, if any, of the reporting forms set forth above do not conform to the Urban Mass Transportation Administration requirements, and shall describe the discrepancies that exist.

(c) If the system is not audited by an independent public accountant, such certification will be required from a governmental audit agency, such as a state audit agency or a municipal audit agency. However, the certification must be made by an agency that is in fact independent. The Urban Mass Transportation Administration will determine the fact of independence by considering all of the relevant circumstances.

[3] Parenthetical phrase inserted only when exceptions are to be reported.

(d) Each transit system reporting its results will file a report covering its own fiscal year. This annual report will include all applicable forms in the reporting system. All reports are due 120 days after the close of the fiscal year.

(e) Table C–1 indicates the key dates for accumulating and reporting information, based on a transit system's fiscal year.

TABLE C–1

If fiscal year ends—	Internal systems to support section 15 reporting system should be in place as of—	First report due to system administrator 120 d after fiscal yearend
July 31	Aug. 1, 1977	Nov. 28, 1978
Aug. 30	Sept. 1, 1977	Dec. 28, 1978
Sept. 30	Oct. 1, 1977	Jan. 28, 1979
Oct. 31	Nov. 1, 1977	Feb. 28, 1979
Nov. 30	Dec. 1, 1977	Mar. 30, 1979
Dec. 31	Jan. 1, 1978	Apr. 30, 1979
Jan. 31	Feb. 1, 1978	May 31, 1979
Feb. 28	Mar. 1, 1978	June 28, 1979
Mar. 31	Apr. 1, 1978	July 29, 1979
Apr. 30	May 1, 1978	Aug. 28, 1979
May 31	June 1, 1978	Sept. 28, 1979
June 30	July 1, 1978	Oct. 28, 1979

(f) Financial data must be reported to the nearest dollar. All information reported on the forms must be typewritten or legibly printed.

(g) Recognizing that many transit systems might experience difficulty responding to the reporting system the first year, the initial reports of financial data will be a subset of the full reporting system. Specifically:

1. For nonfinancial operating data, the first year requirement and the full Section 15 requirements are identical.

2. For financial data, the first year requirements and the full Section 15 requirements are identical except that:

(i) All transit operators will report expenses at Level C for the first year;

(ii) Transit operators are not required to complete the Operators' Wages Subsidiary Schedules (Forms 510 and 510MB) in the first year; and

(iii) Transit operators who participate in pay-as-you-go pension plans are not required to report in the first year what the cost of a fully-funded pension plan would have been (see question 3 on Form 593).

(h) The accounting basis to be used in developing the data for the reports is the accrual basis. Using the accrual basis, revenues will be recorded when earned, regardless of whether or not receipt of the revenue takes place in the same reporting period. (section 2.10 in Volume II of the "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System," the Accounting Practice Instruction for Revenue Accounting, deals more specifically with the recognition of unredeemed ticket/token liability at the end of the reporting period.) Similarly, expenditures will be recorded as soon as they result in liabilities for benefits received, regardless of whether or not payment of

the expenditure is made in the same reporting period.

(i) Those transit systems that use cash-basis accounting, in whole or in part, in their books of account will have to make worksheet adjustments to develop report data on the accrual basis.

§ 630.26 Availability of reporting forms.

The required forms and instructions are available from:

Urban Mass Transportation Administration, Office of Transit Management, UMD-10, Room 6412, 2100 Second Street, S.W., Washington, D.C. 20590.

The forms are contained in Volumes III and IV of the "Urban Mass Transportation Industry Uniform System of Accounts and Records and Reporting System." Volume IV contains the forms to be used by operators who operate fleets of 100 or fewer revenue vehicles and provide only motor bus, and/or school bus and/or dial-a-ride service. Volume III contains the forms to be used by all other reporting transit operators. Tables C-2 and C-3 contain lists of the reporting forms in Volumes III and IV respectively.

TABLE C-2

REPORTING FORMS—VOLUME III

Asset Reporting Forms

100 Asset Summary Schedule
110 Property Subsidiary Schedule Control Summary
111 Property Subsidiary Schedule—Revenue Vehicles
112 Property Subsidiary Schedule—Fixed Assets Other Than Revenue Vehicles
113 Property Subsidiary Schedule—Related-Parties Lease Property

Liability Reporting Forms

200 Liability Summary Schedule
210 Long-Term Debt Subsidiary Schedule

Capital Reporting Forms

300 Capital Summary Schedule

Revenue Reporting Forms

400 Revenue Summary Schedule
491 State/Local Government Financial Assistance Questionnaire

Expense Reporting Forms—Single-Mode Operators

500A Single-Mode Expenses and Functions Schedule—Level A—Detail
500B Single-Mode Expenses and Functions Schedule—Level B—Aggregated
500C Single-Mode Expenses and Functions Schedule—Level C—Aggregated

Expense Reporting Forms—Multi-Mode Operators

501 Multi-Mode Expenses and Functions Summary Schedule
501A Multi-Mode Expenses and Functions Subsidiary Schedule—Level A—Detail
501B Multi-Mode Expenses and Functions Subsidiary Schedule—Level B—Aggregated
501C Multi-Mode Expenses and Functions Subsidiary Schedule—Level C—Aggregated
502A Multi-Mode Functions Summary—Level A—Detail
502B Multi-Mode Functions Summary—Level B—Aggregated
502C Multi-Mode Functions Summary—Level C—Aggregated

Expense Reporting Forms—All Operators.

510 Operators' Wages Subsidiary Schedule
520 Fringe Benefits Subsidiary Schedule
593 Pension Plan Questionnaire

Nonfinancial Operating Data Reporting Forms

600 Weekday Time Period Schedule
610 Transit Way Descriptors Schedule
620 Revenue Vehicle Inventory Schedule
625 Energy Consumption Schedule
630 Transit Service Personnel Schedule
635 Transit System Employee Count Schedule (A & B)
636 Transit System Employee Count Schedule (C)
640 Revenue Vehicle Maintenance Perform-Measures Schedule
645 Revenue Vehicle Collision Accidents Schedule
646 Noncollision Vehicle Occupants' Accidents Schedule
647 Rail Rapid Transit Station Accidents Schedule
650 Transit Service Supplied Schedule
655 Transit Service Consumed Schedule

TABLE C-3

REPORTING FORMS—VOLUME IV

Asset Reporting Forms

100 Asset Summary Schedule
110MB Property Subsidiary Schedule Control Summary
111MB Property Subsidiary Schedule—Revenue Vehicles
112MB Property Subsidiary Schedule—Fixed Assets Other Than Revenue Vehicles
113 Property Subsidiary Schedule—Related-Parties Lease Property

Liability Reporting Forms

200 Liability Summary Schedule
210 Long-Term Debt Subsidiary Schedule

Capital Reporting Forms

300 Capital Summary Schedule

Revenue Reporting Forms

400 Revenue Summary Schedule
491 State/Local Government Financial

Expense Reporting Forms

500C Single-Mode Expenses and Functions Schedule—Level C—Aggregated
510MB Operators' Wages Subsidiary Schedule
520 Fringe Benefits Subsidiary Schedule
593 Pension Plan Questionnaire

Nonfinancial Operating Data Reporting Forms

600MB Weekday Time Period Schedule
610MB Transit Way Descriptors Schedule
620MB Revenue Vehicle Inventory Schedule
625MB Energy Consumption Schedule
630MB Transit Service Personnel Schedule
636MB Transit System Employee Count Schedule (C)
640MB Revenue Vehicle Maintenance Performance Measures Schedule
645MB Revenue Vehicle Collision Accidents Schedule
646MB Noncollision Vehicle Occupants' Accidents Schedule
650MB Transit Service Supplied Schedule
655MB Transit Service Consumed Schedule

[FR Doc.76-34128 Filed 11-19-76;8:45 am]

federal register

MONDAY, NOVEMBER 22, 1976

PART IV:

FEDERAL ELECTION COMMISSION

■

ADVISORY OPINION REQUESTS

Solicitation for Comments on Expenditures of Candidate

FEDERAL ELECTION COMMISSION

[Notice No. 1976-62, AOR 1976-100]

ADVISORY OPINION REQUESTS

Comments

Pursuant to 2 U.S.C. 437f(c) and the procedures reflected in Part 112 of the Commission's Notice of Proposed Rulemaking, published on May 26, 1976 (41 FR 21590), advisory opinion request 1976-100 has been made public at the Commission. Copies of AOR 1976-100 were made available on November 12, 1976, for public inspection and purchase at the Federal Election Commission, Public Records Division, at 1325 K Street, N.W., Washington, D.C. 20463.

Interested persons may submit written comments on any advisory opinion request within ten days after the date the request was made public at the Commission. These comments should be directed to the Office of the General Counsel, Advisory Opinion Section, at the Commission. Persons requiring additional time in which to respond to any advisory opinion request will normally be granted such time upon written request to the Commission. All timely comments received by the Commission will be considered before the Commission issues an advisory opinion. Comments on pending requests should refer to the specific AOR number of the requests and statutory references should be to the United States Code citations rather than to the Public Law citations.

A descriptive listing of each of the requests recently made public as well as the identification of the requesting party follows hereafter:

AOR 1976-100: Whether a candidate who will receive and expend less than $1,000 must designate a principal campaign committee; whether a letter to the Commission would satisfy the reporting requirements.—Requested by John H. O'Brien, Raymond, New Hampshire.

Dated: November 16, 1976.

VERNON W. THOMSON,
Chairman for the Federal Election Commission.

[FR Doc.76-34332 Filed 11-19-76;8:45 am]

federal register

MONDAY, NOVEMBER 22, 1976

PART V:

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

■

EDUCATION AMENDMENTS FOR SPECIAL PROGRAMS

Intent To Issue Regulations

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

Office of Education

EDUCATION AMENDMENTS OF 1976

Intent to Issue Regulations

On October 12, 1976, the President signed the Education Amendments of 1976 (Pub. L. 94-482) as enacted by the Congress. The Amendments include five titles which amend and enact many education program statutes. Title I concerns higher education amendments; Title II covers vocational education; Title III extends, revises, and enacts other education programs; Title IV amends the General Education Provisions Act, including programs under that Act such as the National Institute of education; and Title V includes technical and miscellaneous provisions.

The purpose of this Notice of Intent is to alert the public to statutory provisions under Title III of the Education Amendments of 1976 (except section 302) and under particular statutory provisions within Title I which appear to warrant major new regulations or amendments to existing regulations. This Notice provides a short explanation of these statutory provisions and issues which have been identified and may need to be addressed in regulations. In this way, interested members of the public have an opportunity to offer their ideas and specific recommendations with regard to possible regulation changes (before such changes are fully developed and articulated in proposed regulations) in order to assist the Office of Education in further considering what regulation changes, additions, or deletions are needed.

Specific issues are identified below on which public input is sought. These issues serve as a guide to the public on the kinds of questions raised by the amendments which may need to be treated in regulations. However, comments are not limited to the issues identified in this notice. On the contrary, a central purpose of this notice is to provide the public with an opportunity to raise issues. Any member of the public interested in commenting on whether regulations are needed, what issues need to be addressed in regulations, and how they should be addressed is welcome to do so, without regard to whether the issues and comments are mentioned in this notice. Commenters are urged to direct their comments to issues concerning the implementation through regulations of the statutory provisions.

Advance public input in the development of regulations needed to implement other programs under Titles I and II and under section 302 of the Education Amendments of 1976 is being solicited through the publication of other notices of intent. It is not presently anticipated that Titles IV and V of the statute will require any regulations for programs administered by the Office of Education, other than minor, conforming and possible procedural amendments.

This Notice and the other notices of intent only concern changes in the law requiring major regulations. Provisions in the law which are covered by this Notice include:

(1) Section 107, which amends Part C of Title II of the Higher Education Act to provide for a new program to strengthen research library resources;

(2) Section 153, which enacts a new section 532 of the Higher Education Act providing for grants to local educational agencies to plan, establish, and operate teacher centers and to institutions of higher education for the operation of such centers;

(3) Section 153, which also enacts a new section 533 of the Higher Education Act authorizing grants to institutions of higher education for training higher education personnel;

(4) Section 157, which amends maintenance of effort requirements governing the program of financial assistance for the improvement of undergraduate instruction under Title VI of the Higher Education Act;

(5) Section 321, which extends and revises the Emergency School Aid Act;

(6) Section 323, which amends maintenance of effort provisions in Titles I, III, and IV of the Elementary and Secondary Education Act, the Emergency School Aid Act, and the Adult Education Act;

(7) Section 331-36, which authorize a new program to assist States to plan for the development of career education and career development programs and activities;

(8) Sections 341-44, which authorize a new program of grants to strengthen counseling and guidance in elementary and secondary schools through training and coordination activities; and

(9) Section 152, which amends the Teacher Corps Program, as set forth in section 511-14 of the Higher Education Act. This notice covers issues related to overall regulations for the Teacher Corps Program, which must be developed pursuant to section 503 of Pub. L. 92-318. The issues include, but are not limited to, those raised by amendments to the Teacher Corps Program enacted by Pub. L. 94-482.

This Notice of Intent is issued under the authority of the Commissioner of Education and has not been reviewed by the Office of the Secretary of Health, Education, and Welfare. It does not reflect policies of the Office of Education or of the Department of Health, Education, and Welfare. Its purpose is to obtain early input in the development of regulations.

Many of the programs covered by this Notice involve new budget authorizations, including the Research Library Resources Program enacted by section 107; the Teacher Center Program and Training for Higher Education Personnel Program enacted by section 153; certain of the amendments to the Emergency School Air Act enacted by section 321; the Career Education and Career Development Program enacted by sections 331-36; and the Guidance and Counseling Program enacted by sections 341-44.

It is not clear at this time whether funds will be sought for these authorizations by the President or appropriated for this fiscal year or for successive fiscal years. The Office of Education is constrained to develop regulations for these programs without regard to their funding status, and it is appropriate that these programs be covered in this Notice to accommodate the joint goals of (1) promulgating regulations within statutory time constraints, and (2) providing for wider and earlier public participation in the development of regulations. However, inclusion of a program in this Notice should not be understood as a commitment on behalf of either the Congress or the Executive Branch to fund the program.

Strengthening Research Library Resources

Section 107 of the Education Amendments of 1976 enacts a new Part C of Title II of the Higher Education Act of 1965 designed to promote research and education of higher quality throughout the United States by providing financial assistance to major research libraries. As indicated in the introduction of this Notice, this is a new budget authorization on which no funding decision has been made.

"Major research library" is defined by the statute as a public or private nonprofit institution, including the library resources of an institution of higher education, an independent research library, or a State or other public library, having library collections which are available to qualified users and which:

(1) Make a significant contribution to higher education and research;

(2) Are broadly based and are recognized as having national or international significance for scholarly research;

(3) Are of a unique nature, and contain material not widely available; and

(4) Are in substantial demand by researchers and scholars not connected with that institution.

The statute directs that the Commissioner establish criteria designed to achieve regional balance in the allocation of funds under the program. It also provides that not more than 150 institutions may receive a grant under the program.

Under newly enacted section 235(a) of the Higher Education Act, no grant may be made for books, periodicals, documents, or other related materials to be used for sectarian instruction or religious worship, or primarily in connection with any part of the program of a school or department of divinity.

Issues on which public input is sought include the following:

(1) Is there a need to amplify in the regulations the definition of "major research library" in the statute? If so, in what way?

(2) How should each of the various elements of the statutory definition of "major research library" be established

for each applicant; for example, through information provided in the application?

(3) For what specific purposes should grant funds be used? What limits, if any, should the regulation impose upon the allowable expenditures under grants?

(4) What level of grant funds needs to be provided in particular awards in order for the program to strengthen research library resources?

(5) If Federal funds are limited, should many small grants be made or a few large ones?

(6) What should be the duration of Federal support to a particular grantee under the program?

(7) What criteria should be established to achieve regional balance in the allocation of program funds?

(8) What other evaluation criteria should be established to govern award decisions?

(9) What type of information should be requested in the application?

TEACHER CENTERS

Section 153(a) of the Education Amendments of 1976 enacts a new section 532 of the Higher Education Act of 1965. Section 532 authorizes the Commissioner of Education to make grants to local educational agencies to assist them in planning, establishing, and operating teacher centers. Ten percent of the funds expended under the program may be used for grants to institutions of higher education to operate teacher centers. As indicated in the introduction of this Notice, this is a new budget authorization on which no funding decision has been made.

Under the statute, a teacher center is a "site" which serves teachers from public and nonpublic schools of a State or an area or community within a State. The statute provides that teacher centers:

(1) Provide teachers with the opportunity to develop and produce, with the assistance of consultants and experts, curricula designed to meet the educational needs of the persons in the community, area, or State being served; and

(2) Provide training to improve the skills of teachers to enable the teachers to meet better the special educational needs of the persons they serve and to familiarize the teachers with developments in educational research and curriculum, including the use of research to improve teaching skills.

The statute provides that each teacher center must be operated under the supervision of a teacher center policy board, the majority of which is representative of elementary and secondary classroom teachers to be served by the center fairly reflecting the make-up of all schoolteachers, including special education and vocational education teachers. The statute requires the board to include individuals representative of or designated by the school board of the local educational agency served by such a center, and at least one representative designated by the institutions of higher education (with departments or schools of education) located in the area.

Under the statute, the appropriate State educational agency reviews applications for teacher centers and recommends each application it finds should be approved. The State educational agency is responsible for providing technical assistance to and for disseminating information derived from the teacher center. The statute provides that the State educational agency shall be "adequately compensated" by the Office of Education for performing these functions.

Public comments and suggestions are sought on the following, and any other, issues which may need to be treated in regulations:

(1) Should the services provided by teacher centers be limited to those to teachers at the elementary and secondary school levels?

(2) To what extent should persons other than public and non-public school classroom teachers (e.g., prospective teachers serving as interns, paraprofessionals, and aides) be served by the teacher center?

(3) What evaluation criteria should be developed to select projects which will best further the purposes of the statute?

(a) What criteria might be developed to measure the need for a teacher center in a particular area?

(b) What criteria might be developed to measure the quality of a proposed teacher center?

(c) Should geographic distribution of teacher centers be a criterion?

(4) What specific activities and expenditures should be permitted under the program?

(5) If the Federal program is to be limited in funds and duration, how should the program be designed in terms of the number and scope of projects to be funded to achieve a meaningful impact?

(a) Should the emphasis be upon funding many small grants or a fewer number of large grants?

(b) Should rules or priorities be established on the size of the service area?

(c) Should projects be funded as seed grants, as demonstrations, or as service projects?

(d) Should a particular local educational agency be able to receive funds for more than one teacher center?

(6) Should minimum requirements be devised to ensure services, as appropriate, to nonpublic school teachers?

(7) Is there a need for requirements or other guidance on the identification and meeting of the educational needs of students?

(8) Should every grant be for the three stages of planning, establishing, and operating a teacher center, or can specific grants be made for only one of these stages?

(9) Should the regulation set forth specific limits or guidance on the specific types of activities which will be paid for under a grant? If so, what should the limits or guidance be?

(10) How should the statutory provision authorizing grants to institutions of higher education with 10 percent of the funds be implemented?

(a) Should institutions of higher education compete on the same basis as local educational agencies, subject to the 10 percent overall ceiling?

(b) Should awards to institutions of higher education be for teacher centers which are different in scope or some other respect from teacher centers supported under grants to local educational agencies?

(11) What regulations are needed concerning the formation and responsibilities of the teacher center policy board?

(12) What should be the criteria for reimbursing the State educational agencies for their functions under this program?

(13) What should be the procedures (e.g., applications, proposed budgets, awards in advance for these costs or only after the costs are incurred) for reimbursing the State educational agencies?

(14) How should the regulation define the "site" which is the teacher center and other terms in the statute?

TRAINING HIGHER EDUCATION PERSONNEL

Section 153 of the Education Amendments of 1976, in addition to enacting a new section 532 of the Higher Education Act authorizing the Teacher Center Program, also enacts a new section 533 of the Higher Education Act authorizing the Commissioner of Education to make grants to institutions of higher education to assist in the training of higher education personnel. As indicated in the introduction of this Notice, this is a new budget authorization on which no funding decision has been made.

Grants under section 533 are to train individuals:

(1) Preparing to serve in institutions of higher education as teachers, including guidance and counseling personnel, administrative personnel, or education specialists, if these individuals are:

(a) From cultural or educational backgrounds which have hindered them in achieving success in the field of education (section 533(a)(1)(A) of the Higher Education Act (HEA)); or

(b) Preparing to serve in educational programs designed to meet the special needs of students from those backgrounds (section 533(a)(1)(B) of the HEA); or

(2) Serving in institutions of higher education as teachers, including guidance and counseling personnel, administrative personnel, or education specialists, if these individuals are to be trained to meet changing personnel needs, such as in areas determined to be "national priority areas" (section 533(a)(2) of the HEA).

The statute provides that grants made under this program may be used only to assist in paying the cost of courses of training or study, including short term or regular institutes, symposia, or other inservice training.

Public comments and suggestions are invited on the following, and any other, issues:

(1) Should the regulation define "cultural or educational backgrounds" or should this statutory language stand without amplification in the regulation? If regulations are needed, how should the language be defined?

(2) How is it established that individuals are preparing to serve in educational programs designed to meet the

special needs of students from particular cultural or educational backgrounds?

(3) What changing personnel needs at the higher education level should be addressed through training funded under this program?

(4) Should priority be given to training at particular levels of education (e.g., baccalaureate or post-baccalaureate)?

(5) Should training activities described under sec. 533(a)(1) and under sec. 533(a)(2) be administered as separate programs? Should a single grant cover all of these activities?

(6) Should the regulation establish priorities for funding consideration, as between these activities under (1) and (2)? Between short-term and long-term training? Betwen individuals from disadvantaged cultural and educational backgrounds and individuals preparing to serve students from those backgrounds?

(7) What evaluation criteria should be established to select the best projects under the program? Should the criteria vary among the different areas of training specified in the statute?

(8) Should many small grants or a few large grants be funded?

(9) Should projects be funded as seed grants, as demonstrations, or as service projects?

(10) Should geographic distribution of projects be a factor in the review of applications?

(11) What limits, if any, should be placed on the types of activities or expenditures under these programs?

MAINTENANCE OF EFFORT—UNDERGRADUATE INSTRUCTION

Section 157 of the Education Amendments of 1976 amends section 604 of the Higher Education Act of 1965 respecting the maintenance of effort requirement governing the program of financial assistance for the improvement of undergraduate instruction under Title VI of the Higher Education Act. As amended by section 157 of Pub. L. 94-482, the maintenance of effort requirement provides:

> An institution of higher education shall be eligible for a grant for a project pursuant to this part in any fiscal year only if such institution has expended from current funds available for that year for instructional and library purposes, other than personnel costs, during the preceding fiscal year an amount not less than the amount expended, per equivalent full-time student or in the aggregate, whichever is less, by such institution from current funds for such purposes during the second preceding fiscal year. A combination of institutions of higher education shall be eligible for such a grant in accordance with regulations of the Commissioner prescribing requirements for maintenance of effort. The Commissioner shall establish basic criteria for making determinations under this subsection, and may waive so much of the requirement of this subsection as he determines is equitable in accordance with objective criteria of general applicability.

Issues which may need to be treated in regulations include:

(1) Are interpretative regulations needed on the first sentence of this provision?

(2) Are separate requirements needed with respect to maintenance of effort for a grant to a combination of institutions of higher education or should the same requirements apply to a grant to a single institution of higher education and to a grant to a combination of such institutions?

(3) What criteria are needed to make maintenance of effort determinations under the program?

(4) What criteria should be established for waiving the maintenance of effort requirement?

(a) Possible factors that might be addressed in basic objective criteria governing requests for a waiver of maintenance of effort could include the following:

(i) Date indicating that a new or relatively new institution has incurred during the base year large costs for instructional equipment associated with the establishment of the institution.

(ii) An older institution, after undergoing substantial increases in enrollment and/or in program activity requiring an unusually higher level of instructional expenditures for a temporary period of time, lowers expenditures to a level adequate to maintain normal standards of operation.

(iii) An older institution, after making large "one-time" instructional equipment expenditures, i.e. major equipment or facility acquisitions, lowers the expenditures to a level adequate to maintain normal standards of operation.

(iv) A major cut in State appropriations or other budgeted income, requiring a drastic alteration in budgeted expenditures for the applicant.

(v) A serious drop in student enrollment brought about by factors not controllable by the applicant.

(b) Are these appropriate criteria for a waiver? If so, should there be specific standards for each indicating at what point a waiver is justified?

(c) What other criteria would be appropriate?

EMERGENCY SCHOOL AID ACT

Section 321 of Pub. L. 94-482 amends the Emergency School Aid Act (ESAA) in several respects. As indicated in the introduction of this Notice, these amendments include a new budget authorization on which no funding decision has been made. The Emergency School Aid Act provides financial assistance for the purposes of:

(1) Meeting the special needs incident to the elimination of minority group segregation and discrimination among students and faculty in elementary and secondary schools;

(2) Encouraging the voluntary elimination, reduction, or prevention of minority group isolation in elementary and secondary schools with substantial proportions of minority group students; and

(3) Aiding children in overcoming the educational disadvantages of minority group isolation.

The amendments extend the authorization of appropriations for ESAA through fiscal year 1979. They also provide that not more than five percent of the amounts of discretionary funds under section 708(a) of the ESAA may be used to provide compensatory services to students who previously received these services funded in whole or in part under Title I of the Elementary and Secondary Education Act of 1965, but who are no longer receiving the services because they were transferred from a Title I target school to a non-target school pursuant to a desegregation order or plan issued after August 21, 1974. The amendments add a separate authorization of appropriations for discretionary programs. Three new activities for which funds may be made available are added by Pub. L. 94-482, and a separate authorization of appropriations is enacted for them. The new activities include:

(1) Planning, designing, and conducting programs in magnet schools (sec. 707(a)(13) of ESAA). "Magnet School" is defined by the statute as a school or education center that offers a special curriculum capable of attracting substantial numbers of students of different racial backgrounds;

(2) The pairing of schools and programs with specific colleges and universities and with leading businesses (section 707(a)(14) of ESAA); and

(3) The development of neutral site schools. "Neutral site school" is defined by the statute as a school that is located to be accessible to substantial numbers of students of different racial backgrounds (section 707(a)(15) of ESAA).

It is anticipated that regulations to implement these statutory changes will interpret and clarify which funds may be used for the new activities described above, and which funds are governed by the limitation on compensatory services to prior participants in Title I, ESEA programs.

The Office of Education solicits advice from the public on the development of specific evaluation criteria for the review of competitive applications to carry out these newly authorized activities. What criteria would help to ensure that the highest quality projects with the greatest promise of achieving the statutory purposes will be selected?

The public is also asked to comment on whether and how regulations should address the following issues regarding the definition of "magnet school" in the statute:

(1) What is a "special" curriculum?

(2) By what test should the capability of the magnet school to attract students of different racial backgrounds be measured?

(3) What are "substantial" numbers of students of different racial backgrounds?

Comments are further solicited on whether and how regulations should address the following issues regarding the definition of "neutral site school" in the statute:

(1) By what test should the accessibility of the school to students of different racial backgrounds be measured?

(2) What are "substantial" numbers of students of different racial backgrounds?

Other issues include:

(1) What specific activities are embraced within the "planning" activities

authorized by section 707(a)(13) and (15) and within the "planning" activity authorized by section 707(a)(14)?

(2) What specific safeguards against the use of the new activities to increase minority group isolation should be included in the regulation?

(3) Are multi-year projects needed to carry out there activities effectively? Should non-competing continuation awards be made to prior grantees?

MAINTENANCE OF EFFORT—TITLES I, III, AND IV OF THE ELEMENTARY AND SECONDARY EDUCATION ACT, THE EMERGENCY SCHOOL AID ACT, AND ADULT EDUCATION ACT

Section 323 of the Education Amendments of 1976 contains significant amendments affecting the maintenance of effort requirements in Titles I, III, and IV of the Elementary and Secondary Education Act of 1965, the Adult Education Act, and the Emergency School Aid Act. The maintenance of effort requirements in effect for these programs before the amendments varied widely from statute to statute. These provisions were as follows:

(1) Title I of the Elementary and Secondary Education Act of 1965, section 143(b)(2):

"No payments shall be made under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with the regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year."

(2) Title III of the Elementary and Secondary Education Act, Section 307(e):

"No payments shall be made under this title to any local educational agency or to any State unless the Commissioner finds, in the case of a local educational agency, that the combined fiscal effort of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year or, in the case of a State, that the fiscal effort of that State for State aid (as defined by regulation) with respect to the provision of free public education in that State for the preceding fiscal year was not less than such fiscal effort for State aid for the second preceding fiscal year."

(3) Title IV of the Elementary and Secondary Education Act, Section 403(a)(11):

"Any State which desires to receive grants under this title shall establish an advisory council as provided by subsection (b) and shall submit to the Commissioner a State plan in such detail as the Commissioner deems necessary, which—

* * * gives satisfactory assurance that the aggregate amount to be expended by the State and its local educational agencies from funds derived from non-Federal sources for programs described in section 421(a) for a fiscal year will not be less than the amount so expended for the preceding fiscal year."

(4) Adult Education Act, Section 307(b):

"No payment shall be made to any State from its allotment for any fiscal year unless the Commissioner finds that the amount available for expenditures by such State for adult education from non-Federal sources for such year will not be less than the amount expended for such purpose from such sources during the preceding fiscal year, but no State shall be required to use its funds to supplant any portion of the Federal share."

(5) Emergency School Aid Act, section 710(a)(13):

"The Assistant Secretary may approve such an application [for ESAA funds] only if he determines that such application provides that the applicant has not reduced its fiscal effort for the provision of free public education for children in attendance of the schools of such agency for the fiscal year for which assistance is sought under this title to less than that of the second preceding fiscal year, and that the current expenditure per pupil which such agency makes from revenues derived from its local sources for the fiscal year for which assistance under this title will be made available to such agency is not less than such expenditure per pupil which such agency made from such revenues for (A) the fiscal year preceding the fiscal year during which the implementation of a plan described in section 106(a)(1)(A) was commenced, or (B) the third fiscal year preceding the fiscal year for which such assistance will be made available under this title, whichever is later."

Section 323(a) of Pub. L. 94-482 amends Titles I, III, and IV of the Elementary and Secondary Education Act of 1965, the Adult Education Act, and the Emergency School Aid Act (see sections previously quoted) to provide for the measurement of maintenance of effort on the basis of either per pupil or aggregate expenditures. The statutory provisions amending Titles I and IV of ESEA, the Adult Education Act, and the Emergency School Aid Act refer to "fiscal effort per student" rather than to expenditures per student" as under Title IV of ESEA, but the conference report (House Report No. 94-1701, p. 232) suggests that Congress understood "fiscal effort per student" as being the same thing as "expenditures per student." The Office of Education understands these amendments to allow the State and local educational agencies as applicable to meet the maintenance of effort requirement through either the per pupil expenditure test or the aggregate expenditure test. In Title I, ESEA, however, the Commissioner is responsible for regulating on this requirement.

Title IV of ESEA as amended by section 323 of the Education Amendments of 1976 applies the maintenance of effort requirement to expenditures by the State, its local educational agencies, and private schools in the State for programs described under Parts B and C of Title IV. Maintenance of effort is a new requirement for Part C and for private schools.

Section 421(a) of Title IV of ESEA authorizes the following program purposes under Part B: school library resources, textbooks, and other instructional materials; instructional equipment and minor remodeling; and testing, counseling and guidance services. Section 431(a) of Title IV, ESEA authorizes the following program purposes under Part C: supplementary centers and services and exemplary elementary and secondary school programs (section 431(a)(1)); health and nutrition services for low-income children (section 431(a)(2)); activities to strengthen the leadership resources of State and local educational agencies (section 431(a)(3)); and dropout prevention projects (section 431(a)(4)). Part B funds are allocated to local educational agencies as prescribed by formula; Part C funds available under sections 431(a)(1), (2), and (4) are awarded through competition among local educational agencies. At the discretion of the State, Part C funds may also be used to strengthen local educational agencies by means of competitive grants to strengthen State educational agencies (section 431(a)(3)).

Section 323(a) also amends Title IV of ESEA and the Adult Education Act by changing the years to be compared for determining maintenance of effort. The new requirement for these two programs provides for a comparison of the first preceding fiscal year to the second preceding fiscal year.

Section 323(b) of Pub. L. 94-482 enacts a new section 431A(a)(1) of the General Education Provisions Act which affects the maintenance of effort requirements for Title IV of ESEA and the Adult Education Act. This amendment provides for an allowable cumulative reduction of no more than five percent in per pupil or aggregate expenditure from that in the base year. The Office of Education understands this amendment to give the State educational agency the authority of selecting the base year. The base year may be either the preceding fiscal year or the second fiscal year preceding that fiscal year for which the State educational agency notifies the Commissioner of Education that it intends to use these provisions for an allowable reduction.

Section 323(b) of Pub. L. 94-482 enacts a new section 431A(b)(1)(A) and (b)(2)(A) which provide a waiver authority to the Commissioner of Education for the maintenance of effort requirements of Titles I and IV of ESEA and the Adult Education Act. This waiver authority can be granted if there are "exceptional circumstances" ("including those resulting from decreasing enrollments or fiscal resources of the relevant local educational agency, or the State, or both"). The statute provides that, where such a waiver is granted, the Commissioner must make a reduction in Federal payments in the proportion to which the expenditures per student or aggregate expenditure were reduced. This waiver provision for Title IV of ESEA and the Adult

Education Act may be granted by the Commissioner for "any fiscal year", while a waiver for Title I of ESEA may be granted by the Commissioner to a local educational agency for one year only.

A second waiver authority under "very exceptional circumstances" ("including those resulting from decreasing enrollments or fiscal resources of the relevant local educational agency, or the State, or both") is provided to the Commissioner for the maintenance of effort requirements under the new section of the General Education Provisions Act, secs. 431A (b) (1) (B) and 431A(b) (2) (B) for Title IV of ESEA, the Adult Education Act, and Title I of ESEA. The waiver provision for Title IV of ESEA and the Adult Education Act may be granted by the Commissioner for "any fiscal year", while this waiver for Title I of ESEA may be granted by the Commissioner to a local educational agency for one year only. No reduction in Federal payments will be made if a waiver is granted for very exceptional circumstances.

The conference report (House Report No. 94–1701, p. 233) indicates that "very exceptional circumstances" shall include circumstances in which:

"(a) The tax base of a local educational agency has decreased very significantly, e.g. removal of property from the tax roll because of urban renewal, government acquisition of previously taxed property in substantial amount, or natural disaster of taxable property;

(b) The capacity to raise funds is out of the control of a local education agency because of a very substantial need to reduce fiscal resources, or fiscal resources have been diverted very significantly to other functions which are not within the control of the board;

(c) Situations that occur in States where State law requires that each school district must go to the voters for special levies to meet operating expenses over and above those guaranteed by the State; and further, State law prohibits a school district from trying more than twice in any one year to obtain voter approval of a school maintenance and operation levy. The managers would expect the Commissioner to assure that the school district has made every possible effort to comply before granting a waiver."

In addition, the statute directs the Commissioner to establish objective criteria of general applicability to carry out all of these waiver provisions.

Public comments and suggestions are requested on the following issues:

Section 403(a)(11) of Title IV of ESEA, as amended. (1) Should the maintenance of the aggregate amount per student or the aggregate expenditures be required separately for Parts B and C?

(2) What non-Federal expenditures should be included in the calculation of maintenance of effort for the State, its local educational agencies, and private schools under Part C of ESEA Title IV (supplementary centers and services and exemplary elementary and secondary programs; health and nutrition services for low-income children; strengthening the leadership resources of State and local educational agencies; and dropout prevention projects)?

Section 431A of the General Education Provisions Act, as amended. (1) What should be the objective criteria for the granting of a waiver under exceptional circumstances for Title IV of ESEA and the Adult Education Act?

(2) What should be the objective criteria for the granting of a waiver under exceptional circumstances for Title I of ESEA?

(3) If a waiver is granted under Title IV of ESEA and the Adult Education Act based upon exceptional circumstances, should the allotments to all participating local educational agencies be reduced or should allotments be reduced only for those local educational agencies that failed to maintain effort?

(4) What should be the objective criteria for the granting of a waiver under very exceptional circumstances for Title IV of ESEA and the Adult Education Act?

(5) Should the objective criteria for the granting of a waiver under very exceptional circumstances for Title I of ESEA be any different than those set forth in (4)?

(6) If a local educational agency is granted a waiver of the maintenance of effort requirement of Title I of ESEA because of very exceptional circumstances, can the same local educational agency apply for a waiver of the maintenance of effort requirement in Title I of ESEA because of exceptional circumstances in any succeeding fiscal year?

(7) In the waiver provisions, "decreasing fiscal resources" is given as an example of a circumstance which could result in a waiver. How should "decreasing fiscal resources" be defined?

Career Education and Career Development

Part C of Title III of the Education Amendments of 1976 authorizes a new program of financial assistance to States to enable them to plan for the improvement and development of career education and career development programs and activities for individuals of all ages. As indicated in the introduction of this Notice, this is a new budget authorization on which no funding decision has been made. Under section 331 of Pub. L. 94–482, program funds support "planning" for:

(1) The development of information on the needs for career education and career development;

(2) Promotion of a national dialogue on career education and career development designed to encourage each State and local educational agency to determine and adopt the approach best suited to the needs of the individuals served by each agency;

(3) Assessment of the status of career education and career development programs and practices, including a reassessment of the stereotyping of career opportunities by race or by sex;

(4) Demonstration of the best of the current career education and career development programs and practices by planning to develop and test exemplary programs and practices using various theories, concepts, and approaches with respect to career education and through planning for a nationwide system of regional career education centers; and

(5) The training and retraining of persons for conducting career education and career development programs.

Funds may also be used for developing State and local plans for implementing programs designed to ensure that every person has the opportunity to gain the knowledge and skills necessary for gainful or maximum employment and for full participation in American society according to his or her ability.

The statute authorizes appropriations only for Fiscal Year 1978 in the amount of $10 million. The Commissioner of Education is authorized to reserve an amount not to exceed $2 million to carry out career information activities authorized by section 335 of Pub. L. 94–482, which is described below. The remainder of the appropriation is available for the State planning activities described above and is allotted to the States according to a statutory formula. The law provides that the Federal share of funds allotted to the States shall not exceed 80 percent of the total cost of planning undertaken pursuant to this program.

Under section 334 of Pub. L. 94–482, a State must, to receive funds, agree to submit to the Commissioner by December 31, 1978, a report on any planning undertaken under this program. The law provides that the report may be in whatever form the State may desire, and may include planning proposals for:

(1) Extending career education and career development programs and services to all individuals in the State;

(2) Extending the concept of the education process beyond the school into the area of employment and community affairs, and relating the subject matter curriculums of schools to the needs of individuals to function in society;

(3) The implementation of new concepts in career education and career development and for the replication of concepts which have demonstrated success;

(4) The development of training programs, including inservice training programs, for teachers, counselors, other educators, and administrators;

(5) Fostering cooperative arrangements with such community groups and agencies as the public employment services, vocational rehabilitation service, community mental health agencies, education opportunity centers, and other community resources concerned with vocational development and guidance and counseling, in order to avoid unnecessary duplication in the provision of services in the community or area to be served; and

(6) Inventories of State, local, and private resources available for the development of career education and career development programs and services.

A program separate and apart from the State planning activities is authorized by section 335 of Pub. L. 94–482. Section 335 authorizes the Commissioner of

Education to provide, either directly or by grant or contract, for:

(1) Gathering, cataloging, storing, analyzing, and disseminating information related to the availability of, and preparation for, careers in the United States, including information concerning current career options, future career trends, and career education;

(2) The ongoing analysis of career trends and options in the United States, using information from both the public and private sectors;

(3) The publication of periodic reports and reference works using analysis prepared pursuant to this program and containing exemplary materials from the career education field, including research findings, results, and techniques from successful projects and programs, and highlights of ongoing analyses of career trends in the United States; and

(4) Seminars, workshops, and career information sessions for the purpose of disseminating information compiled and analyzed under this program to teachers, guidance counselors, other career educators, administrators, other education personnel, and the general public.

No allotment of funds among the States is provided for under Section 335; the activities can be carried out on an in-house basis or through direct, discretionary grant or contract awards by the Commissioner.

Public input is solicited on the following issues with respect to these career education and career development program activities:

(1) Under section 406(f)(2) of the Education Amendments of 1974 (Pub. L. 93-380), Congress authorized the Commissioner to make grants to State educational agencies "to enable them to develop State plans for the development and implementation of career education programs in the local educational agencies of the States." This was based on the sense of Congress stated in Section 406 (a) that "each State and local educational agency should carry out a program of career education which provides every child the widest variety of career education options which are designed to prepare each child for maximum employment and participation in our society according to his or her ability." In Fiscal Year 1976, funds were requested by and awarded to 44 States and 3 territories to enable them to undertake the first year of planning. Funds now available under the Fiscal Year 1977 Appropriation Act can be used to support another year of this planning activity in those States and territories wishing to apply for the funds. Because of the nature of the legislation under section 406 of Pub. L. 93-380, the two years of State planning now underway are concentrating on plans for career education for children in the local educational agencies of the States. Given the apparent overlap between the planning authorities contained in section 406 (f)(2) of Pub. L. 93-380 and sections 331-34 of Pub. L. 94-482, how can the latter program be designed to avoid duplication of the former program?

(a) Should planning under sections 331-34 focus on career education for individuals beyond the secondary school level?

(b) Should States be required to explain the relationship betwen activities carried out and proposed under the two authorities?

(2) Whereas section 406(f)(2) of Pub. L. 93-380 designates the "State educational agency" as the recipient of funds, sections 331-34 of Pub. L. 94-482 merely indicate that assistance goes "to States".

(a) Should the Office of Education regulate which agency may apply on behalf of a State?

(b) If so, what limits, if any, should be imposed?

(c) Are regulations needed to avoid having more than one State agency within a State seek the allotment?

(3) Section 334 requires the State to agree, as a condition to receiving funds, to submit a report on its planning activities to the Commissioner. Should the Commissioner regulate on any additional information or assurances which must be provided by the State to receive its allotment?

(4) What specific activities and expenditures are encompassed within the authorization of "planning" in Section 334?

(5) Do the terms "career education" and "career development" need to be defined by the regulation? If so, how? Note that section 406(d) of Pub. L. 93-380 contains a definition of "career education" for the purposes of that section.

(6) Section 335 authorizes career information activities to be carried out within the Office of Education or thfough grant or contract. In the event that the Commissioner decides to award grants under these provisions, how should these activities be focused and what priorities and evaluation criteria would be appropriate?

Guidance and Counseling

In Part D of Title III of the Education Amendments of 1976, the Congress has authorized three new guidance and counseling programs with the intent of increasing the coordination of guidance and counseling activities at the Federal, State, and local levels, and improving the qualifications of guidance and counseling personnel with special emphasis on in-service training which takes educational professionals into the workplaces of business, industry, and the professions. As indicated in the introduction of this Notice, this is a new budget authorization on which no funding decision has been made.

Section 342 of Part D provides $3,000,000 for grants to States in Fiscal Year 1977 for "programs, projects, and leadership activities to expand and strengthen guidance and counseling services in elementary and secondary schools." These grants will be allotted to the States on a formula grant basis, with special provisions for Guam, American Samoa, the Virgin Islands, the Trust Territory, schools for Indian children operated by the Department of Interior, and the overseas dependent schools of the Department of Defense.

Part D also authorizes (in Section 344 (a)) a competitive grant or contract program for Fiscal Years 1978 and 1979 to assist State and local educational agencies, institutions of higher education, and private non-profit organizations in conducting institutes, workshops, and seminars to improve the professional guidance qualifications of teachers and counselors, and to improve supervisory and technical and guidance and counseling services in State and local educational agencies and nonpublic elementary and secondary school systems.

Section 344(b) of Part D authorizes grants to be made to States to assist them in carrying out programs to coordinate new and existing programs of guidance and counseling.

Additionally, the Congress provides in Part D for the establishment or designation of an administrative unit within the Office of Education to (1) provide information regarding guidance and counseling activities to Federal, State, and local governments, and (2) advise the Commissioner on coordinating guidance and counseling at the Federal level and, where practicable, at the State and local levels.

Issues on which public comments and suggestions are sought include the following:

(1) Should there be regulation provisions to define what State agencies may apply on behalf of the "State" or to avoid multiple applications from within a particular State under sections 342(a) and 344(b)?

(2) In seeking to improve the guidance and counseling qualifications of teachers and counselors through the competitive grant program authorized by Section 344(a) of Part D, the Office of Education is interested in comments on the specific areas in which guidance and counseling professionals are most in need of further training. Should these areas of need be reflected in the priorities developed for evaluation of applications?

(3) Should applicants be required to submit a needs assessment plan so as to ensure targeting of funds to areas of need?

(4) Given the limitations on the levels and duration of Federal funding, how should the competitive grant program under section 344(a) be designed to achieve the maximum impact?

(a) Should the emphasis be upon funding many small grants or a few large grants?

(b) Should projects be funded as seed grants, as demonstrations, or as service projects?

(c) Should geographic distribution of projects be a funding consideration?

(d) Should there be specific limits in the regulation on the types of expenditures which will be allowable in these projects?

(5) How can the Office of Education ensure that in the grants made under sec.

344(a) there is coordination and involvement of business, industry, and the professions, as provided for under the statute? Should payments to business, industry, and other institutions for the costs of involvement and coordination be an allowable expenditre for a recipient of a grant under sec. 344(a)?

(6) How can supervisory services in guidance and counseling be improved?

(a) Do the supervisory service needs differ according to the agency or institution providing the guidance and counseling service?

(b) Where are the most pressing needs for Federal funding in the area of supervisory services for guidance and counseling?

(7) What should be the duration of the training to be provided under grants:

(a) For improvement of professional guidance and counseling qualifications of teachers and counselors; and

(b) For improvement of supervisory services?

(8) Should projects funded under sec. 344(a) plan on training all of the counselors in a given school system or a few counselors from each of a number of school systems?

(9) In making grants to States under sec. 344(b) should a limited number of competitive awards be made, or should every State be funded, subject to certain standards of quality?

(10) Under the grant program authorized by sec. 344(b), what should be the funding criteria or standards?

(11) For the purpose of determining project eligibility under sec. 344(b), what should the term "coordinate" include? Should there be specific allowable expenditures?

(12) Under sec. 344(a), to what extent should emphasis be given to preparing teachers as professional counselors?

TEACHER CORPS PROGRAM

The Commissioner intends to issue regulations for the Teacher Corps Program authorized by Part B, Subpart 1 of Title V of the Higher Education Act of 1965. The regulations will not only cover amendments to the Teacher Corps Program enacted by section 152 of the Education Amendments of 1976, but they will also include all rules for the Teacher Corps Program, including funding criteria under section 513(g) of the Higher Education Act, as added by Pub. L. 94–482. The overall regulation will carry out the Commissioner's responsibility under section 503 of Pub. L. 92–318 for studying and reissuing prior rules of the Office of Education with respect to the Teacher Corps Program. When published in final, the regulations will supersede all preceding rules, regulations, guidelines, interpretations, and orders for the Teacher Corp Program, as provided in section 503(d) of Pub. L. 92–318.

The Statute.—Under section 511 of the Higher Education Act, the purposes of the Teacher Corp Program are to:

(1) Strengthen educational opportunities available to children in areas having concentrations of low-income families;

(2) Encourage colleges and universities to broaden their programs of teacher preparation; and

(3) Encourage institutions of higher education and local educational agencies to improve programs of training and retraining for teachers, teacher aides, and other educational personnel.

The statute authorizes the Commissioner to make several types of awards to carry out these purposes:

(1) Contracts or other arrangements with institutions of higher education or local educational agencies under which they will recruit, select, and enroll in the Teacher Corps, for periods of up to five years, experienced teachers, teacher aides, and other educational personnel, persons who have a bachelor's degree or its equivalent, and persons who have successfully completed two years of a program for which credit is given toward a baccelaureate degree and, for such periods as may be prescribed by regulations, persons who volunteer to serve as part-time tutors or full-time instructional assistants (Pub. L. 94–482 changed the period of service from two years to five years and added "other educational personnel" after "teacher aides");

(2) Grants or contracts, with institutions of higher education or local educational agencies (upon approval in either case by the appropriate State educational agency) or with State educational agencies, to provide members of the Teacher Corps with such training as the Commissioner may deem appropriate, including not more than three months of training for members before they undertake their teaching duties under the program. The statute provides that arrangements with institutions of higher education to provide training for Teacher Corps members while serving in schools for local educational agencies under the program shall provide, whenever possible, for training leading to an appropriate degree;

(3) Arrangements with local educational agencies upon approval by the appropriate State educational agency and, after consultation in appropriate cases with institutions of higher education, to furnish to local educational agencies, for services during regular or summer sessions, or both, in the schools of such agencies in areas having concentrations of children from low-income families, Teacher Corps programs each of which shall include teacher-intern teams lead by experienced teachers, and may include additional experienced teachers, teacher aides, and other educational personnel, who may be afforded time by the local educational agency for a training program carried out in cooperation with an institution of higher education. The Commissioner is authorized to pay local educational agencies up to 90 percent of the compensation paid to or on behalf of members of the Teacher Corps assigned to them, after considering their ability to pay. In exceptional circumstances, the Commissioner may provide more than 90 percent of such compensation during the first year of a local educational agency's participation in the program;

(4) Contracts or other arrangements with local educational agencies or institutions of higher education, upon approval by the appropriate State educational agency, (A) to carry out programs serving disadvantaged areas in which volunteers (including high school and college students) serve as part-time tutors or full-time instructional assistants in teams with other Teacher Corps members, under the guidance of experienced teachers, but not in excess of 90 percent of the cost of compensation for such tutors and instructional assistants may be paid from Federal funds, and (B) to provide appropriate training to prepare tutors and instructional assistants for service in such programs; and

(5) Grants or contracts with State and local educational agencies, and with institutions of higher education, and such other agencies or institutions approved by the Commissioner according to criteria established by the Commissioner to carry out the purposes of this paragraph, to furnish to such agencies members of the Teacher Corps to carry out projects designed to meet the special educational needs of juvenile delinquents, youth offenders, and adult criminal offenders, and persons who have been determined by a State or local educational agency court of law, law enforcement agency, or any other State or local public agency to be predelinquent juveniles, but not in excess of 90 percent of the cost of compensation for Teacher Corps members serving in such projects may be paid from Federal funds.

The Commissioner is also authorized by the statute to make available technical assistance to State and local educational agencies and institutions of higher education for carrying out arrangements entered into under the program and to provide planning, technical assistance, monitoring, documenting, disseminating, and evaluation services for arrangements made under the program.

In addition, the Commissioner is authorized to acquaint qualified persons of teaching opportunities and needs in disadvantaged areas and encourage qualified persons to apply to appropriate educational agencies or institutions for enrollment in the Teacher Corps.

Under section 513(c) of the Higher Education Act, provision is made for the Commissioner of Education to allocate the number of Teacher Corps members among the States according to a statutory formula if it is determined that the demand for the services of Teacher Corps members exceeds the number available. A five percent maximum set-aside of Teacher Corps members is authorized for Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands, and a separate five percent maximum set-aside is authorized for elementary and secondary schools operated for Indian children by the Department of the Interior.

Section 513(d) provides that a local educational agency may utilize members of the Teacher Corps assigned to it in providing educational services in which children enrolled in private elementary and secondary schools can participate, in the manner described in Title I of the Elementary and Secondary Education Act.

Under amendments to section 513 of the Higher Education Act enacted by the Education Amendments of 1976, the authorized arrangements or awards described above may only be made if they were prepared with the participation of an elected council representative of the project community and of the parents of the students of the elementary or secondary schools, or both, to be served by the project. The council must participate in the planning, carrying out, and evaluation of the project. The Commissioner is authorized in each fiscal year to arrange for the payment of necessary secretarial and administration expenses of each council.

Section 513(f), also added by the Education Amendments of 1976, provides that the Commissioner shall establish procedures seeking, with respect to the Teacher Corps members enrolled after the date of enactment of the Education Amendments of 1976, the goal of having approximately five individuals who are at the time of enrollment, or who previously have been, employed as teachers by local educational agencies to one individual who has not been so employed. The statute provides that the Commissioner may waive these procedures if the Commissioner determines that there are insufficient qualified applicants to maintain the goal or that there are insufficient employment opportunities for individuals who are not so employed, and submits a report to the Congress of this determination.

Section 513(g) of the Higher Education Act, as added by the Education Amendments of 1976, directs the Commissioner to develop and establish specific criteria for entering into arrangements (or making awards) under the program in order to assist applicants to develop proposals. The criteria established must be used by the Commissioner in selecting proposals under the program.

Section 514 of the statute provides for compensation by funded local educational agencies and institutions of higher education of Teacher Corps members and prescribes the rates of compensation; directs the Commissioner to pay stipends for training to members of the Teacher Corps and to pay the necessary travel expenses of members of the Teacher Corps and their dependents and expenses for transportation of household goods and personal effects related to service in the Corps; authorizes the Commissioner to make arrangements, and pay costs incident thereto, to protect the employee benefits of Teacher Corps members who indicate an intention to return to the local educational agency or institution of higher education by which he or she was employed immediately prior to service in the Teacher Corps; authorizes the Commissioner to provide medical insurance for members of the Teacher Corps; and authorizes the Commissioner to compensate local educational agencies for released time for educational personnel of the agency who are being trained in Teacher Corps projects.

Section 516 of the Higher Education Act provides that members of the Teacher Corps shall be under the direct supervision of appropriate officials of the local educational agency to which they are assigned; Section 517 provides that a local educational agency may not use a Teacher Corps member to replace any teacher who is or otherwise would be employed by the agency; and Section 517A defines "local educational agency" to include any State educational agency or other public or private nonprofit agency which provides a program or project designed to meet the special educational needs of "migratory children of migratory agricultural workers", and provides that these children shall be deemed to maintain their status as migratory children for a period, not in excess of five years, during which they reside in the area served by the local educational agency.

Background of the Teacher Corps Program.—Under this heading, a brief description is provided of how the Teacher Corps Program is presently designed and administered. The public is invited to raise and comment on any issues concerning the description of program design including the continuation of any of the demonstration strategies.

The Teacher Corps Program was established in 1965 under the Higher Education Act of that year. In its early years the Teacher Corps was designed to bring better educational services to low-income areas of this nation through recruiting and training teacher-interns. Teams of these interns worked in low-income schools for two years while receiving teacher training. In more recent years it has focused on improving the quality of teacher preparation for schools serving low-income populations. Most recently it has combined both the pre-service preparation of new teachers with the in-service retraining of experienced teachers in exemplary training projects. One of the strengths of these training projects is their base in the schools serving low-income populations.

Under the most recently published proposed criteria for the Teacher Corps Program, which were issued prior to the Education Amendments of 1976, Teacher Corps projects were collectively required to represent a coherent effort to demonstrate to all local educational agencies and communities the potential for training and retraining approaches. Therefore, each application for a Teacher Corps project had to combine:

(i) The meeting of local educational needs and concerns, with

(ii) A demonstration project for the training of teacher interns and the retraining of experienced teachers and teacher aides that could have wider applicability than the local project.

Each project was required to adopt one of the following five basic demonstration strategies:

(a) *The Training Complex.* This strategy is designed to provide training and retraining of educational personnel at a site located within or near the school, and where a school program for children is to be conducted. The institution of higher education and the local educational agency establish the training complex where teacher interns and experienced teachers and teacher aides are to be trained and retrained. This is intended to become a permanent structure for training and retraining educational personnel for the local educational agency. There must be wide use of community and local educational agency resources for the development and delivery of both training and retraining.

(b) *Competency-Based Teacher Education.* This strategy specifies in advance what effective teachers should be able to do when the training is completed. It then measures their achievements by observing their work with children in school. The training for experienced teachers, teacher interns, teacher aides, and community volunteers is delivered through sequential modules based on increasing their levels of competencies.

(c) *Training for implementing alternative school designs.* In local educational agencies where alternative school designs are planned, this strategy may be chosen to demonstrates, through a Teacher Corps project, a program of training teacher interns and retraining experienced teachers and teacher aides for implementing such an innovation. Under these projects, Teacher Corps resources are limited to training and retraining, while local resources must be committed to suporting other aspects of the project; and projects must be a viable alternative strategy for improving the education of low income children by improving both the skills of educational personnel and the conditions under which education takes place.

(d) *Interdisciplinary training approaches.* This strategy involves a training program for teacher interns and the retraining of experienced teachers and teacher aides that involves the participation in teacher education of representatives from various academic disciplines (such as the liberal and fine arts, physical and natural sciences, social sciences, and humanities). The approach is aimed at increasing the educational opportunities of low income children by enriching and reorganizing the base of knowledge and experience for planning and managing learning activities.

(e) *Training for the systematic adaption of research findings.* There is presently available, in immediately usable form, a substantial body of research results which has proven effective and is relevant to learning and educational processes for schools serving low income populations. This research represents a resource which, as yet, has not been orga-

nized into systemic or overall program demonstrations. These research findings can be incorporated into the design of Teacher Corps programs for the training of teacher interns and the retraining of experienced teachers and teacher aides by identifying training objectives, selecting approaches to training and evaluation, creating instructional materials and activities or adapting existing materials to new situations.

The Teacher Corps currently supports 131 exemplary training and retraining projects throughout the nation. These are all in low-income areas. About 60 percent of the participants are from minority ethnic backgrounds. Projects are supported in the five demonstration fields described above.

The most recent and comprehensive evaluation of the Teacher Corps was published in July 1975, by the National Advisory Council on Education Professions Development. That report is entitled: "Teacher Corps: Past or Prologue?", and is available from the Teacher Corps, 400 Maryland Avenue, S.W., Washington, D.C. 20202.

TEACHER CORPS ISSUES

Public comments and suggestions are invited on all aspects of the Teacher Corps Program. Specific issues include, but are not limited to, the following:

(1) With respect to the purpose of Teacher Corps to ". . . strengthen educational opportunities available to children in areas having concentrations of low income familiies . . .":

(a) What results should be expected in local school systems in the fulfilling of this part of the purpose of the Teacher Corps?

(b) To what extent should changes in pupil attitude, behavior, achievement and other characteristics and in professional educational staff be expected?

(c) To what extent should the training in Teacher Corps projects be an integral part of school reform?

(d) What factors contribute to the lasting effectiveness of the results of a project after it is no longer funded by a Teacher Corps grant or contract?

(e) What requirements, if any, should be established for project design in the regulations in the light of these questions?

(f) What evidence should the Teacher Corps accept that this purpose has been achieved?

(2) With respect to the purpose of Teacher Corps "* * * to encourage colleges and universities to broaden their programs of teacher preparation and to encourage institutions of higher education and local education agencies to improve programs of training and retraining for teachers, teacher aides, and other educational personnel * * *":

(a) What results should be expected in the systems that provide professional preparation and continued training for the professional education staffs in Teacher Corps projects?

(b) What changes in the attitudes, behavior and knowledge of educational staffs should be expected?

(c) What is the most effective way for colleges and universities to participate in Teacher Corps projects? How can the most effective commitment to the project be achieved?

(d) To what extent should the Teacher Corps encourage the integration of pre-service and in-service training into one system of professional development through its projects?

(e) To what extent should Teacher Corps contribute to the development of new or alternative means for the continuing professional development of educational staff?

(f) What conditions will contribute most to the persistence of the improvements in preparation systems after the projects are completed?

(g) What evidence should the Teacher Corps accept that this purpose has been achieved?

(3) With respect to the program's purpose to strengthen educational opportunities for children "in areas having concentrations of low-income families," how should "areas having concentrations of low-income families" be defined? Hitherto, these areas have been defined in accordance with section 103 of Title I of the Elementary and Secondary Education Act.

(4) Should the program emphasis continue to be on demonstration projects in pre-service and in-service training?

(5) On what processes or products should the demonstration projects focus (e.g., the process of change, specific products)?

(6) Should the Teacher Corps fund a large number of seed grants or a more limited number of larger, exemplary programs?

(7) In what skills is there the greatest need for training under the Teacher Corps Program?

(8) What requirements should be imposed concerning evaluation of projects?

(9) What conditions of participation should be established for the participation of part-time tutors or full-time instructional assistants?

(10) Teacher Corps has provided for pre-service training which emphasizes experience in schools serving low-income populations.

(a) How can this emphasis be implemented for the further professional development of experienced teachers?

(b) Each Teacher Corps project is now concentrated in a single school providing a "critical mass", thus enhancing the opportunity to relate staff development to school reform. Should this single school focus be maintained?

(11) What evaluation criteria should be established to govern selection of those projects which will best carry out the purposes of the Teacher Corps?

(a) Should the criteria be very specific regarding the teaching/learning program in the local projects? For example, should the Teacher Corps develop variations of project models and then give priority in funding to the installation of those models in local Teacher Corps projects?

(b) Should special criteria be established for projects to meet the special educational needs of juvenile delinquents, youth offenders, and adult criminal offenders?

(c) Apart from the allocation of Teacher Corps members provided in the statute, should geographic distribution of projects be a criterion?

(12) Should separate criteria be established by regulation to govern the selection by award recipients of Teacher Corps members? If so, what should be the criteria?

(13) Should the regulation establish specific limits on the types of allowable activities or expenditures under recruitment and selection and training project activities?

(14) Teacher Corps has traditionally required all projects to have collaborative efforts between local educational agencies and institutions of higher education. The new amendments (Pub. L. 94-482) require an elected Community Council to participate in planning, carrying out, and evaluation of Teacher Corps projects.

(a) What conditions should be set in regulations to ensure effective collaboration including collaboration in the IHE—school relationship, school-community relationship, and community-IHE relationship?

(b) What procedures should be set for the formation of the Community Councils?

(c) What conditions assure the legitimacy of the Community Council?

(15) How should the financial ability of award recipients to compensate Teacher Corps members be determined for purposes of determining the percentage of Federal assistance?

(16) With respect to the Commissioner's function for providing technical assistance related to Teacher Corps projects:

(a) What types of activities should be included and which should have priority?

(b) What is the best means of providing this technical assistance?

(c) Should new institutional capacities be created for providing technical assistance—such as contracting with institutions or agencies to provide assistance in specialized fields?

(d) What posture should be taken in providing technical assistance to individual projects—passive or active? For example, should the provision of technical assistance resources simply be responsive to requests from projects, or should those services be actively promoted?

(17) How should dissemination activities be carried out?

(18) Teacher Corps members may participate for up to five years under the statute. What should be the duration of project awards?

(a) Should all projects be required to submit five year proposals, or should the length be optional?

(b) Within the new time span, how much time should be allotted for project organization and planning; and for

other functions such as project phase out?

(c) Given the longer project term, should continuation projects at the same sites be permitted?

(19) The 1976 amendments permit the compensation of local school districts for released time when educational personnel are being trained. Legislative history indicates a congressional concern that this provision is to be used only when the lack of such compensation would jeopardize the project.

(a) What specific conditions should constitute this jeopardy?

(b) What rates should be used for the compensation?

(c) What are the alternatives to monetary compensation?

(20) The 1976 amendments require the Teacher Corps program to work toward a goal of five experienced, employed teachers to each individual not so employed. (The Commissioner may waive this under certain conditions.)

(a) How can this be achieved?

(b) What would the consequences be if this were a requirement for each project?

INVITATION TO COMMENT

Persons or organizations wishing to submit comments or suggestions on the matters raised in this Notice of Intent should write to the officials listed below. A separate official is listed for each of the programs described in this notice. Any questions or requests for additional information should be directed to the appropriate official at the indicated address or telephone number. The officials are:

RESEARCH LIBRARY RESOURCES—SEC. 107 OF TITLE I AND TITLE VI A, MAINTENANCE OF EFFORT—SEC. 157 OF TITLE I

Frank Stevens, Regional Office Building-3, Room 3319-A, 7th and D Streets, S.W., Washington, D.C. 20202, Phone: 202/245-9530.

TEACHER CENTERS AND TRAINING OF HE PERSONNEL—SEC. 153 OF TITLE I

(Secs. 532 & 533 of Higher Education Act)

Dr. A. Bruce Gaarder, Regional Office Building-3, Room 5652, 7th & D Streets, S.W., Washington, D.C. 20202, Phone: 202/245-9786.

EMERGENCY SCHOOL AID—SEC. 321 OF TITLE III AND MAINTENANCE OF EFFORT

Tom Fagan, Federal Office Building-6, Room 2017, 400 Maryland Avenue, S.W., Washing, D.C. 20202, Phone: 202/245-2465.

MAINTENANCE OF EFFORT—SEC. 323 OF TITLE III

TITLE I, ESEA

Genevieve Dane, Regional Office Building-3, Room 3642-E, 7th and D Streets, S.W., Washington, D.C. 20202, Phone. 202/245-2506.

TITLE IV, ESEA

Dr. Milbrey Jones, Regional Office Building-3, Room 3125-B, 7th and D Streets S.W., Washington, D.C. 20202, Phone: 202/245-2488.

ADULT EDUCATION

Ms. Sallie R. Grimes, Regional Office Building-3, Room 5056, 7th & D Strets, S.W., Washington, D.C. 20202, Phone: 202/245-2278.

CAREER EDUCATION-SECS. 331-336 OF TITLE III

Dr. Sidney High, Regional Office Building-3, Room 3108-A, 7th & D Streets, S.W., Washington, D.C. 20202, Phone: 202/245-2331.

GUIDANCE AND COUNSELING-SEC. 341-344 OF TITLE III

Dr. Donald D. Twiford, Regional Office Building-3, Room 3608, 7th & D Streets, S.W., Washington, D.C. 20202, Phone: 202/245-2243.

TEACHER CORPS-SEC. OF TITLE I

Russell Wood, Donohoe Building, Room 1700, 400 6th Street S.W., Washington, D.C. 20202, Phone: 202/245-8223.

Written comments and information may be submitted in any form, such as by means of letters, position papers, or memoranda. There are no special rules concerning format. All comments must be received no later than December 22, 1976. Comments received in response to this notice will be available for public inspection at the offices of the indicated officials above.

Except with regard to the Teacher Corps Program, amendments to the maintenance of effort requirements for Titles I, III, and IV of the Elementary and Secondary Education Act, the Emergency School Aid Act, and the Adult Education Act, and a separate amendment to the maintenance of effort requirement for Title VI of the Higher Education Act, no public hearings are planned at the present time related to the development of regulations covered in this Notice. This is because most of the programs in this Notice involve new budget authorizations, and it is not clear that these programs will be funded.

With respect to the amendments to the maintenance of effort requirements in the indicated statutes, it is anticipated that public hearings will be scheduled subsequent to the publication of notices of proposed rulemaking which will be developed with the assistance of comments on this Notice. Specific arrangements for the hearings will be set forth in the notices of proposed rulemaking.

With regard to the Teacher Corps Program, public hearings will be held to enable the Office of Education to benefit fully from the public's views on the various questions raised in this Notice. Such hearings will focus on a broad discussion of the various ideas, comments, and recommendations presented to the Office of Education on the Teacher Corps Program. The public hearings will be held at the following locations at the time and place stated below:

New York, N.Y.: Place: Office of the Regional Commissioner of Education, Room 3105, Federal Building, 26 Federal Plaza, New York, New York. *Date:* Friday, December 10, 1976. *Time:* 1:00 p.m. to 4:30 p.m. *Person to contact:* Mr. Albert Kleven, (212) 264-4370, Office of the Regional Commissioner of Education, Federal Building, 26 Federal Plaza, New York, New York 10007.

Atlanta, Ga.: Place: Office of the Regional Commissioner of Education, Room 527, 50 Seventh Street, N.E., Atlanta, Georgia. *Date:* Monday, December 13, 1976. *Time:* 1:00 p.m. to 4:30 p.m. *Person to contact:* Mr. Isaac Wilder, (404) 526-2908, Office of the Regional Commissioner of Education, Room 549, 50 Seventh Street, N.E., Atlanta, Georgia 30323.

Chicago, Ill.: Place: Roosevelt University, Room 310, 430 S. Michigan Avenue, Chicago, Illinois. *Date:* Tuesday, December 14, 1976. *Time:* 1:00 p.m. to 4:30 p.m. *Person to contact:* Mr. Max Gabbert, (312) 353-7330, Office of the Regional Commissioner of Education, 32nd Floor, 300 South Wacker Drive, Chicago, Illinois 60606.

Denver, Colo.: Place: Room 2330, Federal Office Building, 1961 Stout Street, Denver, Colorado. *Date:* Wednesday, December 15, 1976. *Time:* 1:30 p.m. to 4:30 p.m. *Person to contact:* Dr. Ed Larsh, (303) 837-3676, Office of the Regional Commissioner of Education, 3rd Floor, Federal Office Building, 1961 Stout Street, Denver, Colorado 80202.

San Francisco, Cal.: Place: Savoy Room, Hilton International Inn, San Francisco Airport. *Date:* Thursday, December 16, 1976. *Time:* 1:00 p.m. to 4:30 p.m. *Person to contact:* Dr. Sam Kermoian, (415) 556-4920, Office of the Regional Commissioner of Education, Room 205, Federal Office Building, 50 Fulton Street, San Francisco, California 94102.

Since the oral presentation for any one person or organization will be limited by the time available, written comments are also welcome so that they may be introduced into the record of the hearings. It is requested that ten (10) copies of each set of written comments be furnished, but the furnishing of a lesser number of copies will in no way affect the consideration given. Equal consideration will be given to oral and written comments.

Tapes of the hearings and materials submitted for each hearing will be available for public inspection in the Office of Teacher Corps, Room 1700, Donohoe Building, 400 Sixth Street, S.W., Washington, D.C. 20202. These materials will also be available for public inspection in each of the Regional Offices listed above.

Dated: November 16, 1976.

EDWARD AGUIRRE,
U.S. Commissioner of Education.

[FR Doc.76-34377 Filed 11-19-76;8:45 am]

federal register

MONDAY, NOVEMBER 22, 1976

PART VI:

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

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FINANCING OF AIRCRAFT NOISE REDUCTION REQUIREMENTS

Statement of Issues for Public Hearing

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

FINANCING OF AIRCRAFT NOISE REDUCTION REQUIREMENTS

Statement of Issues for Public Hearing

The purpose of this Notice is to publish a statement of issues to be addressed at a December 1, 1976, public hearing on carrier financing of aircraft noise reduction requirements. A Notice announcing that hearing was published in the Federal Register of November 2, 1976 (41 FR 48164).

On October 21, 1976, President Ford advised the Administrator of the Federal Aviation Administration (FAA) and the Secretary of Transportation that, after considering their proposal and the views of other interested parties, including the Environmental Protection Agency (EPA), he had accepted the recommendation that action be taken to extend the noise standards of Federal Aviation Regulations, 14 CFR Part 36, to certain domestic commercial turbojet airplanes within six years and the remainder within eight years. He directed that the FAA promulgate its Part 36 compliance rule not later than January 1, 1977, and that international negotiations be undertaken to bring about a similar international standard.

Those aircraft that do not comply with Part 36, about 1,650 as of the end of 1975, will consequently have to be modified or, alternatively, retired from the domestic fleet and presumably replaced with aircraft that meet the standards.

In 1975, President Ford proposed aviation regulatory reform to make airline service more competitive, which, in turn, will strengthen the financial condition of the airlines by providing greater pricing and management flexibility. We believe that prompt enactment of aviation regulatory reform will dramatically improve the carriers' financial picture and enable them to generate sufficient capital to meet future noise standards.

As replacement with new aircraft rather than modification of the older planes requires a much larger capital outlay, very real questions exist as to the ability of many aircraft owners and operators to finance the purchase of new aircraft, should this be the desired course. To shed more light on the potential financial problem, President Ford also directed the Secretary to hold hearings on the financing aspects of implementing the new regulation, which, as noted above, will be held in Washington on December 1, 1976. This notice and the issuance of the Aviation Noise Abatement Policy does not directly or indirectly imply that the Administration has taken a position with respect to the need for special financial assistance to enable to the carriers to meet the requirements of the noise regulation. Consideration of that issue is the purpose of the hearing.

I—Major Issues

The following list of issues is not intended to be exhaustive and respondents should feel free to address any other issues they find appropriate.

A. *Whether there is a need for special financing provisions to enable aircraft operators to meet the deadlines s'ipulated in the new standard.* The likely difference in fleet composition each year, from now to the end of 1984, with and without the new regulation. (Carriers should identify the number of aircraft not meeting the new standard.)

The costs that should be attributed to compliance with the new regulation. What are the anticipated costs of modification and replacement for each type of noncomplying aircraft? Should the cost of compliance include both modification and replacement of aircraft, and should it include replacement of aircraft that would have been replaced without the new noise regulation?

The number of noisy aircraft that could be replaced by each carrier without special financial assistance.

The extent to which change in the air carriers' regulatory environment, in particular the introduction of more flexible fare and rate provisions through the enactment of aviation regulatory reform will affect the need for special financing assistance.

B. *Whether it is desirable to meet the noise standards by replacing some or all 707s and DC–8s with new technology aircraft rather than by modification.* DOT assumes that modification is the more economical course for most two- and three-engine aircraft and for the early 747s. DOT, however, invites the views of interested persons on this issue as well as whether the national interest would be better served by replacement rather than modification of the 707s and DC–8s. Some of the major considerations bearing on these issues include:

The cost of replacement versus the cost of modification.

The noise reduction achievable by modification compared to that achievable by replacement, by either currently available aircraft or by aircraft now in the design stage.

Any benefits or detriments that could be realized under a replacement program, with respect to overall efficiency in airline operations, employment opportunities in the aerospace and related industries, energy conservaton resulting from improved fuel efficiency, aircraft technological advancement, the advantage to the domestic aerospace and related industries, and export opportunities in the word market for aviation products.

The long-run and the short-run economic and financial implications for the consumer, the industry, and government of following any specific course of action.

The advisability of limiting the application of funds to be provided under any special financing arrangement to purchase of new generation aircraft.

C. *What specific financing arrangements, should any be found necessary, are most desirable.* Should a financing mechanism involve the Government, or should it be administered by the private sector?

How can arrangements proposed by or involving the federal government be designed to limit its involvement in decisons that should be made in the private sector? How much of the cost of compliance should be financed? How large an initial commitment is needed to enable manufacturers to begin production of a more efficient aircraft, and of this amount how much should a special financing provision contribute? What are the normal financial requirements (such as down payment or collateral) imposed by leading institutions on the airlines for purchase of aircraft and how might these affect the carriers' ability to finance replacement aircraft? Should the fund cover only replacement costs or modification costs as well? Where should the funds come from and how should they be disbursed? Do certain carriers need special consideration, or should all carriers be treated equally? Should the government, the airlines or some other party be the principal administrator of these special financing arrangements? Under what conditions should the existing ticket and waybill taxes be reduced and by how much?

D. *Whether foreign flag air carriers should be included in a financing program.* Should foreign flag carriers be made eligible for inclusion in any special financing provision, either immediately or at such time as the standards become applicable to the?

II—Matters Bearing on the Issues

A. *Timing.* A major purpose of the hearing is to help determine whether financing arrangements may be necessary to ensure that all U.S. carriers meet the standards in a timely fashion, and, if so, what those arrangements should be. As stated above, the enactment of the Aviation Regulatory Reform Act may solve the financial problem.

The joint FAA/DOT Aviation Noise Abatement Policy issued November 18, 1976, and sets forth the compliance schedules far various types of aircraft. These schedules, established on the basis of what is technologically practicable and economically reasonable, are as follow:

Aircraft class affected	Within 4 yr (before Jan. 1, 1981)	Within 6 yr (before Jan. 1, 1983)	Within 8 yr (before Jan. 1, 1985)
4-engine airplanes with bypass ratio less than 2, including pure jets (707, DC–8).	25 pct compliance	50 pct compliance	100 pct compliance.
4-engine airplanes with bypass ratio greater than 2 (747s).	50 pct compliance	100 pct compliance	
2- and 3-engine airplanes	do	do	

B. *Retrofit compared to retirement and replacement.* The least costly way to meet the noise standards, insofar as capital outlays alone are concerned, is through modification of the aircraft engine and engine nacelles. "Retrofit" with sound absorbing material is an achievable modification that will allow compliance with Part 36 standards, and this method will probably be used when aircraft are to be modified. For some aircraft, however, particularly narrow-bodied four-engine aircraft, it appears that in the long run replacement would be more economical.

Aircraft equipped with JT3D (or JT4A) engines are the noisiest in the fleet, and it is clearly in the national interest that they be subject to the new noise regulations. They are also, however, the oldest jets in the fleet, their operating costs increase as they age, and many have already exceeded the normal lifetime of aircraft in commercial service. Retrofit would impose an operating cost penalty and would not extend their physical life. In addition, retrofit for these aircraft is quite expensive ($1.2 to $2.6 million or more for each aircraft, depending on the number of retrofit kits to be produced) because of the number of engines (four versus two or three) and the extent of the modification.[1] For these reasons, replacement rather than retrofit might be the more desirable alternative for these four-engine aircraft, with the possible exception of stretched DC-8s.

Other important benefits would accrue from the early replacement of older four-engine jets. These benefits are summarized below. The cost benefit analysis accompanying the Final Environmental Impact Statement provides a more extensive discussion and assessment.

Replacement with new technology aircraft, as opposed to retrofit or replacement by current models, will result in a quieter aircraft fleet. New technology replacement aircraft would be far quieter than the quietest existing aircraft, which in turn are substantially less noisy than retrofitted aircraft.

Replacement would offer substantial fuel fficiency advantages over the 707/720 and DC-8. Currently available replacement models are 20 percent more efficient, while new technology models would offer as much as a 30 percent improvement. These compare to a possible fuel penalty of about 1 percent with retrofit, an important consideration in light of the high national priority assigned to energy conservation.

Replacement would give carriers a more economic and efficient aircraft. The application of advanced concepts in a new technology aircraft, including the incorporation of super critical aerodynamic features in wing design, lighter propulsion systems, improved flight control, and new high-bypass ratio engines, will result in more efficient and safe operation, as well as reduced noise emission.

Replacement would strengthen the aerospace industry, increase employment, and contribute to the development of technologically advanced aviation products for export.

C. *Cost of compliance with the new regulation.* The Department's estimate of the costs of retrofitting each type of aircraft are shown in the following table:

[Dollars in thousands]

Aircraft Type	Retrofit cost per aircraft	
	1976 dollars	1982 dollars [1]
727	$225	$302
737	300	402
DC-9	255	342
747	250	335
DC-8, 707, 720	$1,200-2,600	$1,608-3,484

[1] 1982 dollars calculated on a 5 pct annual inflation rate from 1976. The year 1982 was taken as the median year of the period in which most of the capital expenditures for retorfit and replacement would take place.

The unit cost of new technology aircraft having a capacity of 189–200 seats has been estimated at $20 million in 1976 dollars and $26.8 in inflated (1982) dollars. It is assumed that the aircraft not meeting the noise standard will be replaced on a one-for-one basis.

The total cost of meeting the new noise requirements will depend not only on the cost of retrofit kits and their installation, but on the number of aircraft to be retrofitted and replaced. Table I following shows DOT's estimates of total costs under various assumptions as to the number of aircraft to be retrofitted and the number to be replaced with a new technology aircraft. The lowest cost alternative (from $700 million to $1.5 billion) is for retrofit of all aircraft;[2] the highest cost (from $7.7 billion to $9.7 billion) is for replacement of all narrow-body, non-complying four engine aircraft. The third alternative, which probably represents the most realistic case,[3] would cost the airlines from $5.8 to $7.9 billion, the range showing the effect of the alternative projections for 707s and DC-8s at the end of 1984. (Table I)

[2] On the basis of this estimate and its analysis of the resulting benefits the FAA has concluded that the cost of a full retrofit program is economically reasonable. The requirement, of course, will be spread over a number of years. See the FAA benefit-cost analysis attached to the Final Environmental Impact Statement on the new Part 36 compliance rule.

[3] Retrofit of the approximately 75 stretched DC-8s now in the fleet is considered to be worthwhile.

TABLE I.—*Cost of compliance with new noise regulations based on projection of noncomplying aircraft at end of 1984*

[Dollars [1] in millions]

Type of aircraft	Number of aircraft not meeting FAR-36 standards	Cost to retrofit all noncomplying aircraft	Cost to replace all noncomplying narrow-body 4-engine jets; retrofit remainder of noncomplying fleet	Cost to replace noncomplying 707's, 720's and "short" DC-8's; retrofit remainder of noncomplying fleet [2]
727	418	$126	$126	$126
737	145	58	58	58
DC-9	288	98	98	98
Total 2 and 3 engine	851	282	282	282
747	45	15	15	15
707 and regular DC-8	200-275	$322-958	$5,360-7,370	$5,360-7,370
Stretched DC-8	75	121-261	2,010	121-261
Total	1,171-1,246	740-1,516	7,667-9,677	5,778-7,928

[1] 1982 dollars at 5 pct inflation per year.
[2] Including retrofit of the stretched DC-8's.

The 1984 fleet count is used in the calculation of costs, as we believe it is reasonable to ascribe to the noise reduction requirement only those costs which stem from the replacement of the aircraft that would, according to the expected aircraft retirement schedule, still be in the fleet at the deadline date. For purposes of comparison, Table II shows the costs of retrofitting and/or replacing all aircraft in the fleet as of the end of 1975. (Table II)

D. *Ability of carriers to finance retrofit and replacement.* It is the opinion of most industry and government experts that it makes more economic sense to replace rather than retrofit the major part of the 707 and DC-8 fleet. However, given the existing financial circumstances of the airline industry in general and of a few large carriers in particular, a major issue to be addressed is whether the air carriers will be able to finance replacement instead of retrofit in time to meet the deadline established by the new noise regulation.

[1] Two- and three-engine aircraft with JT8D engines do not require as much modification to meet the noise standards.

TABLE II.—*Cost of compliance with new noise regulations based on noncomplying aircraft at end of 1975*

[Dollars [1] in millions]

Type of aircraft	Number of aircraft not meeting FAR-36 standards	Cost to retrofit all noncomplying aircraft	Cost to replace all noncomplying narrow-body 4-engine jets retrofit remainder of noncomplying fleet	Cost to replace noncomplying 707's, 720's and "short" DC-8's retrofit remainder of noncomplying fleet [2]
727	590	$178	$178	$178
737	157	63	63	63
DC-9	297	102	102	102
Total 2 and 3 engine	1,044	343	343	343
747	53	18	18	18
707 and regular DC-8	448	$720-1,561	12,006	12,006
Stretched DC-8	75	121-261	2,010	$121-261
Total	1,620	1,202-2,183	14,377	12,488-12,6:8

[1] 1982 dollars at 5 pct inflation per year.
[2] Including retrofit of the stretched DC-8's.

In recent years many major airlines have experienced very serious difficulty in obtaining from private capital markets the financing necessary for equipment and other needs. Some have found themselves short even of working capital to continue operations. Between 1970 and 1975, the trunk carriers spent $14.6 billion on capital needs, of which $8.7 billion was for aircraft, equipment and property; $1.7 billion for leases of aircraft and engines; and most of the rest for debt service. The sources of this financing were mainly depreciation ($5 billion to $7 billion) and new long term debt ($4 billion), with earnings contributing only about $400 million. Equity financing was insignificant in this period, and low earnings and existing high debt levels forced some carriers to lease rather than purchase new aircraft. In addition, because of their recent earnings records, conventional sources of debt financing have been effectively foreclosed to some carriers. Insurance companies and banks have been unwilling or unable to make further financing commitments and in recent months have stated publicly that until the airlines' financial situation is sufficiently improved new loans will not be forthcoming. In that financially strained economic environment some carriers were forced to resort to existing revolving credit arrangements to raise working capital.

The 1974/1975 period was particularly difficult for the industry. The sudden and substantial increase in fuel prices that began in 1974, accompanied by inflation in other cost categories, forced carriers to raise fares sharply. This coincided, unfortunately, with the economic recession of 1974–75 when demand was already softening, and traffic levels were driven down even further. Moreover, many airlines in the late 1960s had purchased equipment to meet a predicted traffic growth that never occurred, leaving them for a time with substantial excess capacity. The airlines' financial problems were exacerbated by the existing economic regulatory system, which does not normally allow for timely fare increases, and denies the airlines the pricing and management freedom available to other industries.

The airline industry's financial performance has been showing steady improvement since the end of the recession, however, and prospects for increased earnings over the next few years are good. Traffic growth is expected to resume, though at a long-term rate about equal to GNP growth, in contrast to more rapid growth rates in the past. Since at present the airlines have relatively few new aircraft on order, any near term traffic growth will be accommodated largely through increases in aircraft productivity. Load factors are likely to increase, earnings should remain fairly stable at a relatively high level, and new capital needs should be relatively modest until 1980.

After 1980, however, traffic growth will begin to press against the fleet's capacity, and airlines will begin to require new capital to finance the replacement of aging aircraft and to meet the growth demand. Leaving aside the new noise requirements, the Department estimates that between 1976 and 1985 the trunk carriers will need from 700 to 800 new aircraft and will require between $22 and $30 billion dollars to finance this acquisition (based on estimates by Government and private sector financial analysts). About $6 billion will be needed for debt repayment and other uses. A mid-range estimate of total capital needs, therefore, would be $32 billion.

Depreciation and sales of used aircraft can be expected to generate about $15 billion of this amount, leaving $17 billion to be financed through earnings and external sources. If earnings in the period were to rise to $6 billion (which implies a 9 percent return on equity, as contrasted with the average 2.8 percent return of the past five years) external financing needs would be $11 billion. The airlines would probably be able to obtain this financing from conventional financial sources. The following table summarizes these estimates:

SOURCES AND USES OF FUNDS (MID-RANGE ESTIMATE)

	In billions of dollars
Uses of funds:	
Property, plant and equipment	26
Debt repayment and other	6
Total	32
Sources of funds:	
Depreciation and sales of used aircraft	15
Amount required from earnings and external sources	17
Earnings assumption	6
External financing requirement	11

It is unlikely that capital needs can be met in this manner, however, if the industry does not achieve $6 billion in earnings by the end of 1985. As indicated, this level of earnings implies an average annual return on equity three times as large as that earned over the last five years. It also assumes no unexpected negative developments, such as another recession or substantial new increases in fuel or other costs. These or other events would materially reduce the ability of the industry to earn a 9 percent return on equity.[4]

Under one scenario for meeting the new noise abatement regulation schedule, the "regular" 707s and DC–8s are retired and replaced with new technology aircraft, and the stretched DC–8s and the remainder of the noncomplying fleet are retrofitted. This would increase the trunk carriers' capital requirements to 1985 by between $5.5 and $7.6 billion, an increase of 20 to 27 percent more than the amount required in the absence of the noise rule, as discussed above. An incremental capital requirement of this magnitude would appear to be clearly beyond the industry's ability to finance, given the other financing burdens it will face in the early 1980s.

The Administration's aviation regulatory reform bill (the Aviation Act of 1975) will be reintroduced by the Administration in early 1977 and when enacted would make it possible for the airlines to modify or replace their non-Part 36 aircraft. If the carriers had been operating under the regulatory environment envisioned in the proposed legislation, they would not face major difficulties in adjusting prices to obtain the needed capital investment requirements and to obtain the needed financing for the rule. Under the cost-based guidelines now used by the Civil Aeronautics Board in evaluating requests for fare increases, however, the capital outlay for new equipment, about a third of which is made before the aircraft is delivered, cannot be recovered through fare increases until the aircraft is delivered and in operation. Thus in today's economic regulatory environment it is virtually impossible for the industry to commit to the manufacturers the substantial amounts of cash necessary to get a new technology aircraft into production and delivered soon enough to replace the DC–8/707 fleet by the end of 1984.[5] Complicating the problem is the fact that a number of carriers are significantly weaker than others. Some of these carriers are the owners of large numbers of noisy aircraft and thus face some of the largest financing requirements.

Timely passage of the Aviation Act of 1977 will make a large difference in the

[4] It must be noted that the above estimates of financial needs and sources are predicated on industry-wide estimates. Carriers that are in a relatively inferior financial situation will have greater difficulty in obtaining needed funds than will other carriers.

[5] A large number of firm orders from U.S. air carriers is required by manufacturers before they can start production of a new aircraft. The cost of developing the new aircraft alone is put at $500 million to $1 billion.

carriers' ability to finance new aircraft purchases. However, this very desirable change in regulatory policy may not go into effect for at least a year, and if, as expected, its provisions are phased to allow ample time for adjustment to the new operating environment, its full effect will not be felt for several years.

E. *The importance of a prompt start of production of new technology aircraft to the achievement of the noise reduction goals.* If the airlines are to meet the noise reduction goals by replacing noisy aircraft with new technology aircraft, their planned replacement schedules will have to be accelerated and firm purchase commitments will have to be made to the manufacturers by the end of 1977. The Department understands that only with this kind of early commitment can the manufacturers produce the aircraft in 1981 or 1982, and deliver the needed number by the end of 1984. But, as noted previously, the present financial condition of the industry as a whole does not permit it to make this commitment. A special financing arrangement may be necessary to overcome these problems and insure timely delivery of replacement aircraft.

F. *Aerospace benefits related to the production of a new generation aircraft.* A major new air carrier aircraft has not been developed in the United States for almost ten years. Since then, important design and technological advances have been made—many specifically intended to meet the new economic, operating and environmental constraints dictated by rising labor costs, energy shortages, and changing market demands. In the past, American manufacturers have been assured of enough preproduction sales to U.S. airlines to provide solid financing of front-end costs and to insure a near breakeven position without foreign sales. But U.S. airlines are financially unable to make this kind of purchase commitment as present. They are replacing their older, inefficient jets slowly and with existing model aircraft that are less expensive to purchase. There is also the fact that a properly sized U.S.-manufactured replacement for many markets served by four-engine aircraft is not now available. Thus, while some replacement of older four-engine aircraft is taking place, indications are that many U.S. airlines would prefer to wait for a new, high technology aircraft of U.S. manufacture, if it were available within the next few years.

An early start on the production of a new technology aircraft should enable the U.S. manufacturers to maintain a sizeable share of the world market. The foreign market is far more important to them today than in the past, and it will become even more important in the future. The air travel market in the United States is relatively mature, with traffic now growing more in line with general economic trends, only a percent or so faster than GNP. By contrast, the air travel market in Europe and Japan is still in a stage of rapid growth, and the market in nonindustrial nations, while just beginning to stir, has great potential. It is estimated that between 1975 and 1985, foreign requirements will account for about half of the total market for new aircraft.

While the demand side of the foreign market equation has increased, the supply side has increased also to an even greater extent. Foreign aircraft manufacturers, in France and England particularly, but in Germany and Japan as well, have been growing in size and competitive ability for some years. Foreign governments generally provide the risky front-end development funds for their commercial aircraft manufacturers, thereby providing foreign aircraft manufacturers with a competitive price edge in price and delivery date over any new generation aircraft produced by private industry in the United States. The quality of foreign aircraft offerings has improved; while previous aircraft models compared unfavorably with U.S. planes, some new foreign aircraft are competitive in both operating costs and performance. As a further complication for U.S. manufacturers, some major foreign airlines—such as British Airways, Air France and Lufthansa, formerly steady customers—are reportedly being directed by their governments to buy aircraft from the government-supported or owned manufacturing consortia. This trend may continue unless the U.S. manufacturers can again offer a clearly superior product in time to meet the demand.

In combination, these developments may constitute a serious threat to continued participation by the U.S. aerospace industry in expanding foreign markets. The consequences of losing these markets, and the technological leadership it has long enjoyed, would be most serious not only to the United States aerospace industry but to a host of other U.S. interests also. The aerospace industry has been, since the 1930's, a vital part of the U.S. economy, an important source of both skilled people and new ideas applicable in other industries. However, employment in the aerospace industry, comprised of many of the nation's most expert and sophisticated scientists, engineers and technicians, contracted from about 1.5 million in 1968 to about 950,000 in 1975. Production of a new aircraft and consequent increased sales would generate much needed new employment and reverse this trend.

G. *Criteria for a financing plan.* The objective and design of any financing provisions needed to encourage the early introduction of a new generation of air carrier aircraft should be consistent with the following criteria:

The costs of meeting the noise standards should be borne by industry and the users of air transportation (passenger and shippers) and not the general public.

Enough financing should be available to enable the carriers to replace jets not meeting Part 36 requirements with new technology aircraft, but not so much as to encourage the purchase of excess capacity.

If not properly designed, a special financing provision could result in carriers acquiring too much capacity, as has happened in other re-equipment cycles. The growth in traffic, however, and the retirement of noisy aircraft are likely to absorb all capacity additions. Witnesses should give particular attention to this problem in presenting views on appropriate financing mechanisms.

The involvement or interference of the Government in management and financial marketplace decisions should be limited, and the necessary incentives should be created for the industry to meet the noise reduction objectives in an efficient and economical manner.

Any financing plan or government involvement should be designed to avoid rewarding inefficient carriers or "bailing out" a carrier that might otherwise find itself in a difficult financial situation.

Excessive cross subsidy should be avoided (although some redistribution of income between carriers may have to be accepted).

In the absence of a special financing provision, rates eventually would have to be increased to cover the additional costs of noise compliance. Because fare and rate increases are approved on the basis of increased industry-wide average costs, carriers with relatively heavy requirements for retrofit and replacement would not be fully compensated for the additional costs, while carriers with less than average need would enjoy a windfall. To counter this problem, some financing proposals have included provisions for the sharing of a small portion of the surcharge revenues through disbursement of the funds according to a set formula responding in part to the widely disparate needs of the carriers. For example, sixty percent of the non-Part 36 aircraft are owned by four of the air carriers. Moreover, because it does not appear appropriate to impose surcharges on international revenues (as discussed in the following section), some carriers such as Pan Am and TWA, with large aircraft financing needs and relatively smaller proportions of domestic revenues, could receive a greater amount than their contribution. Financing plans to be proposed at the hearing may, of course, provide for a redistribution of this kind, but the cross subsidy should be kept within reasonable bounds.

III—Comparison of Selected Financing Options

This section discusses several alternative financing provisions. There are many other possible or desirable options that also may be considered. Witnesses or respondents are invited to advance other proposals.

Our primary concern at this hearing is the financing that will be required to meet the noise requirements imposed on U.S. aircraft by replacement as well as retrofit. The question of when internationally operated aircraft must begin complying with the new noise standards has been deferred pending action by the International Civil Aviation Organization, making the problem of collecting

surcharges from and remitting funds to foreign carriers extremely complex. For this reason, we solicit the views of witnesses and respondents on the feasibility of including foreign carriers in the initial plan to be developed within the context of the hearing.

Witnesses should also consider the possibility that the early enactment of regulatory reform will obviate special financing. The airline industry has long been burdened with an outmoded and inflexible regulatory system that has hampered the industry's ability to respond to change, to serve the needs of the public, and to achieve satisfactory earnings levels. The Administration has proposed to reform that regulatory system and to this end submitted the Aviation Act of 1975. The Administration intends to submit an Aviation Act of 1977 which will build upon the principles of our prior bill and other bills submitted.

It appears, however, that regulatory reform might not take effect soon enough to make special financing unnecessary. Early enactment of an act that contains substantial regulatory reform in the areas of pricing, entry and exit would create an environment in which carriers could earn appropriate profits. Such profits would attract the capital needed by the industry, and the airlines could finance the purchase of new aircraft without any special aid. Moreover, cross subsidy would not be involved as it would in some financing options, and the burden of the costs would be on the users of air transportation. But, although the Congress is likely to enact legislation substantially reforming the regulatory system affecting the airline industry, there is no certainty that it will do so. Moreover, even if legislation is enacted at an early date, it probably would not go into effect for a year or so, which would be too late to enable the carriers to make the needed early commitment to a new aircraft.

Several of the options discussed below involve the uncommitted $1.5 billion balance in the Airport and Airway Trust Fund (estimated to be some $2 billion by 1980) or may involve imposition of a surcharge accompanied by a reduction in the passenger ticket and freight waybill taxes that produce revenues for the Fund. A reduction of two percentage points in those taxes would leave the Trust Fund with enough revenues to meet all Airport and Airway Development Program expenditures currently authorized. The first type of financing arrangement noted below would apply the surplus in the Airport and Airway Trust Fund directly to the costs of replacement and/or retrofit. Other financing plans could be accompanied by a reduction in the taxes in the same amount as a surcharge imposed to meet those costs, thus avoiding an overall increase in the cost of air transportation to the consumer. Witnesses are invited to comment on the desirability of this approach.

The following financing alternatives are among those that have been considered by the Department. In evaluating these, or in proposing any other financing arrangement, respondents or witnesses should consider at a minimum the issues relating to the form of special financing provisions and the criteria set forth above.

Type 1—Funding from Uncommitted Balance in the Airport and Airway Trust Fund

The Administration would seek legislation to allow the use of uncommitted funds in the Airport and Airway Trust Fund. Each airline would be directly reimbursed a fixed percentage of its cost of complying with the noise rule. A reduction in user charge excise taxes probably would not be a part of this plan.

Pros. The uncommitted balance in the Airport and Airway Trust Fund ($1.5 billion) could be applied to the reduction of noise.

This plan is simpler than those involving special funds, with possibly complicated disbursement formulas and administrative provisions.

This financing arrangement meets the criterion of putting the burden on the users of air transportation because they provide the revenues for Airport and Airway Trust Fund through user charges.

Cons. The uncommitted balance in the Airport and Airway Trust Fund might not be sufficient to achieve fully the goal of replacement by 1984.

Use of trust fund monies would require substantial government involvement and management.

Since the payout would not be proportionate to carriers' contribution to the trust fund, there is an element of cross subsidy.

The overall federal budget is in deficit and thus outlays from the Airport and Airway Trust Fund would increase that deficit, or make it more difficult to bring the federal budget into balance.

The funds would be expended for purposes not authorized at the time the revenues were collected from the users of air transportation.

Type 2.—*A surcharge would be imposed on passenger tickets and waybills; there would be a sharing of funds, and disbursement would take place under a formula that would be responsive to the need of the individual carrier*

As an example of this approach, a surcharge on passenger tickets and waybills could be imposed and could be coupled with an equal reduction in existing passenger and waybill taxes to avoid any increase in the price of air transportation to its users. The plan could be administered by the government, the airlines, or a third party such as an escrow agent. Disbursement to airlines would be accomplished under some formula that would take into account the need of individual carriers. For example, the disbursement formula could be based on system revenues, each carrier being entitled to a share of the funds in proportion to its share of the system (domestic and international passenger and cargo) revenues. Under this formula, carriers with international operations, which generally have the largest number of planes not meeting Part 36 levels and which are among those carriers that may face difficulty in securing sufficient private capital, would gain more than they contribute. The resulting cross subsidy (if found objectionable) could be reduced by calculating the entitlement in such a way that each carrier receives half (or some other proportion) of its contribution, with the rest of the funds prorated according to system revenues. Payments to the carriers could be limited to the entitlement as determined by the retrofit costs and no more than one-third of the cost of replacement. This requirement would discourage the purchase of excess capacity and insure that the carriers have to generate two-thirds of the needed capital from private internal or normal external financing. Thus it would not support carriers that could not obtain capital from private financial sources. It would also be possible to provide special tax treatment in the use of the funds, in effect deferring taxes rather than reducing them.

Pros. The surcharge could be at the level necessary to generate sufficient revenue to stimulate the timely production of a quieter, more efficient new technology aircraft.

The surcharge places the same burden on each carrier and, with the redistribution feature, equalizes to some degree the impact of the program. Because sixty percent of the nonconforming aircraft are operated by four carriers, some of which are currently facing financial difficulties, some limited equilzation seems desirable.

Users of air transportation would bear the cost burden.

The financing provision can be designed to limit government involvement in management decisions.

Cross subsidy can be limited.

Cons. Sharing and redistribution of some of the revenues may reduce carrier incentives to achieve a quiet fleet in as efficient a manner as possible. (Access to funds which might not otherwise be available could result in implementing higher cost alternatives of meeting the new noise standard).

Redistribution of revenues (or cross subsidy) may be inequitable to those carriers that have already taken steps to reduce aircraft noise.

The reduction of the ticket and waybill taxes would have an adverse effect on the federal budget.

A variation of this type of plan would call for the collection of enough funds to pay each carrier only for its retrofit costs. The carriers could, at their option, apply the retrofit costs to replacement. Such an approach would limit aid to the lowest cost required to achieve compliance.

Another variation of this plan would be to use all or part of the fund to provide loan guarantees. Entitlement to the

guarantee could be set according to some formula, as in the case of cash disbursements.

Type 3. *A surcharge would be imposed, the revenues would be deposited in an escrow fund, and each carrier's entitlement would be equal to its contribution. Special taxing provisions would be provided*

This plan differs from the previous one in that there is not any redistribution of revenues. The advantages lie primarily in favorable tax treatment, such as deferral of taxes and the targeting of these funds for noise reduction purposes.

Pros. Users of air transportation would bear the cost burden.

The cross subsidy problem is avoided.

The funds are earmarked and applicable solely to noise reduction purposes.

Sufficient revenues could be provided to stimulate the timely production of a new generation aircraft.

Government interference in managerial decisions can be limited.

Cons. Entitlements could provide a windfall for carriers without a significant number of noisy aircraft.

The intended relief would be limited for carriers having little or no tax liability.

Type 4. *An aircraft operation charge (pollution tax) would be imposed based on the amount of noise generated by non-Part 36 aircraft operations, weighted by time of day at which the noise occurs. The revenues would be spent for noise reduction purposes*

Pros. The cost of noise reduction would be placed directly on the operators (and ultimately the users) of noisy aircraft.

The tax would give air carriers maximum incentive to reduce noise as quickly and inexpensively as possible.

The cross subsidy problem is avoided.

Cons. A pollution tax would place further burdens on an industry that is already in poor financial condition, affecting most seriously the financially distressed carriers with relatively large numbers of noisy aircraft.

Revenues from the tax would probably not be sufficient to stimulate the production of a new generation aircraft in time to meet the new noise standards.

This type of plan would heavily involve the government in the collection and disbursement of funds.

Type 5. Provide for government loan guarantees for purchase of replacement aircraft

Pros. Would provide some financial incentive for airlines to order and manufacturers to produce a new aircraft.

This approach is simpler than the surcharge and redistribution type of plan, yet provides funds where they are needed.

In the absence of defaults on loans, the cost of meeting the standard would be borne by users rather than the general public.

Cons. Financially distressed carriers may not qualify for guarantees, assuming the traditional requirement of a showing that they can repay the loan.

There would be less certainty of meeting the noise reduction compliance deadline if some carriers do not qualify for the guarantees.

Substantial government oversight would be required and administrative costs would be incurred.

The plan would constitute a major long-term intrusion on behalf of one industry into what has been traditionally viewed as being in the realm of private sector financing. It would also establish a further precedent for direct federal support to private industry.

Issued at Washington, D.C., on November 18, 1976.

WILLIAM T. COLEMAN, Jr.,
Secretary of Transportation.

[FR Doc.76-34619 Filed 11-19-76;8:45 am]

federal register

MONDAY, NOVEMBER 22, 1976

PART VII:

OVERSEAS PRIVATE INVESTMENT CORPORATION

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PRIVACY ACT OF 1974

Systems of Records

OVERSEAS PRIVATE INVESTMENT CORPORATION

PRIVACY ACT OF 1974

Systems of Records

Pursuant to 5 U.S.C. 522a(e)(4) of the Privacy Act of 1974, the Overseas Private Investment Corporation (the "Corporation") hereby publishes its systems of records as currently maintained. The Corporation's systems of records were originally published at 40 FR, p. 36880, August 22, 1975.

In addition, the Corporation publishes a new system, OPIC—23, and hereby proposes the following routine use for all systems of records:

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

The new system concerns employee payroll records. All of the Corporation's payroll functions are performed by the Agency for International Development ("AID") and thus the payroll records and other relevant payroll data are maintained by AID in its systems of records. Some of the data, however, is originally collected and will be maintained by the Corporation. Accordingly, the employee payroll records to be maintained by OPIC, as well as AID, are described below in the system titled OPIC—23.

Written comments on the proposed new system and new routine use may be addressed to Director of Personnel, Overseas Private Investment Corporation, 1129 20th Street, NW., Washington, D.C. 20527. These additional routine uses will become effective thirty days from the date of this publication (December 22, 1976) unless otherwise noted in the Federal Register.

For convenience, the systems published below include the new routine use proposed herein.

Dated: November 10, 1976.

Marshall T. Mays,
President.

OPIC—1

System name: Applicants (General)—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527

Categories of individuals covered by the system: Past and current applicants for employment by the Corporation.

Categories of records in the system: Contains (i) applications for employment; (ii) letters concerning employment; (iii) other information relevant to employment; (iv) interview sheets; (v) letters of recommendation; (vi) file on the status or disposition of all applications.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies. Used to (i) furnish candidates for job vacancies; (ii) provide information in the record to the personnel office of another federal agency at the request of said federal agency upon the transfer or potential transfer to that federal agency of the individual to whom the information in the record pertains.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders and on cardex file.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Files on applicants retained as long as applicant is employment prospect but no longer than two (2) years. File on status and disposition retained throughout life of the Corporation. Disposed of by burning and/or by return to applicant.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: All sources of recruitment used by OPIC, including without limitation, responses to OPIC advertisements; referrals; walk-ins; unsolicited information from applicants; university placement offices.

OPIC—2

System name: Applicants (General Counsel)—OPIC

System location:

Office of the General Counsel,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527

Categories of individuals covered by the system: Applicants for employment as attorney in the Office of the General Counsel.

Categories of records in the system: Contains (i) letters from applicants; (ii) resumes and Standard Forms 171 of applicants; (iii) intra-office memoranda; (iv) letters from the Corporation to applicants concerning interviews, offers of employment, refusals to offer employment; (v) copies of advertisements for employment; (vi) Request and Authorization of Official Travel forms; (vii) letters of recommendation.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies. Used to select qualified attorneys for employment in the Office of the General Counsel.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in accordion file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained as long as applicant appears interested in employment by the Corporation but in no event longer than two (2) years. Disposed of by burning and/or by return to applicant.

System manager(s) and address:

General Counsel,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527
Telephone: (202) 632-1766

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: The individual. Persons who refer applicants.

OPIC—3

System name: Attendance and Leave Records—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Present employees. Former employees during first sixty (60) days following date of their separation from the Corporation.

Categories of records in the system: Contains (i) timekeeper records and payroll change slips; (ii) recurring and special payroll reports; (iii) annual leave restoration records, memoranda and special studies; (iv) special tours of duty records.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in individual file folders and on cardex file.

Retrievability: Indexed alphabetically by surname.

Safeguards: Payroll change slips and timekeeper records stored in key-locked metal file cabinet. Other records stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained until end of first sixty (60) days following date of individual's separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—4

System name: Awards—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Past and current officers and employees who have received an award from the Corporation.

Categories of records in the system: Contains (i) supporting material for nominations for and grants of: Quality Increases and other honor or cash awards; (ii) copies of certificates of award granted to officers and employees.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies. Used to provide information to the Director of the Civil Service Commission, or any of his or her authorized representatives, in the course of the performance of the duties of the Civil Service Commission.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Filed by category of award or incentive with information therein indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained for first two (2) years following granting of award. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Officers, employees, records, forms and files of the Corporation.

OPIC—5

System name: Biographies of Key Employees and Board Members—OPIC

System location:

Office of Public Affairs,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Officers, professional staff and members of the Board of Directors of the Corporation.

Categories of records in the system: Contains biographies of officers, professional staff and members of the Board of Directors in the form of general biographies and prepared press releases.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used (i) for news releases to local, national and international communications media in connection with publicizing the role of the Corporation in furthering the development assistance objectives of the United States; (ii) in publications of the Corporation in connection with publicizing the role of the Corporation in furthering the development assistance objectives of the United States.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Examined every two (2) years. Biographies of individuals no longer employed by the Corporation or no longer on the Board of Directors disposed of by burning.

System manager(s) and address: Vice President for Public Affairs,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-1854.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: The individual; WHO'S WHO IN AMERICA; THE INTERNATIONAL WHO'S WHO; WORLD WHO'S WHO IN COMMERCE AND INDUSTRY; other recognized biographical directories catalogued at the Library of Congress.

OPIC—6

System name: Compensation—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All employees of the Corporation.

Categories of records in the system: Contains records relating to (i) denials of within grade increases; (ii) appeals of denials of within grade increases; (iii) pay adjustments for Administratively Determined ("AD") employees.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Retention and disposal: Records of within grade denial retained as long as individual is employed by the Corporation and during first sixty (60) days following date of individual's separation from the Corporation. Other records retained two (2) years after matter finally resolved. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—7

System name: Conduct and Discipline—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All employees of the Corporation (i) against whom disciplinary action has been taken or is being taken; (ii) who have filed a grievance or an appeal in connection with a disciplinary action initiated by the Corporation.

Categories of records in the system: Contains (i) files of charges of the Corporation and supporting documents; (ii) employee's response to charges of the Corporation; (iii) notice of hearing, if contemplated, and report of hearing, if held; (iv) hearing recommendations or decision; (v) information relating to employee's grievance and appeal; (vi) conference reports.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Retention and disposal: Retained as long as individual is employed by the Corporation and during first sixty (60) days following date of individual's separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Officers, employees, records, files and forms of the Corporation.

OPIC—8

System name: Conflicts of Interest—OPIC

System location:

Office of the General Counsel,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All officers and employees of the Corporation (i) with a grade of GS-13 and above; (ii) holding special positions of confidence.

Categories of records in the system: Contains Statements of Employment and Financial Interest.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used to provide confidential counseling on conflicts of interest regulations and potential financial conflicts between official duty and personal financial interests.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained for one (1) year after individual's date of separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Deputy General Counsel,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-1766.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: The individual.

OPIC—9

System name: Employee Health and Life Insurance—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All officers and employees of the Corporation who have had a problem in connection with health or life insurance obtained through the Corporation requiring claims assistance.

Categories of records in the system: Contains record of problems and their settlement.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Filed by category of insurance with information indexed therein alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained as long as individual is employed by the Corporation and during first sixty (60) days following date of individual's separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—10

System name: Employment (Excepted Positions)—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Past and current employees of the Corporation.

Categories of records in the system: Contains (i) copies of requests to the Civil Service Commission for establishment and/or filling of excepted positions; (ii) periodic and special reports in connection with non-competitive employment; (iii) supporting documentation for nomination and approval of individual members of the Board of Directors of the Corporation.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies. Used to furnish the Civil Service Commission with verification of compliance with Civil Service Commission reporting requirements on Excepted Positions.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Filed by category of excepted position with information indexed therein alphabetically by surname.

Retention and disposal: Retained as long as individual is employed by the Corporation and for first sixty (60) days following date of individual's separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—11

System name: Evaluations—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All employees of the Corporation serving under non-temporary appointment.

Categories of records in the system: Contains (i) performance evaluations; (ii) supporting material for performance ratings of unsatisfactory or outstanding; (iii) documentation of employee appeals of performance ratings.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained as long as individual is employed by the Corporation and during first sixty (60) days following date of individual's separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—12

System name: Photographs—OPIC

System location:

Office of Public Affairs,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Officers, employees and members of the Board of Directors of the Corporation.

Categories of records in the system: Contains (i) portrait shots (head and shoulders) of officers, employees and members of the Board of Directors; (ii) candid shots of same individuals taken while performing an official function.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Portrait shots used in releases to local, national and international communications media (i) upon appointment of individual to post with the Corporation; (ii) as supplement to biographies; (iii) when individual makes an official appearance. Candid shots used in (i) releases to local, national and international communications media in connection with publicizing the role of the Corporation in furthering the development assistance objectives of the United States; (ii) in publications of the Corporation.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Examined every two (2) years. Photographs of individuals no longer employed by the Corporation or no longer on the Board of Directors are disposed of by burning.

System manager(s) and address: Vice President for Public Affairs,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,

Washington, D.C. 20527.
Telephone: (202) 632-1854.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: The individual. Photographs taken by employees or agents of the Corporation.

OPIC—13

System name: Placement of Handicapped Individuals—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Past and current employees of the Corporation who serve (served) under competitive appointment.

Categories of records in the system: Contains records and reports of placement by the Corporation of handicapped individuals.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folder.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained as long as individual is employed by the Corporation and during first sixty (60) days following date of individual's separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Officers, employees, records, files and forms of the Corporation.

OPIC—14

System name: Position Classification—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All employees serving under Classification Act.

Categories of records in the system: Contains (i) appeals to the Civil Service Commission of position classification allocations; (ii) Whitten Amendment survey reports; (iii) survey reports and classification audits.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Filed by category of position with information therein alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Audit reports retained throughout life of the Corporation. Appeals retained until one (1) year following final disposition of case. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—15

System name: Recruitment—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Past and current employees of the Corporation.

Categories of records in the system: Contains (i) special reports and studies on recruitment efforts and/or recruitment needs; (ii) reemployment priority list of past and current employees of the Corporation.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Filed by category of report or study with information filed therein alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Reports and studies retained three (3) years. Individual name removed from reemployment priority list two (2) years after date of separation of career employees and one (1) year after date of separation of career conditional employees. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—16

System name: Retirement—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,

1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All officers and employees of the Corporation within one (1) year of retirement age or of eligibility for retirement. All former officers and employees of the Corporation who have retired within immediately preceding twelve (12) months.

Categories of records in the system: Contains (i) reports and studies on retirement; (ii) problem cases (history and settlement).

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Filed chronologically with information indexed therein alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained for twelve (12) months following date of individual's separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—17

System name: Security and Investigations—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Officers and employees of the Corporation. Applicants for employment.

Categories of records in the system: Contains copies of requests for security clearances and for investigations.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies. Used in requesting the Auditor General, Agency for International Development, to conduct an investigation or a security check on individuals.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folder.

Retrievability: Filed chronologically with information indexed therein alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained as long as individual is employed by the Corporation and during first sixty (60) days following date of individual's separation from the Corporation. Disposed of by burning.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

OPIC—18

System name: Security Violations—OPIC

System location:

Office of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: Officers and employees of the Corporation who have committed a security violation.

Categories of records in the system: Contains (i) Notice of a Security Violations forms; (ii) Record of Violation forms; (iii) letters of notice of security violation.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies. Used in furnishing notices of security violations to the Auditor General, Agency for International Development.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Record retained one (1) year subsequent to violation. Disposed of by fire.

System manager(s) and address:

Director of Personnel and Administration,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.
Telephone: (202) 632-3858.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Security guards. Records, files and forms of the Corporation.

OPIC—19

System name: Travel Advances—OPIC

System location:

Office of the Treasurer,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All employees of the Corporation.

Categories of records in the system: Contains (i) travel advances card; (ii) travel authorizations; (iii) return copies of travel authorizations.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source

for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies. Used to properly account for funds spent. Used to provide information to the Assistant Administrator, or any of his duly authorized representatives, Bureau for Program and Management Services, Agency for International Development in the course of the performance of the duties of the Agency for International Development.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained for two (2) years after the date of travel authorization. Disposed of by sending to Federal Records Center.

System manager(s) and address:

Treasurer,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: The individual, records, files and forms of the Corporation.

OPIC—20

System name: Travel Obligations—OPIC

System location:

Office of the Treasurer,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Categories of individuals covered by the system: All employees of the Corporation.

Categories of records in the system: Contains (i) travel authorization forms; (ii) reimbursement claims of employees.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used as a data source for management information and for the production of summary descriptive statistics and analytical studies in support of the function for which records are collected and maintained or for related personnel management functions or manpower studies. Used to properly account for funds spent. Used to provide information to the Assistant Administrator, or any of his duly authorized representatives, Bureau for Program and Management Services, Agency for International Development in the course of the performance of the duties of the Agency for International Development.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained for two (2) years after the date of travel authorization. Disposed of by sending to Federal Records Center.

System manager(s) and address:

Treasurer,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: The individual, records, files and forms of the Corporation.

OPIC—21

System name: Directors (Current)—OPIC

System location:

Office of the Corporate Secretary,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D. C. 20527

Categories of individuals covered by the system: Current directors of the Corporation.

Categories of records in the system: Contains (i) resumes; (ii) date of appointment to Board of Directors; (iii) date of swearing in.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used to distribute to the general public, communications media, the Board of Directors, officers and employees of the Corporation general biographical information on Board members.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained throughout life of Corporation.

System manager(s) and address:

Corporate Secretary,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527
Telephone: (202) 632-1839.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: The individual. Files of the Corporation.

OPIC—22

System name: Directors (Former)—OPIC

System location:

Office of the Corporate Secretary,
Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D. C. 20527

Categories of individuals covered by the system: Former directors of the Corporation.

Categories of records in the system: Contains (i) resumes; (ii) date of appointment to Board of Directors; (iii) date of swearing in; (iv) date of separation.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: Used to distribute to the general public, communications media, the Board of Directors, officers and employees of the Corporation general biographical information on Board members.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: Stored in metal file cabinet secured by combination lock.

Retention and disposal: Retained throughout life of Corporation.

System manager(s) and address:

Corporate Secretary,

Overseas Private Investment Corporation,
1129 20th Street, N.W.,
Washington, D.C. 20527
Telephone: (202) 632-1839.

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: The individual. Files of the Corporation.

OPIC—23

System name: Employees' Payroll Records—OPIC System Location:

a.
Office of Personnel and Administration
Overseas Private Investment Corporation
1129 20th Street, NW.
Washington, D.C. 20527

b.
Office of Data Management
Agency for International Development
1975 Connecticut Avenue, NW.
Washington, D.C. 20523

c.
For Retired Files:
National Personnel Records Center
GSA
111 Winnebago Street
St. Louis, Missouri

Categories of individuals covered by the system: All employees of the Corporation.

Categories of records in the system: The Corporation's system consists of four (4) files all of which are manual files. Most of the same records held by the Corporation are also kept by the Agency for International Development as published on September 13, 1976 at 40 Federal Register 39482. The four (4) Corporation files are described below:

a. Personnel Records File—This file consists in relevant part of the employees' S.F.-50's, copies of health benefits forms and life insurance forms.

b. Employee Payroll Costs File—This file contains the following types of records: Name, Social Security Account Number, timekeeper code, gross bimonthly earnings, retirement and health insurance deductions, FICA and FIGLA deductions.

c. Service Record File—These records contain name, Social Security Account Number, birthdate, effective date of pay change and/or suspense action pay plan grade level.

d. Time Card and Pay Change Slip File—This contains name, Social Security Account Number, leave severance pay, state and federal tax deductions, FICA and comments relating to bonds, leave and W-2 mailing address.

Routine uses of records maintained in the system, including categories of users and the purposes of such uses: The records are transmitted to Agency for International Development which in turn transmits them to the following:

Treasury Department for payroll purposes.

Treasury Department for issuance of savings bonds.

Civil Service Commission for retirement, health and life insurance purposes.

The Social Security Administration for Federal Insurance Compensation Act.

The Internal Revenue Service for taxable earnings and withholding purposes.

The Combined Federal Campaign for charitable contribution purposes.

American Federation of Government Employees for union dues.

The States of California, New York, Pennsylvania, Maryland, Virginia and the District of Columbia for state income purposes and to other states and other tax jurisdictions as may become necessary.

The Attorney General of the United States or his authorized representative in connection with litigation, law enforcement, or other matters under the direct jurisdiction of the Department of Justice, or carried out as a legal representative of the Executive Branch agencies.

The Internal Revenue Service for audit and inspection and investigation purposes.

The Department of Health, Education and Welfare for microfilming and producing microfiche.

A record maintained by the Corporation to carry on its function may be disclosed to a congressional office in response to an inquiry from the congressional office made at the request of the individual to whom the record pertains.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system:

Storage: Kept in file folders.

Retrievability: Indexed alphabetically by surname.

Safeguards: All records stored in key locked metal file cabinet.

Retention and disposal: (i) Personnel Records File is retained until end of first thirty (30) days following date of individual's separation from the Corporation if the individual is not thereafter employed by a Federal Agency. After the thirty (30) days, records are sent to National Personnel Records Center, GSA, 111 Winnebago Street, St. Louis, Missouri. However, if following the separation from the Corporation, the individual is employed by a Federal Agency, records are maintained until that Federal Agency requests said records from the Corporation; (ii) Employee Payroll Cost File—Retained until one (1) year following date of individual's separation from the Corporation; (iii) Service Record File—Retained until end of first two (2) years following date of individual's separation from the Corporation; (iv) Time Card and Pay Change Slip File—Retained until end of first two (2) years following date of individual's separation from the Corporation.

System manager(s) and address:

Director of Personnel and Administration
Overseas Private Investment Corporation
1129 20th Street, NW.
Washington, D.C. 20527
Telephone (202) 632-3858

Notification procedure: Same as above.

Record access procedures: Same as above.

Contesting record procedures: Same as above.

Record source categories: Records, files and forms of the Corporation.

[FR Doc.76-33944 Filed 11-12-76;4:09 pm]

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