FEDERAL REGISTER

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Washington, Saturday, August 26, 1939

The President

EXTENDING THE PERIOD FOR THE ESTABLISHMENT OF AN ADEQUATE SHIPPING SERVICE FOR, AND DEFERRING EXTENSION OF THE COASTWISE LAWS TO, CANTON ISLAND

BY THE PRESIDENT OF THE UNITED STATES OF AMERICA

A PROCLAMATION

WHEREAS section 21 of the Merchant Marine Act, 1920 (ch. 250, 41 Stat. 997), provides:

"That from and after February 1, 1922, the coastwise laws of the United States shall extend to the island Territories and possessions of the United States not now covered thereby, and the board is directed prior to the expiration of such year to have established adequate steamship service at reasonable rates to accommodate the commerce and the passenger travel of said islands and to maintain and operate such service until it can be taken over and operated and maintained upon satisfactory terms by private capital and enterprise: *Provided*, That if adequate shipping service is not established by February 1, 1922, the President shall extend the period herein allowed for the establishment of such service in the case of any island Territory or possession for such time as may be necessary for the establishment of adequate shipping facilities therefor * * *;"

WHEREAS an adequate shipping service to accommodate the commerce and the passenger travel of Canton Island has not been established as provided in the aforesaid section;

WHEREAS the extension of the coastwise laws of the United States to Canton Island, as provided in the aforesaid section, is dependent upon the establishment of such adequate shipping service;

NOW, THEREFORE, I, FRANKLIN D. ROOSEVELT, President of the United States of America, under and by virtue of the authority vested in me by section 21 of the Merchant Marine Act, 1920, do hereby declare and proclaim that the period for the establishment of an adequate shipping service for Canton Island is extended to January 1, 1940, and that the extension of the coastwise laws of the United States to Canton Island is deferred to January 1, 1940.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the United States to be affixed.

DONE at the city of Washington this 21" day of August, in the year of our Lord nineteen hundred and thirty-nine and of the Independence of the United States of America the one hundred and sixty-fourth.

[SEAL]

FRANKLIN D ROOSEVELT

By the President:

SUMNER WELLES
Acting Secretary of State.

[No. 2346]

[F. R. Doc. 39-3136; Filed, August 25, 1939; 11:29 a. m.]

EXECUTIVE ORDER

ABOLISHING CUSTOMS COLLECTION DISTRICT NUMBER 44 (IOWA); EXTENDING LIMITS OF CUSTOMS COLLECTION DISTRICT NUMBER 39 (CHICAGO) TO INCLUDE THE STATE OF IOWA; AND REVOKING THE DESIGNATIONS OF DES MOINES, IOWA, OKLAHOMA CITY, OKLAHOMA, AND TULSA, OKLAHOMA, AS CUSTOMS PORTS OF ENTRY

By virtue of and pursuant to the authority vested in me by section 1 of the act of August 1, 1914, 38 Stat. 609, 623 (U.S.C., title 19, sec. 2), it is ordered that the following changes be made in the customs field organization:

1. Customs Collection District No. 44 (Iowa), is hereby abolished.

2. The territory comprising the State of Iowa is hereby consolidated with, and made a part of, Customs Collection District No. 39 (Chicago), with headquarters at Chicago, Illinois.

3. The designation of the customs port of entry of Des Moines, Iowa, in Customs

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THE PRESIDENT

RULES, REGULATIONS, ORDERS

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FEDERAL REGISTER

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NOTICES

Collection District No. 44 (Iowa), is hereby revoked.

4. The designations of the customs ports of entry of Oklahoma City, Oklahoma, and Tulsa, Oklahoma, in Customs Collection District No. 45 (Saint Louis), are hereby revoked.

This order shall become effective thirty days from the date hereof.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
August 24, 1939.

[No. 8225]

[F. R. Doc. 39-3128; Filed, August 25, 1939; 10:04 a. m.]

EXECUTIVE ORDER

AMENDING SECTION 15 OF EXECUTIVE ORDER NO. 7845 OF MARCH 21, 1938, PRESCRIBING REGULATIONS RELATING TO ANNUAL LEAVE OF GOVERNMENT EMPLOYEES

By virtue of and pursuant to the authority vested in me by section 7 of the act of March 14, 1936, entitled "An act to provide for vacations to Government employees and for other purposes" (49 Stat. 1161), it is ordered that section 15 of Executive Order No. 7845, dated March 21, 1938,[1] prescribing regulations relating to annual leave of Government employees, be, and it is hereby, amended to read as follows:

"SEC. 15. Temporary employees who subsequently receive indefinite, emergency, probational, or permanent appointments in the same department or agency without break in service shall be entitled to 2½ days annual leave for each full month of service to the date of such indefinite, emergency, probational, or permanent appointment and thereafter at the rate of 2⅙ days per month, and shall be credited with such accumulated and current accrued leave as may be due, or charged with any unaccrued leave which may have been advanced."

This order shall be effective as of June 30, 1939, and shall be published in the FEDERAL REGISTER.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
August 24, 1939.

[No. 8226]

[F. R. Doc. 39-3143; Filed, August 25, 1939; 12:19 p. m.]

EXECUTIVE ORDER

AMENDING SECTION 18 OF EXECUTIVE ORDER NO. 7846 OF MARCH 21, 1938, PRESCRIBING REGULATIONS RELATING TO SICK LEAVE OF GOVERNMENT EMPLOYEES

By virtue of and pursuant to the authority vested in me by section 7 of the act of March 14, 1936, entitled "An act to standardize sick leave and extend it to all civilian employees" (49 Stat. 1162), it is ordered that section 18 of Executive Order No. 7846, dated March 21, 1938,[1] prescribing regulations relating to sick leave of Government employees, be, and it is hereby, amended to read as follows:

"SEC. 18. Sick leave accumulated during temporary appointment shall be credited to an employee who receives an indefinite, emergency, probational, or permanent appointment in the same department or agency without break in service but shall not be transferable elsewhere under any circumstances."

This order shall be effective as of June 30, 1939, and shall be published in the FEDERAL REGISTER.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,
August 24, 1939.

[No. 8227]

[F. R. Doc. 39-3144; Filed, August 25, 1939; 12:19 p. m.]

Rules, Regulations, Orders

TITLE 7—AGRICULTURE

BUREAU OF ENTOMOLOGY AND PLANT QUARANTINE

[B.E.P.Q. 501 (Supersedes B.P.Q. 344)]

SEC. 319.56-2B—ADMINISTRATIVE INSTRUCTIONS; CONDITIONS GOVERNING THE ENTRY OF ACORNS AND CHESTNUTS

AUGUST 21, 1939.

The importation of acorns and chestnuts into the United States for purposes other than propagation, from all foreign countries and localities, except Canada, is authorized under permit under the provisions of Quarantine No. 56 (Fruit and Vegetable Quarantine) (Sec. 319.56) as follows:

Authorized ports of entry. Permits are issued on any port in the United States where this Bureau maintains inspection service in the enforcement of foreign plant quarantines.

Inspection. All shipments are subject to inspection as a condition of entry.

Freedom from living stages of injurious insects. Shipments shall be free of living stages of injurious insects including the European codling moth, *Laspeyresia (Carpocapsa) splendana*, and chestnut weevils, *Balaninus* spp., as a condition of release.

Infested shipments. A shipment found to be infested with living stages of injurious insects shall be immediately destroyed unless in the judgment of the inspector it can be disposed of under adequate safeguards as the inspector may require in regard to handling,

[1] 3 F.R. 715 DI.

[1] 3 F.R. 717 DI.

routing, etc., in one of the following ways:

1. Immediate exportation.
2. Treatment at the first port of arrival.
3. Shipment from a port of arrival where no treatment facilities are available to a port where such facilities are available.

Approved treating plants. Shipments required to be treated as a condition of entry shall be treated under the supervision of an inspector of the Bureau of Entomology and Plant Quarantine at plants approved for the purpose by this Bureau. Approved plants are at present located at New York, San Pedro (Los Angeles), San Francisco, and Seattle.

Canada. Acorns and chestnuts grown in and shipped from Canada are enterable without permit or other restriction when imported for purposes other than propagation. (Issued under Sec. 319.56-2) [B.E.P.Q. 501, Aug. 21, 1939]

[SEAL] AVERY S. HOYT,
Acting Chief.

[F. R. Doc. 39-3127; Filed, August 25, 1939; 9:30 a. m.]

DIVISION OF MARKETING AND MARKETING AGREEMENTS

[Order No. 32, as amended]

MARKETING ORDERS

PART 912—ORDER, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE FORT WAYNE, INDIANA, MARKETING AREA*

Whereas, under the terms and provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, the Secretary of Agriculture of the United States is empowered, after due notice and opportunity for hearing, to enter into marketing agreements with processors, producers, associations of producers, and others engaged in such handling of any agricultural commodity or product thereof as is in the current of interstate or foreign commerce, or which directly burdens, obstructs, or affects interstate or foreign commerce in such commodity or product thereof; and

*Section 932.0 to and including Section 932.11 issued under the authority contained in 48 Stat. 31 (1933), 7 U.S.C. 601 et seq. (1934); 49 Stat. 750 (1935); 50 Stat. 246 (1937), 7 U.S.C. 601 et seq. (Sup. IV 1938).

Whereas, the Secretary, on January 23, 1937, issued a marketing agreement regulating the handling of milk in the Fort Wayne, Indiana, marketing area, which marketing agreement became effective on February 1, 1937; and

Whereas, under the terms and provisions of said act, the Secretary of Agriculture is empowered to issue orders applicable to processors, producers, associations of producers, and others engaged in the handling of any agricultural commodity or product thereof specified in subsection (2) of section 8c, such orders to regulate only such handling of such agricultural commodity or product thereof as is in the current of interstate or foreign commerce or which directly burdens, obstructs, or affects interstate or foreign commerce in such commodity or product thereof; and

Whereas, the Secretary, having reason to believe that the execution of an amendment to the aforementioned marketing agreement and the issuance of an order with respect to the handling of milk in the Fort Wayne, Indiana, marketing area would tend to effectuate the declared policy of said act, gave, on the 24th day of June 1938, notice of a public hearing to be held at Fort Wayne, Indiana, on the 6th day of July 1938; and

Whereas, the Secretary on the 30th day of August 1938 tentatively approved an amendment to the marketing agreement regulating the handling of milk in the Fort Wayne, Indiana, marketing area; and

Whereas, H. A. Wallace, Secretary of Agriculture of the United States of America, pursuant to the provisions of Title I of Public Act No. 10, 73d Congress, as amended (48 Stat. 31), issued on October 11, 1938,[1] Order No. 32 regulating the handling of milk in the Fort Wayne, Indiana, marketing area, said order being effective October 15, 1938; and

Whereas, the Secretary having reason to believe that said marketing agreement and said order should be further amended, gave, on the 21st day of March 1939,[2] notice of a public hearing to be held at Indianapolis, Indiana, on the 28th day of March 1939, on a proposal to amend the provisions of said tentatively approved marketing agreement, as amended, and of said order, said hearing being reopened at Indianapolis, Indiana, on the 13th day of June 1939, for the purpose of receiving additional evidence, and at said times and place conducted public hearings at which all interested parties were afforded an opportunity to be heard on said proposal; and

Whereas, at such hearings and after the tentative approval on the 18th day of July 1939, by the Secretary of a marketing agreement, as amended, handlers of more than 50 percent of the volume of milk covered by this order, as amended, which is marketed within the Fort Wayne, Indiana, marketing area refused or failed to sign such tentatively approved marketing agreement, as amended, relating to milk; and

[1] 3 F.R. 2463 DI.
[2] 4 F.R. 2355 DI.

Whereas, the Secretary determined on the 14th day of August, 1939, said determination being approved by the President of the United States on 21st day of August 1939,[3] that said refusal or failure tends to prevent the effectuation of the declared policy of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937 (50 Stat. 246), and that this order, as amended, is the only practical means pursuant to such policy of advancing the interests of producers of milk in said area and is approved or favored by over 67 percent of the producers voting in a referendum, who during the month of May 1939, said month having been determined by the Secretary to be a representative period, were engaged in the production of milk for sale in the Fort Wayne, Indiana, marketing area; and

Whereas, the Secretary finds upon the evidence introduced at the above-mentioned hearings, said findings being in addition to the findings made upon the evidence introduced at the hearings on said order and to the other findings made prior to or at the time of the original issuance of said order (which findings are hereby ratified and affirmed, save only as such findings are in conflict with the findings hereinafter set forth):

§ 932.0 *Findings.* 1. That the classification of milk into three classes is a proper basis for the pricing of milk which is disposed of by handlers;

2. That the prices calculated to give milk handled in the marketing area a purchasing power equivalent to the purchasing power of such milk as determined pursuant to section 2 and section 8e of the act are not reasonable in view of the available supplies of feeds, the price of feeds, and other economic conditions which affect the supply and demand for such milk, and that the minimum prices set forth in this order, as amended, are such prices as will reflect such factors, insure a sufficient quantity of pure and wholesome milk and be in the public interest;

3. That this order, as amended, regulates the handling of milk in the same manner as and is applicable only to the handlers defined in a marketing agreement, as amended, upon which hearings have been held; and

4. That the issuance of the order, as amended, and all of its terms and conditions will tend to effectuate the declared policy of the act.

Now, therefore, the Secretary of Agriculture pursuant to the powers conferred upon him by the terms and provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agree-

[3] See page 3740.

ment Act of 1937, hereby orders that such handling of milk in the Fort Wayne, Indiana, marketing area, as is in the current of interstate commerce, or which directly burdens, obstructs, or affects interstate commerce, shall from the effective date hereof be in compliance with the following terms and conditions:

§ 932.1 *Definitions*—(a) *Terms.* The following terms shall have the following meanings:

(1) The term "Fort Wayne, Indiana, marketing area," hereinafter called the "marketing area," means the territory within the corporate limits of Fort Wayne, Indiana, and the territory within 4 miles of the corporate limits of Fort Wayne, Indiana.

(2) The term "person" means any individual, partnership, corporation, association, or any other business unit.

(3) The term "producer" means any person, irrespective of whether such person is also a handler, who, in conformity with the health requirements applicable for milk to be sold for consumption as milk in the marketing area, produces milk which is received at the plant of a handler from which milk or cream is disposed of in the marketing area.

(4) The term "distributor" means any person so defined in chapter 281 of the acts of the General Assembly of the State of Indiana for the year 1935 who handles milk which is disposed of as milk or cream in the marketing area.

(5) The term "handler" means any person, irrespective of whether such person is a producer or an association of producers, wherever located or operating, who engages in such handling of milk which is disposed of as milk or cream in the marketing area, as is in the current of interstate commerce or which directly burdens, obstructs, or affects interstate commerce in milk and its products.

(6) The term "market administrator" means the person designated pursuant to Sec. 932.2 as the agency for the administration hereof and designated by the Milk Control Board of Indiana as the administrator of the complementary order of said board regulating the handling of milk in the marketing area.

(7) The term "delivery period" means the current marketing period from the 1st to and including the last day of each month.

(8) The term "act" means Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937.

(9) The term "Secretary" means the Secretary of Agriculture of the United States.

§ 932.2 *Market administrator*—(a) *Selection, removal and bond.* The market administrator shall be selected by the Secretary and shall be subject to removal by him at any time. The market administrator shall, within 45 days following the date upon which he enters upon his duties, execute and deliver to the Secretary a bond, conditioned upon the faithful performance of his duties, in an amount and with surety thereon satisfactory to the Secretary.

(b) *Compensation.* The market administrator shall be entitled to such reasonable compensation as may be determined by the Secretary.

(c) *Powers.* The market administrator shall have power:

(1) To administer the terms and provisions hereof; and

(2) To receive, investigate, and report to the Secretary complaints of violations of the terms and provisions hereof.

(d) *Duties.* The market administrator, in addition to the duties hereinafter described, shall:

(1) Keep such books and records as will clearly reflect the transactions provided for herein;

(2) Submit his books and records to examination by the Secretary at any and all times;

(3) Furnish such information and such verified reports as the Secretary may request; and

(4) Publicly disclose to handlers and producers, unless otherwise directed by the Secretary, the name of any person, who, within 15 days after the date upon which he is required to perform such acts, has not (a) made reports pursuant to Sec. 932.5 or (b) made payments pursuant to Sec. 932.8.

(e) *Responsibility.* The market administrator, in his capacity as such, shall not be held responsible in any way whatsoever to any handler or any other person for errors in judgment, for mistakes, or for other acts either of commission or omission, except for his own wilful misfeasance, malfeasance, or dishonesty.

§ 932.3 *Classification of milk*—(a) *Sales and use classification.* Milk purchased or handled by handlers shall be classified as follows:

(1) All milk disposed of as milk, and all milk not specifically accounted for as Class II milk and Class III milk shall be Class I milk;

(2) All milk used to produce cream which is disposed of as cream shall be Class II milk;

(3) All milk from which the butterfat is disposed of as a milk product, other than cream which is disposed of as cream, and all milk accounted for as actual plant shrinkage but not exceeding 3 percent of the total receipts of milk, shall be Class III milk.

(b) *Interhandler and nonhandler sales.* Milk disposed of by a handler to another handler or to a person not a handler who distributes milk or manufactures milk products shall be presumed to be Class I milk. In the event that such selling handler, on or before the date fixed for filing reports pursuant to Sec. 932.5, furnishes proof satisfactory to the market administrator that such milk has been disposed of by such purchaser other than as Class I milk, then, and in that event, such milk shall be classified in accordance with such proof.

§ 932.4 *Minimum prices*—(a) *Class I price.* Each handler shall pay producers, in the manner set forth in Sec. 932.8; for the 4 percent butterfat content equivalent of Class I milk received at such handler's plant not less than $2.15 per hundredweight.

(b) *Class II price.* Each handler shall pay producers, in the manner set forth in Sec. 932.8, for the 4 percent butterfat content equivalent of Class II milk received at such handler's plant not less than $1.85 per hundredweight.

(c) *Class III price.* Each handler shall pay producers, in the manner set forth in Sec. 932.8, for the 4 percent butterfat content equivalent of Class III milk received at such handler's plant not less than that price per hundredweight, calculated for each delivery period by the market administrator as follows: multiply by 4 the average price per pound of 92-score butter at wholesale in the Chicago market, as reported by the United States Department of Agriculture for the delivery period during which such milk was received, and add 30 percent thereof: *Provided*, That for a quantity of Class III milk not to exceed 15 percent of the 4 percent butterfat content equivalent of the Class I milk and Class II milk disposed of by such handler, each handler shall pay producers, in the manner set forth in Sec. 932.8 not less than that price per hundredweight, calculated for each delivery period by the market administrator as follows: multiply by 4 the average price per pound of 92-score butter at wholesale in the Chicago market, as reported by the United States Department of Agriculture for the delivery period during which such milk was received, and add 10 cents.

§ 932.5 *Reports of handlers*—(a) *Periodic reports.* On or before the 5th day after the end of each delivery period each handler shall, with respect to milk or cream which was, during such delivery period, (a) received from producers, (b) received from handlers, and (c) produced by such handler, report to the market administrator, in the detail and form prescribed by the market administrator, as follows:

(1) The receipts at each plant from producers who are not handlers;

(2) The receipts at each plant from any other handler, including any handler who is also a producer;

(3) The quantity, if any, produced by such handler; and

(4) The respective quantities of milk which were disposed of, including sales to other handlers, for the purpose of classification pursuant to Sec. 932.3.

(b) *Reports as to producers.* Each handler shall report to the market administrator:

(1) Within 10 days after the market administrator's request, with respect to

any producer for whom such information is not in the files of the market administrator, and with respect to a period or periods of time designated by the market administrator, (a) the name and address, (b) the total pounds of milk received, (c) the average butterfat test of milk received, and (d) the number of days upon which milk was received; and

(2) As soon as possible after first receiving milk from any producer (a) the name and address of such producer, (b) the date upon which such milk was first received, and (c) the plant at which such milk was received.

(c) *Reports of payments to producers.* Each handler shall submit to the market administrator on or before the 20th day after the end of each delivery period his producer pay roll for such delivery period which shall show for each producer (a) the net amount of such producer's payment with the prices, deductions, and charges involved, and (b) the total delivery of milk with the average butterfat test thereof.

(d) *Verification of reports.* Each handler shall permit the market administrator or his agent, during the usual hours of business, to (a) verify the information contained in reports submitted in accordance with this section and (b) weigh milk received from each producer and sample and test milk for butterfat.

§ 932.6 *Handlers who are also producers.* (a) With respect to each handler who is also a producer:

(1) The market administrator shall, subject to the condition set forth in subparagraph (2) of this paragraph, exclude from the computations made pursuant to Sec. 932.7 (a), the quantity of milk produced and disposed of by such handler: *Provided,* That where any such handler has purchased or received milk from other producers the value of the milk purchased or received shall be computed under Sec. 932.7 (a) as follows: the quantity of such milk shall be ratably apportioned among such handler's total Class I milk, Class II milk, and Class III milk (after excluding purchases or receipts, if any, from other handlers) and multiplied by the Class 1, Class II, and Class III prices, respectively.

(2) The market administrator shall, upon prior written notice from such handler of the exercises thereof, grant the option of having all milk produced by such handler included in the computation made pursuant to Sec. 932.7 (a) in lieu of the provisions of subparagraph (1) of this paragraph.

(3) The market administrator in computing the value of milk for any handler pursuant to Sec. 932.7 (a) shall consider as Class III milk any milk or cream received in bulk by any such handler from a handler who distributes part of his own production and who has not exercised the option set forth in subparagraph (2) of this paragraph. If such buying handler disposes of such milk or cream for other than Class III purposes, the market administrator shall add to the total value computed pursuant to Sec. 932.7 (a) the difference between (a) the value of such milk or cream at the Class III price and (b) the value according to its actual usage.

§ 932.7 *Determination of uniform prices to producers*—(a) *Computation of the value of milk for each distributor.* For each delivery period the market administrator shall compute from the report of each distributor the value of milk disposed of by such distributor, which was not purchased or received from other distributors, as follows:

(1) Multiply by the class I price the hundredweight of milk computed as follows: divide by 4 the butterfat contained in the total weight of the units of Class I milk determined by multiplying the total weight of milk contained in the several units of Class I milk by the average butterfat test of such units;

(2) Multiply by the Class II price the hundredweight of milk computed as follows: divide by 4 the butterfat contained in the total weight of the product of Class II milk determined by multiplying the total weight of the product of Class II milk by its average butterfat test;

(3) Multiply by the Class III prices the hundredweight of milk computed as follows: divide by 4 the butterfat contained in the total weight of the products of Class III milk determined by multiplying the total weight of each of the products of Class III milk by its average butterfat test;

(4) Combine into one total the hundredweight of milk computed pursuant to subparagraphs (1), (2), and (3) of this paragraph;

(5) Combine into one total the values of the milk computed pursuant to subparagraphs (1), (2), and (3) of this paragraph;

(6) If the hundredweight of milk computed pursuant to subparagraph (4) of this paragraph is less than the hundredweight of milk received from producers, multiply such difference by 10 cents per hundredweight; add such amount to the value of milk computed pursuant to subparagraph (5) of this paragraph; and add to the computed hundredweight of milk an amount representing the difference between such hundredweight and the hundredweight of milk received from producers; and

(7) If the hundredweight of milk computed pursuant to subparagraph (4) of this paragraph is greater than the hundredweight of milk received from producers, multiply such difference by 10 cents per hundredweight; subtract such amount from the value of milk computed pursuant to subparagraph (5) of this paragraph; and subtract from the computed hundredweight of milk an amount representing the difference between such hundredweight and the hundredweight of milk received from producers.

(b) *Computation and announcement of uniform prices.* The market administrator shall, for each delivery period, make computations and announce the uniform price per hundredweight of milk received by handlers and distributors during each delivery period as follows:

(1) Combine into one total the respective values of milk computed pursuant to paragraph (a) of this section for each distributor who made the payments required of him for the previous delivery period;

(2) For all milk received from a producer who did not regularly sell milk during a period of 30 days next preceding February 1, 1937, subtract an amount computed by multiplying by the lower Class III price the hundredweight of milk received from such producer. Such computation shall be made for all milk received from each such producer during the period beginning with his first regular delivery of milk and continuing until the end of 2 full calendar months following the date of such first delivery of milk;

(3) If the hundredweight of milk computed pursuant to subparagraph (4) of paragraph (a) is less than the hundredweight of milk received from producers, add an amount computed by multiplying such difference by 4 times the average price per pound of 92-score butter at wholesale in the Chicago market, as reported by the United States Department of Agriculture for the delivery period during which such milk was received;

(4) If the hundredweight of milk computed pursuant to subparagraph (4) of paragraph (a) is greater than the hundredweight of milk received from producers, subtract an amount computed by multiplying such difference by 4 times the average price per pound of 92-score butter at wholesale in the Chicago market, as reported by the United States Department of Agriculture for the delivery period during which such milk was received;

(5) Divide by the hundredweight of milk received from producers, other than milk represented by the amount subtracted in subparagraph (2) of this paragraph;

(6) Subtract not less than 4 cents nor more than 5 cents per hundredweight of milk for the purpose of retaining a cash balance in connection with the payments set forth in Sec. 932.8(a)(3);

(7) Add an amount per hundredweight of milk which will prorate any cash balance available pursuant to paragraph (c) of this section; and

(8) On or before the 10th day after the end of each delivery period the market administrator shall notify each handler and each distributor of the uniform price for milk, of the Class III price, and of the butterfat differential, computed pursuant to Sec. 932.8 (c), and shall make public announcement of the computation of the uniform price.

(c) *Proration of cash balance.* For each delivery period the market administrator shall prorate by an appropriate addition pursuant to subparagraph (7) of paragraph (b) of this section, the cash balance, if any, available from payments received by him during the next preceding delivery period to meet obligations arising out of Sec. 932.8(a) (3).

§ 932.8 *Payments for milk*—(a) *Time and method of payment.* On or before the 15th day after the end of each delivery period each handler shall make payment for the total value of milk received from producers during such delivery period, computed according to Sec. 932.7 (a), subject to the butterfat differential set forth in paragraph (c) of this section, as follows:

(1) To producers located outside the State of Indiana, at not less than the uniform price per hundredweight, computed pursuant to Sec. 932.7 (b) for all milk received from each such producer;

(2) To any producer located outside the State of Indiana who did not regularly dispose of milk in the marketing area during a period of 30 days next preceding February 1, 1937, at the lower Class III price for all the milk received from such producer during the period beginning with the first regular delivery of such producer and continuing until the end of 2 full calendar months following the date of such first delivery of milk; and

(3) To producers, through the market administrator, by paying to or receiving from the market administrator, as the case may be, the amount by which the sum representing the payments to be made by such handler, as a handler, pursuant to subparagraphs (1) and (2) of this paragraph, and, as a distributor, pursuant to the complementary order of the Milk Control Board of Indiana regulating the handling of milk in the marketing area, is less than or exceeds the total value of milk computed for such handler pursuant to Sec. 932.7 (a), as shown in a statement rendered by the market administrator on or before the 10th day after the end of such delivery period.

(b) *Errors in payments.* Errors in making the payments prescribed in this section shall be corrected not later than the date for making payments next following the determination of such errors.

(c) *Butterfat differential.* If any handler has received from any producer, during the delivery period, milk having an average butterfat content other than 4 percent, such handler in making payments pursuant to paragraph (a) of this section shall add to the uniform price for such producer for each one-tenth of 1 percent of average butterfat content in milk above 4 percent not less than, or shall deduct from the uniform price for such producer for each one-tenth of 1 percent of average butterfat content in milk below 4 percent not more than, an amount computed as follows: divide by 10 the average price per pound of 92-score butter at wholesale in the Chicago market, as reported by the United States Department of Agriculture for the delivery period during which such milk was received.

(d) *Advance payments.* Nothing contained in this section shall be construed as preventing the making, by any handler, of advance payments to producers for current deliveries of milk.

§ 932.9 *Marketing services*—(a) *Deductions for marketing services.* Each handler shall deduct an amount not exceeding 3 cents per hundredweight (the exact amount to be determined by the market administrator, subject to review by the Secretary) from the payments made direct to producers pursuant to subparagraphs (1) and (2) of Sec. 932.8 (a), with respect to all milk received by such handler during the delivery period from such producers, and shall pay such deductions to the market administrator on or before the 15th day after the end of such delivery period. Except as set forth in paragraph (b) of this section such moneys shall be expended by the market administrator for market information to, and for verification of weights, samples, and tests of milk received from said producers.

(b) *Payment to an association.* In the case of producers for whom a cooperative association, which the Secretary determines to be qualified under the provisions of the act of Congress of February 18, 1922, as amended, known as the "Capper-Volstead Act," is actually performing (as determined by the market administrator, subject to review by the Secretary) the services set forth in paragraph (a) of this section, the market administrator may pay to such association, with respect to the deliveries of milk of producers who are members of, or who are marketing their milk through, such association, and who received payment for milk pursuant to Sec. 932.8 (a) (1), an amount per hundredweight equal to the per hundredweight deduction made from all producers pursuant to paragraph (a) of this section.

§ 932.10 *Amendment, suspension, or termination of order, as amended*—(a) *Effective time.* The provisions hereof, or any amendment hereto, shall become effective at such time as the Secretary may declare and shall continue in force until suspended or terminated pursuant to paragraph (b) of this section.

(b) *Suspension or termination of order, as amended.* The Secretary may suspend or terminate this order, as amended, or any provision hereof, whenever he finds that this order, as amended, or any provision hereof, obstructs, or does not tend to effectuate the declared policy of the act. This order, as amended, shall terminate, in any event, whenever the provisions of the act authorizing it cease to be in effect.

(c) *Continuing power and duty of the market administrator.* If, upon the suspension or termination of any or all provisions hereof, there are any obligations arising hereunder the final accrual or ascertainment of which requires further acts by any handler, by the market administrator, or by any other person, the power and duty to perform such further acts shall continue notwithstanding such suspension or termination: Provided, That any such acts required to be performed by the market administrator shall, if the Secretary so directs, be performed by such other person, persons, or agency as the Secretary may designate.

(1) The market administrator, or such other person as the Secretary may designate, shall (a) continue in such capacity until removed by the Secretary, (b) from time to time account for all receipts and disbursements and, when so directed by the Secretary, deliver all funds or property on hand together with the books and records of the market administrator, or such person, to such person as the Secretary may direct, and (c) if so directed by the Secretary, execute such assignments or other instruments necessary or appropriate to vest in such person full title to all funds, property, and claims vested in the market administrator or such person pursuant thereto.

(d) *Liquidation after suspension or termination.* Upon the suspension or termination of any or all provisions hereof, the market administrator, or such person as the Secretary may designate, shall liquidate, if so directed by the Secretary, the business of the market administrator's office and dispose of all funds and property then in his possession or under his control, together with claims for any funds which are unpaid or owing at the time of such suspension or termination. Any funds collected pursuant to the provisions hereof, over and above the amounts necessary to meet outstanding obligations and the expenses necessarily incurred by the market administrator or such person in liquidating and distributing such funds, shall be distributed to the contributing handlers and producers in an equitable manner.

§ 932.11 *Liability*—(a) *Liability of handlers.* The liability of the handlers hereunder is several and not joint and no handler shall be liable for the default of any other handler.

Now, therefore, Harry L. Brown, Acting Secretary of Agriculture, acting under the provisions of Public Act No. 10, 73d Congress, as amended and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, for the purposes and within the limitations therein contained and not otherwise, hereby executes and issues in duplicate this order, as amended, under his hand and the official seal of the Department of Agriculture, in the city of

Washington, District of Columbia, on this 24th day of August 1939, and declares this order, as amended, to be effective on and after the 1st day of September 1939.

[SEAL] HARRY L. BROWN,
Acting Secretary of Agriculture.

[F. R. Doc. 39-3141; Filed, August 25, 1939; 12:17 p. m.]

TITLE 26—INTERNAL REVENUE

BUREAU OF INTERNAL REVENUE

[T. D. 4927]

EXCESS-PROFITS TAX

REGULATIONS RELATING TO THE EXCESS-PROFITS TAX IMPOSED BY SUBCHAPTER B OF CHAPTER 2 OF THE INTERNAL REVENUE CODE*†

To Collectors of Internal Revenue and Others Concerned:

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§ 21.0 *Introductory.* (a) Chapter 6 (Capital Stock Tax) of the Internal Revenue Code (53 Stat. Part 1), amended by the addition of subsection (e) to section 1202, by section 301, Revenue Act of 1939, approved June 29, 1939, Public, No. 155, Seventy-sixth Congress, first session, provides in part:

SEC. 1200. TAX.

(a) DOMESTIC CORPORATIONS. For each year ending June 30, beginning with the year ending June 30, 1939, there shall be imposed upon every domestic corporation with respect to carrying on or doing business for any part of such year an excise tax of $1 for each $1,000 of the adjusted declared value of its capital stock.

(b) FOREIGN CORPORATIONS. For each year ending June 30, beginning with the year ending June 30, 1939, there shall be imposed upon every foreign corporation with respect to carrying on or doing business in the United States for any part of such year an excise tax equivalent to $1 for each $1,000 of the adjusted declared value of capital employed in the transaction of its business in the United States.

SEC. 1201. EXEMPTIONS. (a) The taxes imposed by section 1200 shall not apply—

(1) CORPORATIONS EXEMPT FROM INCOME TAX. To any corporation enumerated in section 101;

(2) INSURANCE COMPANIES. To any insurance company subject to the tax imposed by section 201, 204, or 207.

(b) COMMON TRUST FUNDS. For exemption of common trust funds from the capital stock tax, see section 169 (b) of chapter 1.

SEC. 1202. ADJUSTED DECLARED VALUE.

(a) DECLARATION YEAR. (1) The adjusted declared value shall be determined with respect to three-year periods beginning with the year ending June 30, 1938, and each third year thereafter. The first year of each such three-year period, or, in case of a corporation not subject to the tax imposed for such year, the first year of such three-year period for which the corporation is subject to such tax, shall constitute a "declaration year."

(2) For the declaration year of the first three-year period the adjusted declared value shall be the value as declared by the corporation in its return under section 601 of the Revenue Act of 1938, 52 Stat. 565, for the year ended June 30, 1938, or in the case of a corporation not subject to the tax imposed for such year, the value as declared in its return filed under this chapter for the first year with respect to which it is subject to the tax. For each subsequent three-year period, the adjusted declared value for a declaration year shall be the value as declared by the corporation in its return for such declaration year. The value declared by a corporation in its return for a declaration year (which declaration of value cannot be amended) shall be as of the close of its last income-tax taxable year ending with or prior to the close of such declaration year (or as of the date of organization in the case of a corporation having no income-tax taxable year ending with or prior to the close of such declaration year).

(b) SUBSEQUENT YEARS.—(1) DOMESTIC CORPORATIONS. For each year of any three-year period subsequent to the declaration year, the adjusted declared value in the case of a domestic corporation shall be the value declared in the return for the declaration year plus—

(A) the cash, and the fair market value of property, paid in for stock or shares,

(B) paid-in surplus and contributions to capital,

(C) its net income,

(D) its income wholly exempt from Federal income tax, and

(E) the amount, if any, by which the deduction for depletion exceeds the amount which would be allowable if computed without regard to discovery value or to percentage depletion, under section 114 (b) (2), (3), or (4) of chapter 1 or a corresponding section of a later Revenue Act;

and minus—

(i) the cash, and the fair market value of property, distributed to shareholders,

(ii) the amount disallowed as a deduction by section 24 (a) (5) of chapter 1 or a corresponding provision of a later Revenue Act, and

(iii) the excess of the deductions allowable for income tax purposes over its gross income.

The adjustments provided in this paragraph shall be made for each income-tax taxable year included in the three-year period from the date as of which the value was declared in the return for the declaration year to the close of the last income-tax taxable year ending with or prior to the close of the year for which the tax is imposed by this section. The amount of such adjustment for each such year shall be computed (on the basis of a separate return) according to the income tax law applicable to such year.

(2) FOREIGN CORPORATIONS. For each year of any three-year period subsequent to the declaration year, the adjusted declared value in the case of a foreign corporation shall be the value declared in the return for the declaration year adjusted (for the same income-tax taxable years as in the case of a domestic corporation), in accordance with regulations prescribed by the Commissioner with the approval of the Secretary, to reflect increases or decreases in the capital employed in the transaction of its business in the United States.

(c) CORPORATIONS IN BANKRUPTCY OR RECEIVERSHIP. The capital-stock tax year beginning with or within an income-tax taxable year within which bankruptcy or receivership, due to insolvency, of a domestic corporation, is terminated shall constitute a declaration year. In such case the adjusted declared value of any subsequent year of the three-year period shall be determined on the basis of the value declared in the return for such declaration year.

(d) CREDIT FOR CHINA TRADE ACT CORPORATIONS. For the purpose of the tax imposed by section 1200 there shall be allowed in the case of a corporation organized under the China Trade Act, 1922, 42 Stat. 849 (U.S.C., Title 15, c. 4), as a credit against the adjusted declared value of its capital stock, an amount equal to the proportion of such adjusted declared value which the par value of the shares of stock of the corporation, owned on the last day of the taxable year by (1) persons resident in China, the United States, or possessions of the United States, and (2) individual citizens of the United States or China wherever resident, bears to the par value of the whole number of shares of stock of the corporation outstanding on such date. For the purposes of this subsection shares of stock of a corporation shall be considered to be owned by the person in whom the equitable right to the income from such shares is in good faith vested; and as used in this subsection the term "China" shall have the same meaning as when used in the China Trade Act, 1922.

(e) ADDITIONAL DECLARATION YEARS. In the case of any domestic corporation, the year ending June 30, 1939, and the year ending June 30, 1940, shall each, if not otherwise a declaration year, constitute an additional declaration year if with respect to such year (1) the taxpayer so elects (which election cannot be changed) in its return filed before the expiration of the statutory filing period or any authorized extension thereof, and (2) the value declared by the taxpayer is in excess of the adjusted declared value computed under paragraph (1) of subsection (b). If, under this subsection, the year ending June 30, 1939, is a declaration year, the computation, under paragraph (1) of subsection (b), of the adjusted declared value for the year ending June 30, 1940, shall be made on the basis of the value declared for the year ending June 30, 1939.

(b) Subchapter B of Chapter 2 of the Internal Revenue Code provides:

SEC. 600. RATE OF TAX.

If any corporation is taxable under section 1200 with respect to any year ending June 30, there shall be imposed upon its net income for the income-tax taxable year ending after the close of such year, an excess-profits tax equal to the sum of the following:

6 per centum of such portion of its net income for such income-tax taxable year as is in excess of 10 per centum and not in excess of 15 per centum of the adjusted declared value;

12 per centum of such portion of its net income for such income-tax taxable year as is in excess of 15 per centum of the adjusted declared value.

SEC. 601. ADJUSTED DECLARED VALUE.

The adjusted declared value shall be determined as provided in section 1202 as of the close of the preceding income-tax taxable year (or as of the date of organization if it had no preceding income-tax taxable year). If the income-tax taxable year in respect of which the tax under section 600 is imposed is a period of less than 12 months, such adjusted declared value shall be reduced to an amount which bears the same ratio thereto as the number of months in the period bears to 12 months.

SEC. 602. NET INCOME.

For the purposes of this subchapter the net income shall be the same as the net income for income-tax purposes for the year in respect of which the tax under section 600 is imposed, computed without the deduction of the tax imposed by section 600, but with a credit against net income equal to the credit for dividends received provided in section 26 (b) of chapter 1.

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*Sections 21.0 to 21.9 issued under the authority contained in sections 62 and 603 of the Internal Revenue Code (53 Stat. Part 1) and interpret sections 600 to 603 of the Code (53 Stat. Part 1).

†The source of sections 21.0 to 21.9 is Treasury Decision 4927, approved August 23, 1939.

SEC. 603. OTHER LAWS APPLICABLE.

All provisions of law (including penalties) applicable in respect of the taxes imposed by chapter 1, shall, insofar as not inconsistent with this subchapter, be applicable in respect of the tax imposed by section 600, except that the provisions of section 131 of that chapter shall not be applicable.

SEC. 604. PUBLICITY OF RETURNS.

For provisions with respect to publicity of returns under this subchapter, see subsection (a) (2) of section 55.

(c) Section 53 of Chapter 1 of the Internal Revenue Code provides in part:

SEC. 53. TIME AND PLACE FOR FILING RETURNS.

(a) TIME FOR FILING—(1) GENERAL RULE. Returns made on the basis of the calendar year shall be made on or before the 15th day of March following the close of the calendar year. Returns made on the basis of a fiscal year shall be made on or before the 15th day of the third month following the close of the fiscal year.

(2) EXTENSION OF TIME. The Commissioner may grant a reasonable extension of time for filing returns, under such rules and regulations as he shall prescribe with the approval of the Secretary. Except in the case of taxpayers who are abroad, no such extension shall be for more than six months.

(b) TO WHOM RETURN MADE.—

* * * * *

(2) CORPORATIONS. Returns of corporations shall be made to the collector of the district in which is located the principal place of business or principal office or agency of the corporation, or, if it has no principal place of business or principal office or agency in the United States, then to the collector at Baltimore, Maryland.

(d) Section 145 of Chapter 1 of the Internal Revenue Code provides in part:

SEC. 145. PENALTIES.

(a) FAILURE TO FILE RETURNS, SUBMIT INFORMATION, OR PAY TAX. Any person required under this chapter to pay any tax, or required by law or regulations made under authority thereof to make a return, keep any records, or supply any information, for the purposes of the computation, assessment, or collection of any tax imposed by this chapter, who willfully fails to pay such tax, make such return, keep such records, or supply such information, at the time or times required by law or regulations, shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than one year, or both, together with the costs of prosecution.

(b) FAILURE TO COLLECT AND PAY OVER TAX, OR ATTEMPT TO DEFEAT OR EVADE TAX. Any person required under this chapter to collect, account for, and pay over any tax imposed by this chapter, who willfully fails to collect or truthfully account for and pay over such tax, and any person who willfully attempts in any manner to evade or defeat any tax imposed by this chapter or the payment thereof, shall, in addition to other penalties provided by law, be guilty of a felony and upon conviction thereof, be fined not more than $10,000, or imprisoned for not more than five years, or both, together with the costs of prosecution.

(c) PERSON DEFINED. The term "person" as used in this section includes an officer or employee of a corporation or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

(e) Section 62 of Chapter 1 of the Internal Revenue Code provides:

SEC. 62. RULES AND REGULATIONS.

The Commissioner, with the approval of the Secretary, shall prescribe and publish all needful rules and regulations for the enforcement of this chapter.

(f) Pursuant to the above-quoted provisions of the Internal Revenue Code and other provisions of the Code, the following regulations are hereby prescribed with respect to the excess-profits tax imposed by the Internal Revenue Code:*†

§ 21.1 *Definitions.* As used in these regulations, the term—

(*a*) *"Adjusted declared value"* means in the case of a domestic corporation the adjusted declared value of its capital stock as determined under section 1202 of the Internal Revenue Code, as amended by section 301 of the Revenue Act of 1939, and the regulations issued respecting the capital stock tax imposed by section 1200 of such Code and in the case of a foreign corporation the adjusted declared value of capital employed in the transaction of its business in the United States as determined under such section 1202, as amended, and the regulations issued in reference thereto.

(*b*) *"Tax"*, except as otherwise indicated, means the excess-profits tax imposed by section 600 of the Internal Revenue Code.

(*c*) *"Income-tax taxable year"* means the calendar year, the fiscal year ending during such calendar year, or the fractional part of a year, upon the basis of which the corporation's net income is computed and for which its income tax returns are made for Federal income tax purposes.

(*d*) *"Net income"* means (1) "net income" within the contemplation of section 21 of the Internal Revenue Code, or (2) in the case of an income-tax taxable year governed by the Revenue Act of 1938, "net income" within the contemplation of section 21 of the Revenue Act of 1938. Neither the amount of income tax imposed by the Internal Revenue Code or by prior laws, nor the amount of the excess-profits tax imposed by the Internal Revenue Code or by prior laws, shall be deducted from net income in computing the excess-profits tax and none of the credits allowed corporations against net income for income tax purposes are applicable in respect of the excess-profits tax except the credit against net income equal to the credit for dividends received provided in section 26 (b) of the Internal Revenue Code and in section 26 (b) of the Revenue Act of 1938.*†

§ 21.2 *Scope of tax.* The excess-profits tax, imposed by section 600 of the Internal Revenue Code, is imposed upon the net income of every corporation for each income-tax taxable year ending after the close of any year ending June 30 in respect of which the corporation is subject to the capital stock tax imposed by section 1200 of the Internal Revenue Code.*†

§ 21.3 *Measure and rate of tax*—(*a*) *Domestic and foreign corporations.* The tax is imposed in an amount equal to the sum of (1) 6 percent of such portion of the corporation's net income for the income-tax taxable year as is in excess of 10 percent and not in excess of 15 percent of the adjusted declared value plus (2) 12 percent of such portion of its net income for the income-tax taxable year as is in excess of 15 percent of the adjusted declared value, as of the close of the last preceding income-tax taxable year (or as of the date of organization if the corporation had no preceding income-tax taxable year).

(*b*) *Adjusted declared value.* No variation is permitted between the adjusted declared value set forth in the corporation's capital stock tax return and the adjusted declared value set forth in its excess-profits tax return, except that in the case of an excess-profits tax return for an income-tax taxable year which is a period of less than twelve months the adjusted declared value set forth in its capital stock tax return shall be reduced to an amount which bears the same ratio thereto as the number of months in the period bears to twelve months. The first return of a corporation covering the part of a year in which it was incorporated, or the final return of a corporation covering the part of the year in which it was dissolved, is a return for twelve months and not for a period of less than twelve months, for the purposes of these regulations.*†

§ 21.4 *Method of computation, example.* The application of the provisions of section 21.3 of these regulations may be illustrated generally by the following example:

Example. The M Corporation, the income-tax taxable year of which is the calendar year, is subject to the capital stock tax imposed by section 1200, as amended, of the Internal Revenue Code, for the year ending June 30, 1939. The value declared in its capital stock tax return for the year ending June 30, 1939, of its capital stock as of the close of its preceding income-tax taxable year (the calendar year 1938) is $100,000. The net income of the corporation for the calendar year 1939, determined under the Internal Revenue Code, is $25,000. (The net income for income-tax taxable years beginning after December 31, 1938, shall be determined under the Internal Revenue Code.) During its taxable year the corporation received dividends from corporations subject to taxation under Chapter 1 of the Internal Revenue Code, amounting to $5,000. The excess-profits tax for the calendar year 1939 is $990, computed as follows:

Net income for calendar year 1939	$25,000
Less: Credit for dividends received (85 percent of $5,000)	4,250
Balance of net income	20,750
Less: 10 percent of the value declared in the capital stock tax return for the year ending June 30, 1939, of the capital stock as of December 31, 1938 (10 percent of $100,000)	10,000
Net income subject to excess-profits tax	10,750

Less: Amount taxable at 6 percent, portion of net income in excess of 10 percent and not in excess of 15 percent of the adjusted declared value of the capital stock as of December 31, 1938 ($15,000 minus $10,000)	5,000
Amount taxable at 12 percent	5,750
Excess-profits tax at 6 percent (6 percent of $5,000)	300
Excess-profits tax at 12 percent (12 percent of $5,750)	690
Total excess-profits tax ($300 plus $690)	990

*†

§ 21.5 *Returns.* Every corporation which is subject to the capital stock tax imposed by section 1200 of the Internal Revenue Code, for any year shall make an excess-profits tax return for each income-tax taxable year which ends after the close of the year in respect of which it is subject to such capital stock tax. There is no provision in the Internal Revenue Code which authorizes the making of a consolidated return by an affiliated group of corporations for the purpose of the excess-profits tax imposed by section 600 of the Internal Revenue Code. Accordingly, every corporation which is liable for the making of an excess-profits tax return under section 600 of the Internal Revenue Code (for any income-tax taxable year ending after June 30, 1939), whether or not such corporation is a member of an affiliated group of corporations, must make its excess-profits tax return and compute its net income separately, without regard to the provisions of section 141 of the Internal Revenue Code.

The excess-profits tax return shall be made within the time prescribed for making the corporation's Federal income tax return for the income-tax taxable year, and shall be made to the collector of internal revenue to whom such income tax return is required to be made.*†

§ 21.6 *Payment of tax.* The excess-profits tax for any income-tax taxable year shall be paid within the time prescribed for paying the Federal income tax for such taxable year.*†

§ 21.7 *Credits against tax prohibited.* Foreign income and profits taxes may not be credited against the excess-profits tax imposed by section 600 of the Code.*†

§ 21.8 *Determination of tax, assessment, collection.* The determination, assessment, and collection of the tax, and the examination of returns and claims in connection therewith, will be made under such procedure as may be prescribed from time to time by the Commissioner.*†

§ 21.9. *Previous regulations superseded.* These regulations supersede any previous regulations relative to excess-profits tax imposed by section 600 of the Internal Revenue Code.*†

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: August 23, 1939.

JOHN W. HANES,
Acting Secretary of the Treasury.

[F. R. Doc. 39-3129; Filed, August 25, 1939; 10:20 a. m.]

[T. D. 4928]

SUBCHAPTER C—MISCELLANEOUS EXCISE TAXES

PART 182—SALES OF DENATURED ALCOHOL, DENATURED RUM AND ARTICLES

To District Supervisors, and Others Concerned:

Pursuant to the authority in Sections 3105 (a), 3124 (a) (6), and 3111, Internal Revenue Code, Article 146-A of Regulations No. 3 is hereby amended by striking out the following paragraph:

"No person shall sell denatured alcohol, denatured rum, or any substance or preparation in the manufacture of which denatured alcohol or denatured rum is used, under circumstances from which he might reasonably deduce that it is the intention of the purchaser to procure the same for use for beverage purposes."

and substituting in lieu thereof the following:

"No person shall sell denatured alcohol, denatured rum, or any substance or preparation made with or containing denatured alcohol or denatured rum, for use, or for sale for use, for beverage purposes; nor shall he sell any of such products under circumstances from which it might reasonably appear that it is the intention of the purchaser to procure the same for sale or use for beverage purposes."

[SEAL] GUY T. HELVERING,
Commissioner of Internal Revenue.

Approved: August 23, 1939.

JOHN W. HANES,
Acting Secretary of the Treasury.

[F. R. Doc. 39-3130; Filed, August 25, 1939; 10:20 a. m.]

TITLE 39—POSTAL SERVICE

POST OFFICE DEPARTMENT

[Order No. 13091]

TRANSMITTING THREATENING COMMUNICATIONS

JUNE 26, 1939.

Paragraphs 2 and 3 of Section 2351, Postal Laws and Regulations, are hereby amended to read as follows:

2. Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, to be sent or delivered by the Post Office Establishment of the United States, or shall knowingly cause to be delivered by the Post Office Establishment of the United States according to the direction thereon, any written or printed letter or other communication, with or without a name or designating mark subscribed thereto, addressed to any other person, and containing any demand or request for ransom or reward for the release of any kidnaped person; or whoever, with intent to extort from any person any money or other thing of value, shall deposit, cause to be deposited, or cause to be delivered, as aforesaid, any letter or other communication containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than $5,000 or imprisoned not more than twenty years, or both.

(a) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, to be sent or delivered by the Post Office Establishment of the United States, or shall knowingly cause to be delivered by the Post Office Establishment of the United States according to the direction thereon, any written or printed letter or other communication with or without a name or designating mark subscribed thereto, addressed to any other person and containing any threat to kidnap any person or any threat to injure the person of the addressee or of another shall be fined not more than $1,000, or imprisoned not more than five years, or both.

(b) Whoever, with intent to extort from any person any money or other thing of value, shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, to be sent or delivered by the Post Office Establishment of the United States, or shall knowingly cause to be delivered by the Post Office Establishment of the United States according to the direction thereon, any written or printed letter or other communication, with or without a name or designating mark subscribed thereto, addressed to any other person and containing any threat to injure the property or reputation of the addressee or of another, or the reputation of a deceased person, or any threat to accuse the addressee or any other person of a crime shall be fined not more than $500, or imprisoned not more than two years, or both.

(c) Any person violating this section may be prosecuted in the judicial district in which such letter or other communication is deposited in such post office, station, or authorized depository for mail matter, or in the judicial district into which such letter or other communication was carried by the United States mail for delivery according to the direction thereon: *Provided,* That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made, be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was first set in motion; that is, in the mails or in commerce between the States.

3. Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, of any for-

eign country any written or printed letter or other communication addressed to any person within the United States, for the purpose of having such communication delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any demand or request for ransom or reward for the release of any kidnaped person; or whoever, with intent to extort from any person any money or other thing of value, shall deposit or cause to be deposited, as aforesaid, any letter or other communication for the purpose aforesaid, containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than $5,000 or imprisoned not more than twenty years, or both.

(a) Whoever shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, of any foreign country any written or printed letter or other communication addressed to any person within the United States, for the purpose of having such communication delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any threat to kidnap any person or any threat to injure the person of the addressee or of another, shall be fined not more than $1,000 or imprisoned not more than five years, or both.

(b) Whoever, with intent to extort from any person any money or other thing of value, shall knowingly deposit or cause to be deposited in any post office or station thereof, or in any authorized depository for mail matter, of any foreign country any written or printed letter or other communication, addressed to any person within the United States for the purpose of having such communication delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to such addressee in the United States, and as a result thereof such communication is delivered by the Post Office Establishment of such foreign country to the Post Office Establishment of the United States and by it delivered to the address to which it is directed in the United States, and containing any threat to injure the property or reputation of the addressee or of another, or the reputation of a deceased person, or any threat to accuse the addressee or any other person of a crime, shall be fined not more than $500 or imprisoned not more than two years, or both.

(c) Any person violating this section may be prosecuted either in the district into which such letter or other communication was carried by the United States mail for delivery according to the direction thereon, or in which it was caused to be delivered by the United States mail to the person to whom it was addressed: *Provided*, That any defendant in an indictment hereunder, relating to communications originating in the United States, shall, upon motion duly made be entitled as a matter of right to be tried in the district court of the United States in which the matter mailed or otherwise transmitted was set first in motion; that is, in the mails or in commerce between the States.

(18 U.S.C. 338a, Supp. IV, and 338b, 1934 ed., as amended by the Act of May 15, 1939, Public No. 76)

[SEAL] RAMSEY S. BLACK,
Acting Postmaster General.

[F. R. Doc. 39-3145; Filed, August 25, 1939; 12:54 p. m.]

TITLE 46—SHIPPING

BUREAU OF MARINE INSPECTION AND NAVIGATION

GENERAL RULES AND REGULATIONS

AMENDMENTS

Pursuant to the authority of Section 4405 of the Revised Statutes, an executive committee of the Board of Supervising Inspectors, Bureau of Marine Inspection and Navigation, Department of Commerce, consisting of R. S. Field, Director; George Fried, Supervising Inspector, Second District; and Eugene Carlson, Supervising Inspector, Third District; met in the conference room of the auditorium of the Department of Commerce, Washington, D. C., on August 4, 5, 7, and 8, 1939.

The following amendments to the General Rules and Regulations were unanimously adopted by the executive committee and were approved by the Secretary of Commerce.

SUBCHAPTER F—BOILERS AND APPURTENANCES

Sections 51.M-2-1 to 51.M-2-6, inclusive, were deleted and the following sections inserted in their stead:

Marine Boiler Steel Plate

§ 51.M-2-1 *Tested material—Class A.* (a) There shall be four grades of marine boiler steel plates, subject to Class A inspection. Such grades are designated as A, B, C, and D, any one of which may be used for shells and other pressure parts of all boilers and for unfired pressure vessels. The requirements specified in Sections 51.M-2-1 to 51.M-2-8, inclusive, apply to plates up to and inclusive of 4 inches in thickness.

(b) Where flanging or forge welding is necessary, Grades B or C shall be used, except for manhole reinforcements in boiler shells as provided in 52.C-5-3 (i).

(c) Small unfired pressure vessels having diameters not exceeding 30 inches and subject to pressures not exceeding 100 lbs. per square inch are not required to be constructed of Class A material.

(d) All of these grades may be fusion welded, but welding technique is of fundamental importance. Fusion welding procedure shall be in accordance with Sections 56.W-20-1 to 56.W-20-19, inclusive.

(e) Sufficient discard from the top of each ingot shall be made, at any stage of the manufacture, to secure freedom from piping and undue segregation in the finished product; but in no case shall the amount of top discard be less than 30 percent.

(f) When plates are to be used in a boiler or pressure vessel which is to be stress relieved after welding, the test specimens for such plates shall be stress relieved by gradually and uniformly heating them to 1,100° F. to 1,200° F., holding at that temperature for a period of one hour per inch of thickness, and cooling in still atmosphere. In such cases both the plates and the test specimens shall be stamped "S. R." to show that the tensile strength of the plate in the stress relieved state is not less than the minimum specified.

(2) Plates over 2 inches in thickness, before being fabricated, shall be uniformly heat treated to produce grain refinement. Heat treatment involving quenching in a liquid medium is not permitted. If this treatment is not done at the rolling mill the testing shall be carried out in accordance with subparagraph (3).

(3) When a fabricator who is equipped to perform the work properly, elects to do the required heat treatment he shall so indicate in his orders to the mill and he may accept the plates on the basis of the mill tests. The plate manufacturer shall make the tests herein specified, the tension and bend test specimens to be prepared from full thickness pieces, heat treated under conditions be considers appropriate for grain refinement, and to give the test requirements. The manufacturer shall inform the fabricator of the procedure followed in treating the pieces at the mill for guidance in treating the plates. The required physical properties shall be determined after heat treatment of the plates on specimens prepared from pieces similarly and

simultaneously treated with the plates. Pieces for two tension tests, one top and one bottom, shall be provided from each plate as rolled. These pieces shall be stamped by the inspector with his official stamp for identification.

(4) In the case of plates over 2 inches in thickness which subsequently are to be stress relieved the test specimens for such plates shall, before testing, be stress relieved as specified in paragraph (f) (1) following the heat treatment for grain refinement.

(5) Orders to the plate manufacturers shall specify when plates subject to the requirements of this section are to be stress relieved and when they are to be heat treated for grain refinement by the fabricator so that proper provision may be made for the treatment of test specimens.

§ 51.M-2-2 *Chemical composition.* (a) The plates shall conform to the following requirements as to chemical composition:

[Maximum percent]

	Grade A	Grade B	Grade C	Grade D
Carbon	0.30	0.27	0.53	0.35
Manganese	.80	.80	.90	.90
Phosphorus	.035	.035	.035	.035
Sulphur	.04	.04	.04	.04
Silicon	0.15- .30	0.15- .30	0.15- .30	0.15- .30

(b) Check analysis may be made of either of the broken tension test specimens from each plate as rolled at the discretion of the Director (See Section 51.M-1-5 (b)).

§ 51.M-2-3 *Tensile properties.* (a) The material shall have the following tensile properties; tensile strength and yield point in pounds per square inch:

	Grade A	Grade B	Grade C	Grade D
Tensile strength	60,000-70,000	55,000-65,000	65,000-77,000	70,000-82,000
Yield point, minimum	0.5 tens. str.	0.5 tens. str.	0.5 tens. str.	0.5 tens. str.
Elongation in 8 inches, minimum, per cent.[1]	[2] 1,550,000 / Tens. str.	[2] 1,550,000 / Tens. str.	[2] 1,550,000 / Tens. str.	[2] 1,550,000 / Tens. str.
Elongation in 2 inches, minimum, per cent.[3]	[4] 1,750,000 / Tens. str.	[4] 1,750,000 / Tens. str.	[4] 1,750,000 / Tens. str.	[4] 1,750,000 / Tens. str.

[1] When Fig. M-1 is used.
[2] See paragraph (b).
[3] When Fig. M-2 is used.
[4] See paragraph (c).

(b) For material over ¾ inch in thickness, a deduction from the percentage of elongation in 8 inches specified in paragraph (a) of 0.125 shall be made for each increase of $\frac{1}{32}$ inch in the specified thickness above ¾ inch, to a minimum of 20 percent for Grade A, 22 percent for Grade B, 19 percent for Grade C, and 18 percent for Grade D.

(c) For material over 2½ inches in thickness, a deduction from the percentage of elongation in 2 inches specified in paragraph (a) of 0.5 shall be made for each increase of ½ inch of the specified thickness above 2½ inches.

(d) For material ¼ inch and under in thickness, the elongation shall be measured on a gage length of 24 times the thickness of the specimen.

§ 51.M-2-4. *Bending properties.* The test specimens shall stand being bent cold through 180 degrees without cracking on the outside of the bent portion around a pin, the diameter of which shall have the following relation to the thickness of the specimen. When the test is made on a specimen reduced in thickness, the rolled surface shall be on the outer curve of the bend.

Thickness of material	Diameter of pin about which specimen is bent			
	Grade A	G ade B	Grade C	Grade D
Up to 1 inch, inclusive	t 1	t ½	t 1½	t 2
Over 1 inch to 1½ inches, inclusive	t 1½	t 1	t 2	t 2
Over 1½ inches to 3 inches, inclusive	t 2	t 1½	t 2	t 22½
Over 3 inches to 4 inches, inclusive	t 2½	t 2	t 2½	t 3

t=thickness of specimen.

§ 51.M-2-5. *Test Specimens.* (a) For plates 2 inches and under in thickness the test specimens shall be prepared for testing from the material in its rolled condition, except as specified in paragraph 51.M-2-1 (f).

(b) For plates over 2 inches in thickness the test specimens shall be prepared from the material in its heat-treated condition, or from full thickness samples similarly and simultaneously treated. (See Section 51.M-2-1)

(c) Tension test specimens shall be taken from the top and bottom corners of the plate as rolled, parallel to its longitudinal axis. Bend test specimens shall be taken from the middle of the top of the plate as rolled, at right angles to its longitudinal axis.

NOTE: The term "plate as rolled", used here and in Sections 51.M-2-2 and 51.M-2-6, refers to the unit plate rolled from a slab or directly from an ingot in its relation to the location and number of specimens; not to its condition.

(d) For plates 2 inches and under in thickness, tension and bend test specimens shall be the full thickness of the material and shall be machined to the form and dimensions shown in Fig. M-1; or the bend test specimen may be machined with both edges parallel.

(e) For plates over 2 inches in thickness, tension test specimens shall be machined to the form and dimensions shown in Fig. M-1; and the axis of each such specimen shall be located midway between the center and the top or bottom surface of the plate. The bend test specimen shall be at least 1½ inches in width with both edges parallel, and may be reduced to 2 inches in thickness, but shall have one surface as rolled.

(f) The sides of the bend test specimen may have the corners rounded to a radius of about $\frac{1}{16}$ inch for plates 2 inches and under in thickness, and to about ⅛ inch for plates over 2 inches in thickness.

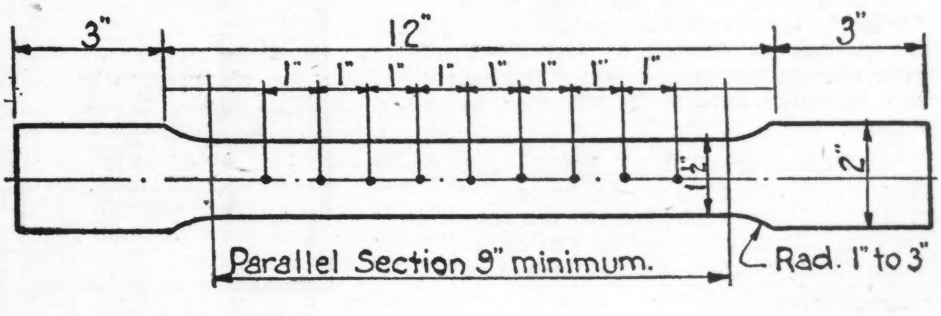


Figure M-1

§ 51.M–2–6 *Number of tests.* Two tension tests and one bend test shall be made from each plate as rolled.

§ 51.M–2–7 *Permissible variations in thickness.* The thickness of each plate shall not vary more than 0.01 inch under the amount specified.

§ 51.M–2–8 *Marking.* The quality classification to be marked on all Class A plates in accordance with Section 51.M–1–13 shall be the word Marine. (R.S. 4405 as amended, 46 U.S.C. 375; R.S. 4418 as amended, 46 U.S.C. 392; R.S. 4430 as amended, 46 U.S.C. 408; R.S. 4433 as amended, 46 U.S.C. 411; R.S. 4434 as amended, 46 U.S.C. 412)

Section 55.P–19–3 be and hereby is amended by adding the following two subparagraphs to be numbered (w) and (x):

(w) Forge welded fittings, valves, or flanges, known as the socket type—wherein the piping is attached by entering the pipe into the socket and securing it to the fitting with a single fillet weld, may be used where the diameter of the pipe does not exceed two inches, provided the welding is done by certified welding operators using approved welding rods or electrodes.

(x) *Soldered fittings.* Fittings, valves, or flanges made of non-ferrous metal may be attached to non-ferrous pipe by means of soldering the wall of the pipe to the fitting where the pressure does not exceed 100 pounds per square inch and the temperature does not exceed 240° F. When it is desired to use such fittings for higher pressures or temperatures the kind of solder or metal used for alloying the wall of the pipe to the fittings must be approved by the Director. (R.S. 4405, as amended, 46 U.S.C. 375; R.S. 4418 as amended, 46 U.S.C. 392; R.S. 4433 as amended, 46 U.S.C. 411)

Section 56.W–20–1 be and hereby is amended as follows:

In subparagraph (b) insert the words "or by the submerged melt electric welding process as defined in 56.W–20–2" after the words "fusion welding" so that the amended paragraph will read as follows:

(b) Drums or shells of boilers and pressure vessels may be fabricated by means of fusion welding, or by the submerged melt electric welding process as defined in 56.W–20–2, in accordance with the rules of this section.

Add two new subparagraphs to be known as "(d)" and "(e)", to read as follows:

(d) Where the submerged melt electric welding process is employed special process approval tests are required to be made by the manufacturer to determine whether he has the proper equipment and personnel to produce sound dependable joints.

(e) In the submerged melt electric welding process the weld may be laid in two or more passes, preferably laying the smaller pass first, then turning the plate over and chipping or machining the first pass to remove defects and to form a clean backing surface for the weld metal which may be laid in one or more passes. (R.S. 4405 as amended, 46 U.S.C. 375; R.S. 4418 as amended, 46 U.S.C. 392; R.S. 4429 as amended, 46 U.S.C. 407; R.S. 4433 as amended, 46 U.S.C. 411)

Section 56.W–20–2, be and hereby is amended by the addition of the following subparagraph to be inserted immediately after subparagraph (a), renumbering the succeeding subparagraphs accordingly:

(b) *Submerged melt electric welding process.* This is a process employing a bare electrode and a granulated welding composition to accomplish fusion by passing an electric current between the electrode and the work through the granulated material which completely covers the end of the electrode and protects the fused metal from contact with air or other outside gases. (R.S. 4405 as amended, 46 U.S.C. 375; R.S. 4418 as amended, 46 U.S.C. 392; R.S. 4429 as amended, 46 U.S.C. 407; R.S. 4433 as amended, 46 U.S.C. 411)

Section 56 be and hereby is amended by the addition of Section 56. W–20–19 to read as follows:

§ 56.W–20–19 *Welded piping.* (a) Piping may be connected by means of fusion welding for any pressure and for temperatures not exceeding 960° F., provided it is done in accordance with these rules:

(b) These rules apply to piping in excess of 100 lbs. per sq. in. (Class 1 piping). They do not apply to piping used in connection with working pressures of 100 pounds or less, operated at normal temperatures (Class 2 piping).

(c) *Qualification of welding processes.* (1) Before a contractor may weld piping under these rules a representative of the Bureau will visit the part of his works in which welding is done for the purpose of inspecting the welding plant to make sure he has suitable equipment and to witness the series of tests outlined in paragraph (2) below.

(2) The tests for qualifying a welding process shall be those embodied in these rules for the Testing of Welding Operators for Piping.

(d) *Qualification of welding operators.* The tests for qualifying welding operators shall be as follows:

Test No. 3. For piping or tubing, See Figs. W–32 and W–33.

Test No. 4. For tack welding, See Fig. W–34.

Test No. 5. For material of unlimited thickness with base metals of high conductivity, See Fig. W–35.

Test No. 6. For thick material incapable of bending to the capacity of the jig, See Fig. W–36. A clearance of 1/32 inch will be permitted on each side of the upright members of the jig.

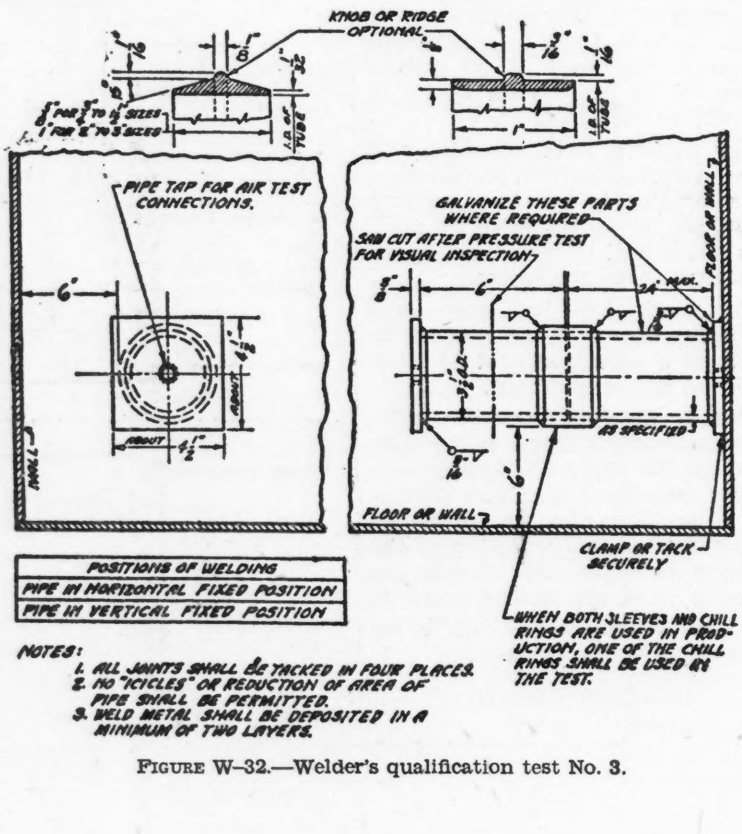
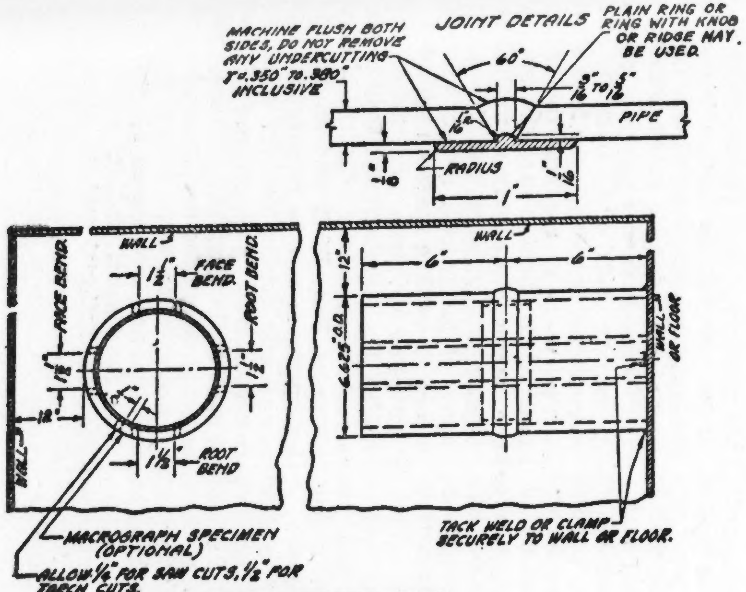


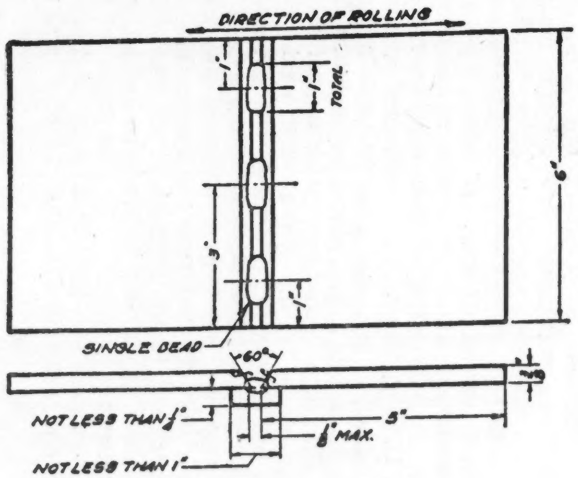
FIGURE W–32.—Welder's qualification test No. 3.



POSITIONS OF WELDING
PIPE IN HORIZONTAL FIXED POSITION
PIPE IN VERTICAL FIXED POSITION

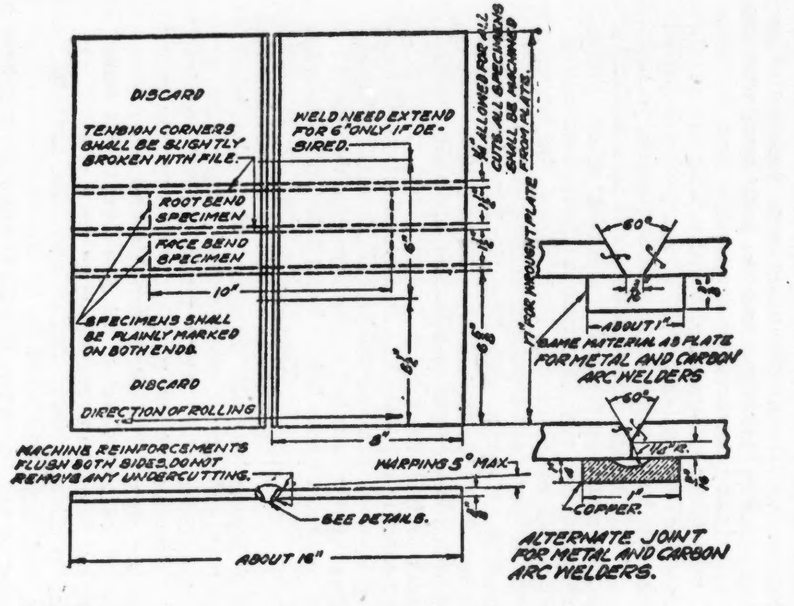
NOTE:
1. BREAK EDGES OF BEND SPECIMENS TO A RADIUS OF 1/4 T MAX.
2. MARK TOP AND FRONT OF PIPE TO INSURE PROPER LOCATION OF SPECIMENS.

FIGURE W-33.—Welder's qualification test No. 4.



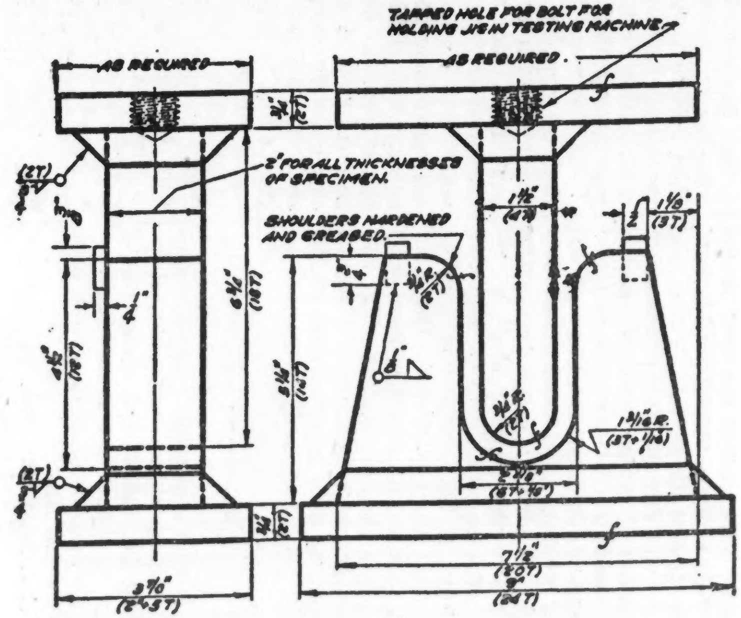
NOTES:—
1. 1/8" DIA ELECTRODES SHALL BE USED.
2. JOINTS MADE IN THE VERTICAL POSITION SHALL BE WELDED UPWARDS.
3. SPECIMENS SHALL BE BENT WITH BACKING STRAP IN PLACE AND WELD ON TENSION SIDE.
4. WELD FRACTURES SHALL BE FREE OF INCOMPLETELY FUSED AREAS.
5. PENETRATION TO BACKING STRAP SHALL OBTAIN THROUGHOUT THE LENGTH OF ALL TACKS.
6. JOINT SHALL BE BENT IN ONE PIECE.

FIGURE W-34.—Welder's qualification test No. 5.



NOTES:—
1. BEND SPECIMEN CUT FROM PLATE BEFORE WELDING.
2. WELDING SHALL BE DONE FROM ONE SIDE ONLY.

FIGURE W-35.—Welder's qualification test No. 6 (for base metals of high thermal conductivity).



NOTES:—
1. T = PLATE THICKNESS
2. HARDENED ROLLS MAY BE USED ON SHOULDERS IF DESIRED.
3. SPECIFIC DIMENSIONS FOR 3/8" PLATE.

FIGURE W-36.—Standard qualification test bending jig.

(e) Specimens for qualification tests Nos. 3, and 4 shall be bent in a bending jig having the exact profile shown in Fig. W-36. Root bend specimens shall be bent with the root of the weld in tension. Face bend specimens shall be bent with the face of the weld in tension, and side bend specimens with the side which is suspected of being the worse of the two in tension.

(f) Specimens shall be bent to the angle of bend specified hereinafter. Any specimen in which a crack or opening exists before the bending shall be rejected. No elongation data are required.

(g) Pipe or tube specimens for Fig. W-32 shall be subjected to the fiber stresses specified for piping connected by means other than by welding. The hydrostatic pressure necessary to obtain these stresses shall be calculated by the following formula:

$$P=\frac{S\times 2T}{D}$$

Where P=the hydrostatic test pressure in pounds per square inch.
S=the specified hoop stress in pounds per square inch.
T=wall thickness of pipe or tube in inches.
D=inside diameter of pipe or tube in inches.

(h) Wall thickness thinner than those specified may be used when authorized, but greater wall thicknesses shall not be used without the permission of the Director. The diameter of the tubing may be varied somewhat if desired. If diameters or thicknesses different from those specified are used, the hydrostatic pressure shall be adjusted so that the specified stress is attained.

(i) The passing of these qualification tests with D. C. equipment shall qualify welders with D. C. equipment only. The passing of these qualification tests with A. C. equipment shall qualify welders for welding with A. C. equipment only. If both types of equipment are to be used by a welder he shall be qualified with both A. C. and D. C. equipment.

(j) The qualification test specimens shall be made from pipe of known physical properties, that is, of tested marine steel pipe certified to by the manufacturer on his mill test report. In case it desired to use material the physical properties of which are not known, it will be necessary that physical tests be made to determine the tensile strength of the material and its ductility before the weld specimens are prepared.

(k) Welding operators who have been primarily tested and certificated shall be assigned an identifying number, letter, or symbol, which shall be stamped on all vessels adjacent to and at intervals of not more than 3 feet along the welds which they make, whether the process used is hand or machine.

(l) The inspector shall require any welding operator to repeat these tests when in his opinion the work indicates a reasonable doubt of the welding operator's ability. In such cases the welding operator shall not be permitted to resume work until he passes the retest.

(m) Any certificated welding operator who has not been employed as a fusion welder for a period of three months or more shall be required to pass the requalification tests even though he has previously passed such tests.

(n) The requalification test specimens shall be identical with the primary test specimen with the same equipment or equipment equivalent thereto in performance and condition as used in primary tests. It shall be conducted under the supervision of a duly authorized Inspector who shall report results of test to the Bureau. Such test shall meet the requirements of these rules.

(o) *Design of piping.* The piping shall be designed to avoid excessive strains due to expansion and the working of the ship.

(p) *Layout and dimensions of piping.* Prints showing the layout and dimensions of the piping shall be forwarded to the Director for approval. Sections of the pipe shall be welded in the shop as far as practicable. All welded joints made on shipboard shall be in positions where there is sufficient space to allow proper access for the welding, and such welds shall be definitely indicated on the plans by the use of appropriate American Welding Society weld symbols or details of the welds. A sufficient number of detachable joints shall be used in installing the piping to facilitate removals. Valves and other fittings may have either flanged or welded connections to the pipes but flanged joints shall be used where necessary to facilitate overhauling of machinery or the valves themselves.

(q) *Types of welded joints to be used.* Butt joints shall be used for pipes over 2 inches nominal pipe size and shall be either double welded or welded with a backing-up strip on the inside of the pipe. Pipes not over 2 inches nominal pipe size may be connected by ferrules fitted over the ends of the pipe and attached by circumferential fillet welds to the pipe, or by using bell and spigot joints and uniting the end of the bell to the outside of the pipe by a circumferential fillet weld.

(r) *Stress relieving.* (1) All welded joints over 2 inches nominal pipe size except fire lines and oil lines at normal temperature, shall be stress relieved.

(2) The welds of plain carbon steel pipe and adjacent piping for a length of six times the wall thickness of the pipe shall be heated uniformly to at least 1,150° F. and up to 1,250° F. The weld and adjacent piping shall be brought slowly up to within the specified temperature range and held at that temperature for a period of time proportioned on the basis of at least one hour per inch of pipe wall thickness and shall be allowed to cool slowly in a still atmosphere. There shall be no cooling other than by the still air around the weld and adjacent parts being stress relieved in order to assure a gradual fall of temperature along the length of the pipe.

(3) For alloy steel piping the stress relieving and/or heat treatment shall be done in a way that shall be demonstrated under paragraph (f) (1) to be satisfactory. Where piping is welded to valves it may be impossible to heat the part next to the valve to a uniform temperature for a length of six times the wall thickness without overheating the valve. In such a case the heated zone shall extend at least 2 inches on the valve side from the line of fusion of the joint and the temperature shall be allowed to diminish gradually toward the valve.

(4) All complicated connections, such as manifolds shall be stress relieved as a whole in a furnace provided for the purpose before being taken on shipboard.

(5) The piping shall be so designed that it will be free to expand in a longitudinal direction when the joints are stress relieved, thus eliminating stresses that might result through contraction of the piping after the stress relieving.

(s) *Radiographic and other tests.* All welded joints shall be tested either by radiography or by using a paramagnetic powder dusted over the area to make sure that there are no cracks or other defects. Should the quality of a joint be questioned by an inspector of the Bureau the weld shall be cut out and the joint rewelded.

(t) *Hydrostatic tests.* Hydrostatic tests shall be made on the piping at twice the maximum pressure to which the piping will be subjected in service.

(u) *General requirements.* Before any qualification tests of welding operators are conducted, each manufacturer shall prepare for test the types of test specimens hereinafter specified for the purpose of qualifying his welding process.

(v) *Manufacturer's record of process.* A complete record of the manufacturer's process shall be made in the form shown in Fig. W-37 to establish the definite limits of all essential variables involved. The manufacturer shall conduct all welding in accordance with the requirements of his process record, after his process of welding has been approved.

(w) *Number, type, and size of test welds.* The test specimens shall be prepared in accordance with the requirements of Figs. W-32 and W-33. One test specimen shall be prepared for each process and welding position which will be encountered. One test specimen shall be made in the minimum pipe wall thickness and one in the maximum pipe wall thickness to be used, except that the thickness need not exceed 1½ inches.

(x) *Base metal and its preparation.* The base material and its preparation for welding shall comply with the manufacturer's process record. For all test welds, the dimensions of the base material shall be such as to provide sufficient material for the test specimens called for hereinafter. The ends of the piping prepared for welding shall be preheated to a temperature of 500° F. before the welding is applied.

(y) *Positions of test welds.* The positions of pipe welding will be classified as follows: (a) horizontal rolled, (b) horizontal fixed, and (c) vertical fixed. If a process is investigated for the horizontal fixed position, it need not be repeated for the horizontal rolled position, provided that the same welding process is employed, as defined by the manufacturer's process record, Fig. W-37. For welds representing the horizontal rolled and horizontal fixed positions, the axis of the pipe shall be approximately horizontal. For test welds representing the vertical fixed position, the axis of the pipe shall be approximately vertical. The pipe shall be rotated for the test weld representing the horizontal rolled position, and shall not be rotated for test welds representing the horizontal fixed and the vertical fixed positions.

(z) *Test specimens—Number, type, and preparation.* The following specimens shall be prepared from each test weld, conforming to the dimensions shown on the applicable figure:

One bend test with face of weld in tension.

One bend test with root of weld in tension.

One bend test sidewise with the worst appearing side in tension.

All specimens to be bent in jig shown in Fig. W-36.

FIG. W-37—MANUFACTURER'S RECORD OF PROCESS

Contractor's name ------------------------
Address ------------------------------------
Process -------------- Date --------------
Material {Base metal ----------- / Filler metal -----------
For Gas Welding — For Arc Welding
Type of Flame -------------------- — Type of Current --------------------
If D. C., State Polarity. --------------------

IDENTIFICATION SYMBOLS OF THIS WELD

	Pass No.	Heat input data			Diameter of filler metal	Temperature degree F.[1]	Remarks
In above space indicate edge preparation and relative position of each pass as deposited.							

[1] Give degree of preheat, if any. Indicate temperature of weld metal just prior to the deposition of each succeeding pass.

Cleaning of passes ------------------------
Treatment of defects ------------------------
Peening ------------------------
Heat treatment:
Temp. ------------------------
Time ------------------------
Cooling ------------------------
Name of Welder ------------------------
Name of Recorder ------------------------

(R.S. 4405 as amended, 46 U.S.C. 375; R.S. 4418 as amended, 46 U.S.C. 392; R.S. 4429 as amended, 46 U.S.C. 407; R.S. 4433 as amended, 46 U.S.C 411)

SUBCHAPTER G—OCEAN AND COASTWISE

SUBCHAPTER H—GREAT LAKES

SUBCHAPTER I—BAYS, SOUNDS, AND LAKES

SUBCHAPTER J—RIVERS

Sections 61.24, 77.23, 95.23, and 114.24 hereby are amended by the addition of the following to appear immediately under the title and before the heading of "Booths."

Motion-Picture Projectors

(a) Motion-picture projectors of the 16 mm. or 8 mm. size, using only slow burning films, need not be of an approved type and may be used on inspected vessels without booths.

(b) Motion-picture projectors using the 35 mm. size films shall only be used in booths, constructed in accordance with the following specifications and must be of an approved type. (R.S. 4405 as amended, 46 U.S.C. 375; R.S. 4417 as amended, 46 U.S.C. 391; R.S. 4472 as amended, 46 U.S.C. 465)

The following new part and sections to immediately follow Part 62, Subchapter G is added.

Part 62–A Licensed officers on uninspected vessels

§ 62A.00 *Applicability of Laws.* All the provisions of Title LII of the U. S. Revised Statutes, as amended, and all other laws referring to the issuance, duration, renewal, suspension or revocation of licenses of masters, mates, chief engineers and assistant engineers, and the provisions of the following regulations, shall be applicable to all uninspected vessels to which the Officers' Competency Certificates Convention, 1936, and the Act approved July 17, 1939 (Public, 188, 76th Congress) making effective the provisions of the Convention apply.

General

§ 62A.1 *Application.* The following licensing requirements shall apply to masters, chief engineers and watch officers, deck and engineer, on all uninspected vessels, however propelled, navigating the high seas, which are registered, enrolled and licensed, or licensed under the laws of the United States whether permanently, temporarily, or provisionally, including yachts, enrolled and licensed, with the exception of:

(a) Ships of war;

(b) Government vessels, or vesesls in the service of a public authority, which are not engaged in trade;

(c) Wooden ships of primitive build, such as dhows and junks;

(d) Unrigged vessels;

(e) All vessels of less than 200 gross tons.

§ 62A.2 *Effective Date.* (a) On and after October 29, 1939, masters, mates and engineers who do not possess appropriate licenses will not be allowed to act as masters, mates or engineers of vessels to which these Rules apply.

(b) At any time prior to October 29, 1941, a candidate who can show the experience, whether acquired under a license or not, that is prescribed for the license for which he applies, and who has no record of any serious technical error against him, may be issued a license without any professional examination. A notation shall be made upon his license stub and license record card to the effect that he was issued a license without professional examination. Such an applicant for license as master or mate shall be required to pass an examination as to acuity of vision and color sense. Where an inspector finds that such applicant for a license (original or raise of grade) obviously appears to be physically or mentally incompetent to perform the ordinary duties of such an officer at sea, he shall be required to undergo an examination by a surgeon of the United States Public Health Service to determine his competency in such respects. When application for a license as master or chief engineer is submitted prior to October 29, 1941, service as mate or assistant engineer respectively, need not have been acquired under authority of license.

§ 62A.3 *Licenses issued.* (a) Licenses to officers on uninspected vessels will be issued as follows:

1. License as master, motor or sail;
2. License as mate, motor or sail;
3. License as chief engineer, motor;
4. License as assistant engineer, motor.

The licenses will be given appropriate route (ocean or coastwise) and tonnage limitations, commensurate with the experience of the applicants in the case of masters and mates, and appropriate horsepower limitations in the case of engineers. They will be issued on the usual forms No. 867, 869, 871, 873, and 880, and shall be limited on their face to uninspected vessels.

(b) A license to act as master, mate, or engineer of inspected vessels will in all cases entitle the holder to act in this same capacity on uninspected vessels of like tonnage and propulsion on similar waters.

Licensed Masters, Mates, & Engineers

§ 62A.10 *Original licenses.* The first license in any class [1] issued to any United States citizen by the United States Local Inspectors shall be considered an original license, where the Bureau records show no previous issue to such applicant. No license shall be issued to any person who is not a United States citizen. An applicant claiming to be a citizen of the United States shall furnish documentary evidence of his citizenship. Before an original license in any class is granted to any citizen to act as master, mate, or engineer, he shall appear before a Board of Local Inspectors for examination. A list of the field offices of the Bureau where examinations are held will be found in Section 62A.20. Any citizen who has attained the age of 21 years and is qualified in all other respects shall be eligible for examination. *Provided*, That license as mate or assistant engineer may be granted to applicants who have reached the age of 19 years and are qualified in all other respects, but no such license may be raised in grade before the holder thereof shall have reached the age of 21 years.

§ 62A.11 Professional examination and service required, etc. for original license or raise of grade.

(a) Before an applicant for original license as master, mate, or engineer, or raise of grade of any license may be examined, the applicant shall make application upon the form furnished by the Bureau. When practicable, an applicant shall present discharges and testimonial letters to the inspectors, to be filed with the application, from the masters or chief engineers under whom he has served, or from the owners in the case of applicants who have already served as master or chief engineer, certifying to the name of the vessel, and the amount and character of his experience, and to his ability, character, and habits of life.

(b) No original license or raise of grade shall be issued to any applicant unless at least one year of his qualifying service shall have been obtained within the three years next preceding his application for examination.

(c) If the amount and character of his experience is satisfactory, and he is eligible in all other respects, the applicant shall be examined as to his knowledge by a Board of Local Inspectors, except as provided in 62A.2 (b).

(d) Applicants will be informed as soon as possible whether their applications have been accepted or not, and when the application of any person for a license has been approved, it shall be the duty of the inspectors to give the applicant the required examination as soon as practicable.

(e) Licensed officers entitled to raise of grade, after passing examination, shall have issued to them new licenses for the grade for which they are qualified, the local inspectors to file in their office the old license, with the report of the circumstances of the case, but the grade of a license shall not be raised except as hereinafter provided, unless the applicant can show one year's actual experience in the capacity for which he has been licensed.

§ 62A.12 *Medical examination for licenses.* The existing requirements for licensed officers on inspected vessels shall be standard for medical examinations for licenses on uninspected vessels, except as stated in paragraph 62A.2 (b). *Provided*, That a certificate from the Public Health Service based on ship sanitation and first aid will not be required of applicants for license to act on fishing vessels.

§ 62A.13 *Reexaminations and refusal of licenses.* (a) Any applicant for license or endorsement who has been duly examined and refused may come before the same local board for reexamination at any time thereafter that may be fixed by such board, but such time shall never be less than one month from the date of his last failure. In the case of another failure, he will not be reexamined until after a lapse of at least six months from date of last failure. A candidate who has been duly examined and refused a license by a local board shall not be examined by any other local board until one year has elapsed from the date of the refusal without the sanction of the board that refused the applicant.

(b) If the inspectors refuse to grant the applicant the license asked for, they shall furnish him a statement setting forth the cause of their refusal to grant the same.

§ 62A.14 *Preparation of licenses.* (a) All licenses issued to masters, mates, or engineers shall be filled out on the face with pen and black ink. Inspectors are directed, when licenses are completed, to draw a broad pen and black-ink mark through all unused spaces in the body thereof, so as to prevent, as far as possible, illegal alteration after issue.

(b) Licenses signed by one local inspector only shall not be valid, nor shall the name of any other person be substituted for that of a local inspector or acting local inspector.

(c) Every person receiving a license or certificate of lost license shall sign the same and leave a print of his left thumb upon the back thereof, immediately upon its receipt.

(d) Every master, mate, or engineer, who receives a license, shall make oath before one of the local inspectors, to be recorded upon their official file, that he will faithfully and honestly, according to his best skill and judgment, without concealment or reservation, perform all the duties required of him by law and obey all lawful orders of his superior officers.

§ 62A.15 Laws, general rules and regulations, and pilot rules to be furnished licensed officers.

(a) Every master, mate, or engineer shall, when receiving an original license, a renewed license, or a raise of grade of license, be furnished by the inspectors with a copy of the Laws Governing Marine Inspection, and a copy of the General Rules and Regulations prescribed by the Board of Supervising Inspectors.

(b) Licensed officers and pilots are required to acquaint themselves with the latest information regarding aids to navigation, and neglect to do so is evidence of neglect of duty. Vessels navigating oceans and coastwise waters shall have available on board for convenient reference at all times, a file of the applicable Notice to Mariners.[2] All vessels shall have charts of the waters on which they operate available for convenient reference at all times.

§ 62A.16 Renewal of license, and examination for renewal where deemed necessary.

(a) When an officer makes application for a renewal of his license, he shall appear in person before a Board of Local Inspectors, and the presentation of his old license, his certificate of citizenship if naturalized, with satisfactory certificate of color sense where required, and with oath of office, shall be considered sufficient evidence of his title to renewal; unless such title has been forfeited or facts shall have come to the knowledge of the inspectors which would render a renewal improper, or the applicant obviously appears to the inspectors to be physically or mentally incompetent to perform the ordinary duties of such an officer at sea, in which case he shall be required to undergo an examination by a surgeon at the U. S. Public Health Service to determine his competency in such respects.

(b) When an applicant for renewal is situated at such distance from any Local Board or Supervising Inspector as to put him to great inconvenience and expense to appear in person, he may, upon taking oath of office before any person authorized to administer oaths, and forwarding the same, together with the license to be renewed and a certificate of color sense where required, to the Local Board or Supervising Inspector of the District in which he resides or is employed, have the same renewed by the said inspectors.

[1] Deck officer of either motor or sail vessels; or engineer of motor vessels.

[2] Notice to Mariners, published weekly by the U. S. Coast Guard, which contains announcements and information regarding aids to navigation and charts of waters of the United States, is available for free distribution at the following places: Field offices of the U. S. Coast Guard; Marine Division, Custom House; U. S. Coast and Geodetic Survey field stations, and offices of the Superintendents of Lighthouses. Notice to Mariners published weekly by the U. S. Navy, for the correction of charts, sailing directions, light lists and other publications, and which includes foreign waters and certain waters of the United States, is available for free distribution at the Hydrographic Office, Branch Hydrographic Offices, or any of the agencies of seaboard ports, and is also on file in the U. S. consulates where they may be inspected.

(c) When an applicant for a renewal is engaged in a service which necessitates his continuous absence from the United States, he may make application in writing for renewal and transmit the same to the Board of Local Inspectors, with a statement of the applicant verified before a consul or other officer of the United States authorized to administer an oath, setting forth the reasons for not appearing in person, and a certificate of color sense where required, and upon receiving the same, the Board of Local Inspectors that originally issued such license shall renew the same.

(d) No license shall be renewed more than 30 days in advance of the date of the expiration thereof, unless there are extraordinary circumstances that shall justify a renewal beforehand, in which case the reasons therefor must appear in detail upon the records of the inspectors renewing the license; nor shall any license be renewed unless it is presented within one year after the date of its expiration.

(e) Whenever an officer shall apply for renewal of his license, more than one year after the date of its expiration, he shall be required to pass an examination for the same grade of license. Should he be successful and receive a license it shall be considered in the light of an original license except as to number of issue.

(f) The inspectors shall, before renewing an existing license to a master, for any waters, who has not been employed as master on such waters during the three years preceding the application for renewal, satisfy themselves by an examination in writing, or orally to be taken down in writing by the inspectors, that such officers are thoroughly familiar with the rules for the prevention of collision upon the waters for which they are licensed.

(g) In all cases, the renewed license shall receive the next higher number of issue to present grade and of issues of all grades.

§ 62A.17 *Lifting of tonnage restriction.* (a) If any board of local inspectors is satisfied by the documentary evidence submitted that an applicant is entitled by experience and knowledge to a higher tonnage, it may change any tonnage restrictions which it may have previously placed upon his license, if the applicant has passed the examination for such license.

(b) No board of local inspectors may change on any license any tonnage limitation which such board did not place thereon, before full information regarding the reason for the limitation is obtained from the board responsible for same and the applicant has made up any deficiency in the experience required for the increased tonnage desired, and has passed any necessary examination. No limitation on any license may in any case be changed before the applicant has made up any deficiency in the experience prescribed for the license desired, and passed any necessary examination.

§ 62A.18 *Lost license.* (a) In case of loss of license of any class from any cause, except as stated in Sec. 62A.19, any board of local inspectors, upon receiving satisfactory evidence of such loss and a record of the lost license from the board that issued same, shall issue a certificate to the owner thereof which shall have the authority of the lost license for the unexpired term, unless in the meantime the holder thereof shall have the grade of his license raised after due examination, in which case a license in due form for such grade may be issued. In all cases the certificate of lost license shall state what board issued the lost license.

(b) Whenever a license is reported to a board of local inspectors by a licensed officer as having been lost by him or stolen from him, or whenever a license is stolen from an office of local inspectors, the local inspectors shall immediately report the fact to the Director and give a full description of the license and all facts incident to the loss or theft of same. By the same procedure they shall report the recovery of any licenses reported lost, giving the facts incident to their recovery.

§ 62A.19 *Suspension and revocation of licenses.* (a) These licenses as master, mate, or engineer shall be subject to suspension or revocation on the same ground and in the same manner and with like procedure as is provided in the case of suspension or revocation of licenses under the provisions of section 4450 of the Revised Statutes, as amended. When the license of any master, mate, or engineer is revoked, such license expires with such revocation, and any license subsequently granted to such person shall be considered in the light of an original license except as to number of issue. Upon the revocation or suspension of the license of any such officer, said license shall be surrendered to the Local Inspectors or Supervising Inspector. No person whose license has been suspended or revoked shall be issued another license except upon approval of the Director.

(b) When the license of any master, mate, or engineer is suspended, the Director shall determine the term of its duration, except that such suspension shall not extend beyond the time for which the license was issued. When the Director suspends a license which is about to expire, he may withhold the renewals of such license for such time as he considers necessary.

§ 62A.20 Field Offices of the Bureau where examinations are held.

Boston, Mass.
Bangor, Maine.
New London, Conn.
Portland, Me.
Providence, R. I.
New York, N. Y.
Albany, N. Y.
New Haven, Conn.
San Juan, P. R.
Norfolk, Va.
Philadelphia, Pa.
Baltimore, Md.
Charleston, S. C.
Savannah, Ga.
New Orleans, La.
Jacksonville, Fla.
Tampa, Fla.
Mobile, Ala.
Port Arthur, Tex.
Galveston, Tex.
San Francisco, Calif.
St. Michael, Alaska.
Seattle, Wash.
Juneau, Alaska.
Hoquiam, Wash.
Portland, Ore.
San Pedro, Calif.
Honolulu, Hawaii.

Qualifications of Candidates

§ 62A.30 *Experience.* (a) For license as mate or assistant engineer, a candidate must have served three years at sea, on deck or in the engine room, respectively.

(b) For license as master or chief engineer, a candidate must have served four years at sea, on deck or in the engine room, respectively, of which one year must have been as licensed mate or assistant engineer, respectively, except as provided in 62A.2 (b).

(c) For a license as assistant or chief engineer of motor vessels, two-thirds of the required service must have been served on motor vessels.

§ 62A.31 *Examinations.* (a) The examinations given by the Local Inspectors will be practical, not theoretical. They will be written, where possible, and if an oral examination is necessary, it shall be taken down in writing. The examination for licenses for fishing vessels shall be oral only. The syllabuses for the examinations are given in subsections (b) to (e) inclusive.

(b) *Mate*—(1) *Navigation.* Candidates will be required to understand and give satisfactory explanations of:

(a) Variation, deviation of the compass, and simple methods of finding the deviation by the bearing of two objects when in line, and by bearings of the sun.

(b) Use of a chart and the meaning of the various signs and abbreviations thereon; method of finding and laying off compass courses and distances on a chart, and making due allowance for set and drift; fixing of ship's position by cross bearings of two objects; or by two bearings of the same object.

(c) The traverse tables and a day's work in its simplest form.

(d) The finding of latitude by meridian altitude of the sun.

(e) The finding of longitude by chronometer or deck watch by an altitude of the sun.[3]

[3] These subjects will not be given to a candidate whose experience in the judgment of the Local Inspectors, limits him to a coastwise license.

(f) The use and adjustments of the sextant.

(g) The use and reading of the aneroid barometer.

(2) Rudimentary seamanship including:

(a) The use and construction of a sea anchor.

(b) The marking and use of the lead line.

(c) Man reported overboard.

(d) Handling of a vessel's boat in heavy weather.

(e) Elementary first aid.

(3) The Rules for the Prevention of Collision including both the International Rules and the Pilot Rules for Inland Waters. Particular attention will be given to the Articles of Collision, although inability to repeat them verbatim will not entail failure, provided that the candidate understands their full significance, content, and practical application. Models will be used to test the candidate's judgment and ability to act correctly and promptly.

(4) Distress signals and use of Gun and Rocket Apparatus.

(5) Buoyage System, Seamarks, Lights, etc.

(6) Precautions to be taken against fire, explosions from oil or gas, and spontaneous combustion. Methods of dealing with fire and use of fire extinguishers, handling of vessels after fire is discovered.

(7) Candidates for a sailing ship license will also be asked questions on the taking in and setting of fore and aft sail, and applicable questions relating to the handling of a sail vessel.

(c) *Master.* In addition to the subjects given in the syllabus for the examination for mate, a candidate will be required to understand and give satisfactory explanations of:

(1) *Navigation.* (a) Finding of latitude by altitude of Pole Star.[3]

(b) Elementary questions on compass deviation.

(2) Rudimentary seamanship including. (a) Meteorology, use and reading of weather bulletins.

(b) Getting under way.

(c) Tending vessel at anchor; mooring and unmooring.

(d) Keeping a ship's head to sea in heavy weather with engines broken down.

(e) How to rig a jury rudder.

(f) Action to be taken in the event of springing a leak.

(g) Cast of lead in heavy weather.

(d) *Assistant engineer, motor.* A candidate for license as assistant engineer, motor, will be required to understand and give satisfactory explanations of:

1. The various codes of signals used between the bridge and engine room for working the engine.

2. The fundamentals of oil, gas, or other internal combustion engines, and also the auxiliary machinery in use on board ship, and to show a practical knowledge of upkeep of, operation of, and repairs to same, and a good working knowledge of his profession.

3. The use of the various gauges, meters, and instruments.

4. Treatment of a hot bearing and avoidance of same.

5. The use of fire extinguishing apparatus; precautions to be taken against fire or explosions from oil or gas, precautions to be taken against the formation of explosive gases in oil tanks, bilges or other unventilated spaces, causes of spontaneous combustion; safe carriage of fuels, and storage of lubricating oils; and methods of dealing with fire.

6. Properties of the various oils, etc., generally used in internal combustion engines.

(e) *Chief engineer, motor.* An advanced and more complete knowledge of the subjects and problems required for the examination for an assistant engineer. (R.S. 4405 as amended, 46 U.S.C. 375 and the Act approved July 17, 1939—Public 188, 75th Congress.)

The following equipment was approved for use on inspected vessels:

Lifeboats

4063. Standard type double-ended metallic lifeboats, constructed by the Thomas Drein and Son Company, Wilmington, Delaware.

3909. Standard type round bilge double-ended metallic lifeboat, constructed by the Frank Morrison and Son Company, Cleveland, Ohio.

4514. Standard type double-ended metallic lifeboats propelled by oars and by hand propelling gear manufactured by the Welin Davit and Boat Corporation of Newark, New Jersey.

3885. OMS (Oar-propelled metallic standard round-bottom); OMN (Oar-propelled metallic nesting); and MMS (Motor-propelled metallic double-ended) type lifeboats constructed by the Tregoning Boat Company, Seattle, Washington.

3924. Standard type double-ended metallic lifeboats constructed by the Lykes Bros. Steamship Company at Galveston, Texas.

3835. Double-ended wooden motor lifeboat constructed by the Inter-Island Steam Navigation Company, Ltd., Honolulu, Hawaii.

4515. Square stern yawl type; round-bottom double-ended model type; and flat bottom scow type metallic lifeboats constructed by the Grafton Boat Works of Grafton, Illinois. (Approved for river service only)

4449. Standard type square stern wooden lifeboat constructed by the Alberg Boat Works, Inc., Miami, Florida.

4513. Standard type double-ended metallic lifeboat constructed by the Mobile Steel Company, Inc., Mobile Alabama.

Life Preservers

4462. Adult's balsa wood life preserver, manufactured by the A. L. Robertson and Company, 118 S. Frederick Street, Baltimore, Maryland.

4449. Adult's kapok life preserver, manufactured by the Acme Products, Inc., 152–156 Brewery Street, New Haven, Conencticut.

4204. Adult's and child's balsa wood life preservers, Nos. AV 1021, and AV 1023, manufactured by the Cluff Fabric Products, Inc., 300 West 19th Street, New York, New York.

4204. Adult's kapok life preservers Nos. AV 1070, AV 1080, and AV 1090 manufactured by the Cluff Fabric Products, Inc., 300 West 19th Street, New York, New York.

Life Buoys

3894. Standard balsa wood life buoy, manufactured by the Atlantic-Pacific Manufacturing Corporation, 124–126 Atlantic Avenue, Brooklyn, New York.

Distress Lights

2638. Hand distress light, manufactured by the Coston Supply Co., Inc., 50 Water Street, New York, New York.

3788. Hand distress light, manufactured by the Sculler Safety Corporation, 112 Mercer Street, New York, New York.

3841. Hand distress light, manufactured by the National Fireworks, Inc., West Hanover, Massachusetts.

3841. Cowdry-Jackson and Jackson Superior hand distress lights, manufactured by Samuel Jackson's Sons, Inc., Philadelphia, Pennsylvania.

Fire Extinguishers

2523–1. "Essanay" or "Vangarde" 2½ gallon soda-acid fire extinguisher, manufactured by the Pyrene Manufacturing Company, Newark, New Jersey.

Flashlights

4188. Flashlight for use in lifeboats manufactured by the Stewart R. Browne Manufacturing Company, 258 Broadway, New York, New York.

Breathing Apparatus

4443. Full vision hose mask and assembly, manufactured by the Acme Protection Equipment Company, 3616 Liberty Avenue, Pittsburgh, Pennsylvania.

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[3] These subjects will not be given to a candidate whose experience in the judgment of the Local Inspectors, limits him to a coastwise license.

(R.S. 4405 as amended 46 U.S.C. 375; R.S. 4491 as amended, 46 U.S.C. 489)

[SEAL] R. S. FIELD,
Director.
GEORGE FRIED,
U. S. Supervising Inspector, 2nd District.
EUGENE CARLSON,
U. S. Supervising Inspector, 3rd District.

Approved, August 24, 1939.

J. M. JOHNSON,
Acting Secretary of Commerce.

[F. R. Doc. 39-3126; Filed, August 24, 1939; 4:25 p. m.]

Notices

DEPARTMENT OF STATE.

Committee for Reciprocity Information.

TRADE AGREEMENT NEGOTIATIONS WITH ARGENTINA

PUBLIC NOTICE

AUGUST 23, 1939.

Pursuant to section 4 of an act of Congress approved June 12, 1934, entitled "An Act to Amend the Tariff Act of 1930", as extended by Public Resolution No. 10, approved March 1, 1937, and to Executive Order No. 6750, of June 27, 1934, I hereby give notice of intention to negotiate a trade agreement with the Government of Argentina.

All presentations of information and views in writing and applications for supplemental oral presentation of views with respect to the negotiation of such agreement should be submitted to the Committee for Reciprocity Information in accordance with the announcement of this date issued by that Committee concerning the manner and dates for the submission of briefs and applications, and the time set for public hearings.

SUMNER WELLES,
Acting Secretary of State.

Closing date for submission of briefs, October 4, 1939

Closing date for application to be heard, October 4, 1939

Public hearings open, October 16, 1939

The Committee for Reciprocity Information hereby gives notice that all information and views in writing, and all applications for supplemental oral presentation of views, in regard to the negotiation of a trade agreement with the Government of Argentina, notice of intention to negotiate which has been issued by the Acting Secretary of State on this date, shall be submitted to the Committee for Reciprocity Information not later than 12 o'clock noon, October 4, 1939. Such communications should be addressed to "Chairman, Committee for Reciprocity Information, Old Land Office Building, Eighth and E Streets NW., Washington, D. C."

A public hearing will be held beginning at 10 a. m. on October 16, 1939, before the Committee for Reciprocity Information in the hearing room of the Tariff Commission in the Old Land Office Building, where supplemental oral statements will be heard.

Six copies of written statements, either typewritten or printed, shall be submitted, of which one copy shall be sworn to. Appearance at hearings before the Committee may be made only by those persons who have filed written statements and who have within the time prescribed made written application for a hearing, and statements made at such hearings shall be under oath.

By direction of the Committee for Reciprocity Information this 23rd day of August 1939.

E. M. WHITCOMB,
Acting Secretary.

AUGUST 23, 1939.

List of Products of Which Argentina is the Chief or an Important Source of Supply

NOTE: The rates of duty indicated are those now applicable to products of Argentina. Where the rate is one which has been reduced pursuant to a previous trade agreement by 50 percent (the maximum permitted in the Trade Agreements Act) it is indicated by the symbol MR. Where the rate represents a reduction pursuant to a previous trade agreement, but less than a 50-percent reduction, it is indicated by the symbol R. Where a rate has been bound against increase, but has not been reduced in a previous trade agreement it is indicated by the symbol B; likewise, items which have been bound free of duty are indicated by the symbol B.

For the purpose of facilitating identification of the articles listed, reference is made in the list to the paragraph numbers of the tariff schedules in the Tariff Act of 1930, or, as the case may be, to the appropriate sections of the Internal Revenue Code. The descriptive phraseology is, however, in many cases limited to a narrower field than that covered by the numbered tariff paragraph or section in the Internal Revenue Code. In such cases only the articles covered by the descriptive phraseology of the list will come under consideration for the granting of concessions.

In the event that articles which are at present regarded as classifiable under the descriptions included in the above list are excluded therefrom by judicial decision or otherwise prior to the conclusion of the agreement, the list will nevertheless be considered as including such articles.

United States Tariff Act of 1930, paragraph	Description of article	Present rate of duty	Symbol
19	Casein or lactarene and mixtures of which casein or lactarene is the component material of chief value, not specially provided for.	5½¢ per lb	
38	Extracts, dyeing and tanning, not containing alcohol: Quebracho.	15% ad valorem	
42	Glycerin, crude	8/10¢ per lb	R
53	Oils, vegetable: Linseed or flaxseed, and combinations and mixtures in chief value of such oil.	4½¢ per lb	
232 (a)	Onyx, in block, rough or squared only	65¢ per cu. ft	
409	Osier or willow, including chip of and split willow, prepared for basket makers' use.	35% ad valorem	
701	Tallow	½¢ per lb. (plus 3¢ per lb. under Sec. 2491 (a) of the Internal Revenue Code; see below).	
701	Oleo oil and oleo stearin	1¢ per lb. (plus 3¢ per lb. under Sec. 2491 (c) of the Internal Revenue Code; see below).	
705	Extract of meat, including fluid	15¢ per lb	B
706	Beef and veal, pickled or cured, not packed in airtight containers not specially provided for.	6¢ per lb. but not less than 20% ad valorem.	
706	Beef and veal, prepared or preserved, packed in airtight containers, not specially provided for.	6¢ per lb. but not less than than 20% ad valorem.	
710	Cheese NOTE.—If any concession is made in the proposed agreement, it will apply to a narrower description than that listed so as to cover only that part of the item which is of special interest to Argentina.	4¢ per lb. to 7¢ per lb. with minimum rates of 20% ad valorem to 35% ad valorem.	[1] R
712	Turkeys, dead, dressed or undressed, fresh, chilled or frozen	10¢ per lb	
712	Birds, dead, dressed or undressed, fresh, chilled, or frozen (except chickens, ducks, geese, guineas, and turkeys).	5¢ per lb	MR
713	Eggs of chickens, in the shell	5¢ per doz	MR
724	Corn or maize, including cracked corn	25¢ per bu. of 56 lbs	
730	Dog food, consisting of an admixture of grains or grain products with other feedstuffs, unfit for human consumption.	5% ad valorem	MR
742	Grapes in bulk, crates, barrels or other packages	25¢ per cu. ft. of such bulk or the capacity of the packages, according as imported.	[2] B
749	Pears: green, ripe, or in brine	½¢ per lb	
762	Flaxseed	65¢ per bu. of 56 lbs	
763	Grass seeds and other forage crop seeds: Alfalfa	4¢ per lb	MR
764	Canary seed	¾¢ per lb	R
774	Asparagus in its natural state	50% ad valorem	

[1] Various types.
[2] As to hothouse grapes.

United States Tariff Act of 1930, paragraph	Description of article	Present rate of duty	Symbol
779	Broom corn	$20.00 per ton of 2,000 lbs.	
1101(a)	Wools: Donskoi, Smyrna, Cordova, Valparaiso, Ecuadorean, Syrian, Aleppo, Georgian, Turkestan, Arabian, Bagdad, Persian, Sistan, East Indian, Thibetan, Chinese, Manchurian, Mongolian, Egyptian, Sudan, Cyprus, Sardinian, Pyrenean, Oporto, Iceland, Scotch Blackface, Black Spanish, Kerry, Haslock, and Welsh Mountain; similar wools without marino or English blood; all other wools of whatever blood or origin not finer than 40s; all the foregoing—		
	In the grease or washed	24¢ per lb. of clean content	
	Scoured	27¢ per lb. of clean content	
	On the skin	22¢ per lb. of clean content	
	Sorted, or matchings, if not scoured	25¢ per lb. of clean content	
1101(b)	Any of the foregoing entered or withdrawn from warehouse under bond and used in the manufacture of press cloth, camel's hair belting, knit or felt boots, heavy fulled lumbermen's socks, rugs, carpets or any other floor coverings.	Free, subject to the provisions of paragraph 1101 of the Tariff Act of 1930, as amended.	
1102(a)	Wools, not specially provided for, not finer than 44s:		
	In the grease or washed	29¢ per lb. of clean content	
	Scoured	32¢ per lb. of clean content	
	On the skin	27¢ per lb. of clean content	
	Sorted, or matchings, if not scoured	30¢ per lb. of clean content	
1530 (a)	Hides and skins of cattle of the bovine species (except hides and skins of the India water buffalo imported to be used in the manufacture of rawhide articles), raw or uncured, or dried, salted, or pickled.	10% ad valorem	
1558	Dog food, manufactured, unfit for human consumption, not specially provided for.	20% ad valorem	
1625	Blood, dried, not specially provided for	Free	
1627	Bones: Crude, steamed, or ground; bone dust, bone meal, and bone ash; and animal carbon suitable only for fertilizing purposes.	Free	
1670	Dyeing or tanning materials: Quebracho wood, whether crude or advanced in value or condition by shredding, grinding, chipping, crushing, or any similar process, and not containing alcohol.	Free	
1681	Furs and fur skins, not specially provided for, undressed:		
	Cuanaquito	Free	
	Nutria	Free	
	Otter	Free	B
	Fox (other than silver or black fox)	Free	B
	Wildcat	Free	
	Ocelot	Free	
	Lamb	Free	B
1685	Tankage of a grade used chiefly for fertilizers, or chiefly as an ingredient in the manufacture of fertilizers.	Free	B
1688	Hair of the horse, cleaned or uncleaned, drawn or undrawn, but unmanufactured, not specially provided for:		
	Body hair	Free	B
	Other	Free	
1755	Sausage casings, weasands, intestines, bladders, tendons, and integuments, all the foregoing not of sheep, lambs, or goats, and not specially provided for.	Free	
1765	Horse, colt, ass, and mule hides, and raw skins	Free	
1780	Tankage, unfit for human consumption	Free	

Internal revenue code section	Description of article	Present rate of import tax	Symbol
2491 (a)	Tallow	3¢ per lb. (in addition to tariff duty).	
2491 (c)	Oleo oil and oleo stearin	3¢ per lb. (in addition to tariff duty).	

[F. R. Doc. 39-3133; Filed, August 25, 1939; 10:30 a. m.]

TRADE-AGREEMENT NEGOTIATIONS WITH BELGIUM: POSTPONEMENT OF DATE FOR SUBMISSION OF BRIEFS AND FOR APPLICATIONS TO BE HEARD AND DATE OF OPENING OF HEARINGS

PUBLIC NOTICE

The Committee for Reciprocity Information hereby gives notice that the dates given in its public notice of August 16, 1939[1] are changed as follows:

Closing date for submission of briefs postponed from September 16, 1939 to September 27, 1939.

Closing date for application to be heard postponed from September 16, 1939 to September 27, 1939.

Opening of public hearings postponed from October 2, 1939 to October 9, 1939.

All information and views in writing, and all applications for supplemental oral presentation of views, in regard to the negotiation of a trade agreement with Belgium shall be submitted to the Committee for Reciprocity Information not later than 4 p. m. on September 27, 1939.

A public hearing will be held beginning at 10 a. m. on October 9, 1939.

Except for the dates mentioned above, the public notice issued by this Committee on August 16, 1939, remains unchanged.

By direction of the Committee for Reciprocity Information this 22nd day of August 1939.

E. M. WHITCOMB,
Acting Secretary.

AUGUST 22, 1939.

[F. R. Doc. 39-3137; Filed, August 25, 1939; 11:34 a. m.]

[1] 4 F.R. 3686 DI.

DEPARTMENT OF AGRICULTURE.

Division of Marketing and Marketing Agreements.

DETERMINATION WITH RESPECT TO AN ORDER, AS AMENDED, REGULATING HANDLING OF MILK IN FORT WAYNE, INDIANA, MARKETING AREA

Whereas, the Secretary of Agriculture, pursuant to the terms and provisions of Public Act No. 10, 73rd Congress, as amended, and as reenacted and amended by the Agricultural Marketing Agreement Act of 1937, having reason to believe that execution of an amendment to a tentatively approved marketing agreement, as amended, and issuance of an order,[1] as amended, both of which regulate the handling of milk in the Fort Wayne, Indiana, marketing area, would tend to effectuate the declared policy of the act, gave, on the 21st day of March, 1939, notice of a public hearing to be held on the 28th day of March, 1939, at Indianapolis, Indiana, on proposed amendments of said tentatively approved marketing agreement, and of said order, said hearing being reopened at Indianapolis, Indiana, on the 13th day of June, 1939, for the purpose of receiving additional evidence, and at said times and place conducted a public hearing at which all interested parties were afforded an opportunity to be heard on the said proposed amendments; and

Whereas, after said hearing and after the tentative approval by the Secretary, on the 18th day of July, 1939, of a marketing agreement, as amended, handlers of more than 50 percent of the volume of milk covered by such proposed order, as amended, which is marketed within the Fort Wayne, Indiana, marketing area, refused or failed to sign such tentatively approved marketing agreement, as amended, relating to milk;

Now, therefore, the Secretary of Agriculture, pursuant to the authority vested in him by said act, hereby determines:

(1) That the refusal or failure of said handlers to sign said tentatively approved marketing agreement, as amended, tends to prevent the effectuation of the declared policy of the act;

(2) That the issuance of the proposed order, as amended, is the only practical means, pursuant to such policy, of advancing the interest of producers of milk which is produced for sale in said area; and

(3) That the issuance of the proposed order, as amended, is approved or favored by over two-thirds of the producers who participated in a referendum conducted by the Secretary, and who, during the month of May, 1939, said month having been determined by the Secretary to be a representative period, were engaged in the production of milk for sale in said area.

In witness whereof, M. L. Wilson, Acting Secretary of Agriculture of the

[1] See Page 3723.

United States, has executed this determination in duplicate, and has hereunto set his hand and caused the official seal of the Department of Agriculture to be affixed hereto in the city of Washington, District of Columbia, this 14th day of August 1939.

[SEAL] M. L. WILSON,
Acting Secretary of Agriculture.

Approved:

FRANKLIN D ROOSEVELT
The President of the United States.

Dated, August 21, 1939.

[F. R. Doc. 39-3142; Filed August 25, 1939; 12:17 p. m.]

CIVIL AERONAUTICS AUTHORITY.

[Docket Nos. 156 and 289]

IN THE MATTER OF THE APPLICATIONS OF LAMOTTE T. COHU AND TRANSCONTINENTAL & WESTERN AIR, INC., FOR APPROVAL OF INTERLOCKING RELATIONSHIPS UNDER SECTION 409(A) OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

Public hearing in the above-entitled proceeding, now assigned for September 18, 1939,[1] is hereby postponed until October 26, 1939, 10 o'clock a. m. (Eastern Standard Time) in Conference Room C, Departmental Auditorium, Washington, D. C., before an Examiner.

Dated Washington, D. C., August 24, 1939.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 39-3139; Filed, August 25, 1939; 12:06 p. m.]

[Docket No. 234]

IN THE MATTER OF THE APPLICATION OF C. COBURN DARLING AND CANADIAN COLONIAL AIRWAYS, INC., FOR APPROVAL OF INTERLOCKING RELATIONSHIPS UNDER SECTION 409 (A) OF THE CIVIL AERONAUTICS ACT OF 1938

NOTICE OF POSTPONEMENT OF HEARING

Public hearing in the above-entitled proceeding, now assigned for September 7, 1939,[1] is hereby postponed until October 23, 1939, 10 o'clock a. m. (Eastern Standard Time) in Conference Room C, Departmental Auditorium, Washington, D. C., before an Examiner.

Dated Washington, D. C., August 24. 1939.

By the Authority.

[SEAL] PAUL J. FRIZZELL,
Secretary.

[F. R. Doc. 39-3140; Filed, August 25, 1939; 12:06 p. m.]

[1] 4 F.R. 3562 DI.

RURAL ELECTRIFICATION ADMINISTRATION.

[Administrative Order No. 385]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 23, 1939.

By virtue of the authority vested in me by the provisions of Section 4 of the Rural Electrification Act of 1936, as amended, I hereby allocate, from the sums authorized by said Act, funds for loans for the projects and in the amounts as set forth in the following schedule:

Project designation	*Amount*
Iowa 0040B1 Marion	$59,000
Minnesota 0081A1 Aitkin	35,000
Mississippi 0022C1 Leake	63,000
Mississippi 0024A4 Lafayette	15,000
Oregon 0005A3 Clatsop	7,000
Texas 0102A1 Jackson	149,000
Virginia 0030B2 Bath	40,000
Washington 0020A1 Columbia	77,000

ROBERT B. CRAIG,
Acting Administrator.

[F. R. Doc. 39-3131; Filed, August 25, 1939; 10:30 a. m.]

[Administrative Order No. 386]

ALLOCATION OF FUNDS FOR LOANS

AUGUST 23, 1939.

By virtue of the authority vested in me by the provisions of Section 5 of the Rural Electrification Act of 1936, as amended, I hereby allocate, from the sums authorized by said Act, funds for loans for the projects and in the amounts as set forth in the following schedule:

Project designation	*Amount*
Colorado 0026W1 San Miguel	$5,000
Louisiana 0017W1 Claiborne	2,000
Michigan 0039W5 Van Buren	10,000
Montana 0012W1 Missoula	10,000
Pennsylvania 0021W1 Somerset	6,000

ROBERT B. CRAIG,
Acting Administrator.

[F. R. Doc. 39-3132; Filed, August 25, 1939; 10:30 a. m.]

SECURITIES AND EXCHANGE COMMISSION.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 24th day of August 1939.

[File No. 37-32]

IN THE MATTER OF PUBLIC UTILITY ENGINEERING AND SERVICE CORPORATION

ORDER AMENDING AN ORDER APPROVING A SUBSIDIARY SERVICE COMPANY

The Commission having issued its order dated May 27, 1939,[1] pursuant to Section 13 (b) of the Public Utility Holding Company Act of 1935 and Rule U-13-22 promulgated thereunder, approving Public Utility Engineering and Service Corporation as a subsidiary service company of Standard Gas and Electric Company and permitting it to perform service, sales and construction contracts to the extent and in the manner set forth in said company's application;

Said order having provided that the approval contained therein shall terminate and be revoked unless within ninety days of said order certain changes set forth therein shall have been made and notice to that effect filed with the Commission;

Applicant having advised the Commission that it has not been possible to effect all such changes within said ninety-day period, and having requested an extension of said period;

It is ordered, That said ninety-day period be extended for an additional sixty days from the date of this order.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 39-3134; Filed, August 25, 1939; 11:04 a. m.]

[1] 4 F.R. 2249 DI.

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 24th day of August 1939.

[File No. 37-32]

IN THE MATTER OF PUBLIC UTILITY ENGINEERING AND SERVICE CORPORATION

ORDER AMENDING AN ORDER PERMITTING SERVICE COMPANY TO OPERATE WHERE SPECIAL OR UNUSUAL CIRCUMSTANCES

The Commission, having issued an order dated May 27, 1939,[1] pursuant to Section 13 (b) (2) of the Public Utility Holding Company Act of 1935, permitting Public Utility Engineering and Service Corporation to operate as a mutual service company and to perform services, or construction work for, or sell goods to associate companies thereof, to the extent set forth in the application of said company;

Said order being subject to the condition, inter alia, that the permission terminate not later than ninety days from the date of said order or at such prior date as all the capital stock of Public Utility Engineering and Service Corporation is acquired by Standard Gas and Electric Company;

Applicant having advised the Commission that it has not been possible for Standard Gas and Electric Company to acquire all the capital stock of Public Utility Engineering and Service Corporation within said ninety-day period, and having requested an extension of said period;

[1] 4 F.R. 2249 DI.

It is ordered, That said ninety-day period be extended for an additional sixty days from the date of this order.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 39-3135; Filed, August 25, 1939; 11:04 a. m.]

United States of America—Before the Securities and Exchange Commission

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 25th day of August, A. D., 1939.

[File No. 44-41]

IN THE MATTER OF THE MARION-RESERVE POWER COMPANY

NOTICE OF AND ORDER FOR HEARING

An application pursuant to Rule U-12C-1(b) of the Public Utility Holding Company Act of 1935, having been duly filed with this Commission by the above-named party;

It is ordered, That a hearing on such matter be held on August 31, 1939, at ten o'clock in the forenoon of that day, at the Securities and Exchange Building, 1778 Pennsylvania Avenue N. W., Washington, D. C. On such day the hearing-room clerk in room 1102 will advise as to the room where such hearing will be held. At such hearing, if in respect of any declaration, cause shall be shown why such declaration shall become effective.

It is further ordered, That Richard Townsend or any other officer or officers of the Commission designated by it for that purpose shall preside at the hearings in such matter. The officer so designated to preside at any such hearing is hereby authorized to exercise all powers granted to the Commission under section 18 (c) of said Act and to a trial examiner under the Commission's Rules of Practice to continue or postpone said hearing from time to time.

Notice of such hearing is hereby given to such declarant or applicant and to any other person whose participation in such proceeding may be in the public interest or for the protection of investors or consumers. It is requested that any person desiring to be heard or to be admitted as a party to such proceeding shall file a notice to that effect with the Commission on or before August 28, 1939.

The matter concerned herewith is in regard to the acquisition of $750,000 principal amount of the applicant's First Mortgage Bonds, 4½% Series, due October 1, 1948, and $600,000 principal amount of its Ten-Year Serial Notes dated April 29, 1937.

The applicant has filed an application or declaration pursuant to Sections 6 (b) or 7 (whichever is applicable) in regard to the issuance and sale of $7,750,000 principal amount of First Mortgage Bonds, 3½% Series, due September 1, 1959 and $1,250,000 principal amount of Eight-Year 2⅞% Promissory Notes, the proceeds of which, in part, will be used for the acquisition of said $750,000 principal amount of bonds and $600,000 principal amount of notes. Said application or declaration has been set for hearing on August 31, 1939. As the acquisition of the said $750,000 principal amount of bonds and $600,000 principal amount of notes is a part of the general refinancing program of the applicant, the hearings on both applications have been consolidated and set for the same day, August 31, 1939.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,
Secretary.

[F. R. Doc. 39-3138; Filed, August 25, 1939; 12:01 p. m.]