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Washington, Thursday, February 19, 1942

*The President*

**EXECUTIVE ORDER**

**AUTHORIZING THE CIVIL SERVICE COMMISSION TO ADOPT SPECIAL PROCEDURES RELATING TO RECRUITMENT, PLACEMENT, AND CHANGES IN STATUS OF PERSONNEL FOR THE FEDERAL SERVICE**

WHEREAS millions of the citizens of this country are engaged in war industries or have been or expect to be called to duty with the armed forces of the United States, which militates against their competing for employment in the Federal service, and greatly diminishes the number of persons available for competitive positions in the Federal service; and

WHEREAS it is essential that there be no delay during the present emergency in filling positions in the Federal service with qualified persons:

NOW, THEREFORE, by virtue of the authority vested in me by section 2 of the Civil Service Act (22 Stat. 404), it is hereby ordered as follows:

1. The United States Civil Service Commission is authorized to adopt and prescribe such special procedures and regulations as it may determine to be necessary in connection with the recruitment, placement, and changes in status of personnel for all departments, independent establishments, and other Federal agencies, except positions in the field service of the postal establishment. The procedures and regulations thus adopted and prescribed shall be binding with respect to all positions affected thereby which are subject to the provisions of the Civil Service Act and Rules.

2. Persons appointed solely by reason of any special procedures adopted under authority of this order to positions subject to the provisions of the Civil Service Act and Rules shall not thereby acquire a classified (competitive) civil-service status, but, in the discretion of the Civil

Service Commission, may be retained for the duration of the war and for six months thereafter.

FRANKLIN D ROOSEVELT

THE WHITE HOUSE,  
February 16, 1942.

[No. 9063]

[F. R. Doc. 42-1417; Filed, February 17, 1942; 2:43 p. m.]

**EXECUTIVE ORDER**

**AUTHORIZING THE GOVERNOR OF THE PANAMA CANAL TO FURNISH CERTAIN TRANSPORTATION TO PERSONS ENGAGED FOR SERVICE ON THE ISTHMUS OF PANAMA**

By virtue of the authority vested in me by section 81 of title 2 of the Canal Zone Code, as amended by section 3 of the act of July 9, 1937, c. 470, 50 Stat. 487, it is hereby ordered as follows:

1. Notwithstanding the provisions of paragraph 3 of Executive Order No. 1888 of February 2, 1914, relating to conditions of employment in the Panama Canal service, the Governor of The Panama Canal is authorized (1) to furnish free transportation, or to make reimbursement of cost thereof, from any point within the continental United States to the port of departure for the Isthmus of Panama, to any person engaged for service with The Panama Canal on the Isthmus; (2) to furnish free transportation from the port of departure to the Isthmus; and (3) to pay to such person a subsistence allowance not in excess of six dollars a day while en route to the port of departure and awaiting transportation therefrom.

2. The Governor of The Panama Canal may prescribe such regulations as may be necessary to carry out the provisions of this order.

3. This order shall be effective as of February 1, 1942, and shall remain in force during the continuance of the

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**THE PRESIDENT**

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present war and for six months after the termination thereof.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,  
Feb. 16, 1942.

[No. 9064]

[F. R. Doc. 42-1416; Filed, February 17, 1942; 2:43 p. m.]

#### EXECUTIVE ORDER

AMENDMENT OF SECTION 11 OF THE REGULATIONS GOVERNING HIGHWAYS, VEHICLES, AND VEHICULAR TRAFFIC IN THE CANAL ZONE

By virtue of the authority vested in me by sections 5 and 321 of title 2 of the Canal Zone Code, it is ordered that section 11 of Executive Order No. 7242 of December 6, 1935, prescribing regulations governing highways, vehicles, and vehicular traffic in the Canal Zone, be, and it is hereby, amended to read as follows:

SEC. 11. Governor authorized to make regulations. The Governor is hereby authorized to make, alter, and amend, from time to time, rules and regulations for the purpose of carrying out the provisions of this order, and in time of war in which the United States is engaged or when in the opinion of the Governor war is imminent, the Governor is hereby authorized, subject to the provisions of Executive Order No. 8232<sup>1</sup> of September 5,

<sup>1</sup> 4 F. R. 3812.

1939, to amend, modify, supplement, or suspend this order, or any provision thereof, for the duration of any such period, when in his judgment such action is necessary in the public interest.

FRANKLIN D. ROOSEVELT

THE WHITE HOUSE,  
February 17, 1942.

[No. 9065]

[F. R. Doc. 42-1423; Filed, February 18, 1942; 10:13 a. m.]

#### Rules, Regulations, Orders

#### TITLE 6—AGRICULTURAL CREDIT

#### CHAPTER I—FARM CREDIT ADMINISTRATION

#### PART 19—FEES

#### ADDITIONAL-LOAN FEES

Section 19.4009 of Title 6, Code of Federal Regulations, is amended to read as follows:

§ 19.4009 *Additional-loan fees.* For the purposes of this section, the term "additional loan" shall be construed (a) to apply to any transaction which may, or does, result in additional funds being loaned wholly or partially on property that is security for a loan on which the applicant, at the time his application is filed, is the borrower from the Federal land bank, the Land Bank Commissioner, or both; and (b) to include any new funds, plus any delinquent principal, interest, and other items due and unpaid under the outstanding land bank loan, Land Bank Commissioner loan, or both, which, under the procedure of the bank, are included in the face amount of the new note or notes. This construction shall be applicable whether the transaction is completed by way of a supplemental loan or a rewriting of the outstanding land bank loan, Land Bank Commissioner loan, or both, and whether the outstanding land bank loan was closed through the association accepting the application or not. Whenever an additional loan is applied for, the provisions of §§ 19.4005-19.4007, and the last sentence of § 19.4008, shall apply, except that, in such cases, the maximum association application fee which may be collected in accordance with § 19.4005 shall be based on the amount of the additional loan applied for, and the maximum additional association application fee which may be collected in accordance with § 19.4007 shall be based upon the amount of the additional loan tentatively approved by the bank. When an additional loan is closed by the bank, the association may collect a maximum closed loan fee in an amount which, when added to the association application fees already collected, will not exceed 1 percent of the amount of the additional loan closed. (Sec. 11 "Third", 39 Stat. 369, as amended, sec. 17 (d), 39 Stat. 375; 12 U.S.C. 761 "Third", 831 (d))

Section 19.4022 of Title 6, Code of Federal Regulations, is amended to read as follows:

§ 19.4022 *Additional-loan fees.* The definition of an "additional loan" set forth in § 19.4009 shall apply to the term as used in this section. The application fee in connection with an additional loan shall not exceed an amount computed in accordance with approved schedules on the amount of the additional loan applied for. The balance of the bank's appraisal and title determination fees and the bank's direct-loan closed loan fees in such cases shall not exceed an amount computed in accordance with approved schedules on the amount of the additional loan closed. On Land Bank Commissioner additional loans made by way of a supplemental loan or by rewriting of the old loan the bank should charge the borrowers fees computed on the same basis as that adopted by the bank for computing fees in connection with additional land bank loans. (Secs. 13 "Ninth", 17 (d), 39 Stat. 372, 375, sec. 26, 48 Stat. 44, sec. 32, 48 Stat. 48, as amended; 12 U.S.C. 781 "Ninth", 831 (d), 723 (e), 1016 (e) and Supp.

[SEAL] W. E. RHEA,  
Land Bank Commissioner.

[F. R. Doc. 42-1442; Filed, February 18, 1942;  
11:31 a. m.]

## TITLE 14—CIVIL AVIATION

### CHAPTER I—CIVIL AERONAUTICS BOARD

[Amendments 60-55, 60-56, Civil Air Regulations]

#### PART 60—AIR TRAFFIC RULES

##### FLIGHT IN RANGE APPROACH CHANNELS

At a session of the Civil Aeronautics Board held at its office in Washington, D. C., on the 10th day of February, 1942.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a) and 601 of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under, said Act, the Civil Aeronautics Board amends the Civil Air Regulations as follows:

Effective February 10, 1942, Part 60 of the Civil Air Regulations is amended as follows:

1. By amending § 60.115 to read as follows:

§ 60.115 *Range approach channel.* A range approach channel is the airspace above the ground or water below 17,000 feet above sea level located within 2 miles of either side of the center of the on course signal of any leg or legs designated by the Administrator of a radio range station serving a control airport, and extending along such leg or legs from such radio range station for a distance of 15 miles: *Provided*, That such

range approach channels may be modified or extended by the Administrator when he deems it necessary in the interests of safety.

2. By adding immediately following § 60.38 a new § 60.39 to read as follows:

§ 60.39 *Flight in range approach channel.* Unless on an approved flight plan, no person shall fly an aircraft within the limits of a range approach channel above 1,500 feet over the surface of the earth except to enter such channel on the right side as determined by the proposed direction of flight along such channel and then to continue along the right side of such channel in normal cruising flight. No person shall fly an aircraft below 1,500 feet above the surface of the earth in such channel except to cross such channel at an angle of not less than 45° in normal cruising attitude: *Provided*, That a pilot taking off from or landing at a designated landing area located within a range approach channel may perform such maneuvers below 1,500 feet as are necessary to effect a normal take-off therefrom or a normal approach and landing thereon, as the case may be.

§ 60.391 *Flight within local flying areas adjacent to a control airport.* The Administrator may designate flight zones for specific purposes within the local flying area, as defined in § 60.95, adjacent to any control airport. Thereafter, within such local flying area, no person shall make a flight of a type for which a zone has been set apart, except within such zone.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,  
Secretary.

[F. R. Doc. 42-1414; Filed, February 17, 1942;  
1:29 p. m.]

[Amendment 60-57 Civil Air Regulations]

#### PART 60—AIR TRAFFIC RULES

##### AIRCRAFT TO CONFORM TO AIRPORT TRAFFIC PATTERN

At a session of the Civil Aeronautics Board held at its office in Washington, D. C., on the 10th day of February, 1942.

Acting pursuant to the authority vested in it by the Civil Aeronautics Act of 1938, as amended, particularly sections 205 (a) and 601 of said Act, and finding that its action is desirable in the public interest and is necessary to carry out the provisions of, and to exercise and perform its powers and duties under, said Act, the Civil Aeronautics Board amends the Civil Air Regulations as follows:

Effective February 10, 1942, Part 60 of the Civil Air Regulations is amended as follows:

By amending § 60.3303 to read as follows:

§ 60.3303 Aircraft in contact flight within three miles horizontally of the center of an airport or other landing area shall conform to the circle rule provided in § 60.3301 unless flying at

an altitude in excess of 1,500 feet above such airport or other landing area.

By the Civil Aeronautics Board.

[SEAL] DARWIN CHARLES BROWN,  
Secretary.

[F. R. Doc. 42-1413; Filed, February 17, 1942;  
1:29 p. m.]

[Regulations, Serial Number 204]

#### PART 202<sup>1</sup>—ACCOUNTS, RECORDS AND REPORTS

##### AMENDMENT OF ECONOMIC REGULATIONS—PRESERVATION OF ACCOUNTS, RECORDS AND MEMORANDA OF AIR CARRIERS

At a session of the Civil Aeronautics Board held at its office in Washington, D. C., on the 12th day of February, 1942.

The Civil Aeronautics Board, acting pursuant to the Civil Aeronautics Act of 1938, particularly sections 205 (a) and 407 (d) thereof, and deeming its action necessary to carry out the provisions of said Act and to exercise its powers and perform its duties thereunder, hereby makes and promulgates the following Regulation:

§ 202.3 *Preservation of accounts, records, and memoranda of air carriers.*

(a) All air carriers shall preserve the accounts, records, and memoranda designated in the Schedule Governing Preservation of Accounts, Records, and Memoranda of Air Carriers issued by the Civil Aeronautics Board, dated March 1, 1942, and such amendments thereto as may be hereafter prescribed by the Board (hereinafter referred to as the "Schedule"), for the length of time prescribed in such Schedule: *Provided*, That voluminous detailed records, such as material requisitions and issues, and time and labor distribution cards, may be photographed and the films kept in lieu of the original documents for the respective periods prescribed therefor. This proviso shall not apply to cash and journal vouchers and similar important documents, although it shall apply to the details in support thereof. The provisions of this section shall apply to all accounts, records and memoranda which come into the possession of an air carrier in connection with the acquisition of property by consolidation, merger, or otherwise. The preservation of duplicate accounts, records, and memoranda shall be optional with each air carrier.

(b) All accounts, records, and memoranda required to be preserved for a specified period of time prescribed in the Schedule may, unless hereafter otherwise ordered by the Board, be destroyed upon the termination of such period in the manner elected by each air carrier. All other accounts, records, and memoranda may, unless hereafter otherwise ordered by the Board, be destroyed at any time at the option of each air carrier. Supervision over the destruction of accounts, records, and memoranda of each air carrier shall be vested in an officer of such carrier who shall keep a permanent record, by classes and gen-

<sup>1</sup> 7 FR. 499, 500.

eral description as specified in the Schedule of all accounts, records, and memoranda destroyed, together with the respective dates of destruction.

(c) If any accounts, records, and memoranda specified in the Schedule are destroyed accidentally by fire, flood or other casualty, the air carrier shall prepare and file as soon as possible with the Civil Aeronautics Board a statement identifying the accounts, records, and memoranda so destroyed, classified in accordance with the provisions of such Schedule, and describing the circumstances of destruction.

(d) This section shall not be construed as excusing compliance with any other lawful requirements for the preservation of accounts, records, or memoranda for longer periods than those herein prescribed.

(e) This section shall become effective March 1, 1942. (Sec. 205 (a), 52 Stat. 984, sec. 407d, 52 Stat. 1000; 49 U.S.C. 425a, 487d)

By the Board.

[SEAL] DARWIN CHARLES BROWN,  
Secretary.

SCHEDULE GOVERNING PRESERVATION OF ACCOUNTS, RECORDS, AND MEMORANDA OF AIR CARRIERS (MARCH 1, 1942)

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DESCRIPTION OF ACCOUNTS, RECORDS AND MEMORANDA—PERIODS OF RETENTION

*Administrative and Financial*

1. Minute books of directors', stockholders' and other corporate meetings: Permanently.
2. Capital stock and bond records: Permanently.
3. Corporate election records: 3 years.
4. Retired securities: 3 years.
5. Ledgers: General and auxiliary ledgers and indexes thereto, except as provided for elsewhere herein: Permanently.
6. Record of securities owned: Permanently.
7. General journals: Permanently.
8. General and auxiliary records of cash receipts and disbursements: Permanently.
9. General journal entries and supporting papers: Permanently.
10. Deeds and other title papers and franchises: Permanently.
11. Contracts and agreements except as otherwise provided for herein: Optional after termination or expiration.
12. Tax records: Copies of schedules and returns to taxing authorities for tax purposes; records of appeals, tax bills, and statements: Permanently.
13. Fidelity bonds of employees: 3 years after term of employment.

14. Bulletins, orders, regulations and other communications from Federal and State Regulatory Bodies pertaining to the air carrier: 1 year after they become noneffective or nonapplicable.

15. Insurance records: (a) Schedules, records of payment of premiums and of amounts recovered: 6 years.

(b) Insurance policies: Optional after expiration.

(c) Records of policies in force: 3 years after expiration of the policy.

(d) Inspectors' reports of conditions of property: Optional after expiration of the policy.

(e) Reports of damages and losses: 3 years after expiration of policy.

16. Treasurer's records: (a) Statements and summaries of balances on hand and with depositaries or other periodical statements of working cash balances: 1 year.

(b) Statements from depositaries of funds, received, disbursed and transferred: 3 years.

(c) Authorities for and advices of transfer of funds from one depository to another: 1 year after expiration of authority.

(d) Daily or other periodical statements of the receipt and disbursement of funds: 3 years.

(e) Ledgers, journals and other records of outstanding vouchers, checks, drafts, etc. issued and not presented: 6 years.

(f) Bank deposit books, check book stubs: 6 years.

(g) Slips or statements giving the postings of miscellaneous receipts and payments of funds when the information contained thereon is shown in other records which are retained: 3 years.

(h) Voucher lists showing mailing dates and to whom sent: 3 years.

(i) Copies of deposit slips: 3 years.

17. Audit Reports: (a) Reports of examinations and audits prepared and certified by independent public accountants: Permanently.

(b) Reports of examinations and audits by internal auditors and others: 3 years.

18. Records pertaining to verifications of treasurers' cash or securities: 3 years.

19. Patent records: (a) Records pertaining to applications on which patent issued: Permanently.

(b) Records pertaining to applications on which patent does not issue: 3 years after final rejection or abandonment.

*Revenues*

26. Records of air express and freight revenue: Journals, ledgers, or other records summarizing debits and credits arising from express and freight transactions: 6 years.

27. Interline express and freight settlements: Interline express and freight reports, summaries, statements of differences, statements of corrections, and accounts current pertaining to interline settlements of express and freight revenue between all classes of carriers: 6 years.

28. Records of passenger and excess baggage revenue: Journals, ledgers, or

other records summarizing debits and credits arising from passenger revenue and excess baggage settlements: 6 years.

29. Interline passenger fare and excess baggage settlements: Interline ticket reports, summaries, statements of differences, statements of corrections, and accounts current pertaining to settlements of interline passenger and excess baggage revenue between all classes of carriers: 6 years.

30. Sales and ticket reports and other similar reports from stations, offices and agents: 6 years.

31. Records of mail revenue: Journals, ledgers, or other records summarizing revenues derived from carrying United States mails and foreign mails: 6 years.

32. Records of revenue from operations other than air transportation: Journals, ledgers, or other records summarizing revenues from various concessions, rents of buildings and other property, and miscellaneous revenue: 5 years.

33. Ticket records: (a) Copies of orders on printing houses for ticket stock: 3 years.

(b) Records of ticket stock received, issued or voided: 3 years.

(c) Requisitions and receipts for tickets furnished agents and ticket selling employees: 3 years.

34. Records and reports of tickets refunded: 3 years.

35. Volume Travel Plan records: (a) Contract between subscriber and carrier setting forth the terms of the Volume Travel Plan Agreement: 3 years after termination of the contract.

(b) Receipts for Air Travel Cards: 3 years after termination of the contract.

(c) One trip travel order contracts: 3 years after termination of the contract.

(d) Receipts for one trip travel order books: 3 years after termination of the contract.

36. Bills collectible: (a) Register of bills collectible (or accounts receivable bills) and indexes thereto: 6 years.

(b) Audit office copies of bills issued for collection and supporting papers which do not accompany the original bills: 6 years.

*Expenditures*

51. Distribution of labor expenditures: Journals, ledgers, or other records showing the detailed distribution of labor expenditures charged to all accounts, including memoranda and memoranda recapitulation sheets: 6 years.

52. Pay roll records: (a) Pay roll certifications and summaries: 6 years.

(b) Applications and authorities for changes in pay rolls: 6 years.

(c) Records and memoranda pertaining to deductions from pay rolls: 3 years.

(d) Receipted pay checks, receipted time tickets, certificates issued for wages, discharge tickets, and other evidences of payments for services rendered by employees: 6 years.

(e) Summaries of hours worked and wages paid as kept in compliance with State and Federal Social Security legislation: Permanently.

53. Assignments, attachments and garnishments: (a) Record of assign-

ment, attachment and garnishment of employees' salaries: 3 years.

(b) Files containing assignments, attachments, garnishments, notices of suits and notices of release: 3 years.

54. Labor Records: Time books, time slips, overtime tickets, delayed-time tickets, work orders, job tickets, and other papers pertaining to services of employees: 3 years.

55. Distribution of expenditures for material and supplies: Journals, ledgers, or other records and memoranda showing the detailed distribution of expenditures for materials and supplies chargeable to all accounts, including memoranda recapitulation sheets: 6 years.

56. Vouchers: (a) Register of audited vouchers and indexes thereto: 15 years.

(b) Paid drafts, paid checks and receipts for cash paid out: 6 years.

(c) Paid and cancelled vouchers, audit office copies of vouchers and supporting papers: 15 years.

57. Equipment and buildings records: (a) Records and memoranda of the cost or the inventory value of equipment and buildings: Permanently.

(b) Records and memoranda pertaining to depreciation, retirements and replacements of buildings and equipment: Permanently.

(c) Contracts and other agreements relating to the construction, acquisition or sale of buildings and equipment: Permanently.

58. Records of special authorities for expenditures: Permanently.

#### Stores

76. Material ledgers: (a) Records of material and supplies on hand: 6 years.

(b) Balance sheets of material and supplies received, issued, and on hand, at repair bases, shops, stations and other places: 3 years.

77. Inventories of materials and supplies: (a) General inventories of materials and supplies on hand, with record of adjustment between accounts: 6 years.

(b) Stock cards, inventory cards, and other detail records pertaining to the taking of inventories when abstracted into records covered by (a) above: 1 year.

78. Records and reports of materials and supplies received: 6 years.

79. Materials and supplies issued: (a) Records and reports of materials and supplies issued: 6 years.

(b) Records and reports of materials and supplies transferred from one department or division to another: 1 year.

(c) Requisitions and receipts for materials and supplies issued: 1 year.

80. Manufactured stock: (a) Shop orders or requisitions for the manufacture of stock: 3 years.

(b) Records and reports of manufactured stock: 6 years.

81. Gas and Oil: (a) Detailed record of gas and oil purchased: 6 years.

(b) Records and reports of gas and oil delivered to airports: 3 years.

(c) Records and reports of gas and oil received and issued at airports: 3 years.

#### Claims

101. Claim registers, card or book indexes and other records in connection with loss and damage, personal injury, fire and other claims, other than passenger refunds presented against the carrier: 6 years.

102. Reports and statements regarding personal injuries, when not necessary to support claims or vouchers: 6 years.

103. All papers substantiating loss and damage, personal injury, fire and other claims, whether such papers are filed separately or attached to vouchers: 4 years after settlement or rejection.

#### Maintenance and Overhaul

126. Records and reports of repairs needed on engines, radio, airplanes and other property and equipment, including defect and repair cards: 5 years.

127. Authorities for expenditures for repairs to engines, radio, airplanes and other property and equipment: 3 years.

128. Records and reports of repairs made to engines, radio, airplanes, and other property and equipment: 5 years.

129. Inspection records: (a) Certificates of inspection of equipment purchased: 5 years.

(b) Records and reports of engines, radio, airplanes and other equipment inspected: 5 years.

130. Records and reports of engines, radio and airplanes received, released and on hand at shops: 1 year.

131. Reports of time and service on individual equipment: (a) Copies of Individual Airplane Log Books, the original of which goes with the airplane: 3 years after disposal of airplane.

(b) Records and reports on individual engines, propellers and radio equipment: 3 years after retirement or sale.

132. Records and reports of equipment numbers changed: Permanently.

133. Records and reports of equipment in and out of service: 1 year.

134. Records and reports of engine and other equipment failures: 3 years after retirement or sale.

#### Transportation

151. Airplane movements: (a) Records of arrivals, departures, delays and related reports: 6 years.

(b) Records of crews by trip: 1 year.

152. Individual trip reports: (a) Records and reports concerning weather, flight plan and related matters for each individual trip flown: 3 years.

(b) Dispatchers, meteorologists and radio operators reports: 3 years.

(c) Reports made by pilots while en route: 3 years.

153. Airplane accidents: (a) Record of airplane accidents: 6 years.

(b) Reports of accidents by pilots, stewardesses or others: 6 years.

(c) Reports of damage to equipment by accidents: 6 years.

154. Records of hours of service of flight personnel: (a) Flight officers: 3 years.

(b) Stewardesses and stewards: 3 years.

155. Air mail service: (a) Records and reports of mail pouches received and distributed: 3 years.

(b) Records of mail handling and irregularities: 1 year.

156. Air express: Records and reports of express received and delivered, delays, and irregularities, way-bills and related matters: 3 years.

#### Passenger Service and Reservations

176. Records and reports dealing with the transporting, handling or mishandling of baggage: 3 years.

177. Records of comments and complaints from passengers and others: 3 years.

178. Records and reports dealing with ground transportation other than the actual contracts with the operators thereof: 3 years.

179. Records and reports of the lost and found department: 3 years.

180. Meal Service and Commissary Reports: (a) Reports of supplies drawn, consumed and on hand: 1 year.

(b) Stewardesses and stewards requisitions and receipts for supplies: 1 year.

(c) Commissary inventories: 6 years.

(d) General commissary, laundry and supply records: 2 years.

181. Reservations reports and records: (a) Cards and charts constituting the original source of passengers' names, telephone numbers, etc.: 1 year.

(b) Telegrams and radio messages relating to the clearance of space, passenger dispatches and other routine matters: 3 months.

(c) Reservations, trip movement charts and other miscellaneous reports and records: 3 months.

(d) Records and reports relating to errors or irregularities, oversales, no-show passengers, etc.: 1 year.

(e) Bulletins of instruction dealing with schedules changes, reservations, procedure, sales effort and related matters: 6 months after expiration.

182. Detective and police service: Reports and records in connection with policing the company's property, detective service, investigations of robberies and attempts to defraud the company when not the subject of claim: 1 year.

#### Miscellaneous

201. Purchase and Sales: (a) Copies of orders for the purchase of materials and supplies: 3 years.

(b) Copies of invoices for materials and supplies purchased which are not attached to vouchers: 3 years.

(c) Bids and offers for the sale or purchase of materials and supplies: 3 years.

(d) Contracts for the purchase or sale of materials and supplies: 6 years after termination.

(e) Advices or requisitions from company storekeepers and others for the purchase of materials and supplies: 3 years.

(f) Price records of purchases, file copies: 6 years.

202. Tariffs and other rate authorities: (a) Tariffs, classifications, bulletins and circulars relative to the transportation of persons or property in the general

files of the traffic department: Permanently.

(b) Authorities for the transportation of persons, free or at reduced rates and supporting papers: 6 years.

(c) Records and reports pertaining to the acquisition, issuance and use of all types of passes: 6 years.

(d) Correspondence and working papers in connection with the making of rates and compilation of tariffs, classifications, bulletins and circulars: 1 year after cancellation of tariff, etc.

203. Reports to Civil Aeronautics Board and similar reports to its predecessor, the Civil Aeronautics Authority, and other regulatory bodies: (a) Annual and monthly financial, operating, and statistical report, file copies of, and supporting papers: Permanently.

(b) Reports of accidents involving aircraft, mechanical interruption in flight, power plant failure and aircraft structural failure and defects, file copies of, and supporting papers: 2 years after current year.

(c) Records and reports of various petitions and hearings: 5 years.

(NOTE: The supporting papers referred to in this item are those requisite to support the reports named, and not elsewhere provided for in these regulations. When figures for such reports are assembled on memorandum sheets, such sheets constitute a part of the supporting papers and shall be retained accordingly.)

204. Annual reports of statements to stockholders, file copies of: Permanently.

205. Monthly or other periodical statements and supporting work papers of general balance sheet, income, and profit and loss accounts, comparative or otherwise: 5 years.

206. Engineering Records: (a) Maps, profiles, plans, specifications, estimates of work, records of engineering studies, and similar records pertaining to extension, addition, and betterment projects which have been put into execution: 6 years after project has been put into execution.

(b) Maps, profiles, plans, specifications, estimates of work, records of engineering studies, and similar records pertaining to extension, addition, and betterment projects which have been abandoned: 3 years after project has been abandoned.

207. Records of employees: (a) Individual employee personnel records such as contract of employment, assignment of inventions, promotions, pay increases, etc.: 2 years after termination of employment.

(b) Medical records of each employee: 2 years after termination of employment.

208. Instructions to employees, agents, and others: File copies of books and circulars of instruction on various topics: 2 years after expiration or cancellation.

209. Provident department records: Records of provident departments, such as employees' relief, hospital insurance, credit union, other than records pertaining to the receipt and disbursement of funds: 1 year.

(NOTE: The records pertaining to the receipt and disbursement of funds will be retained for the same periods as are provided for similar records elsewhere herein)

210. Data relating to the destruction of records; written authorities and cer-

tificates of destruction of accounts, records and memoranda: Permanently.

211. Retirement Plan records: 6 years after termination of employment or 3 years after death of annuitant, whichever is later.

212. Correspondence (including inter-office memoranda) and records thereof relating to subjects listed in items above set forth: For the period prescribed for the records to which the correspondence relates.

213. Advertising and Publicity Department Records: (a) Records of the advertising department pertaining to advertising copy in newspapers, magazines, etc., except those concerning the expenditure of funds: 5 years.

(b) Records pertaining to displays and other miscellaneous matters: 3 years.

(c) Records of the publicity department pertaining to photographs, publicity releases, etc.: 5 years.

214. Workmens Compensation Records: (a) Accident reports: 20 years.

(b) Records of pay roll audits: 10 years.

(c) Voucher records of payments made to Insurance companies or State Funds: 20 years.

(d) Records of settlements made: 20 years.

215. Records and reports of damage to buildings and equipment not covered by insurance: 3 years.

[F. R. Doc. 42-1415; Filed, February 17, 1942; 1:29 p. m.]

## TITLE 24—HOUSING CREDIT

### CHAPTER IV—HOME OWNERS' LOAN CORPORATION

[Administrative Order No. 3-321]

#### PART 402—LOAN SERVICE DIVISION INSURANCE

Section 402.25-13<sup>1</sup> is amended to read as follows:

§ 402.25-13 *Expired insurance policies.* All expired insurance policies held by the Insurance Section for account of home owners shall be destroyed, or otherwise disposed of, after 4 months following expiration, except where expired policies are delivered to the home owners, the signing local insurance agent, or the insurance company, upon request made by any of the aforesaid parties prior to the expiration of the 4 months' period. Such policies shall be destroyed in the presence of a representative of the Corporation who shall certify as to their destruction, or, if they are to be otherwise disposed of, the Regional Manager shall cause them to be mutilated so as to prevent their use in the making of expiration lists or the procuring of other pertinent data by unauthorized persons.

(Effective March 1, 1942)

(Above procedure promulgated by the General Manager and General Counsel pursuant to authority vested in them by the Federal Home Loan Bank Board acting pursuant to Secs. 4 (a) and 4 (k) of Home Owners' Loan Act of 1933, 48 Stat. 129, 132, as amended by sections 1 and 13

<sup>1</sup> 6 F.R. 5646.

of the Act of April 27, 1934, 48 Stat. 643 and 647; 12 U.S.C. 1463 (a), (k).)

[SEAL] J. FRANCIS MOORE,  
Secretary.

[F. R. Doc. 42-1412; Filed, February 17, 1942; 1:17 p. m.]

## TITLE 26—INTERNAL REVENUE CHAPTER I—BUREAU OF INTERNAL REVENUE

[T.D. 5117]

### PART 186—GAUGING MANUAL AMENDING THE GAUGING MANUAL

By virtue of and pursuant to the provisions of sections 2208 and 3176, Internal Revenue Code, subparagraph (b), Paragraph 60<sup>1</sup> of the Gauging Manual, approved November 21, 1938 (§ 186.60 (b), Title 26, CFR), is hereby amended to read as follows:

§ 186.60 *Kind of spirits branded on barrel.*

\* \* \* \* \*

(b) All spirits distilled at or above 190 degrees of proof shall be branded "neutral spirits," followed by a word or phrase descriptive of the material from which distilled. All spirits distilled during the period of the unlimited national emergency proclaimed by the President on May 27, 1941, at less than 190 degrees of proof and not less than 160 degrees of proof, from grain, and which are so treated in the process of distillation as to lack the taste, aroma and other characteristics of whiskey, shall also be branded "neutral spirits," followed by a word or phrase descriptive of the material from which distilled. Such branding shall be in the following form: "Neutral Spirits—Grain," "Neutral Spirits—Cane," or "Neutral Spirits—Fruit," etc. In the case of fruit neutral spirits produced for fortification, the words "Neutral Spirits—Fruit" branded on the package will be followed by the name of the fruit from which produced. (Secs. 2208, 3176, I.R.C.)

[SEAL] NORMAN D. CANN,  
Acting Commissioner  
of Internal Revenue.

Approved: February 17, 1942.

JOHN L. SULLIVAN,  
Acting Secretary of the Treasury.

[F. R. Doc. 42-1450; Filed, February 18, 1942; 11:54 a. m.]

### SUBCHAPTER C—MISCELLANEOUS EXCISE TAXES

[Regulations 72, 1942 ed.]

#### PART 322—REGULATIONS RELATING TO TAX ON USE OF MOTOR VEHICLES AND BOATS

##### SUBPART A—INTRODUCTORY

Sec. 322.0 Scope of regulations.

##### SUBPART B—DEFINITIONS

322.1 Meaning of terms.

##### SUBPART C—GENERAL PROVISIONS

322.10 Effective date of tax.

322.11 Person liable for tax.

<sup>1</sup> 5 F.R. 1214.

- Sec.  
 322.12 Motor vehicles and boats subject to tax.  
 322.13 Rate and computation of tax.  
 322.14 Motor vehicles and boats not subject to tax.

SUBPART D—ADMINISTRATIVE AND OTHER GENERAL PROVISIONS

- 322.20 Tax payment evidenced by stamps.  
 322.21 Purchase of stamps.  
 322.22 Tax stamps to be posted.  
 322.23 Assessment of taxes not paid by stamp.  
 322.24 Notice and demand for tax; penalty and interest.  
 322.25 Jeopardy assessment.  
 322.26 Claims.  
 322.27 Promulgation of regulations.

Subpart A—Introductory

§ 322.0 *Scope of regulations.* The regulations in this part deal with excise taxes imposed on the use of motor vehicles and boats, by Chapter 33A, of the Internal Revenue Code, which was added by section 557 of the Revenue Act of 1941.

Subpart B defines terms that are used in the Code and in these regulations.

Subpart C deals with the effective date, basis, rate and computation of the tax.

Subpart D contains miscellaneous provisions, including those relating to the filing of applications, payment of the tax, refunds, and penalties.

The applicable provisions of the Code will be found in the appropriate places in the regulations in this part.

The statutory references are to the Internal Revenue Code (53 Stat., Part 1) unless otherwise stated.\*

\*§§ 322.0 to 322.27, inclusive, are issued under the authority contained in sections 3540 and 3791 of the Internal Revenue Code, and follow the statutory provisions to which they respectively refer.

Subpart B—Definitions

[SEC. 3540. TAX ON USE OF MOTOR VEHICLES AND BOATS.]

(b) *Definitions.* For the purposes of this section—

(1) The term "year" means the year beginning July 1.

(2) The term "motor vehicle" means all motor vehicles of the kind chiefly used for highway transportation.

(3) The term "boat" means all boats propelled by machinery, sail, or both, measuring sixteen feet or more in over-all length, owned by a citizen or resident of the United States. Such term does not include boats used chiefly for trade, or commercial fishing, or boats used without profit by any benevolent, charitable, or religious organization exclusively for furnishing aid, comfort, or relief to seamen, or boats used by the sea scouts department of the Boy Scouts of America chiefly for training scouts in seamanship.

(4) The term "use" in the case of the use of a motor vehicle means use on the public highways.

SEC. 3797. DEFINITIONS.

(a) When used in this title, where not otherwise distinctly expressed or manifestly incompatible with the intent thereof—

(1) *Person.* The term "person" shall be construed to mean and include an individual, a trust, estate, partnership, company, or corporation.

(2) *Partnership and partner.* The term "partnership" includes a syndicate, group, pool, joint venture, or other unincorporated

organization, through or by means of which any business, financial operation, or venture is carried on, and which is not, within the meaning of this title, a trust or estate or a corporation; and the term "partner" includes a member in such a syndicate, group, pool, joint venture, or organization.

(3) *Corporation.* The term "corporation" includes associations, joint-stock companies, and insurance companies.

(9) *United States.* The term "United States" when used in a geographical sense includes only the States, the Territories of Alaska and Hawaii, and the District of Columbia.

(10) *State.* The word "State" shall be construed to include the Territories and the District of Columbia, where such construction is necessary to carry out provisions of this title.

(11) *Secretary.* The term "Secretary" means the Secretary of the Treasury.

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

(13) *Collector.* The term "collector" means collector of internal revenue.

(14) *Taxpayer.* The term "taxpayer" means any person subject to a tax imposed by this title.

(b) *Includes and including.* The term "includes" and "including" when used in a definition contained in this title shall not be deemed to exclude other things otherwise within the meaning of the term defined.

§ 322.1 *Meaning of terms.* As used in the regulations in this part the terms defined in the applicable provisions of law shall have the meanings so assigned to them.\*

Subpart C General Provisions

TAX ON THE USE OF MOTOR VEHICLES AND BOATS

SEC. 3540. TAX ON USE OF MOTOR VEHICLES AND BOATS.

(a) *Imposition of tax.* There shall be imposed upon the use of motor vehicles and boats a tax, with respect to each year in which such use occurs, at the following rates:

(1) Motor vehicles—\$5.

(2) Boats—

Over-all length 16 feet or over but not over 28 feet, \$5.

Over-all length over 28 feet but not over 50 feet, \$10.

Over-all length over 50 feet but not over 100 feet, \$40.

Over-all length over 100 feet but not over 150 feet, \$100.

Over-all length over 150 feet but not over 200 feet, \$150.

Over-all length over 200 feet, \$200.

Such tax, in the case of a motor vehicle, shall be paid by the person in whose name the motor vehicle is, or is required to be, registered under the law of the State, Territory, or the District of Columbia in which such motor vehicle is, or is required to be, registered. Such tax, in the case of a boat, shall be paid by the owner of the boat. The tax imposed by this section shall not apply to any use before February 1, 1942, and use before such date shall not be considered to be use within the meaning of this section.

(c) *Proration of tax.* If in any year the first use of the motor vehicle or boat is after July 31 the tax shall be reckoned proportionately from the first day of the month in which such use occurs to and including the 30th day of June following.

(d) *One payment per year.* If the tax imposed by this section is paid with respect

to any motor vehicle or boat for any year no further tax shall be imposed for such year with respect to such motor vehicle or boat.

(j) *Exempt uses.* The tax imposed by this section shall not apply to the use of a motor vehicle or boat by the United States, a State, Territory, the District of Columbia, or a political subdivision of any of the foregoing.

§ 322.10 *Effective date of tax.* The tax on the use of motor vehicles and boats imposed by section 3540 of the Internal Revenue Code as added by section 557 of the Revenue Act of 1941, is effective on and after February 1, 1942.\*

§ 322.11 *Person liable for tax.* In the case of a motor vehicle liability for the tax is imposed on the person in whose name the motor vehicle is, or is required to be, registered under the law of the State, Territory, or the District of Columbia in which such motor vehicle is, or is required to be, registered.

In the case of a boat liability for the tax is imposed on the owner of the boat.\*

§ 322.12 *Motor vehicles and boats subject to tax.* Subject to the exceptions set forth in § 322.14, the tax is imposed upon the use of any motor vehicle (for example, passenger car, bus, truck, motor cycle) of the kind used chiefly for highway transportation, and any boat propelled by machinery, sail, or both, measuring 16 feet or more in over-all length, owned by a citizen or resident of the United States.\*

§ 322.13 *Rate and computation of tax.* The rates of tax for each year are as follows:

(a) *Motor vehicles*—\$5.

(b) *Boats*—

Over-all length 16 feet or over but not over 28 feet, \$5.

Over-all length over 28 feet but not over 50 feet, \$10.

Over-all length over 50 feet but not over 100 feet, \$40.

Over-all length over 100 feet but not over 150 feet, \$100.

Over-all length over 150 feet but not over 200 feet, \$150.

Over-all length over 200 feet, \$200.

In determining "over-all length" the extreme length of the boat should be used; i. e., from the forward side of the stem outside the planking or plating to the aftermost side of the stern planking or plating, whether above or below the water line. The measurement should be to the outside of any planking or plating extending above the deck, constituting bulwarks, and to the outside of any fore-castle deck, quarter-deck, or poop deck extending beyond the main deck. The length should be taken in a straight line excluding any sheer there may be to the deck.

The tax year begins July 1 and ends June 30. The rates given above are for one year's use of a motor vehicle or boat, as the case may be. When the first use of a motor vehicle or boat during the taxable year July 1, 1942 through June 30, 1943 (both dates inclusive), or during any taxable year thereafter, occurs in July of such year, the tax must be paid for the entire taxable year. When the first use

occurs in a month subsequent to July, a proportionate part of the annual tax must be paid. Since the month is not divisible for tax purposes, tax liability is reckoned from the first day of the month in which the use first occurred.

Since the tax becomes effective February 1, 1942, a person incurring liability on the use of a motor vehicle or boat within that month is required to pay with respect to each such motor vehicle or boat 5/12ths of the annual rate.

When the tax has been paid for a particular year with respect to a motor vehicle or boat no further tax is due for such year, even though a change of ownership occurs subsequent to the payment of tax. After the tax has been paid no refund will be made notwithstanding the fact that during some subsequent period of the taxable year the motor vehicle or boat may not be in use. Likewise no refund will be made where the motor vehicle or boat with respect to which the tax was paid is sold or otherwise disposed of before the close of the fiscal year.\*

§ 322.14 *Motor vehicles and boats not subject to tax*—(a) *Motor vehicles*. The tax does not apply to:

(1) Motor vehicles not actually used on the public highways. No tax is payable unless the motor vehicle is actually used on the public highway during the taxable year. For example, no tax is payable with respect to motor vehicles in "dead storage". However, at the time such motor vehicles are taken out of storage and used on a public highway tax liability is incurred for the balance of the taxable year, that is, from the first day of the month in which such use occurs to June 30 next following. (See § 322.13)

(2) Motor vehicles not of the kind used chiefly for highway transportation. For example, farm tractors, or motor driven machines designed for use in pulling vehicles or hauling articles around the premises of factories and railway stations. Similarly, trailers or other vehicles having no means of mechanical self-propulsion are not within the scope of the tax.

(3) Motor vehicles used by the United States, a State, Territory, the District of Columbia, or a political subdivision of any of the foregoing.

(b) *Boats*. The tax does not apply to:

(1) Boats not propelled by machinery or sails.

(2) Boats measuring less than sixteen feet in length.

(3) Boats not used during the taxable year.

(4) Boats used chiefly for trade, including boats used chiefly in connection with an activity which constitutes a person's business, occupation, profession or means of livelihood.

(5) Boats used chiefly for commercial fishing.

(6) Boats used without profit by any benevolent, charitable, or religious organization exclusively for furnishing aid, comfort, or relief to seamen.

(7) Boats used by the sea scouts department of the Boy Scouts of America chiefly for training scouts in seamanship.

(8) Boats owned by non-resident aliens.

(9) Boats used by the United States, a State, Territory, the District of Columbia, or a political subdivision of any of the foregoing.\*

**Subpart D—Administrative and Other General Provisions**

**[SEC. 3540. TAX ON USE OF MOTOR VEHICLES AND BOATS.]**

(e) *Evidence of tax payment*. The payment of the tax imposed by this section shall be evidenced by such suitable stamp, sticker, or tag of such form, which shall be affixed to the motor vehicle or boat in such manner, as the Commissioner, with the approval of the Secretary, may by regulations prescribe.

(f) *Manner of collection*. The place, time, and manner of making payment of the tax, and of furnishing such stamp, sticker, or tag shall be such as may be provided in regulations prescribed by the Commissioner with the approval of the Secretary.

(g) *Cooperation of Post Office Department*. The Commissioner shall furnish to the Postmaster General without prepayment a suitable quantity of stamps, stickers, or tags to be distributed to and kept on sale by postmasters in the United States. The Postmaster General may require each such postmaster to give additional or increased bond as postmaster for the value of the stamps, stickers, or tags furnished to him, and each such postmaster shall deposit the receipts from the sale of such stamps, stickers, or tags to the credit of and render accounts to the Postmaster General at such times and in such form as he may by regulations prescribe. The Postmaster General shall at least once monthly transfer all collections from this source to the Treasury as internal-revenue collections. The Postmaster General is authorized to cooperate to the fullest extent possible with the Commissioner in the sale of such stamps, stickers, or tags and in forwarding to the Commissioner or to the collector of internal revenue such blanks or forms as the Commissioner may determine necessary to the collection of the tax. There are authorized to be appropriated such sums as may be necessary to enable the Secretary of the Treasury to advance from time to time to the Postmaster General such sums as the Postmaster General may show shall be required for the expenses of the Post Office Department in performing in the District of Columbia and elsewhere all services required by this section.

(h) *Sale of stamps by private persons*. If the Commissioner provides for the sale of stamps, stickers, or tags by persons not officers or employees of the United States he may require bond, with sufficient sureties, in a sum to be fixed by the Commissioner, conditioned for the faithful return, whenever required, of all quantities or amounts undisposed of, and for the payment for, all quantities or amounts sold or not remaining on hand. The Commissioner, with the approval of the Secretary, may from time to time make such regulations as he may find necessary to insure the safekeeping or prevention of illegal use of all such stamps, stickers, or tags.

**SEC. 3300. ESTABLISHMENT AND ALTERATION.**

(a) *Authorization*. The Commissioner, with the approval of the Secretary, may establish and, from time to time, alter or change the form, style, character, material, and device of any stamp, mark, or label used under any provision of the laws relating to internal revenue.

(b) *Application of penalty and forfeiture provisions*. All pains, penalties, fines, and forfeitures provided by law relating to internal revenue stamps shall apply to and have full force and effect in relation to any and

all stamps so established by the Commissioner.

§ 322.20 *Tax payment evidenced by stamps*. Payment of tax with respect to the use of a motor vehicle or a boat shall be evidenced by a stamp. Tax shall be paid prior to the use of the motor vehicle or boat.\*

§ 322.21 *Purchase of stamps*—(a) *Motor vehicle stamps*. Stamps evidencing the payment of the tax on the use of motor vehicles may be purchased at any post office of the United States or at the office of any collector of internal revenue. At the time the stamp is purchased the taxpayer will be furnished a post card form, Form MV-1. The taxpayer shall fill out this card in accordance with the instructions thereon and shall either mail or deliver it to the collector of internal revenue for the district in which he resides. Care must be taken to see that this card reaches the hands of the collector, as it will serve as the collector's record of tax payment. A separate card, Form MV-1, should be executed with respect to each motor vehicle for which the stamp is purchased.

(b) *Boats*. Every owner of a boat shall, prior to the use thereof, file with the collector of internal revenue for the district in which such person resides, an application on Form 732 (Revised 1941) together with remittance of the correct amount of tax due. A separate application shall be filed with respect to each boat.\*

§ 322.22 *Tax stamps to be posted*—(a) *Motor vehicles*. The tax stamp issued to the taxpayer shall be posted on the vehicle for which it was issued in such a manner as to be readily visible for inspection. Where permitted by local law or regulation, the tax stamp shall be posted at such place on the windshield of the vehicle as is designated by local motor vehicle authorities. Where the vehicle has no windshield the tax stamp shall be posted in some appropriate place on the vehicle.

(b) *Boats*. A stamp issued for a boat shall be kept on board the boat during the entire tax year for which it was issued and must be available for inspection at reasonable hours by any internal revenue officer on demand.\*

**SEC. 3640. ASSESSMENT AUTHORITY.**

The Commissioner is authorized and required to make the inquiries, determinations, and assessments of all taxes and penalties imposed by this title, or accruing under any former internal revenue law, where such taxes have not been duly paid by stamp at the time and in the manner provided by law.

§ 322.23 *Assessment of taxes not paid by stamp*. In any case where the taxpayer refuses or fails to make payment, the tax will be assessed. No stamp will be issued for an expired period; the tax in such case will be assessed.\*

**SEC. 3655. NOTICE AND DEMAND FOR TAX.**

(a) *Delivery*. Where it is not otherwise provided, the collector shall in person or by deputy, within ten days after receiving any list of taxes from the Commissioner, give notice to each person liable to pay any taxes stated therein, to be left at his dwelling or usual place of business, or to be sent by mail,



stating the amount of such taxes and demanding payment thereof.

(b) *Addition to tax for nonpayment.* If such person does not pay the taxes, within ten days after the service or the sending by mail of such notice, it shall be the duty of the collector or his deputy to collect the said taxes with a penalty of 5 per centum additional upon the amount of taxes, and interest at the rate of 6 per centum per annum from the date of such notice to the date of payment; except that in the case of income, estate or gift taxes, such penalties shall not apply and the interest for nonpayment of tax shall be such as is specifically provided by law with respect to such taxes.

§ 322.24 *Notice and demand for tax; penalty and interest.* Where assessment is made, and payment is not made within 10 days after the issuance of the first notice and demand (Form 17), there will accrue under section 3655, a 5 percent penalty and interest at the rate of 6 percent per annum computed upon the entire assessment from the date of issuance of Form 17 until date of payment.

If a claim for abatement is filed with the collector within 10 days after the date of the issuance of the first notice and demand, the 5 percent penalty does not attach. If the assessment is not paid within 10 days after receipt of notice of rejection of the claim, the 5 percent penalty applies. The filing of the claim does not stay the collection of interest, which continues to run for the full period that intervenes between the date of the first notice and demand and the date of payment.\*

SEC. 3660. JEOPARDY ASSESSMENT.

(a) If the Commissioner believes that the collection of any tax (other than income tax, estate tax, and gift tax) under any provision of the internal-revenue laws will be jeopardized by delay, he shall, whether or not the time otherwise prescribed by law for making return and paying such tax has expired, immediately assess such tax (together with all interest and penalties the assessment, of which is provided for by law). Such tax, penalties, and interest shall thereupon become immediately due and payable, and immediate notice and demand shall be made by the collector for the payment thereof. Upon failure or refusal to pay such tax, penalty, and interest, collection thereof by distraint shall be lawful without regard to the period prescribed in section 3690.

(b) The collection of the whole or any part of the amount of such assessment may be stayed by filing with the collector a bond in such amount, not exceeding double the amount as to which the stay is desired, and with such sureties, as the collector deems necessary, conditioned upon the payment of the amount collection of which is stayed, at the time at which, but for this section, such amount would be due.

§ 322.25 *Jeopardy assessment.* Whenever, in the opinion of the collector, it becomes necessary to protect the interests of the Government by effecting immediate collection of tax, the matter shall be promptly reported to the Commissioner by telegram or letter showing the reason therefor. The communication shall state the full name and address of the person involved, the kind and amount of tax due, and the period involved, so that the Commissioner can immediately assess the tax, together with

all penalties and interest due. Such tax, penalties, and interest will, upon assessment, become immediately due and payable, and the collector shall without delay, issue a notice and demand for payment thereof in full.

The collection of the whole or any part of the amount of such assessment may be stayed by filing with the collector a bond in such amount, not exceeding double the amount with respect to which the stay is desired, and with such sureties as the collector deems necessary, conditioned upon the payment of the amount, collection of which is stayed, at the time at which such amount would normally be due.

Upon refusal to pay, or failure to pay or give bond, the collector shall proceed immediately to collect the tax, penalty, and interest, by distraint, without regard to the 10-day period after notice and demand prescribed in section 3690.\*

SEC. 3304. REDEMPTION OF STAMPS.

(a) *Authorization.* The Commissioner, subject to regulations prescribed by the Secretary, may, upon receipt of satisfactory evidence of the facts, make allowance for or redeem such of the stamps, issued under authority of law, to denote the payment of any internal revenue tax, as may have been spoiled, destroyed, or rendered useless or unfit for the purpose intended, or for which the owner may have no use, or which through mistake may have been improperly or unnecessarily used, or where the rates or duties represented thereby have been excessive in amount, paid in error, or in any manner wrongfully collected.

(b) *Method and conditions of allowance.* Such allowance or redemption may be made, either by giving other stamps in lieu of the stamps so allowed for or redeemed, or by refunding the amount or value to the owner thereof, deducting therefrom, in case of repayment, the percentage, if any, allowed to the purchaser thereof; but no allowance or redemption shall be made in any case until the stamps so spoiled or rendered useless shall have been returned to the Commissioner, or until satisfactory proof has been made showing the reason why the same can not be returned; or, if so required by the said Commissioner, when the person presenting the same can not satisfactorily trace the history of said stamps from their issuance to the presentation of his claim as aforesaid.

(c) *Time for filing claims.* No claim for the redemption of or allowance for stamps shall be allowed unless presented within four years after the purchase of such stamps from the Government.

SEC. 3770 (as amended by section 508 (b), Second Revenue Act of 1940).

AUTHORITY TO MAKE ABATEMENTS, CREDITS, AND REFUNDS

(a) To Taxpayers.

(1) *Assessments and collections generally.* \* \* \* the Commissioner, subject to regulations prescribed by the Secretary, is authorized to remit, refund, and pay back all taxes erroneously or illegally assessed or collected, all penalties collected without authority, and all taxes that appear to be unjustly assessed or excessive in amount, or in any manner wrongfully collected.

SEC. 3313. PERIOD OF LIMITATION UPON REFUNDS AND CREDITS.

All claims for the refunding or crediting of any internal revenue tax alleged to have been erroneously or illegally assessed or col-

lected, or of any penalty alleged to have been collected without authority, or of any sum alleged to have been excessive or in any manner wrongfully collected must \* \* \* be presented to the Commissioner within four years next after the payment of such tax, penalty, or sum. The amount of the refund \* \* \* shall not exceed the portion of the tax, penalty, or sum paid during the four years immediately preceding the filing of the claim, or if no claim was filed, then during the four years immediately preceding the allowance of the refund.

§ 322.26 *Claims.* A claim for the redemption of a stamp issued as evidence of payment of the tax on the use of a motor vehicle or boat must be presented to the collector on Form 843 within four years after the purchase of said stamp from the Government.

Where the tax was paid pursuant to an assessment and not by the issuance of a stamp, a claim for the refund of the amount so paid must be presented within four years next after payment of such tax.

Each claim for redemption or refund shall set forth in detail and under oath each ground upon which the claim is made, and facts sufficient to apprise the Commissioner of the exact basis thereof.\*

PENALTIES

[SEC. 3540. TAX ON USE OF MOTOR VEHICLES AND BOATS.]

(i) *Penalties for unlawful use.* Any person liable for the tax under this section who uses or permits the use of the motor vehicle or boat before tax has been paid shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$25 or imprisoned for not more than thirty days, or both. Any person who uses or operates a motor vehicle or boat at a time when the stamp, sticker, or tag does not appear on the motor vehicle or boat in the manner provided in the regulations prescribed under subsection (e) or (f) shall be guilty of a misdemeanor and upon conviction thereof shall be fined not more than \$25.

SEC. 3793. PENALTIES AND FORFEITURES.

(b) *Fraudulent returns, affidavits, and claims.*

(1) *Assistance in preparation or presentation.* Any person who willfully aids or assists in, or procures, counsels, or advises the preparation or presentation under, or in connection with any matter arising under, the internal revenue laws, of a false or fraudulent return, affidavit, claim, or document, shall (whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document) 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.

(2) *Person defined.* The term "person" as used in this subsection 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.

SECTION 35, CRIMINAL CODE OF THE UNITED STATES, AS AMENDED BY THE ACT APPROVED APRIL 4, 1938 (52 STAT., 197).

(A) Whoever shall make or cause to be made or present or cause to be presented, for payment or approval, to or by any person or officer in the civil, military, or naval service

of the United States, or any department thereof, or any corporation in which the United States of America is a stockholder, any claim upon or against the Government of the United States, or any department or officer thereof, or any corporation in which the United States of America is a stockholder, knowing such claim to be false, fictitious, or fraudulent; or whoever shall knowingly and willfully falsify or conceal or cover up by any trick, scheme, or device a material fact, or make or cause to be made any false or fraudulent statements or representations, or make or use or cause to be made or used any false bill, receipt, voucher, roll, account, claim, certificate, affidavit, or deposition, knowing the same to contain any fraudulent or fictitious statement or entry in any matter within the jurisdiction of any department or agency of the United States or of any corporation in which the United States of America is a stockholder; or whoever shall enter into any agreement, combination, or conspiracy to defraud the Government of the United States, or any department or officer thereof, or any corporation in which the United States of America is a stockholder, by obtaining or aiding to obtain the payment or allowance of any false or fraudulent claim; \* \* \* shall be fined not more than \$10,000 or imprisoned not more than ten years, or both.

\* \* \*

AUTHORITY FOR REGULATIONS

SEC. 3791. RULES AND REGULATIONS

(a) *Authorization.*

(1) *In general.* \* \* \* the Commissioner, with the approval of the Secretary, shall prescribe and publish all needful rules and regulations for the enforcement of this title.

§ 322.27 *Promulgation of regulations.* In pursuance of the provisions of the law, the foregoing regulations in this part are hereby prescribed.\*

[SEAL]                      NORMAN D. CANN,  
*Acting Commissioner of*  
*Internal Revenue.*

Approved: February 17, 1942.

JOHN L. SULLIVAN,  
*Acting Secretary of the Treasury.*

[F. R. Doc. 42-1448; Filed, February 18, 1942;  
11:55 a. m.]

\* \* \*

TITLE 27—INTOXICATING LIQUORS

CHAPTER I—BUREAU OF INTERNAL REVENUE

[T.D. 5116]

PART 5—LABELING AND ADVERTISING OF DISTILLED SPIRITS

MODIFICATION OF STANDARD OF IDENTITY FOR NEUTRAL SPIRITS UNDER THE FEDERAL ALCOHOL ADMINISTRATION ACT

1. By virtue of and pursuant to section 5 (e) of the Federal Alcohol Administration Act, as amended (U.S.C. Sup., Title 27), section 3170 of the Internal Revenue Code (53 Stat., part 1), and section 161 of the Revised Statutes (U.S.C., Title 5, sec. 22), section 21, Class 1 of Regulations No. 5, Relating to Labeling and Advertising of Distilled Spirits (27 CFR 5.21 (a)), is amended to read as follows:

§ 5.21 *The standards of identity—(a) Class 1: Neutral spirits or alcohol.* "Neutral spirits" or "alcohol" are distilled

spirits distilled from any material at or above 190° proof, whether or not such proof is subsequently reduced. The term "neutral spirits" shall also include all distilled spirits distilled during the period of the unlimited national emergency proclaimed by the President on May 27, 1941, which are distilled at 160° proof, or more, from a fermented mash of grain, are unaged, and are so treated in the process of original and continuous distillation as to lack the taste, aroma and other characteristics generally attributed to whiskey.

\* \* \* \* \*

[SEAL]                      STEWART BERKSHIRE,  
*Deputy Commissioner of*  
*Internal Revenue.*

Approved: February 17, 1942.

NORMAN D. CANN,  
*Acting Commissioner of Internal*  
*Revenue.*

JOHN R. SULLIVAN,  
*Acting Secretary of the Treasury.*

[F. R. Doc. 42-1449; Filed, February 18, 1942;  
11:55 a. m.]

\* \* \*

TITLE 28—JUDICIAL ADMINISTRATION

CHAPTER I—DEPARTMENT OF JUSTICE

PART 30—TRAVEL AND OTHER CONDUCT OF ALIENS OF ENEMY NATIONALITIES

Upon the recommendations of the Secretary of War, § 30.15 (a)<sup>1</sup> is amended by adding thereto as subparagraphs (1), (2), (3), the following areas which are designated as prohibited areas in which no alien of enemy nationality (German, Italian or Japanese) shall reside, enter upon, remain or be found after February 15, 1942 with such exceptions as hereafter may be provided by the Attorney General:

§ 30.15 *Prohibited and restricted areas.*

(a) \* \* \*

(1) Prohibited Areas in State of California:

*Prohibited Area No. 1.* Del Norte County, California. Commencing at the mouth of the Smith River and following up the Smith River to U. S. Highway No. 101; following southward on U. S. Highway No. 101 to crossing of Wilson Creek, then down Wilson Creek to the Pacific Ocean and north on the coast to point of beginning.

*Prohibited Area No. 2.* Humboldt County, California. Commencing at the mouth of Redwood Creek going up Redwood Creek to U. S. Highway No. 101, then south on U. S. Highway No. 101 to Little River, then down Little River to the Pacific Ocean and back along the coast to point of beginning.

*Prohibited Area No. 4.* Humboldt County, California, including Cape Mendocino and constituting the area embrac-

ing within a circle having a radius of ½ mile from Cape Mendocino Lighthouse.

*Prohibited Area No. 5.* Humboldt County, California, including Punta Gorda constituting the area embracing with a circle having a radius of ½ mile from Punta Gorda Lighthouse.

*Prohibited Area No. 7.* Mendocino County, California. Commencing at the mouth of Adler Creek thence up Adler Creek to State Highway No. 1, thence south along State Highway No. 1 to Point Arena, thence west to Pacific Ocean, thence north along the coast to point of beginning.

*Prohibited Area No. 9.* Sonoma County, California, all of Skaggs Island (bounded by Sonoma Creek, Napa Slough, Hudman Slough and Second Napa Slough)

*Prohibited Area No. 14.* Marin County, California. Commencing at the junction of State Highway No. 1 and U. S. Highway No. 101 at Mansanita thence north along U. S. Highway No. 101 to Tiburon Boulevard (east of Alto); thence east along Tiburon Boulevard to Tiburon, thence north and northwest along the shore of Tiburon Peninsula to U. S. Highway No. 101 at San Clemente, thence along U. S. Highway No. 101 to point of beginning.

*Prohibited Area No. 17.* Alameda County, California. Commencing at Neptune Beach running north along Webster Street to Oakland Inner Harbor and thence westerly along the shore line of Oakland Inner Harbor to San Francisco Bay, thence along the shore line of San Francisco Bay to point of beginning.

*Prohibited Area No. 20.* San Francisco County, California. Commencing at the mouth of Islais Creek Channel running west to Third Street, thence east on El Dorado Street to the shore, thence along the shore to the point of beginning.

*Prohibited Area No. 21.* San Francisco County, California. The area bounded by Islais Creek Channel, easterly line of Davidson Avenue to the intersection of Mandell Street, thence east to the shore line, thence to the point of beginning.

*Prohibited Area No. 22.* San Francisco County, California. Commencing at the intersection of the southeast line of Donahue Street with the shore line of San Francisco Bay, running southwest along Donahue Street to Jerrold Avenue, thence southeast along Jerrold Avenue to the shore line, thence along the shore line to the point of beginning.

*Prohibited Area No. 23.* San Mateo County, California. Including Point San Bruno, the area within ½ mile of the radio towers located on Point San Bruno.

*Prohibited Area No. 24.* San Mateo County, California. Including part of the town of San Bruno being the area bounded on the north by Walnut Street, on the east by Second Avenue, on the south by San Bruno Avenue and on the west by San Mateo Avenue.

*Prohibited Area No. 25.* San Mateo County, California. Commencing at the

mouth of San Vicente Creek, running up San Vicente Creek to State Highway No. 1, thence north on State Highway No. 1 to San Pedro Creek, thence down San Pedro Creek to Pacific Ocean, thence along shore line to point of beginning.

*Prohibited Area No. 27.* Santa Clara County, California. The area bounded on the northeast by the Southern Pacific Railroad tracks; on the north by El Monte Avenue and Moody Road; on the west by Page Mill Road; on the southwest by the Monte Bello Road and the east by Stevens Creek Reservoir and Stevens Creek.

*Prohibited Area No. 29.* Monterey County, California. The area embraced within a circle having a radius of one mile from Point Sur Lighthouse.

*Prohibited Area No. 30.* San Luis Obispo County, California. The area embraced within a circle having a radius of one mile from Piedras Blancas Point Lighthouse.

*Prohibited Area No. 35.* Los Angeles County, California. The area including part of West Hollywood comprising the area bounded by Almont, Melrose and San Vicente Streets and Santa Monica Blvd.

*Prohibited Area No. 37.* Los Angeles County, California. The area in Los Angeles bounded by Western Avenue, 62nd Street, West Gage Avenue and South St. Andrews Place.

*Prohibited Area No. 38.* Los Angeles County, California. Beginning at intersection of Imperial Highway and Bellflower Blvd., thence north on Bellflower Blvd. to Firestone Blvd., thence north west on Firestone Blvd. to Downey Avenue, thence south west on Downey Avenue to Imperial Highway, thence east on Imperial Highway to point of beginning.

*Prohibited Area No. 39.* Los Angeles County, California. Beginning at intersection of Cherry Avenue and Spring Street, thence east along Spring Street to Clarke Avenue, thence north on Clarke Avenue to Carson Street, thence west on Carson Street to Cherry Avenue, thence south on Cherry Avenue to point of beginning.

*Prohibited Area No. 40.* Los Angeles County, California. Beginning at intersection of East Slauson Avenue and Regent Street, thence south along Regent Street to Bellgrade Avenue, thence east along Bellgrade Avenue to Santa Fe Blvd., thence north along Santa Fe Blvd. to East Slauson Avenue, thence west to point of beginning.

*Prohibited Area No. 41.* Los Angeles County, California. Beginning at the intersection of East 27th Street and Santa Fe Avenue, north along Santa Fe Avenue to entrance to Trailer Sales lot, thence west along fence to boundary of Consolidated Rock Products Co., thence south along fence to East 27th Street, thence east to point of beginning.

*Prohibited Area No. 42.* Los Angeles County, California. Beginning at the intersection of Van Owen Street and Laurel Canyon Blvd., thence east along Van Owen Street to Lankershim Street, thence north along Lankershim Street

to Cohasset Street to Laurel Canyon Blvd., thence south along Laurel Canyon Blvd. to point of beginning.

*Prohibited Area No. 43.* Los Angeles County, California. Beginning at intersection of Anaheim-Telegraph Road and Union Pacific Railroad Tracks, thence south west along Anaheim-Telegraph Road to Gaspar Street, thence north east along Gaspar Street to Union Pacific Railroad tracks, thence along the south side of the tracks to point of beginning.

*Prohibited Area No. 44.* Los Angeles County, California. Beginning at intersection of South San Fernando Blvd. and Providencia Street, thence south west along Providencia Street to tracks of the Southern Pacific Railroad, thence south east along the north side of the railroad tracks to Alameda Street, thence north east along Alameda Street to San Fernando Blvd., thence north west to point of beginning.

*Prohibited Area No. 45.* Los Angeles County, California. Beginning at intersection of South Central Avenue and East 16th Street, thence south east along East 16th Street to Hooper Street, thence north east along Hooper Street to East 15th Street, thence north west along East 15th Street to South Central Avenue, thence south west along South Central Avenue to point of beginning.

*Prohibited Area No. 46.* Los Angeles County, California. Beginning at the intersections of Burbank Drive and Victory Blvd., thence north west to Empire Avenue, thence west on Empire Avenue to Lincoln Street, thence south on Lincoln Street to the Southern Pacific Railroad tracks, thence south east along the north side of the Southern Pacific Railroad tracks to point of beginning.

*Prohibited Area No. 47.* Los Angeles County, California. Beginning at the intersection of San Fernando Blvd. and Cohasset Street, thence west along Cohasset Street to Vineland Avenue, thence south along Vineland Avenue to Victory Blvd., thence east along Victory Blvd. to Hollywood Way, thence north along Hollywood Way to Empire Avenue, thence east on Empire Avenue to Ontario Street, thence north on Ontario Street to San Fernando Blvd., thence north west on San Fernando Blvd. to point of beginning.

*Prohibited Area No. 49.* Fall River Mills, Shasta County, California. The area within 1,000 ft. in any direction from Pit No. 1, Pacific Gas and Electric Company.

*Prohibited Area No. 50.* Burney, Shasta County, California. The area within a distance of 1,000 ft. in any direction from Pit No. 3, Pacific Gas and Electric Company.

*Prohibited Area No. 51.* Caribou, Plumas County, California. The area within a distance of 1,000 ft. in any direction from the Caribou Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 52.* Storrie, Plumas County, California. The area within a distance of 1,000 ft. in any direction from the Bucks Creek Plant.

*Prohibited Area No. 53.* Las Plumas, Butte County, California. The area

within a distance of 1,000 ft. in any direction from the Big Bend Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 54.* Alta, Placer County, California. The area within a distance of 1,000 ft. in any direction from the Drum Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 55.* Placerville, El Dorado County, California. The area within a distance of 500 ft. in any direction from the El Dorado Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 56.* Jackson, Amador County, California. The area within a distance of 500 ft. in any direction from the Electric Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 57.* Jackson, Amador County, California. The area within a distance of 1,000 ft. from the Tiger Creek Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 58.* Stanislaus, Tuolumne County, California. The area within a distance of 500 ft. in any direction from the Stanislaus Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 59.* Jamestown, Tuolumne County, California. The area within a distance of 500 ft. in any direction from the Melones Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 60.* North Fork, Madera County, California. The area within a distance of 500 ft. in any direction from A. G. Wishon Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 61.* Auberry, Fresno County, California. The area within a distance of 500 ft. in any direction from the Kerchoff Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 62.* Fresno County, California. The area within a distance of 500 ft. in any direction from Balch Plant of the Pacific Gas and Electric Company.

*Prohibited Area No. 63.* Shasta County, California. The area within a distance of 300 ft. in any direction from the center line of the Lake Britton Dam of the Pacific Gas and Electric Company.

*Prohibited Area No. 64.* Plumas County, California. The area within a distance of 300 ft. in any direction from the center line of the Lake Almanor Dam of the Pacific Gas and Electric Company.

*Prohibited Area No. 65.* Nevada County, California. The area within a distance of 300 ft. in any direction from the center line of Lake Spaulding Dam of the Pacific Gas and Electric Company.

*Prohibited Area No. 66.* Plumas County, California. The area within a distance of 300 ft. in any direction from the center line of Bucks Storage Dam of the Pacific Gas and Electric Company.

*Prohibited Area No. 67.* Plumas County, California. The area within a distance of 300 ft. in any direction from the center line of the Butte Valley Dam of the Pacific Gas and Electric Company.

*Prohibited Area No. 68.* Amador and Calaveras Counties, California. The area within a distance of 500 ft. from the Pardee Hydro-electric Generating Plant of East Bay Municipal Utility District on Mokelumne River.

*Prohibited Area No. 69.* Amador and Calaveras Counties, California. The area within a distance of 300 ft. from the Jackson Dam of East Bay Municipal Utility District on Mokelumne River.

*Prohibited Area No. 70.* Tuolumne County, California. The area within a distance of 500 ft. in any direction from the Early Intake Hydro-electric Generating Plant of City and County of San Francisco located on Middle Fork Tuolumne River.

*Prohibited Area No. 71.* Tuolumne County, California. The area within a distance of 1,000 ft. in any direction from Moccasin Creek Hydro-electric Generating Plant of the City and County of San Francisco located on Tuolumne River.

*Prohibited Area No. 72.* Tuolumne County, California. The area within a distance of 1,000 ft. in any direction from O'Shaughnessy Dam Hydro-electric Generating Plant of the City and County of San Francisco located in the western end of Hetchetchy Reservoir.

*Prohibited Area No. 73.* Fresno County, California. The area within a distance of 1,000 ft. in any direction from Big Creek Hydro-electric Generating Plant No. 1 of the Southern California Edison Company.

*Prohibited Area No. 74.* Fresno County, California. The area within a distance of 1,000 ft. in any direction from Big Creek Hydro-electric Generating Plant No. 2 of the Southern California Edison Company.

*Prohibited Area No. 75.* Fresno County, California. The area within a distance of 1,000 ft. in any direction from Big Creek Hydro-electric Generating Plant No. 2A of the Southern California Edison Company.

*Prohibited Area No. 76.* Fresno County, California. The area within a distance of 1,000 ft. in any direction from Big Creek Hydro-electric Generating Plant No. 8 of the Southern California Edison Company.

*Prohibited Area No. 77.* Fresno County, California. The area within a distance of 1,000 ft. in any direction from Big Creek Hydro-electric Generating Plant No. 3 of the Southern California Edison Company.

*Prohibited Area No. 78.* Kern County, California. The area within a distance of 1,000 ft. in any direction from Magunden Sub-Station of the Southern California Edison Company.

*Prohibited Area No. 79.* Fresno County, California. The area within a distance of 500 ft. in any direction from Piedra Sub-Station of the Southern California Edison Company.

*Prohibited Area No. 80.* Kern County, California. The area within a distance of 500 ft. in any direction from the Central Station of the California Electric Power Company.

*Prohibited Area No. 81.* The area a distance of 1,000 ft. in any direction from the center line of the Parker Dam on the Colorado River and within a distance of 1,000 ft. in any direction from the power plant of the Metropolitan Water District of Southern California located at Parker Dam on the Colorado River.

*Prohibited Area No. 82.* The area within a distance of 500 ft. in any direc-

tion from the Intake Pumping Plant on the Colorado River of the Metropolitan Water District of Southern California located 2 miles above Parker Dam.

*Prohibited Area No. 83.* The area within a distance of 500 ft. in any direction from Gene Reservoir Pumping Plant of Metropolitan Water District of Southern California located 3 miles west of Parker Dam.

*Prohibited Area No. 84.* Riverside County, California. The area within a distance of 300 ft. in any direction from the center line of Copper Basin Dam of Metropolitan Water District of Southern California located 2 miles west of Gene Reservoir Pumping Plant on the Colorado River Aqueduct.

*Prohibited Area No. 85.* San Bernardino County, California. The area within a distance of 500 ft. in any direction from the Iron Mountain Pumping Plant of Metropolitan Water District located 70 miles west of Parker Dam on the Colorado River Aqueduct.

*Prohibited Area No. 86.* Riverside County, California. The area within a distance of 500 ft. in any direction from Eagle Mountain Pumping Plant on Metropolitan Water District located 110 miles west of Parker Dam on the Colorado River Aqueduct.

*Prohibited Area No. 87.* Riverside County, California. The area within a distance of 500 ft. in any direction from the Hayfield Mountain Pumping Plant 130 miles west of Parker Dam on the Colorado River Aqueduct.

*Prohibited Area No. 88.* Keeler, Inyo County, California. The area within a distance of 500 ft. in any direction from Keeler Plant of the Sierra Talc Company.

(2) Prohibited Areas in State of Oregon:

*Prohibited Area No. 2.* The area surrounding the City Water Supply Standby Pumping Station in Salem, Oregon, located at the corner of Trade and Commercial Streets.

*Prohibited Area No. 3.* The area surrounding the Reservoir and Elevated Steel Tank in Salem, Oregon, located at the junction of Rural and John Streets.

*Prohibited Area No. 4.* The area surrounding the Reservoir in Salem, Oregon, at Candelaria Heights.

*Prohibited Area No. 5.* The area surrounding the Pacific Telephone and Telegraph Company Building at 740 State Street, Salem, Oregon.

*Prohibited Area No. 6.* The area in Salem, Oregon, bounded on the north by Court Street, on the east by Front Street, on the south by State Street and on the west by Fir Street.

*Prohibited Area No. 7.* The area in Albany, Oregon, bounded on the north by Water Street, on the east by Broadalbin Street, on the south by First Street and on the west by Ferry Street.

*Prohibited Area No. 8.* The area included within the limits of River View Park in Eugene, Oregon.

*Prohibited Area No. 9.* An area in Eugene, Oregon bounded on the north by 22nd Street, on the east by Charllan Street, on the west by Washington Street and on the south by a line 1,000

ft. south of the Summit Street Reservoir.

*Prohibited Area No. 10.* The area within the limits of Hendricks Park, Eugene, Oregon.

*Prohibited Area No. 11.* The triangular area in Eugene, Oregon bounded on the south by Broadway, on the west by the Mill Race and on the northeast by the Willamette River.

*Prohibited Area No. 13.* The area in Eugene, Oregon bounded on the north by the alley between 7th and 8th Streets, on the east by Mill Street, on the south by 13th Street and on the west by the alley between Olive and Charnelton Streets.

*Prohibited Area No. 14.* An area extending approximately 1,000 ft. on all sides from the C. A. A. Range Station 4½ miles north of the Aviation Field at Eugene, Oregon.

*Prohibited Area No. 15.* The area in Roseburg, Oregon bounded on the northwest by the alley between Parrot and Flint Streets, on the northeast by Washington Street, on the southeast by Kane Street and on the southwest by Woodward Street.

*Prohibited Area No. 16.* The area in Marshfield, Oregon bounded on the north by Central Street, on the east by Second Street, on the south by Anderson Street and on the west by Third Street.

*Prohibited Area No. 18.* The area in Grants Pass, Oregon bounded on the north by E Street, on the east by Sixth Street, on the south by F Street and on the west by Fifth Street.

*Prohibited Area No. 19.* The area in Medford, Oregon bounded on the north by Harrison Avenue, on the east by the east line of Block 1 Capital Hill addition; on the south by Capital Avenue and on the west by Valley View Drive.

*Prohibited Area No. 20.* The area in Medford, Oregon bounded on the north by W. Main Street, on the east by S. Fir Street, on the south by Eleventh Street and on the west by South Front Street.

*Prohibited Area No. 21.* The area in Medford, Oregon bounded on the north by Third Street, on the east by Bear Creek, on the south by Main Street and on the west by the Southern Pacific Railroad Tracks.

*Prohibited Area No. 25.* The area in Yumatella, Oregon bounded on the north by Third Street, on the east by F Street, on the south by Railroad Avenue and on the west by E Street.

*Prohibited Area No. 26.* The area in Pendleton, Oregon bounded on the northeast by Byers Avenue, on the southeast by South Main Street on the southwest by Southwest Court Avenue and on the northwest by First Street.

*Prohibited Area No. 27.* The area in La Grande, Oregon bounded on the north by Jefferson Avenue, on the east by Depot Street, on the south by Adams Street and on the west by Chestnut Street.

*Prohibited Area No. 28.* The area located within a circle having a radius of 1 mile from the Armory located on the Oregon State College Campus at Corvallis, Oregon.

**Prohibited Area No. 29.** The area within circles having radii of 1,000 ft. of the Armory located at Oak and Kane Streets in Roseburg, Oregon and from the installation located across the Umpqua River on Northwest Oak Street in Roseburg, Oregon.

**Prohibited Area No. 30.** An area in the States of Washington and Oregon along the Columbia River above and below the Bonneville Dam and extending on each side of the River about 1/2 mile inland from the bank of the River and extending downstream to a line drawn between Bridal Veil, Oregon and Prindle, Washington and extending upstream to a line drawn between Farley, Oregon to Carson, Washington.

(3) Prohibited Areas in State of Washington:

**Prohibited Area No. 2.** The area of approximately 8 sq. miles surrounding the Grand Coulee Dam on the Columbia River in Washington.

**Prohibited Area No. 3.** The area within a circle having a radius of 1,000 ft. from the Long Lake Hydro Electric Plant on the Spokane River approximately 25 miles northeast of Spokane, Washington.

**Prohibited Area No. 4.** The areas within circles having radii of 1,000 ft. from the power house and from the lower dam located on the Skagit River in Whatcom County, Washington.

**Prohibited Area No. 5.** The area within a circle having a radius of 1 mile from the Diablo Dam located on the Skagit River in Whatcom County, Washington.

**Prohibited Area No. 6.** The area within a circle having a radius of 1 mile from the Ruby Dam located on the Skagit River in Whatcom County, Washington.

**Prohibited Area No. 7.** The area within a circle having a radius of 500 ft. from the Baker River Dam near Concrete, Skagit County, Washington.

**Prohibited Area No. 8.** The area within a circle having a radius of 500 ft. from the Electron hydro-electric plant at Electron, Pierce County, Washington.\*

(Procs. 2525, 2526, 2527, 2537; 6 F.R. 6321, 6323, 6324, 7 F.R. 329; R.S. 4067; 50 U.S.C. 21)

Dated: February 14, 1942.

FRANCIS BIDDLE,  
Attorney General.

[F. R. Doc. 42-1419; Filed, February 18, 1942; 9:56 a. m.]

**TITLE 32—NATIONAL DEFENSE**  
**CHAPTER IX—WAR PRODUCTION BOARD**  
**SUBCHAPTER B—PRIORITIES DIVISION**  
**PART 1027—SULPHITE PULP**  
*Amendment to General Preference Order M-52<sup>1</sup>*

The "Allocation Schedule of Sulphite Wood Pulp" attached to § 1027.1 (General Preference Order M-52, as amended February 5, 1942) is hereby further

<sup>1</sup> 7 F.R. 204, 517, 764.

amended by adding the following schedules for February and March for Lend-Lease purposes to the February schedule

for nitration purposes contained in the above-mentioned amendment dated February 5, 1942:

**ALLOCATION SCHEDULE OF BLEACHED SULPHITE WOOD PULP**

Government supplier	Producer	Individual producers' scheduled allocated tonnage February	Individual producers' scheduled allocated tonnage March	Total
<b>BROWN</b>				
Responsibility.....	3,000			
Own contribution.....	1,423			
Allocation tonnage.....	1,577			
	Champion Paper & Fibre Co.....	148	297	445
	Dexter Sulphite.....	23		23
	Groveton Paper Co.....	52	105	157
	Hol. & Whitney.....	40	80	120
	International Paper Co.....	51		51
	Kennebec Pulp & Paper Co.....	31	32	63
	Kimberly Clark Corp.....	119	239	358
	Marinette Co.....	40		40
	Mount Tom Sulphite Pulp Co.....	41	82	123
	Port Huron Sulphite & Paper Co.....	49	98	147
	St. Regis Paper Co.....	47		47
	Total.....	644	933	1,577
<b>SOUNDVIEW</b>				
Responsibility.....	3,150			
Own contribution.....	1,442			
Allocation tonnage.....	1,708			
	Flambeau Paper Co.....	42	85	127
	Nekoosa-Edwards Paper Co.....	83	166	249
	Northern Paper Mills.....	97	194	291
	Oxford Paper Co.....	206	412	618
	West Virginia Pulp & Paper Co.....	148	295	443
	Total.....	576	1,152	1,728
<b>WEYERHAEUSER</b>				
Responsibility.....	1,650			
Own contribution.....	774			
Allocation tonnage.....	876			
	Consolidated Water Power.....	196	392	588
	Detroit Sulphite.....	65	130	195
	Sterling Pulp & Paper Co.....	28	55	83
	Total.....	289	577	866
<b>EASTERN</b>				
Responsibility.....	1,200			
Own contribution.....	570			
Allocation tonnage.....	630			
	Castanca Paper Co.....	82	165	247
	Penobscot Chemical Fibre Co.....	85	169	254
	Wausau Paper Mills Co.....	42	84	126
	Total.....	209	418	627
<b>RAYONIER</b>				
Responsibility.....	6,000			
Own contribution.....	2,817			
Allocation tonnage.....	3,183			
	Badger Paper Mills.....	61	122	183
	Columbia River Paper Mills.....	40	80	120
	Consolidated Water Power.....	36	71	107
	Crown Zellerbach Corp.....	153	307	460
	Hammermill Paper Co.....	196	394	590
	Hoberg Paper Mills.....	50	100	150
	Inland Empire Paper Co.....	27		27
	Kimberly Clark Corp.....	67	135	202
	Marathon Paper Mills Co.....	106	212	318
	Muntising Paper Co.....	73	147	220
	Northwest Paper Co.....	54	108	162
	Oregon Pulp & Paper Co.....	104	207	311
	Parker Young Co.....	59	118	177
	Rhineland Paper Co.....	21	41	62
	J. & J. Rogers & Co.....	40	77	117
	Total.....	1,087	2,089	3,176
	Total allocation tonnage.....			7,974
Total:				
Responsibility.....	15,000			
Own contribution.....	7,026			
Allocation tonnage.....	7,974			

**ALLOCATION SCHEDULE OF UNBLEACHED SULPHITE WOOD PULP**

Government supplier	Producer	Individual producers' scheduled allocated tonnage February	Individual producers' scheduled allocated tonnage March	Total
<b>SPAULDING</b>				
Responsibility.....	573			
Own contribution.....	220			
Allocation tonnage.....	353			
	Fibreboard Products, Inc.....	60	120	180
	Rayonier, Inc.....	58	115	173
	Total.....	118	235	353
<b>SCOTT</b>				
Responsibility.....	1,063			
Own contribution.....	411			
Allocation tonnage.....	652			
	International Paper Co.....	212	426	638
	Marinette Co.....	24		24
	Total.....	236	426	662
<b>WEYERHAEUSER</b>				
Responsibility.....	1,943			
Own contribution.....	756			
Allocation tonnage.....	1,207			
	Columbia River Paper Mills.....	53	107	160
	Consolidated Water Power.....	52	103	155
	Detroit Sulphite.....	27	53	80
	Dexter Sulphite.....	64	127	191
	Falls Pulp & Paper Co.....	39	78	117
	Flambeau Paper Co.....	26		26
	Great Northern Paper Co.....	108	216	324
	Hoberg Paper Mills.....	49	98	147
	Total.....	418	782	1,200

## ALLOCATION SCHEDULE OF UNBLEACHED SULPHITE WOOD PULP—Continued

Government supplier	Producer	Individual producers' scheduled allocated tonnage February	Individual producers' scheduled allocated tonnage March	Total
<b>CROWN ZELLERBACH</b>				
Responsibility .....	Algonquin Paper Corp.....	62	124	186
Own contribution .....	Gould Paper Co.....	27	55	82
	Groveton Paper Co.....	24	48	72
Allocation tonnage.....	Hawley Pulp & Paper Co.....	102	203	305
	Inland Empire Paper Co.....	21	47	71
	Kennebec Pulp & Paper Co.....	33	65	98
	Maine Seaboard Paper Co.....	84	168	252
	Minn. & Ontario Paper Co.....	133	266	399
	Nekoosa-Edwards Paper Co.....	25	49	74
	Northwest Paper Co.....	17	34	51
	Oregon Pulp & Paper Co.....	17	---	17
	Parker Young Co.....	26	---	26
	Wausau Paper Mills Co.....	24	---	24
	Total .....	598	1,050	1,657
<b>MUGET SOUND</b>				
Responsibility .....	Brown Co.....	60	121	181
Own contribution .....	Eastern Corporation.....	43	96	144
	Hammermill Paper Co.....	20	---	20
Allocation tonnage.....	Hollingsworth & Whitney.....	107	214	321
	Kimberly Clark Corp.....	38	77	115
	Marathon Paper Mills Co.....	7	---	7
	Mount Tom Sulphite Pulp Co.....	4	---	4
	Munising Paper Co.....	3	---	3
	Northern Paper Mills.....	27	53	80
	Racquette River Paper Co.....	30	60	90
	Rayonier, Inc.....	21	42	63
	Rhinclender Paper Co.....	32	65	97
	St. Croix Paper Co.....	42	83	125
	St. Regis Paper Co.....	74	148	222
	Soundview Pulp Co.....	67	133	200
	Sterling Pulp & Paper Co.....	33	67	100
	Wolf River Paper Co.....	27	53	80
	Total .....	640	1,212	1,852
Total				
Responsibility .....				9,250
Own contribution .....				3,525
Allocation tonnage.....				5,724

This amendment shall take effect as of February 1, 1942. (P.D. Reg. 1, Amended Dec. 23, 1941, 6 F.R. 6639, W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329, E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Public No. 671, 76th Cong., 3d Sess., as amended by Pub. No. 89, 77th Cong., 1st Sess.)

Issued this 18th day of February 1942.

J. S. KNOWLSON,

Director of Industry Operations.

[F. R. Doc. 42-1440; Filed, February 18, 1942; 11:08 a. m.]

## PART 1047—PETROLEUM

## Amendment No. 3 of Conservation Order M-68

Section 1047.1 Conservation Order No. M-63 is hereby amended by inserting after paragraph (c) thereof a new paragraph (d) as follows, and relettering the ensuing paragraphs accordingly:

(d) *Determination of uniform well-spacing pattern.* (1) Subject to the provisions of subparagraph (2) below, each well "spudded" subsequent to December

6 F.R. 6687; 7 F.R. 281, 601, 903.

23, 1941, in any oil or gas field, other than a Condensate Field, on any proposed drilling unit consisting of not less than forty surface acres in the case of any oil field or of not less than 640 surface acres in the case of any gas field, shall be deemed to conform to a "uniform well-spacing pattern" for the purposes of paragraph (c) (7) and (8) of this section, where such well is drilled in accordance with the following terms:

(i) Each well shall bear the same geographical relationship with respect to the square drilling unit upon which it is to be located as all other wells drilled subsequent to December 23, 1941 bear to the respective square drilling units upon which such wells have been or are to be located: *Provided*, That subject to the provisions of (2) below, any well which is to be drilled shall be considered as conforming to a uniform well-spacing pattern where such well is to be located within 100 feet of the point at which absolute geographic identity would be attained or where such well is to be located within 150 feet of the geographic center of a square drilling unit; or

(ii) Where property interests (including leasehold or other property interests) in irregularly shaped tracts necessitate departures from square drilling

units, a well may be located on any drilling unit consisting of not less than the prescribed number of surface acres (40 surface acres in the case of an oil field; 640 surface acres in the case of a gas field); *Provided*, That such well is drilled in conformity with the provisions of subparagraph (2) below.

(2) No well "spudded" subsequent to December 23, 1941 shall be considered as drilled in conformity with a uniform well-spacing pattern unless:

(i) The proposed drilling unit upon which such well is to be located consists entirely of acreage which is not attributable to any well other than such proposed well. The acreage attributable to wells offsetting the proposed drilling unit shall be determined by assigning to such wells an acreage equivalent to that in the existing well density or drilling pattern contiguous to such wells. In the case of an oil field no portion of a drilling unit shall fall within 330 feet of an existing well; in the case of a gas field no portion of a drilling unit shall fall within 1320 feet of an existing well; and

(ii) The direct linear distance between any two points which are farthest removed from each other on the drilling unit upon which a well is to be drilled does not exceed the length of the diagonal of a rectangle whose length is twice its width and which is equivalent in surface acreage to such drilling unit; and

(iii) All separate property interests of less than 40 surface acres in the case of an oil field, 640 surface acres in the case of a gas field, or in tracts on which a well cannot otherwise be drilled by virtue of the provisions of this Order, surrounding the designated drilling location of any well, are first consolidated with each other, another, or other property interests to form a drilling unit (consisting of not less than 40 surface acres in the case of an oil field; 640 surface acres in the case of a gas field) on which a well may be drilled; and

(iv) Such well is drilled at least 990 feet in the case of an oil field or 3960 feet in the case of a gas field from any well "spudded" in such field subsequent to December 23, 1941; and

(v) Such well is drilled at least 660 feet in the case of an oil field or at least 2640 feet in the case of a gas field from any well "spudded" or completed in such field on or before December 23, 1941; and

(vi) Such well is drilled at least 330 feet in the case of an oil field or 1320 feet in the case of a gas field from any lease line, property line or subdivision line which separates unconsolidated property interests. (P.D. Reg. 1, amended December 23, 1941, 6 F.R. 6680; W.P.B. Reg. 1, Jan. 26, 1942, 7 F.R. 561, E.O. 9024, Jan. 16, 1942, 7 F.R. 329; E.O. 9040, Jan. 24, 1942, 7 F.R. 527; sec. 2 (a), Pub. No. 671, 76th Cong., 3d Sess., as amended by Pub. No. 89, 77th Cong., 1st Sess.)

This Amendment shall take effect immediately. Issued this 18th day of February, 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-1441; Filed, February 18, 1942; 11:08 a. m.]

PART 1047—PETROLEUM

Interpretation No. 2 of Conservation Order M-68,<sup>1</sup> as Amended

The following official interpretation is hereby issued by the Director of Industry Operations with respect to § 1047.1, Conservation Order M-68, dated December 23, 1941, as amended from time to time.

The term "lease equipment", as used in Conservation Order M-68, means the fixed or stationary equipment and Material installed on any property located within the productive boundaries of any field for direct or indirect use in the production of petroleum, including production office or camp facilities located adjacent to any field; but not including the well, well equipment, pumping or artificial lifting facilities, flow lines and gathering lines from the wells, cycling plants, pressure maintenance plants, and plants for the extraction of natural gasoline and associated hydrocarbons or for other treatment or processing of gas.

Issued this 18th day of February 1942.

J. S. KNOWLSON,  
Director of Industry Operations.

[F. R. Doc. 42-1439; Filed, February 18, 1942; 11:08 a. m.]

CHAPTER XI—OFFICE OF PRICE ADMINISTRATION

PART 1315—RUBBER AND RUBBER PRODUCTS AND MATERIAL OF WHICH RUBBER IS A COMPONENT

Amendment No. 1 to Revised Tire Rationing Regulations<sup>2</sup>—Tires and Tubes, Retreaded and Recapped Tires, and Camelback. Section 1315.151 (e) and 1315.151 (aa) and Section 1315.401 (a) (1) are hereby amended to read as follows:

§ 1315.151 Definitions.

(e) "Delivery" means any transfer except a transfer involving only a change in physical location.

(aa) "Transfer" means sale, lease, loan, trade, shipment, delivery or transfer or any transaction involving a change in right or title to or interest in any commodity, or any change in use or physical location, including the placing of a tire or tube upon a wheel or rim.

§ 1315.401 Permitted and prohibited transfers and deliveries to consumers—(a) Prohibitions.

(1) The prohibition in this paragraph (a) applies to sales and deliveries and physical transfers involving a change either in use or location as set forth in

<sup>1</sup> 6 F.R. 6687; 7 F.R. 281, 601, 903.  
<sup>2</sup> 7 F.R. 1027.

§ 1315.801. Except as provided in paragraphs (b) and (c) of this section and in §§ 1315.801 to 1315.805, it is unlawful to transfer new tires or tubes, or deliver retreaded or recapped tires, to a consumer, even though such consumer has completed and paid for the purchase or agreement for transfer of such tires or tubes from the person of whom delivery or transfer is requested.

(Pub. Law 421, 77th Cong., 2d Sess. Jan. 30, 1942, OPM Supp. Order No. M-15c, WPB Directive No. 1, Supp. Directive No. 1B, 6 F.R. 6792; 7 F.R. 562, 925)

This amendment No. 1 shall become effective February 19, 1942. Issued this 17th day of February 1942.

LEON HENDERSON,  
Administrator.

[F. R. Doc. 42-1420, Filed, February 18, 1942; 9:58 a. m.]

PART 1338—SILK AND SILK PRODUCTS

PRICE SCHEDULE NO. 14—RAW SILK AND SILK WASTE

Order of Revocation

Price Schedule No. 14,<sup>1</sup> providing maximum prices for raw silk and silk waste, was issued on August 2, 1941, for the purpose of remedying inflationary market conditions brought about by speculative forces set in motion as the result of international developments in the Far East. Thereafter, certain provisions of the Schedule were amended, effective September 30, 1941.

Since issuance of Price Schedule No. 14 substantially all stocks of silk in the country have been acquired by the United States Government, through agencies thereof, or are presently in the hands of manufacturers fabricating materials in fulfillment of government contracts.

Accordingly, under the authority vested in me by the Emergency Price Control Act of 1942, it is hereby directed that:

Price Schedule No. 14, §§ 1338.1 to 1338.9 inclusive, is hereby revoked. (Pub. No. 421, 77th Cong., 2d Sess.)

This order of revocation is effective February 19, 1942. Issued this 18th day of February 1942.

LEON HENDERSON,  
Price Administrator.

[F. R. Doc. 42-1437; Filed, February 18, 1942; 11:04 a. m.]

TITLE 33—NAVIGATION AND NAVIGABLE WATERS

CHAPTER II—CORPS OF ENGINEERS, WAR DEPARTMENT

PART 203—BRIDGE REGULATIONS<sup>2</sup>  
TRENT RIVER, N. C.

Pursuant to the provisions of section 5 of the River and Harbor Act approved

<sup>1</sup> 6 F.R. 3893, 4974, 5094, 5851.  
<sup>2</sup> § 203.354 is added.

August 18, 1894 (28 Stat. 362; 33 U.S.C. 499), the following regulations are prescribed to govern the operation of the Atlantic Coast Line Railroad Company bridge across Trent River at Pollocksville, North Carolina.

§ 203.354 Trent River, N. C.; Atlantic Coast Line Railroad Company bridge at Pollocksville, N. C. (a) The owner of, or agency controlling, the bridge will not be required to keep a draw tender in constant attendance at the above-named bridge.

(b) Whenever a vessel, unable to pass under the closed bridge, desires to pass through the draw, at least 24 hours' advance notice of the time the opening is required shall be given to the authorized representative of, or agency controlling the bridge.

(c) Upon receipt of such notice, the authorized representative of, or agency controlling, the bridge, in compliance therewith, shall arrange for the prompt opening of the draw at the time specified in the notice for the passage of the vessel.

(d) The owner of, or agency controlling the bridge shall keep conspicuously posted on both the upstream and downstream sides of the bridge, in such manner that it can easily be read at any time, a copy of these regulations together with a notice stating exactly how the representative specified in paragraph (b) of this section may be reached.

(e) The operating machinery of the draw shall be maintained in a serviceable condition, and the draw opened and closed frequently enough to make certain that the machinery is in proper order for satisfactory operation. (Sec. 5, 28 Stat. 362; 33 U.S.C. 499) [Regs. February 6, 1942 (E.D. 6371 (Atlantic Coast Line RR-Trent R.)—2/4)]

[SEAL] E. S. ADAMS,  
Major General,  
The Adjutant General.

[F. R. Doc. 42-1418; Filed, February 17, 1942; 2:53 p. m.]

TITLE 49—TRANSPORTATION AND RAILROADS

CHAPTER I — INTERSTATE COMMERCE COMMISSION

[Ex Parte No. MC-5]

PART 174—SURETY BONDS AND POLICIES OF INSURANCE

ORDER IN THE MATTER OF SECURITY FOR THE PROTECTION OF THE PUBLIC AS PROVIDED IN PART II OF THE INTERSTATE COMMERCE ACT, AND OF RULES AND REGULATIONS GOVERNING THE FILING AND APPROVAL OF SURETY BONDS, POLICIES OF INSURANCE, QUALIFICATIONS AS A SELF-INSURER, OR OTHER SECURITIES AND AGREEMENTS BY MOTOR CARRIERS AND BROKERS SUBJECT TO PART II OF THE INTERSTATE COMMERCE ACT

At a session of the Interstate Commerce Commission, Division 5, held at its office in Washington, D. C., on the 23d day of January, A. D. 1942.

The matter of amending the list of commodities exempted from the cargo security requirements prescribed under Section 215 of the Interstate Commerce Act by our order of March 25, 1940, being under consideration:

*It is ordered*, That the regulations exempting commodities from the cargo security requirements prescribed by the order of Division 5 of March 25, 1940, be, and they hereby are, amended to read as follows:

§ 174.1a *Commodities exempted from cargo security requirements.* From and after January 23, 1942, the list of exempted commodities shall read as follows, the exemption to apply to all policies of insurance or other security which are now on file for or which are hereafter required to be filed by motor common carriers of property in accordance with the requirements of this part:

Ashes, wood or coal.  
 Bituminous concrete (also known as blacktop or amesite).  
 Cinders, coal.  
 Coal.  
 Coke.  
 Commercial fertilizer.  
 Corn cobs.  
 Cottonseed hulls.  
 Fish scrap.  
 Forest products, viz: Logs, billets, or bolts, native wood, Canadian wood or Mexican pine; pulpwood; fuelwood; wood kindling; and wood sawdust or shavings (shingle tow) other than jewelers' or paraffined.  
 Garbage.  
 Gravel, other than bird gravel.  
 Ice.  
 Iron ore.  
 Lumber.  
 Manure.  
 Meat scraps.  
 Ores in bulk.  
 Poles and piling, other than totem poles.  
 Salt, in bulk or in bags.  
 Sand, other than asbestos, bird, iron, monazite, processed or tobacco sand.  
 Scrap iron.  
 Scrap steel.  
 Shells, clam, mussel, or oyster.  
 Slag, other than slag with commercial value for the further extraction of metals.  
 Slate, crushed or scrap.  
 Soil, earth, or marl, other than infusorial, diatomaceous, tripoli, or inoculated soil or earth.  
 Stone, unglazed and unmanufactured, including ground agricultural limestone.  
 Sugar beet pulp.  
 Sugar beets.  
 Water, other than mineral or prepared water.  
 (Sec. 215, 49 Stat. 557; 49 U.S.C. 315)  
 By the Commission, division 5.  
 [SEAL] W. P. BARTEL,  
*Secretary.*

[F.R. Doc. 42-1443; Filed February 18, 1942; 11:35 a. m.]

## Notices

### DEPARTMENT OF THE INTERIOR.

#### Bituminous Coal Division.

[Docket No. A-607]

PETITION OF JOHN TAYLOR FOR A CHANGE IN MINIMUM PRICES FOR THE COALS OF THE JOHN AND EARL SCOTT MINE (MINE INDEX NO. 1262) OF JOHN TAYLOR, A PRODUCER IN DISTRICT 8, FOR TRUCK SHIPMENT

#### ORDER DISMISSING PETITION

A petition, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, having been filed by the above-named party, requesting a change in minimum prices for the coals produced at the John and Earl Scott Mine (Mine Index No. 1262) of John Taylor, in District 8, for truck shipment;

An Order having been entered herein on November 19, 1941, requiring the petitioner to appear and show cause why the petition should not be dismissed; the petitioner having failed to appear at the time and place designated therefor, and having wholly made default;

The Examiner, Charles O. Fowler, having on January 9, 1942, filed a recommendation that the petition be dismissed and no exceptions to such recommendation having been filed;

*It is ordered*, That the petition filed herein be and the same hereby is dismissed, without prejudice, however, to the right of the petitioner to file a new petition with the Division in regard to the same matter, pursuant to the Rules and Regulations Governing Practice and Procedure Before the Division in Proceedings Instituted Pursuant to section 4 II (d) of the Act.

Dated: February 17, 1942.

[SEAL] DAN H. WHEELER,  
*Acting Director.*

[F. R. Doc. 42-1425; Filed, February 18, 1942; 10:56 a. m.]

[Docket No. B-42]

IN THE MATTER OF H. N. HARTWELL & SON, INC., REGISTERED DISTRIBUTOR, REGISTRATION NO. 4055, RESPONDENT

NOTICE OF FILING APPLICATION PURSUANT TO § 301.132 FOR DISPOSITION OF PROCEEDING WITHOUT FORMAL HEARING

Notice is hereby given that H. N. Hartwell & Son, Inc., Registered Distributor, Registration No. 4055, a corporation having its principal place of business at Park Square Building, Boston, Massachusetts, being the respondent in the above-entitled matter, filed with the Bituminous Coal Division an application dated December 30, 1941, pursuant to § 301.132 of the Rules and Regulations Governing Practice and Procedure Before the Bituminous Coal Division for the

Disposition Without Formal Hearing of Compliance Proceedings.

The Notice of and Order for Hearing, as amended, in the above-entitled proceeding alleges that respondent violated section 4 II (h) of the Act and paragraph (a) of the Distributor's Agreement by accepting and retaining discounts from the sales price of 1792.21 net tons of coal purchased from the Forks Coal Mining Company, code member, which were in excess of the maximum allowable discounts prescribed by the Order of the Director dated June 19, 1940 in General Docket No. 12.

In said application the respondent admits the sale on behalf of the Forks Coal Mining Company, a code member, during the period from October 1, 1940, to March 28, 1941, inclusive, of 1,792.21 net tons of 2" N/S coal produced at the said code member's Hughes No. 11 Mine, Mine Index No. 219, District No. 1, as set forth in the Notice of and Order for Hearing in the above-entitled proceeding, and in addition, the sale of 1,475.09 net tons of coal produced at the aforesaid mine, or a total of 3,267.30 net tons of such coal. The respondent agrees to the incorporation of the said additional tonnage in the Notice of and Order for Hearing, as amended, in the above-entitled proceeding.

The respondent admits receiving, accepting and retaining a compensation of 25 cents per net ton on sales of the aforesaid coal, but avers that it believed that it was acting for the aforesaid code member in the capacity of a sales agent and that the respondent had no intent to violate section 4 II (h) of the Act and paragraph (a) of the Distributor's Agreement.

The respondent agrees to refund to said code member Four Hundred Twenty-four Dollars and Seventy-five Cents (\$424.75) which is the difference between the total discounts from the sales price of the aforesaid coal accepted and retained by the respondent and the maximum allowable discounts prescribed by Order of the Director dated June 19, 1940, in General Docket No. 12, which the respondent would have been entitled to receive had it acted as a registered distributor in said transactions.

The respondent consents to the entry of an order suspending its registered distributor's Certificate No. 4055 for the period of one (1) day in connection with the alleged violations of section 4 II (h) of the Act and paragraph (a) of the Distributor's Agreement set forth in the Notice of and Order for Hearing, as amended, in the above-entitled proceeding.

Interested parties may file within fifteen (15) days from the date of this Notice recommendations or requests for informal conferences with respect to the above-described application.

Dated: February 17, 1942.

[SEAL] DAN H. WHEELER,  
*Acting Director.*

[F. R. Doc. 42-1426; Filed, February 18, 1942; 10:56 a. m.]



[Docket No. B-126]

IN THE MATTER OF MATERIAL SERVICE CORPORATION, A CORPORATION, REGISTERED DISTRIBUTOR, REGISTRATION NO. 6031, AND CONSUMERS COMPANY OF ILLINOIS, A CORPORATION, REGISTERED DISTRIBUTOR, REGISTRATION NO. 1811, RESPONDENTS

ORDER RESETTING HEARING

A hearing having been held in the above entitled matter on January 27, 28, and 29, 1942, in the City of Chicago, Illinois, before W. A. Shipman, Trial Examiner of the Division; and

The respondents herein having represented to the Examiner that A. M. Fellows, one of the witnesses subpoenaed by the Division, was unavoidably absent from the city and therefore unable to be present at the hearing; and having also represented that one C. J. O'Laughlin, a material witness for respondents, was at that time confined to his bed by illness; and

Said respondents having requested that the hearing be postponed to some future date for the purpose of taking the testimony of such witnesses; and

The Trial Examiner having thereupon, at the conclusion of the hearing on January 29, 1942, postponed the hearing for such purpose to such time and place as might thereafter be designated by an appropriate order of the Acting Director; and

The Acting Director deeming it advisable at this time to reschedule such hearing for such purpose.

Now, therefore, it is hereby ordered, That the hearing in the above-entitled matter be reset for February 26, 1942, at 10:00 a. m. at a hearing room of the Bituminous Coal Division at Room 705, U. S. Custom Court Building, 610 South Canal Street, Chicago, Illinois, before the officer or officers previously designated to preside at said hearing, for the purpose of taking testimony of said A. M. Fellows and C. J. O'Laughlin.

Dated: February 17, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1427; Filed, February 18, 1942; 10:56 a. m.]

[Docket No. B-8]

IN THE MATTER OF TONY CAPUTO, CODE MEMBER, DEFENDANT

ORDER RESCHEDULING HEARING AND REDESIGNATING EXAMINER

The above-entitled matter having been heretofore scheduled for hearing on December 3, 1941 at a hearing room of the Bituminous Coal Division at the Post Office Building, Clarksburg, West Virginia, by Order of the Director dated October 7, 1941, and subsequently postponed by Order of the Acting Director dated January 14, 1942, to a date and place to be thereafter designated by an appropriate order; and

It appearing to the Acting Director that the place and date of said hearing should now be designated;

No. 35—3

Now, therefore, it is ordered, That a hearing in the above-entitled matter be held on March 9, 1942, at 10 a. m., at a hearing room of the Bituminous Coal Division at the Post Office Building, Clarksburg, West Virginia.

It is further ordered, That Joseph A. Huston or any other officer or officers duly designated for that purpose shall preside at such hearing vice Joseph D. Dermody; and

It is further ordered, That the Notice of and Order for Hearing dated October 7, 1941, entered in the above-entitled matter shall, in all other respects, remain in full force and effect.

Dated: February 17, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1428; Filed, February 18, 1942; 10:56 a. m.]

[Docket No. A-1248]

IN THE MATTER OF THE PETITION OF BITUMINOUS COAL PRODUCERS BOARD FOR DISTRICT NO. 10 FOR THE ISSUANCE OF A TEMPORARY ORDER PERMITTING THE FRANKLIN COUNTY COAL CORPORATION, MINE INDEX NO. 151, TO REDUCE THE MINIMUM PRICE ON APPROXIMATELY 14,000 TONS OF STORAGE SCREENINGS

ORDER DISMISSING PETITION, TERMINATING TEMPORARY RELIEF AND CANCELLING HEARING

The original petitioner having moved that the petition in the above-entitled matter be dismissed without prejudice, that the temporary relief now outstanding be revoked and that the hearing in the above-entitled matter now scheduled for February 18, 1942, be cancelled; and there having been no opposition thereto.

Now, therefore, it is ordered, That the original petition in the above-entitled matter be dismissed, without prejudice; that the temporary relief now in effect be terminated; and that the hearing in this matter heretofore scheduled for February 18, 1942, be cancelled.

Dated: February 17, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1429; Filed, February 18, 1942; 10:57 a. m.]

[Docket No. B-132]

IN THE MATTER OF DEXIER-CARPENTER COAL CO., INC., REGISTERED DISTRIBUTOR, REGISTRATION NO. 2304, RESPONDENT

ORDER GRANTING MOTION TO DISMISS AND CANCELLING NOTICE OF AND ORDER FOR HEARING

The above-entitled matter having been heretofore scheduled for hearing at 10 a. m. on January 12, 1942, at a hearing room of the Bituminous Coal Division at Room D, Washington Hotel, Washington, D. C., pursuant to an Order of the Acting Director dated December 5, 1941, and subsequently postponed by Order of the Acting Director dated

January 6, 1942, to a date and hearing room to be thereafter designated by an appropriate order; and

The respondent having filed on December 24, 1941, with the Division its Motion to Dismiss the above-entitled matter; and

The Acting Director deeming it appropriate that the said matter be dismissed and said hearing be cancelled;

Now, therefore, it is ordered, That the above-entitled matter be and the same is hereby dismissed without prejudice to the institution of any other proceeding that the Division may deem appropriate; and

It is further ordered, That the hearing in the above-entitled matter be and the same is hereby cancelled.

Dated: February 13, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1430; Filed, February 18, 1942; 10:57 a. m.]

[Docket No. A-1212]

PETITION OF DISTRICT BOARD NO. 11 FOR REVISION OF THE SCHEDULES OF MINIMUM PRICES APPLICABLE TO COALS SHIPPED FROM DISTRICT NO. 9 AND DISTRICT NO. 11 TO CHARLESTOWN AND SPEEDS, INDIANA, MARKET AREA NO. 31, FOR A RECOORDINATION OF THE DELIVERED PRICE RELATIONSHIPS OF SUCH COALS AT SAID DESTINATIONS, PURSUANT TO SECTION 4 II (d) OF THE BITUMINOUS COAL ACT OF 1937

NOTICE OF AND ORDER FOR POSTPONEMENT OF HEARING

The petition having moved that the hearing in the above-entitled matter, heretofore scheduled for March 3, 1942, be postponed to April 1, 1942, and having shown good cause why the motion should be granted;

Now, therefore, it is ordered, That the hearing in the above-entitled matter be and it hereby is postponed from 10 o'clock in the forenoon of March 3, 1942, until 10 o'clock in the forenoon of April 1, 1942, at the place and before the officers heretofore designated.

Dated: February 14, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1431; Filed, February 18, 1942; 10:57 a. m.]

[Docket No. B-205]

IN THE MATTER OF BROOKWOOD SHAFT, INC., CODE MEMBER, DEFENDANT

NOTICE OF AND ORDER FOR HEARING

A complaint dated January 8, 1942, pursuant to the provisions of sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937, having been duly filed on January 24, 1942, by Bituminous Coal Producers Board for District No. 1, a District Board, complainant, with the Bituminous Coal Division alleging willful violation by the defendant of the Bituminous Coal Code or rules and regulations thereunder;

It is ordered, That a hearing in respect to the subject matter of such complaint be held on March 23, 1942, at 10 a. m., at a hearing room of the Bituminous Coal Division at Room 203, Post Office Building, Altoona, Pennsylvania.

It is further ordered, That Joseph A. Huston or any other officer or officers of the Bituminous Coal Division duly designated for that purpose shall preside at the hearing in such matter. The officer so designated to preside at such hearing is hereby authorized to conduct said hearing, to administer oaths and affirmations, examine witnesses, subpoena witnesses, compel their attendance, take evidence, require the production of any books, papers, correspondence, memoranda or other records deemed relevant or material to the inquiry, to continue said hearing from time to time, and to such places as he may direct by announcement at said hearing or any adjourned hearing or by subsequent notice, and to prepare and submit proposed findings of fact and conclusions and the recommendation of an appropriate order in the premises, and to perform all other duties in connection therewith authorized by law.

Notice of such hearing is hereby given to said defendant and to all other parties herein and to all persons and entities having an interest in such proceeding. Any person or entity eligible under Section 301.123 of the Rules and Regulations Governing Practice and Procedure Before the Bituminous Coal Division in Proceedings Instituted Pursuant to Sections 4 II (j) and 5 (b) of the Bituminous Coal Act of 1937, may file a petition for intervention not later than five (5) days before the date herein set for hearing on the complaint.

Notice is hereby given that answer to the complaint must be filed with the Bituminous Coal Division at its Washington office or with any one of the statistical bureaus of the Division, within twenty (20) days after date of service thereof on the defendant; and that any defendant failing to file an answer within such period, unless otherwise ordered, shall be deemed to have admitted the allegations of the complaint herein and to have consented to the entry of an appropriate order on the basis of the facts alleged.

All persons are hereby notified that the hearing in the above-entitled matter and orders entered therein may concern, in addition to the matters specifically alleged in the complaint herein, other matters incidental and related thereto, whether raised by amendment of the complaint, petition for intervention, or otherwise, and all persons are cautioned to be guided accordingly.

The matter concerned herewith is in regard to the complaint filed by said complainant, alleging willful violation by the above-named defendant of the Bituminous Coal Code or rules and regulations thereunder as follows:

That the said defendant, whose address is 822 Hannah St., Houtzdale, Pennsylvania, and who operates the Brookwood Shaft Mine, Mine Index No. 67, located in Clearfield County, Pennsyl-

vania, in Subdistrict 21 of District No. 1, wilfully violated Rules 4 (A) and 9 (a) of Section II of the Marketing Rules and Regulations by allowing, paying or obligating itself to allow or pay, directly or indirectly, commissions to the Seneca Coal and Iron Corporation, New York, N. Y., on sales of approximately 1,313 tons of coal of various sizes produced at said mine, during the months of October and November 1940. Said Seneca Coal and Iron Corporation purported to act as exclusive sales agent for said code member without either the agent or the principal filing with the Division, within 20 business days following the effective date of the Marketing Rules and Regulations, a copy of the contract of agency executed on May 1, 1940, and filed on December 18, 1940, with the Division. Therefore, the commissions paid pursuant to said sales agency agreement were allowed, paid, or said code member obligated itself to allow or pay directly or indirectly said commissions, contrary to the provisions of Rule 4 (A), Section II and in violation of Rule 9 (a) of Section II of the Marketing Rules and Regulations.

Dated: February 17, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1432; Filed, February 18, 1942;  
10:58 a. m.]

[Docket No. 1623-FD]

IN THE MATTER OF POWER FUEL COMPANY,  
INC., REGISTERED DISTRIBUTOR, REGISTRATION  
NO. 7427, DEFENDANT

ORDER FOR REINSTATEMENT OF REGISTRATION

The registration of Power Fuel Company, Inc., as a registered distributor, Registration No. 7427, having been suspended by an Order of the Acting Director dated December 24, 1941, for a period of 42 days from the date of service thereof on said Power Fuel Company, Inc.; and

Said defendant having accepted service of said order on December 26, 1941; and

An affidavit dated January 29, 1942, having been duly filed on January 31, 1942, with the Division pursuant to § 304.15 of the Rules and Regulations for the Registration of Distributors by Power Fuel Company, Inc., the defendant herein; and

It appearing to the Acting Director that said affidavit of the Power Fuel Company, Inc. sufficiently complies with the provisions of said order dated December 24, 1941, and § 304.15 of the Rules and Regulations for the Registration of Distributors;

Now, therefore, it is ordered, That the registration of Power Fuel Company, Inc., as a distributor be and the same hereby is reinstated as of February 6, 1942.

Dated February 17, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1433; Filed, February 18, 1942;  
10:58 a. m.]

[Docket No. A-1137]

PETITION OF WAPENOH COAL COMPANY FOR  
CHANGE IN SHIPPING POINT OF ITS MC-  
BRIDE MINE, MINE INDEX NO. 2152, IN  
DISTRICT NO. 2, FOR ALL SHIPMENTS EX-  
CEPT TRUCK

FINDINGS OF FACT, CONCLUSIONS OF LAW,  
MEMORANDUM OPINION, AND ORDER

This proceeding was instituted upon an original petition filed with the Bituminous Coal Division on October 29, 1941, by Wapenoh Coal Company, a code member in District 2, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937. The petition as amended requests that the classifications and minimum prices heretofore established for the coals of the McBride Mine (Mine Index No. 2152) of the Wapenoh Coal Company be made effective for a changed shipping point.

Temporary relief was granted by Order dated December 1, 1941, 6 F.R. 6247.

Pursuant to an Order of the Acting Director dated December 1, 1941, and after due notice to all interested persons, a hearing in this matter was held on January 6, 1942, before Scott A. Dahlquist, a duly designated Examiner of the Division, in Washington, D. C., at which all interested persons were afforded an opportunity to be present, adduce evidence, cross-examine witnesses, and otherwise be heard. The petitioner appeared.<sup>1</sup> The preparation and filing of a report by the Examiner were waived and the matter thereupon was submitted to the undersigned.

The petitioner requests that the loading point for the McBride Mine (Mine Index No. 2152) at Midway (Pigear) Pennsylvania, on the Pennsylvania Railroad, Freight Origin Group No. 74, be changed to Boggs Siding, Pennsylvania, on the Montour Railroad, Freight Origin Group No. 72.

The uncontradicted testimony of M. F. Phillips, President of the Wapenoh Coal Company, shows that the petitioner is a code member producer in District No. 2 and operates the McBride Mine (Mine Index No. 2152), located near Clinton, on the boundary line of Robinson and Findley Townships, Washington and Allegheny Counties. The witness stated that Midway, the present permanent shipping point, is several miles farther from the mine than Boggs Siding. He further stated that the cost of hauling the coal by truck to Midway is \$.40 per ton, whereas the cost per ton to Boggs Siding is only 25 cents. For these reasons, the witness was of the opinion that the shipping point should be established at Boggs Siding in order to insure the petitioner's fair competitive opportunities in the markets for rail-shipped coal.

It appears from the uncontroverted testimony given by Mr. Phillips that the shipping point should be changed from Midway to Boggs Siding. It is also shown that a change in shipping points

<sup>1</sup> District Board 8 filed a petition to intervene on November 12, 1941, but failed to appear at the hearing.

will result in a shorter transportation haul and a consequent reduction in transportation charges, thereby increasing the petitioner's realization on the mine. The evidence further shows that the requested change in shipping points, if adopted, will in no manner disrupt the relative price relationship between the petitioner and other competitors, but on the contrary will preserve fair competitive opportunities for the petitioner, as well as other local producers.

Therefore, on the basis of the evidence, I find and conclude: (1) That in order to preserve fair competitive opportunities for the coals of the McBride Mine, (Mine Index No. 2152) provision should be made for shipment of those coals from Boggs Siding, Pennsylvania, over the Montour Railroad, at the prices heretofore established for said coals, and that the Schedule of Effective Minimum Prices for District 2 for All Shipments Except Truck should be amended accordingly; (2) That such amendment of the District 2 Price Schedule is required in order to effectuate the purpose of section 4 II (a) and 4 II (b) of the Act and to comply with standards thereof.

Now, therefore, it is ordered, That commencing forthwith the shipping point for the McBride Mine, Mine Index No. 2152, shall be Boggs Siding, Pennsylvania, on the Montour Railroad, Freight Origin Group 72 instead of from Midway (Pigear), Pennsylvania, on the Pennsylvania Railroad, Freight Origin Group No. 74, and the Schedule of Effective Minimum Prices for District No. 2 for All Shipments Except Truck, be, and it hereby is, amended accordingly.

Dated: February 13, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1434; Filed, February 18, 1942;  
10:58 a. m.]

[Docket No. C-7]

IN THE MATTER OF THE APPLICATION OF FORD MOTOR COMPANY REGARDING COAL PRODUCED AT MINE INDEX NOS. 183, 325, AND 449, IN DISTRICT NO. 8

ORDER PERMITTING THE FILING OF MOTIONS RELATING TO THE REQUEST OF FORD MOTOR COMPANY FOR INTERIM EXEMPTION

Ford Motor Company has filed an application, pursuant to the second paragraph of section 4-A of the Bituminous Coal Act of 1937, for a determination of the status of the coal produced at Mine Index Nos. 183, 325, and 449, in District No. 8, and consumed by the said company.

The second paragraph of section 4-A of the Act states, among other matters, that any producer believing that any commerce in coal is not subject to the provisions of section 4 or the first paragraph of section 4-A, may file an application for exemption, that the filing of such application in good faith shall exempt the applicant from any obligation, duty, or liability imposed by section 4 in respect to the commerce covered by the applicant until such time as action shall be taken upon the application. By

Order of the Director dated October 17, 1939, in General Docket No. 17, the following rule was established:

All applications seeking exemption, pursuant to the second paragraph of Section 4-A, should be filed within the following periods of time:

(1) If the commerce covered by the application exists upon the effective date of this rule, not more than thirty (30) days after such date. \* \* \*

Any application which is filed after the periods herein specified will be presumed not to have been filed in good faith.

As to the good faith requirements in the second paragraph of section 4-A of the Act and the said Order of the Director, the said application alleges in substance that applicant has engaged in the commerce for which exemption is sought since 1937; that in September 1937 it caused its contractor, Eastern Coal Corporation, to file with the National Bituminous Coal Commission (predecessor of the Bituminous Coal Division) a statement showing the contractual arrangements in respect to transactions in the coal produced at the said mines; that such transactions have since been conducted in accordance with such arrangements; that it believed that such transactions were conducted pursuant to section 4 II (1) of the Act and therefore were exempt from the provisions of Section 4 without the necessity of filing an application for determination of its status in conducting such transactions; and that its application is filed in good faith. The said application prays, among other matters, that the application be presumed to have been filed in good faith, and that, pursuant to the second paragraph of Section 4-A of the Act, as to such transactions, the applicant be granted an interim exemption, pending a determination of the status of the coal produced as aforesaid.

In support of this request, applicant has filed an affidavit of H. L. Moekle. The affiant represents in substance that he is Assistant Secretary of Ford Motor Company and as such has knowledge of the above-mentioned transactions in coal; that the applicant was advised by competent counsel that such transactions were conducted pursuant to section 4 II (1) of the Act, and that the said Order of the Director was inapplicable to transactions conducted pursuant to section 4 II (1) of the Act; that the applications provided for in the second paragraph of section 4-A of the Act related only to transactions in coal other than those conducted pursuant to section 4 II (1) of the Act; that the first information which the applicant had of the advisability of filing an application for exemption for the coals here involved was the holding of the Director *In The Matter of The Application of The Receivers of The Seaboard Airline Railway Company for Exemption*, Docket No. 49-FD, that an independent contractor involved therein was a producer of coal, within the meaning of the Act; that applicant was advised by counsel that the decision of the Director in the above-mentioned proceeding was not applicable to the applicant's transactions in coal produced

as aforesaid; and that the advice of its counsel that an independent contractor is not a producer of coal, within the meaning of the Act, was confirmed by the reversal of the said holding of the Director upon review thereof by the United States Circuit Court of Appeals (*Gray v. Powell*, 114 F. (2d) 752) and by the Supreme Court of the United States by an evenly divided court. (312 U. S. 666)

The affiant further represents that applicant was not again informed of the advisability of filing an application for exemption until the decision of the Supreme Court of the United States in *Gray v. Powell*, 62 S. Ct. 326, 86 L. Ed. 285, affirming the holding of the Director in the said Docket No. 49-FD; and that thereafter applicant filed the application herein.

The said application of Ford Motor Company and affidavit of H. L. Moekle, are available for public inspection in Room 502 of the offices of the Division, 734 Fifteenth Street NW., Washington, D. C.

It appears desirable that an opportunity be afforded for interested persons and entities to support or to oppose the said application;

Now, therefore, it is ordered, That all persons and entities, entitled to participate in this proceeding, may file, on or before thirty (30) days from the date of this Order, motions in support of or in opposition to the request of the applicant that it be granted an interim exemption as provided for by the second paragraph of Section 4-A of the Act, pending determination of the above-entitled application. Such motions shall be supported by affidavits, disclosing the interest of the persons or entities so filing them and stating, with reasonable particularity, the facts relief upon in support of or opposition to such motions.

Thereafter such further orders will be issued or such further proceedings will be instituted as may be appropriate in the premises.

Dated: February 17, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1435; Filed, February 18, 1942;  
10:59 a. m.]

[Docket Nos. A-1267 and A-1267 Part II]

PETITION OF DISTRICT BOARD NO. 15 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF CERTAIN MINES IN DISTRICT NO. 15 AND PETITION OF DISTRICT BOARD NO. 15 FOR THE ESTABLISHMENT OF PRICE CLASSIFICATIONS AND MINIMUM PRICES FOR THE COALS OF THE GRAY MINE (MINE INDEX NO. 1570), THE HANLIN & LEE MINE (MINE INDEX NO. 1571) AND THE FLOYD MINE (MINE INDEX NO. 1567) IN DISTRICT NO. 15

MEMORANDUM OPINION AND ORDER SEVERING DOCKET NO. A-1267 PART II FROM DOCKET NO. A-1267 AND GRANTING TEMPORARY RELIEF IN DOCKET NO. A-1267 PART II

The original petition in the above-entitled matter filed with this Division on

January 12, 1942, pursuant to section 4 II (d) of the Bituminous Coal Act of 1937, prays for the establishment of temporary and permanent price classifications and minimum prices for the coals of certain mines in District No. 15.

As indicated in a separate order entered in Docket No. A-1267, a reasonable showing of necessity has been made for the granting of the relief prayed for by the petitioner, except with respect to the establishment of permanent price classifications and minimum prices for the coals of the Gray Mine (Mine Index No. 1570), the Hanlin & Lee Mine (Mine Index No. 1571) and the Floyd Mine (Mine Index No. 1567). It appears from the petition that the coals of the Hanlin & Lee Mine and of the Floyd Mine in Adair County, Missouri, possess marketing factors similar to those of the other coals heretofore classified and priced and presently produced in that county, and that the same minimum prices should be applicable for all such coals, in their respective size groups, for shipment by truck into the same respective consuming areas. The previously priced coals in Adair County are presently subject to the minimum prices set forth in the Order entered October 29, 1940, 5 F.R. 4324, granting temporary relief in Docket No. A-58. An analogous situation prevails as between the coals of the Gray Mine in Putnam County, Missouri, and the previously priced coals of the other mines in that county, which latter coals are presently subject to the temporary minimum prices set forth in the Order entered December 7, 1940, 5 F.R. 4872, in Docket No. A-179.

Pending final determination of the issues in Docket Nos. A-58 and A-179 a petition was filed in Docket No. A-492 wherein it was requested that the minimum prices made effective temporarily in Docket No. A-179 for the Putnam County coals be made permanent. Docket Nos. A-58, A-179 and A-492 were thereafter consolidated, but, in accordance with a request and stipulation filed therein by all of the parties thereto, there has been no change in the above-mentioned Orders granting temporary relief, and no permanent order on the subject has been entered.

In view of the foregoing, it is deemed advisable at this time to establish only temporarily the proposed price classifications and minimum prices for the coals of the Hanlin & Lee Mine, the Floyd Mine and the Gray Mine, and that their permanent classification and pricing should await final determination of the related issues raised in Docket Nos. A-58, A-179 and A-492.

Now, therefore, it is ordered, That the portion of Docket No. A-1267 relating to the coals of the Gray Mine (Mine Index No. 1570), the Hanlin & Lee Mine (Mine Index No. 1571) and the Floyd Mine (Mine Index No. 1567), be, and it hereby is, severed from the remainder of that docket and designated as Docket No. A-1267 Part II.

It is further ordered, That pending final disposition of Docket No. A-1267 Part II, temporary relief is granted as follows:

Commencing forthwith the Schedule of Effective Minimum Prices for District No. 15 for Truck Shipments is supplemented to include the following price classifica-

tions and minimum prices in cents per net ton f. o. b. the transportation facilities at the mines, for shipment by truck into all market areas:

Code member index—name	Mine Index No.	Mine	Production group No.	County
Gray, James (James Gray Coal Co.)	1570	Gray	3	Putnam, Mo.
Hanlin & Lee Coal Co. (James Hanlin)	1571	Hanlin & Lee	3	Adair, Mo.
Harbur, C. A.	1567	Floyd	3	Adair, Mo.

Mine index No.	Size groups and prices															
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
1570	230	230	230	230	230	215	200	190	230	185	210	195	195	135	35	
1571	230	230	230	230	230	215	205	195	185	210	180	185	170	170	110	35
	*250	250	250	250	225	210	195	185	230	180	205	190	190	130	35	
1567	230	230	230	230	215	205	195	185	210	180	185	170	170	110	35	
	*250	250	250	250	225	210	195	185	230	180	205	190	190	130	35	

\*Prices applicable on coal moving into the State of Iowa.

It is further ordered, That pleadings in opposition to the original petition in the above-entitled matter and applications to stay, terminate or modify the temporary relief herein granted may be filed with the Bituminous Coal Division within forty-five (45) days from the date of this Order, pursuant to the Rules and Regulations Governing Practice and Procedure before the Bituminous Coal Division in Proceedings Instituted Pursuant to section 4 II (d) of the Bituminous Coal Act of 1937.

Nothing herein contained shall be deemed to constitute an expression of the Division in regard to the final determination of the issues raised by the original petition in this matter.

Dated: February 14, 1942.

[SEAL] DAN H. WHEELER,  
Acting Director.

[F. R. Doc. 42-1436; Filed, February 18, 1942; 10:59 a. m.]

**Bureau of Reclamation.**

FIRST FORM RECLAMATION WITHDRAWAL ANDERSON RANCH RESERVOIR SITE, BOISE PROJECT, IDAHO

JANUARY 16, 1942.

The SECRETARY OF THE INTERIOR.

SIR: In accordance with the authority vested in you by the Act of June 26, 1936 (49 Stat. 1976), it is recommended that the following described lands be withdrawn from public entry under the first form withdrawal as provided in section 3, Act of June 17, 1902 (32 Stat. 388):

BOISE PROJECT, ANDERSON RANCH RESERVOIR SITE  
Boise Meridian, Idaho

- Township 1 North, Range 9 East:
  - Section 13, S $\frac{1}{2}$ SE $\frac{1}{4}$ .
- Township 1 North, Range 10 East:
  - Section 5, Lots 1, 2, 3, 4, 7, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$  NW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ ;
  - Section 6, Lots 3, 4, 5, 9, 10, 13, 14, SE $\frac{1}{4}$  NW $\frac{1}{4}$ ;
  - Section 7, Lots 2, 10, W $\frac{1}{2}$ E $\frac{1}{2}$ ;
  - Section 8, Lots 6, 7, 8, 9, 10, E $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$  SE $\frac{1}{4}$ ;
  - Section 17, Lots 3, 5, 6, 7, E $\frac{1}{2}$ NE $\frac{1}{4}$ , SW $\frac{1}{4}$  NE $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ ;

Section 18, Lots 10, 11, W $\frac{1}{2}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$  SW $\frac{1}{4}$ .  
Township 2 North, Range 10 East:  
Section 29, S $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ ;  
Section 32, Lots 1, 2, 3, 4, 5, 6, 7.

Respectfully,

JOHN C. PAGE,  
Commissioner.

I concur: February 4, 1942.

FRED W. JOHNSON,  
Commissioner of the General Land Office.

FEBRUARY 11, 1942.

The foregoing recommendation is hereby approved, as recommended and the Commissioner of the General Land Office will cause the records of his office and the local land office to be noted accordingly.

E. K. BURLEW,  
First Assistant Secretary.

[F. R. Doc. 42-1421; Filed, February 18, 1942; 9:21 a. m.]

FIRST FORM RECLAMATION WITHDRAWAL, ANDERSON RANCH RESERVOIR SITE, BOISE PROJECT, IDAHO.

JANUARY 16, 1942.

The SECRETARY OF THE INTERIOR.

SIR: It is recommended that the following described lands be withdrawn from public entry, under the first form withdrawal as provided in Section 3, Act of June 17, 1902 (32 Stat. 388):

BOISE PROJECT, ANDERSON RANCH RESERVOIR SITE  
Boise Meridian, Idaho

- Township 1 South, Range 8 East:
  - Section 1, Lots 2, 3, 4, 5, 6, 7, 8, 9, SW $\frac{1}{4}$  NW $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$ ;
  - Section 2, W $\frac{1}{2}$ ;
  - Section 11, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, N $\frac{1}{2}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ , N $\frac{1}{2}$ SE $\frac{1}{4}$ ;
  - Section 12, Lots 1, 2, 3, 4, W $\frac{1}{2}$ NE $\frac{1}{4}$ , S $\frac{1}{2}$  NW $\frac{1}{4}$ ;
  - Section 13, Lots 2, 3, 4, NW $\frac{1}{4}$ NE $\frac{1}{4}$ , N $\frac{1}{2}$  NW $\frac{1}{4}$ , S $\frac{1}{2}$ ;
  - Section 14, Lots 1, 2, 3, NE $\frac{1}{2}$ , E $\frac{1}{2}$ NW $\frac{1}{4}$ , S $\frac{1}{2}$ ;
  - Section 15, Lots 1, 2, 3, 4, 5, 9, NW $\frac{1}{2}$ , NE $\frac{1}{4}$ , NW $\frac{1}{4}$ , S $\frac{1}{2}$ SE $\frac{1}{4}$ ;
  - Section 23, Lots 6, 7, 8, S $\frac{1}{2}$ NW $\frac{1}{4}$ , NW $\frac{1}{4}$  NW $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$ ;
  - Section 24, NE $\frac{1}{4}$ NE $\frac{1}{4}$ , W $\frac{1}{2}$ NE $\frac{1}{4}$ , NW $\frac{1}{4}$ .

Township 1 South, Range 9 East:  
 Section 5, SW $\frac{1}{4}$ NW $\frac{1}{4}$ , W $\frac{1}{2}$ SW $\frac{1}{4}$ ;  
 Section 6, Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, E $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
 Section 7, Lot 1, NW $\frac{1}{4}$ NE $\frac{1}{4}$ ;  
 Section 8, N $\frac{1}{2}$ NW $\frac{1}{4}$ .  
 Township 1 North, Range 9 East:  
 Section 20, SE $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
 Section 21, SW $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
 Section 22, S $\frac{1}{2}$ S $\frac{1}{2}$ ;  
 Section 23, NE $\frac{1}{4}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SW $\frac{1}{4}$ , NW $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
 Section 24, Lots 1, 2, 3, 4, 5, 8, SE $\frac{1}{4}$ NE $\frac{1}{4}$ , NE $\frac{1}{4}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ , E $\frac{1}{2}$ SE $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
 Section 25, Lot 1, NE $\frac{1}{4}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ NW $\frac{1}{4}$ , SW $\frac{1}{4}$ SW $\frac{1}{4}$ ;  
 Section 26, Lots 1, 2, 3, 7;  
 Section 27, Lots 1, 2, 3, SE $\frac{1}{4}$ NE $\frac{1}{4}$ ;  
 Section 28, N $\frac{1}{2}$ S $\frac{1}{2}$ , SE $\frac{1}{4}$ SW $\frac{1}{4}$ , SW $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
 Section 29, Lots 1, 4, S $\frac{1}{2}$ SE $\frac{1}{4}$ ;  
 Section 30, W $\frac{1}{2}$ NE $\frac{1}{4}$ , SE $\frac{1}{4}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SE $\frac{1}{4}$ ;  
 Section 31, Lots 2, 3, 4, 5, 7, 9, 10, 12, 13, E $\frac{1}{2}$ NW $\frac{1}{4}$ , NE $\frac{1}{4}$ SW $\frac{1}{4}$ ;  
 Section 32, SW $\frac{1}{4}$ NW $\frac{1}{4}$ .

Respectfully,

JOHN C. PAGE,  
*Commissioner.*

I concur:

FRED W. JOHNSON,  
*Commissioner of the General Land Office.*

FEBRUARY 4, 1942.

The foregoing recommendation is hereby approved, as recommended, and the Commissioner of the General Land Office will cause the records of his office and the local land office to be noted accordingly.

E. K. BURLEW,  
*First Assistant Secretary.*

FEBRUARY 10, 1942.

[F. R. Doc. 42-1422; Filed, February 18, 1942; 9:21 a. m.]

DEPARTMENT OF AGRICULTURE.

Surplus Marketing Administration.

NOTICE OF REPORT AND OPPORTUNITY TO FILE WRITTEN EXCEPTIONS WITH RESPECT TO PROPOSED AMENDMENTS TO A TENTATIVELY APPROVED MARKETING AGREEMENT, AS AMENDED, AND A MARKETING ORDER, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE GREATER KANSAS CITY MARKETING AREA

Pursuant to § 900.12 (a) of the General Regulations of the Surplus Marketing Administration, United States Department of Agriculture, governing proceedings to formulate marketing agreements and marketing orders, notice is hereby given of the filing with the hearing clerk of this report of the Administrator of the Surplus Marketing Administration, with respect to proposed amendments to a tentatively approved marketing agreement, as amended, and to a marketing order, as amended, regulating the handling of milk in the Greater Kansas City marketing area. Interested parties may file exceptions to this report with the hearing clerk, Room

16 F.R. 6573.

0312, South Building, Department of Agriculture, Washington, D. C., not later than the close of business on the 10th day after publication of this notice in the FEDERAL REGISTER.

PRELIMINARY STATEMENT

The proceedings were initiated by the Surplus Marketing Administration upon receipt on November 26, 1941, of a petition from the Pure Milk Producers Association of Greater Kansas City and the Bates County Milk Producers Association for a public hearing on proposals to revise upward the class prices for milk and to revise the method of making deductions from producers for location differentials. Following this request, the Dairy Division, Surplus Marketing Administration, devised proposals for amendment in the interest of facilitating administration of the regulatory program in the area. After consideration of the proposals, notice of a hearing was issued on January 7, 1942, and the hearing convened on January 14, 1942.

The major issue developed at the hearing revolved around the level at which the method by which minimum class prices to producers should be fixed.

It was concluded from the record that it is necessary to fix prices, under section 8c (18) of the act, which will reflect the economic conditions which affect market supply of and demand for milk and its products in the marketing area to which the contemplated amendment relates, maintain an adequate supply of milk produced under conditions assuring its pure and wholesome character, and be in the public interest.

The proposed amendments are recommended as the detailed means by which these conclusions may be carried out.

This report filed at Washington, D. C., the 17th day of February 1942.

[SEAL] E. W. GAUMITZ,  
*Acting Administrator, Surplus Marketing Administration.*

PROPOSED AMENDMENTS TO THE MARKETING ORDER, AS AMENDED, REGULATING THE HANDLING OF MILK IN THE GREATER KANSAS CITY MARKETING AREA

These proposed amendments are prepared by the Administrator pursuant to § 900.12 (a) of the General Regulations, Surplus Marketing Administration, and have not received the approval of the Secretary of Agriculture.

It is found, upon the evidence introduced at the public hearing held in Kansas City, Missouri, on January 14, 1942, such findings being in addition to the findings made upon the evidence introduced at prior public hearings on the order (which findings are hereby ratified and affirmed save only as such findings are in conflict with the findings hereinafter set forth):

Findings

1. That the prices calculated to give milk produced for sale in the marketing area a purchasing power equivalent to the purchasing power of such milk, as determined pursuant to section 2 and

section 8 (e) (50 Stat. 246; 7 U.S.C., 1940 ed. 602, 608e), are not reasonable in view of the price of feeds, the available supplies of feeds, and other economic conditions which affect market supply of and demand for such milk, and that the minimum prices set forth in this order are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest.

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

3. That the issuance of these amendments to the order, as amended, and all its terms and conditions, as so amended, tends to effectuate the declared policy of the act.

Provisions

1. Delete subparagraph (2) of § 913.3 (c) and substitute therefor the following:

(2) All cream sold or disposed of by a handler who purchases or receives milk from producers, to another handler or to a person who distributes milk or manufactures milk products, shall be classified as Class II milk: *Provided*, That if such cream, except for cream disposed of by such handler to another handler who purchases or receives no milk from producers, is reported as having been utilized as Class III milk by the person who received it or by the disposing handler, such cream shall be classified accordingly, subject to verification by the market administrator.

2. Add as subparagraph (3) to § 913.3 (c) the following:

(3) All milk or cream purchased or received in bulk from a handler who purchases or receives no milk from producers by a handler who purchases or receives milk from producers shall be classified as Class III milk. If such receiving handler sells or disposes of such milk or cream for other than Class III purposes, the market administrator shall add to the total value computed pursuant to § 913.7 the difference between (a) the value according to its actual usage and (b) the value of such milk or cream at the Class III price.

3. Delete § 913.4 and substitute therefor the following:

§ 913.4 *Minimum prices*—(a) *Class prices*. Each handler shall pay producers, at the time and in the manner set forth in § 913.9, for milk purchased or received from them not less than the following prices:

(1) *Class I milk*. The price per hundredweight of Class I milk during each delivery period shall be the price determined pursuant to subparagraph (4) of this section, plus 70 cents: *Provided*, That with respect to Class I milk disposed of under a program approved by the Secretary for the sale or disposition of milk to low-income consumers, including persons on relief, the price shall be the price determined pursuant to subparagraph (4) of this section, plus 25 cents.

(2) *Class II milk.* The price per hundredweight of Class II milk during each delivery period shall be the price determined pursuant to subparagraph (4) of this section, plus 45 cents.

(3) *Class III milk.* The price per hundredweight of Class III milk during each delivery period shall be the highest price ascertained by the market administrator to have been quoted for ungraded milk of 3.8 percent butterfat content received during such delivery period by any one of the three following plants: The Meyer Sanitary Milk Company at its plant at Valley Falls, Kansas, the Franklin Ice Cream Company at its plant at Tonganoxie, Kansas, and the Milk Producers' Marketing Company at its plant at Kansas City, Kansas.

(4) *Determination of foundation price for Class I and Class II milk.* The market administrator shall compute and announce on or before the 5th day of the delivery period the arithmetic average of the prices per hundredweight reported to the United States Department of Agriculture as being paid all farmers for milk of 3.5 percent butterfat content delivered f. o. b. plant during the immediately preceding delivery period at the following plants and places:

Borden Company, Mt. Pleasant, Mich.  
Carnation Company, Sparta, Mich.  
Pet Milk Company, Hudson, Mich.  
Pet Milk Company, Wayland, Mich.  
Pet Milk Company, Coopersville, Mich.  
Borden Company, Greenville, Wis.  
Borden Company, Black Creek, Wis.  
Borden Company, Orfordville, Wis.  
Carnation Company, Chilton, Wis.  
Carnation Company, Berlin, Wis.  
Carnation Company, Richland Center, Wis.  
Carnation Company, Oconomowoc, Wis.  
Carnation Company, Jefferson, Wis.  
Pet Milk Company, New Glarus, Wis.  
Pet Milk Company, Beileville, Wis.  
Borden Company, New London, Wis.  
White House Milk Company, Manitowoc, Wis.  
White House Milk Company, West Bend, Wis.

4. Delete paragraph (a) of § 913.6 and substitute therefor the following:

(a) The provisions of §§ 913.4, 913.7, 913.8, 913.9, 913.10, and 913.11 shall not apply to a handler who purchases or receives no milk from producers.

5. Delete paragraph (d) of § 913.6 and substitute therefor the following:

(d) With respect to each handler who receives milk of his own production and also purchases or receives milk from producers, the market administrator, before making the computations in accordance with § 913.7, shall exclude the milk purchased or received by him in each class from other handlers. If the remaining Class III milk is less than 10 percent of the sum of the remaining Class I, Class II, and Class III milk, exclude the milk received from his own production pro rata from the remaining Class I, Class II, and Class III milk, or if the remaining Class III milk is more than 10 percent of the sum of the remaining Class I, Class

II, and Class III milk, exclude 90 percent of the milk received from his own production pro rata from the remaining Class I and Class II milk and exclude the balance of the milk received from his own production from the remaining Class III milk.

6. Delete subparagraph (3) of § 913.7 (b) and substitute therefor the following:

(3) Whenever the market administrator determines the total daily average deliveries of milk to be less than 105 percent of the total daily average Class I milk and Class II milk received from producers by handlers during the next preceding delivery period, the uniform price for all milk received from producers shall be computed pursuant to subparagraph (1) of this paragraph, and the market administrator, upon such determination, shall mail notice of such change in the method of computation of the uniform price to all producers.

If such determination is made on or before the 15th day of a delivery period, the uniform price for all milk received from producers shall be so computed for the current delivery period; if made subsequent to the 15th day of a delivery period, the uniform price shall be so computed for the next succeeding delivery period.

7. Insert in the fourth line of paragraph (a) of § 913.7 preceding the words "§ 913.6" the words "§ 913.3 and."

8. Delete paragraph (a) of § 913.9 and substitute therefor the following:

(a) *Time and method of payment.* On or before the 12th day after the end of each delivery period, each handler shall make payment, after deducting the amount of the payment made pursuant to paragraph (b) of this section, for not less than the total value of milk of producers received by such handler during such delivery periods, computed according to § 913.7 and subject to the differentials set forth in paragraph (c) and (d), respectively, of this section as follows:

(1) To producers, subject to subparagraph (2) of this paragraph, at the uniform price per hundredweight computed pursuant to § 913.7 (b) (2), for that quantity of milk received from producers, not in excess of their respective bases; and to producers at the Class III price for that quantity of milk received from such producers in excess of their respective bases.

(2) To producers at the uniform price per hundredweight computed pursuant to § 913.7 (b) (1), for the total quantity of milk received from such producers, whenever the determination of the market administrator is effective in accordance with the provision of § 913.7 (b) (3).

9. Delete paragraph (d) of § 913.9 and substitute therefor the following:

(d) *Location differentials.* For milk received from producers at plants approved by any applicable health authority for the receiving of milk to be sold or disposed of as milk or cream in the marketing area and located outside the marketing area but more than 30

miles by the shortest highway route from such handler's plant approved by an applicable health authority for the receiving of milk to be sold or disposed of as milk or cream in the marketing area and located within the marketing area, each handler, in making payments pursuant to paragraph (a) (1) of this section, shall deduct, with respect to all base milk received from such producers, and in making payments pursuant to paragraph (a) (2) of this section, shall deduct, with respect to all milk received from such producers, the amount per hundredweight specified for the distance of such plant located outside the marketing area from such handler's plant located within the marketing area as follows: not more than 45 miles, 17 cents per hundredweight; for each additional 10 miles or fraction thereof up to 75 miles, an additional 1½ cents per hundredweight; and for each additional 10 miles or fraction thereof beyond 75 miles, an additional ½ cent per hundredweight: *Provided*, That if the shortest highway distance between such handler's plant located outside the marketing area and his plant located in the marketing area is lessened through a relocation of highways to less than 30 miles, the location differential which applies on the effective date of this order, as amended, shall continue to apply.

PROPOSED MARKETING AGREEMENT REGULATING THE HANDLING OF MILK IN THE GREATER KANSAS CITY, MISSOURI, MILK MARKETING AREA PREPARED BY THE ADMINISTRATOR OF THE SURPLUS MARKETING ADMINISTRATION, UNITED STATES DEPARTMENT OF AGRICULTURE

This proposed marketing agreement is prepared by the Administrator pursuant to § 900.12 (a) of the General Regulations, Surplus Marketing Administration, and has not received the approval of the Secretary of Agriculture.

Whereas the parties hereto, in order to effectuate the declared policy of the said act, desire to enter into this marketing agreement, as amended.

Now, therefore, the parties hereto agree as follows:

1. The terms and provisions of § 913.1 through § 913.12 of Order No. 13, as Amended, Regulating the Handling of Milk in the Greater Kansas City Marketing Area, issued, effective October 2, 1941, and as amended by Amendment No. 3 to said order, as amended, issued effective ----, 1942, shall be the terms and provisions of this marketing agreement, as amended, with the exception that wherever the word "order" is used the words "marketing agreement" shall be substituted therefor; and

2. The following sections shall also be a part of the marketing agreement, as amended, in addition to § 913.1 through § 913.12 of said order, as amended:

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

§ 913.14 *Counterparts and additional parties*—(a) *Counterparts of marketing*

agreement, as amended. This agreement, as amended, may be executed in multiple counterparts, and when one counterpart is signed by the Secretary, all such counterparts shall constitute when taken together, one and the same instrument, as if all such signatures were obtained in one original.

(b) *Additional parties to the marketing agreement, as amended.* After this agreement, as amended, first takes effect, any handler may become a party to this agreement, as amended, if a counterpart hereof is executed by him and delivered to the Secretary. This agreement, as amended, shall take effect as to such new contracting parties at the time such counterpart is delivered to the Secretary, and the benefits, privileges, and immunities conferred by this agreement, as amended, shall then be effective as to such new contracting party.

§ 913.15 *Authorization to correct typographical errors and record of milk handled during the month of May 1941—*  
(a) *Authorization to correct typographical errors.* The undersigned hereby authorizes O. M. Reed, Chief, Dairy Division, Surplus Marketing Administration, to correct any typographical errors which may have been made in this marketing agreement, as amended.

(b) *Record of milk handled during the month of May 1941.* The undersigned certifies that he handled during the month of May 1941 ----- hundredweight of milk covered by this agreement, as amended, and disposed of within the marketing area.

§ 913.16 *Signature of parties.* In witness whereof, the contracting handlers, acting under the provisions of the act, for the purposes and subject to the limitations herein contained, and not otherwise, have hereunto set their respective hands and seals.

[F. R. Doc. 42-1424; Filed, February 18, 1942; 9:51 a. m.]

#### DEPARTMENT OF LABOR.

##### Wage and Hour Division.

#### NOTICE OF ORAL ARGUMENT BEFORE THE ADMINISTRATOR AND OPPORTUNITY TO SUBMIT WRITTEN BRIEFS IN THE MATTER OF THE RECOMMENDATION OF INDUSTRY COMMITTEE NO. 38 FOR A MINIMUM WAGE RATE IN THE TOBACCO INDUSTRY

Whereas a hearing was held on January 19, 20, and 21, 1942, before Major Robert N. Campbell, as Presiding Officer, at which all persons interested in the report and recommendation of Industry Committee No. 38 for the fixing of a minimum wage rate in the Tobacco Industry were given an opportunity to be heard and to offer evidence bearing thereon; and

Whereas the complete record of said hearing has been transmitted to the Administrator,

Now, therefore, notice is hereby given:

That the Administrator will receive written briefs (not fewer than twelve copies) on or before March 11, 1942, at the Wage and Hour Division, United

States Department of Labor, 1560 Broadway, New York, New York, from any person who entered an appearance at said hearing, and will hear oral argument upon the complete record of said hearing on March 17, 1942, at 10:00 a. m., at the office of the Wage and Hour Division, United States Department of Labor, 1560 Broadway, New York, New York, by any person who entered an appearance at said hearing, provided that on or before March 11, 1942, such person notifies the Wage and Hour Division of his intention to offer oral argument and of the amount of time he will require to make his presentation.

Signed at Washington, D. C., this 17th day of February 1942.

[SEAL] THOMAS W. HOLLAND,  
Administrator.

[F. R. Doc. 42-1438; Filed, February 18, 1942; 11:12 a. m.]

#### SECURITIES AND EXCHANGE COMMISSION.

[File No. 31-508]

#### IN THE MATTER OF CANTON ELECTRIC LIGHT AND POWER COMPANY

##### NOTICE OF AND ORDER FOR HEARING

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 17th day of February, A. D. 1942.

An application pursuant to 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 under the applicable provisions of said Act and the rules of the Commission thereunder be held on March 3, 1942, at 10:00 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 Willis E. Monty 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.

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 February 27, 1942.

The matter concerned herewith is in regard to the application of Canton Electric Light and Power Company, a New York Corporation, for an order pursuant

to section 2 (a) (8) of the Act, declaring it not to be a subsidiary of The United Corporation, a registered holding company, nor of its subsidiary the Niagara Hudson Power Corporation, nor of its subsidiary the Central New York Power Corporation which owns 34% of the voting securities of the applicant.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-1444; Filed, February 18, 1942; 11:43 a. m.]

[File No. 4-44]

#### IN THE MATTER OF REPUBLIC SERVICE CORPORATION AND IRVING H. ISAAC

##### NOTICE OF FILING AND ORDER PERMITTING BRIEFS AND ORAL ARGUMENT

At a regular session of the Securities and Exchange Commission held at its office in the City of Washington, D. C., on the 16th day of February, A. D. 1942.

Notice is hereby given that a petition has been filed with this Commission by Irving H. Isaac, a preferred stockholder of Republic Service Corporation which is a registered holding company, requesting the issuance of an order by the Commission under section 11 (b) (2) of the Public Utility Holding Company Act of 1935 requiring Republic Service Corporation to distribute voting power fairly and equitably among its security holders and/or requesting the issuance of an order by the Commission approving a plan submitted by petitioner for the reorganization of Republic Service Corporation under section 11 (e) of said Act; and

Petitioner having submitted a brief in support of said petition, and having also requested oral argument before the Commission; and

It appearing to the Commission that it is appropriate in the public interest that briefs be filed and oral argument presented on the following questions:

1. Whether a stockholder of a corporation is entitled to have the Commission consider a plan under section 11 (e) of said Act submitted by such stockholder on his own behalf?

2. Whether a stockholder of a corporation is entitled, under proper circumstances, to have the Commission consider a plan under section 11 (e) of said Act submitted by such stockholder for and on behalf of the corporation?

*It is ordered,* That petitioner's brief be filed and that a copy of the petition filed herein together with a copy of the brief in support thereof be served upon Republic Service Corporation.

*It is further ordered,* That permission be, and the same hereby is, granted to Republic Service Corporation to file a brief on or before February 26, 1942.

*It is further ordered,* That permission be, and the same hereby is, granted to petitioner and to Republic Service Corporation to present oral argument before the Commission on the questions hereinbefore referred to on March 2, 1942 at 10:00 o'clock A. M. at the offices of the Securities and Exchange Commission,

1778 Pennsylvania Avenue NW., Washington, D. C.

*It is further ordered,* That representatives of registered holding companies or their subsidiaries or such other persons who, by reason of their interest in Republic Service Corporation or by reason of their general interest in the questions hereinbefore referred to, are desirous of expressing their views regarding the same may, not later than February 26, 1942, at 4:45 P. M., E. W. T., file briefs and make written request to the Commission to participate in the oral argument on such matters.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-1445; Filed, February 18, 1942;  
11:43 a. m.]

[File No. 70-477]

IN THE MATTER OF LOUISVILLE GAS AND ELECTRIC COMPANY (KY.), LOUISVILLE TRANSMISSION CORPORATION (KY.), AND LOUISVILLE TRANSMISSION CORPORATION (IND.)

NOTICE OF FILING AND ORDER RECONVENING HEARING

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 18th day of February, A. D. 1942.

Notice is hereby given that an amendment to the declaration or application (or both) has been filed with this Commission pursuant to the Public Utility Holding Company Act of 1935 by Louisville Gas and Electric Company (Ky.), Louisville Transmission Corporation (Ky.), and Louisville Transmission Corporation (Ind.). All interested persons are referred to said document, which is on file in the office of this Commission, for a statement of the transactions therein proposed which amends the declaration or application (or both) heretofore filed by said companies, in the following manner:

Louisville Gas and Electric Company, a Kentucky corporation (hereinafter referred to as the "Electric Company"), a public utility company, proposes (a) to acquire for cash 985 shares of the capital stock at par, having an aggregate par value of \$9,850, of its subsidiary Louisville Transmission Corporation, a Kentucky corporation (hereinafter referred to as the "Kentucky Transmission Company"); and (b) to enter into a contract with the Kentucky Transmission Company whereby Electric Company will advance, if necessary, any funds in addition to the proceeds from the sale by Kentucky Transmission Company of its First Mortgage Sinking Fund Bonds, hereinafter described, required to complete the Kentucky Transmission Company's construction program. The contract will also provide for the transmission of electric energy by the Kentucky Transmission Company at the request of Electric Company or the Tennessee Valley Authority; for the payment of tolls to the Kentucky Transmission Company

by the Electric Company and/or the Tennessee Valley Authority; and an undertaking by the Electric Company that the revenues of the Kentucky Transmission Company from such tolls or otherwise will not be less than the amounts set forth in said contract.

Louisville Transmission Corporation, an Indiana corporation, (hereinafter referred to as the "Indiana Transmission Company"), a subsidiary of the Electric Company, proposes (a) to issue and sell at par to the Kentucky Transmission Company for cash, 1,000 shares of its capital stock having an aggregate par value of \$10,000; (b) to enter into a contract with its parent, the Kentucky Transmission Company, whereby the Kentucky Transmission Company will loan to the Indiana Transmission Company sufficient funds to pay for the transmission line to be constructed and owned by the Indiana Transmission Company. Such amounts as may be advanced (but not to exceed \$400,000) will be evidenced by a note secured by a first mortgage on the transmission line to be constructed with the proceeds of the loan and the sale of stock referred to above. The note will be dated March 1, 1942 and be due on demand or in the absence of demand on March 1, 1967 and will bear interest from the date of demand (but not before) at the rate of 4% per annum; and (c) the said contract will also provide for the transmission of electric energy by the Indiana Transmission Company at the request of the Kentucky Transmission Company and for the payment of tolls by the Kentucky Transmission Company in an amount equal to the charges for interest, if any, charges for reserves for depreciation made by and the operating expenses of the Indiana Transmission Company during each year the contract is in force.

The Kentucky Transmission Company proposes (a) to acquire for cash at par 1,000 shares of the capital stock having an aggregate par value of \$10,000 of the Indiana Transmission Company; (b) to issue and sell for cash at par to the Electric Company 985 shares of its capital stock having an aggregate par value of \$9,850 and to its directors 15 shares having an aggregate par value of \$150; (c) to publish, pursuant to Rule U-50, its public invitation for proposals for the purchase of \$3,850,000 principal amount of First Mortgage Sinking Fund Bonds secured by a first mortgage on its transmission lines and terminal facilities to be constructed; or in the alternative, in the event the necessary funds cannot be secured from customary private sources before March 27, 1942, to borrow not to exceed \$3,850,000 from the Reconstruction Finance Corporation and execute its note or notes therefor, secured by a first mortgage on its transmission lines and terminal facilities to be constructed with the proceeds as heretofore described in Holding Company Act Release #3262; (d) to enter into a contract to lend sufficient funds to pay for the transmission line to be constructed and owned by the Indiana Transmission Company which loan will be evidenced by a note of the

Indiana Transmission Company heretofore described; (e) said contract will also provide for the transmission of electric energy by the Indiana Transmission Company at the request of the Kentucky Transmission Company and the payment of tolls by the Kentucky Transmission Company as heretofore described; and (f) to pledge with the trustee under the mortgage to be executed (1) 1,000 shares of the capital stock of the Indiana Transmission Company, (2) a note of the Indiana Transmission Company in the principal amount of \$400,000 or such lesser sum as may be advanced to it by the Kentucky Transmission Company secured by a first mortgage on the property of Indiana Transmission Company, (3) the contract between it and Electric Company heretofore described, and (4) any cash on deposit or to be deposited in the construction fund described in the aforesaid mortgage.

It appearing to the Commission that it is appropriate in the public interest and the interest of investors and consumers that a hearing be held with respect to said matters, that said declaration shall not become effective nor said application be granted except pursuant to further order of this Commission;

*It is ordered,* That a hearing on such matters under the applicable provisions of said Act and rules of the Commission thereunder be held on February 27, 1942, at 10:00 o'clock, A. M., at the office of the Securities and Exchange Commission, 1778 Pennsylvania Avenue NW., 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, cause shall be shown why such declaration or application (or both) shall become effective or shall be granted. Notice is hereby given of said hearing to the above-named declarants and applicants and to all interested persons, said notice to be given to said declarants and applicants by registered mail and to all other persons by publication in the FEDERAL REGISTER.

*It is further ordered,* That Robert P. Reeder 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.

By the Commission.

[SEAL] FRANCIS P. BRASSOR,  
Secretary.

[F. R. Doc. 42-1446; Filed, February 18, 1942;  
11:43 a. m.]

IN THE MATTER OF BALMAT & CO., INC., 118 N. MECHANIC STREET, CARTHAGE, NEW YORK

FINDINGS AND ORDER REVOKING REGISTRATION AS BROKER AND DEALER

At a regular session of the Securities and Exchange Commission, held at its office in the City of Washington, D. C., on the 16th day of February, A. D. 1942.



1. Balmat & Co., Inc., a New York corporation, is registered with this Commission as a broker and dealer under section 15 of the Securities Exchange Act of 1934. We instituted this proceeding under section 15 (b) to determine whether its registration as a broker and dealer should be suspended or revoked.

2. On July 16, 1941, the registrant and its president, David W. Balmat, were permanently enjoined by order of the Supreme Court of the State of New York, held in and for the County of Onondaga, from engaging in various acts and prac-

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tices involving the purchase and sale of securities. The Court's order also appointed a permanent receiver to take over all of the assets of the registrant.

3. On December 22, 1941, at the close of the hearing in this proceeding, registrant submitted a request to withdraw its registration as a broker and dealer.

4. We find that the public interest requires the revocation of registrant's registration as a broker and dealer.

Accordingly, *It is ordered*, Pursuant to section 15 (b) of the Securities Ex-

change Act of 1934, that the request of Balmat & Co., Inc., to withdraw its registration as a broker and dealer be, and it hereby is, denied, and that the registration of Balmat & Co., Inc., as a broker and dealer be, and it hereby is, revoked.

By the Commission. (Chairman Purcell, Commissioners Healy, Pike, Bulke, and O'Brien).

[SEAL] FRANCIS P. BRASSOR,  
*Secretary.*

[F. R. Doc. 42-1447; Filed, February 18, 1942;  
11:43 a. m.]