

over jointly owned tracks of the ATSF-C. & S. are deemed to be due to carriers' disabilities, the rates applicable to traffic moved by the C. & S. over these tracks of the C. & W. and by the C. & W. over these jointly owned tracks of the ATSF-C. & S., shall be the rates which were applicable on the shipments at the time of shipment as originally routed.

(e) *Effective date.*—This order shall become effective at 11:59 p.m., June 1, 1973.

(f) *Expiration date.*—The provisions of this order shall expire at 11:59 p.m., November 30, 1973, unless otherwise modified, changed, or suspended by order of this Commission.

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, and 17(2). Interprets or applies secs. 1(10-17), 15(4), and 17(2), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4), and 17(2).)

It is further ordered, That copies of this order shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and car hire agreement under the terms of that agreement, and upon the American Short Line Railroad Association; and that notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Railroad Service Board.

[SEAL] JOSEPH M. HARRINGTON,
Acting Secretary.

[FR Doc.73-11393 Filed 6-6-73; 8:45 am]

[S.O. 1139]

PART 1033—CAR SERVICE

Atchison, Topeka & Santa Fe Railway Co.

At a session of the Interstate Commerce Commission, Railroad Service Board, held in Washington, D.C., on the 31st day of May 1973.

It appearing, that the Atchison, Topeka & Santa Fe Railway Co. (ATSF) is unable to operate over its line between Manchester, Kans., and Minneapolis, Kans., because of track damage; that numerous shippers served by the ATSF between Minneapolis and Barnard, Kans., are hereby deprived of vital railroad service; that the Union Pacific Railroad Co. (UP) has consented to operation by the ATSF over its line between Solomon, Kans., and Minneapolis; that such operation by the ATSF over the aforementioned tracks of the UP will enable the ATSF to continue to provide rail service to shippers located on its line between Minneapolis and Barnard and is necessary in the interest of the public and the commerce of the people; that notice and public procedure herein are impracticable and contrary to the public interest; and that good cause exists for making this order effective upon less than 30 days' notice.

It is ordered, That:

§ 1033.1139 Service Order No. 1139.

(a) *The Atchison, Topeka & Santa Fe Railway Co. authorized to operate over tracks of Union Pacific Railroad Co.* The Atchison, Topeka & Santa Fe Railway Co. (ATSF) be, and it is hereby, authorized to operate over tracks of the Union Pacific Railroad Co. (UP) between Solomon, Kans., and Minneapolis, Kans., a distance of approximately 23 miles.

(b) *Application.*—The provisions of this order shall apply to intrastate, interstate, and foreign traffic.

(c) *Rates applicable.*—Inasmuch as this operations by the ATSF over tracks of the UP is deemed to be due to carrier's disability, the rates applicable to traffic moved by the ATSF over the tracks of the UP shall be the rates which were applicable on the shipments at the time of shipment as originally routed.

(d) *Effective date.*—This order shall become effective at 12:01 a.m., June 1, 1973.

(e) *Expiration date.*—The provisions of this order shall expire at 11:59 p.m., September 30, 1973, unless otherwise modified, changed, or suspended by order of this Commission.

(Secs. 1, 12, 15, and 17(2), 24 Stat. 379, 383, 384, as amended; 49 U.S.C. 1, 12, 15, and 17(2). Interprets or applies secs. 1(10-17), 15(4), and 17(2), 40 Stat. 101, as amended, 54 Stat. 911; 49 U.S.C. 1(10-17), 15(4), and 17(2).)

It is further ordered, That copies of this order shall be served upon the Association of American Railroads, Car Service Division, as agent of the railroads subscribing to the car service and car hire agreement under the terms of that agreement, and upon the American Short Line Railroad Association; and that notice of this order shall be given to the general public by depositing a copy in the Office of the Secretary of the Commission at Washington, D.C., and by filing it with the Director, Office of the Federal Register.

By the Commission, Railroad Service Board.

[SEAL] JOSEPH M. HARRINGTON,
Acting Secretary.

[FR Doc.73-11394 Filed 6-6-73; 8:45 am]

Title 7—Agriculture

Subtitle A—Office of the Secretary

PART 2—DELEGATIONS OF AUTHORITY BY THE SECRETARY OF AGRICULTURE AND GENERAL OFFICERS OF THE DEPARTMENT

Miscellaneous Amendments

This document realines delegations of authority from the Secretary of Agriculture to general officers, and delegations of authority from general officers to Department agency heads.

There are also codified for the first time delegations related to farmers home and rural development activities of the Department. Other minor revisions and corrections are included for clarification of previously issued delegations.

Part 2 of subtitle A of title 7 of the Code of Federal Regulations is amended as follows:

Subpart C—Delegations of Authority to the Under Secretary, Assistant Secretaries, and Directors

- Sec.
- 2.15 Delegations of authority to the Under Secretary.
 - 2.16 Reservations of authority.
 - 2.17 Delegations of authority to the Assistant Secretary for Marketing and Consumer Services.
 - 2.18 Reservations of authority.
 - 2.19 Delegations of authority to the Assistant Secretary for Conservation, Research, and Education.
 - 2.20 Reservations of authority.
 - 2.21 Delegations of authority to the Assistant Secretary for International Affairs and Commodity Programs.
 - 2.22 Reservations of authority.
 - 2.23 Delegations of authority to the Assistant Secretary for Rural Development.
 - 2.24 Reservations of authority.
 - 2.25 Delegations of authority to the Assistant Secretary for Administration.
 - 2.26 Reservations of authority.
 - 2.27 Delegations of authority to the Director of Agricultural Economics.
 - 2.28 Reservations of authority.

Subpart D—Delegations of Authority to Other General Officers and Agency Heads

- 2.31 Delegations of authority to the General Counsel.
- 2.32 Delegations of authority to the Director of Communication.
- 2.33 Delegations of authority to the Inspector General.
- 2.34 Reservations of authority.
- 2.35 Delegations of authority to the Judicial Officer.
- 2.41 Designation to the Office of Administrative Law Judges.

Subpart G—Delegation of Authority by the Assistant Secretary for Conservation, Research, and Education

- 2.57 Administrator, Agricultural Research Service.
- 2.58 Administrator, Cooperative State Research Service.
- 2.59 Administrator, Extension Service.
- 2.60 Chief, Forest Service.
- 2.61 Director, National Agricultural Library.
- 2.62 Administrator, Soil Conservation Service.

Subpart I—Delegations of Authority by the Assistant Secretary for Rural Development

- 2.70 Administrator, Farmers Home Administration.
- 2.71 Administrator, Rural Development Service.
- 2.72 Administrator, Rural Electrification Administration.

AUTHORITY.—5 U.S.C. 301 and Reorganization Plan No. 2 of 1953.

1. Section 2.4 is revised to read as follows:

§ 2.4 General officers.

The work of the Department is under the supervision and control of the Secretary, who is assisted by the following general officers: The Under Secretary, the Assistant Secretary for International Affairs and Commodity Programs, the Assistant Secretary for Marketing and Consumer Services, the Assistant Secretary for Rural Development, the Assistant Secretary for Conservation, Research, and Education, the Assistant Secretary for Administration, the Director of Agricultural Economics, the General Counsel, the Inspector General,

the Judicial Officer, and the Director of Communication.

2. Section 2.5 is revised to read as follows:

§ 2.5 Order in which Assistant Secretaries shall serve as Acting Secretary.

Pursuant to Executive Order 10481, dated August 15, 1953 (18 FR 4944), the Assistant Secretaries in the order named shall perform the duties of the office of the Secretary in case of the absence, sickness, resignation, or death of both the Secretary of Agriculture and the Under Secretary:

Assistant Secretary for International Affairs and Commodity Programs.

Assistant Secretary for Marketing and Consumer Affairs.

Assistant Secretary for Rural Development.

Assistant Secretary for Conservation, Research, and Education.

§ 2.7 [Amended]

3. Section 2.7 is revised by adding the following language after the last sentence of the section: Subject to the general supervision of the Secretary, agency heads delegated authority from a general officer report to and are under the supervision of that general officer.

§ 2.17 [Amended]

4. In § 2.17, paragraph (b) (10) change reference "(19 U.S.C. 1206)" to read "(19 U.S.C. 1306)." Also in paragraph (b) (13) delete the words "and Public Law 92-152."

§ 2.18 [Amended]

5. Section 2.18, in paragraph (b) (1) after the reference to 21 U.S.C. 114a, add the reference "114c."

6. Section 2.18, in paragraph (b) (2) delete the concluding words "as amended by Public Law 92-152."

7. Sections 2.19 and 2.20 are revised to read as follows:

§ 2.19 Delegations of authority to the Assistant Secretary for Conservation, Research, and Education.

The following delegations of authority are made by the Secretary for Agriculture to the Assistant Secretary for Conservation, Research, and Education, who is responsible for the coordination of research and environmental quality activities throughout the Department, and for representing the Department on the Federal Council for Science and Technology. He is also responsible for providing research coordination and effective working relationships with other public and private science organizations and for ensuring consideration of the needs of action agencies by research, extension, and library programs.

(a) *Related to agricultural research.*—(1) Conduct research concerning domestic animals and poultry, their protection and use, causes of contagious, infectious and communicable diseases and means for the prevention and cure of the same (7 U.S.C. 391).

(2) Conduct research related to the dairy industry and dissemination of information for the promotion of the dairy industry (7 U.S.C. 402).

(3) Conduct research at Mandan, N. Dak., and Lewisburg, Tenn., concerning dairy livestock breeding, growing, and feeding, and other problems pertaining to the establishment of dairy and livestock industries (7 U.S.C. 421-422).

(4) Conduct research on new uses for cotton and on cotton ginning and processing (7 U.S.C. 423-424).

(5) Conduct research into the basic problems of agriculture in its broadest aspects, including, but not limited to, production, marketing (other than statistical and economic research but including consumer and food economic research), distribution, processing, utilization of plant and animal commodities, problems of human nutrition, development of markets for agricultural commodities, discovery, introduction, and breeding of new crops, plants, and animals both foreign and native; conservation development, and development of efficient use of farm buildings, homes, and farm machinery, including the application of electricity and other forms of power (7 U.S.C. 427, 1621-1627, 2201, 2204).

(6) Administer a program for the improvement of poultry, poultry products, and hatcheries (7 U.S.C. 429).

(7) Advance the livestock and agricultural interests of the United States including the breeding of horses suited to the needs of the United States (7 U.S.C. 437).

(8) Enter into agreements with and receive funds from any State or political subdivision, organization, or person for the purpose of conducting cooperative research projects (7 U.S.C. 450a).

(9) Make grants to State agricultural experiment stations, colleges, universities, other research institutions and organizations and Federal and private organizations and individuals for research to further the programs of the Department (7 U.S.C. 450i).

(10) Maintain four regional research laboratories and conduct research at such laboratories to develop new scientific, chemical, and technical uses and new and extended markets and outlets for farm commodities and products and by-products (7 U.S.C. 1292).

(11) Conduct a special cotton research program designed to reduce the cost of producing upland cotton in the United States (7 U.S.C. 1441-note).

(12) Administer and coordinate a foreign contracts and grants program of market development research in the physical and biological sciences under section 104(b) (1) of the Agricultural Trade, Development, and Assistance Act of 1954, but excluding agricultural economics research; and administer and coordinate a foreign contracts and grants program of agricultural and forestry research under section 104(b) (3) of such act (7 U.S.C. 1704(b), (1), (3)).

(13) Conduct research in tropical and subtropical agriculture for the improvement and development of tropical and subtropical food products for dissemination and cultivation in friendly countries as provided by the Food for Peace Act of 1966 (7 U.S.C. 1736(a) (4)).

(14) Conduct research to develop and determine methods of humane slaughter of livestock (7 U.S.C. 1904).

(15) Conduct research related to soil and water conservation, engineering operations and methods of cultivation to provide for the control and prevention of soil erosion (7 U.S.C. 1010, 16 U.S.C. 590a).

(16) Maintain a national arboretum for purposes of research and education concerning tree and plant life (20 U.S.C. 191-194).

(17) Conduct research on foot-and-mouth disease and other animal diseases (21 U.S.C. 113a).

(18) Conduct research on control and eradication of cattle grubs (screwworms) (21 U.S.C. 144e).

(19) Conduct research and technical studies of farm dwellings and other buildings for the purpose of reducing costs and adapting and developing fixtures and appurtenances for more efficient and economical farm use (42 U.S.C. 1476(b)).

(20) Make grants for the support of basic scientific research at nonprofit organizations whose primary purpose is the conduct of scientific research (42 U.S.C. 1891).

(21) Administer the Virgin Islands agricultural research program (48 U.S.C. 1409m-o).

(22) Conduct research related to the use of domestic agricultural commodities for the manufacture of any material determined to be strategic and critical or substitute therefore, under section 7(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98f).

(b) *Related to cooperative State research.*—(1) Administer the Hatch Act of 1887, as amended (7 U.S.C. 361a-361i).

(2) Administer the act of October 10, 1962, as amended (16 U.S.C. 582a-582a-7).

(3) Make grants under section 2 of the act of August 4, 1965 (7 U.S.C. 450i).

(4) Administer the act of July 22, 1963 (7 U.S.C. 390-390k).

(5) Maintain a current research information system for all research work units of USDA and research projects of cooperating institutions receiving USDA funds.

(6) Maintain a research referral office for the effective review and coordination of all USDA-supported research work units.

(7) Administer research programs under title V of the Rural Development Act of 1972 (7 U.S.C. 2661-2668).

(c) *Related to extension service.*—(1) Administer the Smith-Lever Act, as amended (7 U.S.C. 341-349).

(2) Conduct educational and demonstration work under the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621-1627).

(3) Conduct educational and demonstration work in cooperative farm forestry program conducted under section 5 of the act of June 7, 1924, as amended (16 U.S.C. 568).

(4) Provide educational and technical assistance to persons not receiving financial assistance under title 5 of the Housing Act of 1949 (42 U.S.C. 1476).

(5) Administer sections 109-111 of the District of Columbia Public Education Act, as amended, relating to Cooperative Extension programs in the District of Columbia (D.C. Code section 31-1609-1611).

(6) Authorize the use of the 4-H Club name and emblem (18 U.S.C. 707).

(7) Coordinate all educational activities of the Department.

(8) Act as the liaison between the Department and officials of the land-grant colleges and universities on all matters relating to Cooperative Extension work and educational activities relating thereto.

(9) Provide educational leadership for the Department's farm safety educational program.

(10) Serve as a focal point for the Department in contacts and working relationships with national town-country church leaders and denominational and interdenominational church organizations.

(11) Provide leadership and direct assistance to the Cooperative Extension Service in planning, conducting, and evaluating Extension programs with Indians under a memorandum of agreement with the Bureau of Indian Affairs dated May 1956.

(12) Administer information and educational services essential to carrying out preemergency and emergency USDA defense operations through the Cooperative Extension Service.

(13) Exercise responsibilities of the Secretary under regulations dealing with Equal Employment Opportunity in the Cooperative Extension Service (pt. 18 of this subtitle).

(14) Provide educational support of resource development programs in rural areas and cooperate with other Federal and State agencies, private organizations and groups in providing information concerning assistance available for resource development programs.

(15) Represent the Department in dealings with international organizations and foreign countries on matters related to Extension education methods, programs, and organizations.

(16) Administer extension programs under title V of the Rural Development Act of 1972, Public Law 92-419 (7 U.S.C. 2661-2668).

(17) Represent the Department on the Federal Interagency Council on Education.

(d) *Related to forest service.*—(1) Provide national leadership in forestry.—(As used here and elsewhere in this section the term "forestry" encompasses the tangible physical resources such as forests, forest-related rangeland, grassland, brushland, woodland, alpine areas, minerals, water areas, wildlife habitat, and less tangible forest-related values such as outdoor recreation, wilderness, scenery, air and water quality, economic strength, and social well-being.)

(2) Protect, manage, and administer the national forests, national forest purchase units, national grasslands, and other lands and interests in lands administered by the Forest Service, which

collectively are hereby designated as the National Forest System, including the acquisition and disposition of lands and interests in lands as may be required in these programs.

(3) Conduct research programs to provide fundamental knowledge and technology for improved policy decisions and improved professional management of forest and range ecosystems; increased efficiency in timber production; forest soils and watersheds; range, wildlife, and fish habitat management; forest recreation; environmental forestry; forest fire; forest insects; forest diseases; forest products utilization; forest engineering; forest resource surveys; forest products marketing; and forest economics.

(4) Administer the programs of cooperation in the protection, planning, development, conservation, multiple-purpose management, and utilization of forest and related resources.

(5) Administer forest insect, disease, and other pest control and eradication programs.

(6) Administer programs under section 23 of the Federal Highway Act (23 U.S.C. 101(a), 202(b), 204(a)-(e), 205(a)-(d), 317).

(7) Exercise the custodianship of lands and interests in lands under lease or contract of sale to States and local agencies pursuant to title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1012).

(8) Administer under such general program criteria and procedures as may be established by the Soil Conservation Service, the forestry aspects of subdivisions (i), (ii), and (iii) of this subparagraph on the National Forest System and rangelands within national forest boundaries and adjacent rangelands which are administered under formal agreement, and other forest lands.

(i) Cooperative river basin surveys and investigations program (16 U.S.C. 1006).

(ii) Eleven authorized watershed improvement programs and emergency flood prevention measures program under the Flood Control Act (33 U.S.C. 701b-1).

(iii) Small watershed protection program under the Pilot Watershed Protection and Watershed Protection and Flood Prevention Acts (67 Stat. 214 and 16 U.S.C. 1001-1009).

(9) Provide assistance to the Agricultural Stabilization and Conservation Service in connection with the rural environmental assistance program, the naval stores conservation program, and the cropland conversion program, as authorized by sections 7-17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q).

(10) Coordinate mapping work of the Department, including: (i) Clearing mapping projects to prevent duplication; (ii) keeping a record of mapping done by Department agencies; (iii) preparing and submitting required Departmental reports; (iv) serving as liaison on mapping with the Office of Management and Budget, Department of the Interior, and other departments and establishments; (v) promoting interchange of technical

information, including techniques which may reduce costs or improve quality; and (vi) maintenance of the mapping records formerly maintained by the Office of Plant and Operations.

(11) Enter into research agreements (grants, contracts, agreements, and cooperative aid) under the provisions of 7 U.S.C. 450i; 42 U.S.C. 1891-1893; 16 U.S.C. 581; 7 U.S.C. 4271(a); and 7 U.S.C. 1624, for the support of applied and/or basic scientific research in forestry activities.

(12) Provide assistance to the Farmers Home Administration in connection with grants and loans under authority of the Consolidated Farm and Rural Development Act, 7 U.S.C. 1923; and consultation with the Department of Housing and Urban Development under the authority of 40 U.S.C. 461(e).

(13) Exercise responsibility, under such general program criteria and procedures as may be established by the Soil Conservation Service in connection with the forestry aspects of the resource conservation and development program authorized by title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1011 (e)).

(14) Administer the radio frequency licensing work of the Department, including: (i) Representation of the Department on the Interdepartmental Radio Advisory Committee and its Frequency Assignment Subcommittee, in the office of the Director of Telecommunications Management; (ii) establishing policies, standards, and procedures for allotting and assigning frequencies within the Department and for obtaining effective utilization of them; (iii) providing licensing action necessary to assign radio frequencies for use by the agencies of the Department and maintenance of the records necessary in connection therewith; and (iv) providing inspection of the Department's radio operations to insure compliance with national and international regulations and policies for radio frequency use.

(15) Administer the Youth Conservation Corps Act (42 U.S.C. precede 2711 note) for the Department of Agriculture.

(16) Establish and operate the Job Corps Civilian Conservation centers on national forest lands as authorized by title I, sections 106 and 107, of the Economic Opportunity Act of 1964 (42 U.S.C. 2716-2717), in accordance with the terms of an agreement dated May 11, 1967, between the Secretary of Agriculture and the Secretary of Labor; and administration of other cooperative manpower training and work experience programs where the Forest Service serves as host or prime sponsor with other departments of Federal, State, or local governments.

(17) Administer the Volunteers in the National Forests Act of 1972 (16 U.S.C. 558a-558d, 558a note).

(18) Render the decisions of the Secretary in class 2 and 3 cases in appeals from the Chief, Forest Service, pursuant to §§ 211.22(a)(3) and 211.28, title 36, Code of Federal Regulations.

(19) Provide wildfire protection assistance.

(e) *Related to the national agricultural library.*—(1) Acquire and preserve all information concerning agriculture.

(2) Formulate immediate and long-range library policies, procedures, practices, and technical standards necessary for acquisition, cataloging, loan, bibliographic, and reference service to meet the needs of scientific, technical, research, and administrative staffs of the Department, both in Washington and the field.

(3) Evaluate special library programs developed for agencies of the Department; exercising such controls as are needed to coordinate library services in the Department and to avoid duplication of effort.

(4) Provide consultative service in library science and documentation, including systems for information storage and retrieval, to Department officials.

(5) Coordinate scientific and technical information activities of the Department.

(6) Coordinate the collection policy and program of the National Agricultural Library with the Library of Congress and the National Library of Medicine.

(7) Represent the Department on library and science information matters before congressional committees, professional societies, international organizations; and cooperate with other Government agencies, and educational institutions on all matters relating to library services.

(8) Make grants under section 2 of the act of August 4, 1965 (7 U.S.C. 450i).

(9) Make copies of bibliographies prepared by the library, prepare microfilm and other photographic reproductions of books and other library materials in the Department, and sell such bibliographies and reproductions at cost.

(10) Organize and coordinate a national agricultural science information system (network) for procuring, preserving, and diffusing agricultural information.

(11) Accept gifts and order disbursement from the Treasury under the act of December 28, 1970 (7 U.S.C. 2264, 2265).

(f) *Related to soil conservation activities.*—(1) Provide national leadership in the conservation, development, and productive use of the Nation's soil, water, and related resources. Such leadership encompasses soil, water, plant, and wildlife conservation; small watershed protection and flood prevention; and resource conservation and development. Integrated in these programs are erosion control, sediment reduction, pollution abatement, land use planning, multiple use, improvement of water quality, and several surveying and monitoring activities related to environmental improvement. All are designed to assure (i) quality in the natural resource base for sustained use; (ii) quality in the environment to provide attractive, convenient, and satisfying places to live, work, and play; and (iii) quality in the standard of living based on community improvement and adequate income.

(2) Evaluate and coordinate land use policy.

(3) Administer the basic program of soil and water conservation under Public Law 46, 74th Congress, as amended, and related laws (16 U.S.C. 590a-f, 590i-1, 590q, 590q-1; 42 U.S.C. 3271-3274; 7 U.S.C. 2201), including:

(i) Technical assistance to land users in carrying out locally adapted soil and water conservation programs primarily through the conservation districts in the 50 States, Puerto Rico, and Virgin Islands, but also to communities, watershed groups, Federal and State agencies, and other cooperators including such assistance as:

(a) Comprehensive planning assistance in nonmetropolitan districts.

(b) Assistance in the field of income-producing recreation on rural non-Federal lands.

(c) Forestry assistance, as a part of total technical assistance, to private landowners and landusers when such services are an integral part of land management and such services are not available from a State agency; and forestry services in connection with windbreaks and shelter belts to prevent wind and water erosion of lands.

(d) Assistance in developing programs relating to natural beauty.

(e) Assistance to other Department agencies in connection with the administration of their programs, as follows:

(i) Agricultural Stabilization and Conservation Service in the development and technical servicing of certain programs, such as the rural environmental assistance program, water bank program, Appalachian regional development program, and other such similar conservation programs.

(ii) Farmers Home Administration in connection with its loan program.

(iii) Soil surveys, including:

(a) Providing leadership for the Federal part of the National Cooperative Soil Survey which includes conducting and publishing of soil surveys.

(b) Conducting soil surveys for resource planning and development.

(c) Performing the cartographic services essential to carrying out the delegated authorities, including furnishing photographs, mosaics, and maps.

(iii) Conducting and coordinating snow surveys and making water supply forecasts pursuant to Reorganization Plan No. 4 of 1940 (5 U.S.C. App.).

(iv) Operating plant materials centers for the assembly and testing of plant species in conservation programs, including the use, administration, and disposition of lands under the administration of the Soil Conservation Service for such purposes under title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011).

(v) Providing leadership in the inventorying and monitoring of soil, water, land, and related resources of the Nation.

(4) Administer the watershed protection and flood prevention programs including:

(i) The 11 authorized watershed projects under Public Law 534, 78th Congress, 33 U.S.C. 701b-1.

(ii) The Emergency Flood Control Work under section 216 of Public Law 516, 81st Congress, 33 U.S.C. 701b-1.

(iii) The cooperative river basin surveys and investigations programs under section 6 of Public Law 586, 83d Congress, 16 U.S.C. 1006. Representation on the Water Resources Council and river basin commissions created by Public Law 89-80, 42 U.S.C. 1962, and on river basin interagency committees.

(iv) The pilot watershed projects under Public Law 46, 74th Congress, 16 U.S.C. 590a-f, and Public Law 156, 83d Congress.

(v) The watershed protection and flood prevention program under Public Law 566, 83d Congress, as amended 16 U.S.C. 1001-1009, except for responsibilities delegated to the Assistant Secretary for Rural Development.

(vi) The joint investigations and surveys with the Department of the Army under Public Law 87-639, 16 U.S.C. 1009.

(5) Administer the Great Plains conservation program under Public Law 1201, 84th Congress, as amended 16 U.S.C. 590p(b).

(6) Administer the resource conservation and development program under Public Laws 46, 74th Congress, and 703, 87th Congress, as amended 16 U.S.C. 590a and 7 U.S.C. 1010-1011, except for responsibilities delegated to the Assistant Secretary for Rural Development.

(7) Responsibility for entering into long-term contracts for carrying out conservation and environmental measures in watershed areas.

(g) *Related to rural development activities.*—(1) Provide guidance and direction for the accomplishment of activities authorized under the Rural Development Act of 1972 by agencies under the control of the Assistant Secretary for Conservation, Research, and Education, coordinating the policy aspects thereof with the Assistant Secretary for Rural Development.

§ 2.20 Reservations of authority.

(a) *Related to agricultural research.*—(1) Designation of members of the advisory committee, under title III of the Research and Marketing Act of 1946 (7 U.S.C. 1628-1629).

(b) *Related to cooperative State research.*—(1) Appointing an advisory committee under section 6 of the act of October 10, 1962 (16 U.S.C. 582a-5).

(2) Withholding funds from States under section 5 and notification to the President thereof in accordance with section 7 of the Hatch Act of 1887, as amended (7 U.S.C. 361 e, g).

(3) Reapportioning funds under section 4 and apportioning funds under section 5 of the act of October 10, 1962 (16 U.S.C. 582 a-3, a-4).

(c) *Related to extension service.*—(1) Approving selection of State directors of extension.

(2) Final concurrence of Equal Employment Opportunity programs submitted under part 18 of this subtitle.

(3) Approving the memoranda of understanding between the land-grant universities and the Department of Agriculture.

(4) Withholding funds from States and sending notification thereof to the President in accordance with sections 5 and 6 of the Smith-Lever Act, as amended (7 U.S.C. 345-346).

(f) *Related to soil conservation activities.*—(1) Designation of new project areas in which the resource conservation and development program assistance will be provided.

§ 2.21 [Amended]

8. Section 2.21, Paragraph (d) (2) delete the words "Director of Science and Education" and insert in their place "Assistant Secretary for Conservation, Research, and Education."

9. Add new §§ 2.23 and 2.24 as follows:

§ 2.23 Delegations of authority to the Assistant Secretary for Rural Development.

The following delegations of authority are made by the Secretary of Agriculture to the Assistant Secretary for Rural Development:

(a) *Related to farmers home activities.*—(1) Administer the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.), except (i) with respect to loans for rural electrification and telephone facilities and service delegated to the Assistant Secretary for Rural Development in paragraph (c) (2) of this section; and (ii) the authority contained in section 342 of said act, 7 U.S.C. 1013a. This delegation includes the authority to collect, service, and liquidate loans made or insured by the Farmers Home Administration, or its predecessor agencies, the Farm Security Administration, the Emergency Crop and Feed Loans Offices of the Farm Credit Administration, the Resettlement Administration, and the Regional Agricultural Credit Corporations of Washington, D.C.

(2) Administer title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), except those functions pertaining to research.

(3) Administer the Rural Rehabilitation Corporation Trust Liquidation Act (40 U.S.C. 440 et seq.), and under trust, liquidation, and other agreements entered into pursuant thereto.

(4) Administer section 8, and those functions with respect to repayment of obligations under section 4, of the Watershed Protection and Flood Prevention Act (16 U.S.C. 1006a, 1004).

(5) Administer the resource conservation and development program to assist in carrying out resource conservation and development projects in rural areas under section 32(e) of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1011(e)).

(6) Administer loan programs in Appalachian region under sections 203 and 204 of the Appalachian Regional Development Act of 1965 (40 U.S.C., App. 204).

(7) Administer Farmers Home Administration assets conveyed in trust under the Participation Sales Act of 1966 (12 U.S.C. 1717).

(8) Administer the emergency loan program and the rural housing disaster program under sections 232, 234, and 253 of the Disaster Relief Act of 1970 (Public Law 91-606), the Disaster Relief Act of 1969 (Public Law 91-79), and under Public Law 92-385 approved August 16, 1972.

(9) Administer loans to homestead or desertland entrymen and purchasers of land in reclamation projects or to an entryman under the desertland law (7 U.S.C. 1006a and 1006b).

(10) Administer loans to Indian tribes and tribal corporations (25 U.S.C. 488-492).

(11) Administer financial assistance programs under part A of title III and part D of title I and the necessarily related functions in title VI of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2763-2768, 2841-2855, 2942, 2943(b), 2961) delegated by the Director of the Office of Economic Opportunity to the Secretary of Agriculture by documents dated October 23, 1964 (29 FR 14764), and June 17, 1968 (33 FR 9850), respectively.

(12) Administer the Federal Claims Collection Act of 1966 and joint regulations issued pursuant thereto by the Attorney General and the Comptroller General with respect to claims of the Farmers Home Administration (31 U.S.C. 951.952; 4 CFR, ch. II).

(13) Service, collect, settlement, and liquidation of:

(a) Deferred land purchase obligations of individuals under the Wheeler-Case Act of August 11, 1939, as amended (16 U.S.C. 590y), and under the item, "Water Conservation and Utilization projects" in the Department of the Interior Appropriation Act, 1940 (53 Stat. 719) as amended.

(b) Puerto Rican Hurricane Relief loans under the act of July 11, 1956 (70 Stat. 525).

(c) Loans made in conformance with section 4 of the Southeast Hurricane Disaster Relief Act of 1965 (79 Stat. 1301).

(d) *Related to rural development.*—

(1) Provide leadership and coordination within the executive branch of a nationwide rural development program utilizing the services of executive branch departments and agencies and the agencies, bureaus, offices, and services of the Department of Agriculture in coordination with rural development programs of State and local governments (sec. 526(b) of the Rev. Stat.) (7 U.S.C. 2204(b)).

(2) Coordinate activities relative to rural development within the Department of Agriculture in cooperation with assistant secretaries which have primary responsibilities for specific titles of the Rural Development Act of 1972, and allied legislation.

(3) Administer a national program of economic, social, and environmental research and analysis, statistical programs and associated service work related to rural people and the communities in which they live including rural industrialization; rural population and manpower; local government finance; income; development strategies; housing; social services and utilization; adjust-

ments to changing economic and technical forces; and other related matters.

(4) Work with Federal agencies in encouraging the creation of rural community development organizations.

(5) Assist other Federal agencies in making rural community development organizations aware of the Federal programs available to them.

(6) Advise rural community development organizations of the availability of Federal assistance programs.

(7) Advise other Federal agencies of the need for particular Federal programs.

(8) Assist rural community development organizations in making contact with Federal agencies whose assistance may be of a benefit to them.

(9) Assist other Federal agencies and national organizations in developing means for extending their services effectively to rural areas.

(10) Assist other Federal agencies in designing pilot projects in rural areas.

(11) Conduct studies to determine how programs of the Department can be brought to bear on the economic development problems of the country and assure that local groups are receiving adequate technical assistance from Federal agencies or from local and State governments in formulating development programs and in carrying out planned development activities.

(12) Assist other Federal agencies in formulating manpower development and training policies.

(13) Authority to enter into contracts for the support of rural development.

(c) *Related to rural electrification and telephone service.*—(1) Administer the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)).

(2) Administer the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) with respect to loans for rural electrification and telephone facilities and service.

§ 2.24 Reservations of authority.

The following authorities are reserved to the Secretary of Agriculture:

(a) *Related to farmers home activities.*—(1) Designation of areas in which emergency loans may be made (7 U.S.C. 1961).

§ 2.25 [Amended]

(10) In § 2.25, paragraph (e) (9) (xvii) (c) the word "contact" is revised to read "contract."

(11) In § 2.25, following paragraph (e) (10) (xi) the listing and numbering is revised to read as follows:

(e) * * *

- (xii) Retirement.
- (xiii) Program evaluation.
- (xiv) Social security.
- (xv) Life insurance.
- (xvi) Health benefits.
- (xvii) Unemployment compensation.
- (xviii) Employee safety.
- (xix) Employee health programs.
- (xx) Labor management relations.
- (xxi) Intramangement consultation.
- (xxii) Security.
- (xxiii) Discipline.
- (xxiv) Equal employment opportunity.
- (xxv) Complaints and grievances.
- (xxvi) Appeals.

(12) In § 2.25, paragraph (f)(1)(iv) the word "progress" is revised to read "program."

13. Section 2.25, paragraph (g) is revised to read:

(g) *Related to committee management.*—(1) Serve as the Department's Committee Management Officer and establish and maintain departmentwide policies and procedures for the management of committees. This delegation includes the authority to:

(i) Consult with the Office of Management and Budget prior to the establishment or reestablishment of advisory committees.

(ii) Approve and sign the written certification that creation of the advisory committee is in the public interest and provide for the publication of such certification in the *FEDERAL REGISTER*, along with a description of the nature and purpose of the advisory committee, following the Office of Management and Budget's approval of the establishment of the committee.

(iii) Approve and sign the notice of renewal of advisory committees for publication in the *FEDERAL REGISTER*, following the Office of Management and Budget's occurrence in the renewal of the committees.

(iv) Assign responsibility for preparation of timely notice of meetings for publication in the *FEDERAL REGISTER*.

(v) Approve charters for national advisory committees when in a format other than a Secretary's memorandum.

§§ 2.29 and 2.30 [Deleted]

(14) Sections 2.29 and 2.30 are deleted in their entirety.

§ 2.35 [Amended]

(15) In § 2.35, paragraph (a) the reference "Pursuant to the provisions of the act of April 4, 1970" is revised to read "Pursuant to the act of April 4, 1940."

§ 2.41 [Amended]

(16) In § 2.41(a), regarding the reference to "7 U.S.C. 601", remove the numeral "2."

§ 2.45 [Amended]

(17) In § 2.45, paragraph (a)(1)(ii) the word "evaluation" is revised to read "evaluate."

§ 2.51 [Amended]

(18) Section 2.51, paragraph (a)(13) the words "and Public Law 92-152" are deleted.

§ 2.52 [Amended]

(19) In § 2.52, paragraph (a) the words "subject to reservations in § 2.18(c)" are deleted.

§ 2.54 [Amended]

(20) In § 2.54, paragraph (a) the words "subject to reservations in § 2.18(e)" are deleted.

(21) Subpart G is revised to read as follows:

Subpart G—Delegations of Authority by the Assistant Secretary for Conservation, Research, and Education

§ 2.57 Administrator, Agricultural Research Service.

(a) *Delegations.*—Pursuant to § 2.19 (a), subject to reservations in § 2.20(a), the following delegations of authority are made by the Assistant Secretary for Conservation, Research, and Education to the Administrator, Agricultural Research Service:

(1) Conduct research concerning domestic animals and poultry, their protection and use, causes of contagious, infectious, and communicable diseases and means for the prevention and cure of the same (7 U.S.C. 391).

(2) Conduct research related to the dairy industry and dissemination of information for the promotion of the dairy industry (7 U.S.C. 402).

(3) Conduct research at Mandan, N. Dak., and Lewisburg, Tenn., concerning dairy livestock breeding, growing, and feeding, and other problems pertaining to the establishment of dairy and livestock industries (7 U.S.C. 421-422).

(4) Conduct research on new uses for cotton and on cotton ginning and processing (7 U.S.C. 423-424).

(5) Conduct research into the basic problems of agriculture in its broadest aspects, including, but not limited to, production marketing (other than statistical and economic research but including consumer and food economic research), distribution, processing, utilization of plant and animal commodities, problems of human nutrition, development of markets for agricultural commodities, discovery, introduction, and breeding of new crops, plants, and animal both foreign and native; conservation development, and development of efficient use of farm buildings, homes, and farm machinery, including application of electricity and other forms of power (7 U.S.C. 427, 1621-1627, 2201, 2204).

(6) Administer a program for the improvement of poultry, poultry products, and hatcheries (7 U.S.C. 429).

(7) Advancement of the livestock and agricultural interests of the United States including the breeding of horses suited to the needs of the United States (7 U.S.C. 437).

(8) Enter into agreements with and receive funds from any State or political subdivision, organization, or person for the purpose of conducting cooperative research projects (7 U.S.C. 450a).

(9) Make grants to State agricultural experiment stations, colleges, universities, other research institutions and organizations and Federal and private organizations and individuals for research to further the programs of the Department (7 U.S.C. 450i).

(10) Maintain four regional research laboratories and research at such laboratories to develop new scientific, chemical, and technical uses and new and extended markets and outlets for farm

commodities and products and byproducts (7 U.S.C. 1292).

(11) Conduct a special cotton research program designed to reduce the cost of producing upland cotton in the United States (7 U.S.C. 1441-Note).

(12) Administer and coordinate a foreign contracts and grants program of market development research in the physical and biological sciences under section 104(b)(1) of the Agricultural Trade, Development, and Assistance Act of 1954, but excluding agricultural economics research; and administer and coordinate a foreign contracts and grants program of agricultural and forestry research under section 104(b)(3) of such act (7 U.S.C. 1704(b)(1), (3)).

(13) Conduct research in tropical and subtropical food products for dissemination and cultivation in friendly countries as provided by the Food for Peace Act of 1966 (7 U.S.C. 1736(a)(4)).

(14) Conduct research to develop and determine methods of humane slaughter of livestock (7 U.S.C. 1904).

(15) Conduct research related to soil and water conservation, engineering operations, and methods of cultivation to provide for the control and prevention of soil erosion (7 U.S.C. 1010, 16 U.S.C. 590a).

(16) Maintain a national arboretum for purposes of research and education concerning tree and plant life (20 U.S.C. 191-194).

(17) Conduct research on foot-and-mouth disease and other animal diseases (21 U.S.C. 113a).

(18) Conduct research on control and eradication of cattle grubs (screwworms) (21 U.S.C. 144e).

(19) Conduct research and technical studies of farm dwellings and other buildings for the purpose of reducing costs and adapting and developing fixtures and appurtenances for more efficient and economical farm use (42 U.S.C. 1476(b)).

(20) Make grants for the support of basic scientific research at nonprofit institutions of higher education or nonprofit organizations whose primary purpose is the conduct of scientific research (42 U.S.C. 1891).

(21) Administer the Virgin Islands agricultural research programs (48 U.S.C. 1409m-o).

(22) Conduct research related to the use of domestic agricultural commodities for the manufacture of any material determined to be strategic and critical or substitute therefore, under section 7(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98f).

§ 2.58 Administrator, Cooperative State Research Service.

(a) *Delegations.*—Pursuant to § 2.19 (b) subject to reservations in § 2.20(b), the following delegations of authority are made by the Assistant Secretary for Conservation, Research, and Education

to the Administrator, Cooperative State Research Service:

(1) Administer the Hatch Act of 1887, as amended (7 U.S.C. 361a-1).

(2) Administer the act of October 10, 1962, as amended (16 U.S.C. 582a-582a-7).

(3) Make grants under section 2 of the act of August 4, 1965 (7 U.S.C. 4501).

(4) Administer the act of July 22, 1963 (7 U.S.C. 390-390k).

(5) Maintain a current research information system for all research work units of USDA and research projects of cooperating institutions receiving USDA funds.

(6) Maintain a research referral office for the effective review and coordination of all USDA-supported research work units.

(7) Administer research programs under title V of the Research Development Act of 1972 (7 U.S.C. 2661-2668).

§ 2.59 Administrator, Extension Service.

(a) *Delegations.*—Pursuant to § 2.19 (c), subject to reservations in § 2.20 (c), the following delegations of authority are made by the Assistant Secretary for Conservation, Research, and Education to the Administrator, Extension Service:

(1) Administer the Smith-Lever Act, as amended (7 U.S.C. 341-349).

(2) Conduct educational and demonstration work under the Agricultural Marketing Act of 1946, as amended (7 U.S.C. 1621-1627).

(3) Conduct educational and demonstration work in the cooperative farm forestry program conducted under section 5 of the act of June 7, 1924, as amended (16 U.S.C. 568).

(4) Provide educational and technical assistance to persons not receiving financial assistance under title 5 of the Housing Act of 1949 (42 U.S.C. 1476).

(5) Administer sections 109-111 of the District of Columbia Public Education Act, as amended, relating to Cooperative Extension programs in the District of Columbia (D.C. Code, sec. 31-1609-1611).

(6) Authorize the use of the 4-H Club name and emblem (18 U.S.C. 707).

(7) Act as the liaison between the Department and officials of the land-grant colleges and universities on all matters relating to cooperative extension work and educational activities relating thereto.

(8) Provide educational leadership for the Department's farm safety educational program.

(9) Serve as a focal point for the Department in contacts and working relationships with national town-country church leaders and denominational and interdenominational church organizations.

(10) Provide leadership and direct assistance to the Cooperative Extension Service in planning, conducting, and evaluating extension programs with Indians under a memorandum of agreement with the Bureau of Indian Affairs dated May 1956.

(11) Administer information and educational services, essential to carry-

ing out preemergency and emergency USDA defense operations through the Cooperative Extension Service.

(12) Exercise responsibilities of the Secretary under regulations dealing with Equal Employment Opportunity in the Cooperative Extension Service (pt. 18 of this subtitle).

(13) Provide educational support of resource development programs in rural areas and cooperate with other Federal and State agencies, private organizations and groups in providing information concerning assistance available for resource development programs.

(14) Represent the Department in dealings with international organizations and foreign countries on matters related to extension education methods, programs, and organizations.

(15) Administer extension programs under title V of the Rural Development Act of 1972 (Public Law 92-419) (7 U.S.C. 2661-2668).

(b) *Reservations.*—The following authorities are reserved to the Assistant Secretary for Conservation, Research, and Education:

(1) Coordination of all educational activities of the Department.

(2) Represent the Department on the Federal Interagency Council on Education.

§ 2.60 Chief, Forest Service.

(a) *Delegations.*—Pursuant to § 2.19 (d), the following delegations of authority are made by the Assistant Secretary for Conservation, Research, and Education to the Chief of the Forest Service:

(1) Provide national leadership in forestry. (As used here and elsewhere in this section the term "forestry" encompasses the tangible physical resources such as forests, forest-related rangeland, grassland, brushland, woodland, alpine areas, minerals, water areas, wildlife habitat, and less tangible forest-related values such as outdoor recreation, wilderness, scenery, air and water quality, economic strength, and social well-being.)

(2) Protect, manage, and administer the national forests, national forest purchase units, national grasslands, and other lands and interests in lands administered by the Forest Service, which collectively are hereby designated as the National Forest System, including the acquisition and disposition of lands and interests in lands as may be required in these programs.

(3) Conduct research programs to provide fundamental knowledge and technology, for improved policy decisions and professional management of forest and range ecosystems; increased efficiency in timber production; forest soils and watersheds; range, wildlife, and fish habitat management; forest recreation; environmental forestry; forest fire; forest insects; forest diseases; forest products utilization; forest engineering; forest resource surveys; forest products marketing; and forest economics.

(4) Administer the programs of cooperation in the protection, planning, development, conservation, multiple-

purpose management, and utilization of forest and related resources.

(5) Administer forest insect, disease, and other pest control and eradication programs.

(6) Administer programs under section 23 of the Federal Highway Act (23 U.S.C. 101(a), 202(b), 204(a)-(e), 205(a)-(d), 317).

(7) Exercise the custodianship of lands and interests in lands under lease or contract of sale to States and local agencies pursuant to title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1012).

(8) Administer, under such general program criteria and procedures as may be established by the Soil Conservation Service, the forestry aspects of subdivisions (i), (ii), and (iii) of this subparagraph on the National Forest System and rangelands within national forest boundaries and adjacent rangelands which are administered under formal agreement, and other forest lands.

(i) Cooperative river basin surveys and investigations program (16 U.S.C. 1006).

(ii) Eleven authorized watershed improvement programs and emergency flood prevention measures program under the Flood Control Act (33 U.S.C. 701b-1).

(iii) Small watershed protection program under the Pilot Watershed Protection and Watershed Protection and Flood Prevention Acts (67 Stat. 214 and 16 U.S.C. 1001-1009).

(9) Provide assistance to the Agricultural Stabilization and Conservation Service in connection with the rural environmental assistance program, the naval stores conservation program, and the cropland conversion program, authorized by sections 7-17 of the Soil Conservation and Domestic Allotment Act, as amended (16 U.S.C. 590g-590q).

(10) Coordinate mapping work of the Department, including: (i) Clearing mapping projects to prevent duplication; (ii) keeping a record of mapping done by department agencies; (iii) preparing and submitting required departmental reports; (iv) serving as liaison on mapping with the Office of Management and Budget, Department of the Interior, and other departments and establishments; (v) promoting interchange of technical information, including techniques which may reduce costs or improve quality; and (vi) maintenance of the mapping records formerly maintained by the Office of Plant and Operations.

(11) Enter into research agreements (grants, contracts, agreements, and cooperative aid) under the provisions of 7 U.S.C. 450i; 42 U.S.C. 1891-1893; and 16 U.S.C. 581; 7 U.S.C. 4271(a); and 7 U.S.C. 1624, for the support of applied and/or basic scientific research in forestry activities.

(12) Provide assistance to the Farmers Home Administration in connection with grants and loans under authority of the Consolidated Farm and Rural Development Act, 7 U.S.C. 1923; and consultation with the Department of Housing and

Urban Development under the authority of 40 U.S.C. 461(e).

(13) Exercise responsibility, under such general program criteria and procedures as may be established by the Soil Conservation Service in connection with the forestry aspects of the resource conservation and development program authorized by title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1011(e)).

(14) Administer the radiofrequency licensing work of the Department, including: (i) Representing the Department on the Interdepartment Radio Advisory Committee and its Frequency Assignment Subcommittee, in the office of the Director of Telecommunications Management; (ii) establishing policies, standards, and procedures for allotting and assigning frequencies within the Department and for obtaining effective utilization of them; (iii) providing licensing action necessary to assign radiofrequencies for use by the agencies of the Department and maintenance of the records necessary in connection therewith; and (iv) providing inspection of the Department's radio operations to insure compliance with national and international regulations and policies for radiofrequency use.

(15) Administer the Youth Conservation Corps Act (42 U.S.C. Precede 2711 Note) for the Department of Agriculture.

(16) Establish and operate the Job Corps Civilian Conservation Centers on national forest lands as authorized by title I, sections 106 and 107 of the Economic Opportunity Act of 1964 (42 U.S.C. 2716-2717), in accordance with the terms of an agreement dated May 11, 1967, between the Secretary of Agriculture and the Secretary of Labor; and administration of other cooperative manpower training and work experience programs where the Forest Service serves as host or prime sponsor with other Departments of Federal, State, or local governments.

(17) Administer the Volunteers in the National Forests Act of 1972 (16 U.S.C. 558a-558d, 558a note).

(18) Provide wildfire protection assistance.

(b) *Reservations.*—The following authorities are reserved to the Assistant Secretary of Agriculture for Conservation, Research, and Education.

(1) The authority to issue regulations.

(2) The authority as a member of the National Forest Reservation Commission (16 U.S.C. 513).

(3) The making of recommendations to the President with respect to the transfer of lands pursuant to the provisions of subsection (c) of section 32 of title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1011(a)).

(4) Making recommendations to the President for the establishing of national forests or parts thereof under the provisions of section 9 of the act of June 7, 1924 (16 U.S.C. 471).

(5) Giving final approval and submitting to the Congress the results of preliminary examinations and survey reports under the Flood Control Act of

1936, as amended and supplemented (33 U.S.C. 701a et seq.).

(6) Approving requests for apportionment of reserves pursuant to section 3679, Revised Statutes, as amended (31 U.S.C. 865), for forest pest control.

(7) Making recommendations to the President for the establishing of or adding to National Wild and Scenic Rivers System (16 U.S.C. 1271-1278); National Scenic Trails System (16 U.S.C. 1241-1249); and the National Wilderness Preservation System (16 U.S.C. 1131-1136).

(8) Signing of declarations of taking and requests for condemnation.

§ 2.61 Director, National Agricultural Library.

(a) *Delegations.*—Pursuant to § 21.19 (e), the following delegations of authority are made by the Assistant Secretary for Conservation, Research, and Education to Director, National Agricultural Library:

(1) Acquire and preserve all information concerning agriculture.

(2) Formulate immediate and long-range library policies, procedures, practices, and technical standards necessary for acquisition, cataloging, loan, bibliographic, and reference service to meet the needs of scientific, technical, research, and administrative staffs of the Department, both in Washington and the field.

(3) Evaluate special library programs developed for agencies of the Department; exercising such controls as are needed to coordinate library services in the Department and to avoid duplication of effort.

(4) Provide consultative service in library science and documentation, including systems for information storage and retrieval, to Department officials.

(5) Coordinate scientific and technical information activities of the Department.

(6) Coordinate the collection policy and program of the National Agricultural Library with the Library of Congress and the National Library of Medicine.

(7) Represent the Department on library and science information matters before congressional committees, professional societies, and international organizations; and cooperate with other Government agencies, and educational institutions on all matters relating to library services.

(8) Make grants under section 2 of the act of August 4, 1965 (7 U.S.C. 4501).

(9) Make copies of bibliographies prepared by the library, prepare microfilm and other photographic reproductions of books and other library materials in the Department, and sell such bibliographies and reproductions at cost.

(10) Organize and coordinate a national agricultural science information system (network) for procuring, preserving, and diffusing agricultural information.

(11) Accept gifts and order disbursement from the Treasury under the act of December 28, 1970 (7 U.S.C. 2264, 2265).

§ 2.62. Administrator, Soil Conservation Service.

(a) *Delegations.*—Pursuant to § 2.19 (f), subject to reservations in § 2.20(f) the following delegations of authority are made by the Assistant Secretary for Conservation, Research, and Education to the Administrator, Soil Conservation Service:

(1) Provide national leadership in the conservation, development, and productive use of the Nation's soil, water, and related resources. Such leadership encompasses soil, water, plant, and wildlife conservation; small watershed protection and flood prevention; and resource conservation and development. Integrated in these programs are erosion control, sediment reduction, pollution abatement, land use planning, multiple use, improvement of water quality, and several surveying and monitoring activities related to environmental improvement. All are designed to assure (i) quality in the natural resource base for sustained use; (ii) quality in the environment to provide attractive, convenient, and satisfying places to live, work, and play; and (iii) quality in the standard of living based on community improvement and adequate income.

(2) Participate in evaluating and coordinating land use policy.

(3) Administer the basic program of soil and water conservation under Public Law 46, 74th Congress, as amended, and related laws (16 U.S.C. 590 a-f, i-1, q, r-1; 42 U.S.C. 3271-3274; 7 U.S.C. 2201), including:

(i) Technical assistance to land users in carrying out locally adapted soil and water conservation programs primarily through the conservation districts in the 50 States, Puerto Rico, and Virgin Islands, but also to communities, watershed groups, Federal and State agencies, and other cooperators including such assistance as:

(a) Comprehensive planning assistance in nonmetropolitan districts.

(b) Assistance in the field of income-producing recreation on rural non-Federal lands.

(c) Forestry assistance, as a part of total technical assistance to private land owners and land users when such services are an integral part of land management and such services are not available from a State agency; and forestry services in connection with windbreaks and shelter belts to prevent wind and water erosion of lands.

(d) Assistance in developing programs relating to natural beauty.

(e) Assistance to other Department agencies in connection with the administration of their program, as follows:

(i) Agricultural Stabilization and Conservation Service in the development and technical servicing of certain programs, such as the rural environmental assistance program, water bank program, Appalachian regional development program and other such similar conservation programs.

(ii) Farmers Home Administration in connection with their loan programs.

(ii) Soil surveys, including:

(a) Providing leadership for the Federal part of the National Cooperative Soil Survey which includes conducting and publishing of soil surveys.

(b) Conducting soil surveys for resource planning and development.

(c) Performing the cartographic services essential to carrying out the functions of the Soil Conservation Service, including furnishing photographs, mosaics, and maps.

(iii) Conducting and coordinating snow surveys and making water supply forecasts pursuant to Reorganization Plan No. 4 of 1940 (5 U.S.C. App.).

(iv) Operating plant materials centers for the assembly and testing of plant species in conservation programs, including the use, administration, and disposition of lands under the administration of the Soil Conservation Service for such purposes under title III of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1010-1011).

(v) Providing leadership in the inventorying and monitoring of soil, water, land, and related resources of the Nation.

(4) Administer the watershed protection and flood prevention programs, including:

(i) The 11 authorized watershed projects under Public Law 534, 78th Congress, 33 U.S.C. 701b-1, except for responsibilities assigned to the Forest Service.

(ii) The emergency flood control work under section 216 of Public Law 516, 81st Congress, 33 U.S.C. 701b-1, except for responsibilities assigned to the Forest Service.

(iii) The cooperative river basin surveys and investigations programs under section 6 of Public Law 566, 83d Congress, 16 U.S.C. 1006, except for responsibilities assigned to the Forest Service. Representation on the Water Resources Council and river basin commissions created by Public Law 89-80, 42 U.S.C. 1962, and on river basin interagency committees.

(iv) The pilot watershed projects under Public Law 46, 74th Congress, 16 U.S.C. 590a-f, and Public Law 156, 83d Congress, except for responsibilities assigned to the Forest Service.

(v) The watershed protection and flood prevention program under Public Law 566, 83d Congress, as amended 16 U.S.C. 1001-1009, except for responsibilities assigned to the Farmers Home Administration and the Forest Service.

(vi) The joint investigations and surveys with the Department of the Army under Public Law 87-639, 16 U.S.C. 1009.

(5) Administer the Great Plains Conservation program under Public Law 1021, 84th Congress, as amended 16 U.S.C. 590p(b).

(6) Administer the Resource Conservation and Development program under Public Laws 46, 74th Congress, and 703, 87th Congress, as amended 16 U.S.C. 590a and 7 U.S.C. 1010-1011, except for responsibilities assigned to the Farmers Home Administration.

(7) Responsibility for entering into long-term contracts for carrying out conservation and environmental measures in watershed areas.

(b) *Reservations.*—The following authorities are reserved to the Assistant Secretary for Conservation, Research, and Education:

(1) Executing cooperative agreements and memoranda of understanding containing representations in the name of the Secretary or the Department of Agriculture as a whole, including the cooperation of the Department with conservation districts and other districts organized for soil and water conservation within the States, territories, and possessions.

(2) Giving final approval and transmitting to the Congress watershed work plans that require congressional approval; and approving and transmitting to the Congress comprehensive river basin reports.

(3) Giving approval for operation of designated Resource Conservation and Development areas; and approving additions to authorized projects.

(4) Land use policy evaluation and coordination.

§ 2.66 [Amended]

(22) Section 2.66, paragraph (a) (6) the reference to section "2.85" is revised to read "2.86".

(23) A new subpart I is added as follows:

Subpart I—Delegations of Authority by the Assistant Secretary for Rural Development

§ 2.70 Administrator, Farmers Home Administration.

(a) *Delegations.*—Pursuant to § 2.23 (a), subject to reservations in § 2.24(a), and subject to policy guidance and direction by the Assistant Secretary for Rural Development, the following delegations of authority are made by the Assistant Secretary for Rural Development to the Administrator, Farmers Home Administration:

(1) Administration of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) except (i) with respect to loans for rural electrification and telephone facilities and service delegated to the Administrator, Rural Electrification Administration in § 2.72(a) (2); and (ii) the authority contained in section 342 of said act, 7 U.S.C. 1013a. This delegation includes the authority to collect, service, and liquidate loans made or insured by the Farmers Home Administration or its predecessor agencies, the Farm Security Administration, the Emergency Crop and Feed Loans Offices of the Farm Credit Administration, the Resettlement Administration, and the Regional Agricultural Credit Corporations of Washington, D.C.

(2) Administration of title V of the Housing Act of 1949 (42 U.S.C. 1471 et seq.), except those functions pertaining to research.

(3) Administration of the Rural Rehabilitation Corporation Trust Liquidation Act (40 U.S.C. 440 et seq.), and under trust, liquidation, and other agreements entered into pursuant thereto.

(4) Administration of section 8, and those functions with respect to repayment of obligations under section 4, of

the Watershed Protection and Flood Prevention Act (16 U.S.C. 1006a, 1004).

(5) Administration of the Resource Conservation and Development loan program to assist in carrying out Resource Conservation and Development projects in rural areas under section 32(e) of the Bankhead-Jones Farm Tenant Act (7 U.S.C. 1011(e)).

(6) Administration of loan programs in the Appalachian region under sections 203 and 204 of the Appalachian Region Development Act of 1965 (40 U.S.C. app. 204).

(7) Administration of Farmers Home Administration assets conveyed in trust under the Participation Sales Act of 1966 (12 U.S.C. 1717).

(8) Administration of the emergency loan programs and the rural housing disaster program under sections 232, 234, and 253 of the Disaster Relief Act of 1970 (Public Law 91-606), the Disaster Relief Act of 1969 (Public Law 91-79), and under Public Law 92-385 approved August 16, 1972.

(9) Administration of loans to homestead or desertland entrymen and purchasers of land in reclamation projects or to an entryman under the desertland law (7 U.S.C. 1006a and 1006b).

(10) Administration of loans to Indian tribes and tribal corporations (25 U.S.C. 488-492).

(11) Administer financial assistance programs under part A of title III and part D of title I and the necessarily related functions in title VI of the Economic Opportunity Act of 1964, as amended (42 U.S.C. 2763-2768, 2841-2855, 2942, 2943(b), 2961) delegated by the Director of the Office of Economic Opportunity to the Secretary of Agriculture by documents dated October 23, 1964 (29 FR 14764), and June 17, 1968 (33 FR 9850), respectively.

(12) Administer the Federal Claims Collection Act of 1966 and joint regulations issued pursuant thereto by the Attorney General and the Comptroller General with respect to claims of the Farmers Home Administration (31 U.S.C. 951, 953; 4 CFR, ch. II).

(13) Servicing, collection, settlement, and liquidation of:

(a) Deferred land purchase obligations of individuals under the Wheeler-Case Act of August 11, 1939, as amended (16 U.S.C. 590y), and under the Item, "Water Conservation and Utilization Projects" in the Department of the Interior Appropriation Act, 1940 (53 Stat. 719, as amended).

(b) Puerto Rican hurricane relief loans under the act of July 11, 1956 (70 Stat. 525).

(c) Loans made in conformance with section 4 of the "Southeast Hurricane Disaster Relief Act of 1965." (79 Stat. 1301.)

(b) *Reservations.*—The following authorities are reserved to the Assistant Secretary for Rural Development:

(1) Making and issuing notes to the Secretary of the Treasury for the purposes of the Agricultural Credit Insurance Fund and the Rural Development Insurance Fund as authorized by the

Consolidated Farm and Rural Development Act (7 U.S.C. 1929, 1929(a)) and the Rural Housing Insurance Fund as authorized by title V of the Housing Act of 1949 (41 U.S.C. 1487).

§ 2.71 Administrator, Rural Development Service.

(a) *Delegations.*—Pursuant to § 2.23 (b), and subject to policy guidance and direction by the Assistant Secretary for Rural Development, the following delegations of authority are made by the Assistant Secretary for Rural Development to the Administrator, Rural Development Services:

(1) Provide leadership and coordination within the executive branch of a nationwide rural development program utilizing the services of executive branch departments and agencies and the agencies, bureaus, offices, and services of the Department of Agriculture in coordination with rural development programs of State and local governments. (Sec. 526 (b) of the Revised Statutes, 7 U.S.C. 2204(b).)

(2) Coordinate activities relative to rural development among agencies under the Assistant Secretary for Rural Development and, through appropriate channels, serve as the coordinating agency for other departmental agencies having primary responsibilities for specific titles of the Rural Development Act of 1972 and allied legislation.

(3) Administer a national program of economic, social, and environmental research and analysis, statistical programs, and associated service work related to rural people and the communities in which they live including rural industrialization; rural population and manpower; local government finance; income; development strategies; housing; social services and utilization; adjustments to changing economic and technical forces; and other related matters.

(4) Work with Federal agencies in encouraging the creation of rural community development organizations.

(5) Assist other Federal agencies in making rural community development organizations aware of the Federal programs available to them.

(6) Advise rural community development organizations of the availability of Federal assistance programs.

(7) Advise other Federal agencies of the need for particular Federal programs.

(8) Assist rural community development organizations in making contact with Federal agencies whose assistance may be of a benefit to them.

(9) Assist other Federal agencies and national organizations in developing means for extending their services effectively to rural areas.

(10) Assist other Federal agencies in designing pilot projects in rural areas.

(11) Conduct studies to determine how programs of the Department can be brought to bear on the economic development problems of the country and assure that local groups are receiving adequate technical assistance from Federal agencies or from local and State

governments in formulating development programs and in carrying out planned development activities.

(12) Assist other Federal agencies in formulating manpower development and training policies.

(13) Authority to enter into contracts for the support of rural development.

§ 2.72 Administrator, Rural Electrification Administration.

(a) *Delegations.*—Pursuant to § 2.23 (c), and subject to policy guidance and direction by the Assistant Secretary for Rural Development, the following delegations of authority are made by the Assistant Secretary for Rural Development to the Administrator, Rural Electrification Administration:

(1) Administer the Rural Electrification Act, as amended (7 U.S.C. 901-950 (b)).

(2) Administer the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) with respect to loans for rural electrification and telephone facilities and service, except for the sale of insured loans pursuant to said act.

(b) *Reservations.*—The following authorities are reserved to the Assistant Secretary for Rural Development:

(1) Making requests and certifications to the Secretary of the Treasury in connection with fundings of the rural electrification and rural telephone programs under the Rural Electrification Act of 1936, as amended, and the Consolidated Farm and Rural Development Act.

(2) Approving acquisition of telephone lines, facilities, or systems financed by the rural telephone bank under 7 U.S.C. 948(a) (2).

§ 2.78 [Amended]

24. In § 2.78, paragraph (a) (9) (ii) the word "payment" is revised to read "repayment."

25. Section 2.78, following paragraph (a) (9) (xviii) is revised to read as follows:

(a) * * *

(xviii) Authorize employment actions (accessions or extensions and transfers) for the following:

(a) Persons with criminal or immoral records.

(b) Persons separated for misconduct, delinquency, or resignation to avoid such action.

(c) Veterans with dishonorable or other than dishonorable discharge.

(xix) * * *

(xx) Authorize adverse actions for positions in GS-14, 15, and equivalent.

26. In § 2.78, following paragraph (a) (10) (xv) the listing and numbering is revised to read as follows:

(xvi) Health benefits.
(xvii) Unemployment compensation.
(xviii) Employee safety.
(xix) Employee health programs.
(xx) Labor management relations.
(xxi) Intramangement consultation.
(xxii) Security.
(xxiii) Discipline.
(xxiv) Equal employment opportunity.

(xxv) Complaints and grievances.
(xxvi) Appeals.

§ 2.85 [Amended]

27. Section 2.85, paragraph (a), the words "Assistant Secretary for Rural Development and Conservation" are deleted and inserted in their place are the words "Director of Agricultural Economics."

§§ 2.90, 2.91, 2.92 and 2.93 [Deleted]

28. Subpart L, including §§ 2.90, 2.91, 2.92, and 2.93 are deleted in their entirety.

Effective date.—This document shall become effective on June 6, 1973.

NOTE.—The signature of the Secretary of Agriculture appearing hereunder is for approval of the delegations of authority under subparts A through D. The other signatures appearing hereunder are for approval of their respective delegations under subparts G, I, and J.

Dated May 30, 1973.

EARL L. BUTZ,
Secretary of Agriculture.

JOSEPH R. WRIGHT, Jr.,
Assistant Secretary
for Administration.

ROBERT W. LONG,
Assistant Secretary for Conservation, Research, and Education.

WILLIAM W. ERWIN,
Assistant Secretary
for Rural Development.

[FR Doc.73-11248 Filed 6-6-73; 8:45 am]

CHAPTER II—FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

[Amendments 10, 7, 13, 3]

Free and Reduced Meals Programs for School Children

On February 14, 1973, there was published in the FEDERAL REGISTER (38 FR 4409) a notice of proposed rulemaking to amend the regulations governing the operation of the national school lunch program (7 CFR, pt. 210), the school breakfast and nonfood assistance programs and State administrative expenses (7 CFR, pt. 220), and the regulations for determining eligibility for free and reduced price meals (7 CFR, pt. 245). Responses to the proposed amendments were received from 381 individuals and organizations. The principal changes made from the proposed amendments are discussed below:

1. Section 210.4, Apportionment of funds to States. Five respondents took exception to the 8-cent national average payment for all lunches served. In accordance with Public Law 92-433, and in consideration of budget policy and program financing, the Secretary intends to prescribe 8 cents for such a payment in fiscal year 1974. Two respondents wanted the reference to "June 30, 1972", changed to "June 30 of the preceding fiscal year." However, this is a statutory requirement and cannot be changed by Federal regulations.

2. Section 210.5, Payments to States. One respondent pointed out that the provisions of paragraph (a) as proposed with respect to reimbursement conflicted with the "advance of funds" provision of § 210.13(e). This is a valid observation; therefore, paragraph (a) has been revised to assure consistency with § 210.13(e).

3. Section 210.11, Reimbursement payments. Four respondents suggested that this section should be clarified. The Department believes that paragraph (b) is clear in terms of its relationship to § 210.4 with respect to setting a statewide average reimbursement rate of 8 cents for all lunches served which meet program standards. A State, on the other hand, may set its per lunch reimbursement at whatever level it chooses as long as no single rate exceeds 14 cents and the average Federal reimbursement does not exceed 8 cents for the fiscal year. The paragraph has been modified slightly to indicate that the maximum reimbursement rate of 14 cents applies to fiscal year 1973 and subsequent fiscal years. The Department wishes to make it clear that the new maximum rate of 14 cents in no way signifies an increase in the level of Federal reimbursement.

Six respondents objected to the elimination of the type C lunch beginning in fiscal year 1974. Available data clearly shows, however, that service of type C lunches is quite minimal and that such service is principally limited to Guam. Further, the performance funding system which replaces the apportionment system in fiscal 1974 makes no provision for financing type C lunches. Therefore, elimination of type C lunches beginning in fiscal year 1974 is deemed to be reasonable and consistent with the best interests of orderly program financing and management. Part 215 of the regulations for the special milk program for children has been appropriately modified to assure that Guam is eligible to receive milk program benefits as authorized in the Child Nutrition Act of 1966, as amended. This change did not appear in the proposed amendments, but it is included in the final amendments inasmuch as Guam is authorized under the statute to participate in the program.

4. Section 210.13, Reimbursement procedure. A few respondents had suggestions on the advance of funds provisions. These provisions are not intended to replace the normal claims procedure. Their purpose is to parallel the procedure in effect under the breakfast program and provide schools with financial flexibility before the claims cycle is completed and payment made. The reference to one month refers only to the amount of any one advance payment and not to the number of monthly advances any one school may receive.

5. Sections 210.15b and 220.11a, Competitive food services. There were 370 respondents who commented on some aspect of the competitive food service provisions. (Such service is generally defined as food served at the same time and place as the nonprofit lunch or breakfast programs.) Many of these re-

spondents objected to the entire concept of permitting such service as provided under the terms set forth in section 7 of Public Law 92-433. A large number of respondents thought that the regulations should be clarified as to State and local authority in establishing rules restricting or permitting competitive food sales. Some wanted only nutritious foods to be allowed for sale. The final amendments have been revised, therefore, to make it clear that States and local school authorities must establish such regulations as are necessary to control the sale of food that is in competition with the school's nonprofit food service program. These revisions also provide that food service for profit shall not be authorized in the food service or lunchroom areas during the lunch period unless the proceeds from such service go to the benefit of the food service program, the school, or to a student organization approved by the school. The Department wishes to emphasize that transferring the responsibility for regulating or controlling competitive food sales to the States in no way diminishes the Department's continued interest in and concern for providing the Nation's school children with wholesome, nutritious meals. The Department expects that administering State agencies and local school food authorities will continue to exercise prudent administration of school food service programs to assure every child maximum nutritional benefits.

6. Section 220.4, Apportionment of funds to States. Five respondents wanted rates of reimbursement for paid, free, and reduced price breakfasts specified in the new paragraph (a-1) of the regulations. In accordance with the provisions of the Child Nutrition Act of 1966, as amended, the Department intends to prescribe breakfast rates at the beginning of each fiscal year, after careful review of program requirements. A new paragraph (d) has been added to assure sufficient funds to States and regions to finance breakfast programs approved as especially needy.

7. Section 220.7, Requirements for participation. Nine respondents objected to the proposed recordkeeping requirements in paragraph (e)(12) for programs receiving standard rates of reimbursement, inasmuch as the cost of labor is reimbursable from Federal funds only in schools approved for assistance as especially needy. The final amendments provide, therefore, that separate records on breakfast program expenditures need not be maintained if the school maintains such records under § 210.8(e)(13) (iii) for the lunch program.

8. Section 220.24, Special responsibilities of State agencies. Six respondents objected to the requirement to keep a separate operating balance for the breakfast program. However, good management practice dictates that school food authorities should be able to determine the income, costs, and fund balances attributable to the breakfast program, though a separate accounting system need not be maintained. One respondent thought that provisions of paragraph (1)

should be strengthened to require follow-up action when deficiencies were noted. The State has the responsibility as well as the authority under paragraph (c) of this section to initiate appropriate action to correct any program irregularities noted in its review of breakfast program operations.

9. Section 245.1, General purpose and scope. Based upon the comments received and a further review of this section, the Department believes that the section is unclear. It has been rewritten. Two respondents stated that the Secretary should issue the income poverty guidelines considerably earlier than May 15, the deadline established by statute. The Department recognizes the desirability of issuing such guidelines as soon as possible and endeavors to do so. One respondent objected to the States' 25 percent and 50 percent leeway above the Secretary's income poverty guidelines for free and reduced price meals as being insufficient. These percentages are established by law.

10. Section 245.3, Eligibility standards for free and reduced price meals. Ten respondents wanted to reinstate the discretionary hardship provisions in § 245.3. The Department believes, however, that the intent of section 9 of the National School Lunch Act, as amended (42 U.S.C. 1758) was to establish nationwide uniformity in lieu of local discretion and that the special hardship provisions specified in the Secretary's income poverty guidelines cover the basic situations adversely affecting family income.

11. Due to an oversight, § 245.4 was not proposed to be revoked in the February 14, 1973, amendment proposals. Public Law 92-433 requires that each child from a family at or below income poverty guidelines shall receive a free meal. Accordingly, § 245.4 is unnecessary.

12. Section 245.5 Public announcement of the eligibility standards. Ten respondents thought that the 10-day deadline for school food authorities to announce their approved eligibility standards was impracticable primarily because such announcement in most cases would occur during the summer when school was not in session. Consequently, the requirement was modified to permit announcement of eligibility standards at the beginning of the school year. At the request of one respondent, the word "sex" was added to the nondiscrimination statement in the notice to parents. Further changes were made in paragraph (a) to facilitate application for free and reduced price meals for foster children and under special hardship conditions.

13. Section 245.6, Applications for free and reduced price meals. Paragraph (a) was rewritten to conform to the changes made in § 245.5 pertaining to applications for foster children and special hardship conditions.

Four comments were received on § 245.6(c) objecting to the elimination of categorical certification of an identifiable group of children. The proposed revision is in accordance with the provisions of the National School Lunch

Act, as amended, which provide a basis for individual certification only and thus preclude categorical certification. Under the revised paragraph, school food authorities may approve an individual child for a free or reduced price meal based on information available which reasonably indicates that such child would be eligible for such a meal. In such a situation school officials shall complete and file an application for the child setting forth the basis of the child's eligibility. This is not to be construed as categorical certification. This paragraph has been further revised to permit a school food authority to certify a child as eligible for a free or reduced price meal when there is data on the family income levels of attending children available from other sources and such data indicates that a child would meet the school food authority's eligibility criteria for such meals. With this provision, the Department is extending the necessary authority to the local school administrator to assure that no eligible child is denied a free or reduced price meal. However, this authority must be exercised on an individual, case-by-case basis and not for categorical certification.

14. Section 245.9, Exemption for certain nonprofit private schools. Four respondents objected to the exemption of nonprofit private schools. Since the exemption is based on a statutory requirement, no change was made in the proposed language.

15. Section 245.10, Action by school food authorities. One respondent to paragraph (c) suggested that the 30-day period allowed for school food authorities to respond to changes be reduced to 15 days. The Department feels that the suggested change is too restrictive; hence the proposed language is unchanged.

Four respondents to paragraph (d) thought that the September 30 deadline for implementing an approved eligibility standard was unrealistic for school food authorities. However, since action for initiating annual changes in eligibility standard begins in July, the Department feels that sufficient time is allowed for development, submission, and approval of eligibility standards prior to September 30; hence the proposed language is unchanged. Subparagraph (3) of paragraph (a) was not included in the proposed regulations, but the Department has revised it to conform with changes set forth in § 245.6.

16. Section 245.11, Action by State agencies and FNSRO. Five respondents to paragraph (a) (2) advocated the certification of welfare families as automatically eligible for free or reduced price meals under State standards. Since categorical certification is not permissible under the authorizing legislation, the provision is unchanged. Four respondents objected to the July 1 date for announcement of a State's family-size income standard. The Department believes the July 1 announcement date is necessary to establish sufficient lead time for the approval and implementation process of the eligibility standards of school food authorities.

Seven respondents to paragraph (d) felt that the 5-day notification period was too short. After further consideration, the department concurs and has extended the period to 10 days.

Accordingly, the national school lunch program, special milk program for children, school breakfast and nonfood assistance programs and State administrative expenses regulations, and the regulations for determining eligibility for free and reduced price meals are amended as follows:

PART 210—NATIONAL SCHOOL LUNCH PROGRAM

1. In § 210.4, the first sentences of paragraphs (a) and (b) are amended by deleting the words "any fiscal year" and substituting therefor the words "the fiscal year ending June 30, 1973"; the first sentence in paragraph (c) is revised by inserting the words "For the fiscal year ending June 30, 1973" at the beginning of the sentence, and a new paragraph (a-1) is added as follows:

§ 210.4 Apportionment of funds to States.

(a-1) For the fiscal year ending June 30, 1974, and each subsequent fiscal year, food assistance payments shall be made to each State agency, or FNSRO where applicable, from any Federal funds available for general cash-for-food assistance in an amount determined by multiplying the number of lunches meeting the lunch requirements set forth in § 210.10 served to children during such fiscal year in schools in the State which participate in the program under agreements with such State agency, or FNSRO where applicable, by a national average payment per lunch: *Provided, however*, That in any fiscal year such national average payment shall not be less than 8 cents per lunch and that the aggregate amount of the food assistance payments made to each State agency, or to nonprofit private schools in which FNS administers the program, for any fiscal year shall not be less than the amount of the payments made by the State agency, or FNS in nonprofit private schools in which FNS administers the program, to participating schools within the State for the fiscal year ending June 30, 1972, to carry out the purposes of this section 4. Such national average payment shall be prescribed by the Secretary at the beginning of each fiscal year.

2. In § 210.5, paragraph (a) is revised, and paragraphs (b), (c), and (c-1) are revoked, as follows:

§ 210.5 Payments to States.

(a) Funds made available to any State for general cash-for-food assistance or special cash assistance shall be made available by means of letters of credit issued by FNS to appropriate Federal Reserve Banks in favor of the State agency. Such letters of credit shall be designed to provide funds for the State agency for the operation of the program in such amounts and at such times as the funds

are needed to make reimbursements or advances to school food authorities. As soon as practicable after funds are made available to FNS, FNS shall prepare a letter of credit for each State with which it has an approved agreement and an approved State plan of child nutrition operations. If funds have been authorized by Congress for the operation of the program under a continuing resolution, letters of credit shall reflect only the amounts authorized for the effective period of the resolution. The State agency shall obtain funds needed to make reimbursement or advances to school food authorities through presentation by designated State officials of a payment voucher on letter of credit (form FNS 218) to a local commercial bank for transmission to the appropriate Federal Reserve Bank in accordance with procedures prescribed by FNS and approved by the U.S. Treasury Department. The State agency shall draw only such funds as are needed to pay claims for reimbursement certified for payment or to advance funds under § 210.13(e) and shall use such funds without delay to pay such claims or to make such advance(s). State agencies shall report information on the status of program funds on a monthly basis to FNS on a form provided by FNS. For the fiscal year ending June 30, 1973, no section 32 funds made available for general cash-for-food assistance or special cash assistance purposes shall be expended by a State agency, or FNSRO where applicable, until the respective funds made available to it under the provisions of paragraphs (a) and (c), and of paragraphs (d) and (e) of § 210.4, have been expended.

(b) [Revoked].

(c) [Revoked].

(c-1) [Revoked].

3. In § 210.11, paragraph (b-2), is revised by deleting the words "and Type C" wherever they appear; and the first sentences of paragraphs (b) and (b-1) are revised and paragraphs (f) and (g) are revoked, as follows:

§ 210.11 Reimbursement payments.

(b) Beginning with the fiscal year ending June 30, 1973, the maximum rate of reimbursement from general cash-for-food assistance shall be 14 cents for a type A lunch. The maximum rate of reimbursement for a type C lunch shall be 2 cents: *Provided, however*, That beginning with the fiscal year ending June 30, 1974, no reimbursement shall be paid for a type C lunch.

(b-1) Within the maximum rate of reimbursement set forth in paragraph (b) of this section, in each fiscal year, the State agency, or FNSRO where applicable, shall initially assign rates of reimbursement at level which will permit reimbursement from the general cash-for-food assistance funds available under paragraphs (a), (a-1), (c), and (f) of § 210.4 to the State agency, or FNSRO where applicable, for the total number of type A lunches it is estimated will be served in participating schools in

the State in such fiscal year, except that, for the fiscal year ending June 30, 1973, any State agency which provides general cash-for-food assistance for type C lunches shall make appropriate downward adjustments in the payment for type A lunches within the State. At a minimum, the estimate of the number of type A lunches to be served in a fiscal year shall take into account the estimated number of such lunches to be served in schools which are expected to apply and be approved for participation in the program during such fiscal year and the estimated number of such lunches to be served in schools which participated in the preceding fiscal year.

(f) [Revoked]

(g) [Revoked]

4. In § 210.13, a new paragraph (e) is added, as follows:

§ 210.13 Reimbursement procedure.

(e) Notwithstanding any other provision of this section, the State agency, or FNSRO where applicable, may advance funds available for the program to a school food authority in an amount equal to the amount of reimbursement estimated to be needed for 1 month to make payments for the total number of lunches, including free and reduced price lunches, to be served to children in participating schools under the jurisdiction of the school food authority. The State agency, or FNSRO where applicable, shall require school food authorities who receive advances of funds under this paragraph to make timely submissions of claims for reimbursement on a monthly basis and shall suspend advances of funds in the absence of such timely submissions. Following the receipt of claims, the State agency, or FNSRO where applicable, shall make such adjustments as are necessary in such advances of funds to insure that the total amount of payments received by a school food authority for the fiscal year will not exceed an amount equal to the number of lunches, including free and reduced price lunches, served to children times the respective rates of payment assigned by the State agency, or FNSRO where applicable, in accordance with § 210.11. In no event shall an advance of funds be made by the State agency, or FNSRO where applicable, for the month of April in any fiscal year unless the school food authority has submitted claims covering operations through the month of February in such fiscal year and unless the amount of payment earned for the number of lunches, including free and reduced price lunches, served through February of such fiscal year is equal to at least 80 percent of the amount of the funds advanced to the school food authority for the operations through the month of March in such fiscal year. The advance may not be made more than 30 days prior to the last day of the month for which it is made.

5. Section 210.15b is revised to read as follows:

§ 210.15b Competitive food services.

State agencies and school food authorities shall establish such regulations or instructions as are necessary to control the sale of food in competition with a school's nonprofit food service under the program: *Provided, however*, That they shall not authorize food services for profit in the food service facilities and lunchroom areas during the lunch period unless the proceeds inure to the benefit of the school's nonprofit food service under the program, or to the school, or to school-approved student organizations.

(Catalog of Federal Domestic Assistance Program No. 10.555, National Archives Reference Services.)

PART 215—SPECIAL MILK PROGRAM FOR CHILDREN

6. Section 215.1 is revised to read as follows:

§ 215.1 General purpose and scope.

This part announces the policies and prescribes the general regulations with respect to the special milk program for children, under the Child Nutrition Act of 1966, as amended, and sets forth the general requirements for participation in the program. The act reads in pertinent part as follows:

Sec. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1970, and for each succeeding fiscal year, not to exceed \$120 million, to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this section United States means the 50 States, Guam, and the District of Columbia. The Secretary shall administer the special milk program provided for by this section to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Law 89-642, as amended, during the fiscal year ending June 30, 1969.

7. In § 215.2 paragraphs (1) and (y) are revised to read as follows:

§ 215.2 Definitions.

(1) Milk means unflavored milk which meets State and local standards for fluid whole milk and flavored milk made from fluid whole milk which meets such standards, except that, in those areas of Alaska, Hawaii, and Guam where a sufficient supply of fresh fluid whole milk cannot be obtained, milk shall include recombined or reconstituted fluid whole milk.

(y) State means any of the 50 States, Guam, and the District of Columbia.

8. In § 215.16, paragraph (e) is revised to read as follows:

§ 215.16 Program information.

(e) In the States of Alaska, Arizona, California, Guam, Hawaii, Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming:

Western Regional Office, FNS, U.S. Department of Agriculture, 550 Kearny Street, room 400, San Francisco, Calif. 94108.

(Catalog of Federal Domestic Assistance Program No. 10.556, National Archives Reference Services.)

PART 220—SCHOOL BREAKFAST AND NONFOOD ASSISTANCE PROGRAMS AND STATE ADMINISTRATIVE EXPENSES

9. In § 220.4, paragraph (a) is amended by deleting the words "any fiscal year" and substituting therefor the words "the fiscal year ending June 30, 1973," and the first sentence in paragraph (c) is amended by inserting the words "for the fiscal year ending June 30, 1973" at the beginning of the sentence; and new paragraphs (a-1) and (d) are added, as follows:

§ 220.4 Apportionment of funds to States.

(a-1) For the fiscal year ending June 30, 1974, and each subsequent fiscal year, breakfast assistance payments shall be made to each State agency, or FNSRO where applicable, from any Federal funds available therefor, in an amount equal to the sum of the results obtained by (1) multiplying the number of breakfasts meeting the breakfast requirements set forth in § 220.8 served during such fiscal year to children in schools in the State which participate in the school breakfast program under agreements with such State agency, or FNSRO where applicable, by a national average breakfast payment; (2) multiplying the number of such breakfasts served free to children eligible for free breakfasts in such schools during such fiscal year by a national average free breakfast payment; and (3) multiplying the number of such breakfasts served at a reduced price to children eligible for reduced price breakfasts in such schools during such fiscal year by a national average reduced price payment: *Provided, however*, That in any fiscal year the aggregate amount of the breakfast assistance payments made to each State agency, or to FNSRO where applicable, for any fiscal year shall not be less than the amount of the payments made by the State agency, or FNSRO where applicable, to participating schools within the State for the fiscal year ending June 30, 1973, to carry out the purposes of this part. Such national average payments for breakfasts, free breakfasts, and reduced price breakfasts shall be prescribed by the Secretary at the beginning of each fiscal year.

(d) In addition to the funds made available under paragraph (a-1) of this section, funds shall be distributed to the State agencies, and FNSROs where ap-

plicable, in such amounts as are needed to finance reimbursement rates assigned in accordance with the provisions of paragraph (b-1) of § 220.9.

§ 220.5 [Amended]

10. In § 220.5, the last sentence is deleted.

11. In § 220.7, subdivision (iii) of paragraph (e) (12) is revised to read as follows:

§ 220.7 Requirements for participation.

(e) * * *

(12) * * *

(iii) *Breakfast program expenditures.*—Unless the school maintains records as required under § 210.8(e) (13) (iii) of this chapter, it shall maintain records on expenditures (supported by invoices, receipts, or other evidence of expenditure):

- (a) For food;
- (b) For labor;
- (c) For all other supplies and services.

12. In § 220.11, the first sentence of subparagraph (10) of paragraph (b) is revised to read as follows:

§ 220.11 Reimbursement procedure.

(b) * * * (10) the per-meal cost of providing breakfast if the school is an especially needy school approved for reimbursement under the provisions of paragraph (b-1) of § 220.9 * * *

13. Section 220.11a is revised to read as follows:

§ 220.11a Competitive food services.

State agencies and school food authorities shall establish such regulations or instructions as are necessary to control the sale of food in competition with a school's nonprofit food service under the school breakfast program; *Provided, however, That they shall not authorize food services for profit in the food service facilities and lunchroom areas during the breakfast period unless the proceeds inure to the benefit of the school's nonprofit food service under the school breakfast program, or to the school, or to school-approved student organizations.*

14. In § 220.24, a new paragraph (i) is added as follows:

§ 220.24 Special responsibilities of State agencies.

(i) Each State agency shall establish a system of accounting under which school food authorities shall report the information required in § 220.7(e). Such system shall permit determination of the operating balances available to school food authorities.

(Catalog of Federal Domestic Assistance Program No. 10.553, National Archives Reference Services)

PART 245—DETERMINING ELIGIBILITY FOR FREE OR REDUCED PRICE MEALS

15. The amendment published in the November 2, 1972, FEDERAL REGISTER (37 FR 23323) is renumbered amendment 2.

16. In part 245 references to "lunch" and "lunches" are hereby deleted wherever they appear, including the headings and the table of contents, and "meal" and "meals" are hereby substituted therefor. References to "Program" are hereby deleted and "National School Lunch Program and School Breakfast Program" are hereby substituted therefor.

17. Section 245.1 is revised to read as follows:

§ 245.1 General purpose and scope.

(a) Section 9 of the National School Lunch Act, as amended, and section 4 of the Child Nutrition Act of 1966, as amended, require that schools participating in the National School Lunch Program (7 CFR pt. 210) and the School Breakfast Program (7 CFR pt. 220), and other schools utilizing commodities donated by the Department shall serve free meals to any child who is a member of a household which has an annual income not above the applicable family-size income level set forth in the income poverty guidelines prescribed by the Secretary. Each State educational agency is required to prescribe family-size income guidelines, not more than 25 percent above the Secretary's income guidelines, to be used by schools in the State during each fiscal year in determining which children are eligible for a free meal. Each State educational agency is also required to prescribe family-size income guidelines, not more than 50 percent above the Secretary's income poverty guidelines, for use by schools which elect to serve reduced price meals to children. However, local income guidelines which exceed guidelines established by the State educational agency may continue to be used by school food authorities until July 1, 1973, if they were established prior to July 1972. School food authorities are required to publicly announce their income guidelines and to make determinations with respect to family income on the basis of a statement executed by an adult member of the family. School food authorities are prohibited from making any physical segregation of or other discrimination against any child eligible for a free or reduced price lunch, and no overt identification of any such child may be made.

(b) This part sets forth the responsibilities under these acts of State educational agencies, the Food and Nutrition Service regional offices, and school food authorities with respect to the establishment of income guidelines, determination of eligibility of children for free and reduced price meals, and assurance that there is no physical segregation of, or other discrimination against, or overt identification of children unable to pay the full price for meals.

18. In § 245.2, paragraphs (c), (d), (e), (f), and (g) are revised to read as follows:

§ 245.2 Definitions.

(c) "FNSRO where applicable" means the appropriate Food and Nutrition

Service Regional Office when that agency administers the National School Lunch Program or the School Breakfast Program with respect to nonprofit private schools.

(d) "Free meal" means a meal for which neither the child nor any member of his family pays or is required to work in the school or in the school's food service.

(e) "Income poverty guidelines" means the family-size annual income levels prescribed annually by the secretary for use by States as the minimum family-size income levels for establishing eligibility for free meals.

(f) "Meal" means a lunch or a breakfast which meets the applicable requirements prescribed in §§ 210.10, 210.15a, and 220.8 of this chapter.

(g) "Reduced price meal" means a meal which meets all of the following criteria: (1) The price shall be less than the full price of the meal; (2) the price shall not exceed 20 cents for a lunch and 10 cents for a breakfast; and (3) neither the child nor any member of his family shall be required to supply an equivalent value in work for the school or the school's food service.

19. In § 245.3, a new sentence is added before the last sentence of paragraph (b), as follows:

§ 245.3 Eligibility standards for free and reduced price meals.

(b) * * *. Family income used by a school food authority in determining eligibility of an applicant shall be income as defined in the Secretary's income poverty guidelines, including the adjustments for special hardship conditions. * * *

§ 245.4 [Revoked]

20. Section 245.4 is revoked.

21. In § 245.5, the opening paragraph and paragraph (a) are revised, as follows:

§ 245.5 Public announcement of the eligibility standards.

After the State agency, or FNSRO where applicable, notifies the school food authority that its standards for determining the eligibility of children for free and reduced price meals have been approved, the school food authority shall publicly announce such standards; *Provided, however, That no such public announcement shall be required for boarding schools, or a school which includes food service fees in its tuition, where all attending children are provided the same meals. Such announcement shall be made at the beginning of each school year or, if notice of approval is given thereafter, within 10 days after the notice is received. The public announcement of such standards, as a minimum, shall include the following:*

(a) A letter or notice distributed, on or about the beginning of each school year, to the parents of children in attendance at the school. Such letter or notice shall contain complete information on (1) the eligibility standards, in-

cluding all criteria, with respect to free meals and, if applicable, with respect to reduced price meals; (2) the four special hardship conditions for adjusting income; (3) how a family may make application for a free or reduced price meal for its children; (4) how a family may appeal the decision of the school food authority with respect to such application under the hearing procedure set forth in § 245.7; (5) a statement to the effect that, in certain cases, foster children are eligible for free or reduced price meals regardless of the income of the family with whom they reside, and that families wishing to apply for such meals for foster children should contact the local school officials; and (6) the statement: "In the operation of child feeding programs, no child will be discriminated against because of his race, sex, color, or national origin." The letter or notice shall be accompanied by a copy of the application form required under § 245.6.

22. In § 245.6, three new sentences are added following the third sentence in paragraph (a), paragraph (c) is revised, and paragraph (d) is revoked, as follows:

§ 245.6 Applications for free and reduced price meals.

(a) * * *. Other cash income would include cash amounts received or withdrawn from any source, including savings, investments, trust accounts, and other resources which would be available for payment of the price of a child's meals. The application shall also contain substantially the following statements: (1) "In certain cases foster children are eligible for free or reduced price meals regardless of your family income. If you have such children living with you and wish to apply for such meals for them, please contact us."; and (2) "If your gross family income exceeds the amount indicated in the family income scale as shown on the letter (or notice), and you wish to apply for free or reduced price meals for your children under any of the special hardship conditions cited in the letter (or notice), please complete this application form and also describe the nature of your hardship." Information requested in the application with respect to expenses shall be furnished by families whose income, but for the special hardship provisions of the Secretary's income poverty guidelines, would be above the school's family-size income standards, and shall be limited to the expenses set forth in the Secretary's income poverty guidelines. * * *.

(c) After the letter to parents and the applications have been disseminated, the school food authority may determine, based on information available to it, that a child for whom an application has not been submitted meets the school food authority's eligibility criteria for free and reduced price meals. In such a situation, the school food authority shall

complete and file an application for such child setting forth the basis of determining the child's eligibility. When a school food authority has obtained a determination of individual family income and family-size data from other sources, it need not require the submission of an application for any child from a family whose income would qualify for free or reduced price meals under the school food authority's established criteria. In such event, the school food authority shall notify the family that its children are eligible for free or reduced price meals. Nothing in this paragraph shall be deemed to provide authority for the school food authority to make eligibility determinations or certifications by categories or groups of children.

(d) [Revoked.]

23. Section 245.8 is revised to read as follows:

§ 245.8 Nondiscrimination practices for children eligible to receive free and reduced price meals.

School food authorities of schools participating in the National School Lunch Program or School Breakfast Program or of commodity-only schools shall take such actions as are necessary to assure that the names of children eligible to receive free or reduced price meals shall not be published, posted, or announced in any manner and to assure that there shall be no overt identification of any such children by the use of special tokens or tickets or by any other means. Children eligible for a free or reduced price meal shall not be required to work for their meal, use a separate dining area, go through a separate serving line, enter the dining area through a separate entrance, eat meals at a different time, or eat a different meal from the meal sold to children paying the full price of the meal.

24. Section 245.9 is revised to read, as follows:

§ 245.9 Exemption for certain nonprofit private schools.

The requirements of this part with respect to the amount charged for reduced price meals and with respect to the family-size income standards for free or reduced price meals shall not apply to any nonprofit private school participating in the National School Lunch Program or School Breakfast Program under an agreement with any State agency, or FNSRO where applicable, until the State agency, or FNSRO where applicable, has determined and notified the school food authority of such school that sufficient funds are available from sources other than children's payments to finance the cost of meeting such requirements. The school food authority of any such nonprofit private school shall provide to the State agency, or FNSRO where applicable, information in such form and by such date as the State agency, or FNSRO where applicable, shall request, which will be sufficient, together with other information available, for a determination to be made with respect to whether sufficient funds from sources other than

children's payments are available to enable such school to meet the requirements of this part with respect to the amount charged for reduced price meals and with respect to family-size income standards for free and reduced price meals.

25. In § 245.10, paragraphs (a) (2) and (3) are revised and new paragraphs (c) and (d) are added, as follows:

§ 245.10 Action by school food authorities.

(a) * * *

(2) The family-size income guidelines to be used by schools under their jurisdiction in determining the eligibility of children for free and reduced price meals in accordance with the provisions of § 245.3.

(3) The specific procedures the school food authority will use in accepting applications from families for free and reduced price meals.

(c) * * *

(c) If any free and reduced price policy statement submitted for approval by any school food authority to the State agency, or FNSRO where applicable, is determined to be not in compliance with the provisions of this part, the school food authority shall submit a policy statement that does meet such provisions within 30 days after notification by the State agency, or FNSRO where applicable. When revision of a school food authority's approved free and reduced price policy statement is necessitated because of a change in the family-size income standards of the State agency, or FNSRO where applicable, or because of other program change, the school food authority shall submit for approval to the State agency, or FNSRO where applicable, a revision of its free and reduced price policy statement no later than 30 days after the State agency, or FNSRO where applicable, has announced such change. Pending approval of a revision of a policy statement, an existing policy statement shall remain in effect.

(d) In no event shall any school food authority be reimbursed for any meals served after September 30 of any fiscal year, nor shall any commodities donated by the Department be used in any program after such date, unless the school food authority's free and reduced price policy statement has been approved by the State agency, or FNSRO where applicable.

26. In § 245.11, paragraphs (a), (d), (e), and (f) are revised to read as follows:

§ 245.11 Action by State agencies and FNSRO.

(a) State agencies, or FNSRO where applicable, shall, for schools under their jurisdiction: (1) Issue such instructions as are necessary to assure that school food authorities are fully informed of the provisions of this part and of the requirements for the filing and approval of free and reduced price policy statements. Such instructions may require school food authorities to establish the maximum price of a reduced price lunch

at a level below 20 cents and the maximum price of a reduced price breakfast at a level below 10 cents.

(2) Prescribe and publicly announce by July 1 of each fiscal year in accordance with § 245.3(a), family-size income standards which shall be applicable to all families, including welfare and other families receiving public assistance. Any such standards made by FNSRO with respect to nonprofit private schools shall be developed by FNSRO after consultation with the State agency.

(d) Not later than 10 days after the State agency, or FNSRO where applicable, announces its family-size income standards, it shall notify school food authorities in writing of any amendment to their free and reduced price policy statements necessary to bring the family-size income standards into conformance with the State agency's or FNSRO's family-size income standards.

(e) Except as provided in § 245.10, the State agency, or FNSRO where applicable, shall neither disburse any funds, nor authorize the distribution of commodities donated by the Department to any school unless the school food authority has an approved free and reduced price policy statement on file with the State Agency, or FNSRO where applicable.

(f) State Agencies, or FNSRO where applicable, shall review and evaluate the performance of school food authorities and of schools under the provisions of this part during the course of administrative reviews of nonprofit food service programs and by other means. They shall advise school food authorities of any deficiencies found and any corrective actions required.

§ 245.12 [Revoked]

27. Section 245.12 is revoked.

(Catalog of Federal Domestic Assistance Program Nos. 10.553 and 10.555, National Archives Reference Services.)

Note.—The reporting and/or recordkeeping requirements contained herein have been approved by the Office of Management and Budget in accordance with the Federal Reports Act of 1942.

Effective date.—These amendments shall become effective June 7, 1973.

Dated June 4, 1973.

CLAYTON YEUTTER,
Assistant Secretary.

[FR Doc.73-11368 Filed 6-6-73; 8:45 am]

CHAPTER VII—AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE, (AGRICULTURAL ADJUSTMENT), DEPARTMENT OF AGRICULTURE

SUBCHAPTER C—SPECIAL PROGRAMS

[Amendment 1]

PART 777—PROCESSOR WHEAT MARKETING CERTIFICATE REGULATIONS

Adjustment to Interest Rate

On page 9436 of the FEDERAL REGISTER of April 16, 1973 (38 FR 9436), there

was published a notice of proposed rule-making to amend the republication of the "Processor Wheat Marketing Certificate Regulations" (36 FR 21256). This amendment changes the interest rate applicable under the regulations from 6½ to 7½ percent per annum. This change is deemed necessary in view of recent upward adjustments in interest rates announced by commercial banks and other lending institutions.

Interested persons were given 30 days in which to submit written comments, suggestions, or objections regarding the proposed amendment. No objections or comments have been received. Accordingly, the proposed amendment is hereby adopted without change effective as set forth below.

Effective date.—The change in interest shall be effective with respect to interest which first begins to accrue on and after July 1, 1973.

Signed at Washington, D.C., on May 31, 1973.

GLENN A. WEIR,
Acting Administrator, Agricultural Stabilization and Conservation Service.

The amendment of 7 CFR part 777 would read as follows:

The interest rate is changed to read "seven and one-half percent per annum" rather than "six and one-half percent per annum" in the applicable sections as follows:

- Section 777.7(b), the last sentence;
- Section 777.11(b), subparagraph (2);
- Section 777.11(c), subparagraphs (2) (i) and (ii);
- Section 777.11(e), subparagraph (2);
- Section 777.12(g), the penultimate sentence;
- Section 777.19(f), subparagraph (2);
- Section 777.19(j), the last sentence.

[FR Doc.73-11365 Filed 6-6-73; 8:45 am]

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

PART 989—RAISINS PRODUCED FROM GRAPES GROWN IN CALIFORNIA

Disposition of Certain Off-Grade Raisins

Notice was published in the May 16, 1973, issue of the FEDERAL REGISTER (38 FR 12814), regarding a proposal to amend Subpart—Administrative Rules and Regulations (7 CFR 989.101-989.176; 38 FR 10074, 13012) to increase the liquidated damages prescribed in § 989.159(a) (2) (iii) on unauthorized disposition of certain off-grade raisins from \$200 per-ton to \$400 per-ton, and to increase the maximum amount prescribed in § 989.166 (f) by which the committee may adjust a handler's share of an offer of reserve raisins from 2 tons to 10 tons. Said proposal was unanimously recommended by the Raisin Administrative Committee, hereinafter referred to as the "Committee."

The subpart is operative pursuant to the marketing agreement, as amended, and order No. 989, as amended (7 CFR,

pt. 989), regulating the handling of raisins produced from grapes grown in California. The amended marketing agreement and order, hereinafter referred to collectively as the "order," are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674).

The notice afforded interested persons an opportunity to submit written data, views, or arguments on the proposal. None were received.

Section 989.59(f) of the order provides, in part, that the committee shall establish, with the approval of the Secretary, such rules and procedures as may be necessary to insure adequate control over off-grade raisins, other falling raisins, and raisin residual material. Pursuant to that authority, § 989.159(g) (2) provides, in part, that any handler may ship, transfer, or otherwise dispose of off-grade raisins, other falling raisins, and raisin residual material to or at points within the continental United States (other than Alaska) for use in eligible nonnormal outlets only after filing with the committee a written application to make such shipment, transfer or other disposition and receiving its written approval thereof. Section 989.159(g) (2) (iii) provides that such application shall include a provision for liquidated damages wherein the handler in consideration of the committee approving his application agrees that in the event any raisins or raisin residual material covered by the approved application should be shipped to points outside of the continental United States or to Alaska, or disposed of in other than eligible nonnormal outlets, that he shall pay to the committee the sum of \$200 as liquidated damages for each ton so shipped or disposed of. The committee concluded that the sum of \$200 per-ton is not reflective of the value of raisins in recent years and has therefore recommended that such sum be increased to \$400 per-ton.

Section 989.67(d) (5) provides that whenever a handler's share or allocation is less than or exceeds his holdings of reserve tonnage by a minor quantity, the committee may adjust the handler's share or allocation to avoid the cost of physical transfer. Said section also provides that the maximum quantity by which a handler's share or allocation may be adjusted shall be prescribed in rules and procedures established by the committee with the approval of the Secretary. Section 989.166(f) provides, in part, that a handler's share of an offer of reserve tonnage may be adjusted by not more than 2 tons so as to avoid the cost involved in the physical transfer of raisins.

The recent amendment of the order provided for reoffers of reserve tonnage remaining unsold from regular offers and provided that the committee could sell additional reserve tonnage raisins to a handler whose regular allocation of such tonnage would provide insufficient tonnage to fill a containerized shipping container. These changes may cause