presidential documents

Title 3—The President

PROCLAMATION 4306

United States Customs 185th Anniversary Year

By the President of the United States of America

A Proclamation

July 31, 1974, marked the one hundred eighty-fifth anniversary of the signing by President George Washington of legislation establishing a United States Customs Service. The first customs officers began to collect the revenue and enforce the Tariff Act of July 4, 1789, on August 1, 1789. Since then, the customhouse and the customs officer have stood as symbols of national pride and sovereignty at ports of entry along the land and sea borders of our country.

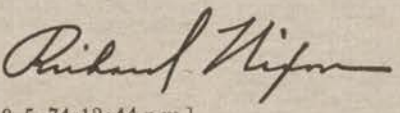
Customs and related duties collected by the Department of the Treasury provided the principal revenues for the young Republic and assured its financial stability, from 1789 until the 20th century.

As the 200th birthday of our Nation approaches, it is especially appropriate that we recognize and salute the historic contributions made to the growth of our Republic by the United States Customs Service.

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, do hereby designate the year 1974 as United States Customs 185th Anniversary Year; and I call upon the United States Customs Service, under the direction of the Secretary of the Treasury, to plan and participate in appropriate observances recognizing the revenue collection and law enforcement contributions of the Customs Service to the general welfare and economic stability of the Nation.

I also call upon appropriate community organizations to cooperate with the Customs Service in recognizing 185 years of mutually beneficial relationships.

IN WITNESS WHEREOF, I have hereunto set my hand this fifth day of August, in the year of our Lord nineteen hundred seventy-four, and of the Independence of the United States of America the one hundred ninety-ninth.



[FR Doc.74-18095 Filed 8-5-74;12:44 p.m.]

rules and regulations

Title 7—Agriculture

CHAPTER II—FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

[Amdt. 13]

PART 215—SPECIAL MILK PROGRAM

Free Milk and Rates

On April 16, 1974, there was published (39 FR 13663) a proposed amendment to the regulations governing the Special Milk Program to implement Pub. L. 93–150, approved November 7, 1973, which makes children who are eligible for free meals eligible for free milk as well. In addition, certain nonsubstantive changes were proposed. Meanwhile, the Congress enacted Pub. L. 93–347 (88 Stat. 341), approved July 12, 1974, which requires a reimbursement rate of at least 5 cents per half pint for all milk served to eligible children under the Program. Final amendments to the regulations are hereby published to implement the two Acts. As discussed below, the proposed amendments have been modified on the basis of comments received. Since the amendments implementing the 5 cents per half pint minimum reimbursement rate are required by law and it is necessary to make them effective as soon as possible to facilitate State planning for the new school year, notice and public procedure with respect to such amendments is impracticable and contrary to the public interest.

Several commentators objected to the allocation formula in proposed § 215.4 because it did not take into account the impact of the free milk provision on States' needs for funds. This section has been revised to provide for the initial allocation of part of the funds on the basis of expenditures during the prior fiscal year. The remaining funds, less a small reserve for unforeseen contingencies, will be allocated by February 1 on the basis of projected needs for the remainder of the fiscal year.

Many respondents objected to the provision in proposed § 215.8 which tied the amount of free milk to the number of free meals served. Since there was a sound basis for these objections, that restriction has been removed from the amendment. A substantial proportion of the other comments on § 215.8 contained objections to the failure to permit claims for distribution costs associated with free milk. Historically, distribution costs have come from children's payments rather than Federal reimbursement. The Department believes that distribution costs should be a matter of State discretion. Accordingly, those proposed provisions regulating the margin that can be used to meet these costs have been deleted. The Department will rely on the requirements that the Program be operated on a nonprofit basis and that Program funds be used to reduce the price of milk to children to ensure that any margin used to defray distribution costs is not excessive.

Several commentators objected to the amount of data required on the application and claim forms. After reviewing the proposed changes to § 215.7 and § 215.10, some items were removed. The required data represents the minimum amount of information that is consistent with effective management of the Program.

Accordingly, Part 215 is amended as follows:

1. The table of sections for 7 CFR Part 215 is amended by revising § 215.4, and § 215.5 to read as follows:

215.4 Payments of funds to States and FNSROs.
215.5 Method of payment to States.

2. The citation of authority is revised to read as follows:

AUTHORITY: Secs. 3 and 10, 80 Stat. 885, 889, as amended, 42 U.S.C. 1772, 1779.

§ 215.1 [Amended]

3. In § 215.1, the quoted statute is amended by deleting the phrase ", not to exceed $120,000,000," and inserting in lieu thereof "such sums as may be necessary", and by adding the following four sentences:

Any school or nonprofit child-care institution shall receive the special milk program upon their request. Children that qualify for free lunches under the guidelines set forth by the Secretary shall also be eligible for free milk. For the fiscal year ending June 30, 1975, and for subsequent fiscal years, the minimum rate of reimbursement for a half-pint of milk served in schools and other eligible institutions shall not be less than 5 cents per half-pint served to eligible children, and such minimum rate of reimbursement shall be adjusted on an annual basis each fiscal year thereafter, beginning with the fiscal year ending June 30, 1976, to reflect changes in the series of food away from home of the Consumer Price Index published by the Bureau of Labor Statistics of the Department of Labor. Such adjustment shall be computed to the nearest one-fourth cent.

4. In § 215.2, paragraphs (d), (j), and (o) are deleted; paragraphs (e), (m), (n), (s), (v), and (w) are revised; and paragraphs (w–1) and (x–1) are added, as follows:

§ 215.2 Definitions.

* * * * *

(d) [Deleted]

(e) "Child-care institution" means any nonprofit nursery school (other than nursery schools falling within the definition of school in this section), child-care center, settlement house, summer camp, service institution participating in the Special Food Service Program for Children pursuant to Part 225 of this chapter, or similar nonprofit institution devoted to the care and training of children. "Child-care institution" as used in this part includes, where applicable, the authorized sponsoring agency which has entered into an agreement under the Program for a child-care institution.

* * * * *

(j) [Deleted]

* * * * *

(m) "National School Lunch Program" means the program under which general cash-for-food assistance and special cash assistance are made available to schools pursuant to Part 210 of this chapter.

(n) "Needy children" means: (1) Children who attend schools participating in the Program and who meet the School Food Authority's eligibility standards for free meals approved by the State agency, or FNSRO where applicable, under Part 245 of this chapter; and (2) children who attend child-care institutions participating in the Program and who meet the eligibility standards for free meals approved by the State agency, or FNSRO where applicable, under Part 244 of this chapter.

(o) [Deleted]

* * * * *

(s) "OA" means the Office of Audit of the United States Department of Agriculture.

* * * * *

(v) "School" means an educational unit of high school grade or under operating under public or nonprofit private ownership in a single building or complex of buildings. The term "high school grade or under" includes classes of preprimary grade when they are conducted in a school having classes of primary or higher grade, or when they are recognized as a part of the education system in the State, regardless of whether such preprimary grade classes are conducted in a school having classes of primary or higher grade.

(w) "School Breakfast Program" means the program authorized by section 4 of the Child Nutrition Act of 1966, as amended.

(w–1) "School Food Authority" means the governing body which is responsible for the administration of one or more

schools and which has the legal authority to operate a milk program therein. The term "School Food Authority" also includes a nonprofit agency to which such governing body has delegated authority for the operation of a milk program in a school.

* * * * *

(x–1) "Special Food Service Program for Children" means the program authorized by section 13 of the National School Lunch Act, as amended.

* * * * *

5. Section 215.4 is amended by deleting paragraph (c) and by revising the heading and paragraph (a) to read as follows:

§ 215.4 Payments of funds to States and FNSROs.

(a) FNS shall allocate the funds made available for Program reimbursement in the following manner: (1) As soon as possible after funds are appropriated for the fiscal year, 60 percent of the funds made available shall be allocated among the States on the basis of the payments made to schools and child-care institutions in each State for Program reimbursement during the preceding fiscal year; (2) An additional 39 percent of the funds shall be allocated among the States no later than February 1 on the basis of projected needs of each State for additional funds for the balance of the fiscal year; and (3) The remaining one percent of the funds shall be held by FNS in an uncommitted reserve to meet unforeseen contingencies.

* * * * *

(c) [Deleted]

* * * * *

6. Section 215.5 is revised to read as follows:

§ 215.5 Method of payment to States.

(a) Funds shall be made available to States 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 to School Food Authorities and child-care institutions. 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 agreement and which has 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 to School Food Authorities or child-care institutions 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 and shall use such funds without delay to pay such claims. State agencies shall report information on the status of Program funds on a monthly basis to FNS on a form provided by FNS.

(b) Notwithstanding the foregoing provisions of this section, Program funds shall be made available to the State agency in the District of Columbia by means of Treasury Department checks.

(c) The State agency shall release to FNS any Federal funds made available to it under the Program which are unobligated at the end of each fiscal year. Release of funds by the State agency shall be made as soon as practicable but in no event later than 30 days following demand by FNSRO, and shall be reflected by a related adjustment in the State agency's Letter of Credit.

7. Section 215.7 is revised to read as follows:

§ 215.7 Requirements for participation.

(a) Any school or nonprofit child-care institution shall receive the Special Milk Program upon request. Each School Food Authority or child-care institution shall make written application to the State agency, or FNSRO where applicable, for any school or child-care institution in which it desires to operate the Program, if such school or child-care institution did not participate in the Program in the prior fiscal year.

(b) Each School Food Authority or child-care institution shall also submit for approval, either with the application or at the request of the State agency, or FNSRO where applicable, a free milk policy statement which, if the application is for a school, shall be in accordance with Part 245 of this chapter or, if the application is for a child-care institution, shall be in accordance with Part 244 of this chapter.

(c) As a minimum, applications shall provide information on each of the items listed below, except that State agencies may obtain some of the required information from other program forms or special inquiries or other sources prior to approval of a school or child-care institution for participation. Further exceptions may be made with respect to any of the items which CND determines are not pertinent or necessary in the proper administration of the Program in the specific types of schools or child-care institutions for which a State agency is responsible under its agreement with the Department.

(1) The name and address of the School Food Authority or child-care institution;

(2) The number of schools and child-care institutions in which the Program will operate which (i) provide a food service to children and (ii) provide *no* food service to children;

(3) Whether the school or child-care institution is public or nonprofit private;

(4) The estimated average daily number of (i) total children, (ii) needy children and (iii) adults;

(5) The opening and closing date of operation within the fiscal year;

(6) The number of days of operation per week;

(7) Whether the school or child-care institution operates a pricing or nonpricing program;

(8) If a pricing program, the cost of milk per half pint (after discount) for each type of milk to be offered in the Program;

(9) If a pricing program, the price of milk per half pint to be charged to paying children.

(d) Each School Food Authority of a school approved for participation in the Program and each approved child-care institution shall enter into a written agreement with the State agency, or FNSRO where applicable. Such agreement shall provide that the School Food Authority or child-care institution shall, with respect to participating schools and child-care institutions under its jurisdiction:

(1) Operate a nonprofit food and milk service or, if no food service is maintained, operate a nonprofit milk service;

(2) Serve milk free of charge at least once during each day of operation, to needy children as defined in this part, and make no discrimination against any needy child because of his inability to pay for the milk;

(3) Comply with the requirements of the Department's regulations respecting nondiscrimination (7 CFR Part 15);

(4) Claim reimbursement only for milk as defined in this Part and in accordance with the provisions of § 215.8 and § 215.10;

(5) Submit claims for reimbursement in accordance with procedures established by the State agency, or FNSRO where applicable;

(6) Maintain full and accurate records of its milk program, including, but not limited to, the number of half pints of milk served free to needy children, and the records used to support the number of half pints of milk served to adults, and retain such records for a period of 3 years after the fiscal year to which they pertain; and

(7) Upon request, make all records pertaining to its milk program available to the State agency and to FNS or OA for audit and administrative review, at any reasonable time and place.

8. Section 215.8 is revised to read as follows:

§ 215.8 Reimbursement payments.

(a) Reimbursement payments shall be made for milk purchased for service to children by participating schools and child-care institutions, except that reimbursement shall not be made for the first half pint of milk served as part of a reimbursed meal served under the National School Lunch Program, the School

Breakfast Program, the Special Food Service Program for Children, or served in commodity only schools as part of a meal meeting the requirements of § 210.15a(b) of this chapter.

(b) (1) For the fiscal year beginning July 1, 1974, the rate of reimbursement per half pint of milk purchased for service to children in nonpricing programs and for service to children other than needy children in pricing programs shall be 5 cents. For each fiscal year thereafter, the Secretary shall prescribe an annual adjustment to the nearest one-fourth cent in the rate of reimbursement. In no event shall the rate of reimbursement be less than 5 cents. (2) Within the limitations set forth in paragraph (c) of this section, the rate of reimbursement for milk purchased for service to needy children in pricing programs shall be equal to the cost (after discount) per half pint of milk. If milk is purchased at more than one price, the average cost (i.e., the total cost of all milk purchased during the month divided by the number of half pints purchased) shall be used.

(c) Reimbursement at the rate equal to the cost (after discount) per half pint of milk purchased for service to needy children shall be limited to one (1) half pint serving per child per operating day in pricing programs which also provide a food service to children, and two (2) half pint servings per child per operating day in pricing programs which do not provide a food service to children. Reimbursement for any additional milk served free to needy children in addition to these limitations shall be made at the rate prescribed in paragraph (b)(1) of this section.

(d) Schools and child-care institutions having pricing programs shall use the reimbursement payments received to reduce the price of milk to children.

§ 215.9 [Amended]

9. Section 215.9 is amended by deleting the term "school" wherever it appears and inserting in lieu thereof the term "School Food Authority."

10. Section 215.10 is revised to read as follows:

§ 215.10 Reimbursement procedure.

(a) Each State agency, or FNSRO where applicable, shall require School Food Authorities and child-care institutions to submit a Claim for Reimbursement on a calendar month basis: *Provided, however,* That not more than 10 days of a beginning or ending month of Program operations in the fiscal year may be combined with the claim of the month immediately following the beginning month or preceding the ending month. Any Claim for Reimbursement combining the ending month of one fiscal year and the beginning month of the next fiscal year shall not be permitted.

(b) Any claim for reimbursement for any fiscal year not received by the State agency, or FNSRO where applicable, within 90 days after the close of the program, or within 90 days of the closing date of the fiscal year, in the case of programs which operate year-round, may be disqualified from payment, except where the State agency, or FNSRO where applicable, considers that a Reimbursement Voucher has been filed late because of circumstances beyond the control of the School Food Authority of child-care institution.

(c) Each Claim for Reimbursement shall contain information on each of the items listed below, except that State agencies may obtain the approval of CND to secure some of the required information from applications for participation in the Program, or from other approved sources, without requiring the submission of information on each of the items on each claim.

(1) The name and address of the School Food Authority or child-care institution;

(2) The number of schools or child-care institutions in which the Program was operated in each of the following types of operation: (i) non-pricing program; (ii) pricing programs which also provide a food service; and (iii) pricing programs which do not provide a food service;

(3) The month and year for which claim is made;

(4) The number of days of operation;

(5) The total number of half-pints of milk purchased;

(6) The total number of half-pints of milk eligible for Program reimbursement, including milk made available free to needy children, in each type of operation. This amount shall not include (i) the first half-pint of milk served as part of a reimbursed meal served under the National School Lunch Program, the School Breakfast Program, the Special Food Service Program for Children or served in commodity only schools as part of a meal meeting the requirements of § 210.15a(b) of this chapter, and (ii) milk served as a beverage to adult staff members and employees or adults enrolled for care and training as determined by the School Food Authority or child-care institution pursuant to paragraph (e) of this section;

(7) For schools or child-care institutions operating pricing programs, the number of half pints of milk served to needy children in programs which (i) also provide a food service to children, and (ii) do not provide a food service to children.

(8) The total cost of milk purchased or the average per half pint cost of milk purchased;

(9) In the case of pricing programs, the number of children listed on approved applications for free milk in programs which (i) also provide a food service to children, and (ii) do not provide a food service to children.

(d) In submitting a Claim for Reimbursement, each School Food Authority or child-care institution shall certify that the claim is true and correct; that records are available to support the claim; that the claim is in accordance with the existing agreement; and that payment therefor has not been received.

(e) Milk served as a beverage to adult staff members and employees and adults enrolled for care and training is not eligible for reimbursement. The number of half pints of milk served adults to be reported by a School Food Authority or child-care institution in a Claim for Reimbursement shall be determined by actual daily count, or as a percentage of the total milk purchased. In the absence of a record of actual daily count:

(1) Schools with no adults enrolled for care and training shall compute 3 percent of the total milk purchased as the quantity of milk served to adults;

(2) Schools with adults enrolled for care and training and chlid-care institutions other than camps shall compute as the quantity of milk served to adult staff members and employees and adults enrolled for care and training, a number of half pints equal to the total milk purchased multiplied by the percentage that the total number of adults was of the total number of persons in average daily attendance, regularly having access to the milk service.

(3) Summer camps shall compute the quantity of milk served to adult staff members and employees and adults enrolled for care and training in the same manner as prescribed in paragraph (e)(2) of this section, and record such quantity on a monthly Claim for Reimbursement Work Sheet.

(4) If no milk was served as a beverage to adult staff members and employees and adults enrolled for care and training, "zero" shall be recorded as the quantity of milk served to adults.

(f) Any School Food Authority or child-care institution which has both a pricing and nonpricing program operating in the same school or child-care institution, may claim reimbursement for: (1) All milk purchased for service to children under the Program at the rate of 5 cents per half pint or (2) milk purchased for service only in the pricing program at the rates and limitations prescribed for pricing programs in § 215.8 (b) and (c).

11. In § 215.11, paragraph (c) is amended by deleting the term "schools" and by inserting in lieu thereof the term "School Food Authorities"; paragraph (e) is amended by deleting the term "OIG" the first time it appears and inserting in lieu thereof the phrase "The Office of Investigation of the Department (OI)", and by deleting the term "OIG" the second time it appears and inserting in lieu thereof the term "OI"; and paragraph (b) is revised to read as follows:

§ 215.11 Special responsibilities of State agencies.

* * * * *

(b) *State-conducted audit programs.* (1) A State agency may submit for approval by the Department a plan whereby it will provide for the conduct of audits of the Program in schools and child-care institutions. State agencies shall request OA Regional Offices (32 FR

8822, as amended by 34 FR 2139) to assist in the development of these plans, which shall incorporate provisions for organization, financing, direction and coordination of the State audit functions. Audits performed under the plan may be conducted by the State agencies; by the State Auditor, Officer of State Controller, or comparable State Audit Staff; or by Certified Public Accountants, or State Licensed Public Accountants. All approved State audit plans shall be updated and be resubmitted for approval by the Department every third year from the anniversary date of the last such approval, except that any State agency plan approved prior to July 1, 1974, must be resubmitted for approval by the Department in accordance with this paragraph prior to July 1, 1975.

(2) An audit guide furnished by OA, and as amended by OA from time to time, shall be used in the State agency sponsored audits of schools. The audits shall be performed in accordance with audit standards, guidelines and procedures prescribed by OA in the audit guide, and shall be reviewed by OA to the extent necessary to determine compliance therewith.

(3) While OA shall rely to the fullest extent feasible on State-conducted audits, it shall have the right, whenever considered necessary, to (i) make audits on a statewide basis, (ii) perform on-site test audits of schools and child-care institutions, and (iii) review audit reports and related working papers of audits performed by or for the State agencies. With respect to State-conducted audits, OA shall also have the rights available to it under the provisions of § 215.13.

* * * * *

§ 215.12 [Amended]

12. In § 215.12, paragraphs (a), (b) and (f) are amended by deleting the term "school" wherever it appears and inserting in lieu thereof the term "School Food Authority"; paragraph (d) is amended by deleting the term "OIG" wherever it apears and inserting in lieu thereof the term "OA"; and paragraph (g) is amended by deleting the term "schools" the second and third times that it occurs and inserting in lieu thereof the term "School Food Authorities".

13. Section 215.13 is revised to read as follows:

§ 215.13 Administrative analyses and audits.

(a) Each State agency shall provide FNS with full opportunity to conduct administrative analyses (including visits to schools and child-care institutions) of all operations of the State agency under the Program and shall provide OA with full opportunity to conduct audits of all operations of the State agency under the Program. Each State agency shall make available its records, including records of the receipt and expenditure of funds under such programs, upon a reasonable request by FNS or OA. OA shall also have the right to make audits of the records and operations of any school or child-care institution.

(b) In making administrative analyses or audits for any fiscal year, the State agency, or OA, may disregard any overpayment which does not exceed $5 or, in the case of State agency administered programs, does not exceed the amount established under State law, regulations, or procedure as a minimum amount for which claim will be made for State losses generally: *Provided, however,* That no overpayment shall be disregarded where there are unpaid claims of the same fiscal year from which the overpayment can be deducted, or where there is evidence of violation of Federal or State statutes.

14. Section 215.14 is revised to read as follows:

§ 215.14 Nondiscrimination.

The Department's regulations on nondiscrimination in federally assisted programs are set forth in Part 15 of this title. The Department's agreements with State agencies, the State agencies' agreements with School Food Authorities and child-care institutions and the FNSRO agreements with School Food Authorities administering nonprofit private schools and with child-care institutions shall contain the assurances required by such regulations. When different types of milk are served to children, (1) a uniform price for each type of milk served shall be charged to all non-needy children in the school or child-care institution who purchase milk, and (2) needy children shall be given the opportunity to select any type of milk offered.

§ 215.15 [Amended]

15. Section 215.15 is amended by deleting the terms "school", "nonprofit private school" and "nonprofit private schools" wherever they appear and inserting in lieu thereof the term "School Food Authority" and the terms "School Food Authority of a nonprofit private school" and "School Food Authorities of nonprofit private schools", respectively.

§ 215.16 [Amended]

16. Section 215.16 is amended by deleting the term "schools" and inserting in lieu thereof the term "School Food Authorities."

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

(Catalog of Federal Domestic Assistance Program No. 10.552, National Archives Reference Services).

Effective date. This amendment becomes effective August 7, 1974.

Dated: August 1, 1974.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc.74-17924 Filed 8-6-74;8:45 am]

CHAPTER XIV—COMMODITY CREDIT CORPORATION, DEPARTMENT OF AGRICULTURE

SUBCHAPTER B—LOANS, PURCHASES, AND OTHER OPERATIONS

[CCC Grain Price Support Regulations—1970 and Subsequent Crops Soybean Supplement, Amendment 3]

PART 1421—GRAINS AND SIMILARLY HANDLED COMMODITIES

Subpart—1970 and Subsequent Crops Soybean Loan and Purchase Program

STORAGE CHARGES

The regulations issued by Commodity Credit Corporation (CCC) published in the FEDERAL REGISTER at 35 FR 13971 and 14501, as amended, containing provisions for price support loans and purchases applicable to the 1970 and subsequent crops of soybeans are further amended as follows:

Section 1421.372 is being amended to delete the provisions relating to warehouse receipts and the soybeans represented thereby being subject to liens for handling and storage charges and to the deduction of storage charges. A new paragraph replaces paragraphs (a) and (b) and requires prepayment of storage charges through the loan maturity date as a loan eligibility requirement on all soybeans tendered as collateral for CCC warehouse storage loans. The amended § 1421.372 reads as follows:

§ 1421.372 Warehouse charges.

Beginning with the 1974 and subsequent crops of soybeans, warehouse receipts representing soybeans to be placed under warehouse storage loan or for purchase by CCC, must indicate that (a) storage charges through the loan maturity date have been prepaid or, (b) that the producer has arranged with the warehouseman for the payment of storage charges through loan maturity and the warehouseman enters an endorsement in substantially the following form on the warehouse receipt, "Warehouse storage charges through (the applicable maturity date) accrued or to accrue prior to the acquisition of the soybeans by CCC on soybeans represented by this warehouse receipt have been paid or otherwise provided for and a lien for such charges will not be asserted by the warehouseman against CCC or against any subsequent holder of the warehouse receipt".

Since the seeding of 1974 crop soybeans has been completed in the soybean-producing area and the provisions of this amendment are needed to carry out the loan program more effectively, compliance with the notice of proposed rulemaking would be impracticable and contrary to the public interest. Therefore, this amendment is issued without following such procedure.

(Sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, 15 U.S.C. 714c; secs. 107, 401, 63 Stat. 1051, 1054; 7 U.S.C. 1441, 1421).

Effective date: August 7, 1974.

Signed at Washington, D.C., on August 1, 1974.

GLENN A. WEIR,
Acting Executive Vice President, Commodity Credit Corporation.

[FR Doc.74-18046 Filed 8-6-74;8:45 am]

Title 13—Business Credit and Assistance

CHAPTER I—SMALL BUSINESS ADMINISTRATION

[Rev. 4; Amdt. 2]

PART 108—LOANS TO STATE AND LOCAL DEVELOPMENT COMPANIES

Section 501 Loans; Commitment

On June 28, 1974, the Small Business Administration published in the FEDERAL REGISTER (39 FR 24031) a notice of proposed rulemaking which amends Revision 4, § 108.501-1(g).

It eliminates a commitment fee for which no service was rendered.

The public was invited to comment by July 12, 1974. No comments were received and the proposed amendment is adopted. This amendment is effective as of May 24, 1974.

§ 108.501-1 Section 501 loans.

* * * * *

(g) *Firm commitment.* A firm commitment may be given by SBA for a period of one year from the date of approval of a loan application.

* * * * *

Dated: July 25, 1974.

THOMAS S. KLEPPE,
Administrator.

[FR Doc.74-18001 Filed 8-6-74;8:45 am]

Title 14—Aeronautics and Space

CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 74-EA-29; Amdt. 39-1915]

PART 39—AIRWORTHINESS DIRECTIVES

Vertol Aircraft

The Federal Aviation Administration is amending § 39.13 of Part 39 of the Federal Aviation regulations so as to issue an airworthiness directive applicable to Vertol 107-II type helicopters.

There had been a report of an in-flight failure of a rotor blade which is believed to have originated with a crack in the blade. Since other helicopters of similar type design may have or develop a similar deficiency, an airworthiness directive is being issued requiring an inspection of the rotor blades.

In view of the foregoing and because the deficiency is one which affects air safety, notice and public procedure hereon are impractical and good cause exists for making the amendment effective in less than 30 days.

In consideration of the foregoing and pursuant to the authority delegated to me by the Administrator, 14 CFR 11.89 (31 FR 13697) § 39.13 of Part 39 of the Federal Aviation regulations is amended by adding the following new Airworthiness Directive:

VERTOL. Applies to Vertol Model 107-II type helicopters certificated in all categories.

1. Prior to the next flight after the effective date of this AD, unless already accomplished, an inspection program for the rotor blades which has been approved by the Chief, Engineering and Manufacturing Branch, FAA, Eastern Region, subsequent to March 28, 1974 must be initiated.

2. An acceptable program is one afforded by forward and aft rotor blades altered, inspected and maintained in accordance with Boeing Vertol Service Bulletin 107-329 or later FAA approved revisions. The visual checks of the rotor blade pressure indicator required by paragraph 2 of this AD may be performed by the pilot.

This amendment is effective August 13, 1974.

(Secs. 313(a), 601, 603, Federal Aviation Act of 1958 (49 U.S.C. 1354(a), 1421, 1423); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c))

Issued in Jamaica, N.Y., on July 30, 1974.

ROBERT H. STANTON,
Director, Eastern Region.

[FR Doc.74-17957 Filed 8-6-74;8:45 am]

[Airspace Docket No. 74-SO-56]

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

Alteration of Federal Airway

On June 6, 1974, a notice of proposed rulemaking (NPRM) was published in the FEDERAL REGISTER (39 FR 20082) stating that the Federal Aviation Administration (FAA) was considering an amendment to Part 71 of the Federal Aviation regulations that would realign V-241W from Dothan, Ala., to the Tyrone, Ga., intersection.

Interested persons were afforded an opportunity to participate in the proposed rulemaking through the submission of comments. No comments were received.

In consideration of the foregoing, Part 71 of the Federal Aviation regulations is amended, effective 0901 G.m.t., October 10, 1974, as hereafter set forth.

Section 71.123 (39 FR 307) is amended as follows: In V-241 all after "Eufaula, Ala.;" is deleted and "Columbus, Ga.; to the INT Columbus 019° and Rome, Ga., 157° radials, including a W alternate from Dothan via INT Dothan 002° and La Grange, Ga., 191° radials; and La Grange." is substituted therefor.

(Sec. 307(a), Federal Aviation Act of 1958 (49 U.S.C. 1348(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Washington, D.C., on July 31, 1974.

CHARLES H. NEWPOL,
Acting Chief, Airspace and Air Traffic Rules Division.

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[Airspace Docket No. 74-SO-28]

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

Alteration of Transition Area

On June 13, 1974, a notice of proposed rulemaking was published in the FEDERAL REGISTER (39 FR 20702) stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation regulations that would alter a portion of the South Carolina transition area.

Interested persons were afforded an opportunity to participate in the rulemaking through the submission of comments. No comments were received.

In consideration of the foregoing, Part 71 of the Federal Aviation regulations is amended, effective 0901 G.m.t., October 10, 1974, as hereinafter set forth.

In § 71.181 (39 FR 440), the South Carolina transition area is amended as follows: All between "longitude 78°31'45" W." and "to latitude 33°19'40" N." is deleted and "to latitude 33°46'15" N., longitude 78°30'25" W.; thence clockwise along a 25-mile radius circle centered on Conway TACAN" is substituted therefor.

(Sec. 307(a), 1110, Federal Aviation Act of 1958 (49 U.S.C. 1348(a), 1510); Executive Order 10854 (24 FR 9565); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)))

Issued in Washington, D.C., on August 1, 1974.

CHARLES H. NEWPOL,
Acting Chief, Airspace and Air Traffic Rules Division.

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[Airspace Docket No. 74-SO-15]

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

Designation and Revocation of Reporting Points

On June 7, 1974, a notice of proposed rulemaking (NPRM) was published in the FEDERAL REGISTER (39 FR 20214) stating that the Federal Aviation Administration (FAA) was considering an amendment to Part 71 of the Federal Aviation regulations that would designate three compulsory reporting points and revoke one compulsory reporting point in the vicinity of San Juan, Puerto Rico.

Interested persons were afforded an opportunity to participate in the proposed rulemaking through the submission of comments. No comments were received.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 0901 G.m.t., October 10, 1974, as hereinafter set forth.

Section 71.209 (39 FR 630) is amended as follows:

1. "Hawaii INT," is revoked.