

rules and regulations

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Title 5—Administrative Personnel

CHAPTER I—CIVIL SERVICE COMMISSION

PART 213—EXCEPTED SERVICE

Department of the Treasury

Section 213.3305 is amended to show that the positions of Deputy Assistant Secretary (Financial Resources Policy Coordination) and Deputy Assistant Secretary (Energy Policy) are excepted under Schedule C.

Effective on January 8, 1975, § 213.3305 (a) (57) and (58) are added as set out below.

§ 213.3305 Treasury Department.

(a) *Office of the Secretary.* * * *

(57) Deputy Assistant Secretary (Financial Resources Policy Coordination).

(58) Deputy Assistant Secretary (Energy Policy).

(5 U.S.C. secs. 3301, 3302; E.O. 10577, 3 CFR 1954-58 Comp. p. 218)

UNITED STATES CIVIL SERVICE COMMISSION,

[SEAL] JAMES C. SPRY,

Executive Assistant
to the Commissioners.

[FR Doc. 75-780 Filed 1-7-75; 8:45 am]

Title 7—Agriculture

CHAPTER II—FOOD AND NUTRITION SERVICE, DEPARTMENT OF AGRICULTURE

[Amdt. 22]

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

Allocation of State Administrative Expense Funds

On July 15, 1974, there was published in the FEDERAL REGISTER (39 FR 25952) a proposed amendment to the regulations governing State administrative expenses for the child nutrition programs. The proposed amendment would modify the allocation of funds by specifically including the needs of States' outreach efforts as a criterion for determining the basic amount of assistance. It would also reduce the proportion of residual funds allocated to outlying areas from 3 percent to 2 percent. Finally, the annual family income level would be changed from the present \$4,000 to \$6,000 in determining the number of children used in allocating residual funds to States.

Several commentators objected to the emphasis on State outreach efforts in determining the basic grant. Since it was never intended to make this the sole basis for establishing the basic grant, the relevant sentence has been reworded.

Two respondents advocated the distribution of funds on a performance basis rather than using information from State plans of child nutrition operations and the number of children from low-income families. Section 7 of the Child Nutrition Act, 42 U.S.C. 1776, authorizes the use of Federal funds for State administrative expenses "to assist such State agencies in the administration of additional activities undertaken by them under sections 11 and 13 of the National School Lunch Act, as amended, and sections 4 and 5 of this Act." The allocation method in the proposed amendment is considered more in keeping with the authorizing statute than allocation according to the amount of Federal funds expended or the number of meals served. Data from State plans are used to avoid requiring States to submit a separate document which would duplicate information already reported.

One commentator objected to the decrease in the share of residual funds going to the outlying areas. Considering the amount of funds which it is expected will be made available for fiscal year 1975 and the scope and size of the programs administered, it has been determined that this change will not work a hardship nor result in any inequity.

1. Section 220.19 is revised to read as follows:

§ 220.19 Allocation of funds to States.

(a) Beginning with the fiscal year ending June 30, 1975, FNS shall determine the amount of State administrative expense funds needed by each State based on justification for such funds as revealed in the State agency plan of child nutrition program operations submitted under § 210.4a of this chapter. Information as to the program or programs for which these funds are available for each State shall be supplied by FNS to each State agency. To the extent that funds are available, FNS shall establish a tentative allocation for each State agency which shall include: (1) a basic amount related to the number of man-years required to establish, maintain and expand the programs for needy children including the State's outreach effort. This amount shall be determined by FNS on the basis of information available as to the salary level of State food service personnel; and (2) an amount determined by dividing 2 percent of the remaining funds among Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands on the basis of the number of children, aged 3 to 17, inclusive, in each State and by dividing the balance of 98 percent of such remaining funds among other

States on the basis of the number of children, aged 3 to 17, inclusive, in each State in families with incomes of less than \$6,000 per annum. Appropriate reductions shall be made by FNS from the tentative allocation so computed for any State where FNS determines that program scope and size, as indicated by the plan of child nutrition program operations, do not warrant the tentative allocation or where the State agency does not administer the programs authorized under the Act and the National School Lunch Act in nonprofit private schools and service institutions. Where Federal funds for State administrative expenses are available to FNS from more than one appropriation account, the makeup of the tentative figure for any State may be from one or more of such accounts, as determined by FNS.

§ 220.22 [Deleted]

2. Section 220.22 is deleted.

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

Effective date. This amendment becomes effective January 8, 1975.

Dated: January 2, 1975.

RICHARD L. FELTNER,
Assistant Secretary.

[FR Doc. 75-509 Filed 1-7-75; 8:45 am]

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

PART 916—NECTARINES GROWN IN CALIFORNIA

Increase in Expenses for 1974-75 Fiscal Period

This document authorizes an increase from \$525,615 to \$550,000 in the expenses that are reasonable and likely to be incurred during the 1974-75 fiscal period by the Nectarine Administrative Committee established under Marketing Order No. 916.

Notice was published in the December 12, 1974, issue of the FEDERAL REGISTER (39 FR 43313) that consideration was being given a proposal regarding an increase in the expenses previously approved for the fiscal period March 1, 1974, through February 28, 1975, pursuant to the marketing agreement, as amended, and Order No. 916, as amended (7 CFR Part 916), regulating the handling of nectarines grown in California, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674).

The notice provided that all written data, views, or arguments in connection with said proposal be submitted by December 27, 1974. None were received.

After consideration of all relevant matters presented, including the proposal set forth in the aforesaid notice and the recommendation thereof which was submitted by the Nectarine Administrative Committee (established pursuant to the said marketing agreement and order), it is hereby ordered that the provisions of paragraph (a) of § 916.213 *Expenses and rate of assessment* (39 FR 27806) be, and hereby are, amended to read as follows:

§ 916.213 Expenses and rate of assessment.

(a) *Expenses.* Expenses that are reasonable and likely to be incurred by the Nectarine Administrative Committee during the period March 1, 1974, through February 28, 1975, will amount to \$550,000.

It is hereby found that good cause exists for not postponing the effective date hereof until 30 days after publication in the *FEDERAL REGISTER* (5 U.S.C. 553) in that (1) the increase in the expenses set forth does not involve an increase in the rate of assessment heretofore established by the Secretary (39 FR 27806); (2) the said committee has incurred expenses in excess of those previously thought likely to be incurred; and (3) it is essential that the specification of expenses herein provided be issued immediately so that said committee can meet its obligations and perform its duties and functions within the fiscal period in accordance with the said amended marketing agreement and order.

Terms used in the amended marketing agreement and order shall, when used herein, have the same meaning as is given to the respective term in said amended marketing agreement and order.

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

Dated: January 2, 1975.

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

[FR Doc. 75-654 Filed 1-7-75; 8:45 am]

Title 9—Animals and Animal Products
CHAPTER IV—AGRICULTURAL RESEARCH
SERVICE, DEPARTMENT OF AGRICULTURE
SUBCHAPTER A—POULTRY IMPROVEMENT
PART 445—NATIONAL POULTRY
IMPROVEMENT PLAN

PART 447—AUXILIARY PROVISIONS ON
NATIONAL POULTRY IMPROVEMENT
PLAN

Miscellaneous Amendments

On October 9, 1974, there was published in the *FEDERAL REGISTER* (39 FR 36439) a notice of proposed amendments of the National Poultry Improvement Plan and Auxiliary Provisions. These proposed amendments were recommended by the

1974 National Plan Conference of representatives of the poultry industry and State Agencies cooperating in the administration of the Plan. Included in the proposed amendments were the criteria for voluntary programs for the control of *Mycoplasma synoviae* and *Salmonella typhimurium* in meat type chicken breeding flocks and for the control of *Salmonella* in turkey breeding flocks. It was also proposed that the *S. typhimurium* program for turkeys be deleted. An amendment also was proposed to provide for the classification of a State as "U.S. Pullorum-Typhoid Clean State" when the State reaches a certain stage in the control of *S. pullorum* and *S. gallinarum* in its poultry breeding flocks. Certain changes in the blood testing requirements of the *M. gallisepticum* program were also proposed.

Poultrymen affected by the foregoing amendments were represented at the 1974 National Plan Conference. Copies of the proposed amendments, when published in the *FEDERAL REGISTER* (39 FR 36439) as a notice of proposed rule making, were sent to each of the cooperating State agencies, to most of the major hatcherymen in the United States, and to other interested persons. Twenty-three letters containing comments on the proposed amendments were received, with the majority being favorable to the amendments. Opposition was expressed to the voluntary programs for the control of *Mycoplasma synoviae* in meat type chickens and *Salmonella* in turkeys, and to the classification of a State as "U.S. Pullorum-Typhoid Clean State". Additional experts in the Federal, State, university, and industry sectors were consulted, and their opinions and advice, together with those expressed by the delegates to the 1974 Conference were used as a basis to arrive at the decision to accept the foregoing amendments. The one change from the proposal is that the effective date for the provisions establishing the "U.S. *Salmonella* Controlled" program will be December 1, 1976. Therefore, pursuant to section 101(b) of the Department of Agriculture Organic Act of 1944 as amended (7 U.S.C. 429), Title 9, Chapter IV, Subchapter A, Code of Federal Regulations is hereby amended as follows:

Parts 445 and 447 are amended in the following respects:

1. Part 445 Table of Contents is amended by revising the titles of §§ 445.10, 445.23, 445.33, 445.43 and 445.53, and by adding new §§ 445.24, 445.34, 445.44 and 445.54 as follows:

Sec.		
445.10	Terminology and classification;	flocks, products, and States.
445.23	Terminology and classification;	flocks and products.
445.24	Terminology and classification;	States.
445.33	Terminology and classification;	flocks and products.
445.34	Terminology and classification;	States.
445.43	Terminology and classification;	flocks and products.
445.44	Terminology and classification;	States.
445.53	Terminology and classification;	flocks and products.

Sec.
445.54 Terminology and classification;
States.

§ 445.3 [Amended]

2. Section 445.3(c) is amended by revising to read as follows:

(c) A participant in any State shall participate with all of his poultry hatching egg supply flocks and hatchery operations within such State. He shall report to the Official State Agency on NPIP Form 3B or through other appropriate means each breeding flock before the birds reach 24 weeks of age. This report will include:

- (1) Name and address of flockowner;
- (2) Flock location and designation;
- (3) Type: Primary or Multiplier;
- (4) Breed, variety, strain, or trade name of stock;
- (5) Source of males;
- (6) Source of females;
- (7) Number of birds in the flock; and
- (8) Intended classification of flock.

3. Section 445.10 is amended by revising the title and introductory statement to read as follows:

§ 445.10 Terminology and classification; flocks, products, and States.

Participating flocks, products produced from them, and States which have met the respective requirements specified in Part 445 Subpart B, C, D, or E may be designated by the following terms or illustrative designs:

4. Section 445.10(d) is amended by deleting reference to § 445.43(d) and adding § 445.33(d) to the parenthetical portion, and by adding new paragraphs (e), (f), (g), and (h) to read as follows:

(e) *U.S. M. Synoviae Clean*—(see § 445.33(e).)



Figure 6

(f) *U.S. Salmonella Controlled*—(see § 445.43(f).)



Figure 7

(g) *U.S. Pullorum-Typhoid Clean State*—(see § 445.24(g), § 445.34(g), § 445.44(g), and § 445.54(g).)



Figure 8

(h) U.S. Pullorum-Typhoid Clean State, Turkeys—(see § 445.44 (h).)



Figure 9

§ 445.12 [Amended]

5. Section 445.12(b) is amended by revising to read as follows:

(b) Each year at least 15 percent of the independent flocks and the affiliated flocks of each hatchery shall be inspected by a State Inspector. Each inspection shall include the examination of a sufficient number of males and females and, in flocks qualified for participation by the whole-blood test, the blood testing of a sufficient number of birds to determine whether the work of the Authorized Agent was satisfactory and that the flock is qualified for participation. The State Inspector shall also determine whether or not the flock and premises are in compliance with the provisions in § 445.5 (a) and (b).

§ 445.14 [Amended]

6. Section 445.14(a) (4) and (8) is amended by revising to read as follows:

(4) Poultry must be more than 4 months of age when tested: *Provided*, That candidates for participation under

Subpart E of this part shall have attained the age of sexual maturity before being tested.

(8) Reactors shall be submitted to a laboratory for autopsy and bacteriological examination. All reactors in a flock if there are 4 or less reactors shall be submitted to a laboratory designated by the Official State Agency for bacteriological examination, as described in § 447.11 of this chapter: *Provided*, That if more than 4 reactors are found, a minimum of 4 birds shall be submitted. The recommended minimum procedure for bacteriological examination is described in § 447.11. When reactors are submitted within 10 days from date of reading the test and the bacteriological examination fails to demonstrate infection of the serotype for which the test was conducted, the flock shall be deemed to have had no reactors to the specified test.

7. Section 445.14(b) is amended by revising to read as follows:

(b) For *M. gallisepticum* and *M. synoviae*. (1) The official blood test for *M. gallisepticum* or *M. synoviae* shall be either the serum plate agglutination test, the tube agglutination test, the hemagglutination inhibition (HI) test, or a combination of two or more of these tests. The HI test shall be used to confirm the positive results of other serological tests.

(2) The tests shall be conducted using *M. gallisepticum* or *M. synoviae* antigens approved by the Department or the Official State Agency and shall be performed in accordance with the recommendations of the producer of the antigen.

(3) When reactors to the test for which the flock was tested are submitted to a laboratory as prescribed by the Official State Agency, the criteria found in § 447.6 shall be used in determining the final status of the flock.

§ 445.22 [Amended]

8. Section 445.22(d) is amended by revising to read as follows:

(d) Hatching eggs produced by primary breeding flocks shall be fumigated according to the procedures described in § 447.25(a) of this chapter: *Provided*, That alternative sanitizing procedures may be used with the approval of the Official State Agency in each specific instance and with the general concurrence by the Service in the policy adopted by the Official State Agency.

§ 445.23 [Amended]

9. Effective July 1, 1975, § 445.23(a) is amended by deleting the present provision. Upon deletion, (a) is marked as "[Reserved]."

10. Section 445.23 is further amended by revising the introductory statement of (b) (2) and (3) to read as follows:

(b) * * *
(2) It is a multiplier breeding flock, or a breeding flock composed of first generation progeny of a primary breeding flock which is intended solely for the production of multiplier breeding flocks, and meets the following specifications as determined by the Official State Agency and the Service:

(3) It is a multiplier breeding flock, or a breeding flock composed of first generation progeny of a primary breeding flock which is intended solely for the production of multiplier breeding flocks, that originated from U.S. Pullorum-Typhoid Clean primary breeding flocks or from flocks that met equivalent requirements under official supervision, and is located in a State in which it has been determined by the Service that:

11. Section 445.23(b)(3)(vii) is amended by revising to read as follows:

(b) * * *
(3) * * *
(vii) All poultry, including exhibition, exotic, and game birds, but excluding waterfowl, going to public exhibition shall come from U.S. Pullorum-Typhoid Clean or equivalent flocks, or have had a negative pullorum-typhoid test within 90 days of going to public exhibition;

12. Section 445.23(b)(4) is amended by revising to read as follows:

(b) * * *
(4) It is a multiplier breeding flock located in a State which has been determined by the Service to be in compliance with the provisions of (b) (3) of this section, and in which pullorum disease or fowl typhoid is not known to exist nor to have existed in hatchery supply flocks, other than turkey, waterfowl, exhibition poultry, and game bird supply flocks, within the State during the preceding 12 months.

13. Section 445.23(c) (1) (i) and (ii) is amended by revising to read as follows:

(c) * * *
(1) * * *
(i) It is a flock in which all birds, or a sample of at least 500 birds, in the flock have been tested for *M. gallisepticum* as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, all birds or a sample of at least 500 birds shall be tested at intervals of not more than 90 days: *And provided further*, That a flock, and subsequent flocks, located on a premises on which, during the preceding two years, all birds originated from U.S. *M. Gallisepticum* Clean sources and were initially tested as provided above, may retain this classification by testing, in an authorized laboratory, serum samples from at least 200 day-old chicks produced from the flock at intervals of not more than 60 days; or

(ii) It is a multiplier breeding flock which originated as U.S. *M. Gallisepticum* Clean chicks from primary breeding flocks and a sample comprised of 50 percent of the birds in the flock, with a

maximum of 300 birds and a minimum of 30 birds per flock, has been tested for *M. gallisepticum* as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, the flock shall be subjected to one of the following procedures:

14. Section 445.23(d)(1)(ii) is amended by revising to read as follows:

(d) * * *

(1) * * *

(ii) A sample of at least 500 birds in the flock has been tested within the past 12 months for *S. Typhimurium* as provided in § 445.14(a) and environmental samples or cloacal swabs collected by a State Inspector or Authorized Agent as described in § 447.12 of this chapter have been examined for *S. typhimurium* by an authorized laboratory, and no evidence of the disease was found: *Provided*, That when the only *typhimurium* isolation made in a flock is from a single environmental or cloacal sample, the Official State Agency may make additional bacteriological examinations before classifying the flock.

15. Part 445, Subpart B, is amended by adding a new § 445.24 to read as follows:

§ 445.24 Terminology and classification; States.

(a) *U.S. Pullorum-Typhoid Clean State*. (1) A State will be declared a U.S. Pullorum-Typhoid Clean State when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.23 (b) (3) (i) through (vii), § 445.33(b)(3) (i) through (vii), § 445.43(b)(3) (i) through (vi), and § 445.53(b)(3) (i) through (vii).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in hatchery supply flocks within the State during the preceding 12 months: *Provided*, That pullorum disease or fowl typhoid found in waterfowl, exhibition poultry, and game bird breeding flocks will not prevent a State, which is otherwise eligible, from qualifying for a period of two years.

(2) Discontinuation of any of the conditions described in paragraph (a) (1) (i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (a) (1) (ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

§ 445.32 [Amended]

16. Section 445.32(c) is amended by revising to read as follows:

(c) Hatching eggs produced by primary breeding flocks shall be fumigated according to the procedures described in

§ 445.25 (a): *Provided*, That alternative sanitizing procedures may be used with the approval of the Official State Agency in each specific instance and with the general concurrence by the Service in the policy adopted by the Official State Agency.

§ 445.33 [Amended]

17. Section 445.33 (b) (3) (vii) is amended by revising to read as follows:

(b) * * *

(3) * * *

(vii) All poultry, including exhibition, exotic, and game birds, but excluding waterfowl, going to public exhibition shall come from U.S. Pullorum-Typhoid Clean or equivalent flocks, or have had a negative pullorum-typhoid test within 90 days of going to public exhibition;

18. Section 445.33(b)(4) is amended by revising to read as follows:

(b) * * *

(4) It is a multiplier breeding flock located in a State which has been determined by the Service to be in compliance with the provisions of paragraph (c) (3) of this section, and in which pullorum disease or fowl typhoid is not known to exist nor to have existed in hatchery supply flocks, other than turkey, waterfowl, exhibition poultry, and game bird supply flocks, within the State during the preceding 12 months.

19. Section 445.33(c)(1)(i) and (ii) is amended by revising to read as follows:

(c) * * *

(1) * * *

(i) All birds have been tested for *M. gallisepticum* as provided in § 445.14(b) when more than 4 months of age: *Provided*, That birds in primary breeding flocks may be sample tested after qualifying for this classification for two generations. This random sample shall consist of 500 birds in flocks of more than 500 and each bird in flocks of 500 or less: *And provided further*, That to retain this classification, a random sample of at least 5 percent of the birds in the flock, with a minimum of 100 birds, shall be tested at intervals of not more than 90 days: *And provided further*, That, at the discretion of the Official State Agency and with the concurrence of the Service, a sample comprised of less than 5 percent may be tested at any one time, provided that a total of at least 5 percent of the birds in the flock, with a minimum of 100 birds, is tested within each 90-day period; or

(ii) It is a multiplier breeding flock which originated as U.S. *M. Gallisepticum* Clean chicks from primary breeding flocks and a random sample comprised of 300 birds in flocks of more than 300 and each bird in flocks of 300 or less has been tested for *M. gallisepticum* as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, the flock shall be subjected to one of the following procedures:

20. Section 445.33 is amended by adding new paragraphs (d) and (e) to read as follows:

(d) *U.S. Typhimurium Controlled*.

(1) A flock in which freedom from *S. typhimurium* has been demonstrated under the criteria specified in paragraph (d) (1) (i) or (ii) of this section.

(i) All birds have been tested within the past 12 months for *S. typhimurium* as provided in § 445.14(a) and no reactors were found on the first test, or

(ii) A sample of at least 500 birds in the flock has been tested within the past 12 months for *S. typhimurium* as provided in § 445.14(a) and environmental samples or cloacal swabs collected by a State Inspector or Authorized Agent as described in § 447.12 of this chapter have been examined for *S. typhimurium* by an authorized laboratory, and no evidence of the disease was found: *Provided*, That when the only *typhimurium* isolation made in a flock is from a single environmental or cloacal sample, the Official State Agency may make additional bacteriological examinations before classifying the flock.

(2) In order to sell hatching eggs or chicks of this classification, all hatching eggs and chicks handled shall meet the requirements for this classification.

(e) *U.S. M. Synoviae Clean*. (1) A flock maintained in compliance with the provisions of § 447.26 and in which freedom from *M. synoviae* has been demonstrated under the criteria specified in paragraph (e) (1) (i) or (ii) of this section.

(i) It is a flock in which 5 percent, or a maximum sample of 500 birds, in the flock have been tested for *M. synoviae* as provided for in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, a random sample of at least 1 percent of the birds, with a minimum of 30, shall be tested at intervals of not more than 30 days.

(ii) It is a multiplier breeding flock which originated as U.S. *M. Synoviae* Clean chicks from primary breeding flocks and a sample of 1 percent of the birds in the flock has been tested for *M. synoviae* as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, a random sample of at least 1 percent of the birds, with a minimum of 30 birds, shall be tested at intervals of not more than 90 days: *And provided further*, That a sample of less than 1 percent may be tested at any one time, provided that a total of at least 1 percent of the birds in the flock is tested within each 90 day period.

(2) A participant handling U.S. *M. Synoviae* Clean products shall keep these products separate from other products in a manner satisfactory to the official State Agency: *Provided*, That U.S. *M. Synoviae* Clean chicks from primary breeding flocks shall be produced in incubators and hatchers in which only eggs from flocks qualified under paragraph (e) (1) (i) or (ii) of this section are set.

(3) U.S. *M. Synoviae* Clean chicks shall be boxed in clean boxes and delivered in

trucks that have been cleaned and disinfected as described in § 447.24(a).

21. Part 445, Subpart C, is amended by adding a new § 445.34 to read as follows:

§ 445.34 Terminology and classification; States.

(a) *U.S. Pullorum-Typhoid-Clean State.* (1) A State will be declared a U.S. Pullorum-Typhoid Clean State when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.23(b) (3) (i) through (vii), § 445.33(b) (3) (i) through (vii), § 445.43(b) (3) (i) through (vi), and § 445.53(b) (3) (i) through (vii).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in hatchery supply flocks within the State during the preceding 12 months: *Provided*, That pullorum disease or fowl typhoid found in waterfowl, exhibition poultry, and game bird breeding flocks will not prevent a State, which is otherwise eligible from qualifying for a period of two years.

(2) Discontinuation of any of the conditions described in paragraph (a) (1) (i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (a) (1) (ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

§ 445.42 [Amended]

22. Section 445.42 is amended by adding a new paragraph (c) to read as follows:

(c) Hatching eggs shall be fumigated according to the procedures described in § 447.25 (a): *Provided*, That alternative sanitizing procedures may be used with the approval of the Official State Agency in each specific instance and with the general concurrence by the Service in the policy adopted by the Official State Agency.

§ 445.43 [Amended]

23. Section 445.43 is amended by deleting (b) (3) (vii) and marking this subdivision as "(Reserved)".

24. Section 445.43(b) (3) (viii) is amended by revising to read as follows:

(b) . . .
(3) . . .

(viii) Discontinuation of any of the conditions or procedures described in paragraph (b) (3) (i), (ii), (iii), (iv), (v), and (vi) of this section, or the occurrence of repeated outbreaks of pullorum or typhoid in turkey breeding flocks within or originating within the State shall be grounds for the Service to revoke its determination that such conditions and procedures have been met or complied with. Such action shall not be taken until a thorough investigation has been made by the Service and the

Official State Agency has been given an opportunity to present its views.

25. Section 445.43(c) (2) is amended by revising to read as follows:

(c) . . .

(2) A flock qualified as U.S. M. Gallisepticum Clean may retain the classification for 1 year, provided it is maintained in isolation and no evidence of M. gallisepticum infection is revealed. Each flock and premises shall be inspected at least once during the laying period by an Authorized Agent of the Official State Agency or the State Animal Disease Control Official. If a flock proves to be infected with M. gallisepticum, it shall lose this classification.

26. Section 445.43 is further amended by deleting paragraph (d) and marking (d) as "(Reserved)" and by adding a paragraph (e) and marking (e) as "(Reserved)".

27. Effective December 1, 1976, § 445.43 is further amended by adding a new paragraph (f) to read as follows:

(f) *U.S. Salmonella Controlled.* (1) A flock meeting the following requirements as determined by the Official State Agency and the Service:

(i) The flock is maintained in compliance with the provisions of § 447.21, and the hatching eggs are handled in compliance with the provisions of § 447.22 in a manner satisfactory to the Official State Agency. Each flock and premises shall be inspected at least once during the egg production season by an Inspector to ascertain that these provisions are being followed.

(ii) Hatching eggs shall be visibly clean and fumigated as described in § 447.25(a) as soon as possible after collection: *Provided*, That alternative sanitizing procedures may be used with the approval of the Official State Agency in each specific instance and with the general concurrence of the Service in the policy adopted by the Official State Agency.

28. Part 445, Subpart D, is amended by adding a new § 445.44 to read as follows:

§ 445.44 Terminology and classification; States.

(a) *U.S. Pullorum-Typhoid Clean State.* (1) A State will be declared a U.S. Pullorum-Typhoid Clean State when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.23(b) (3) (i) through (vii), § 445.33(b) (3) (i) through (vii), § 445.43(b) (3) (i) through (vi), and § 445.53(b) (3) (i) through (vii).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in hatchery supply flocks within the State during the preceding 12 months: *Provided*, That pullorum disease or fowl typhoid found in waterfowl, exhibition poultry, and game bird breeding flocks will not prevent a State, which is

otherwise eligible, from qualifying for a period of two years.

(2) Discontinuation of any of the conditions described in paragraph (a) (1) (i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (a) (1) (ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

(b) *U.S. Pullorum-Typhoid Clean State, Turkeys.* (1) A State will be declared a U.S. Pullorum-Typhoid Clean State, Turkeys, when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.43(b) (3) (i) through (vi).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in turkey hatchery supply flocks within the State during the preceding 24 months.

(2) Discontinuation of any of the conditions described in paragraph (b) (1) (i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (b) (1) (ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

§ 445.53 [Amended]

29. Section 445.53 (a) is amended by revising to read as follows:

(a) *U.S. Approved.* All birds in the breeding flock observed by Authorized Agents or State Inspectors are found to conform with the criteria for the breed represented, as contained in the Standard of Perfection¹ or the breeder's specifications for the stock represented in the flock, and such specifications are on file with the Official State Agency.

30. Section 445.53(b) (3) (vii) is amended by revising to read as follows:

(b) . . .
(3) . . .

(vii) All poultry, including exhibition, exotic, and game birds, but excluding waterfowl, going to public exhibition shall come from U.S. Pullorum-Typhoid Clean or equivalent flocks, or have had a negative pullorum-typhoid test within 90 days of going to public exhibition;

31. Section 445.53(c) is amended by revising to read as follows:

(c) *U.S. M. Gallisepticum Clean.* (1) A flock maintained in compliance with the

¹ Published by the American Poultry Association, Inc.

provisions of § 447.26 of this chapter and in which freedom from *M. gallisepticum* has been demonstrated under the criteria specified in paragraph (c) (1) (i) or (ii) of this section.

(i) All birds have been tested for *M. gallisepticum* as provided in § 445.14(b) when more than 4 months of age: *Provided*, That birds in primary breeding flocks may be sample tested after qualifying for this classification for two generations. This random sample shall consist of 300 birds in flocks of more than 300 and each bird in flocks of 300 or less: *And provided further*, That to retain this classification, a random sample of at least 5 percent of the birds in the flock, with a minimum of 100 birds, shall be tested at intervals of not more than 90 days: *And provided further*, That, at the discretion of the Official State Agency and with the concurrence of the Service, a sample comprised of less than 5 percent may be tested at any one time, provided that a total of at least 5 percent of the birds in the flock, with a minimum of 100 birds, is tested within each 90-day period; or

(ii) It is a multiplier breeding flock which originated as U.S. M. Gallisepticum Clean baby poultry from primary breeding flocks and a random sample comprised of 50 percent of the birds in the flock, with a maximum of 300 birds and a minimum of 30 birds per flock, has been tested for *M. gallisepticum* as provided in § 445.14(b) when more than 4 months of age: *Provided*, That to retain this classification, the flock shall be subjected to one of the following procedures:

(a) At intervals of not more than 90 days, a random sample of at least 2 percent of the birds in the flock, with a minimum of 30 birds per pen, shall be tested; or

(b) At intervals of not more than 30 days, a sample of 25 cull baby poultry produced from the flock shall be subjected to laboratory procedures acceptable to the Official State Agency and approved by the Service, for the detection and recovery of *M. gallisepticum*; or

(c) At intervals of not more than 60 days, serum samples obtained from at least 100 day-old baby poultry produced from the flock shall be examined for *M. gallisepticum* antibodies by an authorized laboratory.

(2) A participant handling U.S. M. Gallisepticum Clean products shall keep these products separate from other products in a manner satisfactory to the Official State Agency: *Provided*, That U.S. M. Gallisepticum Clean baby poultry from primary breeding flocks shall be produced in incubators and hatcheries in which only eggs from flocks qualified under paragraph (c) (1) (i) of this section are set.

(3) U.S. M. Gallisepticum Clean baby poultry shall be boxed in clean boxes and delivered in trucks that have been cleaned and disinfected as described in § 447.24(a) of this chapter.

32. Part 445, Subpart E, is amended by adding a new § 445.54 to read as follows:

§ 445.54 Terminology and classification; States.

(a) U.S. Pullorum-Typhoid Clean State. (1) A State will be declared a U.S. Pullorum-Typhoid Clean State when it has been determined by the Service that:

(i) The State is in compliance with the provisions contained in § 445.23(b) (3) (i) through (vii), § 445.33(b) (3) (i) through (vii), § 445.43(b) (3) (i) through (vi), and § 445.53(b) (3) (i) through (vii).

(ii) No pullorum disease or fowl typhoid is known to exist nor to have existed in hatchery supply flocks within the State during the preceding 12 months: *Provided*, That pullorum disease or fowl typhoid found in waterfowl, exhibition poultry, and game bird breeding flocks will not prevent a State, which is otherwise eligible, from qualifying for a period of two years.

(2) Discontinuation of any of the conditions described in paragraph (a) (1) (i) of this section, or repeated outbreaks of pullorum or typhoid occur in hatchery supply flocks described in paragraph (a) (1) (ii) of this section, or if an infection spreads from the originating premises, the Service shall have grounds to revoke its determination that the State is entitled to this classification. Such action shall not be taken until a thorough investigation has been made by the Service and the Official State Agency has been given an opportunity for a hearing.

33. Subpart A is amended by adding a new § 447.6 to the table of contents to read as follows:

Sec.
447.6 Procedure for determining the status of flocks reacting to tests for *Mycoplasma gallisepticum* and *Mycoplasma synoviae*.

34. Part 447, Subpart A, is amended by adding a new § 447.6 to read as follows:

§ 447.6 Procedure for determining the status of flocks reacting to tests for *Mycoplasma gallisepticum* and *Mycoplasma synoviae*.

The macroagglutination tests for *Mycoplasma* antibodies, as described in "Standard Methods for Testing Avian Sera for the Presence of *Mycoplasma Gallisepticum* Antibodies" published by the Agricultural Research Service, USDA, March 1966, and the microagglutination tests, as reported in the Proceedings, Sixteenth Annual Meeting of the American Association of Veterinary Laboratory Diagnosticians, 1973, shall be the official tests.

(a) When reactors are submitted to a laboratory as prescribed by the Official State Agency, the following criteria shall be used to determine if the flock is negative for *M. gallisepticum* or *M. synoviae*:

(1) Active air sac lesions, sinusitis, synovitis, or other clinical signs of a respiratory disease;

(2) Recovery by culture of the *Mycoplasma* for which the flock was tested;

(3) Supplemental serological test.

(b) If all of these tests are negative, the flock shall be deemed to have had no reactors for the *Mycoplasma* for which the flock was tested. If the *Mycoplasma* for which the flock was tested is isolated bacteriologically, the flock shall be considered infected. If any of the other tests described in paragraph (a) (1) or (3) of this section is positive, the flock shall be considered suspicious, and supplemental serological tests shall be conducted according to the following sequence:

(1) If the tube agglutination or the serum plate test is negative, the flock qualifies.

(2) If the tube agglutination or the serum plate test is positive, the hemagglutination inhibition (HI) test shall be conducted.

(3) If the HI test is negative, the flock qualifies.

(4) If HI titers of 1:40 are found, the flock shall be considered suspicious and shall be retested in accordance with paragraph (b) (6) of this section.

(5) If HI titers of 1:80 or higher are found, the flock shall be considered infected: *Provided*, That, at the discretion of the Official State Agency, additional tests may be conducted in accordance with paragraph (b) (6) of this section before final determination of the flock status is made.

(6) Fourteen days after the previous bleeding date, all birds or a random sample comprised of 5 percent of the birds in the flock, with a minimum of 100, whichever is greater, shall be tested by the serum plate or tube agglutination test. Tested birds shall be identified by numbered bands.

(7) If the tube agglutination test or serum plate test is negative for the *Mycoplasma* for which the flock was tested, the flock qualifies.

(8) If the tube agglutination or serum plate test is positive, the HI test shall be conducted on the reacting samples.

(9) If the HI test is negative, the flock qualifies.

(10) On the retest if HI titers of 1:80 or higher are found, the flock shall be considered infected: *Provided*, That, at the discretion of the Official State Agency, additional tests may be conducted in accordance with paragraph (b) (6) of this section before final determination of the flock status is made.

(11) If HI titers of 1:80 or higher are found on the second retest, the flock shall be considered infected for the *Mycoplasma* for which it was tested.

35. Section 447.26 is amended by revising the title and the introductory statement of paragraph (a) to read as follows:

§ 447.26 Procedures for establishing isolation and maintaining sanitation and good management practices for the control of *Mycoplasma gallisepticum* and *Mycoplasma synoviae*.

(a) The following procedures are required for participation in the U.S. M. Gallisepticum Clean and U.S. M. Synoviae Clean classifications:

§ 447.26 [Amended]

36. Section 447.26(b) (1) is amended by revising to read as follows:

(b) * * *

(1) Avoid the introduction of *Mycoplasma gallisepticum* or *Mycoplasma synoviae* infected poultry;

§ 447.43 [Amended]

37. Section 447.43(a) is amended by revising to read as follows:

(a) The General Conference Committee shall consist of the Assistant Secretary of Agriculture for Conservation, Research, and Education, or his designee, and one member to be elected, as provided in paragraph (b) of this section, from each of the following regions:

38. Section 447.43(d) (2) (iii) is amended by revising to read as follows:

(d) * * *

(2) * * *

(iii) Recommending to the Secretary of Agriculture such administrative changes in the requirements of the Plan as may be necessitated by unforeseen conditions when postponement until the next Conference would seriously impair the operation of the program. Such recommendations shall remain in effect only until confirmed or rejected by the next Plan Conference, or until sooner rescinded by the committee;

Except as otherwise provided, all amendments should be made effective as soon as possible to reflect the interests of the Conference and to effectuate the purpose of the statute (7 U.S.C. 429). Therefore, under the administrative procedure provisions in 5 U.S.C. 553, good cause is found for making the amendments effective less than 30 days after publication in the FEDERAL REGISTER.

Except for the amendments set forth in §§ 445.23(a) and 445.43(f) which have delayed effective dates as indicated, the foregoing amendments shall become effective January 8, 1975.

Done at Washington, D.C., this 2nd day of January, 1975.

RALPH J. McCRAKEN,
Acting Administrator,
Agricultural Research Service.

[FR Doc. 75-508 Filed 1-7-75; 8:45 am]

Title 12—Banks and Banking
CHAPTER II—FEDERAL RESERVE
SYSTEM

SUBCHAPTER A—BOARD OF GOVERNORS OF
THE FEDERAL RESERVE SYSTEM

PART 265—RULES REGARDING
DELEGATION OF AUTHORITY

Miscellaneous Amendments

The Reserve Banks presently have delegated authority to approve, under certain standards, one-bank holding company formations, bank holding company formations involving more than one bank, bank acquisitions by existing bank holding companies, bank mergers, mergers of bank holding companies, and

certain finance company, industrial bank, and insurance company acquisitions by bank holding companies. The Reserve Banks, however, may not exercise their authority in any such case when a significant policy issue is raised by the proposal as to which the Board has not expressed its view. In this light, the Board has, as a matter of general policy, determined that it would not be appropriate for a Reserve Bank to act on an application under section 3 or section 4 of the Bank Holding Company Act or section 18(c) of the Federal Deposit Insurance Act when a director or senior officer of (1) the holding company, (2) any subsidiary bank of the holding company, (3) the merging banks, or (4) the finance company, industrial bank, or insurance company to be acquired, as the case may be, is either a director of a Federal Reserve Bank or branch or a member of the Federal Advisory Council. The Board has, as a matter of general policy, also determined that a Reserve Bank should submit to the Board for its action any application for the formation of a bank holding company when an individual (or group of individuals) who is a principal in the holding company being formed is already a principal in another bank holding company. Since the only criterion preventing approval under delegated authority of the above applications and other applications which the Board may, as a general policy matter, from time to time determine should not be acted on by a Reserve Bank, is special policy situations involving a Reserve Bank, such as potential conflicts of interest, or policy issues which the Board believes call for special study by the Board's staff, the Board has decided to delegate to the Secretary of the Board, pursuant to sections 3(a) (1), 3(a) (3), 3(a) (5) and 4(c) (8) of the Bank Holding Company Act and section 18(c) of the Federal Deposit Insurance Act, the authority to approve such applications if all of the other relevant regulatory criteria for approval under delegated authority have been met, and all relevant divisions of the Board's staff recommend approval. Applications falling outside these standards will be submitted to the Board for further consideration.

Designated Board members presently have delegated authority under sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), (1) to approve the establishment of certain foreign branches or agencies by members banks, or corporations organized under section 25(a) of the Federal Reserve Act ("Edge" corporations) or operating under an agreement with the Board pursuant to section 25 of the Federal Reserve Act ("Agreement" corporations); (2) to grant specific consent, under certain standards, to the acquisition, either directly or indirectly, by a member bank or an Edge or Agreement corporation of the stock of certain companies and to approve any such acquisition that may exceed the limitations in section 25(a) of the Federal Reserve Act based on such a corporation's capital and surplus; (3) to permit

an Edge or Agreement corporation to exceed the limitations in § 211.9 (b) and (c) of this chapter (Regulation K); and (4) to approve under certain standards, the issuance by an Edge or Agreement corporation or a subsidiary thereof of debentures, bonds, promissory notes (with a maturity of more than one year), or similar obligations under § 211.4 of this chapter (Regulation K). The Board has decided to delegate to the Secretary of the Board, in lieu of a designated Board member, the authority to take the foregoing actions, pursuant to sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M). In so doing, the Board has set forth standards under which this authority may be exercised. Applications falling outside these standards will be submitted to the Board for further consideration.

The Board has also decided to delegate to the Secretary of the Board the authority to grant specific consent, pursuant to the provisions of section 4(c) (13) of the Bank Holding Company Act, to the acquisition, either directly or indirectly, by a bank holding company of a noncontrolling stock interest in certain foreign companies. The Board has set forth standards under which this authority may be exercised. Applications falling outside these standards will be submitted to the Board for further consideration.

The Board has also decided to change the name of The Committee on Organization, Compensation, and Building Plans to the "Committee on Federal Reserve Bank Activities". In addition, the Board has decided to delete the provision delegating to that Committee the power to approve, subject to certain conditions, the salary of any officer of a Federal Reserve Bank holding a position below that of First Vice President and to insert in lieu thereof a provision delegating to such Committee the power to approve, in connection with year-end salary reviews, the salary of any officer of a Federal Reserve Bank at the level of Senior Vice President (Salary Group A), excluding the Manager of the System Open Market Account and the Special Manager for Foreign Currency Operations for such Account, and the salary of any General Auditor of a Federal Reserve Bank.

1. Effective December 30, 1974, § 265.1a is amended by striking out all of paragraph (a) thereof, and by striking out "(b) The Committee on Organization, Compensation, and Building Plans, consisting of three members of the Board" in paragraph (b) thereof and inserting in lieu thereof "(a) The Committee on Federal Reserve Bank Activities, consisting of at least three members of the Board" and by striking clause (ii) of subparagraph (1) thereof, and inserting in lieu thereof "(ii) in connection with year-end salary reviews, the salary of any officer of a Federal Reserve Bank at the level of Senior Vice President (Salary Group A), excluding the Manager of the System Open Market Account and the Special Manager for Foreign Currency Operations for such Account, and the salary of any General Auditor of a Fed-