

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
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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.	Terminology and classification;	flocks, products, and States.
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 breking 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 hatcheries 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, 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-

eral Reserve Bank." As so amended, § 265.1a reads as follows:

§ 265.1a Specific Functions Delegated to Board Members.

(a) The Committee on Federal Reserve Bank Activities, consisting of at least three members of the Board designated by the Chairman, is authorized, pursuant to the twenty-second paragraph of section 4 of the Federal Reserve Act (12 U.S.C. 307) and subject to such general guidelines as may be prescribed by the Board:

(1) To approve (i) changes in the salary structure for officers, other than the President and First Vice President, of each Federal Reserve Bank and branch thereof, and (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 Federal Reserve Bank.

(2) To approve (i) changes in maximum and minimum salaries for the respective grades of the salary structure for nonofficial employees of each Federal Reserve Bank and branch thereof, (ii) an increase in the special maximum salary for Grade 16 of such salary structure for each Reserve Bank or branch, and (iii) the payment of salary to any such employee in excess of the maximum or below the minimum for the grade in which the employee's position is classified.

(3) To approve (i) amendments to the authorization from the Board of Governors to the Federal Reserve Banks for the payment of separation allowances upon the involuntary termination of employment of any officer or employee of a Federal Reserve Bank or branch, and (ii) payment of such a separation allowance to any officer of a Reserve Bank or branch.

(4) To approve the payment of salary to any officer (other than the President or First Vice President) or employee of a Federal Reserve Bank whose services are retained for more than 90 days after attainment of normal retirement age.

(5) To approve amendments to the Guidelines and Objectives for Health Insurance prescribed by the Board of Governors for officers and employees of Federal Reserve Banks and their branches. In the exercise of any authority delegated under this paragraph (a), the Committee shall be guided by the objectives of promoting the efficiency of Reserve Bank operations and of maintaining the morale of Reserve Bank personnel and shall give appropriate attention to salary levels and employment practices in the relevant community but with due regard to the public character of the Federal Reserve System.

2. Effective December 30, 1974, § 265.2

(a) is amended by changing the comma following "authorized" to a colon, by making a new subparagraph (1) out of that part of paragraph (a) beginning with the word "under", and by adding

new subparagraphs (2), (3), (4), (5), (6), (7), (8), (9), (10), (11), and (12) to read as follows:

§ 265.2 Specific Functions Delegated to Board Employees and to Federal Reserve Banks.

(a) The Secretary of the Board (or, in his absence, the Acting Secretary) is authorized:

(1) Under the provisions of Part 261 of this chapter, to make available, upon request, information in the records of the Board.

(2) Under the provisions of section 3 (a) (1) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the formation of a bank holding company through the acquisition by a company of a controlling interest in the voting shares of one or more banks, if all of the following conditions are met:

(i) The Reserve Bank could approve such formation under paragraph (f) (22) of this section, except for the fact that paragraph (f) (22) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such formation:

(a) A director or senior officer of a bank which would become a subsidiary of the holding company proposed to be formed or a director or senior officer of the holding company proposed to be formed, is a director of a Federal Reserve Bank or branch.

(b) A director or senior officer of a bank which would become a subsidiary of the holding company proposed to be formed, or a director or senior officer of the holding company proposed to be formed, is a member of the Federal Advisory Council.

(c) An individual (or group of individuals) who is a principal in the holding company proposed to be formed is already a principal in another bank holding company.

(d) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(3) Under the provisions of section 3(a) (3) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the acquisition by a bank holding company of a controlling interest in the voting shares of an additional bank, if all of the following conditions are met:

(i) The Reserve Bank could approve such acquisition under paragraph (f) (24) of this section, except for the fact that paragraph (f) (24) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such acquisition:

(a) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of any bank sought to be acquired, is a director of a Federal Reserve Bank or branch.

(b) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of any bank

sought to be acquired, is a member of the Federal Advisory Council.

(c) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(4) Under the provisions of section 18(c) of the Federal Deposit Insurance Act (12 U.S.C. 1828(c)), to approve a merger, consolidation, acquisition of assets or assumption of liabilities, where the resulting bank is a State member bank, if all of the following conditions are met:

(i) The Reserve Bank could approve such merger, consolidation, acquisition of assets or assumption of liabilities under paragraph (f) (28) of this section, except for the fact that paragraph (f) (28) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such transaction:

(a) A director or senior officer of any bank involved in such transaction is a director of a Federal Reserve Bank or branch.

(b) A director or senior officer of any bank involved in such transaction is a member of the Federal Advisory Council.

(c) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(5) Under the provisions of section 3 (a) (5) of the Bank Holding Company Act (12 U.S.C. 1842), to approve the merger or consolidation of a bank holding company with any other bank holding company, if all of the following conditions are met:

(i) The Reserve Bank could approve such merger or consolidation under paragraph (f) (30) of this section, except for the fact that paragraph (f) (30) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such merger or consolidation:

(a) A director or senior officer of any of the holding companies or of any of the subsidiary banks of the holding companies involved in such merger or consolidation is a director of a Federal Reserve Bank or branch.

(b) A director or senior officer of any of the holding companies or of any of the subsidiary banks of the holding companies involved in such merger or consolidation is a member of the Federal Advisory Council.

(c) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(6) Under the provisions of section 4(c) (8) of the Bank Holding Company

Act (12 U.S.C. 1843(c) (8)) and §§ 225.4 (a) (1), (2), (3) and (9) (ii) of Regulation Y (12 CFR 225.4(a) (1), (2), (3) and (9) (ii)) to approve the acquisition by a bank holding company of an interest in a finance company or an industrial bank, as such terms are respectively defined in paragraph (f), (31) of this section, whether by acquisition of shares or assets, if all of the following conditions are met:

(i) The Reserve Bank could approve such acquisition under paragraph (f) (31) of this section, except for the fact that paragraph (f) (31) (v) of this section has not been met because one of the following policy issues has been raised with respect to such acquisition:

(a) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of the finance company or industrial bank to be acquired is a director of a Federal Reserve Bank or branch.

(b) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of the finance company or industrial bank to be acquired is a member of the Federal Advisory Council.

(c) The Board has made a general determination that another policy issue raised by the proposal does not require Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(7) Under the provisions of section 4(c) (8) of the Bank Holding Company Act (12 U.S.C. 1843(c) (8)) and § 225.4 (a) (9) (iii) (a) of Regulation Y (12 CFR 225.4(a) (9) (iii) (a)) to approve the acquisition or, as an incident to a bank holding company formation pursuant to section 34a) (1) of the Act, the retention by a bank holding company of shares or assets of a company that acts as insurance agent or broker in offices at which the holding company or its subsidiaries are otherwise engaged in business (or in an office adjacent thereto) with respect to any insurance sold in a community that has a population not exceeding 5,000, if all of the following conditions are met:

(i) The Reserve Bank could approve such acquisition or retention under paragraph (f) (32) of this section, except for the fact that paragraph (f) (32) (iv) of this section has not been met because one of the following policy issues has been raised with respect to such acquisition or retention:

(a) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of the company to be acquired or retained, is a director of a Federal Reserve Bank or branch.

(b) A director or senior officer of the holding company, of any subsidiary bank of the holding company or of the company to be acquired or retained, is a member of the Federal Advisory Council.

(c) The Board has made a general determination that another policy issue raised by the proposal does not require

Board consideration, but nevertheless makes it inappropriate for a Reserve Bank to approve the proposal.

(ii) All relevant divisions of the Board's staff recommend approval.

(8) Under the provisions of sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), to approve the establishment, directly or indirectly, of a foreign branch or agency by a member bank or corporation organized under section 25(a) (an "Edge" corporation) or operating under an agreement with the Board pursuant to section 25 (an "Agreement" corporation) which has already established, or has been authorized to establish, branches in two or more foreign countries, if all of the following conditions are met:

(i) The appropriate Reserve Bank recommends approval.

(ii) All relevant divisions of the Board's staff recommend approval.

(iii) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(9) Under the provisions of sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), to grant specific consent to the acquisition, either directly or indirectly, by a member bank or an Edge or Agreement corporation of stock of (i) a company chartered under the laws of a foreign country or (ii) a company chartered under the laws of a State of the United States that is organized and operated for the purpose of financing exports from the United States, 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, if all of the following conditions are met:

(a) The appropriate Reserve Bank recommends approval.

(b) All relevant divisions of the Board's staff recommend approval.

(c) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(d) Such acquisition does not result, either directly or indirectly, in the acquisition by such bank or corporation of effective control of any such company (other than a company performing nominee, fiduciary, or other banking services incidental to the activities of a foreign branch or affiliate of such bank or corporation).

(10) Under the provisions of sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), to permit an Edge or Agreement corporation to exceed the limitations in § 211.9 (b) and (c) of this chapter (Regulation K),¹ if all of the following conditions are met:

(i) The appropriate Reserve Bank recommends approval.

(ii) All relevant divisions of the Board's staff recommend approval.

¹ Subject, of course, to the limitations in section 25(a) relating to aggregate liabilities outstanding on debentures, bonds, and promissory notes.

(iii) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(11) Under sections 25 and 25(a) of the Federal Reserve Act and Parts 211 and 213 of this chapter (Regulations K and M), to approve, under § 211.4 of this chapter (Regulation K), 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, if all of the following conditions are met:

(i) The appropriate Reserve Bank recommends approval.

(ii) All relevant divisions of the Board's staff recommend approval.

(iii) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(12) Under the provisions of section 4(c) (13) of the Bank Holding Company Act (12 U.S.C. 1843), and § 225.4(f) of Part 225 of this chapter (Regulation Y), to grant specific consent to the ownership or control, either directly or indirectly, by a bank holding company of voting shares of a company chartered under the laws of a foreign country, if all of the following conditions are met:

(i) The appropriate Reserve Bank recommends approval.

(ii) All relevant divisions of the Board's staff recommend approval.

(iii) No significant policy issue is raised by the proposal as to which the Board has not expressed its view.

(iv) Such acquisition does not result, either directly or indirectly, in the acquisition by such bank holding company of control of any such company (other than a company performing nominee, fiduciary, or other banking services incidental to the activities of a direct or indirect foreign subsidiary of such corporation).

By order of the Board of Governors, effective December 30, 1974.

[SEAL] THEODORE E. ALLISON,
Secretary of the Board.

[FR Doc. 75-449 Filed 1-7-75; 8:45 am]

Title 14—Aeronautics and Space
CHAPTER I—FEDERAL AVIATION ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Airspace Docket No. 73-SO-59]

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

Alteration of Transition Area

On September 5, 1973, a Notice of Proposed Rule Making was published in the FEDERAL REGISTER (38 FR 23969), stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would alter the Charleston, S.C., transition area.

Interested persons were afforded an opportunity to participate in the rule making through the submission of com-

ments. All comments received were favorable.

Subsequent to publication of the Notice, the geographic position of Johns Island RBN was refined to "lat. 32°42'09" N., long. 80°00'10" W." It is necessary to amend the description to reflect this change. Since this amendment is minor in nature, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 9:01 G.m.t., February 27, 1975, as hereinafter set forth.

In § 71.181 (40 FR 441), the Charleston, S.C., transition area is amended as follows:

* * * log. 80°00'00" W.) * * * is
* * * long. 80°00'00" W.) * * * is
within 3 miles each side of the 280° bearing from Johns Island RBN (lat. 32°42'09" N., long. 80°00'10" W.), extending from the 6.5-mile radius area to 8.5 miles west of the RBN * * * is substituted therefor.

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

Issued in East Point, Ga., on December 26, 1974.

DUANE W. FREER,
Acting Director,
Southern Region.

[FR Doc.75-660 Filed 1-7-75; 8:45 am]

[Airspace Docket No. 74-SO-122]

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

Redesignation of Control Zone

The purpose of this amendment to Part 71 of the Federal Aviation Regulations is to redesignate the Fort Stewart, Ga., control zone.

The Fort Stewart control zone is described in § 71.171 (40 FR 354) and is presently designated 24 hours daily. The U.S. Army has reduced the hours of operation of the airport traffic control tower from 24 hours daily to 7 a.m. to 11 p.m., local time, daily. It is necessary to amend the description to redesignate the control zone as part-time and publish the effective hours. Since this amendment lessens the burden on the public, notice and public procedure hereon are unnecessary.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective immediately, as hereinafter set forth.

In § 71.171 (40 FR 354), the Fort Stewart, Ga., control zone is amended as follows:

This control zone is effective from 0700 to 2300 hours, local time, daily, is added to the description.

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

ment of Transportation Act (49 U.S.C. 1655(c))

Issued in East Point, Ga., on December 27, 1974.

PHILLIP M. SWATEK,
Director, Southern Region.

[FR Doc.75-662 Filed 1-7-75; 8:45 am]

[Airspace Docket No. 73-SO-68]

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

Alteration of Transition Area

On January 8, 1974, a Notice of Proposed Rule Making was published in the FEDERAL REGISTER (39 FR 1362), stating that the Federal Aviation Administration was considering an amendment to Part 71 of the Federal Aviation Regulations that would designate the Moncks Corner, S.C., transition area.

Interested persons were afforded an opportunity to participate in the rule making through the submission of comments. All comments received were favorable.

In consideration of the foregoing, Part 71 of the Federal Aviation Regulations is amended, effective 9 a.m. G.m.t., February 27, 1975, as hereinafter set forth.

In § 71.181 (40 FR 441), the following transition area is added.

MONCK'S CORNER, S.C.

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of Moncks Corner Airport (latitude 33°11'30" N, longitude 80°02'00" W); within 3 miles each side of the 226° bearing from Moncks Corner RBN (latitude 33°11'35" N, longitude 80°01'34" W), extending from the 6.5-mile radius area to 8.5 miles southwest of the RBN.

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

Issued in East Point, Ga., on December 26, 1974.

PHILLIP M. SWATEK,
Director, Southern Region.

[FR Doc.75-661 Filed 1-7-75; 8:45 am]

Title 20—Employees' Benefits

CHAPTER III—SOCIAL SECURITY ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

[Regs. No. 16]

PART 416—SUPPLEMENTAL SECURITY INCOME FOR THE AGED, BLIND, AND DISABLED (1974.....)

Subpart M—Suspensions and Terminations

On April 2, 1974, a notice of proposed rulemaking was published in the FEDERAL REGISTER (39 FR 12027) relating to suspensions and terminations under the supplemental security income program. The proposed rules deal with events and circumstances for which payment under title XVI of the Act is precluded. The

events and circumstances the occurrence of which result in a temporary suspension of payment and the events and circumstances the occurrence of which terminate an individual's eligibility under the program are described. The proposed rules also contain procedural provisions applicable to suspension or termination of eligibility or reduction of the amount of benefits occurring after the establishment of initial eligibility and amount of benefits.

The period for comments expired on May 2, 1974, and seven letters of comment were received from the public in response to the proposal. While comments were varied, the most significant ones pertained to the proposed effective dates for suspension of payment and to the situations in which it was proposed that no advance written notice of intent to reduce, suspend, or terminate an individual's payment be furnished prior to effectuating such action. There follows a discussion of the comments received from the public and the disposition thereof.

The proposed § 416.1325 provided for suspension of payment for any month for which a recipient is ineligible for payment because he is an inmate of a public institution throughout such month. One writer objected to the provision. However, section 1611(e)(1)(A) of the Social Security Act (42 U.S.C. 1382(e)(1)(A)) specifically provides that no individual shall be eligible for any month throughout which he is an inmate of a public institution.

Another writer commented on the proposed § 416.1323, which provides for suspension of payment due to ineligibility because an individual's "countable income" (as defined in § 416.1115) equals or exceeds the amount of benefits otherwise payable. The writer suggested that income should be counted only at the point at which it is physically received by the individual and not when it is merely promised to him. In fact, it is established policy not to count income which cannot be reliably anticipated by the recipient (e.g., earnings from sporadic employment) until such income is actually available to him. However, the suggestion does not take into consideration the fact that many individuals have income such as pensions, annuities, or earnings from steady employment which are received regularly and in fixed amounts. As such, the income can be reliably anticipated to be available to meet the recipient's needs and should be counted at the time the individual's eligibility and payment amount are determined. By doing so, the recipient's payment amount more accurately reflects his current circumstances; and once such income has been counted, the recipient then need report only changes in the amount or receipt of the income. To do as suggested with all types of income would impose unrealistic reporting requirements on the recipient, especially when the income is received as often as weekly or monthly. For these