of this paragraph, a principal claim and any derivative or subrogated claim shall be treated as a single claim.

(b) An administrative claim may be adjusted, determined, compromised, or settled hereunder only after consultation with the Department of Justice when, in the opinion of the General Counsel or designee:

(1) A new precedent or a new point of law is involved; or

(2) A question of policy is or may be involved; or

(3) The United States is or may be entitled to indemnity or contribution from a third party and the ERDA is unable to adjust the third party claim; or

(4) The compromise of a particular claim, as a practical matter, will or may control the disposition of a related claim in which the amount to be paid may exceed $25,000.

(c) An administrative claim may be adjusted, determined, compromised, or settled hereunder only after consultation with the Department of Justice when the ERDA is informed or is otherwise aware that the United States or an employee, agent, or cost-type contractor of the United States is involved in litigation based on a claim arising out of the same incident or transaction.

(d) Authority of field organization Chief Counsels for award, compromise or settlement of over $10,000 is subject to the prior approval of the General Counsel.

§ 714.8 Referral to Department of Justice.

(a) When Department of Justice approval or consultation is required under § 714.7, the referral or request shall be transmitted to the Department of Justice by the General Counsel or his designee.

(b) When an ERDA field Organization Chief Counsel is processing a claim hereunder requiring ERDA General Counsel or Department of Justice approval or consultation, the referral or request shall be transmitted by the Chief Counsel to the General Counsel in writing and shall contain (1) a short and concise statement of the facts and of the reasons for the referral or request, (2) copies of relevant portions of the claim file, and (3) a statement of the recommendations or views of the field organization Chief Counsel.

§ 714.9 Final denial of claim.

(a) Final denial of an administrative claim hereunder shall be in writing and delivered to the claimant, his attorney, or legal representative, or sent by certified or registered mail. The notification of final denial may include a statement of the reasons for the denial and shall include a statement that, if the claimant is dissatisfied with ERDA action, he may file suit in an appropriate U.S. District Court not later than 6 months after the date of mailing of the notification.

(b) Prior to the commencement of suit and prior to the expiration of the 6-month period provided in 28 U.S.C. 2401 (b), a claimant, his duly authorized agent, or legal representative, may file a written request with the ERDA General Counsel for reconsideration of a final denial of a claim under paragraph (a) of this section. Upon the timely filing of a request for reconsideration the ERDA shall have 6 months from the date of filing in which to make a final disposition of the claim and the claimant's option under 28 U.S.C. 2675(a) shall not accrue until 6 months after the filing of a request for reconsideration. Final ERDA action on a request for reconsideration shall be effected in accordance with the provisions of paragraph (a).

§ 714.10 Action on approved claims.

(a) Payment of any claim approved hereunder, shall be contingent upon claimant's execution of (1) a Standard Form 1145, or (2) a claims settlement agreement or (3) a Standard Form 95, as appropriate. When a claimant is represented by an attorney, the voucher for payment shall designate both the claimant and his attorney as payees, and the check shall be delivered to the attorney, whose address shall appear on the voucher.

(b) Acceptance by the claimant, his agent, or legal representative, of any award, compromise, or settlement made pursuant to the provisions of section 2672 or 2677 of Title 28, United States Code, shall be final and conclusive on the claimant, his agent or legal representative and any other person on whose behalf or for whose benefit the claim has been presented, and shall constitute a complete release of any claim against the United States and against any employee of the Government whose act or omission gave rise to the claim, by reason of the same subject matter.

Effective date. This Part 714 shall become effective October 21, 1975.

[FR Doc.75-28201 Filed 10-20-75;8:45 am]

Title 12—Banks and Banking

CHAPTER I—COMPTROLLER OF THE CURRENCY, DEPARTMENT OF THE TREASURY

PART 7—INTERPRETIVE RULINGS

Customer-Bank Communication Terminals; Suspension of Ruling

On October 10, 1975, the Comptroller of the Currency published the following statement in connection with his suspension of 12 CFR 7.7491:

The Comptroller's Office has received many inquiries concerning the status of Interpretive Ruling 7.7491, Customer-Bank Communication Terminals ("CB CTs"), 40 FR 21700 (May 9, 1975), in view of recent litigation relating to this ruling. This statement is being issued in response to those inquiries.

Eight different lawsuits have been filed challenging I.R. 7.7491. The Comptroller is a party to five of these lawsuits. In two of these lawsuits federal district courts have entered final decisions and orders. *State of Colorado* v. *First National Bank of Fort Collins* and *Smith*, D. Colo., Civil No. 75 M 397 (May 28, 1975), *appeal pending;* and *IBAA, et al.* v. *Smith*, D. D.C., Civil No. 75-0089 (July 31, 1975), *appeal pending.*

The *Colorado* opinion upheld the Comptroller's ruling except to the extent that the CBCT in that case was permitted to receive cash or other items for subsequent deposit. In the *IBAA* case, the district court found the Comptroller's entire ruling to be "without merit". The Court entered an order reading in part as follows:

> FURTHER ORDERED that Defendant and all persons acting under his direction and authority or in active concert or participation with him be and hereby are, permanently enjoined from further implementation of the ruling, and any authority heretofore given to national banks by the ruling is hereby rescinded.

No national bank was a party to the *IBAA* case. A stay of the District Court's order pending appeal was sought by the Comptroller and denied. The Court of Appeals, however, has granted an expedited hearing on the merits of the appeal.

Inasmuch as the Comptroller's implementation of the interpretive ruling has been enjoined, the Comptroller has suspended it pending further appellate proceedings. Accordingly, the 30-day notice requirement and all other provisions contained in the ruling are no longer in effect. National banks seeking to establish CBCTs must rely upon the advice of their own legal counsel.

The Comptroller intends both to pursue the appeal of the *IBAA* case and to defend the other lawsuits involving CBCTs to which he is a party. Consistent with the Comptroller's position before the courts, the Comptroller will not accept or process branch applications for the installation of CBCTs. However, national banks are cautioned that the Comptroller will not hesitate to use his supervisory powers to eliminate any unsafe, unsound, or anti-competitive practices among national banks which might come to the Comptroller's attention.

§ 7.7491 [Removed]

Accordingly, 12 CFR 7.7491 has been suspended.

Dated: October 15, 1975.

JAMES E. SMITH,
Comptroller of the Currency.

[FR Doc.75-28218 Filed 10-20-75;8:45 am]

CHAPTER VI—FARM CREDIT ADMINISTRATION

LOAN POLICIES AND INVESTMENTS

Miscellaneous Amendments

The Farm Credit Administration, by its Federal Farm Credit Board, took final action on an amendment to its regulations concerning the investment policy of each Farm Credit bank and authorized its issuance effective October 7, 1975. By a notice published in the FEDERAL REGISTER on August 12, 1975, interested persons were afforded the opportunity to file written comments or suggestions on the proposed regulation not later than September 12, 1975. No comments were received. Therefore, the regulation as published on August 12 has been adopted without change.

The Farm Credit Administration also amends its regulations by deleting a provision dealing with formal approval by the Farm Credit Administration of participation agreements between production credit associations and commercial banks, the deletion of which has been approved by the Federal Farm Credit Board, and to correct a printing error.

Chapter VI of Title 12 of the Code of Federal Regulations is amended by deleting § 614.4333(e), adding § 615.5135, and correcting § 619.9330 as follows:

PART 614—LOAN POLICIES AND OPERATIONS

§ 614.4333 [Amended]

1. In § 614.4333, paragraph (e) is deleted.

PART 615—FUNDING AND FISCAL AFFAIRS

2. Section 615.5135 is added to read as follows:

§ 615.5135 Investment policy.

Each bank's board of directors shall adopt a policy, subject to approval by the Farm Credit Administration, regarding the management of surplus funds.

PART 619—DEFINITIONS

3. Section 619.9330 is revised to read as follows:

§ 619.9330 Speculative purposes.

To buy or sell with the expectation of profiting by fluctuations in price.

(Sec. 5.9, 5.18, 85 Stat. 619, 621)

GENE L. SWACKHAMER,
Acting Governor,
Farm Credit Administration.

[FR Doc.75-28202 Filed 10-20-75;8:45 am]

Title 13—Business Credit and Assistance

CHAPTER III—ECONOMIC DEVELOPMENT ADMINISTRATION, DEPARTMENT OF COMMERCE

PART 307—TECHNICAL ASSISTANCE, RESEARCH, AND INFORMATION

PART 309—GENERAL REQUIREMENTS FOR FINANCIAL ASSISTANCE

Grant and Loan Program; Miscellaneous Amendments

Pursuant to the authority vested in it by section 701 of the Public Works and Economic Development Act of 1965, as amended, the Economic Development Administration hereby amends Parts 307 and 309 of 13 CFR Chapter III.

The Public Works and Economic Development Act of 1965, as amended provides for two types of assistance under section 302. Pursuant to the Act, a variety of entities are eligible to apply for § 302 (a) assistance, whereas only designated economic development districts are eligible for assistance under § 302(b). Because the existing regulation covering eligible applicants under section 302 of the Act fails to make this distinction, it is necessary to amend 13 CFR 307.52 in order to accurately implement the Act. Since it was found that immediate corrective action was required, notice and public procedure thereon was impractical and contrary to the public interest. Moreover, this amendment is both an interpretative rule and a matter relating to the grant program of this agency. Thus, it is not subject to the Administrative Procedure Act (5 U.S.C. 553).

Section 711 of the Act obligates business enterprises, as a prerequisite for assistance, to certify the names of expediters and to agree to refrain from employing persons who previously held EDA position involving discretion. In 13 CFR 309.7 this requirement was broadly construed to apply to all applicants including States and other public entities. This regulation is amended pursuant to an opinion received from the General Services Administration which states that the EDA interpretation of section 711 of the Act is at variance with the standards of Federal Management Circular 74-7. Accordingly, 13 CFR 309.11, as amended, will apply only to business enterprises. Paragraph (b) of this regulation is also amended by adding the position of Regional Office Deputy Director to the list of positions involving discretion. Because this regulation is an interpretative rule and concerns agency organization, it is exempt from the public notice provisions of the Administrative Procedure Act. Furthermore, as these amendments pertain to the grant and loan program of EDA and are intended to relieve a restriction, they shall become effective immediately.

In consideration of the foregoing Parts 307 and 309 of Chapter III of Title 13 of the Code of Federal Regulations are hereby amended.

1. Title 13, § 307.52 is revised to read as follows:

§ 307.52 Eligible applicants.

(a) Eligible applicants under § 302(a) of the Act are:

(1) The Governor of a State or an agency designated by him, and the Chief Executive Officer of the District of Columbia, Puerto Rico, Virgin Islands, Guam and American Samoa.

(2) Chief Officer of governing bodies of sub-State planning units, economic development districts, and redevelopment areas.

(3) Chief Executive of cities and counties meeting EDA eligibility criteria and not located wholly within larger multi-county planning and development organizations receiving planning funds under section 301 of the Act.

(4) Chief Executives of cities, counties, and redevelopment areas in multi-county organizations receiving funds under section 301 of the Act whose applications are endorsed by the Boards of the multi-county organizations, and who demonstrate exceptional need for planning assistance, beyond that provided through the multi-county organizations, for planning activities other than on-going administrative support, the preparation of original OEDP documents, updated OEDP documents or OEDP reports, and other activities usually funded under § 301(b) of the Act.

(5) Eligible applicants cited under this subpart, if the Secretary determines that planning assistance is necessary and other funds are not available to develop a plan required by Title IX of the Act.

(b) The eligible applicant under § 302 (b) of the Act is the Chief Officer of a designated economic development district.

(1) An economic development district must also be designated by the State or, where necessary, by the State and OMB, in order to qualify for assistance as an authorized A-95 reviewing agency.

2. Title 13, §309.7 is amended by revising introductory paragraph (a) and the entire paragraph (b) to read as follows:

§ 309.7 Employment of expediters of administrative employees, compensation of persons engaged by or on behalf of applicants.

(a) No application or plan for financial assistance for any business enterprise shall be approved by EDA under sections 101, 201, 202 or 403 of the Act unless the applicant:

* * * * *

(b) Definitions as used in this section:

"Positions Involving discretion" means the Assistant Secretary, Deputy Assistant Secretaries for Economic Development, Economic Development Planning, and Economic Development Operations; Office Directors, Deputy Office Directors, and Division Chiefs in the Office of Public Works, Business Development, and Technical Assistance; and Director and Deputy Director of the Offices of Economic Research, Planning and Program Support, and Development Organizations. This term also includes Regional Office Directors and Regional Office Deputy Directors with respect to projects located in their region. Clerical employees do not occupy positions involving discretion with respect to the granting of assistance under the Act. The discretionary nature of the positions and activities of other employees shall be determined by the Assistant Secretary at such time as the employee terminates his employment.

* * * * *

(Sec. 701, Pub. L. 89-136 (August 26, 1965); 42 U.S.C. 3211; 79 Stat. 570 and Department of Commerce Organization Order 10-4 (April 1, 1970) as amended (35 FR 5970 as amended at 40 FR 12532))

Effective date: This amendment becomes effective on October 21, 1975.

It is hereby certified that the economic and inflationary impacts of this regulation have been carefully evaluated in accordance with OMB Circular A-107.

Dated October 10, 1975.

D. J. CAHILL,
Acting Assistant Secretary
for Economic Development.

[FR Doc.75-28297 Filed 10-20-75;8:45 am]

Title 16—Commercial Practices

CHAPTER I—FEDERAL TRADE COMMISSION

[Docket No. C-2728]

PART 13—PROHIBITED TRADE PRACTICES, AND AFFIRMATIVE CORRECTIVE ACTIONS

Checkmate Inquiry Service, Inc. and Samuel Berke

Subpart—Collecting, assembling, furnishing or utilizing consumer reports: § 13.382 Collecting, assembling, furnishing or utilizing consumer reports; § 13.382-1 Confidentiality, accuracy, relevancy, and proper utilization; § 13.382-1(a) Fair Credit Reporting Act; § 13.382-quirements; § 13.382-5(a) Fair Credit Reporting Act. Subpart—Corrective actions and/or requirements: § 13.533 Corrective actions and/or requirements; § 13.533-45 Maintain records; § 13.533-45(m) Records, sales.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interpret or apply sec. 5, 38 Stat. 719, as amended; 82 Stat. 146, 147; 84 Stat. 1127-36; 15 U.S.C. 1601, et seq.)

In the Matter of Checkmate Inquiry Service, Inc., a corporation, and Samuel Berke, individually and as an officer of said corporation.

Consent order requiring a New York City consumer credit reporting agency, among other things to cease failing to comply with the requirements of the Fair Credit Reporting Act pertaining to the reporting of information disputed by the consumer. Respondents are further required to retain evidence of compliance for a period of two years.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows: [1]

ORDER

It is ordered, That respondents Checkmate Inquiry Service, Inc., a corporation, its successors and assigns, and its officer Samuel Berke, individually and as an officer of said corporation, and respondents' agents, representatives and employees, directly or through any corporation, subsidiary, division or other device, in connection with the collecting, assembling or furnishing of consumer reports, as "consumer report" is defined in section 603(d) of the Fair Credit Reporting Act (Pub. L. No. 91-508, 15 U.S.C. 1601, et seq.), shall forthwith cease and desist from:

1. Failing to explicitly disclose in writing to the consumer his or her right to request that a consumer statement with respect to disputed information be sent by respondents to persons designated by the consumer who have received the deleted or disputed information within two years for employment purposes or within six months for any other purpose. Such disclosure shall be made at or prior to the time the information is deleted or the consumer's statement regarding the disputed information is received.

2. Failing to furnish any consumer statement, codification or summary thereof to any person designated by the consumer and qualified under section 611(d) of the Fair Credit Reporting Act to receive such information. Such notification shall take place within five business days after the deletion or receipt of the consumer's request that the statement, codification or summary be sent.

3. Failing, whenever a statement of dispute has been filed, unless there are reasonable grounds to believe that the statement of dispute is frivolous or irrelevant, to clearly note in any subsequent consumer report containing the information in question that it is disputed by the consumer, and to provide either the consumer's statement or a clear and accurate codification or summary thereof.

It is further ordered, That respondents shall, at all times subsequent to the effective date of this order, maintain complete business records relative to the manner and form of their compliance with this order during the immediately preceding two-year period. Such records shall include all correspondence with consumers and consumer report applicants, policy directives, completely filled out interview reports, complaints from consumers and consumer report applicants, and other pertinent documents. Such records shall be kept in chronological order separate from the consumer files and shall be made available for inspection and photocopying by any authorized representative of the Federal Trade Commission upon reasonable notice at respondents' place of business or other properly designated location.

It is further ordered, That respondents deliver a copy of this order to cease and desist to all employees now or hereafter engaged in the collecting, assembling, evaluating or furnishing of consumer information to third parties and that respondents secure a signed statement acknowledging receipt of said order from each such person.

It is further ordered, That respondents notify the Commission at least thirty (30) days prior to any proposed change in the corporate respondent, such as dissolution, assignment or sale, resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries, or any other change in the corporation which may affect compliance obligations arising out of this order.

It is further ordered, That the individual respondent named herein promptly notify the Commission of the discontinuance of his present business or employment and of his affiliation with a new business or employment. Such notice shall include respondent's current business or employment in which he is engaged as well as a description of his duties and responsibilities.

It is further ordered, That respondents herein shall within sixty (60) days after service upon them of this order, file with the Commission a report in writing setting forth in detail the manner and form in which they have complied with this order.

The decision and order was issued by the Commission September 22, 1975.

CHARLES A. TOBIN,
Secretary.

[FR Doc.75-28275 Filed 10-20-75;8:45 am]

[1] Copies of the Complaint, Decision and Order, filed with the original document.

[Docket No. C-2729]

PART 13—PROHIBITED TRADE PRACTICES, AND AFFIRMATIVE CORRECTIVE ACTIONS

Pay 'N Save Corp. and Donald Thoreson

Subpart—Coercing and intimidating: § 13.356 Delinquent debtors. Subpart—Corrective actions and/or requirements: § 13.533 Corrective actions and/or requirements; § 13.533-45 Maintain records; § 13.533-45(k) Records, in general; § 13.533-70 Vacate court action(s). Subpart—Enforcing dealings or payments wrongfully: § 13.1045 Enforcing dealings or payments wrongfully. Subpart—Neglecting, unfairly or deceptively to make material disclosure: § 13.1985 Scientific or other relevant facts.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 5, 38 Stat. 719, as amended; 15 U.S.C. 45)

In the Matter of Pay 'N Save Corporation, a corporation, and Donald Thoreson, an individual.

Consent order requiring a Seattle, Wash., retailer of drugs and toiletries, wearing apparel, hardware, garden supplies and sporting goods, in connection with its debt collection activities, among other things to cease failing to honor agreements it has made to refrain from further legal action in collecting debts from allegedly delinquent debtors. Where debtor violates the agreement, respondent still must give the debtor notice before taking further legal action. Further, respondent is required to inform the court of the existence of any such agreements or any other response to the summons made by debtor.

The order to cease and desist, including further order requiring report of compliance therewith, is as follows: [1]

ORDER

It is ordered, That respondents Pay 'N Save Corporation (hereinafter Pay 'N Save), a corporation, its successors, assigns, officers, agents, representatives and employees, and Donald Thoreson, an individual, directly or through any other device, in connection with the collection of consumer credit obligations in commerce, as "commerce" is defined in the Federal Trade Commission Act, do forthwith cease and desist from:

1. Filing any motion for default judgment against an alleged debtor with whom they have entered an agreement, either written or oral, regarding the payment of a consumer credit obligation, subsequent to service of summons and complaint upon the alleged debtor, unless the alleged debtor is given at least 10 days notice prior to entry of the default judgment.

2. Taking a default judgment in any lawsuit instituted to collect a consumer credit obligation when subsequent to service of summons and complaint upon the alleged debtor; a. The respondents have agreed, either orally or in writing, to a method of payment, and b. the al-

[1] Copies of the Complaint, Decision and Order, filed with the original document.

leged debtor is complying with the terms of such agreement.

3. Failing to inform the court of any timely appearance or response to the summons, formal or informal, written or oral, made by the alleged debtor subsequent to service of summons and complaint, prior to obtaining a default judgment.

It is further ordered, That where respondents learn subsequent to the filing of a motion for default judgment that the preceding paragraph has not been complied, with they shall forthwith terminate the lawsuit and vacate any default judgment entered therein.

It is further ordered, That Pay 'N Save prepare and maintain records of suits instituted by Pay 'N Save or any of its divisions or subsidiaries, agents or assignees for the collection of consumer credit obligations in which default judgments have been granted which shall include copies of all legal papers relating to the default judgment, copies of all written communication, and summaries of all oral communication between respondents and defendants in such suits during the period of time between service of summons and complaint and the granting of default judgment. Such records shall be maintained for a period of one year after the granting of default judgment and shall be made available to representatives of the Federal Trade Commission for inspection and copying at all times upon reasonable request therefor.

It is further ordered, That Pay 'N Save shall forthwith deliver a copy of this order to each of its subsidiaries, operating divisions and employees engaged in the collection of consumer credit obligations or enforcement of judgments based on consumer credit obligations.

It is further ordered, That Pay 'N Save notify the Commission at least thirty days prior to any proposed change in the corporate respondent such as dissolution, assignment or sale resulting in the emergence of a successor corporation, the creation or dissolution of subsidiaries or any other change in the corporation, which may affect compliance obligations arising out of this order.

It is further ordered, That the individual respondent promptly notify the Commission of the discontinuance of his present business affiliation with Pay 'N Save and/or of any new affiliation with, or representation of, a business, where such new affiliation or representation involves substantial collections of consumer credit obligations. Such notice shall include respondent's current business address and a statement as to the nature of the new business with which he is affiliated or which he is representing.

It is further ordered, That the respondents herein shall within sixty days after service upon them of this order, file with the Commission a report, in writing setting forth in detail the manner and form in which they have complied with this order.

The Decision and Order was issued by the Commission September 23, 1975.

CHARLES A. TOBIN,
Secretary.

[FR Doc.75-28276 Filed 10-20-75;8:45 am]

[Docket No. 88480]

PART 13—PROHIBITED TRADE PRACTICES, AND AFFIRMATIVE CORRECTIVE ACTIONS

Budd Co.

(Sec. 6, 38 Stat. 721; 15 U.S.C. 46. Interprets or applies sec. 7, 38 Stat. 731, as amended; 15 U.S.C. 18)

In the Matter of The Budd Company, a corporation.

Order dismissing complaint issued against a Philadelphia, Pa., automotive parts supplier for alleged violation of section 7 of the Clayton Act. The Commission vacated the initial decision of the Administrative Law Judge, finding respondent's acquisition of Gindy Manufacturing Corporation to be procompetitive rather than anticompetitive as alleged in the complaint.

The final order, is as follows:[1]

FINAL ORDER

This matter having been heard by the Commission upon briefs and oral argument in support of and in opposition to the appeal of respondent from the Administrative Law Judge's initial decision herein, and the Commission, for the reasons stated in the accompanying opinion, having concluded that the appeal should be granted:

It is ordered, That the Administrative Law Judge's initial decision be, and it hereby is, vacated and the attached opinion be, and it hereby is, adopted as the decision of the Commission, and

It is further ordered, That the complaint in this matter be, and it hereby is, dismissed.

Opinion of the Commission by Commissioner Engman.

Dissenting Statement of Commissioner Dixon and Dissenting Statement of Commissioner Hanford.

The Final Order was issued by the Commission August 29, 1975.

CHARLES A. TOBIN,
Secretary.

[FR Doc.75-28274 Filed 10-20-75;8:45 am]

[1] Copies of the Complaint, Initial Decision, Final Order, Opinion of the Commission by Commissioner Engman, Dissenting Statement of Commissioner Dixon and Dissenting Statement of Commissioner Hanford, filed with the original document.

Title 17—Commodity and Securities Exchanges

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

[Release No. IC-8959]

PART 271—INTERPRETIVE RELEASES RELATING TO THE INVESTMENT COMPANY ACT OF 1940 AND GENERAL RULES AND REGULATIONS THEREUNDER

Guidelines for Filing of Application for Order Permitting Registration of Foreign Investment Companies

Correction

In FR Doc. 75-26371 appearing at page 45424 in the issue of Thursday, October 2, 1975 the twelfth and thirteenth lines of the second paragraph in footnote on page 45426 reading "company, and to other persons in their company as though such were a reg-" should read "company, and to other persons in their transactions and relations with such company, as though such company were a reg-".

Title 21—Food and Drugs

CHAPTER I—FOOD AND DRUG ADMINISTRATION, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER B—FOOD AND FOOD PRODUCTS

[Docket No. 75G-0174]

PART 121—FOOD ADDITIVES

Food Additives Permitted in Food for Human Consumption; Citric Acid

The Commissioner of Food and Drugs is adding a new section to the food additive regulations (21 CFR Part 121, Subpart D) to permit a new solvent extraction process for citric acid, effective October 21, 1975.

The Food and Drug Administration (FDA) is conducting a study of the safety of ingredients added directly to human food that have been previously classified as generally recognized as safe (GRAS) or sanctioned by FDA or the U.S. Department of Agriculture before enactment of the Food Additives Amendment of 1958. The Commissioner has issued various rules, proposals, and notices, notably those published in the FEDERAL REGISTER of July 26, 1973 (38 FR 20036–20057) and September 23, 1974 (39 FR 34172–34219), implementing this review.

Under section 409 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 348), a food manufacturer need not consult with or obtain approval from FDA before using a food ingredient on the ground that it is GRAS for the use involved. Moreover, FDA previously concluded in § 121.101(a) (21 CFR 121.101 (a)) that it was impractical to attempt to list all food ingredients that are GRAS for their intended use. Thus a number of ingredients are used in foods on the determination and responsibility of food manufacturers that an ingredient is GRAS for the purpose used, without review or approval by FDA.