Area D. That airspace extending upward from 4,000 feet MSL to an including 8,000 feet MSL within a 20-mile radius of the Kansas City International Airport excluding Area A, Area B and Area C.

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

Issued in Washington, D.C., on April 21, 1975.

F. L. CUNNINGHAM,
Acting Chief, Airspace and Air Traffic Rules Division.

[FR Doc.75-10970 Filed 4-25-75;8:45 am]

CHAPTER II—CIVIL AERONAUTICS BOARD

[Reg. ER-904, Amdt. 5]

SUBCHAPTER A—ECONOMIC REGULATIONS

PART 224—ACCESS TO AIRCRAFT FOR SAFETY PURPOSES; FREE TRANSPORTATION FOR SECURITY GUARDS AND FOR CERTAIN FEDERAL AVIATION ADMINISTRATION, NATIONAL TRANSPORTATION SAFETY BOARD AND NATIONAL WEATHER SERVICE EMPLOYEES

Repeal of Part

Adopted by the Civil Aeronautics Board at its office in Washington, D.C., April 22, 1975.

By ER-903, issued contemporaneously, the Board is, among other things, consolidating Part 224 into Part 223.[1] Part 224 is, therefore, being repealed.

Since repeal is nonsubstantive in nature, the Board finds that notice and public procedure thereon are unnecessary, and repeal may be made effective immediately.

Accordingly, the Civil Aeronautics Board hereby repeals Part 224 of the Economic Regulations (14 CFR Part 224), effective April 22, 1975.

(Sec. 204 of the Federal Aviation Act of 1958, as amended; 72 Stat. 743; 49 U.S.C. 1324.)

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND,
Secretary.

[FR Doc.75-11024 Filed 4-25-75;8:45 am]

[Reg. ER-903]

PART 223—FREE AND REDUCED-RATE TRANSPORTATION

Consolidation, Recodification, and Revision

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. April 22, 1975.

At present there are four parts of the Board's Economic Regulations governing free and reduced-rate transportation: Part 223,[1] Part 224,[2] Part 227,[3] and Part 233.[4] Despite its title, Part 223, like Parts 224 and 233 and unlike Part 227, does not deal with tariffs concerning free or reduced-rate transportation. As a step toward reducing the number of parts in the regulations and composing the regulations into a more logical arrangement, the Board is hereby consolidating Parts 224 and 233 into Part 223. This is being accomplished by designating the present provisions of Part 223, as amended herein,[5] as Subpart A, the provisions of Part 224 as Subpart B, and the provisions of Part 233 as Subpart C. In addition, the title of Part 223 is being revised to reflect the fact that it does not deal with tariffs. Editorial changes are also being made in the titles of certain sections of former Part 224.

In addition, the title and content of § 223.9 (Effect on other regulations) is being deleted as superfluous. The new § 223.9 (Free transportation on inaugural flights) constitutes a revision of § 399.34 (Free transportation on inaugural flights in overseas and foreign air transportation with "new type" aircraft). Section 399.34 is being deleted from Part 399 (Statements of General Policy) and transferred to § 223.9, since the provision constitutes particular policy under § 223.8, rather than general policy. The revision of former § 399.34 as set forth in new § 223.9 is nonsubstantive in nature. Essentially, it merely deletes reference to examples of "new type" aircraft appearing in §§ 399.34(b) (1) and (2).

There follows a cross-reference table showing the relationship between former sections of Parts 224 and 233 and the new sections as they appear in Subparts B and C.

Former sec.:	New sec.
224.1	223.22
224.2	223.23
224.2a	223.21
224.3	223.24
224.4	223.25
233.1	223.31
233.2	223.32

Since the amendments to Part 223 being made herein are nonsubstantive in nature, the Board finds that notice and public procedure thereon are unnecessary, and the amendments may be made effective immediately.

Accordingly, the Civil Aeronautics Board hereby recodifies, revises, and republishes Part 223 (14 CFR Part 223), as set forth below, effective April 22, 1975.

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND,
Secretary.

AUTHORITY: Secs. 204, 403, 404, 405(j), 407, and 416 of the Federal Aviation Act of 1958, as amended, 72 Stat. 743, 758 (as amended by 74 Stat. 445), 760, 766 (as amended by 83 Stat. 103), 771; 49 U.S.C. 1324, 1373, 1374, 1375, 1377, 1386; sec. 2 of the Postal Reorganization Act, 84 Stat. 767, 39 U.S.C. 5007.

Subpart A—General Provisions

§ 223.1 Definitions.

As used in this part, unless the context otherwise requires:

An "affiliate" of a carrier means a person:

(a) Who controls such carrier, or is controlled by such carrier or by another person who controls or is controlled by such carrier, and

(b) Whose principal business in purpose or in fact is:

(1) The holding of stock in one or more carriers, or

(2) Transportation by air or the sale of tickets therefor, or

(3) The operation of one or more airports, one or more of which are used by such carrier or by another carrier who controls or is controlled by such carrier or who is under common control with such carrier by another person, or

(4) Activities devoted to the transportation by air conducted by such carrier

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[1] Retitled "Free and Reduced-Rate Transportation."

[1] Tariffs of Air Carriers: Free and Reduced-Rate Transportation.

[2] Access to Aircraft for Safety Purposes; Free Transportation for Security Guards and for Certain Federal Aviation Administration, National Transportation Safety Board, and National Weather Service Employees.

[3] Tariffs of Air Carriers and Foreign Air Carriers: Reduced Rate for Furloughed Military Personnel and Immediate Families of Military Personnel.

[4] Transportation of Mail: Free Travel for Postal Employees.

[5] In addition to the revision noted subsequently, § 223.1 (Definitions) is being rearranged to place the definitions in alphabetical order without paragraph designations and a definition of "air carrier" has been added. And former § 223.2a is redesignated § 223.10.

or by another carrier which controls or is controlled by such carrier or which is under common control with such carrier by another person.

"Air carrier" means the holder of a certificate of public convenience and necessity issued pursuant to section 401 of the Act.

"Carrier" means: (a) An air carrier or (b) a foreign air carrier which holds a permit issued under section 402 of the Act.

"Control," within the meaning of this section, means the beneficial ownership of more than 40 percent of outstanding voting capital stock unless as to the specific case, the Board shall have determined in a proceeding pursuant to section 408 of the Act that control does not exist; such control may be direct or by or through one or more intermediate subsidiaries likewise controlled or controlling through beneficial ownership of more than 40 percent of outstanding voting capital stock.

"Domestic group familiarization tour" means a tour organized and controlled by one or more air carriers for the purpose of promoting the sale of air transportation by familiarizing a group of travel agents with tourist attractions, accommodations, and recreational facilities in a particular area within the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam, or the Trust Territory of the Pacific Islands.

"Free transportation" means the carriage by a carrier of any person or property (other than property owned by such carrier) in air transportation without compensation therefor; "reduced-rate transportation" means such carriage for a compensation less than that under the rate, fare, or charge published in the tariffs of such carrier, on file with the Board and otherwise applicable to such carriage.

"Pass" means a written authorization issued by a carrier for free or reduced-rate transportation of persons or property; "term pass" means such an authorization effective for a designated period, not to exceed three years; "trip pass" means such an authorization for a single one-way trip or round trip (whether the return trip is made via the same route as the outbound trip or a different one) between designated points.

"Travel agent" means a person (a) who is employed full time in a travel agency, (b) who has been in the continuous employment of such agency at least 12 months, and (c) who devotes his employment time in the agency primarily to the promotion and sale of transportation and related services.

§ 223.2 Persons to whom free and reduced-rate transportation may be furnished.

In addition to the persons specified in subparts B and C of this part:

(a) Any carrier may provide free or reduced-rate transportation to any or all classes of persons specifically mentioned in section 403(b) of the Act;

(b) Any carrier engaged in overseas or foreign air transportation may provide free or reduced-rate overseas or foreign air transportation to:

(1) Directors, officers, and employees and members of their immediate families, of any affiliate of such carrier, the name of which affiliate currently is included in the list of affiliates filed by such carrier pursuant to § 223.7 of this part;

(2) Directors, officers, and employees and members of their immediate families, of any person operating as a common carrier by air, or in the carriage of mail by air, or conducting transportation by air, in a foreign country; and

(3) Other persons to whom such carrier is required to furnish free or reduced-rate transportation by law or government directive or by a contract or agreement, now or hereafter in effect, between such carrier and the government of any country served by such carrier, but only to the extent so required and only if such contract or agreement is filed with the Board and if the provisions thereof relating to such transportation are not disapproved by the Board as being contrary to the public interest: *Provided, however*, That the foregoing provision shall not be applicable to free or reduced-rate overseas or foreign air transportation pursuant to a law or government directive that requires the furnishing of such transportation to the general public or any segment thereof, and that the Board may without prior notice direct the carrier to file a tariff covering such transportation if the Board finds that the law or government directive in question requires the provision of such transportation.

(c) Any carrier authorized to carry persons in overseas or foreign air transportation may provide such authorized transportation free of charge to bona fida technical representatives of companies which have been engaged in the manufacture and/or development and/or testing of a particular type of aircraft or aircraft equipment, on condition that: [1]

(1) Such transportation is for purposes of technical in-flight observation of such aircraft or equipment necessary in the interest of safety and/or improved efficiency and reliability of the operation of such aircraft or equipment;

(2) Such transportation is provided only when such representatives are engaged in specific technical in-flight observation of the carrier's aircraft or equipment or is provided by the same carrier for the purpose of necessary transit incidental to such duty; and

(3) Such transportation is reported in a statement addressed to the attention of the Bureau of Economics, Civil Aeronautics Board, Washington, D.C. 20428, and forwarded so as to be received by the Board within ten (10) days after the end of the calendar month in which such transportation took place. Such statement shall list the name of each person provided such free transportation, his company affiliation, the specific nature of the observations made, the particular equipment or component of the aircraft observed, the reasons in-flight observation was deemed necessary, and the dates, flights and points between which such free transportation was provided.

(d) Any carrier authorized to engage in interstate transportation is hereby exempted from section 403 of the Act to the extent necessary to enable it to provide such transportation free of charge for the persons and purposes described in paragraph (c) of this section in accordance with the conditions and requirements set forth therein.[1]

(e) Any air carrier not otherwise authorized to carry persons is hereby exempted from the provisions of section 401 of the Act to the extent necessary to enable it to carry persons in accordance with paragraphs (c) and/or (d) of this section.[1]

(f) Any air carrier authorized to engage in interstate or overseas air transportation of passengers or foreign air transportation of passengers to points in Canada is hereby exempted from section 403 of the Act and Part 221 of the Board's Economic Regulations to the extent necessary to enable it to provide free or reduced-rate transportation to travel agents on domestic group familiarization tours between points on its certificated routes within the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam and the Trust Territory of the Pacific Islands, or from points on its certificated routes in Canada to points on its certificated routes within the stated domestic areas, subject to the following conditions:

(1) The tour shall provide a specific group orientation program, shall include familiarization meetings with local tourist-promotion agencies such as chambers of commerce or tourist bureaus, and may include sightseeing tours of the area and trips by surface transportation as part of the overall familiarization tour of the area.

(2) The tour shall be limited to a minimum of 1 day in addition to time spent in air transportation and a maximum of 7 days' total time, and no more than 4 days shall be spent at any point: *Provided, however*, That tours to the Trust Territory of the Pacific Islands which originate in the continental United States, Puerto Rico, the Virgin Islands, or Canada shall be limited to a maximum of 12 days' total time.

(3) No stopovers shall be permitted except as part of the overall group familiarization tour.

(4) No part of the tour shall consist of transportation by any means to, be directed toward promoting travel to, or in any manner include or provide for visits to, points outside the 50 States, the District of Columbia, Puerto Rico, the Virgin Islands, American Samoa, Guam,

[1] Every carrier providing such transportation should also comply with applicable regulations of the Federal Aviation Administration, e.g., regulations pertaining to admission of persons to the aircraft flight deck.

or the Trust Territory of the Pacific Islands.

(5) The group shall consist of not less than 15 travel agents.

(6) Substantially all of the group's time during normal working hours shall be devoted to the basic familiarization program, and no more than 10 percent of the group's time may be devoted to familiarization with the carrier's facilities.

(7) The carrier shall file with the Board's Bureau of Economics 20 days before commencement of the tour a notice setting forth the number of travel agents participating, the routings over which the agents will travel, a full description of ground arrangements, and the program of activities scheduled.

(8) The carrier shall file with the Board's Bureau of Economics 30 days after completion of the tour a notice setting forth the names of the travel agents who participated in the tour and the names and addresses of the agencies they represent, and a statement:

(i) That all the conditions of § 223.2 (f) and of a domestic group familiarization tour, as defined in § 223.1, have been complied with;

(ii) That the tour was conducted in accordance with information contained in the notice pursuant to § 223.2(f)(7); and

(iii) That each travel agent participating met the requirements of a travel agent, as defined in § 223.1 of this part.

§ 223.3 Passes to be issued.

No carrier shall furnish any free or reduced-rate transportation unless a pass therefor has been issued, except that passes need not be issued:

(a) For necessary free transportation of the carrier's own flight personnel in the performance of their official duties;

(b) For free or reduced-rate transportation of persons injured in aircraft accidents or physicians and nurses attending such persons, or traveling with the object of providing relief in cases of general epidemic, pestilence or other calamitous visitation;

(c) For the free transportation of persons pursuant to subparts B or C of this part.

§ 223.4 Form of pass.

No carrier shall issue any form of pass other than a "term" or "trip" pass. Every pass shall be issued upon the express condition that it is subject to suspension or cancellation for the abuse of the privileges accorded thereunder, and must show on its face, at least, the name of the person or persons who, or whose property, is entitled to receive free or reduced-rate transportation. Each pass must bear either the signature in ink of an official whose title is contained in the list referred to in § 223.6(a), or the facsimile signature of such an official and the countersignature and title in ink of some other official or responsible subordinate whose title is contained in the list referred to in § 223.6(b), who is authorized by said official to countersign passes on his behalf, and before it is presented for transportation such pass must bear the signature in ink of the person to whom issued: *Provided*, That regular tickets or bills of lading, stamped with a suitable notation, may be used as trip passes, and when so used need not conform to the provisions of this section as to form.

§ 223.5 Carrier's records.

Each carrier shall maintain in its general offices a record of all passes issued by it and used for transportation over its routes and shall comply with the applicable record-retention provisions of Parts 214 and 249 of this subchapter, as amended. Such record shall be maintained in the form of a register, freely accessible and convenient for examination, and shall contain the following information: The type of pass; dates of issuance and expiration; number; to whom issued, including name, address, and eligibility under the Act and under this part; privileges accorded thereunder; points between which transportation is authorized, or in the case of "term" passes, the route number of system or particular points, as may be appropriate; and the name of the official upon whose authorization the pass was issued. Regular tickets or bills of lading, under certain conditions, may be used as trip passes and need not conform to the provisions of § 223.4 as to form. However, records of such tickets or bills of lading, when used as trip passes for free or reduced-rate transportation, shall be kept in accordance with the above provisions of this section. All correspondence or memoranda relating to free or reduced-rate transportation shall be retained and made a part of the carrier's records. In the case of the reduced-rate transportation, the records shall show the amount of the charged assessed or assessable.

§ 223.6 Carrier's rules.

Each carrier shall file with the Board three copies of all instructions to its employees, and of all company rules and regulations, governing its practices in connection with the issuance and interchange of passes. If no instructions, rules, or regulations are in effect, then three copies of a general statement by an appropriate official of the carrier, comprehensively describing its practices in connection with the issuance and interchange of passes must be filed. Each carrier's rules and regulations or statement referred to in this section shall include lists showing (a) the titles of its officials upon whose authorizations passes may be issued, (b) the title of other officials or responsible subordinates who are authorized by said officials to countersign passes on their behalf and the extent of the authority granted them, and (c) the titles of persons who are authorized to request passes from other carriers. Three copies of any change in any such instructions, rules, regulations, or statement of practices must be filed with the Board within 30 days after the effective date of such change.

§ 223.7 Filing of list of affiliates.

Before issuing any pass to directors, officers, employees, or members of their immediate families, of any of its affiliates, each carrier shall file with the Board a list containing all of such carrier's affiliates and showing the exact relationship of each such affiliate to such carrier as respects control and principal business. Any change in such list must be filed with the Board within 15 days after such change is effective: *Provided*, That an affiliate not previously included in any list filed with the Board must be included in a new list prior to the issuance of any pass to any person authorized to receive such pass by reason of such affiliation.

§ 223.8 Application for authority to carry other persons.

Any carrier desiring special authorization under section 403(b) of the Act to furnish free or reduced-rate overseas or foreign air transportation to a person or persons to whom the carrier would not otherwise be authorized to furnish such transportation under section 403(b) or this part, or who are not listed in the carrier's rules filed with the Board pursuant to § 223.6, may apply to the Board, by letter or other writing, for such authorization. The application shall state the identity of the person or persons to whom, and the points between which, such transportation is to be furnished, the time or approximate time of departure, and the carrier's reasons for desiring to furnish such transportation. The application shall contain a definite statement that the carrier is willing and intends to furnish such transportation if authority to do so is granted by the Board. No transportation for which approval is requested therein shall be furnished by the carrier unless and until such approval is received by the carrier.

§§ 223.9 Free transportation on inaugural flights.

The following general standards will be used in deciding applications, under § 223.8 of this part, for permission to furnish free transportation in overseas and foreign air transportation on so-called "inaugural flights" with a new type of aircraft.

(a) *Free transportation permissible*. Free transportation may be authorized on an aircraft type that is being introduced for the first time by a carrier on its system of routes or a part thereof as hereinafter set forth. Free transportation on such flights may be authorized even though the type of aircraft involved may have been on the market and in use by other carriers for a number of years.

(b) *Types of aircraft*. (1) For purposes of this section, aircraft are classified according to the aircraft type certificate issued by the Administrator of the Federal Aviation Administration pursuant to section 603(a) of the Act. Variations of a basic model of aircraft covered by a single type certificate are considered a single type.

(2) With respect to aircraft for which the Administrator may issue type certificates in the future, all aircraft covered by a single type certificate will be regarded as of the same type in the Board's consideration of proposals to furnish

free transportation on inaugural flights.

(3) With respect to aircraft of foreign manufacture not certificated by the Administrator, each basic type of aircraft and all its variations shall be regarded as one type.

(c) *Geographical areas.* (1) Some carrier's operations are virtually worldwide in scope and these carriers generally maintain operating divisions or areas. For equitable reasons, therefore, the Board is establishing three "geographical areas" and will consider a carrier's system having routes in more than one of these areas to be divided into separate parts coincident with such areas.

(2) In the case of a carrier having a multi-area system, as above described, inaugural flights may be permitted in each geographical area at the time a new type of aircraft is introduced in service by the carrier in such area. If an inaugural flight is operated over routes of the carrier in two or more geographical areas, such flight will be considered as a separate inaugural flight in each of the geographical areas in which such flight is operated.

(3) A carrier having both overseas and foreign routes in the same area will be permitted inaugural flights in such area to the same extent as a carrier having only overseas, or only foreign, routes in such area.

(4) "Geographical areas" shall be considered to be as follows:

Area 1. The area encompassed by the routes of any given carrier between:

(a) Points in any State of the United States, or the District of Columbia, on the one hand, and points in Puerto Rico, the Virgin Islands, or the Canal Zone, on the other;

(b) Points in one and points in any other of the following territories and possessions: Puerto Rico, Virgin Islands, and the Canal Zone;

(c) Points in any State of the United States, the District of Columbia, Puerto Rico, the Virgin Islands, or the Canal Zone, on the one hand, and any other points outside thereof on the North American and South American continents, Greenland, Bermuda, Cuba, Haiti, Dominican Republic, Jamaica, Netherlands Antilles, Trinidad and Tobago, Bahamas, Leeward Islands, or Windward Islands, on the other.

Area 2. The area encompassed by the routes of any given carrier between:

Points in any State of the United States, the District of Columbia, or any territory or possession of the United States, on the one hand, and

(a) points in Europe, Africa, Iceland, Ascension Island, Azores, Canary Islands, and Madeira, and

(b) points beyond Europe or Africa in Asia or Australasia, involving transportation over the Atlantic Ocean, on the other.

Area 3. The area encompassed by the routes of any given carrier between:

(a) Points in any State of the United States, the District of Columbia, or any territory or possession of the United States, on the one hand, and points in Asia or Australasia and points intermediate thereto that are not in the United States, or a territory or possession thereof, on the other hand, involving transportation over the Pacific Ocean; or

(b) Points in any State of the United States, or the District of Columbia, on the one hand, and points in a territory or possession of the United States located in the Pacific Ocean, on the other, which involves transportation over the Pacific Ocean; or

(c) Points in a territory or possession of the United States, on the one hand, and points in any other territory or possession of the United States located in the Pacific Ocean, on the other, which involves transportation over the Pacific Ocean.

§ 223.10 Transportation of empty mail bags.

Any carrier authorized to engage in foreign air transportation may transport in foreign air transportation empty air mail bags from any country to the country of origin of such bags, free of charge, on a voluntary, space available basis.

Subpart B—Free Transportation for Security Guards and for Certain Federal Aviation Administration, National Transportation Safety Board, and National Weather Service Employees

§ 223.21 Security guards.

Every air carrier shall carry, without charge, on any aircraft which it operates any duly authorized person who has been assigned to the duty of guarding such aircraft against unlawful seizure, sabotage or other unlawful interference.

§ 223.22 Safety inspectors.

Every air carrier shall carry, without charge, on any aircraft which it operates any duly authorized official or employee of the National Transportation Safety Board or of the Federal Aviation Administration who has been assigned to the duty of inspecting during flight such aircraft, its engines, propellers, appliances, route facilities, operational procedures, or airman competency.

§ 223.23 Traffic controllers, aircraft communicators, and aviation weather forecasters.

Any air carrier may carry without charge on any aircraft which it operates any traffic controller or aircraft communicator of the Federal Aviation Administration or any aviation weather forecaster of the National Weather Service (including supervising officers of such persons) for the purpose of more fully and adequately acquainting such persons with the problems affecting inflight use of air traffic control and communications and weather forecast services provided by the U.S. Government: *Provided, however*, That no request for free transportation under this section shall be made for the same individual upon any one air carrier more than once in each calendar year (round trips are regarded as one trip for the purposes of this section) unless the individual is an air traffic controller who is a member of the Washington or Regional Air Traffic Service Evaluation Staff of the Federal Aviation Administration or unless the request for such additional transportation is accompanied by the statement in writing prescribed in § 223.24(c).

§ 223.24 Requests for access to aircraft and free transportation.

Access to aircraft and free transportation shall not be granted to persons eligible under this part unless the following conditions have been complied with: *Provided, however*, That such conditions shall not apply to security guards referred to in § 223.21, who shall only be required to present to the appropriate agents of the air carrier such credentials as may be prescribed by the Administrator of the Federal Aviation Administration.

(a) The person to be transported shall present to the appropriate agents of the air carrier credentials or a certificate indicating that he is entitled to request access to aircraft or free transportation and signed by the Chairman, National Transportation Safety Board, the Administrator of the Federal Aviation Administration, or the Director, National Weather Service, or any official on their staff they may designate, and signed also by the person presenting such credentials or certificate.

(b) The person to be transported shall deliver to the appropriate agents of the air carrier, in duplicate, a properly executed "Request for Access to Aircraft or Free Transportation" (U.S. Government Standard Form No. 160).

(c) When free transportation requested pursuant to § 223.23 involves more than one free trip within a calendar year by the same individual on the same carrier, the person to be transported, unless he is a member of the Washington or Regional Air Traffic Service Evaluation Staff of the Federal Aviation Administration, shall, at the time of performance of each such additional trip, present to the appropriate agent of the air carrier a statement in writing by the Administrator of the Federal Aviation Administration, or the Director, National Weather Service, or any official on their staff they may designate, that the additional trip or trips by the person named, between the points designated and on the type of aircraft specified therein, is solely for the purpose specified in § 223.23 and is essential to the effective performance of Federal Aviation Administration or National Weather Service functions.

(d) The air carrier shall insert the tariff value of the transportation to be furnished on each "Request for Access to Aircraft or Free Transportation," shall retain one copy of each such request, and on or before the 10th day of each month each air carrier shall forward one copy of all such requests received by it during the second preceding calendar month to the Bureau of Economics, Civil Aeronautics Board, Washington, D.C. 20428.

§ 223.25 Responsibility of agencies.

The Federal Aviation Administration, the National Transportation Safety Board, and the National Weather Service shall be responsible for:

(a) The issuance of proper credentials or certificates to personnel eligible thereunder; and

(b) The promulgation of such internal rules as may be required to obtain compliance by such personnel with this part.

Subpart C—Free Travel for Postal Employees

§ 223.31 Postal employees to be carried free.

Every air carrier transporting the mails shall carry, on any flight that it operates and without charge therefor, persons on duty in charge of the mails or traveling to or from such duty, upon the exhibition of their credentials.

§ 223.32 Issuance of credentials and authorization of travel by Postal Service.

With regard to free air travel by the persons described in § 223.31, the Postmaster General shall be responsible for:

(a) The issuance of proper credentials for such persons and

(b) the authorization of travel by such persons, subject to such rules and regulations as he may prescribe.

[FR Doc.75-11023 Filed 4-25-75;8:45 am]

[Reg. ER-905]

PART 233—TRANSPORTATION OF MAIL; FREE TRAVEL FOR POSTAL EMPLOYEES

Repeal of Part

By ER-903, issued contemporaneously, the Board is, among other things, consolidating Part 233 into Part 223.[1] Part 233 is, therefore, being repealed.

Since repeal is nonsubstantive in nature, the Board finds that notice and public procedure thereon are unnecessary, and repeal may be made effective immediately.

Accordingly, the Civil Aeronautics Board hereby repeals Part 233 of the Economic Regulations (14 CFR Part 233), effective April 22, 1975.

(Sec. 204 of the Federal Aviation Act of 1958, as amended; 72 Stat. 743 (49 U.S.C. 1324))

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND, *Secretary.*

[FR Doc.75-11025; Filed 4-25-75;8:45 am]

SUBCHAPTER F—POLICY STATEMENTS

[Reg. PS-65; Amdt. 44]

PART 399—STATEMENTS OF GENERAL POLICY

Adopted by the Civil Aeronautics Board at its office in Washington, D.C. April 22, 1975.

In ER-903, issued contemporaneously, the Board is amendeding Part 223[1] of the Economic Regulations. Included in the amendments is the revision of § 399.34[2] and its transfer to new § 223.9. Section 399.34 is, therefore, being deleted.

Since this amendment is nonsubstantive in nature, the Board find that notice and public procedure thereon are unnecessary, and the amendment may be made effective immediately.

Accordingly, the Civil Aeronautics Board hereby amends Part 399 (14 CFR Part 399)

[1] Retitled "Free and Reduced-Rate Transportation."

[2] Free transportation on inaugural flights in overseas and foreign air transportation with "new type" aircraft.

1. Amend the Table of Sections as follows:

Subpart C—Policies Relating to Rates and Tariffs

* * * * *

* * * * *

2. Delete and reserve § 399.34 as follows:

§ 399.34 [Reserved]

(Sec. 204(a) of the Federal Aviation Act of 1958, as amended, 72 Stat. 743; 49 U.S.C. 1324.)

By the Civil Aeronautics Board.

[SEAL] EDWIN Z. HOLLAND, *Secretary.*

[FR Doc.75-11026 Filed 4-25-75;8:45 am]

Title 15—Commerce and Foreign Trade

CHAPTER XX—OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

Trade Policy Committees

Regulations regarding the Office of the Special Representative for Trade Negotiations, describing the Trade Policy Committee, creating and setting out the functions of the trade Policy Committee Review Group and the Trade Policy Staff Committee, and establishing rules which govern the submission of information to and the conduct of public hearings by that committee.

Regulations are promulgated herein which supersede and replace those currently set forth at 15 CFR Ch. XX, Parts 2001, 2002, and 2003.[1] These regulations set out certain terms of reference for the Office of the Special Representative for Trade Negotiations, describe the functions of the Trade Policy Committee which was created by Executive Order 11846[2] pursuant to the authority of section 242(a) of the Trade Expansion Act of 1962, as amended,[3] create and set out the functions of the Trade Policy Committee Review Group which replaces the Trade Executive Committee, create and set out the functions of the Trade Policy Staff Committee which replaces the Trade Staff Committee and the Trade Information Committee, and establish the rules which govern the conduct of public hearings and the receipt of information by the Trade Policy Staff Committee. The Office of the Special Representative for Trade Negotiations considers these regulations to be procedural in nature and, hence, exempt from the requirements of 5 U.S.C. 553. Accordingly, the regulations are final as published herein. The Office of the Special Representative for Trade Negotiations nevertheless invites comments on the regulations on or before May 28, 1975, and will consider carefully any comments received.

[1] 36 FR 23620, December 11, 1971.

[2] March 27, 1975, 40 FR 14291, March 31, 1975.

[3] 76 Stat. 902, 19 U.S.C. 1872; Pub. L. 93-618, 88 Stat. 1978, section 602(b).

These provisions supersede the regulations currently set forth at 15 CFR 2001 through 2003 and Appendix A.

PART 2001—CREATION, ORGANIZATION, AND FUNCTIONS

AUTHORITY: The provisions set forth herein are issued under Pub. L. 93-618, 88 Stat. 1978; 76 Stat. 902, 19 U.S.C. 1872, as amended; E.O. 11846 of March 27, 1975, 40 FR 14291, March 31, 1975.

§ 2001.0 Scope and purpose.

This chapter sets out terms of reference of the Office of the Special Representative for Trade Negotiations (hereinafter the "Office"), and the procedures whereby it carries out its general responsibilities under the trade agreements program.

One of the primary purposes of these regulations is to inform the public of the unit known as the Trade Policy Staff Committee, which replaces and assumes the functions formerly performed by The Trade Staff Committee and the Trade Information Committee. One of the functions of the Trade Policy Staff Committee is to afford an opportunity for interested parties to present oral and written statements concerning the trade agreements program and related matters.

§ 2001.1 Creation and location.

(a) The Office was established as an agency in the Executive Office of the President by Executive Order 11075 of January 15, 1963 (28 FR 473), as amended by Executive Order 11106 of April 18, 1963 (28 FR 3911), and Executive Order 11113 of June 13, 1963 (28 FR 6183). The Office subsequently was reestablished as an agency in the Executive Office of the President by section 141 of the Trade Act of 1974 (Pub. L. 93-618, 88 Stat. 1978, hereinafter referred to as the "Trade Act"), and was delegated certain functions under the Trade Act by Executive Order 11846 of March 27, 1975.[4]

(b) The Office is located at 1800 G Street NW., Washington, D.C. 20506.

§ 2001.2 Organization.

(a) The Office is headed by the Special Representative for Trade Negotiations (hereinafter, the "Special Representative") as provided in section 141(b)(1) of the Trade Act. The Special Representative reports directly to the President and the Congress as described in §2001.3 (a)(2) below, and has the rank of Ambassador Extraordinary and Plenipotentiary.

(b) The Office also consists of two Deputy Special Representatives for Trade Negotiations (hereinafter "Deputy Special Representatives") as provided in section 141(b)(2) of the Trade Act, each of whom holds the rank of Ambassador, and of a professional and nonprofessional staff.

(c) The Trade Policy Committee, an interagency committee composed of the

[4] 40 FR 14291, March 31, 1975.

[5] 76 Stat. 902, 19 U.S.C. 1872; Pub. L. 93-618, 88 Stat. 1978, section 602(b).

heads of specified Executive departments and offices, was established by section 3 of Executive Order 11846 (see Appendix), as authorized by section 242(a) of the Trade Expansion Act of 1962, as amended,[3] under the chairmanship of the Special Representative for Trade Negotiations, as provided by section 141(c)(1)(E) of the Trade Act. Two subordinate bodies of the Trade Policy Committee, the Trade Policy Committee Review Group, and the Trade Policy Staff Committee, provided for in §§ 2002.1 and 2002.2 respectively, are established by, and under the direction and administrative control of the Special Representative.

§ 2001.3 **Functions.**

(a) The Special Representative:

(1) except where otherwise provided by statute, Executive order, or instructions of the President, is the chief representative of the United States for each negotiation under the trade agreements program as defined in Section 1 of Executive Order 11846, and participates in other negotiations which may have a direct and significant impact on trade;

(2) reports directly to the President and the Congress, and is responsible to the President and the Congress, with respect to the administration of the trade agreements program as defined in section 1 of Executive Order 11846;

(3) advises the President and the Congress with respect to tariff and nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements program;

(4) performs the functions of the President under section 102 of the Trade Act concerning notice to, and consultation with, Congress, in connection with agreements on nontariff barriers to, and other distortions of, trade, and prepares for the President's transmission to Congress all proposed legislation and other documents necessary or appropriate for the implementation of, or otherwise required in connection with, trade agreements (except that where implementation of an agreement on nontariff barriers to, and other distortions of trade requires a change in a domestic law, the department or agency having the primary interest in the administration of such domestic law prepares and transmits to the Special Representative any proposed legislation necessary for such implementation);

(5) is responsible for making reports to Congress with respect to the matters set forth in (1) and (2) above and prepares, for the President's transmission to Congress, the annual report on the trade agreements program required by section 163(a) of the Trade Act;

(6) is chairman of the Trade Policy Committee, and designates the chairman of the Trade Policy Committee Review Group and the Trade Policy Staff Committee, which are provided for in part 2002 of these regulations;

(7) is responsible for the preparation and submission of any Proclamation which relates wholly or primarily to the trade agreements program;

(8) performs the functions of the President under section 131(c) of the Trade Act concerning requests for, and receipt of, advice from the International Trade Commission with respect to modifications of barriers to (and other distortions of) international trade;

(9) performs the functions of the President under section 132 of the Trade Act with respect to advice of departments of the Federal Government and other sources, and under section 133 of the Trade Act with respect to certain public hearings;

(10) performs the functions of the President under section 135 of the Trade Act with respect to advisory committees, (including functions under the Federal Advisory Committee Act, 86 Stat. 770, 5 U.S.C. App. 1, which are applicable to such committees, except that of reporting annually to Congress), and, acting through the Secretaries of Commerce, Labor, and Agriculture, as appropriate, performs the functions of the President in establishing and organizing general policy advisory committees and sector advisory committees under section 135(c) of the Trade Act;

(11) determines ad valorem amounts and equivalents pursuant to sections 601(3) and (4) of the Trade Act, taking into account advice from the International Trade Commission and in consultation with the Trade Policy Committee;

(12) requests, where appropriate, information from the International Trade Commission in connection with import relief findings or actions under sections 202(d) and 203(i) (1) and (2) of the Trade Act;

(13) acting through the Trade Policy Staff Committee provided for in part 2002.2, as appropriate, provides opportunities for the presentation of views, under sections 301(d)(1) and 301(e)(1) of the Trade Act, with respect to unfair or unreasonable foreign trade practices and United States actions in response thereto;

(14) at the request of a complainant, made in accordance with part 2003.3 of these regulations, under section 301(d)(2) of the Trade Act, or of an interested person under section 301(e)(2), provides for appropriate public hearings by the Trade Policy Staff Committee on alleged foreign restrictions, acts, policies, or practices under section 301(d)(2), and on any action by the United States with respect to the import treatment of any foreign product or the treatment of any foreign service under section 301(e)(2);

(15) requests, where appropriate, the views of the International Trade Commission as to the probable impact on the economy of the United States of any action under section 301(a) of the Trade Act;

(16) is responsible, in consultation with the Secretary of State, for the administration of the generalized system of preferences under Title V of the Trade Act;

(17) is responsible for such other functions as the President may direct.

(b)(1) each Deputy Special Representative shall have as his principle function the conduct of trade negotiations under this Act, and shall have such other functions as the Special Representative may direct;

(2) a Deputy Special Representative, designated by the Special Representative, is chairman of the Trade Policy Committee Review Group provided for in part 2002.1;

(3) a Deputy Special Representative, designated by the Special Representative, is chairman of the Adjustment Assistance Coordinating Committee established by section 281 of the Trade Act.

PART 2002—OPERATION OF COMMITTEES

AUTHORITY: The provisions set forth herein are issued under Pub. L. 93-618, 88 Stat. 1978; 76 Stat. 902, 19 U.S.C. 1872, as amended; E.O. 11846 of March 27, 1975, 40 FR 14291, March 31, 1975.

§ 2002.0 **Trade Policy Committee.**

(a) The Trade Policy Committee was created by section 3 of Executive Order 11846 of March 27, 1975 (40 FR 14291, March 31, 1975), as authorized by section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872), as amended by section 602(b) of the Trade Act.

(b) The Trade Policy Committee is composed of:

(1) The Special Representative for Trade Negotiations, Chairman;
(2) The Secretary of State;
(3) The Secretary of the Treasury;
(4) The Secretary of Defense;
(5) The Attorney General;
(6) The Secretary of the Interior;
(7) The Secretary of Agriculture;
(8) The Secretary of Commerce;
(9) The Secretary of Labor;
(10) The Assistant to the President for Economic Affairs;
(11) The Executive Director of the Council on International Economic Policy.

In addition, the Committee may invite the participation in its activities of any agency or office not listed above when matters of interest to such agency or office are under consideration.

(c) The Trade Policy Committee meets at such times and with respect to such functions as the President or the Chairman of the Committee directs. It has the functions conferred by the Trade Expansion Act of 1962, as amended, upon the interagency organization referred to in section 242 thereof, as amended, the functions delegated to it by the provisions of Executive Order 11846 (see Appendix), and such other functions as the President or the chairman may from time to time direct. Recommendations and advice of the Committee are submitted to the President by the chairman.

§ 2002.1 **Trade Policy Committee Review Group.**

(a) The Trade Executive Committee, established by regulations appearing at 36 FR 23620, December 11, 1971 (15 CFR 2002.1), is abolished and there is hereby established as a subordinate body of the Trade Policy Committee the Trade Policy Committee Review Group (hereinafter referred to as the "Review Group"). The Review Group consists of a Deputy Special Representative, designated by the Special Representative, as chairman, and of high level officials designated from their respective agencies or offices by the Secretaries of Agriculture, Commerce, Defense, Interior, Labor, State and Treasury. The Special Representative or the Deputy Special Representative, as appropriate, and each head of an agency or office, may designate from his respective agency or office high level officials to serve as alternate members of the Review Group in the event the regular member is unable to attend any meeting of the Review Group.

(b) The Review Group performs the following functions unless such functions are assigned to a different body by the Special Representative or his designee:

(1) coordinates interagency activities concerning the trade agreements program and related matters;

(2) recommends policies and actions, and transmits appropriate materials, to the Special Representative concerning the trade agreements program and related matters, or, when appropriate, approves such policies and actions; and

(3) as appropriate, reviews and approves recommendations of the Trade Policy Staff Committee on policies and actions concerning any proposed trade agreements, the trade agreements program, and related matters.

(4) performs such other functions as the Special Representative or a Deputy Special Representative may from time to time direct.

§ 2002.2 Trade Policy Staff Committee.

(a) The Trade Staff Committee and the Trade Information Committee, established by regulations appearing at 36 FR 23620, December 11, 1971 (15 CFR 2002.2, and 2002.3, respectively) are abolished and there is hereby established as a subordinate body of the Trade Policy Committee and the Trade Policy Review Group the Trade Policy Staff Committee (hereinafter referred to as "the Committee"). The Committee consists of a chairman designated by the Special Representative from his Office, and of senior trade policy staff officials designated from their respective agencies or offices by the Secretaries of Agriculture, Commerce, Defense, Interior, Labor, State, and Treasury and by the Chairman of the International Trade Commission. Each Secretary or head of an agency or office and the Chairman of the Commission may designate from his respective agency officials to serve as alternate members of the Committee in the event the regular member is unable to attend any meeting of the Committee. The Special Representative may from time to time designate officials from his agency other than the chairman, to serve as acting chairmen of the Committee. The representative of the International Trade Commission shall be a nonvoting member of the Committee.

(b) The Committee performs the following functions unless such functions are assigned to a different body by the Special Representative or his designee:

(1) monitors the trade agreements program, reviews the information received pursuant to subparagraphs 2 through 7 below, and transmits summaries of such information together with recommendations of action to the Special Representative, or through him to the Trade Policy Review Group or the Trade Policy Committee, concerning the trade agreements program and related matters, or when appropriate approves such policies and actions.

(2) obtains information and advice from the Departments of Agriculture, Commerce, Defense, Interior, Labor, State and the Treasury, from the Office of the Special Representative for Trade Negotiations, and from such other sources as the Special Representative, a Deputy Special Representative, or the Chairman of the Committee may deem appropriate concerning any proposed trade agreement and other aspects of the trade agreements program and related matters, and concerning the Generalized System of Preferences in accordance with Title V of the Trade Act;

(3) provides an opportunity, by the holding of public hearings and by such other means as the Special Representative, the Deputy Special Representative or the Chairman of the Committee deems appropriate, for interested persons to present their views concerning any article on a list published pursuant to section 131 of the Trade Act, any article which should be so listed, any concession which should be sought by the United States, or any other matter relevant to a proposed trade agreement.

(4) provides an opportunity, by the holding of public hearings and by such other means as the Special Representative, a Deputy Special Representative, or the Chairman of the Committee deems appropriate, for any interested party to present by oral or written statement his views concerning articles being considered for designation as eligible articles for purposes of the Generalized System of Preferences;

(5) provides an opportunity, by the holding of public hearings upon request by an interested party, and by such other means as the Special Representative, a Deputy Special Representative or the Chairman of the Committee deems appropriate, for any interested party to present by oral or written statement his views concerning foreign trade restrictions, acts, policies, and practices, and United States actions in response thereto;

(6) provides an opportunity where deemed appropriate by the Special Representative, the Deputy Special Representative, or the Chairman, by the holding of public hearings upon request by an interested party, and by such other means as the Special Representative, the Deputy Special Representative or the Chairman deems appropriate, for any interested party to present an oral or written statement concerning any other aspect of the trade agreements program and related matters;

(7) Reviews all materials required to be furnished by the International Trade Commission to the President through the Special Representative, and transmits such materials, together, where appropriate with recommendations of action with respect thereto, to the Special Representative or a Deputy Special Representative.

(8) issues regulations governing the conduct of its public hearings and the performance of such of its other functions as it deems necessary;

(9) performs such other functions as the Special Representative or the Deputy Special Representative may from time to time direct.

§ 2002.3 Participation by other agencies.

The chairman of the Trade Policy Committee, the Trade Policy Committee Review Group, and the Trade Policy Staff Committee may invite the participation in the activities of their committees of any other agencies when matters of interest to such agencies are under consideration.

PART 2003—REGULATIONS OF TRADE POLICY STAFF COMMITTEE

AUTHORITY: The provisions set forth herein are issued under Pub. L. 93-618, 88 Stat. 1978; 76 Stat. 902, 19 U.S.C. 1872, as amended; E.O. 11846 of March 27, 1975, 40 FR 14291, March 31, 1975.

§ 2003.0 Office, mailing address, telephone number, and hours.

(a) The office of the Committee is at Room 729, 1800 G Street NW, Washington, D.C. 20506.

(b) All communications to the Committee should be addressed to the "Secretary, Trade Policy Staff Committee, Office of the Special Representative for Trade Negotiations, Room 729, 1800 G Street, NW, Washington, D.C. 20506."

(c) The telephone number of the office of the Committee is (202) 395-3395.

(d) The regular hours of the office of the Committee are from 9 a.m. to 5:30 p.m. on each business day, Monday through Friday.

§ 2003.1 Notice of public hearings.

The Committee shall publish in the FEDERAL REGISTER a notice of a proposed public hearing, the subject matter of the proposed public hearing, the period during which written briefs may be submitted, the period during which requests may be submitted to present oral testimony, and the time and place of the proposed public hearing, in the following instances:

(a) Upon publication of lists of articles by the President under section 131(a), or sections 503(a) and 131(a), of the Trade Act as a result of which public hearings are required to be held by section 133 of the Trade Act with respect to any matter relevant to a proposed trade agreement, or with respect to any matter relevant to the granting of generalized tariff preferences for the listed articles;

(b) Upon the receipt by the Committee of a request, made by an interested party in accordance with part 2003.3, for a public hearing under sections 301(d) (2), 301(e)(2), or the last paragraph of 301(e) of the Trade Act with respect to certain trade practices of foreign governments, or actions in response to such foreign trade practices;

(c) Upon instructions of the Special Representative.

§ 2003.2 Testimony and submission of written briefs.

(a) Participation by an interested party in a public hearing announced under part 2003.1 shall require the submission of a written brief before the close of the period announced, in the public notice for its submission. Such brief may be, but need not be, supplemented by the presentation of oral testimony in accordance with part 2003.4.

(b) A written brief by an interested party concerning any aspect of the trade agreements program or any related matter not subject to paragraph (a) of this section, and submitted pursuant to a public notice shall be submitted before the close of the period announced in the public notice for its submission.

(c) A written brief shall state clearly the position taken and shall describe with particularity the evidence supporting such position. It shall be submitted in not less than twenty (20) copies which shall be legibly typed, printed, or duplicated.

(d) In order to assure each party an opportunity to contest the information provided by other interested parties, the Committee will entertain rebuttal briefs filed by any party within a time limit specified by the Committee. Rebuttal briefs shall conform, in form and number, to the provisions of paragraph (c) of this section. Rebuttal briefs should be strictly limited to demonstrating errors of fact or analysis not pointed out in the briefs or hearing and should be as concise as possible.

(e) A written brief by an interested party concerning restrictions, acts, policies, or practices of foreign governments referred to in section 301(a) of the Trade Act, or concerning any other aspect of the trade agreements program or any related matter not subject to paragraph (a) or paragraph (b) of this section may be submitted at any time.

(f) The requirements in subparts (a) through (d) may be waived by the Special Representative, the Deputy Special Representative, or the Chairman of the Committee for reasons of equity and the public interest.

§ 2003.3 Requests for public hearings under sections 301(d) or 301(e).

(a) A request by a complainant for a public hearing under section 301(d)(2) of the Trade Act may be submitted in writing concurrently with or subsequent to the submission of a written brief as described in part 2003.2(e).

(b) A request by an interested person for a public hearing under section 301 (e)(2) may be made in writing at any time following the publication in the FEDERAL REGISTER of a notice of intention by the President to take action under section 301(a) of the Trade Act;

(c) A request by an interested person for a public hearing under the last paragraph of section 301(e) of the Trade Act may be made in writing within a reasonable time following the taking of an action by the President under section 301 (a) of the Trade Act, or following an announcement in the FEDERAL REGISTER that such action has been taken, whenever the President has taken such action prior to the conduct of public hearings as authorized by the last paragraph of section 301(e).

(d) A request for a public hearing under sections 301(d) or 301(e) shall state briefly the interest of each applicant and the position to be taken by each applicant. It shall be submitted in not less than twenty (20) copies which shall be legibly typed, printed, or duplicated.

(e) After receipt of a request for a public hearing under sections 301(d) or 301(e) of the Trade Act, the Secretary of the Committee will notify the applicant whether his request meets the requirements of this part, and if so, the time and place for the public hearing and for his appearance, and the amount of time allotted for his oral testimony. If the request does not meet the requirements of this part, the Secretary of the Committee will so notify the applicant together with the reasons therefor.

§ 2003.4 Presentation of oral testimony at public hearings.

(a) A request by an interested party to present oral testimony at a public hearing shall be submitted in writing before the close of the period announced in the public notice for its submission, and shall state briefly the interest of the applicant and the position to be taken by the applicant. Such request will be granted only if a written brief has been prepared and submitted in accordance with §§ 2003.2 and 2033.3. The requirements of this subpart may be waived by the Special Representative, the Deputy Special Representative or the Chairman of the Committee for reasons of equity and the public interest.

(b) After receipt and consideration of a request to present oral testimony at a public hearing, the Secretary of the Committee shall notify the applicant whether the request conforms to the requirements of § 2003.4(a), and if so, the time and place for the hearing and for his appearance, and the amount of time allotted for his oral testimony, and if not, will give the reasons why the request does not conform to the requirements.

(c) In presenting testimony, the interested party should supplement the information contained in the written brief, and should be prepared to answer questions relating to such information.

(d) A stenographic record shall be made of every public hearing.

§ 2003.5 Information open to public inspection.

With the exception of information subject to part 2003.6, an interested party may, upon request, inspect at the office of the Committee:

(1) Any written request, brief, or similar submission of information;

(2) Any stenographic record of a public hearing;

(3) Other public written information concerning the trade agreements program and related matters.

§ 2003.6 Information exempt from public inspection.

(a) The Committee shall exempt from public inspection business information submitted by an interested party if the Committee determines that such information concerns or relates to trade secrets and commercial and financial information the disclosure of which is not authorized by the interested party furnishing such information and is not required by law.

(b) A party requesting that the Committee exempt from public inspection business information submitted in writing shall clearly mark each page "BUSINESS CONFIDENTIAL" at the top.

(c) The Committee may deny a request that it exempt from public inspection any particular business information if it determines that such information is not entitled to exemption under § 2003.6(a). In the event of such denial, the party submitting the particular business information will be notified of the reasons for the denial and will be permitted to withdraw his submission.

FREDERICK B. DENT,
Special Representative for Trade Negotiations.

APPENDIX A

ADMINISTRATION OF THE TRADE AGREEMENTS PROGRAM

Text of Executive Order No. 11846 of March 27, 1975 (40 FR 14291).

By virtue of the authority vested in me by the Trade Act of 1974, hereinafter referred to as the Act (Public Law 93-618, 88 Stat. 1978), the Trade Expansion Act of 1962, as amended (19 U.S.C. 1801), Section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), and Section 301 of Title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1. *The Trade Agreements Program.* The "trade agreements program" includes all activities consisting of, or related to, the negotiation or administration of international agreements which primarily concern trade and which are concluded pursuant to the authority vested in the President by the Constitution, Section 350 of the Tariff Act of 1930, as amended, the Trade Expansion Act of 1962, as amended, or the Act.

SEC. 2. *The Special Representative for Trade Negotiations.*

(a) The Special Representative for Trade Negotiations, hereinafter referred to as the Special Representative, in addition to the functions conferred upon him by the Act, including Section 141 thereof, and in addition to the functions and responsibilities set forth in this Order, shall be responsible for such other functions as the President may direct.

(b) The Special Representative, except where otherwise expressly provided by statute, Executive order, or instructions of the President, shall be the chief representative of the United States for each negotiation under the trade agreements program and shall participate in other negotiations which may have a direct and significant impact on trade.

(c) The Special Representative shall prepare, for the President's transmission to Congress, the annual report on the trade agreements program required by Section 163(a) of the Act. At the request of the Special Representative, other agencies shall assist in the preparation of that report.

(d) The Special Representative, except where expressly otherwise provided or prohibited by statute, Executive order, or instructions of the President, shall be responsible for the proper administration of the trade agreements program, and may, as he deems necessary, assign to the head of any Executive agency or body the performance of his duties which are incidental to the administration of the trade agreements program.

(e) The Special Representative shall consult with the Trade Policy Committee in connection with the performance of his functions, including those established or delegated by this Order, and shall, as appropriate, consult with other Federal agencies or bodies. With respect to the performance of his functions under Title IV of the Act, including those established or delegated by this Order, the Special Representative shall also consult with the East-West Foreign Trade Board.

(f) The Special Representative shall be responsible for the preparation and submission of any Proclamation which relates wholly or primarily to the trade agreements program. Any such Proclamation shall be subject to all the provisions of Executive Order No. 11030, as amended, except that such Proclamation need not be submitted to the Director of the Office of Management and Budget.

(g) The Secretary of State shall advise the Special Representative, and the Committee, on the foreign policy implications of any action under the trade agreements program. The Special Representative shall invite appropriate departments to participate in trade negotiations of particular interest to such departments, and the Department of State shall participate in trade negotiations which have a direct and significant impact on foreign policy.

SEC. 3. *The Trade Policy Committee.* (a) As provided by Section 242 of the Trade Expansion Act of 1962 (19 U.S.C. 1872), as amended by Section 602(b) of the Act, there is established the Trade Policy Committee hereinafter referred to as the Committee. The Committee shall be composed of:

(1) The Special Representative, who shall be Chairman.

(2) The Secretary of State.

(3) The Secretary of the Treasury.

(4) The Secretary of Defense.

(5) The Attorney General.

(6) The Secretary of the Interior.

(7) The Secretary of Agriculture.

(8) The Secretary of Commerce.

(9) The Secretary of Labor.

(10) The Assistant to the President for Economic Affairs.

(11) The Executive Director of the Council on International Economic Policy.

Each member of the Committee may designate an officer of his agency, whose status is not below that of an Assistant Secretary, to serve in his stead, when he is unable to attend any meetings of the Committee. The Chairman, as he deems appropriate, may invite representatives from other agencies to attend the meetings of the Committee.

(b) The Committee shall have the functions conferred by the Trade Expansion Act of 1962, as amended, upon the inter-agency organization referred to in Section 242 thereof, as amended, the functions delegated to it by the provisions of this Order, and such other functions as the President may from time to time direct. Recommendations and advice of the Committee shall be submitted to the President by the Chairman.

(c) The recommendations made by the Committee under Section 242(b)(1) of the Trade Expansion Act of 1962, as amended, with respect to basic policy issues arising in the administration of the trade agreements program, as approved or modified by the President, shall guide the administration of the trade agreements program. The Special Representative or any other officer who is chief representative of the United States in a negotiation in connection with the trade agreements program shall keep the Committee informed with respect to the status and conduct of negotiations and shall consult with the Commitee regarding the basic policy issues arising in the course of negotiations.

(d) Before making recommendations to the President under Section 242(b)(2) of the Trade Expansion Act of 1962, as amended, the Committee shall, through the Special Representative, request the advice of the Adjustment Assistance Coordinating Committee, established by Section 281 of the Act.

(e) The Committee shall advise the President as to what action, if any, he should take under Section 337(g) of the Tariff Act of 1930, as amended by Section 341 of the Act, relating to unfair practices in import trade.

(f) The Trade Expansion Act Advisory Committee established by Section 4 of Executive Order No. 11075 of January 15, 1963, is abolished and all of its records are transferred to the Trade Policy Committee.

SEC. 4. *Trade Negotiations Under Title I of the Act.*

(a) The functions of the President under Section 102 of the Act concerning notice to, and consultation with, Congress, in connection with agreements on nontariff barriers to, and other distortions of, trade, are hereby delegated to the Special Representative.

(b) The Special Representative, after consultation with the Committee, shall prepare, for the President's transmission to Congress, all proposed legislation and other documents necessary or appropriate for the implementation of, or otherwise required in connection with, trade agreements; provided, however, that where implementation of an agreement on nontariff barriers to, and other distortions of, trade requires a change in a domestic law, the department or agency having the primary interest in the administration of such domestic law shall prepare and transmit to the Special Representative the proposed legislation necessary or appropriate for such implementation.

(c) The functions of the President under Section 131(c) of the Act with respect to advice of the International Trade Commission and under Section 132 of the Act with respect to advice of the departments of the Federal Government and other sources, are delegated to the Special Representative. The functions of the President under Section 133 of the Act with respect to public hearings in connection with certain trade negotiations are delegated to the Special Representative, who shall designate an interagency committee to hold and conduct any such hearings.

(d) The functions of the President under Section 135 of the Act with respect to advisory committees and, notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act (86 Stat. 770, 5 U.S.C. App. I), except that of reporting annually to Congress, which are applicable to advisory committees under the Act are delegated to the Special Representative. In establishing and organizing general policy advisory committees or sector advisory committees under Section 135(c) of the Act, the Special Representative shall act through the Secretaries of Commerce, Labor and Agriculture, as appropriate.

(e) The functions of the President with respect to determining ad valorem amounts and equivalents pursuant to Sections 601 (3) and (4) of the Act are hereby delegated to the Special Representative. The International Trade Commission is requested to advise the Special Representative with respect to determining such ad valorem amounts and equivalents. The Special Representative shall seek the advice of the Commission and consult with the Committee with respect to the determination of such ad valorem amounts and equivalents.

(f) Advice of the International Trade Commission under Section 131 of the Act, and other advice or reports by the International Trade Commission to the President or the Special Representative, the release or disclosure of which is not specifically authorized or required by law, shall not be released or disclosed in any manner or to any extent not specifically authorized by the President or by the Special Representative.

SEC. 5. *Import Relief and Market Disruption.*

(a) The Special Representative is authorized to request from the International Trade Commission the information specified in Sections 202(d) and 203(i) (1) and (2) of the Act.

(b) The Secretary of the Treasury, in consultation with the Secretary of Commerce or the Secretary of Agriculture, as appropriate, is authorized to issue, under Section 203(g) of the Act, regulations governing the administration of any quantitative restrictions proclaimed in order to provide import relief and is authorized to issue, under Section 203(g) of the Act or 352(b) of the Trade Expansion Act of 1962, regulations governing the entry, or withdrawal from warehouses for consumption, of articles pursuant to any orderly marketing agreement.

(c) The Secretary of Commerce shall exercise primary responsibility for monitoring imports under any orderly marketing agreement.

SEC. 6. *Unfair Trade Practices.*

(a) The Special Representative, acting through an interagency committee which he shall designate for such purpose, shall provide the opportunity for the presentation of views, under Sections 301(d)(1) and 301(e) (1) of the Act, with respect to unfair or unreasonable foreign trade practices and with respect to the United States response thereto.

(b) The Special Representative shall provide for appropriate public hearings under Section 301(e)(2) of the Act; and, shall issue regulations concerning the filing of requests for, and the conduct of, such hearings.

(c) The Special Representative is authorized to request, pursuant to Section 301(e) (3) of the Act, from the International Trade Commission, its views as to the probable impact on the economy of the United States of any action under Section 301(a) of the Act.

SEC. 7. *East-West Foreign Trade Board.* (a) In accordance with Section 411 of the Act, there is hereby established the East-West Foreign Trade Board, hereinafter referred to as the Board. The Board shall be composed of the following members and such additional members of the Executive branch as the President may designate:

(1) The Secretary of State.
(2) The Secretary of the Treasury.
(3) The Secretary of Agriculture.
(4) The Secretary of Commerce.
(5) The Special Representative for Trade Negotiations.
(6) The Director of the Office of Management and Budget.
(7) The Executive Director of the Council on International Economic Policy.
(8) The President of the Export-Import Bank of the United States.
(9) The Assistant to the President for Economic Affairs.

The President shall designate the Chairman and the Deputy Chairman of the Board. The President may designate an Executive Secretary, who shall be Chairman of a working group which will include membership from the agencies represented on the Board.

(b) The Board shall perform such functions as are required by Section 411 of the Act and such other functions as the President may direct.

(c) The Board is authorized to promulgate such rules and regulations as are necessary or appropriate to carry out its responsibilities under the Act and this Order.

(d) The Secretary of State shall advise the President with respect to determinations required to be made in connection with Sections 402 and 409 of the Act (dealing with freedom of emigration) and Section 403 (dealing with United States personnel missing in action in Southeast Asia), and shall prepare, for the President's transmission to Congress, the reports and other documents required by Sections 402 and 409 of the Act.

(e) The President's Committee on East-West Trade Policy, established by Executive Order No. 11789 of June 25, 1974, as amended by Section 6(d) of Executive Order No. 11808 of September 30, 1974, is abolished and all of its records are transferred to the Board.

SEC. 8. *Generalized System of Preferences.* (a) The Special Representative, in consultation with the Secretary of State, shall be responsible for the administration of the generalized system of preferences under Title V of the Act.

(b) The Committee, through the Special Representative, shall advise the President as to which countries should be designated as beneficiary developing countries, and as to which articles should be designated as eligible articles for the purposes of the system of generalized preferences.

SEC. 9. *Prior Executive Orders.* (a) Executive Order No. 11789 of June 25, 1974, and Section 6(d) of Executive Order No. 11808 of September 30, 1974, relating to the President's Committee on East-West Trade Policy are hereby revoked.

(b) (1) Sections 5(b), 7, and 8 of Executive Order No. 11075 of January 15, 1963, are hereby revoked effective April 3, 1975; (2) the remainder of Executive Order No. 11075, and Executive Order No. 11106 of April 18, 1963 and Executive Order No. 11113 of June 13, 1963, are hereby revoked.

GERALD R. FORD

THE WHITE HOUSE,
March 27, 1975.

[FR Doc.75-1101 Filed 4-25-75;8:45 am]

Title 17—Commodity and Securities Exchanges

CHAPTER II—SECURITIES AND EXCHANGE COMMISSION

[Release Nos. 34-11368, IA-455 File No. S7-560]

PART 275—RULES AND REGULATIONS, INVESTMENT ADVISERS ACT OF 1940

Adoption of Temporary Exemption From the Advisers Act and the Rules and Regulations Thereunder for Certain Brokers and Dealers (S7-560)

Notice is hereby given that the Securities and Exchange Commission hereby adopts temporary Rule 206A-1(T) (17 CFR 275.206A-1(T)) under the Investment Advisers Act of 1940 [15 U.S.C. 80b-1 et seq.] ("Advisers Act") to exempt until August 31, 1975, certain registered brokers and dealers from the provisions of the Advisers Act and the rules and regulations thereunder. The temporary rule, which will become effective on May 1, 1975, the effective date of Rule 19b-3 [17 CFR 240.19b-3] under the Securities Exchange Act of 1934 [15 U.S.C. 78a et seq.] ("Exchange Act"),[1] is adopted pursuant to the authority granted to the Commission by sections 206A, 202(a)(11), 211(a) and 211(b) [15 U.S.C. 80b-6A, 80b-2(a)(11), 80b-11(a) and 80b-11(b)] of the Advisers Act.[2]

Rule 19b-3 under the Exchange Act will prohibit any national securities exchange from adopting or retaining any rule that requires, or from otherwise requiring, its members to charge fixed rates of commission for transactions executed on, or by the use of the facilities of, such exchange after the applicable effective dates. As a result of the elimination of fixed commission rates on exchange transactions, some broker-dealers may determine that one appropriate response to the new competitive environment would be to charge separately for research and other investment advice furnished to customers. Excluded from the definition of investment adviser is "any broker or dealer whose performance of such [investment advisory] services is solely incidental to the conduct of his business as a broker or dealer and who receives no special compensation therefor." Separate charges for research and other investment advice, however, would clearly constitute "special compensation" within the meaning of section 202(a)(11)(C) [15 U.S.C. 80b-2(a)(11)(C)] so that such brokers and dealers would become "investment advisers," as defined in section 202(a)(11) of the Advisers Act.[3] Unless otherwise exempt, an investment adviser who makes "use of the mails or any means or instrumentality of interstate commerce in connection with his or its business as an investment adviser" must register with the Commission and comply with the provisions of the Advisers Act.

In the course of the Commission's consideration of Rule 19b-3 under the Exchange Act, comments were directed to the possible impact of competitive rates on brokers and dealers. There was little public comment, however, with regard to the application of the Advisers Act to brokers and dealers. Furthermore, comments can more readily and more usefully be made in light of some experience with the actual implementation of competitive rates.

The Commission also is aware that those brokers and dealers who have long relied on the exclusion provided by section 202 (a)(11)(C) of the Advisers Act may not be familiar with the provisions of the Advisers Act or its possible impact upon their advisory activities. In any event, it is appropriate temporarily to relieve brokers and dealers from dealing simultaneously with new business and

[1] Securities Exchange Act Release No. 11203 (Jan. 23, 1975) [40 FR 7394 (Feb. 20, 1975)].

[2] Section 206A of the Advisers Act provides as follows:

The Commission, by rules and regulations, upon its own motion, or by order upon application, may conditionally or unconditionally exempt any person or transaction, or any class or classes of persons, or transactions, from any provision or provisions of this title or of any rule or regulation thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of this title.

Section 202(a) (11) of the Advisers Act provides, in relevant part, as follows:

"Investment adviser" means any person who, for compensation, engages in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing, or selling securities, or who, for compensation and as part of a regular business, issues or promulgates analyses or reports concerning securities; but does not include * * * (C) any broker or dealer whose performance of such services is solely incidental to the conduct of his business as a broker or dealer and who receives no special compensation therefor * * * or (F) such other persons not within the intent of this paragraph, as the Commission may designate by rules and regulations or order.

Section 211 (a) and (b) of the Advisers Act provides as follows:

(a) The Commission shall have authority from time to time to make, issue, amend, and rescind such rules and regulations and such orders as are necessary or appropriate to the exercise of the functions and powers conferred upon the Commission elsewhere in this title. For the purposes of its rules or regulations the Commission may classify persons and matters within its jurisdiction and prescribe different requirements for different classes of persons or matters.

(b) Subject to the provisions of the Federal Register Act and regulations prescribed under the authority thereof, the rules and regulations of the Commission under this title, and amendments thereof, shall be effective upon publication in the manner which the Commission shall prescribe, or upon such later date as may be provided in such rules and regulations.

[3] *See* Investment Advisers Act Release No. 2 (Oct. 28, 1940).