Board in accordance with applicable law upon its determination that an acute shortage of covered hopper cars exists throughout the country; that certain carriers have placed substantial numbers of large capacity covered hopper cars in unit-grain-train services; that many shippers who are unable to participate in unit-grain-train shipments are deprived of their fair share of the available supply of these cars; that the Commission, in Docket Ex Parte No. 307, ordered the carriers to incorporate into their tariffs rules requiring that carriers, during periods of shortage in the supplies of covered hopper cars, resume control of the distribution and use of such cars after completion of five consecutive trips in unit-train-service for a single shipper; that the petition states no errors of fact or law warranting the relief sought, and for good cause appearing;

*It is ordered,* That the petition be, and it is hereby, denied.

By the Commission, Railroad Service Board, acting as an appellate board. Joel E. Burns, Robert S. Turkington, and John R. Michael.

JOEL E. BURNS,
*Chairman.*

[FR Doc. 78-9166 Filed 4-6-78; 8:45 am]

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[1505-01]

[Volume No. 65]

**MOTOR CARRIER, BROKER, WATER CARRIER AND FREIGHT FORWARDER OPERATING RIGHTS APPLICATIONS**

*Correction*

In FR Doc. 78-5391, appearing at page 8630 in the issue for Thursday, March 2, 1978, on page 8651, middle column, the ninth line of the second paragraph should read, "(1) *Coal tar and coal tar products,* in bulk, in tank vehicles, from Houston, TX, to points in AR, LA, and OK;"

[1505-01]

[Volume No. 69]

**PETITIONS, APPLICATIONS, FINANCE MATTERS (INCLUDING TEMPORARY AUTHORITIES) RAILROAD ABANDONMENTS, ALTERNATE ROUTE DEVIATIONS, AND INTRASTATE APPLICATIONS**

*Corrections*

In FR Doc. 78-6091, appearing at page 9697 in the issue for Thursday, March 9, 1978, the following corrections should be made:

1. In the last paragraph of the middle column on page 9702, the tenth line should read, "*Roofing materials* from the facilities of Fry Division of Owens Corning Fiberglas at or near Summit, IL to points in MN, ND, and SD."

2. In the last paragraph of the third column on page 9706, beginning with the thirteenth line should read, "thereof, between Toledo, OH, Laurinburg and Clinton, NC, on the one hand, and, on the other, points in the United States (except AK and HI)."

# sunshine act meetings

This section of the FEDERAL REGISTER contains notices of meetings published under the "Government in the Sunshine Act" (Pub. L. 94-409), 5 U.S.C. 552b(e)(3).

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[6570-06]

1

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION.

TIME AND DATE: 9:30 a.m. (eastern time), Tuesday, April 11, 1978.

PLACE: Chairman's Conference Room, No. 5240, on the fifth floor of the Columbia Plaza Office Building, 2401 E Street NW., Washington, D.C. 20506.

STATUS: Parts of the meeting will be open to the public and part will be closed.

MATTERS TO BE CONSIDERED:

Parts open to the public:

1. Staff report on hearings concerning work-scheduling as it relates to religious discrimination and proposed uniform guidelines on employee selection procedures.
2. Freedom of Information Act Appeal No. 78-2-FOIA-36, concerning a request for affidavits and statements contained in a Commission investigatory file.
3. Establishment of jurisdictional boundaries for field offices.
4. Proposed contract for an Assessment Center to aid in the evaluation of applicants for District Director positions.

Part closed to the public:

Litigation Authorization: General Counsel Recommendations.

Matters closed to the public under § 1612.13(a) of the Commission's regulations (42 FR 13830, March 14, 1977).

NOTE.—Any matter not discussed or concluded may be carried over to a later meeting.

CONTACT PERSON FOR MORE INFORMATION:

Marie D. Wilson, Executive Officer, Executive Secretariat, at 202-634-6748.

This notice issued April 4, 1978.

[S-734-78 Filed 4-5-78; 2:15 pm]

[6712-01]

2

FEDERAL COMMUNICATIONS COMMISSION.

PREVIOUSLY ANNOUNCED TIME AND DATE OF MEETINGS: 9:30 a.m., Wednesday, April 5, 1978 (open), followed by the closed meeting.

PLACE: Room 856, 1919 M Street NW., Washington, D.C.

STATUS: Open and closed Commission meetings.

CHANGES IN THE MEETINGS:

These meetings have been rescheduled for Thursday, April 6, 1978. The open meeting will commence at 9:30 a.m., and will be followed by the closed meeting.

The following item has been deleted from the portions open to the public.

*Agenda, Item No., and Subject*

General—1—Release of the Conglomerate Study to the Federal Trade Commission.

The prompt and orderly conduct of Commission business requires these changes and no earlier announcement of the changes was possible.

CONTACT PERSON FOR MORE INFORMATION:

Samuel M. Sharkey, FCC Public Information Office, telephone 202-632-7260.

Issued: April 3, 1978, April 4, 1978.

[S-740-78 Filed 4-5-78; 3:09 pm]

[6740-02]

3

APRIL 5, 1978.

FEDERAL ENERGY REGULATORY COMMISSION.

TIME AND DATE: 10 a.m., April 12, 1978.

STATUS: Open.

MATTERS TO BE CONSIDERED: Agenda.

NOTE.—Items listed on the agenda may be deleted without further notice.

CONTACT PERSON FOR MORE INFORMATION:

Kenneth F. Plumb, Secretary, telephone 202-275-4166.

This is a list of matters to be considered by the Commission. It does not include a listing of all papers relevant to the items on the agenda, however, all public documents may be examined in the Office of Public Information, Room 1000.

POWER AGENDA—85TH MEETING, APRIL 12, 1978, REGULAR MEETING

I. ELECTRIC RATE MATTERS

ER-1.—Docket No. ER78-249, American Electric Power Service Corp.
ER-2.—Docket Nos. E-8586 and E-8587, Public Service Co. of Indiana, Inc.
ER-3.—Docket No. E-8264, Maine Public Service Co.
ER-4.—(A) Docket Nos. ER77-5 and E-8152, Otter Tail Power Co. (B) Docket Nos. ER77-5 and E-8152, Otter Tail Power Co.

II. LICENSED PROJECT MATTERS

P-1.—Project No. 2005, South San Joaquin and Oakdale Irrigation Districts.

POWER AGENDA—85TH MEETING, APRIL 12, 1978, REGULAR MEETING

CAP-1.—Docket No. ER76-826, Pennsylvania Power & Light Co.
CAP-2.—Docket Nos. ER76-17 and ER76-83, Ohio Power Co.
CAP-3.—Docket No. ER77-339, West Texas Utilities Co.
CAP-4.—Project No. 2551, Indiana & Michigan Electric Co.

MISCELLANEOUS AGENDA—85TH MEETING, APRIL 12, 1978, REGULAR MEETING

M-1.—Certification Process and Schedule for the Alaska Gas Project.

MISCELLANEOUS AGENDA—85TH MEETING, APRIL 12, 1978, REGULAR MEETING

CAM-1.—Portland General Electric Co., Crown Zellerbach Corp. and Publishers' Paper Co.
CAM-2.—Tidal Transmission Co.

GAS AGENDA—85TH MEETING, APRIL 12, 1978, REGULAR MEETING

I. PIPELINE RATE MATTERS

*A. Pipeline Rates*

RP-1.—Docket No. RP73-97, Kentucky West Virginia Gas Co.

RP-2.—Docket No. RP75-105, Columbia Gulf Transmission Co.; Docket No. RP75-106, Consolidated Taxes, Columbia Gas Transmission Corp.
RP-3.—Docket No. RP75-30, United Gas Pipe Line Co.

II. PRODUCER MATTERS

*A. Special Relief*

CI-1.—Docket No. RI77-85, Goldking Production Co.
CI-2.—Reserved.
CI-3.—Reserved.

*B. Producer Rates*

CI-4.—Docket CS71-876, et al., Jones-O'Brien, Inc., et al.

III. PIPELINE CERTIFICATE MATTERS

*A. Pipeline Certificates*

CP-1.—(A) Docket Nos. CP75-104, et al., High Island Offshore System. (B) Docket No. CP77-108, Tennessee Gas Pipeline Co., a division of Tenneco Inc. (C) High Island Offshore System. (D) Docket No. CI78-252, et al., the Superior Oil Co., et al.
CP-2.—Docket No. CP78-43, Trunkline Gas Co.
CP-3.—Docket No. CP77-591, Southern Natural Gas Co.

GAS AGENDA—85TH MEETING, APRIL 12, 1978, REGULAR MEETING

CAG-1.—Docket No. RP73-48 (PGA78-3), Northern Natural Gas Co. (Peoples Division).
CAG-2.—Docket No. RP73-92 (PGA78-1), Raton Natural Gas Co.
CAG-3.—Docket No. RP74-52 (PGA78-1), Transwestern Pipeline Co.
CAG-4.—Docket No. RP76-157, Northern Natural Gas Co. (Peoples Division).
CAG-5.—Docket No. RP74-82, Columbia Gas Transmission Corp.
CAG-6.—Docket No. CI68-976, Pioneer Production Corp.
CAG-7.—Docket Nos. CI60-214, et al., Petroleum Inc. (Operator), et al.
CAG-8.—Docket No. CP78-140, Mid Louisiana Gas Co.
CAG-9.—Docket No. CP78-188, Northern Natural Gas Co.

KENNETH F. PLUMB,
*Secretary.*

[S-739-78 Filed 4-5-78; 3:09 pm]

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[6730-01]

4

FEDERAL MARITIME COMMISSION.

TIME AND DATE: April 12, 1978—10 a.m.

PLACE: Room 12126—1100 L Street NW., Washington, D.C. 20573.

STATUS: Open.

MATTERS TO BE CONSIDERED:

1. Proposed rules implementing Clean Water Act of 1977.
2. Agreement No. 5600-36: Modification of the Philippines North American Conference Agreement to amend self-policing provisions.
3. Agreement No. 2846-33: Modification of the West Coast of Italy, Sicilian and Adriatic Ports/North Atlantic Range Conference Agreement to amend provisions relating to bank guarantees.
4. Soviet liner activites in the United States foreign trade.
5. Petition of Port of Portland, Oreg., for investigation of equalization and absorption practices of Pacific Westbound Conference.
6. Docket No. 77-3: *State of Alaska on Behalf of Tlingit-Haida Purchasing Association and All Other Similarly Situated* v. *Pelican Cold Storage, Inc., and Alaska Outports Transportation Association, Inc.*—Staff evaluation of alleged violations.
7. Special Docket No. 537: *Salentine & Co., Inc.* v. *Europe Canada Lakes Line;* Special Docket No. 538: *Salentine & Co., Inc.* v. *Europe Canada Lakes Line;* Special Docket No. 539: *M. E. Dey & Co., Inc.* v. *Europe Canada Lakes Line*—Review of initial decision.
8. Special Docket No. 562: *Schenectady Midland, Ltd.* v. *Gulf/United Kingdom Conference*—Review of initial decision.
9. Special Docket No. 564: *Commodity Credit Corporation* v. *Delta Steamship Lines, Inc.*—Review of initial decision.
10. Special Docket No. 565: *Mitsui & Co. (USA), Inc.* v. *Pacific Westbound Conference*—Review of initial decision.
11. Special Docket No. 566: *David Ullman* v. *Sea-Land Service, Inc.*—Review of initial decision.

CONTACT PERSON FOR MORE INFORMATION:

Francis C. Hurney, Secretary, 202-523-5725.

[S-737-78 Filed 4-5-78; 2:19 pm]

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[6210-01]

5

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM.

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: 43 FR 13658, March 31, 1978, and additional notice sent to FEDERAL REGISTER on March 31, 1978.

PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING: 10 a.m., Friday, April 7, 1978.

CHANGES IN THE MEETING: Deletion of the following open item from the agenda:

Proposals concerning the Federal Reserve's participation in electronic funds transfer: (a) Provision of interregional automatic clearing house services by the Federal Reserve System; (b) request by Bankwire 11, a data communications firm owned by an association of commercial banks, for the Federal Reserve System to provide settlement facilities through reserve account balances. (Proposed earlier for public comment; Docket No. R-0138.)

This matter will be considered at an open meeting the following week, and will be announced later.

CONTACT PERSON FOR MORE INFORMATION:

Mr. Joseph R. Coyne, Assistant to the Board: 202-452-3204.

Dated: April 4, 1978.

THEODORE E. ALLISON,
*Secretary of the Board.*

[S-729-78 Filed 4-5-78; 9:29 am]

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[6750-01]

6

FEDERAL TRADE COMMISSION.

TIME AND DATE: 10 a.m., Wednesday, April 12, 1978.

PLACE: Room 432, Federal Trade Commission Building, 6th Street and Pennsylvania Avenue NW., Washington, D.C. 20580.

STATUS: Open.

MATTERS TO BE CONSIDERED: The Commission has not yet scheduled any matters for discussion at this meeting. If no item is placed on the agenda by 10 a.m., on Wednesday, April 12, 1978, the meeting will automatically be cancelled. Any item that is placed on the agenda before that time will be announced in accordance with the Additional Information procedures posted with Commission Meeting Notices outside Room 130 of the Federal Trade Commission.

CONTACT PERSON FOR MORE INFORMATION:

Wilbur T. Weaver, Office of Public Information: 202-523-3830; recorded message: 202-523-3806.

[S-735-78 Filed 4-5-78; 2:18 pm]

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[7020-02]

7

INTERNATIONAL TRADE COMMISSION,

[USITC SE-78-15A]

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: 43 FR 12987, March 28, 1978.

PREVIOUSLY ANNOUNCED TIME AND DATE OF THE MEETING: 2 p.m., Thursday, April 6, 1978.

CHANGES IN THE MEETING: The following agenda item, previously noticed for the meeting of Thursday, April 6, 1978, will be discussed at the meeting of April 20, 1978:

1. Stainless steel flatware (Inv. TA-201-30)—Vote on remedy.

CONTACT PERSON FOR MORE INFORMATION:

Kenneth R. Mason, Secretary, 202-523-0161.

[S-731-78 Filed 4-5-78; 3:06 pm]

[7035-01]

8

INTERSTATE COMMERCE COMMISSION.

TIME AND DATE: 9:30 a.m., Tuesday, April 11, 1978.

PLACE: Room 4225, Interstate Commerce Commission Building, 12th Street and Constitution Avenue NW., Washington, D.C.

STATUS: Open Special Conference.

MATTERS TO BE CONSIDERED:

1. F.D. 28583 (Sub-No. 1) Burlington Northern, Inc.—Control and Merger—St. Louis-San Francisco Railway Co. (Brief Status Report by Office of Proceedings—Section of Finance).
2. Major Rate Bureau Agreements Under Section 5b of the Interstate Commerce Act (Report by Office of Proceedings—Section of Rates).
3. Possible Amendment of TOFC Regulations (Report by the Bureau of Operations).

CONTACT PERSON FOR MORE INFORMATION:

Douglas Baldwin, Director, Office of Communications, telephone 202-275-7252.

The Commission's professional staff will be available to brief news media representatives on conference issues at the conclusion of the meeting.

APRIL 14, 1978.

[S-728-78 Filed 4-5-78; 8:53 am]

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[4910-58]

9

NATIONAL TRANSPORTATION SAFETY BOARD.

TIME AND DATE: 9:30 a.m., Thursday, April 13, 1978 (NM-78-17).

PLACE: NTSB Board Room, National Transportation Safety Board, 800 Independence Avenue SW., Washington, D.C. 20594.

STATUS: The first item will be open; the last two items will be closed under Exemption 10 of the Government in the Sunshine Act.

MATTERS TO BE CONSIDERED:

1. *Highway Accident Report.*—Midas Mini Motor Home/Automobile Collision, U.S. Route 69, near McAlester, Okla., July 14, 1977.
2. *Opinion and Order.—Administrator* v. *Kortum,* Dkt. SE-3651; disposition of Administrator's appeal.
3. *Opinion and Order.—Administrator* v. *McCleery,* Dkt. SE-3717; disposition of Administrator's appeal.

CONTACT PERSON FOR MORE INFORMATION:

Sharon Flemming, 202-472-6021.

[S-733-78 Filed 4-5-78; 10:11 am]

[7590-01]

10

NUCLEAR REGULATORY COMMISSION.

TIME AND DATE: April 4, 1978 (changes).

PLACE: Commissioners' Conference Room, 1717 H Street NW., Washington, D.C.

STATUS: Open and Closed.

MATTERS TO BE CONSIDERED:

9:30 A.M.

1. Discussion of NRDC request for hearing in Tarapur export license (approximately 1 hour—Public meeting). (Postponed.)

10:30 A.M.

2. Affirmation items (approximately 30 minutes—Public meeting).
Items a through g as announced.
Item h is postponed.
Item i as announced.
Item j is postponed.

ADDITIONAL AFFIRMATION ITEMS

k. Response to Commission question concerning the protection of strategic special nuclear material (SSNM) shipments.
l. Proposed rulemaking for certain minor quantities of nuclear material.
m. Hearing on Nuclear Engineering Co.'s application for renewal and expansion of the operating license for its low-level radioactive waste burial site; Sheffield, Ill.
3. Discussion of proposed licensing legislation (closed meeting). (Postponed to April 17, 1978.)

CONTACT PERSON FOR MORE INFORMATION:

Walter Magee, 202-634-1410.

Dated: April 4, 1978.

ROGER M. TWEED,
*Office of the Secretary.*

[S-732-78 Filed 4-5-78; 10:11 am]

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[7710-12]

11

POSTAL SERVICE.

NOTICE OF VOTE TO CLOSE A MEETING

On April 3, 1978, the Board of Governors of the U.S. Postal Service unanimously voted to close to public observation a portion of its meeting scheduled for April 4. The portion of the meeting to be closed was to consist of discussion of the possible appointment of a new Deputy Postmaster General. The members voting in favor of closing this portion of the meeting were: Messrs. Wright, Holding, Ching, Codding, Hardesty, Robertson, and Bolger.

Prior to the April 4 meeting, the Board of Governors gave due public notice of its intention to hold the meeting, the notice and the proposed agenda for the meeting having been published in the FEDERAL REGISTER on March 29, 1978 (43 FR 13163). The agenda noted the possibility that the Governors might decide to take action which might result in the appointment of a new Deputy Postmaster General. On April 3, 1978, the members of the Board unanimously decided that agency business required them to decide to take this action and that, insofar as this decision involves a change in the agenda, no earlier announcement of the change was possible.

The only persons to attend this closed portion of the meeting were Governors Wright, Holding, Ching, Codding, Hardesty, and Robertson; and Postmaster General William F. Bolger.

The Governors were of the opinion that free and candid discussion of possible appointees to the position of Deputy Postmaster General would be likely to disclose information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy. In making this determination, the Governors were conscious both of the need to balance the public interest in disclosure against any likely invasion of personal privacy, and of the obligation to determine that the public interest does not require that such discussions be disclosed to the public. In this regard, the Governors recognized the possibility that their discussions were likely to involve consideration of individuals who may presently occupy positions in Government or in the private sector. Further, they noted the obligation under the Government in the Sunshine Act (5 U.S.C. 552b(f)(2)) to make promptly available to the public a transcript or recording of the closed portion which discloses their discussion, except for such items of the discussion as they determine to contain information which may be withheld under the Sunshine Act. In the circumstances, the Governors determined that the public interest in the fullest practicable information regarding the decisionmaking processes of the Government will be satisfied by subsequent disclosure of information which does not constitute a clearly unwarranted invasion of personal privacy, and that the legitimate privacy interest of individuals who may be discussed would best be protected by closing this portion of the meeting.

The Governors also recognized that their function of selecting a Deputy Postmaster General involves, in a most literal sense, an internal personnel matter, and that information relating solely to internal personnel practices

is exempt from mandatory disclosure under the Government in the Sunshine Act (5 U.S.C. 552b(c)(2)). The Governors were of the opinion that the policy and purpose of the Sunshine Act are most completely accomplished if free discussion of the personal attributes and affairs of prospective candidates, and discussion of relevant personnel matters, is not inhibited by considerations of possible unnecessary embarrassment or unwarranted invasion of personal privacy.

Accordingly, the Governors determined, pursuant to 5 U.S.C. 552b(c) (2) and (6) and 39 CFR 7.3 (b) and (f), that the portion of the meeting to be closed is exempt from the open meeting requirement of the Sunshine Act in that it is likely to disclose information of a personal nature the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, and in that in a literal sense it relates solely to internal personnel practices of the agency; and that the public interest does not require this portion of the meeting to be open.

In accordance with 5 U.S.C. 552b(f)(1) and 39 CFR 7.6(a), the General Counsel of the U.S. Postal Service has certified that in his opinion the portion of the meeting to be closed may properly be closed to public observation.

LOUIS A. COX,
*Secretary.*

[S-736-78 Filed 4-5-78; 2:19 pm]

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**[8010-01]**

12

SECURITIES AND EXCHANGE COMMISSION.

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: 43 FR 13486, March 30, 1978.

STATUS: Open meeting.

PLACE: Room 825, 500 North Capitol Street, Washington, D.C.

PREVIOUSLY ANNOUNCED TIME AND DATE: 9 a.m., April 6, 1978.

CHANGES IN THE MEETING: Additional item to be considered.

The following additional item will be considered by the Commission at the open meeting scheduled for Thursday, April 6, 1978, at 9 a.m:

Proposed rule change of the Cincinnati Stock Exchange to authorize, as a 9-month pilot program, an electronic "multiple dealer" trading system through which bids and offers may be entered and transactions may be effected without the necessity that either direct party to a trade be physically present on the Cincinnati Stock Exchange floor.

Chairman Williams, Commissioners Loomis, Evans, Pollack, and Karmel determined that consideration of this matter was necessary and that no earlier notice thereof was possible.

APRIL 5, 1978.

[S-738-77 Filed 4-5-78; 2:19 pm]

federal register

FRIDAY, APRIL 7, 1978
PART II




# DEPARTMENT OF LABOR

## Employment Standards Administration

■

# MINIMUM WAGES FOR FEDERAL AND FEDERALLY ASSISTED CONSTRUCTION

## General Wage Determination Decisions

[4510-27]

## DEPARTMENT OF LABOR

### Employment Standards Administration

### MINIMUM WAGES FOR FEDERAL AND FEDERALLY ASSISTED CONSTRUCTION

### General Wage Determination Decisions

General Wage Determination Decisions of the Secretary of Labor specify, in accordance with applicable law and on the basis of information available to the Department of Labor from its study of local wage conditions and from other sources, the basic hourly wage rates and fringe benefit payments which are determined to be prevailing for the described classes of laborers and mechanics employed in construction activity of the character and in the localities specified therein.

The determinations in these decisions of such prevailing rates and fringe benefits have been made by authority of the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a) and of other Federal statutes referred to in 29 CFR 1.1 (including the statutes listed at 36 FR 306 following Secretary of Labor's Order No. 24-70) containing provisions for the payment of wages which are dependent upon determination by the Secretary of Labor under the Davis-Bacon Act; and pursuant to the provisions of Part 1 of Subtitle A of Title 29 of Code of Federal Regulations, Procedure for Predetermination of Wage Rates, (37 FR 21138) and of Secretary of Labor's Orders 12-71 and 15-71 (36 FR 8755, 8756). The prevailing rates and fringe benefits determined in these decisions shall, in accordance with the provisions of the foregoing statutes, constitute the minimum wages payable on Federal and federally assisted construction projects to laborers and mechanics of the specified classes engaged on contract work of the character and in the localities described therein.

Good cause is hereby found for not utilizing notice and public procedure thereon prior to the issuance of these determinations as prescribed in 5 U.S.C. 553 and not providing for delay in effective date as prescribed in that section, because the necessity to issue construction industry wage determination frequently and in large volume causes procedures to be impractical and contrary to the public interest.

General Wage Determination Decisions are effective from their date of publication in the FEDERAL REGISTER without limitation as to time and are to be used in accordance with the provisions of 29 CFR Parts 1 and 5. Accordingly, the applicable decision together with any modifications issued subsequent to its publication date shall be made a part of every contract for performance of the described work within the geographic area indicated as required by an applicable Federal prevailing wage law and 29 CFR, Part 5. The wage rates contained therein shall be the minimum paid under such contract by contractors and subcontractors on the work.

#### MODIFICATIONS AND SUPERSEDEAS DECISIONS TO GENERAL WAGE DETERMINATION DECISIONS

Modifications and Supersedeas Decisions to General Wage Determination Decisions are based upon information obtained concerning changes in prevailing hourly wage rates and fringe benefit payments since the decisions were issued.

The determinations of prevailing rates and fringe benefits made in the Modifications and Supersedeas Decisions have been made by authority of the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a) and of other Federal statutes referred to in 29 CFR 1.1 (including the statutes listed at 36 FR 306 following Secretary of Labor's Order No. 24-70) containing provisions for the payment of wages which are dependent upon determination by the Secretary of Labor under the Davis-Bacon Act; and pursuant to the provisions of Part 1 of Subtitle A of Title 29 of Code of Federal Regulations, Procedure for Predetermination of Wage Rates (37 FR 21138) and of Secretary of Labor's Orders 13-71 and 15-71 (36 FR 8755, 8756). The prevailing rates and fringe benefits determined in foregoing General Wage Determination Decisions, as hereby modified, and/or superseded shall, in accordance with the provisions of the foregoing statutes, constitute the minimum wages payable on Federal and federally assisted construction projects to laborers and mechanics of the specified classes engaged in contract work of the character and in the localities described therein.

Modifications and Supersedeas Decisions are effective from their date of publication in the FEDERAL REGISTER without limitation as to time and are to be used in accordance with the provisions of 29 CFR Parts 1 and 5.

Any person, organization, or governmental agency having an interest in the wages determined as prevailing is encouraged to submit wage rate information for consideration by the Department. Further information and self-explanatory forms for the purpose of submitting this data may be obtained by writing to the U.S. Department of Labor, Employment Standards Administration, Office of Special Wage Standards, Division of Wage Determinations, Washington, D.C. 20210. The cause for not utilizing the rule-making procedures prescribed in 5 U.S.C. 553 has been set forth in the original General Wage Determination Decision.

#### MODIFICATIONS TO GENERAL WAGE DETERMINATION DECISIONS

The numbers of the decisions being modified and their dates of publication in the FEDERAL REGISTER are listed with each State.

| | |
|---|---|
| Alabama: | |
| AL76-1128 | Dec. 3, 1976 |
| Delaware: | |
| DE77-3134 | Sept. 30, 1977 |
| Georgia: | |
| GA77-1117; GA77-1118 | Do. |
| GA78-1015 | Mar. 10, 1978 |
| GA78-1016 | Mar. 3, 1978 |
| Hawaii: | |
| HI78-5016 | Mar. 17, 1978 |
| Kentucky: | |
| KY77-1084 | June 24, 1977 |
| KY77-1102; KY77-1107; KY77-1108; KY77-1110. | Aug. 26, 1977 |
| KY77-1127; KY77-1128 | Sept. 30, 1977 |
| KY77-1155 | Dec. 23, 1977 |
| Nevada: | |
| NV78-5009 | Mar. 10, 1978 |
| NV78-5018 | Mar. 17, 1978 |
| New Jersey: | |
| NJ77-3079 | June 17, 1977 |
| NJ77-3093 | July 8, 1977 |
| North Carolina: | |
| GA78-1015 | Mar. 10, 1978 |
| South Carolina: | |
| GA78-1015 | Do. |
| Tennessee: | |
| KY77-1084 | June 24, 1977 |
| Virginia: | |
| GA78-1015 | Mar. 10, 1977 |
| Washington, D.C.: | |
| GA78-1015 | Do. |

#### SUPERSEDEAS DECISIONS TO GENERAL WAGE DETERMINATION DECISIONS

The numbers of the decisions being superseded and their dates of publication in the FEDERAL REGISTER are listed with each State.

Supersedeas Decision numbers are in parentheses following the numbers of the decisions being superseded.

| | |
|---|---|
| Alabama: | |
| AL77-1025(AL78-1031) | Mar. 4, 1977 |
| AL77-1040(AL78-1030) | Apr. 1, 1977 |
| Idaho: | |
| ID77-5089(ID78-5017) | Oct. 7, 1977 |
| Iowa: | |
| IA77-4291(IA78-4027) | Dec. 23, 1977 |
| Kentucky: | |
| KY77-1105(KY78-1033); KY77-1106(KY78-1029). | Aug. 26, 1977 |
| KY77-1126(KY78-1032) | Sept. 30, 1977 |

#### CANCELLATION OF GENERAL WAGE DETERMINATION DECISIONS

None.

Signed at Washington, D.C. this 31st day of March 1978.

DOROTHY COME,
*Acting Assistant Administrator, Wage and Hour Division,*

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| DECISION # AL 76-1138 - Mod. #1. (41 FR 53241 - December 3, 1976) Montgomery County, Alabama | | | | | |
| CHANGE: | | | | | |
| Electricians | $9.30 | .40 | 3% | a | ½ of 1% |
| Laborers: | | | | | |
| Unskilled | 2.65 | | | | |
| Mason tenders | 2.65 | | | | |
| Power Saw Operator | 2.65 | | | | |
| Power Equipment Operators: | | | | | |
| Asphalt rakers | 2.65 | | | | |
| Tractors | 2.65 | | | | |
| Decision #DE77-3134 - Mod. #7 (42 FR-52990 - September 30, 1977) State of Delaware | | | | | |
| Change: | | | | | |
| Sprinkler Fitters | $12.31 | .75 | 1.05 | | .08 |



| DECISION #GA77-1117 - Mod. #2 (42 FR 52998 - September 30, 1977) Chatham County, Georgia | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Change: | | | | | |
| Laborers: | | | | | |
| Group A | $ 4.82 | .15 | .13 | | .10 |
| Group B | 4.97 | .15 | .13 | | .10 |
| Group C | 5.07 | .15 | .13 | | .10 |
| Group D | 5.32 | .15 | .13 | | .10 |
| Group E | 5.82 | .15 | .13 | | .10 |
| Painters: | | | | | |
| Brush & roller | 7.85 | | | | |
| Paperhanger, drywall tapers, & paint burners | 8.10 | | | | |
| Window jacks, steel brush, & steel roller | 8.35 | | | | |
| Sandblasting, paint spraying, paint mitts & gloves, & power tools (no roller larger than 9") | 8.60 | | | | |
| Power Equipment Operators: | | | | | |
| Group 1 | 9.43 | .55 | .50 | | .02 |
| Group 2 | 8.08 | .55 | .50 | | .02 |
| Group 3 | 7.42 | .55 | .50 | | .02 |
| Group 4 | 5.69 | .55 | .50 | | .02 |
| Sprinkler fitters | 10.80 | .75 | 1.05 | | .08 |
| Boilermakers | 9.95 | 1.05 | 1.05 | | .02 |
| DECISION #GA77-1118 - Mod. #3 (42 FR 53000 - September 30, 1977) Richmond County, Georgia | | | | | |
| Change: | | | | | |
| Power Equipment Operators: | | | | | |
| Group 1 | 9.43 | .55 | .50 | | .02 |
| Group 2 | 8.08 | .55 | .50 | | .02 |
| Group 3 | 7.42 | .55 | .50 | | .02 |
| Group 4 | 5.69 | .55 | .50 | | .02 |
| Sprinkler fitters | 10.80 | .75 | 1.05 | | .08 |
| Boilermakers | 9.95 | 1.05 | 1.05 | | .02 |

| DECISION NO. GA78-1015 - MOD. #1 (43 FR 10166 - March 10, 1978) Georgia, North Carolina, South Carolina, Virginia, Washington, D.C. and in Florida All counties on the Atlantic Coast and the Gulf Coast west to the Aucilla River and all tributary Water Ways. | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| ADD: | | | | | |
| Hydraulic Dredges under 20" Deck Hand | 5.08 | .63 | .50 | a | |

FOOTNOTE:
a. Six paid holidays, A thru F plus vacation contribution of 7% of straight time pay.

PAID HOLIDAYS:
A-New Year's Day; B-Memorial Day; C-Independence Day; D-Labor Day; E-Thanksgiving Day; F-Christmas Day.

| DECISION #GA78-1016 - Mod. #2 (43 FR 9074 - March 3, 1978) Clayton, DeKalb, and Fulton Counties, Georgia | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Change: | | | | | |
| Boilermakers | $ 9.95 | 1.05 | 1.05 | | .02 |
| Marble, tile, & terrazzo finishers | 6.40 | | | | |
| Sprinkler fitters | 10.80 | .75 | 1.05 | | .08 |

| DECISION #HI78-5016 - Mod. #1 (43 FR 11366- March 17, 1978) Statewide Hawaii | | | | | |
|---|---|---|---|---|---|
| Change: | | | | | |
| Boilermakers | $10.88 | .65 | $1.00 | | |
| Sheet Metal Workers | 11.71 | .86 | 2.21 | | .37 |
| Sprinkler Fitters | 11.96 | .75 | 1.05 | | .08 |



| DECISION #KY77-1084 - Mod. #2 (42 FR 32473 - June 24, 1977) Fort Campbell (Located in Christian County, Ky. and Montgomery County, Tn.) | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Change: | | | | | |
| Asbestos workers | $11.10 | .45 | .25 | | |
| Boilermakers: | | | | | |
| Kentucky portion | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| Tennessee portion | 9.95 | 1.05 | 1.05 | | .02 |
| Electricians: | | | | | |
| Wiremen: | | | | | |
| Kentucky portion | 11.20 | .40 | 3% | | ¼ of 1% |
| Tennessee portion | 9.95 | .55 | 3% | | ¼ of 1% |
| Cable splicers: | | | | | |
| Kentucky portion | 11.45 | .40 | 3% | | ¼ of 1% |
| Tennessee portion | 10.20 | .55 | 3% | | ¼ of 1% |
| Elevator Constructors: | | | | | |
| Mechanics | 8.945 | .745 | .56 | 1%+a+b | .025 |
| Helpers | 6.26 | .745 | .56 | 1%+a+b | .025 |
| Probationary helpers | 4.47 | | | | |
| Laborers: | | | | | |
| Group 1 | 6.23 | .35 | .47 | | |
| Group 2 | 6.38 | .35 | .47 | | |
| Group 3 | 6.73 | .35 | .47 | | |
| Power Equipment Operators: | | | | | |
| Kentucky portion: | | | | | |
| Group A | 10.45 | .40 | .45 | | .05 |
| Group B | 8.01 | .40 | .45 | | .05 |
| Group C | 7.34 | .40 | .45 | | .05 |
| Roofers - composition, slate, tile, asbestos, asphalt shingle | 7.55 | .45 | .30 | .15 | |
| Sprinkler Fitters: | | | | | |
| Kentucky portion | 12.10 | .75 | 1.05 | | .08 |
| Tennessee portion | 10.80 | .75 | 1.05 | | .08 |
| Footnote: | | | | | |
| a. Seven Paid Holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day. | | | | | |

| DECISION #KY77-1102 - Mod. #1 (42 FR 43305 - August 26, 1977) Knox, Laurel, McCreary, Pulaski, Rockcastle, Wayne, & Whitley, Counties, Kentucky | | | | | |
|---|---|---|---|---|---|
| Change: | | | | | |
| Boilermakers | $ 9.80 | 1.05 | 1.10 | 1.50 | .02 |

DECISION #KY77-1107 - Mod. #1
(42 FR 43331 - August 26, 1977)
Boone, Campbell, Kenton, & Pendleton Counties, Kentucky

| Change: | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Asbestos workers | $12.16 | .75 | 1.00 | | .02 |
| Boilermakers | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| Carpenters & Piledrivermen | 11.55 | .60 | .65 | | .075 |
| Electricians | 11.95 | .70 | 3% + .60 | | ½ of 1% |
| Elevator Constructors: | | | | | |
| Mechanics | 11.78 | .745 | .56 | 1&6+a+b | .035 |
| Helpers | 8.25 | .745 | .56 | 1&6+a+b | .035 |
| Probationary helpers | 5.89 | | | | |
| Ironworkers - reinforcing | 10.68 | .90 | 1.85 | | .02 |
| Line Construction: | | | | | |
| Linemen & machine operators | 11.95 | .70 | 3% + .60 | | ½ of 1% |
| Groundmen | 8.96 | .70 | 3% + .60 | | ½ of 1% |
| Marble setters | 11.485 | .55 | .35 | | |
| Marble setter finishers | 10.385 | | | | |
| Millwrights | 11.69 | .50 | .85 | | .10 |
| Painters: | | | | | |
| Brush, roller, taping, paperhanging, wall covering, & washing | 11.55 | | .25 | | |
| Steamcleaning | 11.70 | | .25 | | |
| Spray | 11.95 | | .25 | | |
| Drywall machine operators | 12.05 | | .25 | | |
| Sandblasting & waterblasting | 12.35 | | .25 | | |
| Plasterers | 12.295 | | .50 | | .02 |
| Plumbers & Gas fitters | 12.27 | .75 | 1.05 | | .05 |
| Power Equipment Operators: | | | | | |
| Group A | 11.81 | .61 | 1.00 | | .11 |
| Group B | 11.65 | .61 | 1.00 | | .11 |
| Group C | 11.29 | .61 | 1.00 | | .11 |
| Group D | 10.51 | .61 | 1.00 | | .11 |
| Group E | 10.18 | .61 | 1.00 | | .11 |
| Group F | 8.48 | .61 | 1.00 | | .11 |
| Sprinkler fitters | 12.10 | .75 | 1.05 | | .08 |
| Terrazzo workers & tile setters | 11.435 | .55 | .35 | | |
| Terrazzo finishers | 10.335 | | | | |
| Tile finishers | 10.285 | | | | |

Footnote:
a. Seven Paid Holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day.



DECISION #KY77-1108 - Mod. #1
(42 FR 43334 - August 26, 1977)
Fayette County, Kentucky

| Change: | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Asbestos workers | $11.73 | .60 | 1.00 | | |
| Boilermakers | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| Cement masons | 11.15 | | | | |
| Elevator constructors: | | | | | |
| Mechanics | 11.41 | .745 | .56 | 1&6+a+b | .035 |
| Helpers | 7.99 | .745 | .56 | 1&6+a+b | .035 |
| Probationary helpers | 5.705 | | | | |
| Glaziers | 10.50 | | | | |
| Plumbers & Pipefitters | 11.95 | .45 | .85 | | .02 |
| Roofers | 7.75 | .50 | | | .02 |
| Sheet metal workers | 11.65 | 1.102 | 1.05 | | .14 |
| Sprinkler fitters | 12.10 | .75 | 1.05 | | .08 |

Footnote:
a. Seven Paid Holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day.

DECISION #KY77-1110 - Mod. #1
(42 FR 43337 - August 26. 1977)
McCracken County, Kentucky

| Change: | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Asbestos workers | $11.35 | .45 | .60 | | .03 |
| Boilermakers | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| Carpenters & Soft floor layers | 9.00 | .45 | .25 | | .02 |
| Cement masons | 8.00 | .80 | .35 | | .04 |
| Electricians: | | | | | |
| Wiremen | 11.20 | .40 | 3% | | ¼ of 1% |
| Cable splicers | 11.45 | .40 | 3% | | ¼ of 1% |
| Elevator Constructors; | | | | | |
| Mechanics | 11.41 | .745 | .56 | 4%+a+b | .035 |
| Helpers | 7.99 | .745 | .56 | 4%+a+b | .035 |
| Probationary helpers | 5.705 | | | | |
| Laborers: | | | | | |
| Group 1 | 6.23 | .35 | .47 | | |
| Group 2 | 6.43 | .35 | .47 | | |
| Group 3 | 6.73 | .35 | .47 | | |
| Lathers | 8.61 | | .20 | .75 | .01 |
| Line Construction: | | | | | |
| Linemen & equipment operators | 11.15 | .45 | 3% | | ½ of 1% |
| Cable splicers | 11.40 | .45 | 3% | | ½ of 1% |
| Groundmen truck drivers | 8.40 | .45 | 3% | | ½ of 1% |
| Groundmen | 8.10 | .45 | 3% | | ½ of 1% |
| Millwrights & Piledrivermen | 9.35 | .45 | .25 | | .02 |
| Plumbers & Pipefitters | 10.70 | .60 | .65 | .50 | .08 |
| Roofers | 8.90 | | .10 | | |
| Sheet metal workers | 11.65 | 1.102 | 1.05 | | .14 |
| Sprinkler fitters | 12.10 | .75 | 1.05 | | .08 |
| Plasterers | 8.51 | | | .95 | .01 |

Footnote:
a. Seven Paid Holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day.



DECISION #KY77-1127 - Mod. #1
(42 FR 53051 - September 30, 1977)
Henderson County, Kentucky

| Change: | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Asbestos workers | $11.35 | .45 | .60 | | .03 |
| Boilermakers | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| Carpenters | 10.47 | .50 | 1.00 | | |
| Cement masons | 10.60 | .65 | .55 | | |
| Laborers: | | | | | |
| Group A | 8.30 | .70 | .50 | | .09 |
| Group B | 8.50 | .70 | .50 | | .09 |
| Group C | 8.60 | .70 | .50 | | .09 |
| Group D | 9.30 | .70 | .50 | | .09 |
| Millwrights | 10.89 | .50 | .90 | | |
| Painters: | | | | | |
| Brush & roller | 9.65 | .65 | .30 | | |
| Drywall tapers, paperhangers | 9.90 | .65 | .30 | | |
| Sandblasters, power tools | 10.40 | .65 | .30 | | |
| Spray | 10.65 | .65 | .30 | | |
| Piledrivermen | 10.72 | .50 | 1.00 | | |
| Roofers | 9.83 | .60 | .50 | | |
| Sprinkler fitters | 12.10 | .75 | 1.05 | | .08 |

| DECISION #KY77-1128 - Mod. #1 (42 FR 53053 - September 30, 1977) Franklin County, Kentucky | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Change: | | | | | |
| Asbestos workers | $11.73 | .60 | 1.00 | | |
| Boilermakers | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| Carpenters & Soft floor layers | 10.45 | .45 | .30 | | |
| Cement masons | 11.15 | | | | |
| Elevator constructors: | | | | | |
| Mechanics | 11.41 | .745 | .56 | 4%+a+b | .035 |
| Helpers | 7.99 | .745 | .56 | 4%+a+b | .035 |
| Probationary helpers | 5.705 | | | | |
| Millwrights & Piledrivermen | 10.95 | .45 | .30 | | |
| Plumbers & Pipefitters: | | | | | |
| Western 3/4 of County, including the City of Frankfort: | | | | | |
| Plumbers | 12.26 | .65 | 1.04 | .77 | .10 |
| Pipefitters | 12.94 | .64 | 1.15 | | .09 |
| Remainder of County: | | | | | |
| Plumbers & Pipefitters | 11.95 | .45 | .85 | | .02 |
| Roofers: | | | | | |
| Roofers | 8.00 | .60 | .40 | | |
| Slab, tile, & precast concrete slab | 8.40 | .60 | .40 | | |
| Sheet metal workers | 11.65 | 1.102 | 1.05 | | .14 |
| Sprinkler fitters | 12.10 | .75 | 1.05 | | .08 |
| Footnote: | | | | | |
| a Seven Paid Holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day. | | | | | |
| DECISION #KY77-1155 - Mod. #1 (42 FR 64617 - December 23, 1977) Daviess County, Kentucky | | | | | |
| Change: | | | | | |
| Bricklayers | 9.20 | .35 | .30 | | |
| Tile setters | 9.20 | .35 | .30 | | |



| DECISION #NV78-5009 - Mod. #1 (43 FR 10229 - March 10, 1978) Statewide (does not include the Nevada Test Site and Tonopah Test Range, and highway construction in Douglas County), Nevada | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Add: | | | | | |
| Drywall Installers: | | | | | |
| Clark, Esmeralda County (south of Hwy. #6), Lincoln, Nye County (south of Hwy. #6, including City of Tonopah): | | | | | |
| Zone 1: Area within the city limits of Henderson, Nevada, and Boulder City, Nevada; area within a 10 mile radius of Las Vegas, Nevada; area within a 5 mile radius of Tonopah, Nevada; present fenced area of Nellis Air Force Base, as well as that area adjacent to Nellis Air Force Base bounded on the north by the Nellis spur track and on the west by the train line of the Union Pacific Railroad: | $11.53 | .65 | .90 | $1.00 | .10 |
| Zone 2: Area outside of Zone 1 and not more than 20 road miles from the communities described above | 12.03 | .65 | .90 | 1.00 | .10 |
| Zone 3: Area over 20 miles and not more than 40 miles from the communities described in Zone 1 | 12.28 | .65 | .90 | 1.00 | .10 |
| Zone 4: Area over 40 miles from the communities described in Zone 1 | 13.53 | .65 | .90 | 1.00 | .10 |
| Change: | | | | | |
| Sprinkler Fitters | 15.50 | .75 | 1.05 | | .08 |

MODIFICATIONS P. 11

DECISION #NV78-5018 - Mod. #1
(43 FR 11447 - March 17, 1978)
Clark County (does not include the Nevada Test Site), Nevada

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Add: | | | | | |
| Drywall Installers: | | | | | |
| Zone 1: Area within the City limits of Henderson, Nevada and Boulder City, Nevada; area within a 10 mile radius of Las Vegas, Nevada; In Clark County, the present fenced area of Nellis Air Force Base, as well as that area adjacent to Nellis Air Force Base bounded on the north by the Nellis spur track and on the west by the train line of the Union Pacific Railroad | $11.53 | .65 | .90 | $1.00 | .10 |
| Zone 2: Area outside of Zone 1 and not more than 20 miles from the communities described above | 12.03 | .65 | .90 | 1.00 | .10 |
| Zone 3: Area over 20 miles and not more than 40 miles from the communities described in Zone 1: | 12.28 | .65 | .90 | 1.00 | .10 |
| Zone 4: Area over 40 miles from the communities described in Zone 1 | 13.53 | .65 | .90 | 1.00 | .10 |
| Change: | | | | | |
| Sprinkler Fitters | 15.50 | .75 | 1.05 | | .08 |

MODIFICATIONS P. 12

DECISION #NJ77-3079 - Mod. # 9
(42 FR 31080 - June 17, 1977)
Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, Monmouth, Ocean, and Salem Counties, New Jersey

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Change: | | | | | |
| Electricians & Cable Splicers: | | | | | |
| Zone 4 | $11.99 | 6% | 3%+1.10 | | .04 |
| Line Construction: | | | | | |
| Zone 4 | | | | | |
| Linemen | 11.99 | 6% | 3%+1.10 | | 3/4 of 1% |
| Line Digger Truck Drivers | 7.51 | 6% | 3%+1.10 | | 3/4 of 1% |
| Groundmen | 8.66 | 6% | 3%+1.10 | | 3/4 of 1% |
| Sprinkler Fitters: | | | | | |
| Zone 2 | 12.85 | .75 | 1.05 | | .08 |

DECISION #NJ77-3093 - Mod. #10
(42 FR-35567 - July 8, 1977)
Bergen, Essex, Hudson, Hunterdon, Middlesex, Morris, Passaic, Somerset, Sussex, Union & Warren Counties, New Jersey

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Change: | | | | | |
| Bricklayers, Stone Masons, Cement Masons & Plasterers: | | | | | |
| ZONE 2 | $10.50 | 1.97 | .95 | | .03 |

STATE: Alabama COUNTY: Madison
DECISION No.: AL78-1030 DATE: Date of Publication
Supersedes Decision No.: AL77-1040 dated April 1, 1977 in 42 FR-17752
DESCRIPTION OF WORK: Building construction (does not include residential construction consisting of single family homes and garden type apartments up to and including 4 stories).

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Asbestos workers | 10.51 | .45 | .40 | | .05 |
| Boilermakers | 9.95 | 1.05 | 1.00 | | .02 |
| Bricklayers | 9.75 | | | | |
| Carpenters | 8.40 | | | | .03 |
| Cement masons | 9.00 | | | | |
| Electricians: Linemen | 10.35 | .55 | 3%+.35 | | 1% |
| Glaziers | 6.00 | | | | |
| Ironworkers: | | | | | |
| Reinforcing | 8.855 | .50 | .50 | | .03 |
| Structural | 8.855 | .50 | .50 | | .03 |
| Laborers: | | | | | |
| Laborers, Mason tenders | 5.04 | .25 | .45 | | |
| Air tool op. (jackhammer, vibrator), Mortar mixers | 5.29 | .25 | .45 | | |
| Millwrights | 8.90 | | | | .03 |
| Painters: | | | | | |
| Commercial | 8.00 | | .25 | | .05 |
| Industrial | 8.75 | | .25 | | .05 |
| New Industrial | 9.25 | | .25 | | .05 |
| Plasterers | 9.25 | | | | |
| Plumbers Pipefitters | 10.50 | .50 | .55 | | .10 |
| Sheet metal workers | 10.05 | .69 | .82 | | .09 |
| Tile setter | 9.21 | | | | |
| POWER EQUIPMENT OPERATORS: | | | | | |
| Group A | 9.98 | .40 | .40 | | |
| Group B | 8.64 | .40 | .40 | | |
| Group C | 7.92 | .40 | .40 | | |

AL78-1030 - (Cont'd)

POWER EQUIPMENT OPERATORS:
(CONT'D)

Group A - Backhoe, bulldozers, crane, crane car, central mixing plant, concrete pump, derrick, dragline, dredge drill, elevating, grader, finishing machine (concrete), forklift, front end loader, gradall, grout pump, helicopter pilot, hoist, locomotive engineer, mechanic, motor patrol, mucking mechanic piledriver, post hole digger, scraper (pull type & self prop.), shovel, sweeper, tractor (spec. equip.,) trenching machine, well point & winch truck operators

Group B - Bituminous dist., central air comp., concrete mixer (port.) fireman floating equip., front end loader, rubber tire, ½ cu. yd. & under, locomotive brakeman, locomotive flagman, locomotive switchman, oiler-driver (35 tons crane & over) outboard motor boat (when used for towing), paving machine, portable hoist "Buck hoist type", post hole digger mounted on farm type tractor & walk behind type trenching machine operators

Group C - Air compressor (port.) conveyor, fireman stationary equip., oiler, outboard motor boat & pump operators

Oiler driver - additional $.10 per hour

All cranes, derricks & gantry operators such equipment with an overall height of 150', including jibs; all scrapers operators - additional $.25 per hour.

SUPERSEDEAS DECISION

STATE: Alabama COUNTIES: *See below
DECISION NO.: AL78-1031 DATE: Date of Publication
Supersedes Decision No.: AL77-1025 dated March 4, 1977 in 42 FR-12577
DESCRIPTION OF WORK: Building construction (excluding single family homes and garden type apartments up to and including 4 stories)

*Counties: Lawrence, Limestone, Morgan

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Asbestos workers | 10.86 | .45 | .60 | | .05 |
| Bricklayers: | | | | | |
| Bricklayers, Marble masons, Stonemasons, Pointers, Cleaners, & Caulkers | 9.75 | | | | |
| Carpenters: | | | | | |
| Carpenters, & Soft floor layers | 8.10 | .40 | .30 | | .03 |
| Millwrights | 8.74 | .40 | .30 | | .03 |
| Piledrivermen | 8.50 | .40 | .30 | | .03 |
| Cement masons | 9.00 | | | | |
| Electricians: | | | | | |
| Electricians, linemen | 10.35 | .55 | 3%+.35 | | 1% |
| Cable splicers | 10.60 | .55 | 3%+.35 | | 1% |
| Groundmen | 8.55 | .40 | 3%+.30 | | 1% |
| Elevator Constructors | 9.14 | .445 | .29 | 4%+a+b | .02 |
| | | | | | .02 |
| Ironworkers: | | | | | |
| Ornamental, reinforcing, structural | 8.405 | .40 | .35 | | .03 |
| Laborers (Lawrence County): | | | | | |
| Laborers, mason tenders, plasterers' tenders | 5.90 | .30 | .45 | | |
| Air tool operator (jackhammer, vibrator), mortar mixers, pipelayers | 6.10 | .30 | .45 | | |
| Laborers (Limestone & Morgan Counties): | | | | | |
| Laborers, mason tenders | 5.04 | .30 | .45 | | |
| Air tool operator (jackhammer, vibrator), mortar mixers | 5.29 | .30 | .45 | | |
| Plasterers & Troweling machine operator | 8.90 | | | | |
| Plumbers, pipefitters, steamfitters: | | | | | |
| Lawrence Co. (Eastern portion of Co., north from intersection of State Rt. 33 & Rt. 20 to Wheeler Lake including Moulton & Wren, excluding Bankhead National Park), Limestone Co. & Morgan Co. | 10.50 | .50 | .55 | | .10 |

AL78-1031 - (Cont'd) Page 2

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Plumbers, steamfitters: | | | | | |
| Lawrence Co., (Remaining portion) | 10.70 | .50 | .60 | | .08 |
| Roofers | 8.35 | | .20 | | .10 |
| Sheet metal workers | 10.05 | .69 | .82 | | .09 |
| Terrazzo workers & tile setters | 9.15 | | | | |

PAID HOLIDAYS:
A-New Year's Day, B-Memorial Day, C-Independence Day, D-Labor Day, E-Thanksgiving Day, F-Christmas Day.

FOOTNOTES:
a. 6 paid holidays: A through F.

b. Employer contributes 4% of regular hourly rate to Vacation Pay Credit for employee who has worked in the business more than 5 years. Employer contributes 2% of regular hourly rate to Vacation Pay Credit for employee who has worked in the business less than 5 years.

AL78-1031 - (Cont'd)

| POWER EQUIPMENT OPERATORS | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| GROUP A | 9.98 | .40 | .40 | | |
| GROUP B | 8.64 | .40 | .40 | | |
| GROUP C | 7.92 | .40 | .40 | | |

GROUP A - Backhoe, bulldozer, crane, crane car, central mixing plant, concrete pump, derrick, dragline, dredge, drill, elevating grader, finishing machine (concrete), forklift, front end loader, gradall, grout pump, helicopter pilot, hoist, locomotive engineer, mechanic, motor patrol, mucking machine, piledriver, post hole digger, scraper (pull type & self prop.) shovel, sweeper, tractor (spec. equip.), trenching machine, well point & winch truck operators

GROUP B - Bituminous dist., central air comp., concrete mixer (port.) fireman floating equip., front end loader, rubber tire, ½ cu. yd. & under, locomotive brakeman, locomotive flagman, locomotive switchman, oiler-driver (35 ton crane & over outboard motor boat (when used for towing), paving machine, portable hoist "Buck hoist type", post hole digger mounted on farm type tractor & walk behind type trenching machine operators

GROUP C - Air compressor (port.) conveyor, fireman stationary equip., oiler, outboard motor boat & pump operators

Oiler driver - additional $.10 per hour

All cranes, derricks & gantry operators operating such equipment with an overall height of 150', including jibs; all scraper operators - additional $.25 per hour.

SUPERSEDEAS DECISION

STATE: Idaho COUNTIES: Statewide
DECISION NUMBER: ID78-5017 DATE: Date of Publication
Supersedes Decision No. ID77-5089 dated October 7, 1977, in 42 FR 54709.
DESCRIPTION OF WORK: Building Construction (does not include single family homes and garden type apartments up to and including 4 stories), heavy and highway construction.

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| ASBESTOS WORKERS: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Idaho County (north half), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties | $ 12.75 | .51 | $ 1.20 | | |
| Remaining Counties and Idaho County (south half) | 11.21 | .84 | 1.20 | | |
| BOILERMAKERS: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties | 12.025 | 1.075 | 1.00 | .75 | .02 |
| Remaining Counties | 11.825 | 1.075 | 1.00 | .75 | .02 |
| BRICKLAYERS; Stonemasons: | | | | | |
| Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley and Washington Counties | 11.15 | .75 | 1.10 | | |
| Bannock, Bear Lake, Bingham County (south half), Caribou, Franklin, Oneida & Power Cos. | 10.25 | .50 | .50 | | |
| Benewah, Bonner, Boundary, Kootenai and Shoshone Counties | 12.00 | | | | |
| Blaine, Camas, Cassia, Gooding, Jerome, Lincoln, Minidoka and Twin Falls Counties | 9.90 | .35 | .40 | | |
| Clearwater, Idaho, Latah, Lewis, Nez Perce and Shoshone Counties | 11.01 | .65 | .70 | | .04 |
| CARPENTERS: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Idaho County (north of the northern boundary of Township #29 North), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties: Carpenters | 10.84 | .68 | .75 | | .075 |
| Piledrivermen; Sawfilers; Stationary power woodworking tool operator; Floor Layer; Floor Finisher; Floor Sander | 10.99 | .68 | .75 | | .075 |

| CARPENTERS: (Cont'd) | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Carpenters (burned, charred, creosoted or similarly treated material); Boom Man | $ 11.09 | .68 | .75 | | .075 |
| Millwrights and Machine Erectors | 11.34 | .68 | .75 | | .075 |
| Piledriver (creoted material) | 11.24 | .68 | .75 | | .075 |
| Remaining Counties and Idaho County (south of the northern boundary of Township #29 North): | | | | | |
| *Zone 1: | | | | | |
| Carpenters; Floor Layers; Shinglers; Drywall Applicator and Installer | 9.65 | .65 | .60 | .55 | .10 |
| Saw Filer; Piledrivermen; Bridgeman and Wharf Builders | 9.82 | .65 | .60 | .55 | .10 |
| Millwrights; Machine Erectors; Piledriverman's boom man | 9.94 | .65 | .60 | .55 | .10 |
| Zone 2: | | | | | |
| Carpenters; Floor Layers; Shinglers; Drywall Applicator and Installer | 10.90 | .65 | .60 | .55 | .10 |
| Saw Filer; Piledriverman; Bridge and Wharf Builders | 11.07 | .65 | .60 | .55 | .10 |
| Millwrights; Machine Erectors; Piledrivermen's boom man | 11.19 | .65 | .60 | .55 | .10 |

*For definition of Zones, see POWER EQUIPMENT OPERATORS - AREA 2.



CEMENT MASONS

Benewah, Bonner, Boundary, Clearwater, Idaho County (north of 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties

| | Zone 1 | Zone 2 | Zone 3 | Zone 4 | Zone 5 |
|---|---|---|---|---|---|
| Cement Masons | $10.28 | $10.88 | $11.13 | $11.58 | $11.98 |
| Gunnite; Power Machine; Power Troweling Machine; Power Magnesite or other material with oxichloride base | 10.43 | 11.03 | 11.28 | 11.73 | 12.13 |
| Power Tools | 10.73 | 11.33 | 11.58 | 12.03 | 12.43 |

FRINGE BENEFITS:

| | |
|---|---|
| Health & Welfare | $ .70 |
| Pensions | .85 |
| Apprenticeship Training | .05 |

Zone Pay

Zone 1: Area within a 15 mile radius from the center of the Cities listed below.

Zone 2: Area within 15 - 30 miles radius from the center of the Cities listed below.

Zone 3: Area withon 30 - 45 miles radius from the center of the Cities listed below.

Zone 4: Area within 45 - 90 miles radius from the center of the Cities listed below.

Zone 5: Area over 90 miles radius from the center of the Cities listed below.

Spokane Coeur d'Alene Lewiston

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| CEMENT MASONS: (Cont'd) | | | | | |
| Remaining Counties and Idaho County (south of 46th Parallel) (Cont'd): | | | | | |
| *Zone 1: | | | | | |
| Cement Masons | $ 9.17 | .74 | .45 | .70 | .15 |
| Power trowel; Power grinder; Gunnite and composition floor layer | 9.37 | .74 | .45 | .70 | .15 |
| Zone 2: | | | | | |
| Cement Masons | 10.42 | .74 | .45 | .70 | .15 |
| Power trowel; Power grinder; Gunnite and composition floor layer | 10.62 | .74 | .45 | .70 | .15 |
| *For Definition of Zones See POWER EQUIPMENT OPERATORS - AREA 2. | | | | | |
| ELECTRICIANS: | | | | | |
| Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley and Washington Cos.: | | | | | |
| Electricians | 10.75 | .70 | 3%+.50 | | 1% |
| Cable Splicers | 11.825 | .70 | 3%+.50 | | 1% |
| Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties: | | | | | |
| Electricians | 13.47 | .73 | 3%+.40 | | .02 |
| Cable Splicers | 13.87 | .73 | 3%+.40 | | .02 |
| Remaining Counties: | | | | | |
| Electricians; Technicians | 11.10 | .75 | 3%+.50 | | 1% |
| Cable Splicers | 12.21 | .75 | 3%+.50 | | 1% |
| ELEVATOR CONSTRUCTORS: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties: | | | | | |
| Elevator Constructors | 12.965 | .745 | .56 | 3%+a | .025 |
| Elevator Constructors' Helpers | 9.075 | .745 | .56 | 3%+a | .025 |
| Elevator Constructors' Helpers (Prob.) | 6.48 | | | | |
| Remaining Counties, except Adams, Lemhi, Valley and Washington Cos.: | | | | | |
| Elevator Constructors | 10.555 | .745 | .56 | 3%+a | .025 |
| Elevator Constructors' Helpers | 7.39 | .745 | .56 | 3%+a | .025 |
| Elevator Constructors' Helpers (Prob.) | 5.28 | | | | |



| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| GLAZIERS: | | | | | |
| Ada, Adams, Boise, Canyon, Elmore, Gem, Gooding County (western part of County from a line running north and south through the eastern limits of the City of Bliss), Idaho County (southern part of County from a line running east and west through the north limits of Elk City), Owyhee, Payette, Valley and Washington Counties | $ 10.00 | .35 | .30 | | .10 |
| Benewah, Clearwater, Idaho County (north of 46th Parallel), Latah, Lewis and Nez Perce Counties | 9.53 | .40 | .35 | b | |
| Bonner, Boundary, Kootenai, and Shoshone Counties | 10.49 | .35 | .10 | b+.43 | |
| Remaining Counties | 7.62 | .21 | | b | |
| IRONWORKERS: | | | | | |
| Ornamental; Reinforcing; Structural: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Idaho County (north of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties | 11.85 | .93 | 1.20 | | .10 |
| Those portions of Adams, Idaho, Valley and Washington Counties located south of the 46th Parallel and north of the Weiser-Gibbonsville Line | 11.85 | .93 | 1.20 | | .10 |
| Remaining Counties and those portions of Adams, Idaho, Valley and Washington Counties located south of the Weiser-Gibbonsville Line | 10.69 | .65 | 1.15 | | .02 |
| LATHERS: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Idaho County (north of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties | 9.95 | .70 | .85 | | |

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| MARBLE SETTERS: | | | | | |
| Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley and Washington Counties | $ 11.15 | .75 | $ 1.10 | | |
| Bannock, Bear Lake, Bingham County (south half), Caribou, Franklin, Oneida & Power Cos. | 8.95 | .50 | .50 | | |
| Benewah, Bonner, Boundary, Kootenai and Shoshone Counties | 12.00 | | | | |
| Clearwater, Idaho, Latah, Lewis and Nez Perce Counties | 11.01 | .65 | .70 | | .04 |
| PAINTERS: | | | | | |
| Ada, Adams, Boise, Canyon, Elmore (except Mt. Home AFB), Gem, Gooding (western third of County including City of Bliss), Idaho County (south of the 46th Parallel), Owyhee, Payette, Valley and Washington Counties: | | | | | |
| Painters and Tapers | 8.75 | .45 | .30 | | .07 |
| Elmore (Mt. Home AFB): | | | | | |
| Painters and Tapers | 9.75 | .45 | .30 | | .07 |
| Bannock, Bear Lake, Bingham, Blaine, Bonneville, Butte, Camas, Caribou, Cassia, Clark, Custer, Franklin, Fremont, Gooding (except the City of Bliss and western third of County), Jefferson, Jerome, Lemhi, Lincoln, Madison, Minidoka, Oneida, Power, Teton and Twin Falls Counties: | | | | | |
| Brush; Roller, Perfataper | 8.86 | .40 | .20 | | .005 |
| Structural Steel; Swing Stage; Spray | 9.31 | .40 | .20 | | .005 |
| Benewah, Bonner, Boundary, Clearwater, Idaho County (north of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties: | | | | | |
| Brush | 10.52 | .40 | .80 | | .02 |
| Spray; Steel; Steam Cleaning; Rollers (over 9" or 10" handle); Finish Drywall Taper | 10.77 | .40 | .80 | | .02 |



| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and or Appr. Tr. |
| PAINTERS: (Cont'd) | | | | | |
| Swing Stage; Over 30 ft. high | $ 10.87 | .40 | .80 | | .02 |
| Bitumastic; Sand Blast; Bridge; Towers; Stacks; Steeples; Tanks on legs | 10.92 | .40 | .80 | | .02 |
| PLASTERERS: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties | 10.13 | .70 | .85 | | |
| Remaining Counties | 8.83 | .74 | .45 | .70 | |
| PLASTERERS' TENDERS: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Idaho County (north of 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties | 9.35 | .83 | .70 | | .05 |
| PLUMBERS: | | | | | |
| Benewah, Bonner, Boundary, Clearwater, Kootenai, Latah, Nez Perce and Shoshone Cos. | 13.91 | .75 | 1.26 | | .12 |
| Remaining Counties and Idaho County (south of the 46th Parallel) | 11.37 | .69 | .90 | | .10 |
| ROOFERS: | | | | | |
| Ada, Adams, Boise, Camas, Canyon, Custer, Elmore, Gem, Idaho County (south of the 46th Parallel), Lemhi, Owyhee, Payette, Valley and Washington Counties: | | | | | |
| Roofers; Kettlemen | 9.25 | .60 | .30 | .50 | |
| Roofers working with coal tar and pitch products | 11.25 | .60 | .30 | .50 | |
| Bannock, Bear Lake, Bingham, Bonneville, Butte, Caribou, Clark, Franklin, Fremont, Jefferson, Madison, Oneida, Power and Teton Counties | 9.15 | | .40 | | |
| Benewah, Bonner, Boundary, Kootenai and Shoshone Counties | 9.69 | .60 | .75 | | .02 |

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and or Appr. Tr. |
| ROOFERS: (Cont'd) | | | | | |
| Clearwater, Idaho (north of the 46th Parallel), Latah, Lewis and Nez Perce Counties: Roofers; Kettlemen; Waterproofer | $ 10.05 | | | | |
| SHEET METAL WORKERS: | | | | | |
| Bannock, Bear Lake, Bingham, Bonneville, Butte, Caribou, Clark, Custer, Franklin, Fremont, Jefferson, Lemhi, Madison, Oneida, Power and Teton Counties | 10.52 | .41 | .25+.22 | | .08 |
| Benewah, Bonner, Boundary, Clearwater, Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties | 12.70 | .61 | 1.14 | | .14 |
| Remaining Counties | 10.94 | .57 | .52 | | .14 |
| SOFT FLOOR LAYERS: | | | | | |
| Ada, Adams, Boise, Canyon, Elmore, Gem, Gooding County (western third of County including City of Bliss), Idaho County (south of the 46th Parallel), Owyhee, Payette, Valley and Washington Counties | 7.26 | .49 | .10 | | .10 |
| Benewah, Bonner, Boundary, Clearwater, Idaho County (north of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties | 9.38 | .40 | .50 | .09 | |
| Remaining Counties | 7.50 | | | | |
| SPRINKLER FITTERS | 11.38 | .65 | .95 | | .08 |
| TERRAZZO WORKERS & TILE SETTERS: | | | | | |
| Ada, Adams, Boise, Canyon, Elmore, Gem, Owyhee, Payette, Valley and Washington Counties | 10.60 | .75 | 1.10 | | |
| Bannock, Bear Lake, Bingham County (South half), Caribou, Franklin, Oneida and Power Cos. | 8.95 | .50 | .50 | | |
| Benewah, Bonner, Boundary, Kootenai and Shoshone Counties | 12.00 | | | | |
| Clearwater, Idaho, Latah, Lewis and Nez Perce Counties | 10.75 | .65 | .70 | | |



WELDERS: Receive the rate prescribed for craft performing operation to which welding is incidental.

FOOTNOTES:

a. Employer credits 4% basic hourly rate of employee with over 5 years' service, 2% basic hourly rate for 6 months' to 5 years' service, to Vacation Plan. Six Paid Holidays: A through F.

b. All employees who have been employed for a period of one year shall have 2 weeks' vacation with pay. Also 7 Paid Holidays: A, B, C, E, F, plus Veterans' Day and the Day after Thanksgiving.

PAID HOLIDAYS:

A-New Year's Day; B-Memorial Day; C-Independence Day; D-Labor Day; E-Thanksgiving Day; F-Christmas Day.

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| LINE CONSTRUCTION WORKERS: (AREA 1): Benewah, Bonner, Boundary, Clearwater, Idaho, Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties: | | | | | |
| Cable Splicers; Leadman Pole Sprayer | $ 13.29 | .45 | 3%+.40 | .10 | 1/2% |
| Lineman; Pole Sprayer; Heavy Line Equipment Man; Certified Lineman Welder | 12.00 | .45 | 3%+.40 | .10 | 1/2% |
| Tree Trimmer | 10.84 | .45 | 3%+.40 | .10 | 1/2% |
| Line Equipment Man | 10.32 | .45 | 3%+.30 | .10 | 1/2% |
| Head Groundman (chipper); Head Groundman; Powderman; Jackhammer Man | 9.04 | .45 | 3%+.30 | .10 | 1/2% |
| Groundman; Tree Trimmer Helper | 8.50 | .45 | 3%+.30 | .10 | 1/2% |

ZONE PAY:

Each classification will receive the base rate plus zone A - $1.25, Zone B - $2.00, Zone C - $2.75, Zone D - $4.00.

BASE ZONE - 0 to 3 miles from geographical center of towns listed below.
ZONE A - 3 to 20 miles radius from geographical center of towns listed below
ZONE B - 20 to 35 miles radius from geographical center of towns listed below
ZONE C - 35 to 50 miles radius from geographical center of towns listed below
ZONE D - in excess of 50 miles from geographical center of towns listed below

| | | |
|---|---|---|
| Spokane | Coeur d'Alene | Kellog |
| Orofino | Sand Point | Lewiston |



| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| LINE CONSTRUCTION WORKERS: (Cont'd) (AREA 2) | | | | | |
| Remaining Counties: All power construction over 34.5 KV and all work on steel towers and/or multiple wood structures and all substations of 1,000 KVA or greater capacity, all communications, underground work, 34.5 KV, streets and highway lighting and motor traffic controls: | | | | | |
| Groundman | $ 7.48 | .45 | 3% | | 1/2% |
| Equipment Operators | 9.05 | .45 | 3% | | 1/2% |
| Cable Splicers | 10.93 | .45 | 3% | | 1/2% |
| Lineman | 9.94 | .45 | 3% | | 1/2% |
| All power construction of 34.5 KV and under when performed for an operating utility. Street lighting when performed for an operating utility or municipality: | | | | | |
| Groundman | 7.22 | .45 | 3% | | 1/2% |
| Equipment Operator | 8.47 | .45 | 3% | | 1/2% |
| Lineman | 9.41 | .45 | 3% | | 1/2% |

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| LABORERS: (AREA 1) Benewah, Bonner, Boundary, Clearwater, Idaho County (north of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties: | | | | | |
| Building Construction: | | | | | |
| Group 1 | $ 8.80 | .82 | .70 | | .05 |
| Group 2 | 9.05 | .82 | .70 | | .05 |
| Group 3 | 9.30 | .82 | .70 | | .05 |
| Group 4 | 9.55 | .82 | .70 | | .05 |
| Group 5-A | 9.50 | .82 | .70 | | .05 |
| Group 5-B | 9.55 | .82 | .70 | | .05 |
| Group 5-C | 9.95 | .82 | .70 | | .05 |
| Group 5-D | 10.00 | .82 | .70 | | .05 |



LABORERS (AREA 1)
Benewah, Bonner, Boundary, Clearwater, Idaho County (North of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties

Heavy and Highway Construction

| Group No. | Zone 1 | Zone 2 | Zone 3 | Zone 4 | Zone 5 |
|---|---|---|---|---|---|
| 1 | $8.80 | $9.40 | $9.65 | $10.00 | $10.50 |
| 2 | 9.05 | 9.65 | 9.90 | 10.35 | 10.75 |
| 3 | 9.30 | 9.90 | 10.15 | 10.61 | 11.00 |
| 4 | 9.55 | 10.15 | 10.40 | 10.85 | 11.25 |
| 5-A | 9.50 | 10.10 | 10.35 | 10.80 | 11.20 |
| 5-B | 9.55 | 10.15 | 10.40 | 10.85 | 11.25 |
| 5-C | 9.95 | 10.55 | 10.80 | 11.25 | 11.65 |
| 5-D | 10.00 | 10.60 | 10.85 | 11.30 | 11.70 |

FRINGE BENEFITS:

| | |
|---|---|
| Health & Welfare | $.82 |
| Pensions | .70 |
| Apprenticeship Training | .05 |

Definition of Zones:

Zone 1: Area within a 15 mile radius from the center of the Cities listed below

Zone 2: Area within 15-30 miles radius from the center of the Cities listed below

Zone 3: Area within 30-45 miles radius from the center of the Cities listed below

Zone 4: Area within 45-90 miles radius from the center of the Cities listed below

Zone 5: Area over 90 miles radius from the center of the Cities listed below

Spokane Coeur d'Alene Lewiston

LABORERS (AREA 1)

Benewah, Bonner, Boundary, Clearwater, Idaho County (north of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce, Shoshone Counties

Building, Heavy and Highway Construction

Group 1: Brush Hog Feeder; Concrete Crewman; Concrete Signalman; Crusher Feeder; Demolition; Dumpman; Fence Erector; Flagman; General Laborer; Grout Machine Header Tender; Nipper; Riprap Man; Scaffold Erector, wood or steel; Scaleman; Stake Jumper; Structural Mover; Tailhoseman (water nozzle); Timber Bucker and Faller (by hand); Track Laborer (RR); Truck Loader; Well-point Man; Window Cleaner

Group 2: Asphalt Raker; Asphalt Roller, walking; Carpenter Tender; Cement Finisher Tender; Cement Handler; Concrete Saw, walking; Demolition Torch; Dope Pot Fireman, non-mechanical; Form Cleaning Machine, feeder, stacker; Form Setter, paving; Grade Checker using level; Jackhammer Operator; Nozzleman (squeeze and flo-crete nozzle); Nozzleman, water, air or steam; Pavement Breaker; Pipelayer, corrugated metal Culvert; Pipelayer, multi-section; Pot Tender; Power Buggy Operator; Power Tool Operator, gas, electric, penumatic; Railroad equipment, power driven except dual mobile power spiker or puller; Railroad power spiker or puller, dual mobile; Rodder and Spreader; Sandblast Tailhoseman; Tamper; Trencher; Shawnee; Tugger Operator; Vibrator, under 4 inches; Wagon Drills; Water Pipe Liner; Wheelbarrow, power driven

Group 3: Air Track Drill; Brush Machine; Caisson worker, free air; Chain Saw Operator and faller; Concrete Stack; Gunite; High Scaler; Hod Carrier; Laser Beam Operator; Monitor Operator, Air Track or similar mounting; Mortar Mixer; Nozzleman (jet blasting nozzleman, over 1200 lbs., jet blast machine power-propelled, sandblast nozzle); Pipelayer (working topman, caulker, collarman, jointer, mortarman, rigger, jacker, shorer, valve or meter installer); Pipewrapper; Vibrator, 4 inches and over

Group 4: Drills with dual masts; Powderman; Welder, electric, manual or automatic

TUNNEL AND SHAFT, Free Air

Group 5:

Class A: Bull Gang; PUmp Crete Crewman, including distributing Pipe, Assembling and dismantle and Nipper

Class B: Brakeman; Dumpman

Class C: Miner and Nozzleman for concrete and Laser Beam Operator on tunnels

Class D: Raise and Shaft Miner; Laser Beam Operator on raises and Shafts





| LABORERS: (AREA 2) | Basic Hourly Rates | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|---|
| | | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Remaining Counties and Idaho County (south of the 46th Parallel) | ZONE 1 | ZONE 2 | | | | |
| Group 1 | $ 7.66 | $ 8.91 | .75 | .97 | .30 | .10 |
| Group 2 | 7.76 | 9.01 | .75 | .97 | .30 | .10 |
| Group 3 | 7.86 | 9.11 | .75 | .97 | .30 | .10 |
| Group 4 | 7.96 | 9.21 | .75 | .97 | .30 | .10 |
| Group 5 | 8.01 | 9.26 | .75 | .97 | .30 | .10 |
| Group 6 | 8.26 | 9.51 | .75 | .97 | .30 | .10 |
| Group 7 | 8.51 | 9.76 | .75 | .97 | .30 | .10 |
| Underground Work: | | | | | | |
| Group 8 | 7.81 | 9.06 | .75 | .97 | .30 | .10 |
| Group 9 | 7.96 | 9.21 | .75 | .97 | .30 | .10 |
| Group 10 | 8.26 | 9.51 | .75 | .97 | .30 | .10 |

ZONE PAY:

ZONE 1: Area located within 20 miles on either side of Interstate 80 North, from the Oregon-Idaho State Line on the west to the intersection of Interstate 80 North and Interstate 15 West in Cassia County; then following Interstate 15 West to Pocatello; then following Interstate 15 North to Idaho Falls; then following State Highway 191 north to the intersection with Moody Road (approximately 2 miles north of the City of Rexburg); then following Interstate 15 south through the City of Pocatello to a point approximately 1 mile south of the City of Downey, which point is located by extending the northerly boundary of Franklin County to the west.

ZONE 2: Remaining area of that portion of the State of Idaho south of Parallel 46 (Washington-Oregon State Line extended eastward toward Montana) that is not included in Zone 1.

LABORERS (AREA 2)
Remaining Counties and Idaho County (South of the 46th Parallel)

Group 1: General Laborers; Sloper, clearing and grading; Form Stripper; Concrete Crew; Concrete Curing Crew; Carpenter Tender; Asphalt Laborer; Hopper Tender; Heater Tender; Stake Jumper; Choker Setter; Spreader and Weighman; Power Wheelbarrow; Scouring Concrete; Rip Rap Man (hand placed); Fence Erector and Installer - manual or mechanical (includes the installation and erection of fences, guard rails, median rails, reference posts, guide posts and right-of-way markers); Crusher Helper; Cribbing and Shoring (in open ditches); Machinery and Parts Cleaner; Leverman - manual or mechanical; Demolition - Salvage; Landscaper; Tool Room Man; Janitor

Group 2: Chuck Tender; Driller Helper; Air Tampers; Gunite Nozzleman Tender; Pipewrapper; Tar Pot Tender; Concrete Sawyer; Signalman, handling cement; Dumpman; Steam Nozzleman; Air and Water Nozzleman (Green Cutter, concrete); Vibrator (less than 4"); Pumpcrete and Grout Pump Crew; Hydraulic Monitor

Group 3: Pipelayer, including sewer, drainage, sprinkler systems and water lines; Free Air Caisson; Jackhammer; Paving Breaker; Powderman Helper; Asphalt Raker; Gasoline powered Tamper; Electric Ballast Tamper; Sand Blasting; Form Setter - airport paving; Gunman (gunite); Manhole Setter; Hand guided machines, such as Roto Tillers, Trenchers, Post Hole Diggers, Walking Garden Tractors, etc.; Form Setter (highway - curb and gutter); Vibrator (4" and over); Timber Faller and Bucker; Metal Pan Installer

Group 4: Hod Carrier; Mason Tender; Plaster Tender; Mason Tender (concrete); Terrazzo-Tile Tender

Group 5: Highscaler; Wagon Drill; Grade Checker; Gunite Nozzleman

Group 6: Diamond Drills; Drillers on Drills with manufacturers' rating 3" and over

Group 7: Powderman

UNDERGROUND WORK

Group 8: Reboundman; Chucktender; Nipper; Dumpman; Vibrator (less than 4"); Brakeman; Muckers; Bullgang

Group 9: Form Setter and Mover

Group 10: Miners; Machinemen; Timbermen; Steelmen; Drill Doctors; Spaders and Tuggers; Spilling and/or Caisson Workers; Vibrator (over 4")



POWER EQUIPMENT OPERATORS (AREA 1)
Benwah, Bonner, Boundary, Clearwater, Idaho County (North of the 46th Parallel), Kootenai, Latah, Lewis, Nex Perce and Shoshone Counties

| Group No. | Zone 1 | Zone 2 | Zone 3 | Zone 4 | Zone 5 |
|---|---|---|---|---|---|
| 1 | $9.30 | $9.90 | $10.15 | $10.60 | $11.00 |
| 2 | 9.60 | 10.20 | 10.45 | 10.90 | 11.30 |
| 3 | 10.15 | 10.75 | 11.00 | 11.45 | 11.85 |
| 4 | 10.30 | 10.90 | 11.15 | 11.60 | 12.00 |
| 5 | 10.45 | 11.05 | 11.30 | 11.75 | 12.15 |
| 6 | 10.70 | 11.30 | 11.55 | 12.00 | 12.40 |
| 7 | 10.95 | 11.55 | 11.80 | 12.25 | 12.65 |

FRINGE BENEFITS:

| | |
|---|---|
| Health and Welfare | $.90 |
| Pensions | 1.15 |
| Apprenticeship Training | .03 |

ZONE PAY

Zone 1: Area within a 15 mile radius from the center of the Cities listed below

Zone 2: Area within 15-30 miles radius from the center of the Cities listed below

Zone 3: Area within 30-45 miles radius from the center of the Cities listed below

Zone 4: Area within 45-90 miles radius from the center of the Cities listed below

Zone 5: Area over 90 miles radius from the center of the Cities listed below

Spokane Coeur d'Alene Lewiston

POWER EQUIPMENT OPERATORS (Area 1)
Benewah, Bonner, Boundary, Clearwater, Idaho County (North of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties

Group 1: Bit Grinders; Bolt Threading Machine; Compressors, under 2,000 cu. ft. per minute gas, diesel or electric power; Crusher Feeder (mechanical); Deckhand; Drillers' Helper; Fireman and Heater Tender; Grade Checker; Helper (mechanic or welder, H.D.): Oiler; Oiler and Cable Tender; Mucking Maching Machine; Pumpman; Rollers, all types on subgrade (farm type, Case, John Deere and similar - or compacting or vibrator) except when pulled by Dozer with operable blade; Steam Cleaner; Welding Machine

Group 2: A-Frame Truck (single-drum); Assistant Refrigeration Plant (under 1,000 tons); Assistant Plant Operator; Fireman or Pugmixer (asphalt); Bagley or stationary Scraper; Batch Plant and Wet Mix Operator, single unit (Concrete); Belt Finishing Machine; Bending Machine (pipeline); Blower Operator (cement); Cement Hog; Compressor (2,000 cu. ft. or over, 2 or more - gas, diesel or electric power); Concrete Saw (multiple cut); Distributor Leverman; Elevator Hoisting Materials; Dope Pots (power agitated); Fork Lift or Lumber Stacker, Hydra-lift and similar; Gin Trucks (pipeline); Hoist, single drum; Loader (Bucket Elevators and Conveyors); Longitudinal Float; Mixer (portable-concrete); Pavement Breaker (Hydra-hammer and similar); Post Hole Auger or Punch; Power Broom; Railroad Ballast Regulation Operator (self-propelled); Railroad Power Tamper Operator, (self-propelled); Railroad Power Tamper Jack Operator (self-propelled); Spray Curing Machine (concrete); Spreader Box (self-propelled); Straddle Buggy (Ross and similar on construction job site); Tractor (farm type R/T with attachments except Backhoe); Tugger Operator; Ditch Witch or similar

Group 3: A-Frame Truck (2 or more drums); Assistant Refrigeration Plant and Chiller Operator (over 1,000 tons); Backfillers (Cleveland and similar); Belt-crete Conveyors with power pack or similar; Belt Loader (Kocal or similar); Blade Operator (motor patrol and attachments); Boat Operators; Boom Cats (side); Boring Machine (earth); Boring Machine (rock under 8" bit)(Quarry Master, Joy or similar); Bump Cutter (Wayne, Saginaw or similar); Canal Lining machine (concrete); Chipper (without crane); Cleaning and Doping Machine Pipeline); Concrete Pumps (squeeze-crete, flow-crete, pumpcrete, Whitman and similar); Drills (Churn, Core, Calyx or Diamond); Elevating Belt-type Loader (Euclid, Barber Greene or similar); Elevating Grader-type Loader (Dumor, Adams, or similar); Equipment Serviceman, Greaser and Oiler; Generator Plant Engineers (diesel, electric); Gunite Combination Mixer and Compressor; Hoist (2 or more drums or tower hoist); Loaders (overhead and front-end under 4 yds., R/T); Locomotive Engineer; Mixermobile; Mucking Machine; Power or Curb Extruder (asphalt and concrete); Pump (Grout or Jet); Rollerman (finishing pavement); Rubber-tired Scraper (one motor with one scraper, under 40 yds.); Screed Operator; Soil Stabilizer (P & H or similar); Spreader Machine; Tractor (crawler including Dozer, Scraper, Drills, Booms, Rollers, etc.); Traverse Finishing Machine; Trenching Machines (under 7 ft. depth capacity); Turnhead Operator; Vacuum Drill (reverse circulation drill, under 8")



POWER EQUIPMENT OPERATORS (AREA 1) (Cont'd)
Benewah, Bonner, Boundary, Clearwater, Idaho County (North of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties

Group 4: Asphalt Plant Operator; Crusher; Grizzle and Screening Plant Operator; H.D. Mechanic; H.D. Welder; Refrigeration Plant Engineer (under 1,000 tons); Rubber-tired Scraper, Multi-engine power, with one scraper (Euclid, TS-24 and similar); Rubber-tired Scraper, one motor with one scraper (40 yards and over); Surface Heater and Planer Machine; Turnhead (with re-screening)

Group 5: Automatic subgrader (ditches and trimmers)(Autograde, ABC, R.A. Hansen and similar on grade wire); Backhoes (under 3 yards); Batch and Wet Mix Operator - multiple units (2 and including 4); Chipper (with crane); Clamshell Operator (under 3 yds.); Concrete Slip Form Paver; Cranes all (under 65 tons); Derricks and Stifflegs (under 65 tons); Draglines (under 3 yds.); Drilling Equipment (8" bit and over) (Robbin's Reverse Circulation and similar); Loader Operator (Front End and Overhead 4 yds. to 8 yds.); Piledriving Engineers; Paver (dual drum); Quad-track or similar equipment; Railroad Track Liner Operator (self-propelled); Rubber-tired Scrapers, multi-engine, power with one scraper (Euclid, TS-24 and similar); Push Pull or Help Mate in use; Rubber-tired Scrapers, multiple engines with two scrapers; Shovels (under 3 yds.); Refrigeration Plant Engineer (1,000 tons and over); Signalmen (Whirleys, Highline Hammerheads or similar); Trenching Machines (7 ft. depth and over); Multiple Dozer units with single blade

Group 6: Backhoes (3 yds. and over); Batch Plant (over 4 units); Cableway Controller - Dispatcher; Cableway Operator; Clamshell Operator (3 yds. and over); Cranes, all - 65 tons and over; Derricks and Stifflegs (65 tons and over); Draglines (3 yds. and over); Elevating Belt (Holland type); Loader (360 degrees revolving Koehring Scooper or similar); Loaders (overhead and front-end over 8 yds. to 12 yds.); Rubber-tired Scrapers (multiple engine with three or more scrapers); Shovels (3 yds. and over); Tower Crane; Whirleys and Hammerheads (all)

Group 7: Helicopter Pilot; Loaders (overhead and front-end - over 12 yards)

| POWER EQUIPMENT OPERATORS (AREA 2) | Basic Hourly Rates | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|---|
| | | | H & W | Pensions | Vocation | Education and/or Appr. Tr. |
| Remaining Counties and Idaho County (south of the 46th Parallel) | ZONE 1 | ZONE 2 | | | | |
| Group 1 | $ 9.11 | $10.36 | .80 | .85 | | .10 |
| Group 2 | 9.27 | 10.52 | .80 | .85 | | .10 |
| Group 3 | 9.64 | 10.89 | .80 | .85 | | .10 |
| Group 4 | 9.95 | 11.20 | .80 | .85 | | .10 |
| Group 5 | 10.12 | 11.37 | .80 | .85 | | .10 |
| Group 6 | 10.30 | 11.55 | .80 | .85 | | .10 |
| Group 7 | 10.66 | 11.91 | .80 | .85 | | .10 |
| Group 8 | 10.89 | 12.14 | .80 | .85 | | .10 |
| Group 9 | 11.12 | 12.37 | .80 | .85 | | .10 |
| Group 10 | 11.36 | 12.61 | .80 | .85 | | .10 |

Definitions of Zones:

Zone 1: Area located within 20 miles on either side of Inerstate 80 North, from the Oregon-Idaho State Line on the west to the intersection of Interstate 80 North and Interstate 15 west in Cassia County; then following Interstate 15 west to Pocatello; then following Interstate 15 North to Idaho Falls; then followingState Highway 191 north to the intersection with Moody Road (approximately 2 miles north of the City of Rexburg); then following Interstate 15 South through the City of Pocatello to a point approximately 1 mile south of the City of Downey, which point is located by extending the northerly boundary of Franklin County to the west.

Zone 2: Remaining area of that portion of the State of Idaho south of Parallel 46 (Washington-Oregon State Line extended eastward toward Montana) that is not included in Zone 1.



POWER EQUIPMENT OPERATORS (Area 2)
Remaining Counties and Idaho County (South of the 46th Parallel)

Group 1: Brakemen; Crusher; Plant Feeder (mechanical); Deckhand; Drill Helpers; Grade Checkers; Heater Tender; Land Plane; Oilers; Pumpman

Group 2: Air Compressor; Asphalt Refrigeration Plant Operator; Bell Boy; Bit Grinder; Blower Operator (Cement); Bolt Threader Machine Operator; Broom; Cement Hog; Concrete Mixer; Concrete Saw - multiple cut; Discing - harrowing or mulching (regardless of motive power); Distributor Leverman; Drill Steel Threader Machine Operator; Fireman - all; Heavy Duty Mechanic Helper or Welder Helper; Hoist - single drum; Hydraulic Monitor Operator - skid mounted; Oiler (single piece of equipment); Pugmixer - box or screed Operator; Spray Curing Machine; Tractor - rubber-tired farm type using attachments

Group 3: A-Frame Truck (Hydra Lift, Swedish Cranes, Ross Carrier, Hyster on construction jobs); Battery Tunnel Locomotive; Belt Finishing Machine; Cable Tenders (underground); Chip Spreader Machine (self-propelled); Hoist, 2 or more drums or Tower Hoist; Hydralift - Fork Lift and similar (when hoisting); Oiler (underground); Power Loader (Bucket Elevator, Conveyors); Road Roller (regardless of motive power)

Group 4: Boring Machine (earth or rock) (Quarry Master - Joy) (Tractor mounted); Drills: Churn - Core - Calyx or Diamond; Front End and Overhead Loaders and similar machines - (up to and including 4 yds.) - (rubber-tired); Grout Pump; Hydra-hammer; Locomotive Engineer; Longitudinal Float Machine; Mixer-mobile; Spreader Machine; Tractor - rubber-tired - using Back-hoe, Transverse Finishing Machine, Trenching Machine, Waggoner Compactor and similar, Asphalt Spreaders

POWER EQUIPMENT OPERATORS (AREA 2) (CONT'D)
Remaining Counties and Idaho County (South of the 46th Parallel)

Group 5: Concrete Plant Operator; Concrete Road Paver (dual); Elevating Grader Operator; Euclid Elevating Loader; Generator Plant Operator - mechanic (diesel - electric); Post Hole Auger or Punch Operator; Power Shovels and Draglines - under 1 yard; Pump-crete; Refrigeration Plant Operator; Road Roller (Finishing High type Pavement); Skidder - rubber-tired; Subgrader; Multiple station Beltline Operator (Teton Dam Project only); Service Oiler

Group 6: Asphalt Pavers - self-propelled; Asphalt Plant Operator; Blade Operator (motor patrol); Concrete Slip Form Paver; Cranes up to and including 50 ton; Crusher Plant Operator; Derrick Operator; Drilling Equipment (Bit under 8 inches)(Robbins Reverse Circulation and similar); Front End and Overhead Loaders and similar machines (over 4 yds. to and including 7 yds.); Koehring Scooper; Heavy Duty Mechanic or Welder; Mucking Machine (underground); Multi-batch Concrete Plant Operator; Piledriver Engineer; Power Shovels and Draglines (1 yd. to and including 3½ yds.); Tower Crane Operator; Tractor - Crawler type - including all attachments; Refrigeration Plant Operator (over 1,000 tons); Trimmer Machine Operator; Tournapulls - Euclid and similar - to and including 40 yds.

Group 7: Cableway Operator; Continuous Excavator (Barber Greene WL-50); Cranes - over 50 ton; Dredges; Drilling Equipment (Bit 8 inches and over) (Robbins Reverse Circulation and similar); Fine Grader - CMI or Equivalent; Front End and Overhead Loaders and similar machines (over 7 yds.); Power shovels and Draglines (over 3½ yds.); Quad type tractors with all attachments; Tournapulls Euclid and similar - over 40 yds. to and including 50 yds.; Multiple Scraper Units

Group 8: Tournapulls - Euclid and similar - over 50 yds. to and including 75 yds.

Group 9: Tournapulls - Euclid and similar - over 75 yds. to and including 100 yds.

Group 10: Tournapulls - Euclid and similar - over 100 yds.





TRUCK DRIVERS (AREA 1)
Benewah, Bonner, Boundary, Clearwater, Idaho County (North of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties

| Group NO. | Zone 1 | Zone 2 | Zone 3 | Zone 4 | Zone 5 |
|---|---|---|---|---|---|
| 1 | $10.18 | $10.78 | $11.03 | $11.48 | $11.88 |
| 2 | 10.22 | 10.82 | 11.07 | 11.52 | 11.92 |
| 3 | 10.28 | 10.88 | 11.13 | 11.58 | 11.98 |
| 4 | 10.37 | 10.97 | 11.22 | 11.67 | 12.07 |
| 5 | 10.58 | 11.18 | 11.43 | 11.88 | 12.28 |
| 6 | 10.62 | 11.22 | 11.47 | 11.92 | 12.32 |
| 7 | 10.68 | 11.28 | 11.53 | 11.98 | 12.38 |
| 8 | 10.72 | 11.32 | 11.57 | 12.02 | 12.42 |
| 9 | 10.83 | 11.43 | 11.68 | 12.13 | 12.53 |
| 10 | 10.87 | 11.47 | 11.72 | 12.17 | 12.57 |
| 11 | 11.18 | 11.78 | 12.03 | 12.48 | 12.88 |
| 12 | 11.32 | 11.92 | 12.17 | 12.62 | 13.02 |
| 13 | 11.48 | 12.08 | 12.33 | 12.78 | 13.18 |
| 14 | 11.62 | 12.22 | 12.47 | 12.92 | 13.32 |

FRINGE BENEFITS:

| | |
|---|---|
| Health and Welfare | $1.07 |
| Pensions | .75 |

Definitions of Zones:

Zone 1: Area within a 15 mile radius from the center of the Cities listed below

Zone 2: Area within 15-30 miles radius from the center of the Cities listed below

Zone 3: Area within 30-45 miles radius from the center of the Cities listed below

Zone 4: Area within 45-90 miles radius from the center of the Cities listed below

Zone 5: Area over 90 miles radius from the center of the Cities listed below

Spokane Coeur d'Alene Lewiston

TRUCK DRIVERS
(AREA 2)
Remaining Counties and Idaho County (South of the 46 Parallel)

| | Basic Hourly Rates | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|---|
| | | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| | *ZONE 1 | ZONE 2 | | | | |
| Group 1 | $ 8.81 | $10.06 | .75 | .70 | .45 | .10 |
| Group 2 | 8.87 | 10.12 | .75 | .70 | .45 | .10 |
| Group 3 | 8.93 | 10.18 | .75 | .70 | .45 | .10 |
| Group 4 | 8.99 | 10.24 | .75 | .70 | .45 | .10 |
| Group 5 | 9.04 | 10.29 | .75 | .70 | .45 | .10 |
| Group 6 | 9.30 | 10.55 | .75 | .70 | .45 | .10 |
| Group 7 | 9.36 | 10.61 | .75 | .70 | .45 | .10 |
| Group 8 | 9.42 | 10.67 | .75 | .70 | .45 | .10 |
| Group 9 | 9.53 | 10.78 | .75 | .70 | .45 | .10 |
| Group 10 | 9.59 | 10.84 | .75 | .70 | .45 | .10 |
| Group 11 | 9.65 | 10.90 | .75 | .70 | .45 | .10 |
| Group 12 | 9.71 | 10.96 | .75 | .70 | .45 | .10 |
| Group 13: | | | | | | |
| Class A | 9.19 | 10.44 | .75 | .70 | .45 | .10 |
| Class B | 9.40 | 10.65 | .75 | .70 | .45 | .10 |
| Class C | 9.53 | 10.78 | .75 | .70 | .45 | .10 |
| Class D | 9.71 | 10.96 | .75 | .70 | .45 | .10 |
| Class E | 9.82 | 11.07 | .75 | .70 | .45 | .10 |
| Class F | 9.94 | 11.19 | .75 | .70 | .45 | .10 |
| Class G | 10.22 | 11.47 | .75 | .70 | .45 | .10 |
| Class H | 10.45 | 11.70 | .75 | .70 | .45 | .10 |
| Class I | 10.68 | 11.93 | .75 | .70 | .45 | .10 |
| Group 14 | 10.10 | 11.35 | .75 | .70 | .45 | .10 |

*For Definition of Zones, See POWER EQUIPMENT OPERATORS - AREA 2.



TRUCK DRIVERS (AREA 1)
Benewah, Bonner, Boundary, Clearwater, Idaho County (north of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties

Group 1: Flat Bed Truck, single rear axle; Escort Driver; Fish Truck; Fork Lift, 3,000 lbs. and under; Fuel Truck Driver (steam cleaner and washer); Helper and Swamper; Leverperson loading trucks at bunkers; Pickup hauling material; Seeder and Mulcher; Stationary Fuel Operator; Team Driver; Tractor (small rubber tired pulling trailer or similar equipment); Water Tank Truck 1,800 gallons and under

Group 2: Bus Driver or Employeehaul Driver; Flat Bed Truck, dual rear axle; Power Boat hauling employees or material; Tireperson No. 1

Group 3: Buggy Mobile and similar; Bulk Cement Tanker; Oil Tank Driver; Power operated Sweeper; Semi-trailer, Low Bed, Truck and Trailer; Straddle Carrier (Ross, Hyster and similar); Transit Mixers and Trucks hauling concrete (3 yds. and under); Trucks, side, end and bottom dump (under 6 yds.); Water Tank Truck (1,801 to 4,000 gallons)

Group 4: Auto Crane - 2,000 lbs. capacity; Bulk Cement Spreader; Dumptor (6 yds. and under); Flaherty Spreader, Box Driver, Flat Bed Truck (using power take off); Fork Lift (over 3,000 lbs.); Oil Distributor Driver (road, bootperson, leverperson helper); Rubber-tired Tunnel Jumbo; Scissor Truck; Slurry Truck Driver; Transit Mixers and Trucks hauling concrete (over 3 yds. to 6 yds.); Water Tank Truck (4,001 to 6,000 gallons); Wrecker and Tow Trucks

Group 5: Low Boy (under 50 tons); Service Greaser; Tireperson No. 2; Trucks, side, end and bottom dump (over 6 yds. to 12 yds.)

Group 6: A-Frame (Swedish Crane, Iowa 3,000, Hydrolift); Water Tank Truck (over 6,001 to 8,000 gallons)

Group 7: Dumptor (over 6 yds.); Transit Mixers and Trucks hauling concrete (6 yds. to 10 yds.); Trucks, side, end and bottom dump (over 12 yds. including 20 yds.)

Group 8: Low Boy (over 50 tons); Water Tank Truck (8,001 to 10,000 gallons)

TRUCK DRIVERS (AREA 1) (CONT'D)

Benewah, Bonner, Boundary, Clearwater, Idaho County (North of the 46th Parallel), Kootenai, Latah, Lewis, Nez Perce and Shoshone Counties

Group 9: Transit Mixers and Trucks hauling concrete, (10 yds. to 15 yds.); Trucks, side, end and bottom dump (over 20 yds. including 30 yds.); Water Tank Trucks (10,001 to 12,000 gallons)

Group 10: Mechanic, field

Group 11: Tournarocker, D.W.'s and similar, with 2 or 4 wheel power tractor with trailer, gallonage or yardage scale, which is greater; Transit Mixers and Trucks hauling concrete (15 yds. to 20 yds.); Trucks, side, end and bottom dump (over 30 yds. to 40 yds.); Water Tank Truck (12,001 to 14,000 gallons)

Group 12: Transit Mixers and Trucks hauling concrete (over 20 yds); Trucks, side, end and bottom dump (over 40 yds. to 50 yds.)

Group 13: Truck, side, end and bottom dump (over 50 yds. to 100 yds.)

Group 14: Helicopter Pilot hauling employees or material; Trucks, side, end and bottom dump (over 100 yds.)

TRUCK DRIVERS (AREA 2)

Remaining Counties and Idaho County (South of the 46th Parallel)

Group 1: Leverman loading at Bunkers; Pilot Car or Escort Driver

Group 2: Flat Bed - 2 axle and pickup hauling materials; Water Tank Truck (1,800 gallons and under); Fork Lift (3,000 and under)

Group 3: Flat Bed - 3 axle; Fuel Truck (1,000 gallons and under); Greaser; Tireman; Serviceman; Buggymobile; Man Haul (Shuttle Truck or Bus)

Group 4: Transit Mix Truck - 3 yds. and under; Truck Helpers; Slurry or concrete pumping Truck

Group 5: Flat Bed using power takeoff; Water Tank Truck (over 1,800 to 4,000 gallons); Semi-trailer - Low Boy - up to 96,000 lbs. GVW; Bulk Cement Tanker - up to 96,000 lbs. GVW; Fork Lift - over 3,000 lbs. (Bull Lift, Hydro Lift); Ross, Hyster and similar straddle equipment; "A" Frame Truck (Sewdish Crane, Iowa 3,000, Hydro-lift)



TRUCK DRIVERS (AREA 2) (Cont'd)

Remaining Counties and Idaho County (South of the 46th Parallel)

Group 6: Transit Mix Truck, over 3 yds. - 6 yds.

Group 7: Water Tank Truck - (over 4,000 gallons); Fuel Truck - over 1,000 gallons; Distributor or Spreader Truck

Group 8: Transit Mix Truck - over 6 yds. - 8 yds.; Dumptors; Field Tireman; Serviceman

Group 9: Transit Mix Truck - over 8 yds. to 10 yds.; Snow Plow (Truck mounted)

Group 10: Low Boy - 96,000 lbs. GVW and over; Bulk Cement Tanker - 96,000 lbs. GVW and over

Group 11: Transit Mix Truck - over 10 yds.

Group 12: Turnarocker and similar equipment

Group 13: Truck - side, end and bottom dump
Class A: 6 yds. and under
Class B: Over 6 yds. - including 12 yds.
Class C: Over 12 yds. - including 20 yds.
Class D: Over 20 yds. - including 30 yds.
Class E: Over 30 yds. - including 40 yds.
Class F: Over 40 yds. - including 50 yds.
Class G: Over 50 yds. - including 75 yds.
Class H: Over 75 yds. - including 100 yds.
Class I: Over 100 yds.

Group 14: Truck Mechanic

SUPERSEDEAS DECISION

STATE: IOWA COUNTY: STATEWIDE
DECISION NO. IA78-4027 DATE: Date of Publication
Supersedes Decision No. IA77-4291, dated December 23, 1977, in 42 FR 64613
DESCRIPTION OF WORK: Heavy and Highway Construction (does not include building structures in rest area projects and work on or pertaining to the Mississippi or Missouri Rivers).

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| SCOTT COUNTY | | | | | |
| Carpenters & Piledrivermen | $ 9.83 | .45 | .60 | | .04 |
| Cement masons | 8.77 | .40 | .60 | | |
| Laborers: | | | | | |
| Group I | 8.42 | .40 | .60 | | .035 |
| Group II | 8.67 | .40 | .60 | | .035 |
| Group III | 8.92 | .40 | .60 | | .035 |
| Power Equipment Operators: | | | | | |
| Group I | 9.45 | .40 | .50 | | .08 |
| Group II | 8.05 | .40 | .50 | | .08 |
| Group III | 7.00 | .40 | .50 | | .08 |
| Truck Drivers | 6.95 | .35 | | | |
| CITY OF COUNCIL BLUFFS | | | | | |
| Carpenters & Piledrivermen | 9.11 | .50 | .40 | .60 | .05 |
| Cement Masons | 9.28 | .50 | .40 | | |
| Laborers: | | | | | |
| Group I | 6.20 | .50 | .40 | .20 | .05 |
| Group II | 6.30 | .50 | .40 | .20 | .05 |
| Group III | 6.40 | .50 | .40 | .20 | .05 |
| Group IV | 6.38 | .50 | .40 | .20 | .05 |
| Group V | 6.45 | .50 | .40 | .20 | .05 |
| Group VI | 6.83 | .50 | .40 | .20 | .05 |
| Power Equipment Operators: | | | | | |
| Group I | 8.62 | .60 | .60 | | .05 |
| Group II | 8.22 | .60 | .60 | | .05 |
| Group III | 7.82 | .60 | .60 | | .05 |
| Truck Drivers: | | | | | |
| Single axle | 7.28 | .50 | .30 | | |
| Tandem axle, euclids, power lift form trucks | 7.34 | .50 | .30 | | |
| Three axle tandem | 7.39 | .50 | .30 | | |
| Lowboys, tractor trailers, water pulls | 7.47 | .50 | .30 | | |
| Tandem dump with auxiliary end dump trailer | 7.52 | .50 | .30 | | |
| Lumber Carrier | 7.64 | .50 | .30 | | |
| LINN & POLK COUNTIES AND THE CITIES OF AMES AND DUBUQUE | | | | | |
| Carpenters & Piledrivermen | 8.66 | .45 | .25 | | |
| Cement Masons | 8.66 | .45 | .25 | | |
| Laborers: | | | | | |
| Group I | 7.95 | .30 | .30 | | |
| Group II | 7.70 | .30 | .30 | | |



| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Laborers Contd: | | | | | |
| Group III | 7.45 | .30 | .30 | | |
| Group IV | 7.30 | .30 | .30 | | |
| Group V | 7.20 | .30 | .30 | | |
| Power Equipment Operators: | | | | | |
| Group I | 8.62 | .60 | .60 | | .05 |
| Group II | 8.42 | .60 | .60 | | .05 |
| Group III | 7.82 | .60 | .60 | | .05 |
| Truck Drivers | 7.92 | .45 | | | |
| CITIES OF BURLINGTON AND CLINTON AND BURLINGTON ORDNANCE PLANT | | | | | |
| Carpenters & Piledrivermen | 8.66 | .45 | .25 | | |
| Cement Masons | 8.66 | .45 | .25 | | |
| Laborers: | | | | | |
| Group I | 7.95 | .30 | .30 | | |
| Group II | 7.70 | .30 | .30 | | |
| Group III | 7.45 | .30 | .30 | | |
| Group IV | 7.30 | .30 | .30 | | |
| Group V | 7.20 | .30 | .30 | | |
| Power Equipment Operators: | | | | | |
| Group I | 8.95 | .65 | .60 | | |
| Group II | 8.00 | .65 | .60 | | |
| Group III | 7.40 | .65 | .60 | | |
| Truck Drivers | 7.92 | .45 | | | |
| CITY OF FORT DODGE | | | | | |
| Carpenters & Piledrivermen | 7.08 | .45 | .25 | | |
| Cement Masons | 7.08 | .45 | .25 | | |
| Laborers: | | | | | |
| Group I | 5.90 | .30 | .30 | | |
| Group II | 5.65 | .30 | .30 | | |
| Group III | 5.40 | .30 | .30 | | |
| Group IV | 5.25 | .30 | .30 | | |
| Group V | 5.15 | .30 | .30 | | |
| Power Equipment Operators: | | | | | |
| Group I | 8.62 | .60 | .60 | | .05 |
| Group II | 8.22 | .60 | .60 | | .05 |
| Group III | 7.82 | .60 | .60 | | .05 |
| Truck Drivers | 7.39 | .45 | | | |
| CITY OF IOWA CITY | | | | | |
| Carpenters & Piledrivermen | 8.66 | .45 | .25 | | |
| Cement Masons | 8.66 | .45 | .25 | | |
| Laborers: | | | | | |
| Group I | 7.95 | .30 | .30 | | |
| Group II | 7.70 | .30 | .30 | | |
| Group III | 7.45 | .30 | .30 | | |

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Laborers Contd: | | | | | |
| Group IV | 7.30 | .30 | .30 | | |
| Group V | 7.20 | .30 | .30 | | |
| Power Equipment Operators: | | | | | |
| Group I | 8.62 | .60 | .60 | | .05 |
| Group II | 8.22 | .60 | .60 | | .05 |
| Group III | 7.82 | .60 | .60 | | .05 |
| Truck Drivers | 7.39 | | | | |
| CITY OF MASON CITY | | | | | |
| Carpenters &Piledrivermen | 8.66 | .45 | .25 | | |
| Cement Masons | 7.08 | .45 | .25 | | |
| Laborers: | | | | | |
| Group I | 7.65 | .30 | .30 | | |
| Group II | 7.40 | .30 | .30 | | |
| Group III | 7.15 | .30 | .30 | | |
| Group IV | 7.00 | .30 | .30 | | |
| Group V | 6.90 | .30 | .30 | | |
| Power Equipment Operators: | | | | | |
| Group I | 8.62 | .60 | .60 | | .05 |
| Group II | 8.22 | .60 | .60 | | .05 |
| Group III | 7.82 | .60 | .60 | | .05 |
| Truck Drivers | 7.39 | .45 | | | |
| BLACK HAWK COUNTY | | | | | |
| Carpenters & Piledrivermen | 8.66 | .45 | .25 | | |
| Cement Masons | 8.66 | .45 | .25 | | |
| Laborers: | | | | | |
| Group I | 7.95 | .30 | .30 | | |
| Group II | 7.70 | .30 | .30 | | |
| Group III | 7.45 | .30 | .30 | | |
| Group IV | 7.30 | .30 | .30 | | |
| Group V | 7.20 | .30 | .30 | | |
| Power Equipment Operators: | | | | | |
| City of Waterloo: | | | | | |
| Group I | 8.62 | .60 | .60 | | .05 |
| Group II | 8.22 | .60 | .60 | | .05 |
| Group III | 7.82 | .60 | .60 | | .05 |
| Remainder of Black Hawk Co: | | | | | |
| Group I | 7.49 | .60 | .60 | | .05 |
| Group II | 7.09 | .60 | .60 | | .05 |
| Group III | 6.69 | .60 | .60 | | .05 |
| Truck Drivers | 7.92 | .45 | | | |





| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| ZONE 1 | | | | | |
| Carpenters & Piledrivermen | 6.76 | | | | |
| Cement Masons | 6.76 | | | | |
| Laborers: | | | | | |
| Group I | 5.82 | .20 | .10 | | |
| Group II | 5.64 | .20 | .10 | | |
| Group III | 5.45 | .20 | .10 | | |
| Group IV | 5.34 | .20 | .10 | | |
| Group V | 5.26 | .20 | .10 | | |
| Group VI | 5.05 | | | | |
| Power Equipment Operators: | | | | | |
| Group I | 6.85 | .40 | .20 | | |
| Group II | 6.70 | .40 | .20 | | |
| Group III | 6.55 | .40 | .20 | | |
| Group IV | 6.25 | .40 | .20 | | |
| Truck Drivers | 5.82 | .20 | .05 | | |
| ZONE 2 | | | | | |
| Carpenters & Piledrivermen | 6.30 | | | | |
| Cement Masons | 6.30 | | | | |
| Laborers: | | | | | |
| Group I | 5.55 | .20 | .10 | | |
| Group II | 5.05 | .20 | .10 | | |
| Group III | 4.80 | .20 | .10 | | |
| Group IV | 4.55 | .20 | .10 | | |
| Group V | 4.35 | .20 | .10 | | |
| Group VI | 4.45 | | | | |
| Power Equipment Operator: | | | | | |
| Group I | 6.50 | .40 | .20 | | |
| Group II | 6.10 | .40 | .20 | | |
| Group III | 5.75 | .40 | .20 | | |
| Group IV | 5.10 | .40 | .20 | | |
| Truck Drivers | 5.05 | .20 | .05 | | |
| ZONE 3 | | | | | |
| Carpenters & Piledrivermen | 5.85 | | | | |
| Cement Masons | 5.85 | | | | |
| Laborers: | | | | | |
| Group I | 5.45 | .20 | .10 | | |
| Group II | 4.95 | .20 | .10 | | |
| Group III | 4.70 | .20 | .10 | | |
| Group IV | 4.35 | .20 | .10 | | |
| Group V | 4.05 | .20 | .10 | | |
| Group VI | 3.90 | | | | |
| Power Equipment Operators: | | | | | |
| Group I | 6.00 | .40 | .20 | | |

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Power Equipment Operators Contd: | | | | | |
| Group II | 5.65 | .40 | .20 | | |
| Group III | 5.15 | .40 | .20 | | |
| Group IV | 4.55 | .40 | .20 | | |
| Truck Drivers | 4.55 | .20 | .05 | | |
| ZONE 4 | | | | | |
| Carpenters & Piledrivermen | 5.85 | | | | |
| Cement Masons | 5.75 | | | | |
| Laborers: | | | | | |
| Group I | 5.45 | .20 | .10 | | |
| Group II | 4.95 | .20 | .10 | | |
| Group III | 4,70 | .20 | .10 | | |
| Group IV | 4.35 | .20 | .10 | | |
| Group V | 3.95 | .20 | .10 | | |
| Group VI | 3.75 | | | | |
| Power Equipment OperatorS; | | | | | |
| Group I | 5.85 | .40 | .20 | | |
| Group II | 5.50 | .40 | .20 | | |
| Group III | 5.00 | .40 | .20 | | |
| Group IV | 4.40 | .40 | .20 | | |
| Truck Drivers | 4.65 | .15 | .05 | | |
| ZONE 5 | | | | | |
| Carpenters & Piledrivermen | 5.65 | | | | |
| Cement Masons | 5.55 | | | | |
| Laborers: | | | | | |
| Group I | 5.25 | .20 | .10 | | |
| Group II | 4.75 | .20 | .10 | | |
| Group III | 4.50 | .20 | .10 | | |
| Group IV | 4.15 | .20 | .10 | | |
| Group V | 3.75 | .20 | .10 | | |
| Group VI | 3.55 | | | | |
| Power Equipment Operators: | | | | | |
| Group I | 5.65 | .40 | .20 | | |
| Group II | 5.30 | .40 | .20 | | |
| Group III | 4.80 | .40 | .20 | | |
| Group IV | 4.20 | .40 | .20 | | |
| Truck Drivers | 4.45 | .15 | .05 | | |



NOTE - All cities listed in this determination include all abutting municipalities.

DEFINITIONS OF ZONES

ZONE 1 Pottawattamie County (area west of the eastern boundaries of Minden, York, Washington and Silver Creek Townships), Benton, Boone, Buchanan, Cedar, Clinton, Dallas, Delaware, Dubuque, Jackson, Jasper, Johnson, Jones, Madison, Marion, Marshall, Story, Warren and Webster Counties (excluding the cities of Ames, Clinton, Council Bluffs, Dubuque, Fort Dodge, and Iowa City and their abutting municipalities).

ZONE 2 Des Moines, Louisa, and Muscatine Counties (excluding City of Burlington and abutting municipalities and the Burlington Ordnance Plant).

ZONE 3 Allamakee, Appanoose, Bremer, Butler, Cerro Gordo, Chickasaw, Clayton, Davis, Fayette, Floyd, Franklin, Grundy, Hamilton, Hancock, Hardin, Henry, Howard, Iowa, Jefferson, Keokuk, Lee, Mahaska, Mitchell, Monroe, Poweshiek, Tama, Van Buren, Wapello, Washington, Winnebago, Winneshiek, Worth and Wright Counties (excluding City of Mason City and abutting municipalities).

ZONE 4 Adair, Adams, Audubon, Calhoun, Carroll, Cass, Clark, Crawford, Decatur, Fremont Greene, Guthrie, Harrison, Ida, Lucas, Mills, Monona, Montgomery, Page, Ringgold, Sac, Shelby, Taylor, Union, Wayne, and Woodbury Counties, and Pottawattami County (east of Minden, York, Washington and Silver Creek Townships).

ZONE 5 Buena Vista, Cherokee, Clay, Dickinson, Emmet, Humboldt, Kossuth, Lyon O'Brien, Osceola, Palo Alto, Plymouth, Pocahontas and Sioux Counties.

LABORERS CLASSIFICATION DEFINITIONS

PERTAINS TO: All cities (except Council Bluffs) and their abutting municipalities; Polk, Lynn, and Black Hawk Counties.

GROUP I Sandblasters; powdermen; blasters; pipe layer, sewer, water, telephone conduits, etc.; sewer utility man; gunnite nozzleman; diamond and core drills, powered by air; all work performed by laborers working from a bos'n chair, swinging stage, life belt tagline or block and tackle; drill operator of air tracs, wagon drills and similar drills.

GROUP II Tree climber; form setters, rakers; boxtenders; asphalt curb machines; potmen, not mechanical; bull float, hand operated; scalers; timberman, underpinning and shoring caissons over 12 ft.; grade checker and cutting torches on demolition work.

GROUP III Power buggyman; concrete and paving sawman; form liner, expansion joint assembler; bottom man; caulker and jointer and painter; timber and chain saw man; mechanical grouters; automatic concrete power curbing machines; stress or stretcherman on post-tension or pre-stressed concrete on or off the job; powderman helpers.

GROUP IV Form tamper; air, gas & electric tool operators, vibrators, barco hammer, paving breakers, spaders, tampers; electric drills, hammers & jack hammers; tree groundmen chuck tenders; drill helpers; tool room men & checkers; sand blaster helper; concrete processing material & monitors; cement finisher helper; stringman on paving work

GROUP V Fence erectors; handling & placing metal mesh, dowel bars, reinforcing bars & chairs dumpmen & spotters; carrying reinforcing rods; corrugated culvert pipe; concrete drainage pipe; stake chaser, seeding, mulching & planting trees, shrubs & flowers; water boy; common laborer; rodmen; tending carpenters; hot asphalt laborer, flagman.

PERTAINS TO: Scott County

GROUP I Common laborers; carpenter tenders; rod & chain men; flagman; gravel box men, dumpmen & spotters; form handlers; material handlers; fencing laborers; cleaning lumber material checkers, dispatchers; unloading explosives; laying sod; planting trees; removal of trees; asphalt plant laborers; wrecking laborers; writer of scale tickets scalemen, permanent, portable or temporary plant; deck hand.

GROUP II Laying & jointing telephone conduit; barco & jackhammer operator; mechanical tamper & air spade; wagon & hand drill; vibrator operator; operator on power tools used under the jurisdiction of laborers; cement dumpers; puddler; form setter helper, power and hand saw (cleaning timber); center strip; reinforcing in concrete; wire mesh; concrete saw, mortar mixer, prime mover or any mechanical device taking place of concrete buggy or wheelbarrow; sand point setter; asphalt kettleman; mastic asphalt mixerman or any other preparation used on joints; sheeting hammer drivers (2 men back up man or joint man with pipelayer; laborers in ditch ortunnel on sewer & water main & telephone conduit; gas distribution men; pipe setter on laterals, drain tile, culvert pipe & storm sewer connections to catch basins, manholes or main line; handling materials treated with oil, creosote asphalt and/or any foreign material harmful to skin or clothing; chloride handlers; unloading and laborers with steel workers & re-bars; tunnel helpers in free air; batch dumpers; tank cleaners; cofferdam workers; bankman on floating plant.

GROUP III String or wireline-1 man; head form setter; dynamite man; asphalt raker; tunnel miner; pipelayer on sewer & water main; gunnite nozzleman; welders, cutter, burners & torchmen; screedmen on asphalt pavers; lutemen; curb asphalt machine; laser beam operator; concrete burning machine operator; coving mach. operator; head grade man.

PERTAINS TO: City of Council Bluffs and abutting municipalities

GROUP I Common laborers

GROUP II Towboat and dredge deckhands

GROUP III Form setters helpers

GROUP IV Rakers & screedmen on asphalt work; mortar mixers; chain saw operators

GROUP V Pipelayers; concrete saw operator

GROUP VI Form setters and precast manhole setters; inlet builders and manhole setters

PERTAINS TO ZONES 1, 2, 3, 4, & 5

GROUP I Pipe layer (utilities); sand blaster

GROUP II Form setter (structures); grade checker

GROUP III Caulker, jointer, painter, grouter & joint assembler; cure cart operator; form setter (paving) & expansion joint assembler; paving sawman, power buggyman; raker

GROUP IV Air, gas & electric tool operator; cement finisher helper; concrete processing material & monitoring; stringman on paving work

GROUP V Common laborer; dump person and spotter; fence erector; scaleman; handling and placing of metal mesh, dowel bars, reinforcing bars and chairs

GROUP VI Flag person

POWER EQUIPMENT OPERATORS CLASSIFICATION DEFINITIONS

PERTAINS TO: All Cities and abutting municipalities; Polk, Linn, & Black Hawk Counties

GROUP I Power shovel, crane, backhoe & dragline; central mix plant op.; dredge engineer; dredge leverman; paver or spreader op.; hoisting eng (steel erection); motor patrol; piledriver; concrete mixer; tow or push boat op.; master mechanic; CMI paver; CMI subgrader or equivalent; asphalt plant; front end loader; scraper; bulldozer; push cat; tractor pulling scraper; sideboom tractor; churn or rotary drill; trenching machine (Cleavland 80 or similar cap.); asphalt laydown; asphalt screed; asphalt heater-planer unit; asphalt roller; self propelled elevating grader or similar machine; spreader (concrete); horizontal boring machine; mechanics-welders; group equipment greaser; concrete pump; self propelled curb machine

GROUP II Concrete curb breaker; concrete widening machine; pavingbreaker; barber-greene, haiss loader or similar machine; tractor pulling ripper, disc, sheepsfoot or flat roller; self-propelled sheepsfoot roller; self-propelled roller other than asphalt; distributor; screening and washing plant; self-propelled vibrating compactor; trenching machine (other than above); steel placing machine; conveyor; finishing machine (on concrete); flexplane; bull float; form grader.

GROUP III Boiler; mechanical broom; oiler, mechanics helper, group greaser helper; farm type tractor pulling disc, harrow or roller; welding machine; pump operator other than dredge; boom & winch truck; compressor; tank car heater (combination boiler & booster); pumps on well points & deep wells for dewatering; truck crane combination driver-oiler; consrete curbing machine; safety boat operator; batch plant (dry).



PERTAINING TO: Scott County

GROUP I All hoists or steel erecting equipment; crane, shovel, clamshell, dragline, backhoe, derrick, tower crane, cableway, concrete spreader servicing 2 pavers, asphalt spreader, asphalt mixer plant engineer, dipper dredge operator, dipper dredge craneman, dual purpose truck (boom or winch), leverman or engineer (hydraulic dredge), mechanic, paving mixer with tower attached (2 operators required), pile driver, boom tractor, stationary, portable or floating mixing plane, trenching machine over 40 HP, building hoist (2 drum), hot paint wrapping machine, cleaning & priming machine, back filler (throw bucket, locomotive engineer, qualified welder, tow or push boat, concrete paver, seaman trav-l plant or similar machine, CMI autograder or similar machine, slip form paver, caisson augering machine, asphalt heater-planer unit, hydraulic cranes, mine hoists; athey, barber-greene, euclid or haiss loader, asphalt pug mill, fireman & drier, concrete pump, concrete spreader (servicing 1 paver), bulldozer, endloader, log chippers or similar machines, elevating grader, group equipment greaser, LeTourneaupull & similar machines, DW-10, hyster winch & similar machines, motor patrol, power blade, push cat, tractor pulling elevating grader or power blade, tractor operating scoop or scraper, tractor with power attachments, roller on asphalt or blacktop, single drum hoist, jaeger place & mix machine, pipe bending machine, flexplane or similar machine, automatic curbing machine, automatic cement & gravel batch plants 1 stop set-up, seaman pulvi-mixer or similar machines, blastholer self-propelled rotary drill or similar machine, work boat, combination concrete finishing machine & float, self-propelled sheepfoot roller or compactor (in conjunction w/grading spread), asphalt spreader screed operator, apso spreader or similar machine, slusher, forklift over 6000 lbs cap. or working above 28' concrete conveyors.

GROUP II Asphalt rooster, fireman & pump operator at asphalt plant, mud jack, underground boring machine, concrete finishing machine, form grader w/ roller on earth, mixers (3 bag to 16E), power operated bull float, tractor w/o power attachments,dope pot agitating motor, dope chop machine, distributor (back end), straddle carrier, portable machine fireman, Hydro hammer, power winch on paving work, self-propelled roller or compactor other than provided for above, pump operator more than 1 well point pump, portable crusher operator, trench machine under 40 HP, power subgrader (on forms) or similar equipment, fork lift 6000 lbs or less cap.,gypsum pump, conveyor over 20 HP, fuller kenyon cement pump or similar machine, air compressor 275 cfm or over, driver on truck crane or similar machine, light plant, mixers (1-2 bags), power batching machine (cement auger or conveyor, boiler (engineer or fireman), water pumps, mechanical boom, automatic cement & gravel batch plant (2 Or 3 stop set-up), small rubber tired tractors (not including backhoes or end loaders, self-propelled curing machine.

GROUP III Oiler, mechanics helper, mechanical heater (other than steam boiler), belt machine, small outboard motor boat, engine driven welding machine.

PERTAINS TO: Zones 1, 2, 3, 4, & 5

GROUP I Power shovel, crane, backhoe, dragline, dredge engineer & leverman, hoisting engineer (steer erection) motor patrol (finish), pile driver, master mechanic, sideboom tractor, horizontal boring machine.

GROUP II Central mix plant, paver on self-propelled spreader; tow or push boat, CMI paver, subgrader or equivalent, asphalt plant, scraper over 12 c.y., bulldozer (finish), push cat, churn or rotary drill, trenching machine (Cleveland 80 Or similar cap.), asphalt laydown, asphalt screed, asphalt heater-planer, concrete pump, self-propelled curb machine.

GROUP III Motor patrol (rough), front end loader (3 c.y. or over), scraper(12 c.y. & under), bulldozer (rough), asphalt roller, mechanics-welders, group equipment greaser, concrete curb breaking machine, concrete widening machine, paving breaker, barber-greene - haiss loader or similar machine, crawler tractor (pulling disc, sheepsfoot, ripper or flat roller, self-propelled sheepsfoot roller, self propelled roller, distributor, screening and washing plant, self-propelled vibrating compactor, trenching machine (other than above), steel placing machine, conveyor, finishing machine (on concrete), flex plane, bull float, form grader.

GROUP IV Boiler, mechanical boom, oiler or mechanics helper or group greasers helper, farm type tractor (pulling disc, harrow or roller), welding machine, pump operator (other than dredge), boom and winch trucks, compressor, tank car heater(combination boiler and booster), pumps on well points and deep wells for dewatering, truck crane combination driver-oiler, concrete curbing machine, safety boat, batch plant-dry, spreader attachments, utility tractor with attachments.

SUPERSEDEAS DECISION

STATE: KENTUCKY COUNTIES: HARDIN, JEFFERSON MEADE

DECISION NO.: KY78-1029 DATE: DATE OF PUBLICATION

Supersedes Decision No. KY77-1106, dated August 26, 1977, in 42 FR 43327.

DESCRIPTION OF WORK: Building Construction (does not include single family homes and garden type apartments up to and including 4-stories).

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| ASBESTOS WORKERS | $11.78 | .55 | 1.00 | | |
| BOILERMAKERS | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| BRICKLAYERS & STONE MASONS | 10.48 | .50 | .40 | | |
| CARPENTERS | 10.15 | .45 | .45 | | .05 |
| CEMENT MASONS | 9.28 | .60 | .30 | | |
| ELECTRICIANS | 12.40 | .50 | 3% + .40 | | ¼ of 1% |
| ELEVATOR CONSTRUCTORS: | | | | | |
| Mechanics | 11.41 | .745 | .56 | 4%+a+b | .02 |
| Helpers | 7.99 | .745 | .56 | 4%+a+b | .02 |
| GLAZIERS | 8.90 | .35 | .45 | | |
| IRONWORKERS: | | | | | |
| Structural, ornamental, reinforcing, riggers, fence erectors, sheeters, machinery movers, and conveyormen | 10.95 | .90 | 1.15 | | .06 |
| LATHERS | 10.79 | | .20 | | .01 |
| LEADBURNERS | 10.75 | .40 | .25 | c | .01 |
| LINE CONSTRUCTION: | | | | | |
| Linemen, line truck operators, & hole diggers | 12.40 | .50 | 3% + .40 | | ½ of 1% |
| MARBLE MASONS | 9.70 | .40 | .40 | | |
| MARBLE FINISHERS | 8.60 | | | | |
| MILLWRIGHTS | 11.05 | .45 | .65 | | .02 |
| PAINTERS: | | | | | |
| AREA 1 - 35 mile radius from the Jefferson County Courthouse, Louisville, Ky.: | | | | | |
| Brush, roller, drywall painting, taping & finishing, and paperhanging | 9.02 | .35 | .20 | | .03 |
| Steeple jack work, boatswain chairs, safety-belt work, steamcleaning, sandblasting, exterior stage work and window jack work over 50' in height | 9.37 | .35 | .20 | | .03 |
| Spray | 9.47 | .35 | .20 | | .03 |

DECISION NO. KY78-1029

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| PAINTERS - AREA 1 (Cont'd) | | | | | |
| REPAINT WORK: | | | | | |
| Brush, roller, drywall painting, taping & finishing, and paperhanging | $ 8.43 | .35 | .20 | | .03 |
| Spray | 8.88 | .35 | .20 | | .03 |
| AREA 2 - over a 35 mile radius from the Jefferson County Courthouse, Louisville, Ky.: | | | | | |
| Brush, roller, drywall painting, taping & finishing, and paperhanging | 9.37 | .35 | .20 | | .03 |
| Steeple jack work, boatswain chairs, safety-belt work, steamcleaning, sandblasting, exterior stage work and window jack over 50' in height | 9.72 | .35 | .20 | | .03 |
| Spray | 9.82 | .35 | .20 | | .03 |
| REPAINT WORK: | | | | | |
| Brush, roller, drywall painting, taping & finishing, and paperhanging | 8.78 | .35 | .20 | | .03 |
| Spray | 9.23 | .35 | .20 | | .03 |
| PILEDRIVERMEN | 10.40 | .45 | .45 | | .05 |
| PLASTERERS | 10.35 | | | | |
| PLUMBERS & PIPEFITTERS: | | | | | |
| AREA 1 - Jefferson County: | | | | | |
| Plumbers | 11.56 | .65 | 1.04 | .77 | .10 |
| Pipefitters | 12.24 | .64 | 1.15 | | .09 |
| AREA 2 - Hardin (northern portion of county up to but not including Elizabethtown) and Meade Counties: | | | | | |
| Plumbers | 12.01 | .65 | 1.04 | .77 | .10 |
| Pipefitters | 12.69 | .64 | 1.15 | | .09 |
| AREA 3 - Hardin (remainder of county) County: | | | | | |
| Plumbers | 12.26 | .65 | 1.04 | .77 | .10 |
| Pipefitters | 12.94 | .64 | 1.15 | | .09 |



DECISION NO. KY78-1029

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| ROOFERS: | | | | | |
| Roofers | $ 8.00 | .60 | .40 | | |
| Slab, tile & precast concrete slab | 8.40 | .60 | .40 | | |
| SHEET METAL WORKERS | 11.65 | 1.102 | 1.05 | | .14 |
| SOFT FLOOR LAYERS | 10.15 | .45 | .45 | | .05 |
| SPRINKLER FITTERS | 12.10 | .75 | 1.05 | | .08 |
| TERRAZZO WORKERS | 9.70 | .40 | .40 | | |
| TERRAZZO FINISHERS | 8.60 | | | | |
| TILE LAYERS | 9.70 | .40 | .40 | | |
| TILE FINISHERS | 8.60 | | | | |
| WELDERS: Receive rate prescribed for craft performing operation to which welding is incidental. | | | | | |
| TRUCK DRIVERS: | | | | | |
| Truck helper & warehouseman | 8.06 | d | e | f | |
| Driver, 3 tons and under, greaser, tire changer and mechanic helper | 8.18 | d | e | f | |
| Driver, over 3 tons, semi-trailer or pole trailer, dump trucks, tandem axle, farm tractor when used to pull building material or equipment | 8.29 | d | e | f | |
| Driver, concrete mixer trucks (all types, hauling only on jobsites) | 8.36 | d | e | f | |
| Driver, Euclid & other heavy earth moving equipment and low boy, winch truck and A-frame & monorail truck when used to transport building materials | 8.46 | d | e | f | |

DECISION NO. KY78-1029

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| LABORERS: | | | | | |
| Group 1 | $ 7.43 | .35 | .47 | | |
| Group 2 | 7.63 | .35 | .47 | | |
| Group 3 | 7.78 | .35 | .47 | | |
| Group 4 | 7.93 | .35 | .47 | | |
| Group 5 | 8.63 | .35 | .47 | | |

CLASSIFICATIONS DEFINITIONS

Group 1 - General laborers, mobile sweepers;

Group 2 - Power driven Georgia buggy, chain saw, vibrator operator, mesh handler, power tools (air, diesel, electric, gasoline), wagon drill, pipelayer, wall man, chip & bush hammer, concrete saw, gasoline tamper machine, walk behind trenching machine, burner man, joint maker, asphalt raker;

Group 3 - Air track driller, mason tender, side rail setter (metal), stackman;

Group 4 - Powderman, introflax burning rod, gunnite nozzle man operator, sewer & tunnel laborers (free air), sand hog or mucker (free air);

Group 5 - Holeman drilled, piers, augured caissons, sand miner (tunnel free air), caisson workers.



DECISION NO. KY78-1029

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| POWER EQUIPMENT OPERATORS: | | | | | |
| Class A | $10.45 | .40 | .45 | | .05 |
| Class B | 8.01 | .40 | .45 | | .05 |
| Class C | 7.34 | .40 | .45 | | .05 |

CLASSIFICATIONS DEFINITIONS

Class A - Auto patrol, batcher plant, bituminous paver, cableway, central compressor plant, clamshell, concrete mixer (21 cu. ft. or over), concrete pump, crane, crusher plant, derrick, derrick boat, ditching and trenching machine, dragline, dredge operator, dredge engineer, elevating grader and all types of loaders, hoe type machine, hoist (1-drum when used for stack or chimney construction or repair), hoisting engine (2 or more drums), locomotive, motor scraper, carry-all scoop, bulldozer, heavy duty welder, mechanic, orangepeel bucket, pile driver, power blade, motor grader, roller (bituminous), scarifer, shovel, tractor shovel, truck crane, winch truck, push dozer, highlift, forklift (regardless of lift height and except when used for masonry construction), all types of boom cats, core drill, hopto, tow or push boat, A-frame winch truck, concrete paver, gradeall, hoist, hyster, pumpcrete, Hoss carrier, boom, tail boom, rotary drill, hydro hammer, mucking machine, rock spreader attached to equipment, scoopmobile, KeCal loader, tower cranes (French, German and other types), hydrocrane, backfiller, gurries, sub-grader;

Class B - All air compressors (over 900 cu. ft. per min.), bituminous mixer, joint sealing machine, concrete mixer (under 21 cu. ft.), form grader, roller (rock), tractor (50 hp and over), bull float, finish machine, outboard motor boat, flexplane, fireman, boom type tamping machine, truck crane oiler, greaser on grease facilities servicing heavy equipment, switchman or brakeman, mechanic helper, whirley oiler, self-propelled compactor, tractair and road widening trencher and farm tractor with attachments except backhoe, highlift and end loader, elevator (regardless of ownership when used for hoisting any building material), hoisting engine (1-drum or buck hoist), forklift (when used for masonry construction), well points, grout pump, throttle-valve man, tugger, electric vibrator compactor;

Class C - Bituminous distributor, cement gun, conveyor, mud jack, paving joint machine, roller (earth), tamping machine, tractors (under 50hp), vibrator, oiler, concrete saw, burlap and curing machine, hydro-seeder, power form handling equipment, deckhand steersman, hydraulic post driver, drill helper.

DECISION NO. KY78-1029

FOOTNOTES:

a. Seven Paid Holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day.

b. Employer contributes 4% of the basic hourly rate for 5 years or more of service, or 2% of the basic hourly rate for 6 months to 5 years of service as Vacation Pay Credit.

c. Nine Paid Holidays: New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, and Christmas Day provided the employee has worked 30 full days during the 90 calendar days prior to the holiday and the regular scheduled work days immediately preceding and following the holiday.

d. Employer contributes $21.00 per week per employee whose name appears on the payroll and has been employed a minimun of 20 work days within any 90 consecutive day period.

e. Employer contributes $20.00 per week per employee whose name appears on the payroll and has been employed a minimum of 20 work days within any 90 consecutive day period.

f. Employee who has been regularly employed on a project for one year and who has worked a minimum of 1200 hours during the year shall receive vacation and pay equal to 40 hours.

SUPERSEDEAS DECISION

STATE: KENTUCKY COUNTY: WARREN
DECISION NUMBER: KY78-1032 DATE: DATE OF PUBLICATION
Supersedes Decision Number KY77-1126, dated September 30, 1977, in 42 FR 53048.
DESCRIPTION OF WORK: BUILDING CONSTRUCTION (does not include single family homes and garden type apartments up to and including 4 stories).

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| ASBESTOS WORKERS | $11.10 | .45 | .35 | | |
| BOILERMAKERS | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| BRICKLAYERS & STONE MASONS | 8.64 | .30 | .20 | | |
| CARPENTERS & SOFT FLOOR LAYERS | 9.30 | .45 | .45 | | .05 |
| CEMENT MASONS & PLASTERERS | 8.50 | | .20 | | .01 |
| ELECTRICIANS & CABLE SPLICERS | 10.00 | | 3% | | ¼ of 1% |
| ELEVATOR CONSTRUCTORS: | | | | | |
| Mechanics | 11.41 | .745 | .56 | 4%+a+b | .035 |
| Helpers | 7.99 | .745 | .56 | 4%+a+b | .035 |
| GLAZIERS | 8.05 | .50 | .50 | | .02 |
| IRONWORKERS - Structural, Ornamental, & Reinforcing | 9.80 | .55 | .60 | | .10 |
| LATHERS | 8.40 | | .20 | .40 | .01 |
| LEAD BURNERS | 10.75 | .40 | .25 | c | .01 |
| LINE CONSTRUCTION: | | | | | |
| Linemen, line truck, hole digger, & cable splicers | 10.00 | | 3% | | ½ of 1% |
| Groundmen | 8.50 | | 3% | | ½ of 1% |
| MILLWRIGHTS | 11.05 | .45 | .65 | | .02 |
| PAINTERS: | | | | | |
| Brush & roller | 8.80 | | .40 | | .10 |
| Spray & drywall finishing | 9.05 | | .40 | | .10 |
| Paperhangers | 9.30 | | .40 | | .10 |
| Sandblasting | 9.55 | | .40 | | .10 |
| PILEDRIVERMEN | 9.30 | .45 | .45 | | .05 |
| PIPEFITTERS | 12.24 | .64 | 1.15 | | .09 |
| PLUMBERS | 11.56 | .65 | 1.04 | .77 | .10 |
| ROOFERS | 7.55 | .45 | .30 | .15 | |
| SHEET METAL WORKERS | 11.65 | 1.102 | 1.05 | | .14 |
| SPRINKLER FITTERS | 12.10 | .75 | 1.05 | | .08 |
| WELDERS: Receive rate prescribed for craft performing operation to which welding is incidental. | | | | | |

DECISION NO. KY78-1032

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vocation | Education and/or Appr. Tr. |
| LABORERS: | | | | | |
| Group 1 | $6.23 | .35 | .47 | | |
| Group 2 | 6.38 | .35 | .47 | | |
| Group 3 | 6.73 | .35 | .47 | | |

LABORERS' CLASSIFICATION DEFINITIONS

Group 1 - General laborers; wrecking labor on buildings, clearing right-of-way and building site; carpenter tenders; truck spotters and dumpers; axe and cross cut saw filer; concrete pudlers and form strippers.

Group 2 - All power driven tools; hod carriers; mason tenders; finisher tenders; mortar mixers; jack hammers; vibrators; wagon drill; core drill; test drill; well drill; concrete pump machine; tunnel boring machine; men in tunnel and crib ditch work; signal men; riprap rock setters and handlers; asphalt rakers; tampers and smoothers; pipelayers; grout pump men; chain saw; pipe clearing; doping and wrapping; swampers and straight cable hooking; cement guns; grade checkers machine excavating; batch plant scale man; sand hog free air; sand hog compressed air; cutting torch man on salvage work; road form setters; brick slingers; hand spikers; power buggy; handling of creosote material; sandblasters; curing of concrete and apply hardner; air and gas tampers; concrete saw; power posthole diggers and green cut men on concrete work.

Group 3 - Powdermen; blasters



DECISION NO. KY78-1032

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vocation | Education and/or Appr. Tr. |
| POWER EQUIPMENT OPERATORS: | | | | | |
| Class A | $10.45 | .40 | .45 | | .05 |
| Class B | 8.01 | .40 | .45 | | .05 |
| Class C | 7.34 | .40 | .45 | | .05 |

CLASSIFICATIONS DEFINITIONS

Class A - Auto patrol, batcher plant, bituminous paver, cableway, central compressor plant, clamshell, concrete mixer (21 cu. ft. or over), concrete pump, crane, crusher plant, derrick, derrick boat, ditching and trenching machine, dragline, dredge operator, dredge engineer, elevating grader and all types of loaders, hoe type machine, hoist (1-drum when used for stack or chimney construction or repair), hoisting engine (2 or more drums), locomotive, motor scraper, carry-all scoop, bulldozer, heavy duty welder, mechanic, orangepeel bucket, pile driver, power blade, motor grader, roller (bituminous), scarifer, shovel, tractor shovel, truck crane, winch truck, push dozer, highlift, forklift (regardless of lift height and except when used for masonry construction), all types of boom cats, core drill, hopto, tow or push boat, A-frame winch truck, concrete paver, gradeall, hoist, hyster, pumpcrete, Ross carrier, boom, tail boom, rotary drill, hydro hammer, mucking machine, rock spreader attached to equipment, scoopmobile, KeCal loader, tower cranes (French, German and other types), hydrocrane, backfiller, gurries, sub-grader;

Class B - All air compressors (over 900 cu. ft. per min.), bituminous mixer, joint sealing machine, concrete mixer (under 21 cu. ft.), form grader, roller (rock), tractor (50 hp and over), bull float, finish machine, outboard motor boat, flexplane, fireman, boom type tamping machine, truck crane oiler, greaser on grease facilities servicing heavy equipment, switchman or brakeman, mechanic helper, whirley oiler, self-propelled compactor, tractair and road widening trencher and farm tractor with attachments except backhoe, highlift and end loader, elevator (regardless of ownership when used for hoisting any building material), hoisting engine (1-drum or buck hoist), forklift (when used for masonry construction), well points, grout pump, throttle-valve man, tugger, electric vibrator compactor;

Class C - Bituminous distributor, cement gun, conveyor, mud jack, paving joint machine, roller (earth), tamping machine, tractors (under 50hp), vibrator, oiler, concrete saw, burlap and curing machine, hydro-seeder, power form handling equipment, deckhand steersman, hydraulic post driver, drill helper.

DECISION NO. KY78-1032

| TRUCK DRIVERS: | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Truck helper & warehouseman | $ 8.06 | d | e | f | |
| Driver, 3 tons and under, greaser, tire changer and mechanic helper | 8.18 | d | e | f | |
| Driver, over 3 tons, semi-trailer or pole trailer, dump trucks, tandem axle, and farm tractor when used to pull building material or equipment | 8.29 | d | e | f | |
| Driver, concrete mixer trucks (all types, hauling only on jobsites) | 8.36 | d | e | f | |
| Driver, Euclid & other heavy earth moving equipment and low boy, winch truck and A-frame & Monorail truck when used to transport building materials | 8.46 | d | e | f | |



DECISION NO. KY78-1032

FOOTNOTES:

a. Seven Paid Holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day.

b. Employer contributes 4% of the basic hourly rate for 5 years or more of service, or 2% of the basic hourly rate for 6 months to 5 years of service as Vacation Pay Credit.

c. Nine Paid Holidays: New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, and Christmas Day provided the employee has worked 30 full days during the 90 calendar days prior to the holiday and the regular scheduled work days immediately preceding and following the holiday.

d. Employer contributes $21.00 per week per employee whose name appears on the payroll and has been employed a minimun of 20 work days within any 90 consecutive day period.

e. Employer contributes $20.00 per week per employee whose name appears on the payroll and has been employed a minimum of 20 work days within any 90 consecutive day period.

f. Employee who has been regularly employed on a project for one year and who has worked a minimum of 1200 hours during the year shall receive vacation and pay equal to 40 hours.

SUPERSEDEAS DECISION

STATE: KENTUCKY COUNTY: BOYD
DECISION NO.: KY78-1033 DATE: DATE OF PUBLICATION
Supersedes Decision No. KY77-1105, dated August 26, 1977, in 42 FR 43324.
DESCRIPTION OF WORK: Building Construction (does not include single family homes and garden type apartments up to and including 4-stories).

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| ASBESTOS WORKERS | $12.05 | .50 | .70 | | .03 |
| BOILERMAKERS | 9.80 | 1.05 | 1.10 | 1.50 | .02 |
| BRICKLAYERS & STONE MASONS | 11.43 | | | | |
| CARPENTERS | 10.17 | .50 | .75 | | .03 |
| CEMENT MASONS | 11.12 | | .60 | | |
| ELECTRICIANS: | | | | | |
| Wiremen | 11.12 | .50 | 3% + .62 | 1.02 | .04 |
| Cable splicers | 11.68 | .50 | 3% + .62 | 1.02 | .04 |
| ELEVATOR CONSTRUCTORS: | | | | | |
| Mechanics | 11.465 | .745 | .56 | 4%+a+b | .035 |
| Helpers | 8.025 | .745 | .56 | 4%+a+b | .035 |
| GLAZIERS | 10.60 | | .70 | | |
| IRONWORKERS - Structural, | | | | | |
| Ornamental & Reinforcing | 11.27 | .90 | 1.05 | | .01 |
| LATHERS | 10.925 | | .10 | | |
| LEADBURNERS | 10.75 | .40 | .25 | c | .01 |
| LINE CONSTRUCTION: | | | | | |
| Linemen | 11.28 | .45 | 3% + .52 | 1.02 | ½ of 1% |
| Cable splicers | 12.41 | .45 | 3% + .52 | 1.02 | ½ of 1% |
| Groundmen | 9.02 | .45 | 3% + .52 | 1.02 | ½ of 1% |
| Mechanical equipment operator | 11.28 | .45 | 3% + .52 | 1.02 | ½ of 1% |
| MILLWRIGHTS | 10.79 | .40 | .37 | | .03 |
| PAINTERS: | | | | | |
| Brush & paperhanging | 8.18 | | .40 | | |
| Roller, drywall, & saping | 8.34 | | .40 | | |
| Spray | 8.70 | | .40 | | |
| Steamcleaning | 8.92 | | .40 | | |
| Mittens or rags | 9.23 | | .40 | | |
| Sandblasting | 9.39 | | .40 | | |
| Drywall machine operator | 9.60 | | .40 | | |
| PILEDRIVERMEN | 10.46 | .50 | .75 | | .03 |
| PLASTERERS | 11.12 | | .60 | | |

DECISION NO. KY78-1033

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| PLUMBERS & PIPEFITTERS: | | | | | |
| Area 1 - within a 5 mile radius of 17th St. and Winchester Ave., Ashland | $10.42 | .60 | .85 | 1.00+d | |
| Area 2 - over 5 miles and within a 15 mile radius of 17th St. and Winchester Ave., Ashland | 10.62 | .60 | .85 | 1.00+d | |
| Area 3 - over 15 miles and within a 30 mile radius of 17th St. and Winchester Ave., Ashland | 10.82 | .60 | .85 | 1.00+d | |
| Area 4 - over a 30 mile radius of 17th and Winchester Ave., Ashland | 10.92 | .60 | .85 | 1.00+d | |
| ROOFERS: | | | | | |
| New construction | 11.00 | | .45 | | |
| Re-roofing | 7.55 | | .45 | | |
| SHEET METAL WORKERS | 11.05 | .86 | .55 | | .05 |
| SOFT FLOOR LAYERS | 10.17 | .50 | .75 | | .03 |
| SPRINKLER FITTERS | 12.10 | .75 | 1.05 | | .08 |
| WELDERS - Receive rate prescribed for craft performing operation to which welding is incidental. | | | | | |

DECISION NO. KY78-1033

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| LABORERS: | | | | | |
| Group 1 | $ 7.86 | .35 | .47 | | |
| Group 2 | 8.01 | .35 | .47 | | |
| Group 3 | 8.03 | .35 | .47 | | |
| Group 4 | 8.06 | .35 | .47 | | |
| Group 5 | 8.11 | .35 | .47 | | |
| Group 6 | 8.36 | .35 | .47 | | |
| Group 7 | 8.56 | .35 | .47 | | |
| Group 8 | 9.06 | .35 | .47 | | |

CLASSIFICATIONS DEFINITIONS

Group 1 - Laborers, carpenter tenders, concrete men, wreckers, wall men, handlers of empty oxygen and acetylene bottles;
Group 2 - Hod carriers, mortar men, cement finisher tenders, lather and plaster tenders;
Group 3 - Wrapping, heating and applying hot and cold tar on all pipes, applying tape on pipes and operating of a Ttester;
Group 4 - Deck hand and scow men;
Group 5 - Jackhammer and electrical, gas or air power driven tools, burning torch, wagon drill operators, handling of all creosote material, signal men, and asphalt rakers;
Group 6 - Rock and powder men;
Group 7 - Sand hog or muckers, and tunnel miners
Group 8 - Caisson workers



DECISION NO. KY78-1033

| POWER EQUIPMENT OPERATORS: | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| Class A | $10.45 | .40 | .45 | | .05 |
| Class B | 8.01 | .40 | .45 | | .05 |
| Class C | 7.34 | .40 | .45 | | .05 |

CLASSIFICATIONS DEFINITIONS

Class A - Auto patrol, batcher plant, bituminous paver, cableway, central compressor plant, clamshell, concrete mixer (21 cu. ft. or over), concrete pump, crane, crusher plant, derrick, derrick boat, ditching and trenching machine, dragline, dredge operator, dredge engineer, elevating grader and all types of loaders, hoe type machine, hoist (1-drum when used for stack or chimney construction or repair), hoisting engine (2 or more drums), locomotive, motor scraper, carry-all scoop, bulldozer, heavy duty welder, mechanic, orangepeel bucket, pile driver, power blade, motor grader, roller (bituminous), scarifer, shovel, tractor shovel, truck crane, winch truck, push dozer, highlift, forklift (regardless of lift height and except when used for masonry construction), all types of boom cats, core drill, hopto, tow or push boat, A-frame winch truck, concrete paver, gradeall, hoist, hyster, pumpcrete, Ross carrier, boom, tail boom, rotary drill, hydro hammer, mucking machine, rock spreader attached to equipment, scoopmobile, KeCal loader, tower cranes (French, German and other types), hydrocrane, backfiller, gurries, sub-grader;

Class B - All air compressors (over 900 cu. ft. per min.), bituminous mixer, joint sealing machine, concrete mixer (under 21 cu. ft.), form grader, roller (rock), tractor (50 hp and over), bull float, finish machine, outboard motor boat, flexplane, fireman, boom type tamping machine, truck crane oiler, greaser on grease facilities servicing heavy equipment, switchman or brakeman, mechanic helper, whirley oiler, self-propelled compactor, tractair and road widening trencher and farm tractor with attachments except backhoe, highlift and end loader, elevator (regardless of ownership when used for hoisting any building material), hoisting engine (1-drum or buck hoist), forklift (when used for masonry construction), well points, grout pump, throttle-valve man, tugger, electric vibrator compactor;

Class C - Bituminous distributor, cement gun, conveyor, mud jack, paving joint machine, roller (earth), tamping machine, tractors (under 50hp), vibrator, oiler, concrete saw, burlap and curing machine, hydro-seeder, power form handling equipment, deckhand steersman, hydraulic post driver, drill helper.

DECISION NO. KY78-1033

| | Basic Hourly Rates | Fringe Benefits Payments | | | |
|---|---|---|---|---|---|
| | | H & W | Pensions | Vacation | Education and/or Appr. Tr. |
| TRUCK DRIVERS: | | | | | |
| Group 1 | $ 9.08 | e | f | | |
| Group 2 | 9.18 | e | f | | |
| Group 3 | 9.33 | e | f | | |
| Group 4 | 9.38 | e | f | | |
| Group 5 | 9.43 | e | f | | |
| Group 6 | 9.48 | e | f | | |
| Group 7 | 9.73 | e | f | | |

CLASSIFICATIONS DEFINITIONS

Group 1 - Warehousemen, yardmen, truck helpers, pickups, station wagons, panel trucks, flat-body material trucks (straight jobs), greasers, washers, tiremen, dump trucks (up to 5 cu. yds.);
Group 2 - Tank trucks (straight);
Group 3 - Dump trucks (5 cu. yds. or over), semi-dump trucks, semi-trailers (whether flat,rack or pole and hauled or pushed by trucks or tractors), agitator or mixer trucks (up to 5 cu. yds.), tank trucks (semi);
Group 4 - Lowboy trailers, winch trucks, fork trucks, distributor trucks (front and back end), truck cranes, monirail trucks;
Group 5 - Material checkers & receivers, mechanics helpers;
Group 6 - Agitator or mixer trucks (5 cu. yds. and over);
Group 7 - Tri-axle dump trucks, hydraulic lifts, tailgate trucks, farm type tractors, ross carriers, athey wagons or similar equipment, A-frame, hydro-lifts, dual purpose trucks, end dumpsters, mechanics.



DECISION NO. KY78-1033

FOOTNOTES:

a. Seven Paid Holidays: New Year's Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; Friday after Thanksgiving Day; Christmas Day.

b. Employer contributes 4% of the basic hourly rate for 5 years or more of service, or 2% of the basic hourly rate for 6 months to 5 years of service as Vacation Pay Credit.

c. Nine Paid Holidays: New Year's Day, Washington's Birthday, Good Friday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, Christmas Eve, and Christmas Day provided the employee has worked 30 full days during the 90 calendar days prior to the holiday and the regular scheduled work days immediately preceding and following the holiday.

d. Two Paid Holidays: Independence Day and Christmas Day.

e. Employer contributes $82.33 per month per employee employed 30 days or more.

f. Employer contributes $52.00 per month per employee employed 30 days or more.

[FR Doc. 78-8996 Filed 4-6-78; 8:45 am]

federal register

FRIDAY, APRIL 7, 1978
PART III




# DEPARTMENT OF TRANSPORTATION

## Federal Railroad Administration

■

# REGULATIONS GOVERNING SECTION 511 OF THE RAILROAD REVITALIZATION AND REGULATORY REFORM ACT OF 1976 AS AMENDED

[4910-06]

Title 49—Transportation

## CHAPTER II—FEDERAL RAILROAD ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

[Docket No. 76-02]

## PART 260—REGULATIONS GOVERNING SECTION 511 OF THE RAILROAD REVITALIZATION AND REGULATORY REFORM ACT OF 1976, AS AMENDED

### Revision of Regulations

AGENCY: Federal Railroad Administration (FRA), DOT.

ACTION: Revisions to final rule.

SUMMARY: The Federal Railroad Administration is revising the regulations under the Railroad Revitalization and Regulatory Reform Act of 1976 covering the program under which financial assistance is granted to railroads through the guarantee of obligations. These amendments make the regulations consistent with provisions concerning redeemable preference shares and clarify, without changing in a material way, the requirements contained in the regulations. These regulations have been amended on numerous occasions since their initial publication and are being republished in their entirety for the convenience of potential applicants.

EFFECTIVE DATE: April 7, 1978.

FOR FURTHER INFORMATION CONTACT:

Principal attorney: Jeffrey K. Mercer, 202-426-7737; or Principal program person: William E. Loftus, 202-426-9657.

SUPPLEMENTARY INFORMATION: On October 8, 1976, the Federal Railroad Administrator ("Administrator") published in the FEDERAL REGISTER (41 FR 44577) final regulations governing section 511 of the Railroad Revitalization and Regulatory Reform Act of 1976, subsequently amended, covering the guarantee of obligations. These regulations were subsequently amended on December 10, 1976 at 41 FR 53996, on January 25, 1977 at 42 FR 4652, and on March 10, 1977 at 42 FR 13278. This document further amends those regulations to make them consistent with the regulations in 49 CFR Part 258.

Most of the changes to the regulations made by these revisions are language changes intended to clarify the regulations. This is particularly true of changes to Subpart C of the regulations, Procedures for Computing the Internal Rate of Return ("IRR") on Projects. In addition to language changes for clarification, the following changes have been made in the revised rules:

1. Section 260.7(a)(7)(i) is amended to require separate internal rate of return computations for each project part that (A) accounts for a significant portion of the total investment for which Federal assistance is sought, and (B) produces approximately the same cash flow impacts regardless of whether the remainder of the project is undertaken. This was required indirectly by the definition of "project" formerly contained in section 260.33(d), which is deleted by these revisions.

2. Section 260.7(a)(12) is amended and an appendix is added to Subpart A to provide more specific guidance as to the contents of applicant's assessment of the impact of the project on the environment and to make the requirement consistent with the requirement under part 258 concerning redeemable preference shares.

3. Section 260.7(a)(13) is amended to require the posting of notice of an application, including a brief description of the project, on bulletin boards convenient to interested employees of the railroad. This change is also consistent with the regulations concerning redeemable preference shares.

4. Section 260.9 is amended to require all forecasted data provided in the exhibits to be based on the assumption that the project will be funded on the January 1 next following the date of the application.

5. Sections 260.9 (c), (e), and (g) are amended to conform to the requirements under part 258 concerning redeemable preference shares.

6. Section 260.35(b) is amended to provide that the impact of state and local taxes need be included in the IRR computations only if such taxes substantially affect the IRR of the project.

### REGULATORY REVIEW

The impact of section 511 assistance, including the inflationary impact of the regulations, was fully considered prior to publication of the initial regulations on October 8, 1976. The amendment provided herein will not affect the overall costs or benefits of the program as it was set forth in the initial regulations. Accordingly, an evaluation of the expected impact of the regulations pursuant to the Department of Transportation Policies to Improve Analysis and Review of Regulations (41 FR 16200) is not required.

In consideration of the foregoing, 49 CFR Part 260 is revised as set forth below.

Dated: March 30, 1978.

JOHN M. SULLIVAN,
*Administrator, Federal Railroad Administration.*

**Subpart A—Procedures for Application for Commitment to Guarantee or Guarantee of Obligations**

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Form V—Computation of IRR.

AUTHORITY: Railroad Revitalization and Regulatory Reform Act of 1976, Pub. L. 94-210, 90 Stat. 76, February 5, 1976, as amended by the Rail Transportation Improvement Act, Pub. L. 94-555, 90 Stat. 2625, October 19, 1976; the Department of Transportation Act, 49 U.S.C. 1651 et seq., Regulations of the Office of the Secretary of Transportation, 49 CFR 1.49(u).

## Subpart A—Procedures for Application for Commitment to Guarantee or Guarantee of Obligations

### § 260.1 Applicability.

This subpart prescribes the procedures governing applications for a commitment to guarantee or a guarantee of the payment of the principal balance of, and any interest on, an obligation of an applicant under section 511 of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended ("Act"). Applications for a commitment to guarantee or a guarantee of obligations of the Consolidated Rail Corporation for electrification of high-density mainline routes must be filed in accordance with these proce-

dures, as provided in section 211(i) of the Regional Rail Reorganization Act of 1973, as amended (45 U.S.C. 721(i)). These procedures also govern applications for a commitment to guarantee or guarantee of obligations incurred for the purpose set forth in section 517 of the Act, improvement of intercity rail passenger service on lines of the applicant located outside the Northeast Corridor, being the properties acquired by the National Railroad Passenger Corporation pursuant to Title VII of the Act and described in section 701(a)(4) of the Act.

**§ 260.3 Definitions.**

As used in this part—

(a) "Act" means the Railroad Revitalization and Regulatory Reform Act of 1976 (Pub. L. 94-210, February 5, 1976), as amended.

(b) "Administrator" means the Federal Railroad Administrator, or his delegate.

(c) "Applicant" means any railroad, or other person (including a governmental entity) that submits an application to the Administrator for the guarantee of an obligation under which it is an obligor or for a commitment to guarantee such an obligation.

(d) "Commission" means the Interstate Commerce Commission.

(e) "Equipment" means any type of new or rebuilt standard gauge locomotive, caboose, or general service railroad freight car the use of which is not limited to any specialized purpose by particular equipment, design, or other features, or any other type of car designated by the Administrator upon a written finding that such designation is consistent with the purposes of the Act. General service railroad freight car includes a boxcar, gondola, opentop or covered hopper car, and flatcar.

(f) "Facilities" means—

(1) Track, roadbed, and related structures, including rail, ties, ballast, other track materials, grading, tunnels, bridges, trestles, culverts, elevated structures, stations, office buildings used for operating purposes only, repair shops, enginehouses, and public improvements used or usable for rail service operations;

(2) Communications and power transmission systems, including electronic, microwave, wireless, communication, and automatic data processing systems, electrical transmission systems, powerplants, power transmission systems, powerplant machinery and equipment, structures, and facilities for the transmission of electricity for use by railroads;

(3) Signals, including signals and interlockers;

(4) Terminal or yard facilities, including trailer-on-flat-car and container-on-flatcar terminals, express or railroad terminal and switching facilities, and services to express companies and railroads and their shippers, including ferries, tugs, carfloats, and related shoreside facilities designed for the transportation of equipment by water; or

(5) Shop or repair facilities or any other property used or capable of being used in rail freight transportation services or in connection with such services or for originating, terminating, improving, and expediting the movement of equipment.

(g) "FRA" means Federal Railroad Administration.

(h) "Guarantee" means guarantee or commitment to guarantee unless the context in which it is used indicates otherwise.

(i) "Including" means including but not limited to.

(j) "Holder" means the obligee or creditor under an obligation, except that when a bank or trust company is acting as agent or trustee for such an obligee or creditor pursuant to an agreement to which the obligor is a part, the term refers to such bank or trust company.

(k) "Obligation" means a bond, note, conditional sale agreement, equipment trust certificate, security agreement, or other obligation issued or granted to finance or refinance equipment or facilities acquisition, construction, rehabilitation or improvement.

(l) "Obligor" means the debtor under an obligation, including the original obligor and any successor or assignee of such obligor who is approved by the Administrator.

(m) "Project" means the use of the proceeds of the obligation for which a guarantee or guarantee commitment is sought.

(n) "Railroad" means a common carrier by railroad or express as defined in section 1(3) of Part I of the Interstate Commerce Act (49 U.S.C. 1(3)), including the National Railroad Passenger Corporation and the Alaska Railroad.

(o) "Trustee" means the trustee, or trustees if more than one trustee has been appointed, of an applicant in bankruptcy.

**§ 260.5 Eligibility.**

Under section 511 the Administrator may guarantee and make commitments to guarantee the payment of the principal balance of, and any interest on, an obligation of any applicant prior to, on, or after the date of execution or the date of disbursement of such obligation, if the proceeds of such obligation shall be or have been used to acquire or to rehabilitate and improve facilities or equipment, or to develop or establish new railroad facilities.

**§ 260.7 Form and content of application.**

(a) Each application shall include, in the order indicated and identified by applicable section numbers and letters corresponding to those used in this part, the following information:

(1) Full and correct name and principal business address of the applicant;

(2) Date of applicant's incorporation, or organization if not a corporation, and name of the government, state or territory under the laws of which it was incorporated or organized. If applicant is a trustee then, in addition, the name and address of the reorganization court under the direction of which applicant is acting, and the docket number of the proceeding. If applicant is a partnership, association, or other form of organization other than a corporation, a full description of the organization should be furnished;

(3) Name, title, and address of the person to whom correspondence regarding the application should be addressed;

(4) Certified copy of proposed or executed obligation agreement, including and related agreements of other documents, and detailed description of the obligation, and of the series or issue of which the obligation is a part, including—

(i) Total amount of the obligation;

(ii) Detailed description of the project and its purpose or purposes, including—

(A) A description of all facilities or equipment and the physical condition of such facilities or equipment included in or directly affected by the proposed project and a description of the project;

(B) Each part or sub-part into which the project may reasonably be divided, the priority and schedule of expenditure for each part or sub-part:

(C) Estimated timing of the expenditure of the proceeds of the obligation; and

(D) Statement of whether the project involves another railroad or other participant, through joint execution, coordination, or otherwise; if so, description of the relative participation of applicant and such other railroad or participant, including statement or financing arrangements of each participant, portion of the work to be performed by each participant, and contemplated level of usage of the equipment or facility of each participant when the work is completed, along with a statement by a responsible officer or official of the other railroad or participant that the information provided reflects their agreement on these matters;

(iii) Effective date;

(iv) Schedule for repayment of principal;

(v) Description of the security to be offered the Administrator in connection with any guarantee, applicant's opinion of the value of this security and the basis for such opinion; in the

case of leased equipment to be rehabilitated or improved with the proceeds of the obligation proposed to be guaranteed, applicant shall state, in addition to the above, whether the lease provides for, or the lessor will permit, encumbrance of the leasehold or subordination of the lessor's interest in the equipment to the Administrator.

(vi) Where the obligation for which a guarantee is sought is outstanding, actual effective rate of interest; or where the applicant has discussed with a potential holder the terms of an obligation to be issued, the proposed effective rate of interest;

(5) Statement, in summary form, showing financial obligations to or claims against the United States or obligations for which the United States is guarantor, if any, by applicant or any affiliated corporate entity of the applicant or the applicant's parent as of the date of the application, including:

(i) Status of any claims under litigation; and

(ii) Any other debits or credits existing between the applicant and the United States, showing the department or agency involved in such loans, claims and other debts;

(6) An analysis that includes:

(i) Statement, together with supporting evidence including copies of all market analyses and studies that have been performed to determine present and future demand for rail services, that the financing is justified by present and future demand for rail services, will meet existing needs for such services, and will provide shippers with improved service;

(ii) Description of the impact of the financing upon the projected traffic to be originated, terminated, or carried by the obligor for at least the five years immediately following completion of the project; and

(iii) Description of any other benefit which would accrue to the applicant from the proceeds of the obligation;

(7) Statement, together with supporting evidence, that the facilities or equipment being acquired, rehabilitated or improved will be efficiently and economically utilized, including:

(i) A detailed statement setting forth the estimated internal rate of return on the project, computed in accordance with the provisions of subpart C of this part. This statement shall follow the procedures and follow the format required by subpart C. Relevant material presented elsewhere in the application need not be repeated in this statement, but must be explicitly referenced. If the project can be divided into parts such that each part:

(A) accounts for a significant portion of the total investment for which Federal assistance is sought; and

(B) produces approximately the same cash flow impacts regardless of whether the remainder of the project is undertaken; then the applicant must submit a separate internal rate of return computation, with the supporting documentation described in subpart C of this part, for each part of the project. In that case, all references to the term "project" in subpart C of this part shall be deemed to refer to the part of the project for which the rate of return is being computed;

(ii) Explanation of the manner in which the project will increase the economical and efficient utilization of equipment and facilities; and

(iii) Documentation of any other improvements in service as a result of the project, including service reliability between origin and destination point pairs and reduction in time from load to load car cycle by car type;

(8) Statement, together with supporting evidence, that the transaction will improve the ability of any affected railroad to transport passengers or freight;

(9) Statement of applicant's maintenance program for its entire rail system and planned maintenance program for the equipment or facilities financed by the proceeds of the obligation;

(10) Certified statement that applicant will pay to the Administrator in accordance with § 260.11(b)(4) an initial investigation charge and any additional investigation charges the Administrator assesses with respect to analysis and evaluation of the application, appraisal of any security offered by an applicant, and all studies and investigations that the Administrator deems necessary in order to make determinations or findings prescribed in the Act, up to a maximum of one-half of one percent of the obligation for which a guarantee is sought;

(11) With respect to each existing holder or proposed prospective holder, a statement as to:

(i) Full and correct name and principal business address;

(ii) Reference to applicable provisions of law and the charter or other governing instruments conferring authority on the holder to accept the obligation;

(iii) Brief statement of the circumstances and negotiations leading to the agreement by the holder to take the proposed obligation;

(iv) Brief statement of the nature and extent of any affiliation or business relationship between the existing or prospective holder and any of its directors, partners, or principal executive officers, on the one hand, and, on the other, the applicant and any of its directors, partners, or principal executive officers, or any person or persons whose name is required to be furnished under paragraph (a)(11)(v) of this section; and

(v) Full and complete statement of all sums to be given by the holder in connection with the proposed obligation including:

(A) Name and address of each person to whom the payment has been made or will be made and nature of any affiliation, association, or prior business relationship between any person named in this paragraph and the holder or any of its directors, partners, or officers;

(B) Amount of the cash payment, or the nature and value of other consideration; and

(C) Any condition upon the obligation of the obligee to make such payment;

(12) Detailed assessment of impact of the project on the environment, in the general format and including the information set forth in the appendix to subpart A of this part;

(13) Statement that notice of the application, including a brief description of the project, has been posted on bulletin boards convenient to interested employees of the railroad and by sending registered mail notice to the duly authorized representatives of such employees. This requirement is not in lieu of any other requirement imposed by reason of section 516 of the Act;

(14) Any information that the applicant deems appropriate to convey a full and complete understanding of the project and its impact or to assist the Administrator in making the statutorily prescribed findings; and

(15) Any other information which the Administrator may deem necessary concerning an application filed under this part.

(b) When applicant is a trustee, the application shall provide all of the information required in paragraph (a) of this section, and in addition shall provide a full and complete statement, together with supporting evidence, demonstrating that applicant can reasonably be expected to become self-sustaining within a reasonable period of time.

### § 260.9 Required exhibits.

There shall be filed with and made a part of each application and copy thereof the following exhibits, except that exhibits filed with the Administrator pursuant to some other statutory provision or regulation which are in the same format as the following exhibits may be incorporated in and made part of the application filed under this part by reference. While the application is pending, when actual data become available in place of the estimated or forecasted data required in the exhibits under this part, such actual data must be reported promptly to the Administrator in the form required in the appropriate exhibit. All forecasted data required in the exhibits under this part must be based on the assumption that the project will be funded on the January 1

next following the date of the application.

(a) *Exhibit A.* Map of applicant's existing railroad with location of project indicated, if appropriate.

(b) *Exhibit B.* Statement showing to the latest available date but in any event to a date no less recent than the end of the 3d month preceding the date of filing of the application:

(1) Maximum number of locomotive units out of service during each quarter due to business conditions; maximum number of such units out of service during each quarter due to mechanical defects; and ratio of each to total ownership quarterly for each of the last 3 calendar years but not earlier than the quarter ending June 1974, and the current calendar year; and

(2) Maximum number of general service freight cars out of service during each quarter due to business conditions; maximum number of such cars out of service during each quarter due to mechanical defects; and ratio of each to total number of general service freight cars owned by applicant quarterly for each of the last 3 calendar years but not earlier than the quarter ending June 1974, and the current calendar year.

(c) *Exhibit C.* A copy of applicant's most recent year-end general balance sheet certified by applicant's independent public accountants, if available, and a copy of applicant's most recent unaudited general balance sheet as of a date no less recent than the end of the third month preceding the date of filing of the application. The unaudited balance sheet shall be presented in account form and detail as required in schedule 200 of the Commission's annual report R-1 or R-2, as appropriate, together with the following schedules (where changes in accounts from the end of the prior year to date of the application have not been significant, copies of the appropriate schedules in the prior year's R-1 or R-2 with marginal notations listing the changes may be submitted:

(1) Particulars of account 704, Loans and Notes Receivable, in form and detail as required in schedule 201 of annual report R-1 for the Class I railroads, and in similar form for the Class II railroads except that for Class II railroads loans and notes recievable that are each less than $25,000 may be combined into a single amount;

(2) Particulars of investments in affiliated companies and other investments in form and detail required in schedules 205 and 206 of annual report R-1, or schedules 1001 and 1002 of annual report R-2, as as appropriate;

(3) Particulars of balances in accounts 741, Other Assests, and 743, Other Deferred Charges, in form and detail required in schedule 216 of annual report R-1 or schedule 1703 of annual report R-2, as appropriate;

(4) Particulars of loans and notes payable in form and detail required in schedule 223 of annual report R-1, or schedule 1701 of annual report R-2, as appropriate, as well as information as to bank loans, including the name of the bank, date and amount of the original loan, current balance, maturities, rate of interest, and security, if any;

(5) Particulars of long-term debt in form and detail required in schedules 218 and 219 of annual report R-1 or schedules 670, 695, 901, 902 and 1702 of annual report R-2, as appropriate, together with a brief statement concerning each mortgage, pledge, and other lien, indicating the property or securities encumbered, the mortgage limit per mile, if any, and particulars as to priority;

(6) Particulars of balance in account 784, Other Deferred Credits, in form and detail required in schedule 225 of annual report R-1 or schedule 1704 of annual report R-2, as appropriate; and

(7) Particulars as to capital stock in form and detail required in schedules 228, 229, and 230 of annual report R-1 or schedule 690 in annual report R-2, as appropriate.

(d) *Exhibit D.* Applicant's most recent annual income statement certified by applicant's independent public accountants if available, and a spread sheet showing unaudited monthly and year-to-date income statement data for the calendar year in which the application is filed in account form similar to that required in column (a) of schedule 300 of annual report R-1 or R-2 as appropriate. For those months preceding and ending upon the date of the unaudited balance sheet presented in Exhibit C, the income statement data shall be reported on an actual basis and so noted. For those months between the dates of the unaudited balance sheet and the filing of the application, the income statement data shall be reported on an estimated basis and so noted and shall be submitted in conjunction with corresponding estimated month-end balance sheets. For those months between the date of the application and the end of the year the income statement data shall be presented on a forecasted basis and so noted and shall be submitted in conjuction with a forecasted balance sheet as at the year end.

(e) *Exhibit E.* Spread sheets showing for each of the four years subsequent to the year in which the application is filed, both before and after giving effect to the proceeds of the assistance requested in the application:

(1) Forecasted annual income statement data in account form and detail similar to that required in column (a) of schedule 300 of annual report R-1 or R-2 as appropriate, including the subaccounts comprising line 2 (railway operating expenses), as specified by lines 64, 92, 105, 159, 168, and 180 of Schedule 320; and

(2) Forecasted year-end balance sheets in account form and detail similar to that required in schedule 200 of annual report R-1 or R-2, as appropriate.

These spread sheets shall be accompanied by a statement setting forth the bases for such forecasts.

(f) *Exhibit F.* A spread sheet showing changes in financial position for the year in which the application is filed in account form and detail as required in schedule 309 of annual report R-1 or R-2 as appropriate as follows:

(1) For that period ending on the date of the unaudited balance sheet in Exhibit C, based upon actual data; and

(2) For that period from the balance sheet date to the end of the year, based upon estimated and forecasted data.

(g) *Exhibit G.* A spread sheet showing forecasted changes in financial position for each of the four calendar years subsequent to the year in which the application is filed, both before and after giving effect to any funds requested in the application and including a statement showing the bases for such estimates, in account form and detail as required in schedule 309 of the annual Report R-1 for Class I railroads and in similar form and detail for Class II railroads.

(h) *Exhibit H.* With respect to equipment proposed to be rehabilitated, improved, maintained, or acquired in the application, a statement indicating number of units and in-service or out-of-service status and, as appropriate:

(1) For locomotives, service type, age, size, horsepower, name of builder, description of work, and unit cost of proposed work; and

(2) For freight cars or intermodal equipment, information as to service type (box, gondola, flat, etc.), age, capacity, description of work, and unit costs of proposed work.

Such statement shall show the total cost of the project, types and quantities of work items, unit cost of each item, and distribution of such cost by primary accounts of the Commission's Uniform System of Accounts separated where applicable between material, labor, and other; the ownership of all equipment which is the subject of the project; and the dates on which work is to be commenced or completed. Direct labor, supervision, material costs, contingencies, and any applicable overhead expenses that are included in the total cost of the project should be shown separately and identified.

(i) *Exhibit I.* With respect to the maintenance, rehabilitation, improvement, acquisition, or construction of facilities proposed in the application, a statement showing, as appropriate:

(1) Track Class, as defined by the FRA Track Safety Standards in Part 213 of this chapter, and maximum allowable speed under which each line on which maintenance, rehabilitation, improvement, acquisition or construction is proposed has been and is being operated and the reasons therefor, the track class, maximum allowable speed, and signal requirements necessary in the judgment of the railroad to provide safe, reliable and competitive rail services over such lines, and the highest track class and maximum allowable speed at which each such line will be designated when the proposed project is completed;

(2) Dates on which project is proposed to be commenced and completed; and dates on which any part of sub-part into which the project may reasonably be divided is proposed to be commenced and completed;

(3) Types and quantities of work items, unit cost of each item, cost of project in total and by parts or subparts into which the project may be reasonably divided, and distribution of such costs by primary accounts of the Commission's Uniform System of Accounts, separated where applicable between material, labor and other. Direct labor, supervision, material costs, contingencies, and any applicable overhead expenses that are included in the costs of the project should be shown separately and identified.

(j) *Exhibit J.* A draft notice of filing, to be published by the Administrator in the FEDERAL REGISTER, which shall contain a brief summary of the project(s) proposed to be funded, including as applicable:

(1) The name and address of applicant;

(2) A brief description of the project(s) proposed to be funded, the total cost of such project(s), and the amount of Federal financial assistance sought;

(3) A brief description of the facilities or equipment to be acquired, rehabilitated or improved, including where appropriate, city or county and State location termini, and approximate distance in miles;

(4) The justification for the project(s); and

(5) A final paragraph which shall read as follows:

Interested persons may submit written comments on the application to the Associate Administrator for Federal Assistance, Federal Railroad Administration, 400 Seventh Street SW., Washington, D.C. 20590, not later than 30 days after the date on which this notice is published in the FEDERAL REGISTER. Such submission shall indicate the docket number shown on this notice and state whether the commenter supports or opposes the application and the reasons therefor.

The comments will be taken into consideration by the Federal Railroad Administration in evaluating the application. However, formal acknowledgment of the comments will not be provided.

NOTE.—The account forms referred to in the exhibits are those of the Commission's Uniform System of Accounts for Railroad Companies in use on October 1, 1976. However, the information required in any of the exhibits shall give effect to any modification of the Commission's Uniform System of Accounts for Railroad Companies in effect on the date of filing the application.

**§ 260.11 Preapplication and application procedure.**

(a) When a railroad or any other person has developed plans for a project for which it may wish to seek assistance under this part, a responsible official of the railroad or other person may request a meeting with the Associate Administrator for Federal Assistance of the FRA to discuss those plans. Upon receipt of such request, the Associate Administrator will promptly schedule a meeting at which the railroad or other person will present to representatives of the FRA the proposed project and discuss with them information which must be submitted in the application and the type of terms and conditions and financing documents that will be utilized in connection with financial assistance provided under section 511. Applicants are not required to prepare a draft application or other special information for the preapplication conference; however, applicants should be prepared to discuss information which management has used in making its initial decision to seek assistance.

(b) The following procedure shall govern the execution and filing of the application:

(1) The original application shall bear the date of execution, be signed with ink by or on behalf of the applicant, and shall bear the corporate seal in the case of an applicant which is a corporation. Execution shall be by all partners if a partnership, unless satisfactory evidence is furnished of the authority of a partner to bind the partnership, or if a corporation, an association or other similar form of organization, by its president or other executive officer having knowledge of the matters therein set forth. Persons signing the application on behalf of the applicant shall also sign a certificate in form as follows:

———— (Name of official) certifies that he is the ———— (Title of official) of the ———— (Name of applicant); that he is authorized on the part of the applicant to sign and file with the Administrator this application and exhibits attached thereto; that the consent of all parties whose consent is required, by law or by binding commitment of the applicant, in order to make this application has been given; that he has carefully examined all of the statements contained in such application and the exhibits attached thereto and made a part thereof relating to the aforesaid ———— (Name of applicant); that he has knowledge of the matters set forth therein and that all such statements made and matters set forth therein are true and correct to the best of his knowledge, information, and belief.

————
(Name of official)

————
(Date)

(2) There shall be made a part of the original application the following certificate by the Chief Financial Officer or equivalent officer of the applicant:

———— (Name of officer) certifies that he is ———— (Title of officer) of ———— (Name of applicant); that he has supervision over the books of accounts and other financial records of the affected applicant and has control over the manner in which they are kept; that such accounts are maintained in good faith in accordance with the effective accounting and other orders of the Interstate Commerce Commission; that such accounts are adequate to assure that proceeds from the financing being requested will be used solely and specifically for the purposes authorized; that he has examined the financial statements and supporting schedules included in this application and to the best of his knowledge and belief those statements accurately reflect the accounts as stated in the books of account; and that, other than the matters set forth in the exceptions attached to such statements, those financial statements and supporting schedules represent a true and complete statement of the financial position of the applicant and that there are no undisclosed assets, liabilities, commitments to purchase property or securities, other commitments, litigation in the courts, contingent rental agreements, or other contingent transactions which might materially affect the financial position of the applicant.

————
(Name of official)

————
(Date)

(3) The original application and supporting papers, and ten copies thereof for the use of the Administrator, shall be filed with the Associate Administrator for Federal Assistance of the Federal Railroad Administration, 400 Seventh Street SW., Washington, D.C. 20590. Each copy shall bear the dates and signatures that appear in the original and shall be complete in itself, but the signatures in the copies may be stamped or typed.

(4) The application shall be accompanied by a filing fee in an amount equal to one-eighth of one percent of the principal amount of the obligation for which a guarantee is sought. This filing fee shall be applied towards the costs of analyzing and evaluating the application, appraising any security offered by applicant, and making any studies or investigations that the Administrator deems necessary in order to make the determinations and findings prescribed in the Act, except where the Administrator finds it necessary to retain contractors to perform or assist in performing these functions. Where any of these functions is performed under contract to the Ad-

ministrator, the applicant will be charged, and shall pay promptly, an additional amount to cover the costs of such contract(s) but such charges will not exceed, when added to the initial charge, one-half of one percent of the obligation for which a guarantee is sought.

(5) The application shall be accompanied by a transmittal letter in form as follows:

Re Application for a Commitment to Guarantee [Guarantee] under section 511 of the Railroad Revitalization and Regulatory Reform Act of 1976, as amended (the "Act").

FEDERAL RAILROAD ADMINISTRATOR,
*c/o the Associate Administrator for Federal Assistance of the Federal Railroad Administration, Department of Transportation, Washington, D.C.*

DEAR SIR: Being duly authorized by _____ (jointly and severally/if more than one) (the "Applicant") to convey the understandings hereinafter set forth, I respectfully submit this application and remit its filing fee. By this filing, Applicant requests the Administrator to investigate the application and make the necessary findings upon which Applicant's eligibility for a Commitment to Guarantee [Guarantee] may be determined.

Applicant understands that neither the acceptance of this filing, the deposit of the filing fee, nor the commencement of an investigation acknowledges the sufficiency of the application's form, content or merit. Furthermore, Applicant understands that the Administrator will incur numerous expenses by this filing, and promises to pay, when charged, such amounts as the Administrator may assess with respect to the investigation of the application, the appraisal of security being offered, and the making of the necessary determinations and findings, up to one-half of one percent (including the filing fee) of the principal amount of the obligation for which Applicant seeks a Commitment to Guarantee [Guarantee].

Finally, Applicant understands that (1) payment of all such charges is required prior to the Administrator's final determination, (2) no charge will be cancelled nor refund made upon any termination of this application, (3) notice of this application will be published in the FEDERAL REGISTER to invite comment by interested parties, and (4) the Administrator will assess an annual premium charge, pursuant to the Act, on any obligation guaranteed under section 511.

Respectfully submitted,

_____
Applicant(s)

_____
Seal(s)

by _____
Its (Their)

**§ 260.13 Information requests.**

If an applicant desires that any information submitted in an application or supplement thereto not be released by the Administrator upon request from a member of the public, the applicant must so state and must set forth any reasons why such information should not be released, including particulars as to any competitive harm which would probably result from release of such information. The Administrator will keep such information confidential as permitted by law.

**§ 260.15 Waivers and modifications.**

The Administrator may, upon good cause shown, waive or modify any requirement of this part not required by law or make any additional requirements he deems necessary.

APPENDIX—ENVIRONMENTAL ASSESSMENTS

Part I: Description of the environment in the area of the project before commencement of such project, together with statement of other Federal activities in the area which are known, or should be known, to the applicant. This description shall include, without limitation, the following information:

(A) *Demographic data.* Statement of population and growth characteristics of area and of any population and growth assumptions made by applicant in planning the project. Such statement should use the rates of growth in the projection compiled for the Water Resources Council by the Bureau of Economic Analysis of the Department of Commerce and the Economic Research Service of the Department of Agriculture, commonly referred to as the OBERS projection of regional economic activity in the United States. Applicants should refer to 1972 OBERS projections for economic areas, and provide 1969 data and 1980 projections for the following: population; manufacturing earnings; transportation, communications and public utilities earnings; agriculture, forestry and fisheries earnings; and mining earnings. Information should be provided for economic areas which the applicant's proposal would affect.

(B) *Current land use patterns.* Statement of the project's relationship to proposed land use plans, policies, and controls of affected communities, including, where appropriate, maps or diagrams. Where the project is inconsistent with any such plans, policies, or controls, the statement should describe and explain in detail the reasons for such inconsistency.

(C) *Characteristics of current operations.* The Applicant should indicate the maximum allowable speed and frequency of current rail traffic on any affected line, the number and location of grade crossings, and the length of time such grade crossings are blocked during a typical day. The Applicant should indicate derailments and fatalities or injuries resulting from accidents involving trains and motor vehicles or pedestrians on such lines. The Applicant should also indicate the hours of operation on such lines and noise levels of rail operations at 100' from the right of way. Applicants should refer to the United States Environmental Protection Agency document titled "Information on Levels of Noise Requisite to Protect Public Health and Welfare with an Adequate Margin of Safety", which provides a system of measuring day and night noises on a weighted average.

(D) *Air quality.* The Applicant should indicate the air quality in the region, as found in the state Air Quality Implementation Plans to meet ambient air quality standards. Each state is required to prepare such a plan under the Clean Air Act (42 U.S.C. 1857). Some states are required to have Transportation Control Plans to meet ambient air quality standards where transportation sources pose major air quality problems. Applicants should refer to state air quality agencies or to the Regional Offices of the U.S. Environmental Protection Agency for guidance.

(E) *Wetland or coastal zones.* Location, types, and extent of wetland areas or coastal zones that might be affected by the project.

(F) *Properties and sites of historical or cultural significance.* Identification of districts, sites, buildings and other structures, and objects or historical, architectural, archeological, or cultural significance that may be affected by the project. This should be accomplished by consulting the National Register and applying the National Register Criteria (36 CFR Part 800) to determine which properties that may be affected by the project are included in or eligible for inclusion in the National Register of Historic Places. The National Register is published in its entirety each February in the FEDERAL REGISTER. Monthly additions and listings of eligible properties are published in the FEDERAL REGISTER the first Tuesday of each month. The Secretary of the Interior will advise, upon request, whether properties are eligible for the National Register. Officials designated by their Governors to act as State Historic Preservation Officers responsible for state activities under the National Historic Preservation Act may also be consulted. A listing of these state officials may be found at 36 CFR 60.5(d), or may be obtained from the Director, National Parks Service, U.S. Department of the Interior, Washington, D.C. 20240.

(G) *Publicly-owned parklands, recreational areas, and waterfowl refuges, and historic sites (45 U.S.C. 1653(f)).* (i) Protected land proposed to be used. Describe any publicily-owned land from a public park, recreation area or wildlife and waterfowl refuge or any land from an historic site or wildlife and waterfowl refuge or any land from an historic site which would be affected or taken by the proposed program or project, including the size of the land proposed to be affected or taken, available activites on the land, use, patronage, unique or irreplaceable qualities, relationship to other similarly used land in the vicinity of the proposed project, and maps, plans, slides, photographs, and drawings in sufficient scale and detail to clearly show proposed project. Include a description of impacts of the proposed project on the land and changes in vehicular or pedestrian access.

(ii) Significant area. Include a statement of the national, State, or local significance of the entire park, recreation area, wildlife or waterfowl refuge, or historic site as determined by the Federal, State or local officials having jurisdiction thereof. In the absence of such a statement, protected land is presumed to be located in an area of national, State or local significance.

Part II: The probable impact of the project on the environment and measures which can be taken to mitigate adverse impacts. The applicant shall (1) assess the positive and negative environmental effects, including primary, secondary, and other foreseeable effects, on each of the areas specified in Part I above, including long-term impacts associated with the increased intensity, if any, of rail operations, and (2) list measures which can be taken to mitigate adverse impacts. Mitigation measures include control of hours of operation, coordination of street blockages with adjacent communities, dust and erosion control mea-

sures, and proposed methods of tie disposal. In addition, the applicant shall provide the following.

(A) Statement of the extent to which any of the impacts of the project represent irreversible or irretrievable commitments of resources. This requires identification of the extent to which implementation of the project irreversibly curtails the range of potential uses of the environment. "Resources" include the natural cultural resources lost of destroyed as a result of the project.

(B) Statement of the relationship between local short-term uses of man's environment and the maintenance and enhancement of long-term productivity. This shall include a brief discussion of the extent to which the proposed action involves trade-off between short-term environmental gains at the expense of long-term losses, or vice versa, and a discussion of the extent to which the proposed action forecloses future options.

(C) Statement of any probable adverse environmental effect which cannot be avoided, such as changes in exposure to noise and changes in level of noise or vibration; water or air pollution; undesirable land use patterns; impacts on public parks and recreation areas, wildlife and waterfowl refuges, or historic sites; damage to life systems; congestion of street traffic in adjacent communities; delays in the provision of essential services (police, fire, ambulance), anticipated changes in accident patterns and other threats to health; and other consequences adverse to the environmental goals set out in section 101(b) of the National Environmental Protection Act, 42 U.S.C. 4331(b). In considering noise levels, applicants should note any conflicts between projected noise levels from rail operations and HUD standards for noise at sensitive sites, such as schools, hospitals, parks and residential locations. (U.S. Department of Housing and Urban Development, "Noise Abatement and Control: Department Policy Implementing Responsibilities and Standards," Departmental Circular 1390.2, Chart; External Noise Exposure Standards for New Construction, April 4, 1971)

(D) Statement of construction impacts, identifying any special problem areas and including: (i) Noise impacts from construction and any specifications setting maximum noise levels.

(ii) Disposal of spoil and effect on borrow areas and disposal sites (include any specifications).

(iii) Measures to minimize effects on traffic and pedestrians.

(iv) Consideration of non-point source pollution such as might result from water runoff.

(E) Statement of any positive or negative impacts on energy supply and natural resource development, including, where applicable, any effect on either the production or consumption of energy or other natural resources. Discuss such effects if they are signigicant.

(F) Discussion of problems and objections raised by other Federal, State or local agencies, and citizens with respect to impact of the project on the environment.

Part III. Discussion of any alternatives to the project that have been considered with respect to impact on the environment. If cost-benefit analyses have been performed, the extent to which environmental costs have been reflected in the analysis should be stated. Underlying studies, reports, and other information obtained and considered in preparing each section of the statement should be identified. For energy comparisons, a possible source is Oak Ridge National Laboratory Report, "Energy Intensiveness of Passenger and Freight Transport Modes" by Dr. Eric Hirst, April, 1973. For analyzing community impacts, the following report may be useful: "The Impacts on Communities of Abandonment of Railroad Service," July, 1975, prepared for the U.S. Railway Association by the Public Interest Economics Center, Washington, D.C. In examining the environmental effects of highway transport as an alternative to rail service, applicants may wish to use the following publication: "A Study of the Environmental Impact of Projected Increases in Intercity Freight Traffic, August, 1971, prepared for the Association of American Railroads by Battelle, Columbus, Ohio."

## Subpart B—Standards for Maintenance of Facilities by Recipients of Obligation Guarantees

### § 260.17 Applicability.

This subpart prescribes standards governing the maintenance of facilities, as defined in subpart A of this part, that are being acquired, rehabilitated, improved, or constructed with the proceeds of a guaranteed obligation, by the recipient of such guarantee for the period during which any portion of the principal or interest of such obligation remains unpaid.

### § 260.19 Definitions.

The terms defined in subpart A of this part shall have the same meaning for the purposes of this subpart that such terms are given in § 260.3 of this part.

### § 260.21 Standards.

(a) When the proceeds of an obligation guaranteed by the Administrator are used to acquire, rehabilitate, improve or construct track, roadbed, and related structures, the guarantee recipient shall, as long as any portion of the principal or interest of such obligation remains unpaid, maintain such facilities in at least the highest track Class, as defined by FRA Track Safety Standards in Part 213 of this chapter, as that Class in which the rehabilitated, improved, acquired, or constructed track is to be operated upon completion of the project for which the obligation was guaranteed unless a waiver is granted in accordance with § 260.25.

(b) When the proceeds of an obligation guaranteed by the Administrator are used in facilities, including those mentioned in paragraph (a) of this section, the recipient shall, during the period in which any portion of the principal or interest in such obligation remains unpaid, maintain such facilities in a manner consistent with sound engineering and maintenance practices and in a condition that will permit the level of use that existed upon completion of the acquisition, rehabilitation, improvement or construction of such facilities unless a waiver is granted in accordance with § 260.25.

### § 260.23 Inspection.

(a) The facilities subject to the provisions of this subpart shall be inspected at such regular intervals as the Administrator deems necessary to assure compliance with the standards set forth in § 260.21. Each recipient shall permit representatives of the FRA to enter upon its property to inspect and examine such facilities at reasonable times and in a reasonable manner. Such representatives shall be permitted to use such testing devices as the Administrator deems necessary to insure that the maintenance standards imposed by this subpart are being followed.

(b) Each recipient shall submit to the Administrator annually financial records and other documents detailing the maintenance performed and the inspections conducted which demonstrate that the recipient has complied with the standards in § 260.21.

### § 260.25 Waiver.

Any recipient of a guarantee may petition the Administrator in writing for relief from any or all requirements imposed by this subpart. The Administrator may, for good cause shown, waive or modify any requirements of this part. Good cause may include, but is not limited to, insufficient capital resources of the recipient to comply with these maintenance standards or changes in the level of service required for any facility subject to this subpart.

### § 260.27 Impact on other laws.

Standards issued under this subpart shall not be construed to relieve the recipient of any obligation to comply with any other Federal, State, or local law or regulation.

### § 260.29 Penalties.

If the Administrator finds that a guarantee recipient has violated the requirements of this subpart, such recipient will be subject to civil action for injunction to cease activities which violate this subpart and for any other appropriate civil or criminal relief, including termination, suspension, and punitive damages.

## Subpart C—Procedures for Computing the Internal Rate of Return on Projects

### § 260.31 Applicability.

This subpart prescribes the procedures to be followed and the format to be utilized in computing the IRR under paragraph (a)(7)(i) of § 260.7 of subpart A of this part.

### § 260.33 Definitions.

As used in this subpart—

(a) Investment means any substantial non-recurring expenditure even if expensed for accounting purposes.

(b) IRR means the estimated internal rate of return on a project for which an application for financial assistance is filed pursuant to this part.

(c) IRS means the Internal Revenue Service.

**§ 260.35 Procedures to be followed and format to be utilized.**

(a) A narrative discussion of the IRR computation for the project consisting of the following five parts shall be prepared and provided:

(1) *A detailed description of the project.* This description must present the following: the objectives of the project; what assets will be improved, rehabilitated, acquired or constructed; where they will be located; and how they will be used. It must also describe any other work to be done as a part of the project, and any operating changes, including retirement of assets, which will accompany the investment. For these purposes, the project shall be deemed to include all expenditures (including those for which no Federal assistance is requested) necessary to carry out its objectives.

(2) *A detailed description of the base case.* The base case is the most favorable alternative action the applicant could take with little or no investment. The description must be comparable in scope to the description of the project. In some cases, the most favorable alternative action may be to do nothing, i.e., making no change in the current situation. In other cases, the applicant may have other alternative actions such as rerouting traffic, changing operating practices (perhaps with an increase in operating costs), or relying more heavily on facilities or equipment belonging to others. If the applicant has considered more than one alternative action (requiring little or no investment) to the project, the applicant must describe each of the actions considered and give the rationale for the selection of the base case from among those other actions.

(3) *A discussion of key assumptions.* All general assumptions and those relating only to a particulary cash flow impact which substantially affect the IRR should be explained. Assumptions regarding traffic volumes deserve particular attention. The applicant must specify how much traffic is expected if the project and base case are undertaken, and where the difference, if any, between the project and base case is expected to come from (e.g., diverted from truck, diverted from other railroads, generated by the project, etc.). Other key assumptions may relate to actions by third parties, such as regulatory agencies and other railroads.

(4) *A discussion of each cash flow impact resulting from the project or base case.* The applicant must identify all the cash receipts and disbursements resulting from the project but not the base case, and vice-versa. Cash flows which would be the same in either event should not be considered. For each cost and benefit used in the IRR computations, the applicant must explain why the particular cash flow will result from the project or base case, and how the size of the cash flow and the corresponding measure in physical units were estimated. In addition, the applicant must identify and discuss important costs and benefits which it has not been able to quantify. The applicant must note which of the benefit and cost items could be measured to confirm the predictions in the IRR computation, and must suggest how such measurements could be made. Appendix A of this subpart lists the most common cash flow impacts of railroad investment projects and base case alternatives, indicates the kinds of actions likely to involve each type of cash flow, suggests how each might be measured (both in physical and monetary units), and discusses special problems associated with each. Appendix A is not exhaustive; other cash flow items should be included in the analysis as appropriate.

(5) *A discussion of the principal areas of uncertainty.* This discussion must indicate why particular values might be different from those used in the computation, and the range into which each uncertain value could be be expected to fall. It must also indicate the applicant's subjective level of confidence that the computed IRR is a reasonably close prediction of the project's and base case's financial performance. In some circumstances, the applicant must point out where the IRR fails to incorporate certain important features of the project or the base case, or both. Applicant may enhance its discussion by presenting examples of its own prior experiences with IRR, stating, perhaps, that an audit of past computations has shown marked deviations from actual results regardless of the detail of those computations.

(b) For the project (as it relates to its base case alternative), a thorough presentation of all the computations underlying the IRR using the Forms I-V of Appendix B to this subpart shall be prepared and provided. State and local tax impacts need not be included in the computations, unless the applicant has determined that their inclusion substantially affects the IRR. The computation of the IRR must follow the four steps described below. (This procedure cannot be used if the project consists of replacing an asset, usually equipment, which would otherwise remain in service (at high cost) for only a few more years. In that situation, the lifetime of the project (the new asset) is substantially longer than the lifetime of the base case (the old asset), so that it is not possible to get a differential cash flow in every year of the project's life. A possible approach for handling such cases is to determine the discount rate which gives the same average annual cost per unit of output for both the project and the base case. Because it is expected that very few of the applications will involve such replacements, the procedure for handling them will not be detailed here but will be provided upon request.) The foregoing does not apply to the rehabilitation of track or similar replacement of components of an asset which could reasonably be kept in service at high cost for at least 15 years (or the life of the replaced material, if shorter). The IRR on such projects must be computed in accordance with the procedures mandated by this subpart.).

(1) *Step 1: Determination of before-tax case flows.* The applicant must determine, for each year of the project's expected useful life, up to a maximum of 15 years (unless the cash flow impacts of later years would substantially affect the IRR), both the project's and base case's before-tax cash flow impacts (receipts and disbursements). The cash flow estimates must not include the effects of inflation, but rather must be done in constant dollars. The effects of financing must also be excluded; that is the cash flows must be estimated as if the required cash were immediately available at no cost.

The various cash flow impacts for this step 1 must be shown on Forms I through V of Appendix B as explained below. On Forms I through V cash flow impacts occurring in the first year of the project and base case are assigned to and recorded in the time period year 1. Cash flows in subsequent years are all assigned to and recorded in the year in which they occur regardless of whether they occur at the beginning or end of the year. For purposes of assigning and recording cash flow impacts of the project and base case, it will be assumed that the project's starting date and thus the commencement of year 1 begins as of the first of the January following the year in which an application for financial assistance is filed.

(i) Capitalized investments which would occur as a part of the project but not in the base case must be entered in Column 1 of Form I. The capitalized investment includes capitalized engineering work, installation expenditures and other startup costs allowable in reporting to the IRS. The total investment for the project must be divided into portions which are homogeneous with respect to depreciation method (if depreciable), depreciation period (if depreciable), year in which the assets enter service, and

whether the assets qualify for investment tax credit. (If applicant has a considerable tax credit carryforward, the tax credit must be shown only in the year or years it will result in a reduction of tax payments.) A separate form should be completed for each such portion. Similarly, a set of Forms I must be completed for a capitalized investments which would be made as part of the base case but not the project.

(ii) Sales of released assets (as useful assets or as scrap), which would occur as a part of the project or the base case, must be entered in Column 1 of Form II. As was the case for capitalized investments, there must be a separate Form II for each portion of the assets sold, such that each portion is homogeneous with respect to tax treatment and year of sale. Form II must also be completed for retirements of assets, even though the sale price is zero, if the retirement will affect the applicant's income taxes and thereby the applicant's cash flow. The sale or retirement of an asset at the end of the project's life, if the cash flow impact is substantial enough to merit inclusion in the computation, must also appear on one or more Forms II. (If a project would continue an asset already owned in its prior use but the base case would put the asset to an alternative use, and if the cash flow from that alternative use is difficult to determine, the applicant may do the analysis as if the asset were to be sold in the base case at its fair market value when put to the alternative use. Similarly, if the base case would continue an asset in its present use but the project would result in the asset being employed in an alternative use, the anticipated cash flow of which would be difficult to determine, the asset in the project may be treated as a sale at fair market value in the IRR computations. In either event, the market value of the asset otherwise put to an alternative use would be entered in Column 1 of a Form II and the asset in its current use (in either the project or base case, as the case may be) would be recorded, as to continuing depreciation and income tax credit, if any, on Form I and, as to expenses and contribution to profit, on Form III. However, whenever possible, the anticipated cash flow of the alternative use, whether in the project or base case, should be entered on Form III rather than treated as a theoretical sale at fair market value.)

(iii) Expense items or contributions to profit which arise by reason of the project or the base case must be documented on Form III for the respective case, with a separate form being used for each item.

Columns 1 and 2 of Form III must be completed unless the difference of column 3 can be ascertained only through a direct computation (as, e.g., car-day savings resulting from faster movement over rehabilitated track). When practical, expenses and traffic are to be expressed first in physical units (Columns 1, 2 and 3) and then converted to dollars (Column 4). In instances where this is not practical, the applicant may estimate expenses and contribution directly in dollars using only Columns 1, 2, and 4. In Columns 1 and 2, expense items should always be enclosed in parentheses because they represent cash outflows. Thus, positive numbers in Columns 3 and 4 will indicate that the project produces a larger cash inflow (or smaller cash outflow) than the base case.

(2) *Step 2: Determination of after-tax cash flows relating to capital assets.* The applicant must compute the annual cash flows after Federal income tax corresponding to each of the before-tax flows recorded on each Form I and Form II in the previous step. If the applicant expects to pay taxes in some years but not others, the applicant will undoubtedly carry forward (or back) the tax losses and credits from years in which no tax was paid, so as to take full advantage of them. In that case, the applicant must estimate when such tax benefits will actually be received, and include them in the cash flow stream at the appropriate time. The appropriate tax rate for such computations is the applicant's marginal tax rate. This is the rate which would apply to one additional dollar of income earned by the applicant. Normally, the marginal rate will be 48% for Federal taxes except in years in which the applicant does not expect to pay taxes. The average or effective tax rate (found by dividing a firm's actual tax payments by its net income before taxes) is not appropriate for this purpose. If the tax rate assumed is different from 48% or if the computations assume the applicant will not pay taxes in certain years, then those assumptions must be explained in the discussion of key assumptions. The tax-related computations must be shown on the same forms as were used to record the pretax cash flows. Additional working papers should be submitted as necessary to clarify the computations. The computations to be done on the two forms are as follows:

(i) On each Form I, the applicant must indicate in Column 2 the depreciation schedule which it expects to use in reporting to the IRS. In Column 3, the applicant must indicate how much its tax bill will be reduced as a result of the depreciation shown in Column 2. (If the applicant expects to pay taxes every year, Column 3 is simply 48% of Column 2.) In Column 4, the applicant must indicate the tax reduction, if any, it expects from investment tax credit. (The effect of the tax credit must be computed using the flow through method, in which investment credits are generally treated as reductions in income tax expense of the year in which the credits are actually realized, rather than being deferred and amortized over the productive life of the acquired property). Column 5 is the net after-tax cash flow associated with the investment.

(ii) On each Form II, the applicant must indicate in Column 2 the increase (or decrease) in its Federal income tax payments resulting from the difference between the sale price and the book value of assets to be sold by reason of the project or base case. If an asset is released without a sale or a corresponding write down of book value, Form II is not used, but Form I is used to reflect continuing depreciation as before the release. In Column 3, the applicant must record any recapture of investment tax credit by the IRS. (Such recapture can only occur when an asset is disposed of before it has been in service for seven years.) Finally, Column 4 records the net cash flow in or out.

(3) *Step 3: Determination of aggregate after-tax cash flow.* The applicant must determine the project's aggregate after-tax cash flow using Form IV. This shall be done as follows:

(i) For each year, the corresponding after-tax cash flow (Column 5) on the various Forms I on which the "project" box was checked are summed, and the total entered into Column 1 of Form IV. Then the net after-tax cash flows on the base case Forms I are summed and entered into Column 2 of Form IV.

(ii) Similarly, the project and base case Forms II (Column 4) are consolidated and entered into columns 3 and 4, respectively, of Form IV.

(iii) The Forms III (Column 4) are consolidated into Column 5 of Form IV. The corresponding cash flow after Federal income tax is recorded in Column 6. If the applicant expects to pay taxes every year, Column 6 is simply 52% of Column 5. If applicant expects to pay no taxes, the two columns are identical. If applicant expects to pay taxes in some years but not others, the applicant must incorporate the effects of carrying losses forward (or back) into the estimated after-tax cash flow.

(iv) The aggregate net cash flow for the project relative to the base case is then found and entered in Column 7 of Form IV.

(4) *Step 4: Computation of the IRR.* The applicant must determine the discount rate for which the present value of the differential cash flow stream is zero. That is, the applicant must find the value of $r$ which makes the expression

$$\sum_{i=1}^{t} \frac{c_i}{(1+r)^i}$$

equal to zero. In the above expression, $r$ is the discount rate applied to future cash flows; $i$ is an index denoting a particular year of a project's life; $n$ is the number of years in the project's life; and $c_i$ is the differential cash flow in year $i$. Computer programs for calculating the rate of return are widely available. If a program is utilized, copies of the printout showing input and output data, and a brief explanation of the program function must be included in the application. If the applicant chooses not to use such a computer program to find the IRR, the applicant may use Form V. If the IRR lies off the graph, it is sufficient to report that the IRR is negative or above 50%. If the nature of the cash flow stream is such that a unique IRR cannot be found, the work done to develop the cash flow stream must be submitted with a note that no IRR could be computed.

(c) Copies of all financial analyses which the applicant did on rejected alternatives to the project, including changes in scale or scope. The applicant need not do any such analyses beyond those already done, nor need the format, assumptions, or procedures used in those analyses be changed to conform to the requirements of these regulations.

(d) A reconcilation between the cash flows used in the IRR computations and all forecasted data presented in the application, both before (for the base case) and after (for the project) giving effect to Federal assistance. This reconciliation must indicate what inflation factor or factors were used in developing the forecasted financial statements as compared to the constant dollar figures used in the IRR computations. The reconciliation must also show how each of the individual parts and subparts of the project relates to the applicant's forecasted financial statements.

## Appendix A—Selected Cash Flow Impacts

Railroad investments usually affect the investor's cash flow by changing some of the following things:

Use of assets.
Contribution from traffic.
Labor requirements.
Locomotive requirements.
Requirements for cars, trailers, and containers.
Maintenance material consumption.
Energy consumption.
Accident rates and severity.
Expenditures needed to meet legal requirements.
Salvage value.
Installation and start up expenses.

While this list is not exhaustive it does identify the most common cash flow impacts.

Some of the items listed, such as start up expenses, are almost always costs of projects or base cases, rather than benefits. Others, such as salvage value, are usually benefits. Most of the items, however, may be either project or base case benefits or costs, depending on the particular situation.

This appendix briefly discusses each of the eleven factors listed above. The discussions include four parts: a list of the kinds of actions which often involve the particular cash flow impact in question; the physical units in which the impact is generally measured; suggestions for converting the physical units to their monetary equivalent; and notes on special characteristics or problems associated with the particular cash flow impact.

### Use of Assets

*Characteristic Actions:* Assets are often released for sale or altenative uses when they are replaced or made unnecessary by new assets. Examples are pole line materials released when microwave is installed; shop equipment released when similar new equipment is acquired; rail replaced by rail in better condition; and land and track materials released when yards, shops, and terminals are made unnecessary by new facilities elsewhere. Some other types of actions, such as line changes and the installation of centralized traffic control, often permit some track segments to be abandoned, thereby releasing track material for sale or other uses.

On the other hand, some actions involve the use of assets already owned, thereby prohibiting their sale or use for other purposes. Examples are car modifications and projects involving land and buildings already owned.

*Physical Units:* Feet (or miles) of rail, number of ties, acres of land, etc.

*Monetary Value:* The value of an asset released by an action depends on what will be done with it. The value of an asset occupied by an action, on the other hand, depends on what would have been done with it in the absence of the action. Regardless of whether it is the action or its alternative which makes the material available, one must first carefully specify what is assumed to happen to the asset both with and without the action, and identify the factors which change the cash flow stream. Depending on the particular circumstances, any of the following might be involved: payment received from selling the asset; a multi-year stream of income produced by the asset in some use; tax paid on the sale of the asset; expenditure for dismantling and/or moving the asset; recapture by the IRS of investment tax credit taken when the asset was purchased (if it had been in use for less than seven years). Also, if the owner of the asset sells or retires it, he would lose the tax reductions he is receiving from depreciating the asset. It is the use of the released asset which values it. Thus, a released asset such as rail which, by cascading, results in the subsequent release of less valuable rail, must be valued in its use and not as the value of subsequently released assets.

In cases in which the asset is transferred to another use which produces income over several years, the effect of releasing the asset extends over several years, and must be expressed as a series of annual cash flows, rather than a lump sum.

*Special Features:* A common error in project evaluations is to value a used asset at its book value (i.e., purchase price less accumulated depreciation). The book value may be far from the value of the asset on the open market, especially in the case of rail released by track abandonments and land released by the abandonment of facilities in urban areas. The only way the book value of retired assets enters into the cash flow stream is in determining the tax paid on the sale of the asset (or the tax saving if the asset is discarded or sold for less than its book value).

In calculating the tax paid on the sale of a released asset, the ordinary tax rate (48%) should be used, except when the capital gains rate applies.

It is sometimes difficult or impossible to estimate the contribution to profit which a particular asset, such as second hand rail, will produce in an alternative use. In such cases, it is better to do the financial analysis on the assumption that the asset in question would be sold at its fair market value (even though it would in fact be put to an alternative use), rather than leaving the asset out of the computations entirely.

### Contribution From Traffic

*Characteristic Actions:* Actions which affect the availability and attractiveness of the railroad to shippers. The action may involve giving the shipper better access to the railroad (track extensions and terminal improvements) or better service. Line consolidations, on the other hand, may involve abandonments which deprive some shippers of service, or may result in such degradations in service quality that some shippers switch to other carriers. Faster service can result from more power or improvements in track, yards, terminals, signals, and communication. Another component of service quality, reduced loss and damage to lading can be occasionally improved by eliminating accidents (wayside warning devices), using specialized cars, and making improvements to yard and terminal facilities. Service quality can also be enhanced by purchases of additional freight cars and trailers, so as to reduce the likelihood of car shortages. Another aspect of service quality is reliability, which may be affected by improvements in yards, terminals, and communications, as well as the elimination of accidents. Still another component of service quality is the cost to the shipper of packing and loading, which may be affected by investments in specialized cars and terminal facilities.

*Physical Units:* Car-loads.

*Monetary Value:* The contribution to profit is found by subtracting the variable cost of moving the traffic from the associated revenue. The variable cost is best estimated by a careful study of the operations and costs of the particular movements involved.

Such a study is not practical for certain traffic. In these cases the best alternative may be to estimate the variable cost using system averges, as is done in the Interstate Commerce Commission's Rail Form A, Carload Cost Scales, and Rail Revenue Contribution studies. Where appropriate, such system average costs should be adjusted to exclude costs not involved in the particular movement, and to reflect the current, not the historical, costs of assets to be purchased in the future.

*Special Features:* The contribution from new traffic resulting from an improvement is extremely important, but it is also one of the most difficult of all project benefits to estimate. One major problem is estimating the volume of traffic likely to result from a particular improvement, especially if the improvement affects service quality. A second serious problem is estimating the variable cost of particular movements. (These estimates may be facilitated by a six-part FRA cost study currently in progress.)

LABOR REQUIREMENTS

*Characteristic Actions:* Labor requirements are often reduced by automation, facility consolidation, faster train running times, reductions in switch engine requirements, better communications for operations, and reductions in maintenance needs. On the other hand, actions involving new or expanded yards, terminals, or shop facilities may increase manpower requirements.

*Physical Units:* Man-hours, number of employees.

*Monetary Value:* The value of labor depends on the particular situation. If the action results in a change in the number of employees or in overtime hours, the wages and fringe benefits associated with that change directly affect the railroad's cash flow. If an action changes or eliminates work for employees without changing jobs or overtime, the change will affect the railroad's cash flow if either:

The man-hours released or occupied by the change can be used on other profitable tasks which would otherwise not be done, or which would be accomplished by paying overtime or hiring more people; or

The action can be combined with one or more other actions, each of which saves or requires a fraction of an employee, so that the set of actions results in a change in the size of the work force.

In either case, the value of the man-hours released or consumed is the cost of the associated wages and fringe benefits. On the other hand, if the result of the action is simply to give existing employees more (or less) free time on the job, no cash impacts can be attributed to the change in the amount of work.

*Special Features:* There are several different kinds of labor which a project might affect: road crews, yard crews, maintenance-of-way, shop, inspection, clerical, and other.

Determining the wages and fringe benefits associated with a particular man-hour is often not straightforward because of rules governing employee compensation. The payment of some train crews on a mileage rather than a time basis is an example.

Wage and fringe benefit savings resulting from the elimination of jobs may be at least partially offset by costs incurred as a result of labor protection agreements. Depending on the situation, these costs may be lump-sum or recurring. Determination of employee protection costs is complicated by the fact that the individual who holds a position which is to be eliminated may not be the person who is actually laid off as a result of the elimination. Rather, the person whose job is actually eliminated may displace a person with less seniority holding a similar job. That person may, in turn, displace another employee and so on.

LOCOMOTIVE REQUIREMENTS

*Characteristic Actions:* Actions reducing train running time (track upgrading, line changes, signal system improvements, etc.), or which permit moving the same traffic with fewer trains (yard consolidations) or with fewer terminal delays (yard and terminal improvements) can all reduce the number of road engines needed. The number of switch engines needed can be reduced by some types of yard and terminal improvements, such as yard consolidations, track changes, and the installation of weigh-in-motion scales. Actions which lead to increased traffic, such as track extensions, may increase the need for both types of locomotives.

*Physical Units:* Locomotive-years (or locomotive-hours or locomotive-days). Note that one does not have to save 365 locomotive-days to save a locomotive-year, since locomotives are not available for service 365 days per year because of maintenance work. If a railroad's locomotives were available for service 78% of the time, applicant would only have to save 285 locomotive-days to save a locomotive-year.

*Monetary Value:* One way to estimate the value of a locomotive-year is the following four-step process:

1. Estimate the after-tax cash flow stream resulting from owning a locomotive. The components of this stream would be: the investment expenditure; investment tax credit; tax savings from depreciation; normal maintenance; overhauls; and salvage value. The cash flow stream must be in constant dollars of the same base year as would be used in the rest of the IRR computation.

2. Calculate the net present value of the cash flow stream, using the yield on 180-day United States treasury bills as the discount rate.

3. Find a stream of equal annual outlays which produces the same net present value as was found in Step 2. The anual outlay may be found by multiplying the net present value by

$$\frac{r(1+r)^a}{(1+r)^a-1}$$

where $r$ is the yield in Step 2, and $n$ is the number of equal annual outlays.

4. Find the pre-tax equivalent of the after-tax annual payment found in Step 3, by dividing the after-tax figure by one minus the railroad's marginal tax rate. This is the pre-tax value of a locomotive year, expressed in dollars of the base year chosen in Step 1.

The procedures set forth above for valuing estimated savings or costs from locomotive requirements on a locomotive-year basis may be used only where it is not practical to associate particular future locomotive purchases with the project. Where practical, changes in locomotive requirements (except for locomotives belonging to other railroads) must be treated as capital investments that would have to be made in the base case but not in the project or vice versa, with due recognition given to those fixed charges associated with ownership of locomotives that would be incurred if such locomotives were purchased. This also applies to Requirements for Cars, Trailers, and Containers, which follows.

Increased locomotive productivity is somewhat analogous to increased labor productivity (see Labor Requirements) in that it may not always lead to significant cash savings. This is especially true with switch engines, since a decrease in car movements may not reduce the number of engines required if the number of locations which the switch fleet must serve does not also change. On the other hand, reducing the number of locations covered (by consolidating yards, for example) may decrease switch engine requirements. As in the case of increased labor productivity, increased locomotive productivity affects a railroad's cash flow only if a locomotive can be sold (or a purchase avoided) or if the locomotive is able to do other profitable work which would not be done otherwise.

*Special Features:* The locomotive values computed using the procedure above include maintenance and overhaul expense, but not fuel or other labor expense. Therefore any concomitant change in fuel or labor (except maintenance) should be estimated separately. Care should be taken to exclude changes in locomotive maintenance costs from any other estimates of charges in maintenance costs resulting from the investment project.

REQUIREMENTS FOR CARS, TRAILERS, AND CONTAINERS

*Characteristic Actions:* Actions which change train running time (such as track upgrading, purchase of additional power, line changes and signal improvements); actions which change the time cars spend in yards, or permit bypassing yards altogether (yard improvements and improved communication systems); actions which change the time cars are out of service for maintenance (shop facilities, car modifications, track upgrading); and actions which affect the turnaround time for cars in terminals.

*Physical Units:* Car-days.

*Monetary Value:* The procedure for finding the value of a locomotive-year or day is equally applicable to cars. (See Locomotive Requirements).

Another acceptable approach is to use per diem costs (including incentive per diem) since those charges approximate the cost of ownership. Although incentive per diem is in addition to car ownership costs, its inclusion in the car-day value is justified because it reflects, to some degree, the fact that a railroad sometimes loses business during short peaks in demand, because it is not immediately able to buy or hire the cars necessary to take advantage of a particular business opportunity.

Over the long run, however, a railroad need not continually lose traffic, so long as it is willing to incur the cost of owning a sufficient number of cars. Therefore, it is not appropriate to use the investing railroad's average contribution per car-day to value improved car utilization in IRR calculations. Given that per diem is a satisfactory approximation to the cost of car ownership, there is no need to distinguish between foreign car-days saved and investor car-days saved by an action.

*Special features:* The valuation of improved car utilization is complicated by the fact that some projects, such as improvements in classification yards, may affect the entire car fleet, while other projects may affect only certain kinds of cars. For example, it may be that all the cars affected by a particular terminal improvement are refrigerator cars. The car-day value to be used is therefore not necessarily the same in all projects. Rather, it depends on the type of cars involved.

MAINTENANCE MATERIAL CONSUMPTION

*Characteristic Actions:* Since nearly all assets require maintenance, almost any action involving the acquisition of new assets will lead to expenditures for maintenance materials. On the other hand, actions which involve taking assets out of service, such as replacements, eliminate the need to maintain the retired assets. Improving track conditions may decrease equipment maintenance, while decreasing traffic volumes may decrease track maintenance needs.

*Primary Units:* List of materials involved (and quantities).

*Monetary value:* The value of maintenance materials is the price of those materials (plus freight in and labor added, if any). Where a direct relationship exists between

maintenance labor and materials, it may be more convenient to first estimate man-hours and then compute material costs in proportion to the man hours.

*Special Features:* The material costs (or savings) associated with changes in maintenance may include work equipment, as well as the materials consumed during maintenance.

Usually the best basis for predicting maintenance costs is the maintenance history of similar assests in similar service. Manufacturers can also sometimes provide projections of maintenance expense. To the extent practical, care should be taken to specifically reflect cyclical maintenance (overhauls) by assigning the maintenance cost (or savings) to the years in which they will actually occur, rather than normalizing, or smoothing out, the cash flow stream.

Assets which permit maintenance savings often involve maintenance costs which partially offset those savings.

#### ENERGY CONSUMPTION

*Characteristic Actions:* Actions changing locomotive activity or locomotive efficiency. Line changes and locomotive replacements may reduce fuel consumption by road engines. Improvements in yards and terminals, as well as locomotive replacements, may reduce the fuel consumed by switch engines. Improvements in buildings and structures can cut heating costs.

*Physical Units:* Gallons, kilowatt-hours, etc.

*Monetary Value:* Found by multiplying the fuel or electricity by the current price per unit.

*Special Features:* Road engine energy consumption generally varies with gross ton-miles and speed. Yard engines are frequently idling, consuming energy, even when not in use. Thus, energy consumption may vary with the number of switch engine crew shifts rather than the amount of work done. Care should be taken not to count changes in locomotive energy consumption twice, once as a change in locomotive requirements and once as a change in energy consumption.

#### ACCIDENT RATES AND SEVERITY

*Characteristic Actions:* Accidents may be reduced by wayside warning detectors (hot box detectors, grade crossing protection, dragging equipment detectors, etc.), lading protection devices, some specially equipped cars, some yard and terminal improvements, and track upgrading.

*Physical Units:* Accidents (of several different types) per year.

*Monetary Value:* Only the monetary cost likely to be borne by the railroad would be relevant to the IRR computation. This would include damage to equipment, roadway and lading, and the cost of wreckage removal as well as injury to people. The expected cost of an accident varies drastically, depending on the particular situation.

*Special Features:* Accidents delay trains and yard and terminal operations. Thus, actions which reduce accidents may also improve car and locomotive productivity. Care should be exercised that such benefits are counted only once.

#### EXPENDITURES NEEDED TO MEET LEGAL REQUIREMENTS

*Characteristic Actions:* Actions permitting abandonment of old facilities or equipment may reduce the need for such expenditures. New facilities may make some such expenditures necessary.

*Physical Units:* List of actions, such as grade crossing protection, water treatment facilities, or the installation of retention toilets, which would be required to bring the facilities or equipment in question up to legal standards.

*Monetary Value:* The total cost of the improvements including engineering (except engineering work already done), capital expenditure, maintenance, and operation. These expenditures should be offset by the appropriate tax reductions (resulting from depreciation and investment tax credit) which would result from those improvements.

#### SALVAGE VALUE

*Characteristic Actions:* Acquisition of new assets or disposal of existing assets.

*Physical Units:* List of the particular assets involved (such as tamping machine, 500' of 112# rail, etc.)

*Monetary Value:* The cash flow resulting from disposing of the assets or using them elsewhere. (See Use of Assets).

*Special Features:* The salvage value of most assets declines as the asset ages. The value of land often remains roughly constant, as does the value of materials in well maintained track. The salvage value of assets which cannot be used for other purposes, such as a culvert, is zero.

When salvage values are small relative to other benefits and costs, and when they are heavily discounted (because they occur far in the future), their impact on the IRR is likely to be negligible. In such cases, the salvage value can be safely ignored.

#### INSTALLATION AND START-UP EXPENSES

*Characteristic Actions:* Most fixed facilities.

*Physical Units:* Man-hours, list of materials required.

*Monetary Value:* As noted in the discussion of labor requirements the value of the labor depends on the particular situation. The value of the materials would normally be their market price.

*Special Features:* Often all or part of the expenditures needed to get a new asset in place and operating is capitalized. In such a case, the capitalized portion of the expenditure should be included as part of the investment cost, but not counted again as a start-up expense.

Applicant: .....
Project: .....
Date: .....
Sheet No. ..... of .....

FORM I

ANALYSIS OF CAPITALIZED INVESTMENT

(CONSTANT DOLLARS)

Portion of Investment Covered by this Sheet: .....
Depreciation Method Used: ..... Depreciation Period: .....
This Investment Would Occur in the ☐ Project ☐ Base Case (Check One)

| Year | (1) Amount Capitalized | (2) Depreciation | (3) Tax Reduction From Depreciation | (4) Tax Reduction From Investment Tax Credit | (5) Net Cash Flow In (Out) |
|---|---|---|---|---|---|
| 1 | | | | | |
| 2 | | | | | |
| 3 | | | | | |
| 4 | | | | | |
| 5 | | | | | |
| 6 | | | | | |
| 7 | | | | | |
| 8 | | | | | |
| 9 | | | | | |
| 10 | | | | | |
| 11 | | | | | |
| 12 | | | | | |
| 13 | | | | | |
| 14 | | | | | |
| 15 | | | | | |
| TOTALS | | | | | |

INSTRUCTIONS:

- Use separate forms for portions of the investment which would receive different tax treatment or which would enter service in different years.
- Estimate amounts in columns 1–4 as would be done in reporting to IRS.
- Column 5 equals column 3 plus column 4 minus column 1.

Applicant: .....
Project: .....
Date: .....
Sheet No. ..... of .....

FORM II

ANALYSIS OF SALE OR RETIREMENT OF ASSETS

(CONSTANT DOLLARS)

Assets Covered by this Sheet: .....
Depreciation Method Used: ..... Depreciation Period: .....
Book Value of Assets at Time of Sale: .....
This Sale Would Occur in the ☐ Project ☐ Base Case (Check One)

| Year | (1) Sale Price | (2) Tax On Gain (Or Tax Saving on Loss) From Disposal | (3) Tax Credit Recapture | (4) Net Cash Flow In (Out) |
|---|---|---|---|---|
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| TOTALS | | | | |

INSTRUCTIONS:

- Use a separate form for each portion of the assets which would receive different tax treatment or be disposed of at different times.
- Estimate amounts in columns 1–3 as would be done in reporting to the IRS.
- Column 4 equals column 1 minus column 2 (plus column 2 if a tax saving occurs) minus column 3.

Applicant: .....
Project: .....
Date: .....
Sheet No. ..... of .....

## FORM III

## ANALYSIS OF EXPENSES AND CONTRIBUTION TO PROFIT

## (CONSTANT DOLLARS)

Expense or Contribution: .....
Physical Units Used: ..... Monetary Value per Physical Unit: .....

| Year | Physical Units | | | (4) |
|---|---|---|---|---|
| | (1) Project | (2) Base Case | (3) Difference | Cash Difference (in Before-Tax Constant Dollars) |
| 1 | | | | |
| 2 | | | | |
| 3 | | | | |
| 4 | | | | |
| 5 | | | | |
| 6 | | | | |
| 7 | | | | |
| 8 | | | | |
| 9 | | | | |
| 10 | | | | |
| 11 | | | | |
| 12 | | | | |
| 13 | | | | |
| 14 | | | | |
| 15 | | | | |
| TOTALS | | | | |

INSTRUCTIONS:

- This form applies to all cash flow impacts except capitalized investments and sales or retirements of assets. Use a separate form for each type of expense or contribution to profit.
- Column 3 equals column 1 minus column 2.
- Column 4 equals column 3 times Monetary Value per Physical Unit.

Applicant: .....
Project: .....
Date: .....
Sheet No. ..... of .....

FORM IV

CONSOLIDATION OF CASH FLOWS

(CONSTANT DOLLARS)

| Year | Form II Totals | | | | Form III | | (7) |
|---|---|---|---|---|---|---|---|
| | (1) Project | (2) Base Case | (3) Project | (4) Base Case | (5) Before Tax Totals | (6) After Tax | Net Cash Flow In (Out) |
| 1 | | | | | | | |
| 2 | | | | | | | |
| 3 | | | | | | | |
| 4 | | | | | | | |
| 5 | | | | | | | |
| 6 | | | | | | | |
| 7 | | | | | | | |
| 8 | | | | | | | |
| 9 | | | | | | | |
| 10 | | | | | | | |
| 11 | | | | | | | |
| 12 | | | | | | | |
| 13 | | | | | | | |
| 14 | | | | | | | |
| 15 | | | | | | | |
| TOTALS | | | | | | | |

INSTRUCTIONS:

- Columns 1 through 5 are found by summing the rightmost columns on the indicated Forms I–III.
- Column 6 equals column 5 times (1 minus marginal tax rate) unless taxes will be paid in some years but not others.
- Column 7 equals column 1 plus column 3 plus column 6 minus column 2 minus column 4. The subtracting of a (Net Cash Flow Out) results in the addition of a positive number.

Date: _____

_____

Sheet No. _____ of _____

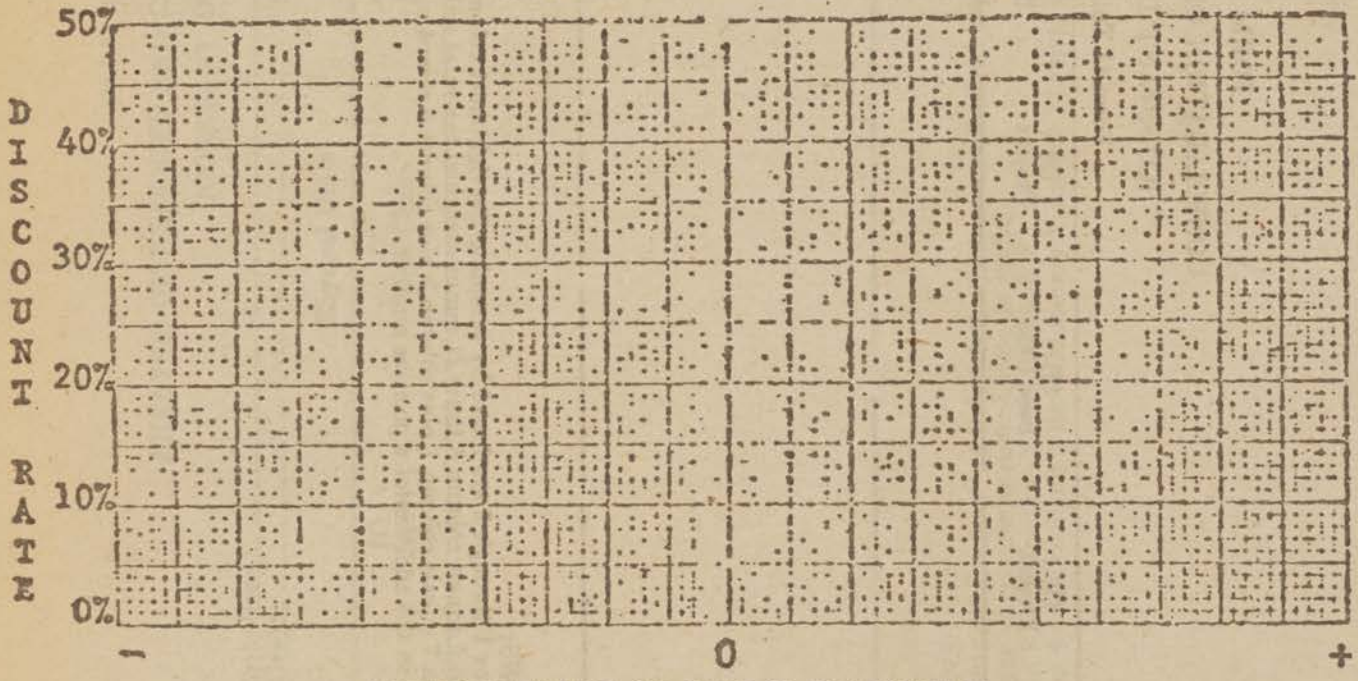
FORM V

COMPUTATION OF IRR

(CONSTANT DOLLARS)

| | | PRESENT VALUE | | | | | |
|---|---|---|---|---|---|---|---|
| | | at 10% | | at 25% | | at 40% | |
| YEAR | (1) CASH FLOW | (2) FACTOR | VALUE | (3) FACTOR | VALUE | (4) FACTOR | VALUE |
| 1 | | .909 | | .800 | | .714 | |
| 2 | | .826 | | .640 | | .510 | |
| 3 | | .751 | | .512 | | .364 | |
| 4 | | .683 | | .410 | | .260 | |
| 5 | | .621 | | .328 | | .186 | |
| 6 | | .564 | | .262 | | .133 | |
| 7 | | .513 | | .210 | | .095 | |
| 8 | | .467 | | .168 | | .068 | |
| 9 | | .424 | | .134 | | .048 | |
| 10 | | .386 | | .107 | | .035 | |
| 11 | | .350 | | .086 | | .025 | |
| 12 | | .319 | | .069 | | .018 | |
| 13 | | .290 | | .055 | | .013 | |
| 14 | | .263 | | .044 | | .009 | |
| 15 | _____ | .239 | _____ | .035 | _____ | .066 | _____ |
| TOTAL | | | | | | | |

INTERPOLATION CHART




PRESENT VALUE OF CASH FLOW STREAM

IRR=_____

INSTRUCTIONS:

1. Column 1 is brought from Form IV, column 7.
2. Columns 2, 3, and 4 are found by multiplying column 1 each time by the indicated factor.
3. Plot totals of columns 1, 2, 3, and 4 against discount rate used (0%, 10%, 25%, and 40% respectively). Applicant must indicate scale on horizontal axis of chart and connect the points in a column (1–4) sequence.
4. IRR is the discount rate corresponding to the point at which the graphical presentation intersects the zero present value ordinate.

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federal register

FRIDAY, APRIL 7, 1978
PART IV

# DEPARTMENT OF LABOR

## Office of Federal Contract Compliance Programs

■

# GOALS AND TIMETABLES FOR FEMALE AND MINORITY PARTICIPATION IN THE CONSTRUCTION INDUSTRY

### Affirmative Action Requirements

[4510-27]

Title 41—Public Contract and Property Management

CHAPTER 60—OFFICE OF FEDERAL CONTRACT COMPLIANCE PROGRAMS, EQUAL EMPLOYMENT OPPORTUNITY, DEPARTMENT OF LABOR

PART 60-4—CONSTRUCTION CONTRACTORS—AFFIRMATIVE ACTION REQUIREMENTS

AGENCY: Office of Federal Contract Compliance Programs, Labor.

ACTION: Final rule.

SUMMARY: The regulations published today establish specific affirmative action standards for women in construction and consolidate and standardize requirements for construction contractors and subcontractors subject to Executive Order 11246, as amended to promote equal employment opportunity in the construction industry. In addition, this document deletes certain regulations which are superseded.

EFFECTIVE DATE: These regulations shall take effect May 8, 1979.

FOR FURTHER INFORMATION CONTACT: William Raymond, Associate Director, OFCCP. Phone, 202-523-9447.

SUPPLEMENTARY INFORMATION: On August 16, 1977, the Office of Federal Contract Compliance Programs (OFCCP), U.S. Department of Labor, published in the FEDERAL REGISTER (42 FR 41378) a proposal to establish a new Part 41 CFR 60-4. The proposal set out specific regulations for the construction industry pursuant to Executive Order 11246, as amended. (30 FR 12319, 32 FR 14303) Comments from interested parties were received until October 15, 1977.

Over 510 separate written comments, presenting a broad spectrum of views, were submitted by individuals and groups. Over 235 comment letters were submitted by individuals on behalf of themselves; 61 by contractors; 56 by contractor associations; 48 by women's groups; 10 by law firms and consultant organizations; 42 by Federal, state, and local government agencies; and 32 by other organizations. Additional comments were received which were postmarked after October 15, 1977. These latter comments were analyzed and considered but they were not included in the count set forth above. Each submission has been thoroughly reviewed and each specific criticism and suggestion has been given careful consideration.

The majority of the comments were general in nature and contained no specific suggestion; rather they either expressed support for or opposition to the proposed rules. Two hundred forty three of the comment letters, primarily from individuals, expressed general support and urged the Department of Labor to adopt the proposal as final regulations. Twenty-seven of the comments, primarily from contractors and unions, urged the Department of Labor either to delay the issuance of final regulations or to withdraw the proposal in its entirety. A small number of the comment letters requested that the Department of Labor delay final rulemaking and hold public hearings on the proposal.

SUMMARY OF COMMENTS

1. Other comments, primarily from contractors, expressed the view that the Department of Labor should withhold its decision on final regulations until the U.S. Supreme Court has rendered its decision in *The Regents of the University of California* v. *Allen Bakke*. These comments maintained that the Department's final regulation for the construction compliance program, particularly goal achievement level, would have to be consistent with the Supreme Court's decision in *Bakke*.

2. The obligation of federally involved construction contractors to take affirmative action to ensure equal employment opportunity, particularly for women, was a major issue treated by almost all the comments. In general, those comments received from contractors, contractor associations and unions, while recognizing that the industry's legal obligation to take affirmative action, expressed concern about the nature of the required actions. These comments characterize the goal levels as quotas and state that the goals would require contractors to hire unqualified persons, that qualified women craft workers are not available, that contractors would be required to displace other workers with women because of high unemployment in the industry, and that the required actions, particularly the recordkeeping requirements, placed an additional cost burden on contractors which would be difficult for small contractors to absorb.

3. Comments received from most women's organizations, community groups, and most of the Federal, state and local government agencies praised the proposal. These groups stated that without the specified affirmative action steps, particularly the goals and timetables, very little would be done to increase the participation of women in the construction industry. However, many of the comments from these groups stated that the specified goal levels were too low and achievement of them would constitute no real improvement of the position of women craft workers in the industry.

4. A number of comments from the construction industry (contractors and contractor associations) expressed the opinion that the obligation to take affirmative action to advance employment opportunity for minorities and females should be shared equally by contractors and their unions. Additionally, these comments stated that the effect of paragraphs 4 and 7d of the specifications in § 60-4.3(a) would be to require contractors to violate the exclusive referral provision in collective bargaining agreements with the unions, which, they say, would subject them to litigation under the National Labor Relations Act.

5. Construction industry comments also expressed concern about the extension of coverage of the affirmative action requirements to all federally involved construction contracts in excess of $10,000. These comments pointed out that in the regulations for supply and service contractors, written affirmative action program requirements attach only to contracts of $50,000 or more. Women's organizations, community groups, and some Government agencies felt that this coverage was needed to provide equal employment opportunities for minorities and women.

6. A number of the construction industry comments raised two concerns about paragraph 12 of the Standard Federal Equal Employment Opportunity Construction Contract Specifications (hereinafter, Specifications) which is set forth in § 60-4.3(a). They were concerned about obtaining an up-to-date list of debarred contractors and whether the prohibition extended to the contractor's non-Federal work.

7. Construction industry comments also expressed an inability to comply with the antiharassment provision in paragraph 7a of the Specifications which would require the contractor to ensure and maintain a working environment free of harassment, intimidation and coercion.

8. Women's organizations and a few Government agencies were concerned about the problems of double counting minority women. Women's organizations want minority women to be counted exclusively toward the achievement of the female goal level.

9. Construction industry comments expressed the view that paragraph 7o of the Specifications, which requires the contractor to document and maintain a record of all solicitations of offers from minority and female construction contractors and suppliers, constitutes a requirement to subcontract with minority and female companies, and questioned the authority of the Department of Labor to impose such a requirement under the Executive Order.

10. The different requirements imposed on construction contractors by Federal, state and local laws was a concern of the construction industry. They suggested that the rules be revised to provide that the Federal EEO

requirements would supersede all others. Women's organizations expressed concern that the proposal contained requirements, particularly goal levels, less rigorous than local statutes. They suggested that the more stringent of the two, particularly the higher goal levels, be required.

11. A few construction industry comments pointed out that the proposal apparently was a vehicle for establishing a nationwide program of specific affirmative action requirements for all covered construction. A few community organizations and women's groups applauded the Department's intention to establish this nationwide construction compliance program, expressing, however, concerns about the Department's ability to enforce such requirements.

12. Construction industry commentors also expressed concern about expanding the coverage of the construction compliance provisions to the contractor's entire work force rather than restricting it to federally involved projects.

13. In addition to specific suggestions, comments and views expressed on the provisions of the proposal, two alternative approaches to achieving equal employment opportunity in the construction industry were suggested. The AFL–CIO Building and Construction Trades Department submitted an alternative set of regulations patterned after the affirmative action requirements under section 503 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 793). These alternative regulations provided for outreach, recruitment, and training, as well as analysis of job skill requirements and the dissemination of EEO policies, but did not include goals and timetables for the employment of minorities and women. The other approach, suggested by other unions and contractors, would emphasize outreach, recruitment and apprenticeship training as the means for advancing equal employment opportunity for women and minorities in the construction industry.

14. Hometown plans and voluntary efforts to advance equal employment opportunity were a specific concern of about 25 comments. The construction industry was concerned about the possibility that the proposal would have a chilling effect on voluntary joint labor, management and community efforts to increase the participation of women and minorities in the industry. Community organizations, Government agencies, and women's groups were concerned about the effectiveness of the current Hometown Plan structure. Specifically, they believe that these plans are being used by contractors and unions to shirk their obligations under the Executive Order.

15. Many comments were received from women's organizations, contractor associations and contracting and compliance agencies which requested that greater specificity be provided in the regulations regarding the time frame for notification to compliance agencies by contracting agencies and the notification by construction contractors to the compliance agency or the OFCCP of contractors and subcontracts awarded. Also, comments were received from several contracting agencies which indicated that the use of the term "offers" as opposed to "bidders" is inconsistent with the contracting terminology of those agencies.

16. Comments from women's groups as well as from some contractors expressed concern that the provision of paragraph 7a of the specifications that two or more women be assigned to a project may prevent one woman from obtaining a job if another woman is not available for employment at the project.

17. A number of comments were received from contractors and contractor associations requesting that an accommodation be made in the regulations to make less burdensome the recordkeeping requirement of construction contractors and subcontractors, particularly small contractors.

18. Comments were received from women's groups which requested that the requirements be structured to prevent the hiring of one group to the exclusion of another, e.g. the hiring of white women to the exclusion of minority women or vice-versa.

19. Over the years, the OFCCP has responded to numerous requests from compliance and contracting agencies concerning the appropriate regulations applicable to construction contracts or subcontracts which are necessary, in whole or in part, to the performance of nonconstruction contracts. That is, a nonconstruction contractor must undertake construction work in order to perform its nonconstruction contract.

In the Discussion section below we will take up each of the issues treated in the comments as we analyze the regulations on a section-by section basis.

### Background

Executive Order 11246, as amended, prohibits covered Federal contractors and subcontractors from discriminating against any employee or applicant for employment based on race, color, religion, sex, or national origin. In addition, contractors and subcontractors are required to take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Section 201 of the Order provides that the Secretary of Labor shall adopt rules, regulations and orders as he deems necessary and appropriate to achieve the purposes of the Order. The regulations adopted today apply to Federal and federally assisted construction contractors and subcontractors.

Presently, all nonexempt Federal and federally assisted construction contractors are required to comply with the Equal Opportunity clause published at 41 CFR 60–1.4 (a) and (b). (Executive Order 11246, § 301.) In addition, to implement the affirmative action obligation of construction contractors and subcontractors set forth in § 202 of the Executive Order, the Office of Federal Contract Compliance Programs (OFCCP) has developed three different types of affirmative action programs. The programs include Imposed Plans, Hometown Plans, and Special Bid Conditions.

Imposed Plans for the most part cover major metropolitan areas where there is substantial Federal or federally assisted construction, and apply only to those projects which are in excess of $500,000. These areas include Philadelphia, Washington, D.C., San Francisco, St. Louis, Atlanta, Camden, and Chicago. Imposed Plans generally have been published in 41 CFR Chapter 60 but the Philadelphia Imposed Plan has not been codified in the Code of Federal Regulations.

Hometown Plans are tripartite agreements among the contractors and the unions in a local area and the local minority community. The three groups develop a plan for compliance with the Executive Order and present it to the OFCCP for approval. If the plan is approved, it constitutes the contractors' obligations under the Executive Order and so long as they comply with the plan they also are in compliance with the Order. Presently, there are 33 Hometown Plans in operation.

Special Bid Conditions apply to contractors working on certain high impact projects which are being constructed in an area which is not covered by a Hometown or Imposed Plan.

These three types of affirmative action plans are not implemented through a regulatory scheme. Rather they are included in the solicitations which precede the award of contracts. One of the problems with this process is that substantial Federal or federally assisted construction is being conducted without benefit of specific affirmative action requirements. Also, contracting officers are confused by the different types of affirmative action plans and sometimes do not know which ones cover specific geographical areas or projects. In addition, some contracting agencies do not adhere to the different notices and formats developed by OFCCP. The imposed plans present a special problem because a number of contractors sometimes fail to sign the certification

which appears in the appendix of Imposed Plans. Failure to sign the certification frequently has been unrelated to the contractors' commitment to the affirmative action requirements. However, the certification has been held to be a material part of the bid and those bids which have not contained a signed certification have been rejected as nonresponsive. A number of these rejected bids have been the low bids, and the result has been to increase the cost of construction to the Government.

Another deficiency in the present scheme is that no specific affirmative action standards are applicable to women in the construction industry.

Under present procedures, compliance agencies develop Special Bid Conditions for high impact projects for which they have compliance responsibility. OFCCP approves the Bid Conditions, which have application only to the project for which they were approved. Accordingly, if a compliance agency fails to develop Special Bid Conditions for a project for which it has compliance responsibility, the project is not covered by an affirmative action plan (i.e., if the project is not in an area covered by a Hometown or an Imposed Plan). This would be true even though another project in the same labor market area may be covered by Special Bid Conditions developed by another compliance agency. The Special Bid Conditions do apply, however, to a covered contractor's entire workforce working in the labor market area where the covered project is located although some employees may not work on the project.

To correct these deficiencies, the Department of Labor today is adopting regulations which discontinue and terminate the use of certain practices and formats and which establish a new 41 CFR Part 60-4 covering construction contractors and subcontractors. This new Part 60-4, however, will not relieve contractors of the obligations they may have under state or local affirmative action or equal employment opportunity programs. Similarly, this Part 60-4 will not relieve the contractors of local resident hiring requirements such as those in the Public Works Employment Act of 1977 and the Community Development Block Grant Program.

Specifically, Parts 60-5 through 60-8 and Parts 60-10 through 60-11 (the published Imposed Plans) and the Philadelphia Plan are hereby deleted. Although Hometown Plans will be continued, signatories to those plans are required to submit goals and timetables for the utilization of women to the Director of OFCCP within 45 days from the effective date of the regulations, which goals shall not be less than those contained in the Notice published elsewhere in the FEDERAL REGISTER today which establishes goals for women in the construction industry.

Imposed plans and Special Bid Conditions are discontinued as a means of complying with the Executive Order. In addition, the New Form for Federal Equal Employment Opportunity Bid Conditions for Federal and Federally Assisted Construction (41 FR 32482), commonly known as the Model Federal EEO Bid Conditions, is discontinued.

The new Part 60-4 applies to all Federal and federally assisted construction contractors and subcontractors holding Federal or federally assisted construction contracts or subcontracts in excess of $10,000. Procedures also are established which all Federal contracting officers and applicants shall follow in awarding Federal or federally assisted construction contracts. The regulations also establish procedures administering agencies shall follow in making grants which result in the award of federally assisted construction contracts.

## DISCUSSION

*Section 60-4.1.* This section establishes the scope and application of Part 60-4. By the terms of this section, Part 60-4 applies to all contractors and subcontractors who have a Federal or federally assisted construction contract or subcontract in excess of $10,000.

1. Contractors opposed the extension of coverage to contracts in excess of $10,000 (see item 5 in the Summary Comments). The Department of Labor's view is that it is appropriate to extend coverage to those contracts in excess of $10,000. This view is based on the point that contracts in excess of $10,000 represents a substantial expenditure of Federal dollars.

It also represents the level at which regulations implementing the Executive Order establish coverage for nonconstruction contractors (see 41 CFR 60-1.5(a)). Prior to the regulations published today, coverage was based on the value of the construction project and any contractor working on a project whose value was $500,000 or more was covered regardless of the value of the contract held by an individual contractor or subcontractor. We believe, however, that coverage is based more appropriately on the amount of the contract held by the individual contractor and this position is consistent with coverage of nonconstruction contracts. We also believe that the in excess of $10,000 volume is reasonable and promotes uniformity among contractors by treating construction contractors and nonconstruction contractors equally (see 41 CFR 60-1.5(a)).

2. This section also codifies an OFCCP policy of covering construction work performed by construction contractors for nonconstruction contractors which is necessary in whole or in part to the performance of a nonconstruction contract in excess of $10,000. Although this provision was not contained in the August 16, 1977, proposal, it does not establish new requirements. Rather publication in these regulations simply codifies an existing policy and practice.

*Section 60-4.2.* This section creates a new notice to be included in all solicitations for offers and bids on all Federal and federally assisted construction contracts and subcontracts.

1. The notice is required to be included in the solicitation for Federal or federally assisted construction contracts in excess of $10,000.

2. Nonconstruction contractors who contract with construction contractors for construction work which is necessary in whole or in part to the performance of a covered nonconstruction contractor must also include the notice in such contracts.

3. The notice will be included in all bid documents to put the contractor on notice that the prospective contract (in excess of $10,000) is subject to the Executive Order. The notice also informs the bidder or offeror of the applicable goals and other requirements to which any contract resulting from the solicitation will be subject. Also, the word "bidders" has been added to the notice to accommodate those compliance agencies whose contract terminology does not include the word "offeror." (See item 15 in the Summary of Comments.)

4. The notice also requires the successful bidder to provide notice to the appropriate compliance agency and the OFCCP within 10 working days of the award of a subcontract under the contract. No specific notice form is required but the notice must be in writing and it must contain the name, address, and telephone number of the subcontractor; the dollar amount of the subcontract; and the geographical area in which the contract is to be performed.

*Section 60-4.3.* This section establishes the Standard Federal Equal Employment Opportunity Construction Contract Specifications. The specifications, in addition to the standard equal opportunity clauses, will be included in all federal and federally assisted construction contracts. The specifications also will be included in construction contracts let by nonconstruction contractors which are necessary in whole or in part to the performance of a Federal nonconstruction contract. The specifications and the notice provided for in § 60-4.2(d) are designed to serve the same purposes which the Bid Conditions now serve. The specifications, however, establish specific and minimum affirmative

action obligations. These affirmative action obligations, in large measure, are the good faith steps contained in the present Bid Conditions. Some of the good faith steps were modified before being adopted as required affirmative action obligations and other affirmative action obligations are entirely new.

1. Paragraph 7 and its subparagraphs establish the affirmative action obligations. Comments from contractor groups objected to the antiharassment provision in paragraph 7a. During the time it has considered extending specific affirmative action coverage to women in the construction industry, however, the Department of Labor has learned of many egregious examples of harassment of female workers. The comments do not challenge the existence of such conduct. The need to discourage harassment, intimidation and coercion is particularly important in an industry such as construction where the safety of workers may depend on a fellow worker. The contractor is in the best position to discourage such conduct and to ensure fair treatment of all employees.

Objections also were raised to the provision which states that where possible the contractor will assign two or more women to each construction project. The Department is fully aware that the very nature of construction work, such as the use of small workforces in certain trades, would not always accommodate the assignment of two or more women by a single contractor. However, where large workforces are being employed it is reasonable to assume that two or more women would be assigned to a construction project. Such a practice also should help to eliminate harassment and intimidation. Moreover, a contractor should not feel that is has met its affirmative action obligation simply by placing a token woman on the project and at the same time should not refuse to assign a woman to a project because there are not two openings.

2. Contractor groups also expressed objections to what they perceived as recordkeeping requirements. In fact no specific recordkeeping formats have been established. It will be necessary for contractors to maintain documentation of some of the specific actions they have taken such as a list of their minority and female recruitment sources (see Specification subparagraph 7b) and the names, addresses and telephone numbers of minority and female off-the-street applicants (7c). Such documentation is essential in order for the contract compliance program to be able to assess whether the contractor is taking the required action. Moreover, it is fair to presume that contractors already have in place some recordkeeping system for these types of activities and where adequate records do exist the contractor is not obligated to establish new procedures.

3. Contractors also contended that paragraph 4 and subparagraph 7d of the Specifications would require them to violate the exclusive referral provisions of their collective bargaining agreements.

These arguments are unpersuasive and have been rejected in various court decisions upholding the principle that a contractor's noncompliance with its affirmative action obligations cannot be justified by the contractor's reliance on a collective bargaining agreement, and that the contractor must go outside of the terms of the agreement if that is the only way to maintain compliance with the Executive Order and the implementing rules, regulations and orders. See *Contractors Assn. of Eastern Pa.* v. *Secretary of Labor*, 442 F.2d 159 (3rd Cir. 1971), *cert. denied*, 404 U.S. 854 (1971); *Southern Illinois Builders Assn.* v. *Ogilivie*, 471 F.2d 680 (7th Cir. 1974); *Joyce* v. *McCrane*, 320 F.Supp. 1284 (D.NJ. 1970); *Associated General Contractors of Massachusetts* v. *Altschuler*, 490 F.2d 9 (1st Cir. 1973), *cert. denied*, 416 U.S. 957 (1974); *Equal Employment Opportunity Commission* v. *American Telephone & Telegraph Co.* 556 F.2d 167 (3rd Cir. 1977); *Savannah Printing Specialties & Paper Products Local Union 604* v. *Union Camp Corp.*, 350 F.Supp. 632 (S.D. Ga. 1972).

It should be emphasized that the Department's position has not precluded and will not preclude enforcement actions against labor organizations for impeding the nondiscrimination/affirmative action obligations of federally-involved construction contractors and subcontractors under E.O. 11246. Such actions are specifically authorized under sections 209(a)(2) and (3) of the Order. See, e.g., *U.S.* v. *Carpenters Local 169*, 457 F. 2d 210 (7th Cir. 1972), *cert. denied*, 409 U.S. 851 (1972); *U.S.* v. *Papermakers Local 189*, 282 F. Supp. 30 (E.D. La. 1968), aff'd 416 F. 2d 980 (5th Cir. 1969), *cert. denied*, 397 U.S. 912 (1970); *U.S.* v. *Operating Engineers Local 701*, —F. Supp. —, 14 FEP Cases 1400 (D. Ore. 1977). Therefore, in order to facilitate enforcement efforts against labor organizations for interfering with the nondiscrimination/affirmative action obligations of federally-involved construction contractors, paragraph 7d of the specifications requires covered contractors and subcontractors to provide immediate written notification to the responsible compliance agency and to OFCCP when the union or unions with which the contractor has a collective bargaining agreement has not referred to the contractor a minority person or woman sent by the contractor, or when the contractor has other information that the union referral process has impeded the contractor's efforts to meet its obligations.

4. Paragraph 9 of the Specifications has been rewritten to address the concerns of the Deputy Comptroller General of the United States. The Deputy Comptroller General commented as follows:

> This provision [paragraph 9] would require, in effect, the renegotiation of goals after the contract has been awarded rather than specifying separate goals and timetables which must be met by contractors in categories determined to be employing "particular groups" in a "substantially disparate manner."

Paragraph 9 has been rewritten to eliminate the requirement to establish separate goals. However, the section also makes it clear that the goals include all groups and that the contractor may not be in compliance if it has achieved its goal levels generally but employs certain groups in a substantially disparate manner. The minority goal, for example, includes blacks, American Indians, Hispanics, Asian and Pacific Islanders, and a contractor may not be in compliance if it meets its goal by employing one group and totally ignores another.

5. Paragraph 12 prohibits the contractor from entering into contracts with debarred contractors. Contractors were concerned about receiving notice of debarred contractors and whether the contracting prohibition applied to nonfederal contracts as well. The OFCCP maintains a list of debarred contractors which may be secured from that agency. In addition, all debarments effected under Executive Order 11246 are published in the FEDERAL REGISTER. Finally, paragraph 12 is not intended to cover contracts awarded by a Federal contractor for work to be performed on a project which is neither Federal nor federally assisted.

6. Some comments suggested that Federal EEO requirements should preempt state and local EEO requirements. Other comments suggested that the more stringent standards, whether Federal or state or local, should apply. The Federal Government, of course, may not pre-empt state and local government regulation of the construction industry (*Associated General Contractors of Mass.* v. *Altshuler*, 490 F. 2d 9 (1st cir. 1973)). The OFCCP has attempted to apply uniform standards to contractors and to provide the greatest protection to the greatest number of people under the Executive Order.

*Section 60-4.4 and 60-4.5.* The major change made in these two sections is the proviso in § 60-4.5 which requires that each contractor participating in the plan make a good faith effort to achieve its goals and that the overall good performance by other contractors does not excuse any contractor. This change was made in response to those comments to the effect that

some contractors were using the plans (and the accomplishments of other contractors in the plan area) to shirk their obligations under the Order. This change also is consistent with the Executive Order which imposes the nondiscrimination and affirmative action requirements on each contractor.

*Section 60-4.6.* This section requires the Director of OFCCP to issue goals and timetables for minority and female utilization which shall be based on appropriate workforce, demographic or other relevant data. The goals shall cover specific construction projects or construction contracts performed in specific geographical areas. Published elsewhere in the FEDERAL REGISTER today are goals for female utilization on construction projects. It is anticipated that within the very near future OFCCP will propose standards and goals for minority utilization pursuant to 41 CFR 60-4.6 of the regulations published today. Until those goals are published in final form the goals and timetables applicable under existing OFCCP requirements will continue to be effective.

A number of comments addressed the issue of goals and timetables. Contractors recognized the construction industry's obligation to take affirmative action but expressed concern about the nature of the required action. They characterized "goals" as quotas, stated that the goals requirement would require contractors to hire unqualified persons, stated that qualified female craft workers are not available and that contractors would be required to displace other workers with women because of high unemployment in the industry.

1. Section 201 of Executive Order 11246, as amended, mandates the Secretary of Labor to "adopt such rules and regulations and issue such orders as he deems necessary and appropriate to achieve the purposes * * *" of the Executive Order. Section 202 of the Executive Order requires every nonexempt Federal contractor or subcontractor, including Federal and federally assisted construction contractors and subcontractors (see § 301 of the Order), to take affirmative action.

The Department of Labor's experience with affirmative action has demonstrated that goals and timetables are the most concrete and effective system for implementing the affirmative action obligation contained in the Executive Order. Since goals and timetables were implemented as an affirmative action requirement, all Federal contractors and subcontractors except construction contractors have been required to establish goals and timetables for women. Construction contractors, on the other hand, have been required to establish goals for minority workers, and then, only if the construction contract was being performed in a geographical area covered by a Hometown Plan or an Imposed Plan or if the contract was awarded subject to Special Bid Conditions. These were the three methods by which the Department of Labor specifically implemented the affirmative action obligation imposed on Government contractors and subcontractors. Unlike nonconstruction contractors, who were and are required to develop detailed affirmative action programs (which include goals and timetables for women and minorities), the only implemented affirmative action obligation imposed on construction contractors has been the goals and timetables established in the Hometown Plans, Imposed Plans or Special Bid Conditions. Nevertheless, all Government contractors and subcontractors, including construction contractors and subcontractors, agree in every contract to "* * * take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin." (Section 202, cl. 1, Executive Order 11246, as amended.)

In the past, as stated above, the OFCCP has used a number of methods to implement the affirmative action requirement of the Executive Order in the construction industry. These methods have included Hometown Plans, Imposed Plans and Special Bid Conditions. The basic affirmative action feature under each of these methods has been goals and timetables. Goals and timetables in large measure have been limited to minority utilization although the word "minority" was defined to include minority women. In the construction industry, however, goals and timetables generally have not been established for women. The notice published elsewhere in the FEDERAL REGISTER today, however, will establish goals and timetables for female utilization for construction contractors and subcontractors who are subject to Executive Order 11246, as amended.

A number of methods and procedures for establishing goals and timetables for the construction industry have been considered, and the OFCCP has concluded that this Notice form is the most reasonable and efficient way to inform construction contractors of their obligations and to protect workers under the Executive Order. First, the Hometown Plan concept contemplates that contractors, unions and the local community voluntarily will agree to an affirmative action plan, submit it to the OFCCP for approval and, if approved, compliance with the plan will constitute compliance with the Executive Order. This process is time consuming and does not always guarantee agreement. Indeed, under this process only 62 Hometown Plans have been developed and approved and only 33 presently exist. These plans cover only a small fraction of the cities in the country and only a small portion of Federal and federally assisted construction. Similarly, the Imposed Plans require long and drawn-out proceedings before they are implemented. These proceedings include public hearings in each area where the plan is imposed and subsequent publication in the FEDERAL REGISTER and codification in the Code of Federal Regulations. Moreover, the hearing process did not always produce reliable data upon which reasonable goals could be based thereby making it necessary for the OFCCP to develop the goals using Census Bureau prepared data. Through this process, seven plans have been imposed.

In order to cover some of the major Federal and federally assisted construction contracts being performed outside of Hometown and Imposed Plan areas, Special Bid Conditions were designed. Under this concept the compliance agencies establish goals and timetables for construction contracts for which they have compliance responsibility and submit the Special Bid Conditions to the OFCCP for approval prior to the time the bids or offers were solicited. Special Bid Conditions unlike Hometown and Imposed Plans, however, are limited to the project for which they were designed. Accordingly, two projects being in close proximity would require separate Bid Conditions if the projects involved were assigned to different agencies for compliance purposes, or no Bid Conditions at all if the compliance agency did not act prior to the solicitation.

The three affirmative action methods previously used do not allow for an efficient system which provides a fair degree of protection for construction employees. The notice system, on the other hand, allows for the use of the best data available, which was not always forthcoming in hearings, and an efficient and prompt implementation of the goals which result from that data.

A review of the status of women in the construction industry shows that unless specific affirmative action steps are prescribed, construction employment opportunities will not reach the female workforce of this country. For example, when these regulations were proposed last August, the preamble contained the following statement (42 FR 41379):

> According to the 1970 Census of Population, women constituted 37 percent of the experienced civilian labor force, and 19 percent of all persons 18 years or older with vocational training in trades or crafts. At the same time, however, women constituted only 5 percent of the experienced labor force in craft and kindred occupations, and

only 1.2 percent of the experienced construction labor force. The gross disparity between the percentage of women in the labor force and the percentage of women in the construction trades undoubtedly will continue until positive action is taken to ensure that construction jobs are made available to women. A system of goals and timetables for women in construction will, based on prior experience, help to rectify the near total exclusion of female representation in the construction trades.

The interest of women in the construction trades and their availability for employment has been clearly demonstrated. In October, 1975, for example, the OFCCP conducted fact-finding hearings in Baltimore, Md., specifically relating to equal employment opportunity in the construction industry. Representatives from EEOC, various women's organizations, and academic institutions testified that discrimination and not the lack of available and interested female applicants is keeping the percentage of women in the construction trades at such a low level. Typical situations described in that testimony involved women trained as construction workers who gained membership in a union local but who were not hired although they stood at the front of the hall or at the top of the referral list, and who were subsequently told at a job site that they would never be hired because they were women. In another typical case a woman gained employment in a craft in which her husband already worked; subsequently both were laid off and after numerous attempts to find work the man was informed that he would not find a job until his wife left the craft.

Further evidence of the interest of and discrimination against women in the construction industry was presented at recent hearings held in California and Washington on the amendments of their State laws to include goals and timetables for women in apprenticeships. The growing number of organizations across the country whose purpose is the placement of women in the construction trades illustrates the high degree of interest and the large number of women interested in pursuing careers in the construction trades.

The longstanding reputation of the trades for excluding women discourages many women from applying for construction jobs. Thus, although many women are inclined toward jobs in the trades, far fewer actually apply. A study by two Stanford University psychologists demonstrates that the number of women applying for jobs in the construction trades would substantially increase were there goals for women. In that study, two groups of female job seekers were given three detailed job descriptions and were asked to rate their interest in the jobs on a scale of 1 to 5, from "not interested" to "extremely interested." Two of the three jobs described were traditionally female jobs and one was a construction job. Half of the booklets contained the following statement under the title of the construction jobs: "Equal Opportunity for Women, Note: Federal Law Now Requires That Companies Train and Hire A Certain Percentage of Women for the Job of [carpenter] Each Year." The other half of the booklets contained no statement about affirmative action. In the affirmative action group 33 percent of the women indicated a strong interest in the construction job, twice the percentage indicating a strong interest in the other group. Seventy percent of the women in the affirmative action group expressed some degree of positive interest in construction jobs, one and one half as many as the other group. Clearly, there exists an available pool of women interested in applying for construction jobs.

The Maritime Administration which oversees enforcement of the Executive Order in the shipbuilding industry has provided the Department with some very useful documentation on both the availability of women for construction-related jobs and the postive impact of goals and timetables on the employment of women in those jobs. A number of the jobs in the shipbuilding industry are comparable to jobs in construction; the Maritime experience therefore is particularly useful. In the early 1972 the Maritime Administration began requiring goals and timetables for women by shipbuilding contractors. There experience was that as more women were employed, more women applied. Once women knew that they would be hired without regard to sex, they applied in large numbers. In at least one shipyard the applicant flow is now running at the rate of the normal workforce rate of women in that area. Unquestionably, the key reason for the increase of women in that industry is goals and timetables.

The results achieved in locations where goals for women have been set have been dramatic. In Seattle, Wash., since the imposition of goals for women in city construction, nearly every city construction project has had at least one woman working on the construction site. In California, the imposition of goals has resulted in the placement of 50 percent more women in construction jobs by Women in Apprenticeship, an outreach program operating in San Francisco designed to help place women in the skilled trades. Similarly, although there were only two women in Madison, Wis., construction jobs in 1975, there were, in 1976, after the imposition of goals, 15 women in those jobs.

The exclusion of women from well-paying jobs in the construction industry exists despite persistent effort among women to break into construction work. Although women have made substantial gains in other nontraditional jobs, the above statistics demonstrate that the exclusion of women from construction work will not be corrected and that the objectives of the Executive Order will not be realized unless positive steps are taken to bring together the female worker and the construction job. Accordingly, it is necessary to establish specific standards of affirmative action for women in the construction industry under Executive Order 11246, as amended. Therefore, the specific affirmative action requirements incorporated into these proposed regulations include specific requirements for ensuring equal employment opportunities for women as well as for minorities.

These factors show that women are available for construction and that they are not being utilized. Moreover, if women are to assume a fair number of construction jobs it is necessary to establish specific affirmative action requirements. The time has come to do that.

2. The Department of Labor recognizes the distinction between permissible affirmative action goals and timetables and impermissible quotas. In a March 23, 1973, memorandum the Departments of Justice and Labor and the Equal Employment Opportunity Commission and the Civil Service Commission distinguished goals and timetables:

> • • • Quota systems in the past have been used in other contexts as a quantified limitation, the purpose of which is exclusion, but this is not its sole definition. A quota system, applied in the employment context, would impose a fixed number or percentage which must be attained, or which cannot be exceeded; the crucial consideration would be whether the mandatory numbers of persons have been hired or promoted. Under such a quota system, that number would be fixed to reflect the population in the area, or some other numerical base, regardless of the number of potential applicants who meet necessary qualifications. If the employer failed, he would be subject to sanction. It would be no defense that the quota may have been unrealistic to start with, that he had insufficient vacancies, or that there were not enough qualified applicants, although he tried in good faith to obtain them through appropriate recruitment methods.
>
> Any system which requires that considerations of relative abilities and qualifications be subordinated to considerations of race, religion, sex, or national origin in determining who is to be hired, promoted, etc., in order to achieve a certain numerical position has the attributes of a quota system which is deemed to be impermissible under the standards set forth herein.
>
> A goal, on the other hand, is a numerical objective, fixed realistically in terms of the number of vacancies expected, and the number of qualified applicants available in the relevant job market. Thus, if through no fault of the employer, he has fewer vacancies than expected, he is not subject to sanction, because he is not expected to displace existing employees or to hire unneeded employees to meet his goal. Similarly, if he has demonstrated every good faith effort to include persons from the group which was the object of discrimination into the group being considered for selection, but has been unable to do so in sufficient numbers to meet his goal, he is not subject to sanction.

The Department of Labor continues to recognize the distinction between affirmative goals and impermissible quotas, and also follows the policy enunciated in the memorandum quoted above.

The Congress and the courts also have recognized and acquiesced in the affirmative action programs (including goals and timetables) required under Executive Order 11246. When Congress considered the Equal Employment Opportunity Act of 1972 (Pub. L. 92-261), Senator Saxbe made the following statement in support of his amendment to strike a provision which would have transferred the Executive Order program to the EEOC. (118 Cong. Rec. 1385):

> The OFCC[P]'s affirmative action programs have tremendous impact and require that 260,000 Government contractors in all industries adopt positive programs to seek out minorities and women for new employment opportunities. To accomplish this objective, the OFCC[P] has utilized the proven business technique of establishing

"goals and timetables" to insure the success of the Executive Order program. It has been the "goals and timetables" approach which is unique to the OFCC[P]'s efforts in equal employment, coupled with extensive reporting and monitoring procedures that has given the promise of equal employment opportunity a new credibility.

The Executive Order program should not be confused with the judicial remedies for proven discrimination which unfold on a limited and expensive case-by-case basis. Rather, affirmative action means that all Government contractors must develop programs to insure that all share equally in the jobs generated by the Federal Government's spending. Proof of overt discrimination is not required.

Senator Saxbe's proposed amendment was adopted. 118 Cong. Rec. 1387-1398 (1972). In addition, 2 days after hearing the comments of Senator Saxbe, quoted above, Congress rejected an amendment offered by Senator Ervin which would have proscribed the adoption of goals by Government contractors. 118 Cong. Rec. 1676. In speaking against this amendment, Senator Javits had the Third Circuit's prior approval of affirmative action goals in *Contractors Ass'n. of Eastern Pa.* v. *Shultz*, 442 F.2d 159 (3d Cir. 1971), cert. denied, 404 U.S. 854 (1971), reprinted in the Congressional Record (118 Cong. Rec. 1665). Moreover, he argued that what the Ervin amendment sought to reach was:

[T]he whole concept of "affirmative action" as it has been developed under Executive Order 11246 and as a remedial concept under Title VII.

Philadelphia-type plans are based on the Federal Government's power to require its own contractors or contractors on projects to which it contributes—for example, State projects with a Federal contribution—to take affirmative action to enlarge the labor pool to the maximum extent by promoting full utilization of minority-group employees, and by making certain requirements for those who hire to seek out minority employees * * * 118 Cong. Rec. 1664 (1972).

*Section 60-4.7.* This section simply indicates that regulations in other parts of 41 CFR Chapter 60 applicable to construction contractors and subcontractors remain applicable. Specific examples are listed.

*Section 60-4.8.* This section establishes a show cause procedure to be followed when an investigation or compliance review has revealed a violation. The show cause notice, however, is not required if the matter is to be referred to the Department of Justice under Section 209(a)(2) of the Executive Order. In other words, the show cause notice is required if administrative rather than judicial proceedings are contemplated. In addition, the show cause notice must itemize the sections of the Order and regulations which the investigation revealed have been violated, the corrective actions necessary to achieve compliance, a request for a written response and a suggested date for the conciliation conference (see 41 CFR 60-2.2(c)(1) (i)-(iv)).

*Section 60-4.9.* This section provides that by operation of the Executive Order, the equal opportunity clause (41 CFR 60-1.4), the Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246) contained in § 60-4.2 of the regulations adopted today and the Standard Federal Equal Employment Opportunity Specification contained in § 60-4.3 of the regulations adopted today shall be deemed to be included, as applicable, in every solicitation, contract and subcontract, required by the Order and the regulations in this chapter to include such clauses, whether or not they are physically included and whether or not the contract is written. This provision is consistent with case law. See *United States* v. *New Orleans Public Service, Inc.*, 553 F. 2d 459 (5th Cir. 1977), *reh'g. denied*, 559 F. 2d 30, *pet. for cert. pending*, No. 77-497 and *United States* v. *Mississippi Power and Light Co.*, 553 F. 2d 480 (5th Cir. 1977), *reh'g denied*, 559 F. 2d 29, *pet. for cert. pending*, No. 77-605.

### Other Comments

1. Some comments expressed the view that the Department of Labor should withhold a decision until the Supreme Court has ruled in *The Regents of the University of California* v. *Bakke* case. It, of course, is always difficult to predict with precision how the Supreme Court will rule in a specific case. However, it is not likely that a ruling in that case, a university admissions case, would have the type of impact on these regulations that they should be held in abeyance until the Supreme Court has ruled.

2. Some contractor comments took the position that the obligation to take affirmative action should be shared equally by contractors and their unions. The Department of Labor does not disagree with the concept of a union taking affirmative action. However, coverage under the Executive Order is limited to Federal contractors and subcontractors. Unless the union is a contractor or subcontractor, in which case it is covered, the Executive Order authority over the union is limited.

3. Some comments objected to maintaining a record of solicitation of offers from minority and female contractors and suppliers. This provision is not intended to compel the contractor to contract with any specific group. It has been the Department of Labor's experience, however, that these contractors generally employ persons protected under the Executive Order. Thus, federally generated dollars are helping to increase employment opportunities for minorities and women. This provision, ultimately though, is intended to help to evaluate the contractor's good faith efforts.

In consideration of the foregoing, 41 CFR Chapter 60 is amended by adding a new Part 60-4 as set forth below, and by deleting Parts 60-5; 60-6; 60-7; 60-8; 60-10; and 60-11. In addition, The Philadelphia Plan and the New Form for Federal Equal Employment Opportunity Bid Conditions for Federal and Federally Assisted Construction (41 FR 32482), commonly known as the Model Federal EEO Bid Conditions, hereby are terminated and discontinued.

Dated: March 28, 1978.

RAY MARSHALL,
*Secretary of Labor.*

DONALD ELISBURG,
*Assistant Secretary, Employment Standards Administration.*

WELDON J. ROUGEAU,
*Director, OFCCP.*

Sec.
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60-4.8 Show cause notice.
60-4.9 Incorporation by operation of the Order.

AUTHORITY: Secs. 201, 202, 205, 211, 301, 302, and 303 of E.O. 11246, as amended, 30 FR 12319; 32 FR 14303.

### § 60-4.1 Scope and application.

This part applies to all contractors and subcontractors which hold any Federal or federally assisted construction contract in excess of $10,000. The regulations in this part are applicable to all of a construction contractor's or subcontractor's construction employees who are engaged in on site construction including those construction employees who work on a non-Federal or non-federally assisted construction site. This part also establishes procedures which all Federal contracting officers and all applicants, as applicable, shall follow in soliciting for and awarding Federal or federally assisted construction contracts. Procedures also are established which administering agencies shall follow in making any grant, contract, loan, insurance, or guarantee involving federally assisted construction which is not exempt from the requirements of Executive Order 11246, as amended.

In addition, this part applies to construction work performed by construction contractors and subcontractors for Federal nonconstruction contractors and subcontractors if the construction work is necessary in whole or in part to the performance of a nonconstruction contract or subcontract.

§ 60–4.2 Solicitations.

(a) All Federal contracting officers and all applicants shall include the notice set forth in paragraph (d) of this section and the Standard Federal Equal Employment Opportunity Construction Contract Specifications set forth in § 60–4.3 of this part in all solicitations for offers and bids on all Federal and federally assisted construction contracts or subcontracts to be performed in geographical areas designated by the Director pursuant to § 60–4.6 of this part. Administering agencies shall require the inclusion of the notice set forth in paragraph (d) of this section and the specifications set forth in § 60–4.3 of this part as a condition of any grant, contract, subcontract, loan insurance or guarantee involving federally assisted construction covered by this part 60–4.

(b) All nonconstruction contractors covered by Executive Order 11246 and the implementing regulations shall include the notice in paragraph (d) of this section in all construction agreements which are necessary in whole or in part to the performance of the covered nonconstruction contract.

(c) Contracting officers, applicants and nonconstruction contractors shall give written notice to the Director within 10 working days of award of a contract subject to these provisions. The notification shall include the name, address and telephone number of the contractor; employer identification number; dollar amount of the contract, estimated starting and completion dates of the contract; the contract number; and geographical area in which the contract is to be performed.

(d) The following notice shall be included in, and shall be a part of, all solicitations for offers and bids on all Federal and federally assisted construction contracts or subcontracts in excess of $10,000 to be performed in geographical areas designated by the Director pursuant to § 60–4.6 of this part (see 41 CFR 60–4.2(a)):

NOTICE OF REQUIREMENT FOR AFFIRMATIVE ACTION TO ENSURE EQUAL EMPLOYMENT OPPORTUNITY (EXECUTIVE ORDER 11246)

1. The Offeror's or Bidder's attention is called to the "Equal Opportunity Clause" and the "Standard Federal Equal Employment Opportunity Construction Contract Specifications" set forth herein.

2. The goals and timetables for minority and female participation, expressed in percentage terms for the Contractor's aggregate workforce in each trade on all construction work in the covered area, are as follows:

| Timetables | Goals for minority participation for each trade | Goals for female participation in each trade |
|---|---|---|
| | Insert goals for each year. | Insert goals for each year. |

These goals are applicable to all the Contractor's construction work (whether or not it is Federal or federally assisted) performed in the covered area.

The Contractor's compliance with the Executive Order and the regulations in 41 CFR Part 60–4 shall be based on its implementation of the Equal Opportunity Clause, specific affirmative action obligations required by the specifications set forth in 41 CFR 60–4.3(a), and its efforts to meet the goals established for the geographical area where the contract resulting from this solicitation is to be performed. The hours of minority and female employment and training must be substantially uniform throughout the length of the contract, and in each trade, and the constractor shall make a good faith effort to employ minorities and women evenly on each of its projects. The transfer of minority or female employees or trainees from Contractor to Contractor or from project to project for the sole purpose of meeting the Contractor's goals shall be a violation of the contract, the Executive Order and the regulations in 41 CFR Part 60–4. Compliance with the goals will be measured against the total work hours performed.

3. The Contractor shall provide written notification to the Director of the Office of Federal Contract Compliance Programs within 10 working days of award of any construction subcontract in excess of $10,000 at any tier for construction work under the contract resulting from this solicitation. The notification shall list the name, address and telephone number of the subcontractor; employer identification number; estimated dollar amount of the subcontract; estimated starting and completion dates of the subcontract; and the geographical area in which the contract is to be performed.

4. As used in this Notice, and in the contract resulting from this solicitation, the "covered area" is (insert description of the geographical areas where the contract is to be performed giving the state, county and city, if any).

§ 60–4.3 Equal opportunity clauses.

(a) The equal opportunity clause published at 41 CFR 60–1.4(a) of this chapter is required to be included in, and is part of, all nonexempt Federal contracts and subcontracts, including construction contracts and subcontracts. The equal opportunity clause published at 41 CFR 60–1.4(b) is required to be included in, and is a part of, all nonexempt federally assisted construction contracts and subcontracts. In addition to the clauses described above, all Federal contracting officers, all applicants and all nonconstruction contractors, as applicable, shall include the specifications set forth in this section in all Federal and federally assisted construction contracts in excess of $10,000 to be performed in geographical areas designated by the Director pursuant to § 60–4.6 of this part and in construction subcontracts in excess of $10,000 necessary in whole or in part to the performance of nonconstruction Federal contracts and subcontracts covered under the Executive Order.

STANDARD FEDERAL EQUAL EMPLOYMENT OPPORTUNITY CONSTRUCTION CONTRACT SPECIFICATIONS (EXECUTIVE ORDER 11246)

1. As used in these specifications:

a. "Covered area" means the geographical area described in the solicitation from which this contract resulted;

b. "Director" means Director, Office of Federal Contract Compliance Programs, United States Department of Labor, or any person to whom the Director delegates authority;

c. "Employer identification number" means the Federal Social Security number used on the Employer's Quarterly Federal Tax Return, U.S. Treasury Department Form 941.

d. "Minority" includes:

(i) Black (all persons having origins in any of the Black African racial groups not of Hispanic origin);

(ii) Hispanic (all persons of Mexican, Puerto Rican, Cuban, Central or South American or other Spanish Culture or origin, regardless of race);

(iii) Asian and Pacific Islander (all persons having origins in any of the original peoples of the Far East, Southeast Asia, the Indian Subcontinent, or the Pacific Islands); and

(iv) American Indian or Alaskan Native (all persons having origins in any of the original peoples of North America and maintaining identifiable tribal affiliations through membership and participation or community identification).

2. Whenever the Contractor, or any Subcontractor at any tier, subcontracts a portion of the work involving any construction trade, it shall physically include in each subcontract in excess of $10,000 the provisions of these specifications and the Notice which contains the applicable goals for minority and female participation and which is set forth in the solicitations from which this contract resulted.

3. If the Contractor is participating (pursuant to 41 CFR 60–4.5) in a Hometown Plan approved by the U.S. Department of Labor in the covered area either individually or through an association, its affirmative action obligations on all work in the Plan area (including goals and timetables) shall be in accordance with that Plan for those trades which have unions participating in the Plan. Contractors must be able to demonstrate their participation in and compliance with the provisions of any such Hometown Plan. Each Contractor or Subcontractor participating in an approved Plan is individually required to comply with its obligations under the EEO clause, and to make a good faith effort to achieve each goal under the Plan in each trade in which it has employees. The overall good faith performance by other Contractors or Subcontractors toward a goal in an approved Plan does not excuse any covered Contractor's or Subcontractor's failure to take good faith efforts to achieve the Plan goals and timetables.

4. The Contractor shall implement the specific affirmative action standards provided in paragraphs 7a through p of these specifications. The goals set forth in the solicitation from which this contract resulted are expressed as percentages of the total hours of employment and training of minority and female utilization the Contractor should reasonably be able to achieve in each construction trade in which it has employees in the covered area. The Contractor is expected to make substantially uniform progress toward its goals in each craft during the period specified.

5. Neither the provisions of any collective bargaining agreement, nor the failure by a union with whom the Contractor has a collective bargaining agreement, to refer either minorities or women shall excuse the Contractor's obligations under these specifications, Executive Order 11246, or the regulations promulgated pursuant thereto.

6. In order for the nonworking training hours of apprentices and trainees to be counted in meeting the goals, such apprentices and trainees must be employed by the Contractor during the training period, and the Contractor must have made a commitment to employ the apprentices and trainees at the completion of their training, subject to the availability of employment opportunities. Trainees must be trained pursuant to training programs approved by the U.S. Department of Labor.

7. The Contractor shall take specific affirmative actions to ensure equal employment opportunity. The evaluation of the Contractor's compliance with these specifications shall be based upon its effort to achieve maximum results from its actions. The Contractor shall document these efforts fully, and shall implement affirmative action steps at least as extensive as the following:

a. Ensure and maintain a working environment free of harassment, intimidation, and coercion at all sites, and in all facilities at which the Contractor's employees are assigned to work. The Contractor, where possible, will assign two or more women to each construction project. The Contractor shall specifically ensure that all foremen, superintendents, and other on-site supervisory personnel are aware of and carry out the Contractor's obligation to maintain such a working environment, with specific attention to minority or female individuals working at such sites or in such facilities.

b. Establish and maintain a current list of minority and female recruitment sources, provide written notification to minority and female recruitment sources and to community organizations when the Contractor or its unions have employment opportunities available, and maintain a record of the organizations' responses.

c. Maintain a current file of the names, addresses and telephone numbers of each minority and female off-the-street applicant and minority or female referral from a union, a recruitment source or community organization and of what action was taken with respect to each such individual. If such individual was sent to the union hiring hall for referral and was not referred back to the Contractor by the union or, if referred, not employed by the Contractor, this shall be documented in the file with the reason therefor, along with whatever additional actions the Contractor may have taken.

d. Provide immediate written notification to the Director when the union or unions with which the Contractor has a collective bargaining agreement has not referred to the Contractor a minority person or woman sent by the Contractor, or when the Contractor has other information that the union referral process has impeded the Contractor's efforts to meet its obligations.

e. Develop on-the-job training opportunities and/or participate in training programs for the area which expressly include minorities and women, including upgrading programs and apprenticeship and trainee programs relevant to the Contractor's employment needs, especially those programs funded or approved by the Department of Labor. The Contractor shall provide notice of these programs to the sources complied under 7b above.

f. Disseminate the Contractor's EEO policy by providing notice of the policy to unions and training programs and requesting their cooperation in assisting the Contractor in meeting its EEO obligations; by including it in any policy manual and collective bargaining agreement; by publicizing it in the company newspaper, annual report, etc.; by specific review of the policy with all management personnel and with all minority and female employees at least once a year; and by posting the company EEO policy on bulletin boards accessible to all employees at each location where construction work is performed.

g. Review, at least annually, the company's EEO policy and affirmative action obligations under these specifications with all employees having any responsibility for hiring, assignment, layoff, termination or other employment decisions including specific review of these items with onsite supervisory personnel such as Superintendents, General Foremen, etc., prior to the initiation of construction work at any job site. A written record shall be made and maintained identifying the time and place of these meetings, persons attending, subject matter discussed, and disposition of the subject matter.

h. Disseminate the Contractor's EEO policy externally by including it in any advertising in the news media, specifically including minority and female news media, and providing written notification to and discussing the Contractor's EEO policy with other Contractors and Subcontractors with whom the Contractor does or anticipates doing business.

i. Direct its recruitment efforts, both oral and written, to minority, female and community organizations, to schools with minority and female students and to minority and female recruitment and training organizations serving the Contractor's recruitment area and employment needs. Not later than one month prior to the date for the acceptance of applications for apprenticeship or other training by any recruitment source, the Contractor shall send written notification to organizations such as the above, describing the openings, screening procedures, and tests to be used in the selection process.

j. Encourage present minority and female employees to recruit other minority persons and women and, where reasonable, provide after school, summer and vacation employment to minority and female youth both on the site and in other areas of a Contractor's workforce.

k. Validate all tests and other selection requirements where there is an obligation to do so under 41 CFR Part 60-3.

l. Conduct, at least annually, an inventory and evaluation at least of all minority and female personnel for promotional opportunities and encourage these employees to seek or to prepare for, through appropriate training, etc., such opportunities.

m. Ensure that seniority practices, job classifications, work assignments and other personnel practices, do not have a discriminatory effect by continually monitoring all personnel and employment related activites to ensure that the EEO policy and the Contractor's obligations under these specifications are being carried out.

n. Ensure that all facilities and company activities are nonsegregated except that separate or single-user toilet and necessary changing facilites shall be provided to assure privacy between the sexes.

o. Document and maintain a record of all solicitations of offers for subcontracts from minority and female construction contractors and suppliers, including circulation of solicitations to minority and female contractor associations and other business associations.

p. Conduct a review, at least annually, of all supervisors' adherence to and performance under the Contractor's EEO policies and affirmative action obligations.

8. Contractors are encouraged to participate in voluntary associations which assist in fulfilling one or more of their affirmative action obligations (7a through p). The efforts of a contractor association, joint contractor-union, contractor-community, or other similar group of which the contractor is a member and participant, may be asserted as fulfilling any one or more of its obligations under 7a through p of these Specifications provided that the contractor actively participates in the group, makes every effort to assure that the group has a positive impact on the employment of minorities and women in the industry, ensures that the concrete benefits of the program are reflected in the Contractor's minority and female workforce participation, makes a good faith effort to meet its individual goals and timetables, and can provide access to documentation which demonstrates the effectiveness of actions taken on behalf of the Contractor. The obligation to comply, however, is the Contractor's and failure of such a group to fulfill an obligation shall not be a defense for the Contractor's noncompliance.

9. A single goal for minorities and a separate single goal for women have been established. The Contractor, however, is required to provide equal employment opportunity and to take affirmative action for all minority groups, both male and female, and all women, both minority and non-minority. Consequently, the Contractor may be in violation of the Executive Order if a particular group is employed in a substantially disparate manner (for example, even though the Contractor has achieved its goals for women generally, the Contractor may be in violation of the Executive Order if a specific minority group of women is underutilized).

10. The Contractor shall not use the goals and timetables or affirmative action standards to discriminate against any person because of race, color, religion, sex, or national origin.

11. The Contractor shall not enter into any Subcontract with any person or firm debarred from Government contracts pursuant to Executive Order 11246.

12. The Contractor shall carry out such sanctions and penalties for violation of these specifications and of the Equal Opportunity Clause, including suspension, termination and cancellation of existing subcontracts as may be imposed or ordered pursuant to Executive Order 11246, as amended, and its implementing regulations, by the Office of Federal Contract Compliance Programs. Any Contractor who fails to carry out such sanctions and penalties shall be in violation of these specifications and Executive Order 11246, as amended.

13. The Contractor, in fulfilling its obligations under these specifications, shall implement specific affirmative action steps, at least as extensive as those standards prescribed in paragraph 7 of these specifications, so as to achieve maximum results from its efforts to ensure equal employment opportunity. If the Contractor fails to comply with the requirements of the Execu-

tive Order, the implementing regulations, or these specifications, the Director shall proceed in accordance with 41 CFR 60-4.8.

14. The Contractor shall designate a responsible official to monitor all employment related activity to ensure that the company EEO policy is being carried out, to submit reports relating to the provisions hereof as may be required by the Government and to keep records. Records shall at least include for each employee the name, address, telephone numbers, construction trade, union affiliation if any, employee identification number when assigned, social security number, race, sex, status (e.g., mechanic, apprentice, trainee, helper, or laborer), dates of changes in status, hours worked per week in the indicated trade, rate of pay, and locations at which the work was performed. Records shall be maintained in an easily understandable and retrievable form; however, to the degree that existing records satisfy this requirement, contractors shall not be required to maintain separate records.

15. Nothing herein provided shall be construed as a limitation upon the application of other laws which establish different standards of compliance or upon the application of requirements for the hiring of local or other area residents (e.g., those under the Public Works Employment Act of 1977 and the Community Development Block Grant Program).

(b) The notice set forth in 41 CFR 60-4.2 and the specifications set forth in 41 CFR 60-4.3 replace the New Form for Federal Equal Employment Opportunity Bid Conditions for Federal and Federally Assisted Construction published at 41 FR 32482 and commonly known as the Model Federal EEO Bid Conditions, and the New Form shall not be used after the regulations in 41 CFR part 60-4 become effective.

### § 60-4.4 Affirmative action requirements.

(a) To implement the affirmative action requirements of Executive Order 11246 in the construction industry, the Office of Federal Contract Compliance Programs previously has approved affirmative action programs commonly referred to as "Hometown Plans," has promulgated affirmative action plans referred to as "Imposed Plans" and has approved "Special Bid Conditions" for high impact projects constructed in areas not covered by a Hometown or an Imposed Plan. All solicitations for construction contracts made after the effective date of the regulations in this part shall include the notice specified in § 60-4.2 of this part and the specifications in § 60-4.3 of this part in lieu of the Hometown and Imposed Plans including the Philadelphia Plan and Special Bid Conditions. Until the Director has issued an order pursuant to § 60-4.6 of this part establishing goals and timetables for minorities in the appropriate geographical areas or for a project covered by Special Bid Conditions, the goals and timetables for minorities to be inserted in the Notice require by 41 CFR 60-4.2 shall be the goals and timetables contained in the Hometown Plan, Imposed Plan or Special Bid Conditions presently covering the respective geographical area or project involved.

(b) Signatories to a Hometown Plan (including heavy highway affirmative action plans) shall have 45 days from the effective date of the regulations in this part to submit under such a Plan (for the Director's approval) goals and timetables for women and to include female representation on the Hometown Plan Administrative Committee. Such goals for female representation shall be at least as high as the goals established for female representation in the Notice issued pursuant to 41 CFR 60-4.6. Failure of the signatories, within the 45-day period, to include female representation and to submit goals for women or a new plan, as appropriate, shall result in an automatic termination of the Office of Federal Contract Compliance Program's approval of the Hometown Plan. At any time the Office of Federal Contract Compliance Programs terminates or withdraws its approval of a Hometown Plan, or when the Plan expires and another Plan is not approved, the contractors signatory to the Plan shall be covered automatically by the Specifications set forth in § 60-4.3 of this part and by the goals and timetables established for that geographical area pursuant to § 60-4.6 of this part.

### § 60-4.5 Hometown plans.

(a) A contractor participating, either individually or through an association, in an approved Hometown Plan (including heavy highway affirmative action plans) shall comply with its affirmative action obligations under Executive Order 11246 by complying with its obligations under the Plan: *Provided,* That each contractor or subcontractor participating in an approved Plan is individually required to comply with the equal opportunity clause set forth in 41 CFR 60-1.4; to make a good faith effort to achieve the goals for each trade participating in the Plan in which it has employees; and that the overall good performance by other contractors or subcontractors toward a goal in an approved Plan does not excuse any covered contractor's or subcontractor's failure to take good faith efforts to achieve the Plan's goals and timetables. If a contractor is not participating in an approved Hometown Plan it shall comply with the Specifications set forth in § 60-4.3 of this part and with the goals and timetables for the appropriate area as listed in the Notice required by 41 CFR 60-4.2 with regard to that trade. For the purposes of this part 60-4, a contractor is not participating in a Hometown Plan for a particular trade if it:

(1) Ceases to be signatory to a Hometown Plan covering that trade;

(2) Is signatory to a Hometown Plan for that trade but is not party to a collective bargaining agreement for that trade;

(3) Is signatory to a Hometown Plan for that trade but is party to a collective bargaining agreement with labor organizations which are not or cease to be signatories to the same Hometown Plan for that trade;

(4) Is signatory to a Hometown Plan for that trade and is party to a collective bargaining agreement with a labor organization for that trade but the two have not jointly executed a specific commitment to minority and female goals and timetables and incorporated the commitment in the Hometown Plan for that trade;

(5) Is participating in a Hometown Plan for that Trade which is no longer acceptable to the Office of Federal Contract Compliance Programs;

(6) Is signatory to a Hometown Plan for that trade but is party to a collective bargaining agreement with a labor organization for that trade and the labor organization and the contractor have failed to make a good faith effort to comply with their obligations under the Hometown Plan for that trade.

(b) Contractors participating in Hometown Plans must be able to demonstrate their participation and document their compliance with the provisions of the Hometown Plan.

### § 60-4.6 Goals and timetables.

The Director, from time to time, shall issue goals and timetables for minority and female utilization which shall be based on appropriate workforce, demographic or other relevant data and which shall cover construction projects, or construction contracts performed in specific geographical areas. The goals shall be applicable to each construction trade in a covered contractor's or subcontractor's entire workforce which is working in the area covered by the goals and timetables, shall be published as notices the FEDERAL REGISTER, and shall be inserted by the contracting officers and applicants, as applicable, in the Notice required by 41 CFR 60-4.2.

### § 60-4.7 Effect on other regulations.

The regulations in this part are in addition to the regulations contained in this chapter which apply to construction contractors and subcontractors generally. See particularly, 41 CFR 60-1.4 (a), (b), (c), (d), and (e); 60-1.5; 60-1.7; 60-1.8; 60-1.26; 60-1.29; 60-1.30; 60-1.32; 60-1.41; 60-1.42; 60-1.43; and 41 CFR part 60-3; part 60-20; part 60-30; part 60-40; and part 60-50.

### § 60-4.8 Show cause notice.

If an investigation or compliance review reveals that a construction contractor or subcontractor has violated the Executive Order, any contract

clause, specifications or the regulations in this chapter and if administrative enforcement is contemplated, the Director shall issue to the contractor or subcontractor a notice to show cause which shall contain the items specified in (i)–(iv) of 41 CFR 60–2.2(c)(1). If the Contractor does not show good cause within 30 days, or in the alternative, fails to enter an acceptable conciliation agreement which includes where appropriate, make up goals and timetables, back pay, and seniority relief for affected class members, the compliance agency shall follow the procedure in 41 CFR 60–1.26(b): *Provided,* That where a conciliation agreement has been violated, no show cause notice is required prior to the initiation of enforcement proceedings.

**§ 60–4.9 Incorporation by operation of the Order.**

By operation of the Order, the equal opportunity clause contained in § 60–1.4, the Notice of Requirement for Affirmative Action to Ensure Equal Employment Opportunity (Executive Order 11246) contained in § 60–4.2, and the Standard Federal Equal Employment Opportunity Construction Contract Specifications (Executive Order 11246) contained in § 60–4.3 shall be deemed to be a part of every solicitation or of every contract and subcontract, as appropriate, required by the Order and the regulations in this chapter to include such clauses whether or not they are physically incorporated in such solicitation or contract and whether or not the contract is written.

[FR Doc. 78-9083 Filed 4-6-78; 8:45 am]

[4510-27]

## DEPARTMENT OF LABOR

### Office of Federal Contract Compliance Programs

### WOMEN AND MINORITIES IN CONSTRUCTION

### Goals and Timetables for Female and Minority Participation in the Construction Industry

Regulations (41 CFR 60-4.6) published by the Department of Labor in the FEDERAL REGISTER today require the Director of the Office of Federal Contract Compliance Programs (OFCCP) to issue goals and timetables for minority and female utilization for Federal and federally assisted construction contractors and subcontractors. The regulations require that the goals be based on workforce, demographic or other relevant data.

The regulations also require that the goals and timetables be published in the FEDERAL REGISTER in a notice of general information to the public but not for public comment. However, last August when the Department of Labor proposed a new Part 60-4 to 41 CFR Chapter 60, a notice proposing to establish goals and timetables for women in the construction industry was published for public comment because the OFCCP previously had not required goals for women in the construction industry under the Executive Order program, and because of the general interest in this subject (42 FR 41383). The comments have been reviewed and analyzed.

This notice is issued pursuant to 41 CFR 60-4.6 and establishes goals and timetables for women and minorities under Executive Order 11246, as amended (3 CFR Part 169 (1974)), in the construction industry. The goals for female utilization are expressed in terms of hours of training and employment as a proportion of the total number of hours to be worked by the contractor's aggregate work force, which includes all supervisory personnel, in each trade on all projects (both Federal and non-Federal).

#### GOALS FOR FEMALE UTILIZATION

A review of statistics relating to women in the construction industry shows an almost total exclusion of women from employment. Continued reliance by contractors on established hiring practices may reasonably be expected to result in a continuation of almost total female exclusion. Indeed, the female representation level in the construction industry is so low that the data packages prepared by the Bureau of the Census pursuant to contract with OFCCP are of little or no value as a source for computing goals for women on a Standard Metropolitan Statistical Area (SMSA) or local basis. To implement the affirmative action requirement of Executive Order 11246, as amended, and to achieve a program of equal employment opportunity for women, in the construction industry, goals and timetables are established in this Notice for female participation.

OFCCP has examined and considered a number of approaches for developing affirmative action goals for women. Methods, including the female workforce, different proportions of the female workforce, and female representation in apprenticeship positions were examined.

Thought also had been given to establishing a pilot program for the purpose of developing a data base on which female goals could be developed. Each of these methods, however, suffers from certain deficiencies such as a tendency toward initial goals either so high or so low that the result would be meaningless. This Notice considers the relevant characteristics of the construction industry as they relate to developing goals and timetables for women and the need to establish effective implementation of the Executive Order.

The goals for women in construction are established for a period of three years. The goals are 3.1 percent, 5 percent, and 6.9 percent for the first, second, and third year, respectively. These goals are developed using two sets of statistics. First, according to the 1970 census, ("Table 229 Selected Occupations by Major Industry of the Experienced Civilian Labor Force," Detailed Characteristics United States Summary, VS.PC(1)D1, U.S. Census—1970), the female workforce currently classified as craftsmen and kindred workers in the construction industry is 1.2 percent. By extrapolating from Census data (using the categories of craftsmen and kindred workers and operatives in the construction industry), the female participation rate is remarkably similar—1.3 percent. The category, operatives, includes workers who frequently are considered construction craftsmen (e.g. drywall installers and lathers, asbestos and insulation workers, and welders). In addition, according to the 1970 Census ("Table 224 Occupations of Experienced Civilian Labor Force by Race and Sex, and Weeks Worked in 1969 and Experienced Workers not in Labor Force by Sex," Detailed Characteristics United States Summary, Vol. PC(1)DL, U.S. Census, 1970), women constitute 5 percent of all craft and kindred workers. This occupation group includes apparel craftsmen and upholsterers, bakers, cabinetmakers, construction craftsmen, foremen, linemen and servicemen—telephone and power, locomotive engineers and firemen, mechanics and repairmen, metal craftsmen (except mechanics), printing craftsmen, stationary engineers and power station operators, and other craftsmen and kindred workers. This group consists of workers in occupations with working conditions similar to those found in the construction industry. These occupations require skills and abilities comparable to those required of employees working in the construction industry. These nonconstruction occupations are closely related to construction craft work, and demonstrate a comparatively higher female participation rate which also demonstrates a willingness on the part of women to undertake the types of work which include the occupation of construction craftsmen.

It is reasonable to expect therefore that within a two-year period the construction industry, by undertaking affirmative action, could achieve a 5 percent female participation goal. This same effort would raise the goal to 6.9 percent in the third year. The statistics on which these goals are based are national in scope. Such statistics are not available on an SMSA or county basis. Moreover, the female population is distributed evenly throughout the country.

The female goal is nation-wide, applies to all construction contractors and subcontractors who hold a Federal or federally assisted construction contract or subcontract in excess of $10,000, and the goal applies to such contractor's entire workforce. Also, under the regulation governing construction contractors under Executive Order 11246 published today in the FEDERAL REGISTER, Hometown Plans are required to submit goals for women to the Director for approval. No goals lower than those established herein will be approved. If the Hometown Plans do not submit female affirmative action goals within the specified period and receive approval, the Department's approval of the plan will be withdrawn automatically and the goals established herein shall be applicable in those Hometown areas.

These initial goals are intended to provide immediate equal employment opportunity for women in the construction industry.

In order to develop goals and timetables for women in construction on a more permanent basis, a working committee will be established to make recommendations to the Director, OFCCP, on the total involvement of women in the construction industry. The exact structure and composition of the committee has not been determined.

Contractors are advised, however, that where higher state, local or other jurisdictional goals for women are in effect, compliance with the goals, and timetables proposed herein would not relieve the contractor of its obligation to comply with the higher local goal. Similarly, this Notice does not affect or limit in any way the application of

requirements providing for the employment of local residents such as those contained in the Community Development Block Grant and the Public Work Employment Act grant programs.

GOALS FOR MINORITIES

The preamble to regulations establishing a new part 60-4 to 41 CFR chapter 60 published elsewhere in the FEDERAL REGISTER today, states that OFCCP contemplates proposing standards and goals for minorities within the very near future. Until that notice has been proposed and final action taken, construction contractors and subcontractors will continue to be subject to the goals and timetables for minority utilization on Federal and federally assisted construction existing now under Executive order 11246. Such goals are published in appendix B.

Now, therefore, based on the foregoing and 41 CFR part 60-4, each contracting agency, each applicant, and each contractor shall include the appropriate goal set forth in appendix A and appendix B in all invitations for bids or other solicitations for federally involved construction contracts in excess of $10,000. The goals in appendix A hereby are established on a nationwide basis as the standards for female utilization for all trades.

Appendix B established the goals for minority utilization which shall be applicable for the respective areas set forth in appendix B.

Appendix A and Appendix B shall be effective with respect to transactions for which the invitations for bids or other solicitations or amendments thereto are sent on or after May 8, 1978.

WELDON J. ROUGEAU,
*Director, OFCCP.*

MARCH 28, 1978.

APPENDIX A

The following goals and timetables for female utilization shall be included in all Federal and federally assisted construction contracts and subcontracts in excess of $10,000. The goals are applicable to the contractor's aggregate on-site construction workforce whether or not part of that workforce is performing work on a Federal or federally assisted construction contract or subcontract.

AREA COVERED

Goals for Women apply nationwide.

GOALS AND TIMETABLES

| *Timetable* | *Goals (percent)* |
|---|---|
| From Apr. 1, 1978 until Mar. 31, 1979 | 3.1 |
| From Apr. 1, 1979 until Mar. 31, 1980 | 5.1 |
| From Apr. 1, 1980 until Mar. 31, 1981 | 6.9 |

APPENDIX B

Until further notice, the following goals and timetables for minority utilization shall be included in all Federal or federally-assisted construction contracts and subcontracts in excess of $10,000 to be performed in the respective covered areas. The goals are applicable to the contractor's aggregate on-site construction workforce whether or not part of that workforce is performing work on a Federal or federally-assisted construction contract or subcontract.

REGION [1]

BOSTON, MASS. AREA

*Area covered*—Arlington, Boston, Belmont, Brookline, Burlington, Cambridge, Canton, Chelsea, Dedham, Everett, Malden, Medford, Wakefield, Westwood, Winthrop, Winchester, Woburn, and the Islands of Boston Harbor, Mass.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers | 10.8 to 10.12. |
| | Boilermakers | 9.6 to 12.0. |
| | Bricklayers | 8.0 to 10.0. |
| | Carpenters | 11.6 to 14.5. |
| | Cement masons | 25.5 to 27.5. |
| | Electricians | 6.0 to 7.0. |
| | Elevator constructors. | 9.5 to 11.4. |
| | Glaziers | 8.8 to 11.0. |
| | Ironworkers | 5.9 to 6.9. |
| | Lathers | 6.9 to 8.9. |
| | Operating engineers. | 14.1 to 15.0. |
| | Painters | 9.1 to 11.1. |
| | Pipefitters | 11.0 to 12.1. |
| | Plasterers | 20.5 to 22.5. |
| | Plumbers | 9.8 to 11.8. |
| | Roofers | 8.4 to 10.5. |
| | Sheetmetal workers. | 10.1 to 12.1. |
| | Sprinkler fitters | 12.3 to 15.6. |
| | All other trades | 10.3 to 12.3 |

[1] Region refers to the 10 regions in which the U.S. Department of Labor has offices. These Regions are headquartered in Boston, New York, Philadelphia, Atlanta, Chicago, Dallas, Kansas City, Denver, San Francisco, and Seattle, which are numbers I through X respectively.

STATE OF RHODE ISLAND AREA

*Area Covered*—Statewide.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 5.0. |

REGION II

BUFFALO, N.Y. AREA

*Area Covered*—Erie County and Buffalo, N.Y.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 10.6 to 13.2. |

CAMDEN, N.J. AREA

*Area Covered:* Camden, N.J., area of Camden, Salem, and Gloucester Counties.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers | 11.6 to 14.5. |
| | Boilermakers | 10.8 to 13.5. |
| | Bricklayers | 17.8 to 20.0. |
| | Carpenters | 11.2 to 13.0. |
| | Cement masons | 12.0 to 15.0. |
| | Electricians | 14.9 to 17.8. |
| | Elevator constructors. | 10.8 to 13.5. |
| | Glaziers | 16.0 to 20.0. |
| | Lathers | 10.8 to 13.5. |
| | Operating Engineers. | 10.0 to 12.5. |
| | Painters/ Decorators/ Paperhangers. | 8.8 to 12.8. |
| | Plasterers | 17.0 to 19.0. |
| | Plumbers/ Pipefitters/ Steamfitters. | 8.4 to 10.5. |
| | Roofers | 8.4 to 10.5. |
| | Sheetmetal Workers. | 11.2 to 14.0. |
| | Sprinkler Fitters | 10.8 to 13.5. |
| | Structural Metal Workers. | 12.9 to 15.3. |
| | Wharf 7 Dock Builders. | 10.8 to 13.5. |

ELMIRA, N.Y. AREA

*Area Covered:* Chemung, Steuben, Schuyler, Tioga, and Yates Counties, N.Y.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 4.0 to 5.0. |

LONG ISLAND, N.Y. AREA

*Area Covered:* Nassau and Suffolk Counties, N.Y.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 6.0 to 8.0. |

WESTCHESTER, N.Y. AREA

*Area covered*—Westchester County, N.Y.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 11 to 13. |

REGION III

STATE OF DELAWARE AREA

*Area covered*—State of Delaware.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 11 to 13. |

PHILADELPHIA, PA., AREA

*Area covered*—Bucks, Chester, Delaware, Montgomery, and Philadelphia Counties, Pa.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Ironworkers | 22 to 26. |
| | Plumbers and pipefitters. | 20 to 24. |
| | Steamfitters | 20 to 24. |
| | Sheetmetal workers. | 19 to 23. |
| | Electrical workers | 19 to 23 |
| | Elevator construction workers. | 19 to 23. |

PITTSBURGH, PA., AREA

*Area covered*—Allegheny County, Pa.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers | 24.3 to 27.8. |
| | Boilermakers | 33.8 to 37.7. |
| | Bricklayers | 11.9 to 13.0. |
| | Carpenters | 11.8 to 12.9. |
| | Cement masons | 16.3 to 18.1. |
| | Electricians | 17.0 to 20.3. |
| | Glaziers | 26.9 to 30.4. |
| | Ironworkers | 25.5 to 29.9. |
| | Lathers | 12.7 to 13.8. |
| | Operating engineers. | 44.2 to 48.3. |
| | Painters | 16.4 to 17.9. |
| | Plasterers | 34.3 to 38.0. |
| | Plumbers | 7.8 to 9.2. |
| | Roofers | 47.1 to 50.1. |
| | Sheetmetal workers. | 26.0 to 26.9. |
| | Steamfitters | 10.1 to 12.9. |
| | Tile setters | 13.6 to 16.0. |
| | All other | 27.6 to 31.5. |

WASHINGTON, D.C. AREA

*Area Covered.*—District of Columbia; the Virginia cities of Alexandria, Fairfax, and Falls Church; the Virginia counties of Arlington, Fairfax, Loudoun, and Prince William; and the Maryland counties of Montgomery and Prince Georges.

GOALS AND TIMETABLES

| Timetables | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Electricians | 28.0 to 34.0. |
| | Painters and paperhangers. | 35.0 to 42.0. |
| | Plumbers, pipefitters and steamfitters. | 25.0 to 30.0. |
| | Iron workers | 35.0 to 43.0. |
| Until further notice. | Sheetmetal workers. | 25.0 to 31.0. |
| | Elevator constructors. | 34.0 to 40.0. |
| | Asbestos workers | 26.0 to 32.0. |
| | Lathers | 34.0 to 40.0. |

GOALS AND TIMETABLES—Continued

| Timetables | Trade | Goal (percent) |
|---|---|---|
| | Boilermakers | 24.0 to 30.0. |
| | Tile and terrazzo workers. | 28.0 to 34.0. |
| | Glaziers | 28.0 to 34.0. |

REGION IV

ATLANTA, GEORGIA AREA

*Area Covered.*—Atlanta, Ga., Standard Metropolitan Statistical Area which includes Fulton, DeKalb, Cobb, Clayton and Gwinnett Counties.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers | 8.6 to 10.3. |
| | Bricklayers | 16.3 to 18.2. |
| | Carpenters | 11.0 to 12.8. |
| | Electricians | 10.9 to 12.2. |
| | Glaziers | 10.2 to 12.2. |
| | Ironworkers | 14.0 to 16.0. |
| | Metal Lathers | 10.0 to 12.0. |
| | Painters | 10.3 to 12.0. |
| | Plumbers | 9.4 to 10.9. |
| | Pipefitters | 9.4 to 10.9. |
| | Plasters | 24.4 to 25.8. |
| | Roofers | 18.0 to 20.0. |
| | Sheetmetal | 9.5 to 11.3. |
| | Sprinkler fitters | 8.3 to 9.9. |
| | Operating engineers. | 24.0 to 27.7. |
| | Elevator installers. | 9.6 to 11.5. |

BIRMINGHAM, ALA. AREA

*Area covered*—Jefferson, Shelby, and Walker Counties, Ala.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 20 to 24. |

CHARLOTTE, N.C. AREA

*Area covered*—Mecklenburg and Union Counties, N.C.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 24 to 30. |

JACKSONVILLE, FLA. AREA

*Area covered*—Drival County, Fla.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 20 to 23. |

LOUISVILLE, KY. AREA

*Area covered*—Adair, Barren, Bullitt, Carrol, Edmundson, Grayson, Green, Hardin, Hart, Henry, Jefferson, Larue, Meade, Nelson, Oldham, Shelby, Spencer, Taylor, Trimble, Warren, Washington Counties, Kentucky; and Clark, Floyd, and Harrison Counties, Ind.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 12.0 to 16.0. |

MIAMI, FLA., AREA

*Area covered*—Dade County, Fla.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 20.0 to 40.0. |

NASHVILLE, TENN., AREA

*Area covered*—City of Nashville, Tenn.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 16.0 to 20.0. |

REGION V

AKRON, OHIO, AREA

*Area covered*—Summit, Portage and Medina Counties, Ohio.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 10.0 to 12.5. |

CANTON, OHIO, AREA

*Area covered*—Carroll, Holmes, Stark, Tuscarawas, and Wayne Counties, Ohio.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 7.0 to 8.4. |

CHICAGO, ILL., AREA

*Area covered*—Cook, DuPage, Kane, Lake, McHenry, and Will Counties.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers.. | 08.6 to 10.3 |
| | Bricklayers | 16.3 to 8.2. |
| | Carpenters | 11.0 to 12.8. |
| | Electricians | 10.9 to 12.2. |
| | Elevator installers. | 09.6 to 11.5. |
| | Glaziers | 10.2 to 12.2. |
| | Ironworkers | 14.0 to 16.0. |
| | Metal lathers | 10.0 to 12.0. |
| | Painters | 10.3 to 12.1. |
| | Plumbers | 09.4 to 10.9. |
| | Pipe fitters | 09.4 to 10.9. |
| | Plasterers | 24.4 to 25.8. |
| | Roofers | 18.0 to 20.0. |
| | Sheetmetal workers. | 09.5 to 11.3. |
| | Sprinkler fitters | 08.3 to 09.9. |
| | Operating engineers. | 15.7 and above. |

CINCINNATI, OHIO, AREA

*Area covered*—Ohio counties of Clermont, Hamilton, and Warren and in the Kentucky counties of Boone, Campbell, and Kenton, and in the Indiana county of Dearborn.

GOALS AND TIMETABLES

| Timetable | Trade | Goals (percent) |
|---|---|---|
| Until further notice. | Asbestos workers.. | 09.3 to 12.2. |
| | Boilermakers | 08.0 to 08.4. |
| | Carpenters | 09.0 to 10.7. |
| | Elevator constructors. | 10.2 to 12.7. |
| | Engineers (stationary). | 26.9 to 28.4. |
| | Floor layers | 09.0 to 10.5. |
| | Glaziers | 09.1 to 11.1. |
| | Lathers | 09.3 to 10.6. |
| | Marble, tile and terrazzo workers and helpers. | 08.3 to 09.9. |
| | Millwrights | 09.1 to 10.3. |
| | Painters | 11.0 to 13.5. |
| | Pipefitters | 10.0 to 12.0. |
| | Plasterers | 08.7 to 09.6. |
| | Plumbers | 10.0 to 12.7. |
| | Sheetmetal workers. | 10.1 to 11.3. |
| | All other | 11.0 to 11.8. |

CLEVELAND, OHIO, AREA

*Area covered*—Ashland, Ashtabula, Crawford, Cuyahoga, Erie, Geauga, Huron, Lake, Lorain, Sandusky, and Seneca Counties, Ohio.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Art glass workers. | 25.4 to 28.6. |
| | Asbestos workers.. | 20.9 to 23.9. |
| | Boilermakers | 16.3 to 18.9. |
| | Bricklayers | 28.8 to 29.5. |
| | Carpenters | 08.0 to 08.6. |
| | Cement masons | 41.1 to 42.2. |
| | Electricians | 15.1 to 18.1. |
| | Elevator constructors. | 28.9 to 32.5. |
| | Glaziers | 35.8 to 40.0. |
| | Ironworkers | 11.4 to 13.2. |
| | Painters | 17.7 to 18.4. |
| | Pipefitters | 15.7 to 17.9. |
| | Plasterers | 21.6 to 23.2. |
| | Plumbers | 20.8 to 23.4. |
| | Roofers | 28.9 to 31.8. |

GOALS AND TIMETABLES—Continued

| Timetable | Trade | Goal (percent) |
|---|---|---|
| | All other | 17.0 to 18.8. |

DAYTON, OHIO, AREA

*Area covered*—Greene, Miami, Montgomery, and Preble Counties, Ohio.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 10.6 to 11.8. |

DETROIT, MICH., AREA

*Area covered*—Wayne, Oakland, and Macomb Counties, Mich.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Electricians | 17.0 to 19.0. |
| | Operating engineers. | 16.9 to 18.0. |
| | Lathers | 18.6 to 19.6. |
| | Painters | 15.0 to 17.7. |
| | Riggers | 16.8 to 17.7. |
| | Roofers | 15.3 to 16.6. |
| | Tile, terrazzo marble workers. | 15.0 to 17.8. |
| | Tile and marble helpers. | 16.0 to 18.5. |
| | Terrazzo helpers | 17.8 to 19.5 |
| | All other | 18.6 to 20.4. |

EVANSVILLE, IND., AREA

*Area covered*—Vanderburgh County, Ind.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 6.3 to 7.6. |

FORT WAYNE, IND., AREA

*Area covered*—Adams, Allen, DeKalb, Huntington, LaGrange, Noble, Steuben, Wells, and Whitley Counties, Ind.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Plumbers | 05.2 to 05.5. |
| | Steamfitters | 05.2 to 05.5. |
| | Carpenters | 05.7 to 05.2. |
| | Bricklayers | 09.3 to 10.4. |
| | Electricians | 05.2 to 05.9. |
| | Sheetmetal | 04.4 to 05.2. |
| | Ironworkers | 07.3 to 08.4. |
| | Operating engineers. | 05.2 to 06.0. |
| | Painters | 11.0 to 12.0. |
| | All other | 07.1 to 08.0. |

INDIANAPOLIS, IND., AREA

*Area covered.* Marion County, Ind.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers.. | 32.2 to 37.7. |
| | Bricklayers | 17.4 to 19.5. |
| | Electricians | 06.6 to 07.8. |
| | Elevator constructors. | 15.5 to 18.0. |
| | Glaziers | 25.2 to 28.6. |
| | Ironworkers | 11.6 to 14.0. |
| | Lathers | 21.1 to 22.0. |
| | Operating engineers. | 07.7 to 08.8. |
| | Painters | 22.4 to 25.0. |
| | Plasterers | 27.5 to 30.4. |
| | Plumbers | 26.5 to 30.0. |
| | Roofers | 15.9 to 18.1. |
| | Sheetmetal workers. | 09.3 to 10.9. |
| | Steamfitters | 14.9 to 17.1. |
| | All other | 14.1 to 16.2. |

PEORIA, ILL., AREA

*Area covered*—Peoria, Fulton, Tazewell, Woodford, Knox, Stark, Marshall, Hancock, Mason, McLean, McDonough, Henderson, Warren, Livingston, Bureau, Henry, and Putnam Counties, Ill.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 5.0 to 6.0. |

ROCKFORD, ILL., AREA

*Area covered*—Boone, Winnebago, Stephenson, De Kalb, Ogle, Lee, and Jo Daviess Counties; Cherry Grove, Shannon, Rock Creek, Lima, Wysox, and Elkhorn Townships in Carroll County; Genesee, Jordan, Hopkins, Sterling, Hume, Montmorency, Tampico, and Hahnaman Townships in Whiteside County, Ill.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 10.0 to 12.0. |

SOUTH BEND, IND., AREA

*Area Covered*—St. Joseph, County, Ind.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 8.0 to 10.0. |

TOLEDO, OHIO, AREA

*Area covered*—Defiance, Fulton, Hancock, Henry, Lusas, Ottawa, Williams, and Wood Couties, Ohio.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 10.7 to 12.3. |

YOUNGSTOWN, OHIO, AREA

*Area Covered.*—Columbiana, Mahoning, and Trumbull Counties, Ohio; and Lawrence and Mercer Counties, Pa.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 6.0 to 7.1 |

REGION VI

EL PASO, TEX., AREA

*Area covered*—El Paso County, Tex.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 55.1 to 66.2. |

LAWTON, OKLA., AREA

*Area covered*—Commanche County, Okla.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 15.8 to 16.8. |

LITTLE ROCK, ARK., AREA

*Area covered*—Pulaski County, Ark.

GOALS AND TIMETABLES:

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 25.6 to 30.6 |

NEW ORLEANS, LA.

*Area covered*—Parishes of Orleans, Jefferson, St. Bernard, St. Tammany, St. Charles, St. John, Lafourche, Plaquemines, Washington, Terrebonne, Tangipahoa,[1] Livingston,[2] and St. James.[3]

[1]Area covered is east of the Illinois Central RR.

[2]Area covered is southeast of the line from a point off the Livingston and Tangipahoa Parish line adjacent from New Orleans and Baton Rouge.

[3]Area covered is southeast of a line drawn from the town of Gramercy to the point of intersection of St. James, Lafourche, and Assumption Parishes.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 20 to 23. |

TULSA, OKLA.

*Area covered*—Tulsa, Creek, Mayes, Rogers, Okfuskee, Washington, Nowata, Craig, Ottawa, Delaware, Okmulgee (northern half), dividing line Highway 16; Osage (eastern half), dividing line Highway 18; Pawnee (eastern half), and Payne (eastern half) Counties, Okla.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Bricklayers | 24.0 to 25.0. |
| | Carpenters | 17.0 to 18.0. |
| | Cement masons | 21.5 to 22.5. |
| | Floor covers | 12.0 to 14.0. |
| | Glaziers, glass workers. | 14.7 to 17.3. |
| | Operating engineers. | 22.0 to 24.0. |
| | Painters | 18.0 to 20.0. |
| | Pipefitters | 10.0 to 12.0. |
| | Plumbers | 11.6 to 13.2. |
| | Roofers | 12.0 to 14.0. |
| | Sheetmetal workers. | 08.0 to 10.0. |
| | All other trades | 12.0 to 14.4. |

REGION VII

KANSAS CITY (KANS.) AND (MO.)

*Area covered*—Clay, Platte, Jackson, Bates, Carroll, Lafayette, Ray, Johnson, Henry, and Cass Counties, Mo., and Wyandotte, Johnson, and Miami Counties, Kans.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers | 10.3 to 11.7. |
| | Boilermakers | 05.9 to 06.4. |
| | Bricklayers | 19.4 to 20.7. |
| | Carpenters | 05.9 to 06.9. |
| | Carpet, linoleum and resilient floor decorators. | 05.5 to 06.4. |
| | Cement masons | 25.5 to 26.5. |
| | Elevator constructors. | 09.2 to 10.7. |
| | Electricians | 08.0 to 09.4. |
| | Glaziers | 09.8 to 10.5. |
| | Lathers | 14.5 to 15.6. |
| | Marble masons, tile layers and terrazzo workers. | 07.5 to 09.0. |
| | Marble and tile helpers. | 04.8 to 05.6. |
| | Operating engineers. | 09.0 to 10.9. |
| | Painters | 14.3 to 15.0. |
| | Pipefitters | 06.9 to 07.7. |
| | Plasterers | 19.0 to 20.4. |
| | Plumbers | 08.3 to 09.3. |
| | Roofers | 14.0 to 15.0. |
| | Sheetmetal workers. | 07.0 to 08.0. |
| | Teamsters | 25.0 to 26.0. |
| | All other trades | 11.4 to 12.5. |

OMAHA, NEBR.

*Area covered*—Sharpy and Douglas Counties, Nebr., Council Bluffs, Iowa (city limits only).

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 9.0 to 10.0 |

ST. LOUIS, MO.

*Area covered.*—City of St. Louis, Mo., and St. Louis County, Mo.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers | 05.2 to 05.7. |
| | Boilermakers | 34.0 to 37.7. |
| | Bricklayers | 12.6 to 14.2. |
| | Carpenters | 08.2 to 08.9. |
| | Cement and concrete finishers. | 13.3 to 16.6. |
| | Electricians | 13.6 to 16.1. |
| | Elevator constructors. | 08.7 to 09.3. |
| | Glaziers | 28.7 to 34.5. |
| | Ironworkers | 09.0 to 10.4. |
| | Lathers and plasterers. | 24.2 to 29.7. |
| | Operating engineers. | 13.2 to 15.7. |
| | Painters and paperhangers. | 25.1 to 29.3. |
| | Plumbers and pipefitters. | 13.2 to 15.4. |
| | Roofers and slaters. | 17.1 to 19.6. |
| | Sheetmetal workers. | 22.5 to 27.0. |
| | Tilesetters and terrazzo workers. | 08.8 to 10.4. |

TOPEKA, KANS.

*Area covered.*—Shawnee County, Kans.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 08.8 to 10.5. |

REGION VIII

COLORADO

*Area covered*—State of Colorado.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 13 to 14. |

REGION IX

ALAMAEDA COUNTY, CALIF., AREA

*Area covered.*—Alameda County, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 28.5 to 33.0. |

ARIZONA

*Area covered*—State of Arizona.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 25.0–30.0 |

CONTRA COSTA COUNTY, CALIF.

*Area covered:* Contra Costa County, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 17.0 to 19.5. |

FRESNO COUNTY, CALIF.

*Area covered.*—Fresno, Madera, Kings, and Tulare Counties, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 20.0 to 27.0. |

LAS VEGAS, NEV.

*Area covered.*—Area of jurisdiction of the Building & Construction Trades Council of Clark, Lincoln, Nye and Esmeralda Counties, Nev.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers | 17.7 to 20.2. |
| | Bricklayers | 18.8 to 21.3. |
| | Carpenters | 16.2 to 17.5. |
| | Glaziers, floorcoverers, painters, tapers and wallcoverers. | 16.3 to 17.7. |
| | Plasterers | 24.6 to 27.2. |
| | Plumbers and pipefitters. | 15.2 to 16.2. |
| | Sheet metal workers. | 16.2 to 17.7. |
| | Wood, wire and metal lathers. | 18.1 to 19.3. |
| | All other trades | 18.0 to 19.5. |

LOS ANGELES COUNTY, CALIF.

*Area covered.*—Area of jurisdiction of the Los Angeles Building & Construction Trades Council.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 21.7 to 25.1 |

MONTEREY, CALIF.

*Area covered.*—Monterey County, Calif., and within the jurisdiction of the Monterey County Building & Construction Trades Council, AFL-CIO.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 27.0 to 29.8. |

NORTH BAY, CALIF.

*Area covered*—Solano, Napa, Lake, Marin, Mendocino, and Sonoma Counties.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 10.5 to 12.6. |

SACRAMENTO, CALIF.

*Area covered*—Sacramento, Yolo, Amador, Placer, El Dorado, Nevada, and Sierra Counties, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 17.5 to 20.0. |

SAN DIEGO COUNTY, CALIF.

*Area covered*—San Diego County, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 24.0 to 30.0. |

SAN FRANCISCO CITY AND COUNTY, CALIF.

*Area covered*—City and County of San Francisco, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Electricians | 17.0. |
| | Plumbers, pipefitters and steamfitters. | 14.0. |
| | Structural metal workers. | 20.0. |
| | Sheet metal workers. | 19.0 |

GOALS AND TIMETABLES—Continued

| Timetable | Trade | Goal (percent) |
|---|---|---|
| | Asbestos Workers | 40.0. |

SAN MATEO COUNTY, CALIF.

*Area covered*—San Mateo County, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 12.0 to 14.0. |

SANTA CLARA COUNTY, CALIF.

*Area covered*—Santa Clara County, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 18.0 to 21.7. |

SANTA CRUZ COUNTY, CALIF.

*Area Covered*—Santa Cruz County, Calif.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 17.0 to 20.4. |

REGION X

ALASKA

*Area covered*—State of Alaska.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Asbestos workers | 26.4 to 28.0. |
| | Carpenters | 25.7 to 28.0. |
| | Electricians | 25.7 to 28.0. |
| | Ironworkers | 25.7 to 28.0. |
| | Operating engineers. | 26.1 to 28.0. |
| | Painters | 25.8 to 28.0. |
| | Pile drivers | 25.1 to 28.0. |
| | Plumbers and steamfitters. | 25.4 to 28.0. |
| | Roofers | 27.6 to 28.0. |
| | Sheetmetal workers. | 25.6 to 28.0. |
| | Teamsters | 25.6 to 28.0. |
| | All other | 26.1 to 28.1. |

PASCO, WASH.

*Area covered*—The area of jurisdiction of the Southeastern Washington Building & Construction Trades Council as follows: all of Benton, Franklin, and Walla Walla Counties, Grant County to Highway 2 and the southwest corner of Adams County, Wash.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | Boilermakers | 12.5 to 15.0. |
| | Bricklayers | 11.0 to 13.5. |
| | Carpenters | 09.8 to 12.3. |
| | Cement finishers | 11.5 to 14.0. |
| | Electricians | 10.0 to 12.5. |
| | Ironworkers | 10.0 to 12.5. |
| | Operating engineers. | 10.2 to 12.7. |
| | Painters | 10.0 to 12.5. |
| | Plumbers and fitters. | 09.9 to 12.4. |
| | Sheetmetal workers. | 10.8 to 13.3. |
| | Laborers | 09.5 to 12.0. |
| | All other | 10.0 to 12.5. |

PORTLAND, OREG.

*Area covered*—Multnomah, Clackamas, and Washington Counties, Oreg.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 5.5 to 6.5. |

SEATTLE, WASH.

*Area covered*—King County, Wash.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 8.8 to 11.5. |

SPOKANE, WASH.

*Area covered*—Washington Counties: Spokane, Whitman, Lincoln, Adams, Stevens, Pend Oreille, Columbia, Garfield, Asotin, Ferry, Okanogan, Chelan, Douglas and Grant (north of Highway 2), and in connection with Indian employment, parts of any other counties included in reservations incorporating portions of the above area; Idaho: Boundary, Bonner, Kootenai, Shoshone, Benewah, Latah, Clearwater, Nez Perce, Lewis, and Idaho, and in connection with Indian employment, any other territory included in reservations, part of which are in the above counties.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 2.0 and above. |

TACOMA, WASH.

*Area covered*—Pierce, Thurston, Mason, Lewis, Grays Harbor, and Pacific Counties, Wash.

GOALS AND TIMETABLES

| Timetable | Trade | Goal (percent) |
|---|---|---|
| Until further notice. | All | 12.2 to 15.0. |

[FR Doc. 78-9084 Filed 4-6-78; 8:45 am]

federal register

FRIDAY, APRIL 7, 1978
PART V




# DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

## Public Health Service

■

# CUMULATIVE LIST OF QUALIFIED HEALTH MAINTENANCE ORGANIZATIONS

[4110-85]

## DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

### Public Health Service

### CUMULATIVE LIST OF QUALIFIED HEALTH MAINTENANCE ORGANIZATIONS

Regulations issued under title XIII of the Public Health Service Act, "Health Maintenance Organizations" (42 CFR 110.605(b)), require annual publication of a cumulative list of all qualified health maintenance organizations. Notice is hereby given that, through December 31, 1977, the following entities have been determined to be qualified health maintenance organizations under section 1310(d) of the Public Health Service Act (42 U.S.C. 300e-9(d)).

In order to provide the public with comprehensive information about qualified health maintenance organizations, the following is presented alphabetically in three formats: (A) A listing by organizational model; (B) A listing by States in which the health maintenance organizations do business. (Note that some health maintenance organizations do business in more than one State); (C) A listing by name, address, service area, and date of qualification.

Additional information with respect to qualified HMOs is available for public inspection between the hours of 8:30 a.m. and 5 p.m., Monday through Friday at the Office of Health Maintenance Organizations, Division of Health Maintenance Organizations Qualification and Compliance, Assistant Secretary for Health, Department of Health, Education, and Welfare, Parklawn Building, Room 16A-08, 5600 Fishers Lane, Rockville, Md. 20857.

*A. Listing by Organizational Model*

STAFF/MEDICAL GROUP MODEL

STAFF

Anchor Organization for Health Maintenance.
California Medical Group Health Plan, Inc.
Capital Area Community Health Plan, Inc.
Central Essex Health Plan.
Community Group Health Plan, Inc.
Connecticut Health Plan, Inc.
Family Health Program, Inc.
Florida Health Care Plan, Inc.
Georgetown University Community Health Plan, Inc.
Group Health Association, Inc.
Group Health Cooperative of So. Central Wisconsin.
Group Health Plan of New Jersey, Inc.
Group Health Plan of Southeast Michigan.
Harvard Community Health Plan.
Health Care of Louisville, Inc.
Health Central, Inc.
Manhattan Health Plan, Inc.
Metropolitan Health Council of Indianapolis, Inc.
Piedmont Health Care Corporation.
Rhode Island Group Health Association, Inc.
Rutgers Community Health Plan.
SHARE.
Sound Health Association.
Westchester Community Health Plan.

MEDICAL GROUP

American Health Plan, Inc.
Community Health Care Center Plan, Inc.
Cooperative Health Plan of Greater Spokane.
Gem Health Association, Inc.
Genesee Valley Group Health Association.
Health Alliance of Northern California, Inc.
Health Service Plan of Pennsylvania.
Kaiser Foundation Health Plan, Inc. (Northern California), (Southern California), (Hawaii Region).
Kaiser Foundation Health Plan of Oregon.
Kaiser Community Health Foundation.
Kaiser Foundation Health Plan of Colorado.
North Communities Health Plan, Inc.
Penn Group Health Plan, Inc.
Prudential Health Care Plan, Inc.

INDIVIDUAL PRACTICE ASSOCIATION MODEL

AV-MED, Inc.
Choice Care Health Services, Inc.
Colorado Health Care Services, Inc.
Family Health Services, Inc.
Foundation Health Plan.
Health Care Plan of New Jersey, Inc.
The Health Maintenance Organization of Pennsylvania.
HMO Illinois, Inc.
Intergroup Prepaid Health Services, Inc.
Marion Health Foundation, Inc.
Maxi-Care.
Portland Metro Health, Inc.
Rocky Mountain Health Maintenance Organization, Inc.

*B. Listing by States*

ALABAMA

None.

ALASKA

None.

ARIZONA

None.

ARKANSAS

None.

CALIFORNIA

California Medical Group Health Plan, Inc.
Family Health Program, Inc.
Family Health Services, Inc.
Foundation Health Plan.
Health Alliance of Northern California.
Kaiser Foundation Health Plan, Inc.
Maxi-Care.

COLORADO

ChoiceCare Health Services, Inc.
Colorado Health Care Services.
Kaiser Foundation Health Plan of Colorado, Inc.
Rocky Mountain Health Maintenance Organization, Inc.

CONNECTICUT

Comunity Health Care Center Plan, Inc.
Connecticut Health Plan, Inc.

DISTRICT OF COLUMBIA

Georgetown University Community Health Plan, Inc.
Group Health Association, Inc.

DELAWARE

None.

FLORIDA

American Health Plan, Inc.
AV-MED Inc.
Florida Health Care Plan, Inc.

GEORGIA

None.

HAWAII

Kaiser Foundation Health Plan, Inc.

IDAHO

Gem Health Association, Inc.

ILLINOIS

Anchor Organization for Health Maintenance.
HMO Illinois, Inc.
Intergroup Prepaid Health Services.
North Communities Health Plan.

INDIANA

Metropolitan Health Council of Indianapolis, Inc.
Health Care of Louisville.[1]
Intergroup Prepaid Health Services.[1]

IOWA

None.

KANSAS

Community Group Health Plan.[1]

KENTUCKY

HealthCare of Louisville.

LOUISIANA

None.

MAINE

None.

MARYLAND

Georgetown University Community Health Plan.[1]
Group Health Association.[1]

MASSACHUSETTS

Harvard Community Health Plan.
Rhode Island Group Health Association.[1]

MICHIGAN

Group Health Plan of Southeast Michigan.
Health Central, Inc.

MINNESOTA

SHARE.

MISSISSIPPI

None.

MISSOURI

Community Group Health Plan.

MONTANA

None.

NEBRASKA

None.

NEVADA

None.

[1]Indicates a service area, but not the primary location for the HMO.

NEW HAMPSHIRE

None.

NEW JERSEY

Central Essex Health Plan.
Group Health Plan of New Jersey, Inc.
Health Care Plan of New Jersey, Inc.
Rutgers Community Health Plan.

NEW MEXICO

None.

NEW YORK

Capital Area Community Health Plan, Inc.
Genesee Valley Group Health Association.
Manhattan Health Plan, Inc.
Westchester Community Health Plan.

NORTH CAROLINA

None.

NORTH DAKOTA

None.

OHIO

Kaiser Community Health Foundation.
Marion Health Foundation, Inc.

OKLAHOMA

None.

OREGON

Kaiser Foundation Health Plan of Oregon.
Portland Metro Health, Inc.

PENNSYLVANIA

The Health Maintenance Organization of Pennsylvania.
Health Service Plan of Pennsylvania.
Penn Group Health Plan, Inc.

RHODE ISLAND

Rhode Island Group Health Association, Inc.

SOUTH CAROLINA

Piedmont Health Care Corporation.

SOUTH DAKOTA

None.

TENNESSEE

None.

TEXAS

Prudential Health Care Plan, Inc.

UTAH

Family Health Program, Inc.[2]

VERMONT

None.

VIRGINIA

Georgetown University Community Health Plan.[1]
Group Health Associations.[1]

WASHINGTON

Cooperative Health Plan of Greater Spokane.
Sound Health Association.
Kaiser Foundation Health Plan of Oregon.
Portland Metro Health, Inc.

[1]Indicates a service area, but not the primary location for the HMO.
[2]Regional component of HMO.

WEST VIRGINIA

None.

WISCONSIN

Group Health Cooperative of South Central Wisconsin.

WYOMING

None.

GUAM

Family Health Program, Inc.[2]

PUERTO RICO

None

VIRGIN ISLANDS

None.

*C. Listing by name, address, service area, and date of qualification*

1. American Health Plan, Inc., 1701 Northeast 164th Street, North Miami Beach, Fla. 33162. Service area: Dade and Broward Counties in the State of Florida. Date of qualification: Transitionally qualified—July 29, 1977.

* * * * *

2. Anchor Organization for Health Maintenance, 1725 West Harrison Street, Chicago, Ill. 60612. Service area: The following zip codes in the city of Chicago and suburban areas:

City of Chicago

60601, 60602, 60603, 60604, 60605, 60606, 60607, 60608, 60609, 60610, 60611, 60612, 60613, 60614, 60615, 60616, 60618, 60621, 60622, 60623, 60624, 60625, 60626, 60629, 60630, 60631, 60632, 60634, 60635, 60636, 60637, 60638, 60639, 60640, 60641, 60644, 60645, 60646, 60647, 60648, 60650, 60651, 60653, 60654, 60656, 60657, 60659, 60660, 60666, 60670, 60671, 60675, 60684, 60685, 60693.

Suburban Areas

60004, 60005, 60006, 60007, 60008, 60010, 60015, 60016, 60017, 60018, 60023, 60025, 60026, 60029, 60035, 60043, 60047, 60053, 60056, 60060, 60062, 60067, 60068, 60069, 60076, 60090, 60091, 60093, 60101, 60103, 60104, 60106, 60108, 60130, 60131, 60143, 60153, 60160, 60162, 60163, 60164, 60165, 60171, 60172, 60176, 60191, 60201, 60202, 60203, 60204, 60301, 60302, 60303, 60304, 60305, 60401, 60402, 60406, 60409, 60411, 60417, 60419, 60422, 60423, 60425, 60426, 60429, 60430, 60438, 60443, 60445, 60448, 60449, 60452, 60459, 60461, 60462, 60466, 60468, 60469, 60471, 60472, 60473, 60475, 60476, 60477, 60513, 60525, 60534, 60558.

Date of qualification: Transitionally qualified—December 20, 1977.

* * * * *

3. AV-MED, Inc., 9300 South Dadeland Boulevard, Miami, Fla. 33156. Service area: Dade County, Fla. Date of qualification: Operationally qualified—October 7, 1977. (Achieved preoperational qualification on September 9, 1977.)

* * * * *

4. California Medical Group Health Plan, Inc., 1880 Century Park East, Suite 1500, Los Angeles, Calif. 90067. Service area.—the zip codes included in the area are as follows:

Los Angeles County, Calif.

90001, 90002, 90003, 90004, 90005, 90006, 90007, 90008, 90010, 90011, 90012, 90013, 90014, 90015, 90016, 90017, 90018, 90019, 90020, 90021, 90022, 90024, 90025, 90026, 90027, 90028, 90029, 90031, 90032, 90033, 90034, 90035, 90036, 90037, 90038, 90039, 90040, 90041, 90042, 90043, 90044, 90045, 90046, 90047, 90048, 90049, 90056, 90057, 90058, 90059, 90061, 90062, 90063, 90064, 90065, 90066, 90067, 90068, 90069, 90071, 90201, 90210, 90211, 90212, 90220, 90221, 90222, 90230, 90240, 90241, 90242, 90245, 90247, 90248, 90249, 90250, 90254, 90255, 90260, 90262, 90265, 90266, 90270, 90272, 90274, 90277, 90278, 90280, 90290, 90291, 90301, 90302, 90303, 90304, 90305, 90401, 90402, 90403, 90404, 90405, 90501, 90502, 90503, 90504, 90505, 90506, 90601, 90602, 90603, 90604, 90605, 90606, 90638, 90640, 90650, 90660, 90670, 90701, 90706, 90710, 90712, 90713, 90715, 90716, 90717, 90723, 90731, 90732, 90744, 90745, 90746, 90747, 90801, 90802, 90803, 90804, 90805, 90806, 90807, 90808, 90810, 90812, 90813, 90814, 90815, 90840, 91001, 91006, 91010, 91011, 91016, 91020, 91024, 91030, 91040, 91042, 91046, 91101, 91103, 91104, 91105, 91106, 91107, 91108, 91201, 91301, 91302, 91303, 91304, 91306, 91307, 91310, 91311, 91316, 91321, 91324, 91331, 91335, 91340, 91342, 91343, 91344, 91350, 91351, 91352, 91355, 91364, 91401, 91402, 91403, 91405, 91406, 91411, 91423, 91436, 91501, 91502, 91504, 91505, 91506, 91601, 91602, 91604, 91605, 91606, 91607, 91608, 91702, 91706, 91711, 91722, 91723, 91724, 91731, 91732, 91733, 91738, 91740, 91744, 91745, 91746, 91750, 91754, 91765, 91766, 91767, 91768, 91770, 91773, 91775, 91776, 91780, 91789, 91790, 91791, 91792, 91801, 91803, 93510, 93532, 93534, 93543, 93544, 93550, 93553, 93563.

Orange County, Calif.

90620, 90621, 90623, 90630, 90631, 90720, 90740, 90742, 90743, 92621, 92624, 92625, 92626, 92627, 92629, 92630, 92631, 92632, 92633, 92640, 92641, 92643, 92644, 92643, 92646, 92647, 92648, 92649, 92650, 92651, 92653, 92655, 92660, 92661, 92662, 92664, 92665, 92666, 92667, 92668, 92669, 92670, 92672, 92675, 92676, 92677, 92678, 92680, 92683, 92686, 92687, 92701, 92703, 92704, 92705, 92706, 92707, 92708, 92709, 92801, 92802, 92804, 92805, 92806, 92807.

Riverside County, Calif.[3]

91720, 91752, 91760, 92330, 92370, 92388, 92501, 92503, 92504, 92505, 92506, 92507, 92508, 92509.

Santa Barbara County, Calif.

93013, 93017, 93067, 93101, 93103, 93105, 93108, 93109, 93110, 93111, 93427, 93441, 93460, 93463.

San Bernardino County, Calif.

91701, 91710, 91730, 91739, 91743, 91761, 91762, 91763, 91764, 91786, 92316, 92318, 92324, 92335, 92346, 92354, 92369, 92373, 92376, 92401, 92404, 92405, 92407, 92408, 92409, 92410, 92411.

San Diego County, Calif.

92001, 92002, 92007, 92008, 92010, 92011, 92014, 92017, 92020, 92021, 92024, 92025, 92027, 92032, 92035, 92037, 92040, 92041,

[3]Zip codes included a 30 mile radius of the health center.

92045, 92050, 92064, 92065, 92067, 92079, 92071, 92073, 92075, 92077, 92078, 92101, 92102, 92103, 92104, 92105, 92106, 92107, 92108, 92109, 92110, 92111, 92113, 92114, 92115, 92116, 92117, 92118, 92119, 92120, 92121, 92122, 92123, 92124, 92125, 92126, 92127, 92128, 92129, 92131, 92133, 92135, 92137, 92139, 92140, 92145, 92154, 92155, 92162.

Ventura County, Calif.

91320, 91360, 91361, 91362, 93010, 93015, 93021, 93040, 93042, 93063, 93065.

Date of qualification: Transitionally qualified—July 19, 1977.

* * * * *

5. Capital Area Community Health Plan, Inc., 1201 Troy Schenectady Road, Latham, N.Y. 12110. Service area as follows:

*Albany County*

Albany City, Berne Town, Bethlehem Town, Coeymans Town, Cohoes City, Colonie Town, Green Island Town, Guilderland Town, Knox Town, New Scotland Town, Rensselaerville Town, Watervliet City, Westerlo Town.

*Rensselaer County*

Brunswick Town, East Greenbush Town, Grafton Town, Nassau Town, North Greenbush Town, Pittstown Town, Poestenkill Town, Rensselaer City, Sand Lake Town, Schaghticoke Town, Schodack Town, Troy City.

*Saratoga County*

Ballston Town, Charlton Town, Clifton Park Town, Galway Town, Halfmoon Town, Malta Town, Mechanicville City, Milton Town, Saratoga Town, Saratoga Springs City, Stillwater Town, Waterford Town.

*Schenectady County*

Duanesburg Town, Glenville Town, Niskayuna Town, Princetown Town, Rotterdam Town, Schenectady City.

Date of qualification: Operationally qualified—January 1, 1977. (Achieved preoperational qualification on December 6, 1976.)

* * * * *

6. Central Essex Health Plan, P.O. Box 371, Orange, N.J. 07051. Service area.—Essex County communities of: Belleville, Bloomfield, Caldwell, Cedar Grove, East Orange, Essex Fells Fairfield, Glen Ridge, Irvington, Livingston, Maplewood, Millburn, Montclair, North Caldwell, Nutley, Orange, Roseland, South Orange, Verona, West Caldwell, West Orange.

Date of qualification: Operationally qualified—January 1, 1977. (Achieved preoperational qualification on December 28, 1976.)

* * * * *

7. Choice Care Health Services, 2120 South College Avenue, Fort Collins, Colo. 80521. Service area: Larimer County, Colo. Date of qualification: Transitionally qualified—August 12, 1976.

* * * * *

8. Colorado Health Care Services, Inc., 2040 South Oneida Street, Denver, Colo. 80206. Service area.—The following counties: Adams, Arapahoe, Boulder, Denver, Douglas, and Jefferson, all located in the State of Colorado. Date of qualification: Transitionally qualified—August 20, 1976.

* * * * *

9. Community Group Health Plan, Inc., d.b.a. Prime Health 373, West 101st Terrace, Kansas City, Mo. 64114. Service area.—The zip codes included in the area are as follows:

State of Missouri

64012, 64030, 64031, 64034, 64050, 64052, 64053, 64054, 64055, 64062, 64063, 64065, 64078, 64083, 64101, 64102, 64105, 64106, 64108, 64109, 64110, 64111, 64112, 64113, 64114, 64120, 64123, 64124, 64125, 64126, 64127, 64128, 64129, 64130, 64131, 64132, 64133, 64134, 64136, 64137, 64138, 64139, 64145, 64146, 64147, 64149, 64701, 64702.

State of Kansas

66030, 66061, 66083, 66084, 66085, 66130, 66202, 66203, 66204, 66205, 66206, 66207, 66208, 66209, 66210, 66211, 66212, 66213, 66214, 66215, 66216, 66217, 66218, 66219, 66220, 66221, 66223, 66224.

Date of qualification: Operationally qualified—November 26, 1976.

* * * * *

10. Community Health Care Center Plan, Inc., 150 Sargent Drive, New Haven, Conn. 06511. Service area.—Greater New Haven area, and includes the following cities and towns: Ansonia, Beacon Falls, Bethany, Branford, Cheshire, Derby, East Haven, Guilford, Hamden, Madison, Milford, New Haven, North Branford, North Haven, Orange, Seymour, Shelton, Wallingford, West Haven, and Woodbridge. Date of qualification: Transitionally qualified—October 31, 1975.

* * * * *

11. Connecticut Health Plan, Inc., 4000 Park Avenue, Bridgeport, Conn. 06604. Service area.—State of Connecticut, the following counties: Fairfield County—Bridgeport, Easton, Fairfield, Monroe, Shelton, Stratford, and Trumbull. New Haven County—Milford. Date of qualification: Operationally qualified: March 15, 1977.

* * * * *

12. Cooperative Health Plan of Spokane, North 120 Stevens, Spokane, Wash. 99201. Service area.—Spokane County. Date of qualification: Operationally qualified—August 30, 1977.

* * * * *

13. Family Health Program, Inc., 2925 North Palo Verde Avenue, Long Beach, Calif. 90815. Service area as follows.—Orange County, Calif., and that portion of Los Angeles County, California South of Firestone Boulevard (Manchester Boulevard). Salt Lake County and Davis County, Utah, and those portions of Utah, Tooele, and Summit Counties, Utah, within a thirty (30) mile radius of the FHP/Utah Medical Centers. The Island of Guam. Zip codes in the service area are as follows:

Los Angeles County, Calif.

90059, 90061, 90220, 90221, 90222, 90240, 90241, 90242, 90245, 90247, 90248, 90249, 90262, 90280, 90501, 90502, 90503, 90504, 90505, 90506, 90602, 90603, 90604, 90605, 90631, 90638, 90650, 90670, 90701, 90706, 90710, 90712, 90713, 90715, 90716, 90717, 90723, 90731, 90732, 90744, 90745, 90746, 90747, 90748, 90749, 90801, 90802, 90803, 90804, 90805, 90806, 90807, 90808, 90810, 90812, 90813, 90814, 90815, 91320, 91360.

Orange, County,, Calif.,

90620, 90621, 90622, 90623, 90630, 90631, 90680, 90720, 90740, 90742, 90743, 92621, 92625, 92626, 92627, 92630, 92631, 92632, 92633, 92635, 92638, 92640, 92641, 92643, 92644, 92645, 92646, 92647, 92648, 92649, 92650, 92651, 92653, 92655, 92660, 92661, 92662, 92663, 92664, 92665, 92666, 92667, 92668, 92669, 92670, 92675, 92677, 92680, 92683, 92686, 92701, 92703, 92704, 92705, 92706, 92707, 92708, 92709, 92713, 92714, 92715, 92717, 92801, 92802, 92803, 92804, 92805, 92806, 92807.

Salt Lake, Davis, Utah, Tooele, and Summit Counties, Utah[4]

84003, 84006, 84010, 84014, 84020, 84025, 84032, 84043, 84044, 84047, 84054, 84057, 84060, 84062, 84070, 84084, 84087, 84101, 84102, 84103, 84104, 84105, 84106, 84107, 84108, 84109, 84111, 84112, 84113, 84114, 84115, 84116, 84117, 84118, 84119, 84120, 84121.

Date of qualification: Transitionally qualified—July 29, 1977.

14. Family Health Services, Inc., d.b.a. General Medical Centers Health Plan, 300 South Park, Pomona, Calif. 91766. Service area.—Eastern Los Angeles County known as the San Gabriel and Pomona Valley area and the western part of San Bernardino County. All of this area lies within a 7 mile radius of a GMCHP medical office. The zip codes encompassed by the service area are as follows:

Los Angeles County

90601, 90602, 90606, 90660, 91006, 91010, 91016, 91702, 91706, 91711, 91722, 91723, 91724, 91731, 91732, 91733, 91740, 91744, 91745, 91746, 91748, 91750, 91765, 91766, 91767, 71768, 91770, 91773, 91780, 91789, 91790, 91791, 91792.

San Bernardino County

91701, 91710, 91730, 91761, 91762, 91763, 91764, 91786.

Date of qualification: Transitionally qualified—December 14, 1976.

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15. Florida Health Care Plan, Inc., 350 North Clyde Morris Boulevard, Daytona Beach, Fla. 32014. Service area.—Volusia County, Fla. Date of qualification: Operationally qualified—August 20, 1976.

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16. Foundation Health Plan, 650 University Avenue, Sacramento, Calif. 95825. Service area.—Counties: El Dorado, Nevada, Placer, Sacramento, and Yolo. Date of qualification: Preoperationally qualified—December 22, 1977.

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[4]Several zip code areas may stradle the 30 mile radius from Family Health Plan medical centers. Individuals in the areas immediately outside the limit may enroll but must use the Family Health Plan physicians and the facilities of the medical centers.

17. Gem Health Association, Inc., 6565 Emerald Street, Boise, Idaho 83704. Service area.—Northern half of Ada County including the city of Boise. The Southern boundary line is Kuna-Mora Road. Date of qualification: Operationally qualified—June 27, 1977.

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18. Genesee Valley Group Health Association, 41 Chestnut Street, Rochester, N.Y. 14647. Service area.—City of Rochester, and county of Monroe, N.Y. Date of qualification: Transitionally qualified—January 30, 1976.

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19. Georgetown University Community Health Plan, Inc., Suite 300, 5125 MacArthur Boulevard NW., Washington, D.C. 20016. Service area.—Washington, D.C.; Arlington County, Fairfax County, Prince William County, Loudoun County, Falls Church, Fairfax, Alexandria, Manassas, and Manassas Park, Va.; Montgomery County and Prince Georges County, Md. Date of qualification: Transitionally qualified—May 26, 1976.

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20. Group Health Association, Inc., 2121 Pennsylvania Avenue NW., Washington, D.C. 20037. Service area.—The geographical area encompassing the District of Columbia and the counties of Howard, Montgomery, and Prince Georges in the State of Maryland, and the counties of Arlington, Loudoun, Prince William, and Fairfax, and all incorporated communities therein including, but not limited to, the cities of Alexandria, Falls Church, and Fairfax in the State of Virginia. Date of qualification: Transitionally qualified—July 18, 1977.

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21. Group Health Cooperative of South Central Wisconsin, 1 South Park Street, Madison, Wis. 53715. Service area.—Dane County (includes Metropolitan Madison area); Rock County, Evansville Township; Sauk County, Sauk City and Prarie Du Sac Townships; and Columbia County, Lodi, Arlington, and Poynette Townships. Date of qualification: Operationally qualified—June 27, 1977.

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22. Group Health Plan of New Jersey, Inc., 501 70th Street, Guttenberg, N.J. 07093. Service area as follows:

Cliffside Park—07010; Edgewater—07020; Fairview—07020; Fort Lee—07024; East Newark—07024; Harrison—07024; Hoboken—07030; Kearny—07032; North Arlington—07032; North Bergen—07047; Lyndhurst—07071; Carlstadt—07072; East Rutherford—07073; Moonachie—07074; Union City—07087; Weehawken—07087; Guttenberg—07093; West New York—07093; Secaucus—07094; Jersey City—07302, 07304, 07306, 07307; Teterboro—07608; Little Ferry—07643; Palisades Park—07650; Ridgefield—07657.

Date of qualification: Operationally qualified—July 1, 1977. (Achieved preoperational qualification on June 27, 1977.)

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23. Group Health Plan of Southeast Michigan, 21000 Mound Road, Warren, Mich. 48091. Service area.—The following zip codes in the city of Detroit, Mich.: 48201,48202, 48203, 48205, 48207, 48211, 48212, 48213, 48214, 48215, 48224, 48226, and 48234; and the cities of Hamtramch, Highland Park, Harper Woods, Oak Park, Ferndale, Pleasant Ridge, Berkley, Huntington Woods, Royal Oak, Hazel Park, Center Line, Warren, East Detroit, Madison Heights, and Roseville. Date of qualification: Operationally qualified—September 20, 1977. (Achieved preoperational qualification on September 1, 1977.)

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24. Harvard Community Health Plan, 80 Brighton Avenue, Allston, Mass. 02134. Service area.—The following cities and towns in Massachusetts: Acton, Arlington, Bedford, Belmont, Billerica, Boston, Braintree, Brookline, Burlington, Cambridge, Canton, Carlisle, Chelsea, Concord, Dedham, Dover, Everett, Framingham, Lexington, Lincoln, Lynn, Lynnfield, Malden, Maynard, Marblehead, Medford, Melrose, Milton, Nahant, Natick, Needham, Newton, North Reading, Norwood, Peabody, Quincy, Randolph, Reading, Revere, Salem, Saugus, Somerville, Stoneham, Sudbury, Swampscott, Wakefield, Waltham, Watertown, Wayland, Wellesley, Weston, Westwood, Weymouth, Wilmington, Winchester, Winthrop, Woburn.

Date of qualification: Transitionally qualified—September 1, 1977.

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25. Health Alliance of Northern California, Inc., 377 South Daniel Way, San Jose, Calif. 95128. Service area.—Bounded by the Santa Clara County line on the north, west, and east of the county. The southern boundary is contiguous with the south limits of the cities of Los Gatos and San Jose. This boundary in roughly delineated by streets in a line running from west to east along Highway 17, Main Street, Los Gatos Boulevard, Shannon-Hicks Road, McKean Road, Bailey Avenue, Monterey Highway, Metcalf Road, San Felipe Road, White Road, Alum Rock Avenue, Mt. Hamilton Road, to the east county boundary. Date of qualification: Transitionally qualified—November 29, 1976.

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26. Health Care of Louisville, Inc., 1809 Standard Avenue, Louisville, Ky. 40210. Service area.—Jefferson County, Ky., and any portion of adjacent counties located in Kentucky and Indiana which lie within a radius of 25 air miles of the Family Health Center, 1809 Standard Avenue, Louisville, Ky. Date of qualification: Transitionally qualified—April 2, 1976.

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27. Health Care Plan of New Jersey, Inc., 123 North Church Street, Moorestown, N.J. 08057. Service area.—Burlington County and adjacent municipalities within Camden County. The zip codes included in the area are as follows:

Burlington County

08011, 08015, 08016, 08019, 08022, 08036, 08041, 08042, 08046, 08048, 08053, 08054, 08055, 08057, 08060, 08064, 08065, 08068, 08073, 08075, 08088, 08215, 08224, 08505, 08511, 08515, 08518, 08534, 08562, 08620.

Camden County

08003, 08004, 08007, 08009, 08021, 08026, 08033, 08034, 08035, 08045, 08049, 08078, 08083, 08084, 08091, 08106, 08107, 08108.

Date of qualification: Operationally qualified—June 1, 1976. (Achieved preoperational qualification on May 27, 1976.)

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28. Health Central, Inc., 2316 South Cedar, Lansing, Mich. 48910. Service area.—Townships in the following counties—Ionia County: Portland and Danby. Eaton County: Oneida, Delta, and Windsor. Clinton County: Westphalia, Eagle, Watertown, DeWitt, and Bath. Shiawassee County: Woodhull and Perry. Ingham County: Lansing, Meridan, Williamston, Locke, Delhi, Alaiedon, Wheatfield, Leroy, Aurelius, Vevay, Ingham, and White Oak. Date of qualification: Operationally qualified—December 19, 1977. (Achieved preoperational qualification on December 6, 1977.)

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29. HMO Illinois, Inc., 233 North Michigan Avenue, Suite 1323, Chicago, Ill. 60601. Service area.—The zip codes include in the area are as follows:

46303, 46307, 46311, 46312, 46319, 46320, 46321, 46322, 46323, 46324, 46326, 46327, 46342, 46373, 46375, 46394, 46402, 46404, 46406, 46407, 46408, 46409, 46410, 60004, 60005, 60007, 60008, 60010, 60015, 60016, 60018, 60022, 60025, 60026, 60029, 60043, 60053, 60056, 60062, 60067, 60068, 60069, 60070, 60076, 60082, 60090, 60091, 60093, 60101, 60103, 60104, 60106, 60108, 60120, 60126, 60130, 60131, 60137, 60141, 60143, 60148, 60153, 60157, 60160, 60162, 60163, 60164, 60165, 60170, 60171, 60172, 60176, 60181, 60185, 60187, 60191, 60193, 60194, 60195, 60201, 60202, 60203, 60301, 60302, 60304, 60305, 60401, 60402, 60406, 60409, 60411, 60415, 60417, 60419, 60422, 60423, 60425, 60426, 60429, 60430, 60432, 60438, 60439, 60441, 60442, 60443, 60445, 60448, 60449, 60451, 60452, 60453, 60455, 60456, 60457, 60458, 60459, 60461, 60462, 60463, 60464, 60465, 60466, 60468, 60469, 60471, 60472, 60473, 60475, 60476, 60477, 60480, 60482, 60501, 60513, 60514, 60515, 60521, 60525, 60534, 60546, 60558, 60559, 60601, 60602, 60603, 60604, 60605, 60606, 60607, 60608, 60609, 60610, 60611, 60612, 60613, 60614, 60615, 60616, 60617, 60618, 60619, 60620, 60621, 60622, 60623, 60624, 60625, 60626, 60627, 60628, 60629, 60630, 60631, 60632, 60633, 60634, 60635, 60636, 60637, 60638, 60639, 60640, 60641, 60642, 60643, 60644, 60645, 60646, 60647, 60648, 60649, 60650, 60651, 60652, 60653, 60654, 60655, 60656, 60657, 60658, 60659, 60660, 60666.

Date of qualification: Transitionally qualified—June 15, 1977 (inadvertently listed as operationally qualified—42 FR 38649-50).

30. Health Service Plan of Pennsylvania, 917 Schaff Building, 1505 Race Street, Philadelphia, Pa. 19102. Service area.—Philadelphia, Delaware, Montgomery, Bucks, and Chester Counties located in the State of Pennsylvania. Date of qualification: Operationally qualified—April 26, 1976.

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31. The Health Maintenance Organization of Pennsylvania, 2500 Maryland Road,

Willow Grove, Pa. 19090. Service area.—Five counties in and around Philadelphia: Bucks County, Chester County, Delaware County, Montgomery County, and Philadelphia County. Date of qualification: Operationally qualified—June 17, 1977.

* * * * *

32. Intergroup Prepaid Health Services, Inc., CNA Plaza, Chicago, Ill. 60685. Service area.—Illinois, counties of: Champaign, Cook, DuPage, Grundy, Kane, Kendall, Lake, McHenry, Peoria, Tazewell, Will, and Woodford. Indiana, counties of: Lake and Porter. Date of qualification: Transitionally qualified—April 18, 1977.

* * * * *

33a. Kaiser Foundation Health Plan, Inc. (Northern California Region), 1924 Broadway, Oakland, Calif. 94612. Service area.—A radius of 30 miles of any Kaiser Foundation Hospital or Northern California Permanente Medical Office including the entire counties of: Alameda, Contra Costa, Marin, Sacramento, San Francisco, San Mateo, Santa Clara, Solana, and cities and towns in the following counties:

Amador County

Carbondale, Forest Home, Ione, Nashville.

El Dorado County

Brandon, Brela, Cameron Park, Clarksville, Cool, Cothrin, Dugan, El Dorado, El Dorado Hills, Lake Hills Estates, Latrobe, Lotus, Pilot Hill, Rescue, Shingle Springs.

Napa County

Aetna Springs, Angwin, Calistoga, Deer Park, Franklin, Kellogg, Napa, Oakville, Pope Valley, Rutherford Sanitarium, St. Helena, Yountville.

Placer County

Auburn, Bowman, Hidden Valley, Lincoln, Loomis, Newcastle, Ophir, Penryn, Rocklin, Roseville, Sheridan, Sunset Whitney Branch, Thermolands.

Sonoma County

Bloomfield, Boyes Springs, Catati, El Verano, Eldridge, Freestone, Fulton, Glen Ellen, Kenwood, Penngrove, Petaluma, Rohnert Park, Santa Rosa, Sebastopol, Sonoma, Valley Ford, Vineburg.

Sutter County

Chandler, East Nicolaus, Kirkville, Nicolaus, Pleasant Grove, Rio Oso, Robbins, Trowbridge, Verona.

Yolo County

Broderick, Bryte, Capay, Clarksburg, Davis, Dixon, El Macaro, Knights Landing, Madison, Tremont, West Sacramento, Winders, Woodland, Yolo, Zamora.

Yuba County

Wheatland.

Date of qualification: Transitionally qualified—October 27, 1977.

* * * * *

33b. Kaiser Foundation Health Plan, Inc. (Southern California Region), 1515 North Vermont, Los Angeles, Calif. 90027. Service area.—A radius of 30 miles of any Kaiser Foundation Hospital or Southern California Medical Office. Kern County and Mexico are excluded from the service area. The following zip codes located in Los Angeles, Orange, Riverside, San Bernardino, San Diego, and Ventura Counties are included:

90000-90099, 90101, 90200-90299, 90300-90399, 90400-90499, 90500-90599, 90600-90699, 90700-90799,[1] 90800-90899, 91000-91099, 91100-91199, 91200-91299, 91300-91399, 91400-91499, 91500-91599, 91600-91699, 91700-91799, 91800-91899, 92100-92199, 92400-92499, 92500-92599, 92600-92699,[2] 92700-92799, 92800-92899, 92001, 92002, 92007, 92008, 92010, 92011, 92012, 92014, 92016, 92017, 92020, 92021, 92022, 92024, 92025, 92026, 92027, 92031, 92032, 92035, 92037, 92040, 92041, 92045, 92047, 92048, 92050, 92053, 92054, 92062, 92063, 92064, 92065, 92067, 92069, 92070, 92071, 92073, 92075, 92077, 92078, 92080, 92082, 92083, 92220, 92223, 92305, 92307, 92314, 92315, 92316, 92317, 92318, 92320, 92321, 92322, 92324, 92325, 92326, 92329, 92330, 92333, 92335, 92339, 92340, 92341, 92343, 92345, 92346, 92348, 92352, 92353, 92354, 92356, 92358, 92359, 92360, 92362, 92367, 92369, 92370, 92371, 92372, 92373, 92376, 92378, 92380, 92381, 92382, 92385, 92386, 92388, 92391, 92392, 92395, 92396, 92397, 92399, 93010, 93015, 93021, 93040, 93060, 93063, 93064, 93065, 93510, 93532, 93534, 93543, 93544, 93550, 93553, 93563.

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33c. Kaiser Foundation Health Plan, Inc. (Hawaii Region), 1697 Ala Moana Boulevard, Honolulu, Hawaii 96815. Service area.—Islands of Oahu and Maui. Date of qualification: Transitionally qualified—October 27, 1977.

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34. Kaiser Foundation Health Plan of Oregon, 1500 Southwest First Avenue, Portland Oreg. 97201. Service area as follows:

State of Oregon (Cities, towns, and Zip Codes)

Aloha—97006; Banks—97106; Barlow—97003; Beavercreek—97004; Beaverton—97005, 97007; Bonne—97009; Bridal Veil—97010; Brightwood—97011; Canby—97013; Carlton—97111; Clackamas—97015; Colton—97017; Columbia City—97018; Corbett—97019; Cornelius—97113; Dayton—97114; Deer Island—97054; Donald—97020; Dundee—97115; Eagle Creek—97022; Estacada—97023; Fairview—97024; Forest Grove—97116; Gales Creek—97117; Gaston—97119; Gladstone—97027; Gresham—97030; Hillsboro—97123; Hubbard—97032; Jennings Lodge—97267; Lafayette—97127; Lake Grove—97035; Lake Oswego—97034; Manning—97125; Marylhurst—97036; McMinnville—97128; Milwaukie—97222; Molalla—97038; Mt. Angel—97362; Mulino—97043; Newberg—97132; North Plains—97133; Oak Grove—97268; Oregon City—97045; Portland—97043, 97201, 97202, 97203, 97204, 97205, 97206, 97207, 97208, 97209, 97210, 97211, 97212, 97213, 97214, 97215, 97216, 97217, 97218, 97219, 97220, 97221, 97225, 97226, 97227, 97229, 97230, 97231, 97232, 97233, 97236, 97242, 97266; St. Helens—97051; Sandy—97055; Scappoose—97056; Sherwood—97140; Tigard—97223; Troutdale—97060; Tualitan—97062; Warren—97053; Wemme—97067; Westlinn—97068; Wilsonville—97070; Woodburn—97071, 97072.

State of Washington (Cities, towns, and Zip Codes)

Amboy—98601; Ariel—98603; Battleground—98604; Camas—98606, 98607; Heisson—98622; Kalama—98625; LaCenter—98629; Ridgefield—98642; Skamania—98646; Vancouver—98660, 98661, 98662, 988663, 98664, 98665; Washougal—98671; Woodland—98674; Yacolt—98675.

Date of qualification: Transitionally qualified—October 27, 1977.

[1] Except 90704 (Avalon).

[2] Except 92672 (San Clemente).

Date of qualification: Transitionally qualified—October 27, 1977.

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35. Kaiser Community Health Foundation, 1101 Bond Court, 1300 East Ninth Street, Cleveland, Ohio 44114. Service area.—Counties—Cuyahoga, Lake, Geauga, Medina, Lorain, and Summit, except the townships of Franklin and Green are excluded from Summit county. Townships in the following counties—Ashtabula: Trumbull, Hartsgrove, and Windsor. Trumbull: Mesopotamia and Farmington. Portage: Aurora, Brimfield, Charlestown, Franklin, Freedom, Hiram, Mantua, Nelson, Ravenna, Rootstown, Shalersville, Streetsboro, and Windham.

Date of qualification: Transitionally qualified—October 27, 1977.

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36. Kaiser Foundation Health Plan of Colorado, 2525 West Alameda Avenue, Denver, Colo. 80219. Service area.—City and County of Denver; communities immediately surrounding Denver, including all major and minor urbanized areas immediately adjacent to Denver; and cities, towns, and communities in the following counties:

Adams County

Adams City, Barr Lake, Bow Mar, Brighton, Commerce City, Derby, Dupont, Eastlake, Federal Heights, Hazeltine, Henderson, Highland Acres, Irondale, Lochbuie, Northglenn, Riverdale, Thornton, Watkins, Welby, Westminster.

Arapahoe County

Aurora, Cherry Hills, Columbine Valley, Englewood, Greenwood Village, Littleton, Sheridan.

Boulder County

Boulder, Broomfield, Crescent Village, Eldorado Springs, Erie, Goodview, Lafayette, Longmont, Louisville, Marshall, Niwot, Silver Spruce, Superior, Valmont.

Clear Creek County

Beaver Brook, Brookvale, Hyland Hills.

Douglas County

Blakeland, Gann, Louviers, Parker, Riverside, Sedalia.

Gilpin County

Floyd Hill.

Jefferson County

Arvada, Aspen Park, Bensen Park, Conifer, Critchell, Deermont, Edgewater, El Rancho, Evergreen, Fenders, Green Valley Acres, Golden, Hiwan Hills, Homewood Park, Idledale, Indian Hills, Kassler, Kittredge, Lakewood, Leyden, Marshalldale, Morrison,

Mountain View, Plain View, Phillipsburg, Rosedale, Semper, Sprucedale, Tiny Town, Troutdale, Twin Forks, Wheat Ridge.

Date of qualification: Transitionally qualified—October 27, 1977.

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37. Manhattan Health Plan, Inc., 425 East 61st Street, New York, N.Y. 10021. Service area.—Manhattan and Roosevelt Island in county of New York in the State of New York inclusive of zip codes 10001 through 10048. Date of qualification: Operationally qualified—November 1, 1977. (Achieved preoperational qualification on October 31, 1977.)

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38. Marion Health Foundation, Inc., 125 Executive Drive, Box 1085, Marion, Ohio 43302. Service area.—Marion County and the township of Claibourne in adjoining Union County. Date of qualification: Operationally qualified—November 30, 1976.

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39. Maxi-Care, 4455 West 117th Street, Suite 502, Hawthorne, Calif. 90250. Service area.—South Bay and Southwest portion of the Los Angeles metropolitan area. The zip codes included in the area are as follows:

90001, 90002, 90003, 90007, 90008, 90011, 90016, 90018, 90037, 90043, 90044, 90045, 90047, 90056, 90058, 90059, 90061, 90062, 90066, 90220, 90221, 90222, 90230, 90245, 90247, 90248, 90249, 90250, 90254, 90260, 90266, 90274, 90277, 90278, 90291, 90301, 90302, 90303, 90304, 90305, 90501, 90502, 90503, 90504, 90505, 90710, 90717, 90731, 90732, 90744, 90745, 90746, 90747.

Date of qualification: Transitionally qualified—March 25, 1976.

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40. Metropolitan Health Council of Indianapolis, Inc. (Metro-Health Plan), Suite 100, 3000 Meadows Parkway, Indianapolis, Ind. 46205. Service area.—Indianapolis/Marion County, Ind. Date of qualification: Operationally qualified—January 31, 1977.

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41. North Communities Health Plan, Inc., 1718 Sherman Avenue, Evanston, Ill. 60201. Service area.—The following communities located in the State of Illinois: E. Rogers Park, Evanston, Glencoe, Glenview, Golf, Kenilworth, Lincolnwood, Morton Grove, Niles, North Brook, North Field, Park Ridge, Skokie, West Rogers Park, Wilmette, and Winnetka. Date of qualification: Operationally qualified—

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42. Penn Group Health Plan, Inc., IBM Building, Pittsburgh, Pa. 15222. Service area.—Allegheny and western Westmoreland Counties. Date of qualification: Operationally qualified—November 28, 1975.

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43. Piedmont Health Care Corp., P.O. Box 6867, Greenville, S.C. 29606. Service area.—Greenville, S.C., and any portion of adjacent counties, located in South Carolina, which lie within a radius of 30 miles of the Caro- lina Medical Center, 2320 East North Street, Greenville, S.C. Date of qualification: Transitionally qualified—December 29, 1975.

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44. Portland Metro Health, Inc., 5201 Southwest Westgate Drive, Room 111, Portland, Oreg. 97221. Service area.—Multnomah, Clackamas, and Washington Counties, Oreg.; and Clark County, Wash. Date of qualification: Operationally qualified—January 1, 1976.

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45. Prudential Health Care Plan, Inc., P.O. Box 2884, Houston, Tex. 77001. Service area.—Radius of 25 air miles of the medical group's facilities within greater Houston metropolitan area. Date of qualification: Operationally qualified—June 2, 1976.

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46. Rhode Island Group Health Association, Inc., 210 High Service Avenue, North Providence, R.I. 02904. Service area.—State of Rhode Island. Date of qualification: Transitionally qualified—October 30, 1975.

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47. Rocky Mountain Health Maintenance Organization, Inc., 2231 North 7th Street, Grand Junction, Colo. 81501. Service area.—Mesa County, Colo. Date of qualification: Transitionally qualified—December 29, 1975.

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48. Rutgers Community Health Plan, 57 U.S. Highway 1, New Brunswick, N.J. 08901. Service area.—Communities within a 15 mile radius of New Brunswick, which includes all of Middlesex County and parts of Somerset, Union, Mercer, Monmouth, and Morris Counties. Date of qualification: Operationally qualified—July 1, 1976.

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49. SHARE, 1515 Charles Avenue, St. Paul, Minn. 55104. Service area.—Hennepin (Minnesota), Ramsey (St. Paul), Anoka (north of St. Paul), Washington (east of St. Paul), and Dakota (south of St. Paul) Counties. Date of qualification: Transitionally qualified—June 30, 1976.

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50. Sound Health Association, 622 Tacoma Avenue South, Tacoma, Wash. 98402. Service area.—Pierce County, Wash. Date of qualification: Operationally qualified—January 23, 1976.

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51. Westchester Community Health Plan, 145 Westchester Avenue, White Plains, N.Y. 10601. Service area.—Westchester County, N.Y. Date of qualification: Operationally qualified—September 30, 1976. (Achieved preoperational qualification on September 28, 1976.)

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Dated: March 24, 1978.

JULIUS B. RICHMOND,
*Assistant Secretary for Health.*

[FR Doc. 78-9062 Filed 4-6-78; 8:45 am]

federal register

FRIDAY, APRIL 7, 1978
PART VI




# DEPARTMENT OF LABOR

## Office of the Secretary

■

# SUMMER PROGRAM FOR ECONOMICALLY DISADVANTAGED YOUTH

[4510-30]

## DEPARTMENT OF LABOR

### Office of the Secretary

[29 CFR Part 97]

## SUMMER PROGRAM FOR ECONOMICALLY DISADVANTAGED YOUTH

### Proposed Rules

NOTE.—This document originally appeared in the FEDERAL REGISTER for Wednesday, April 5, 1978. It is reprinted in this issue to meet requirements for publication on an assigned day of the week. (See the inside cover of this issue for information about agencies publishing on assigned days of the week.)

AGENCY: Department of Labor.

ACTION: Proposed rules.

SUMMARY: This document contains proposed regulations for the summer program for Economically Disadvantaged Youth authorized under the Comprehensive Employment and Training Act. These rules are needed to implement and operate the 1978 program. Their purpose is to provide guidance to 1978 summer program sponsors.

DATE: Comments must be received on or before May 5, 1978.

ADDRESS: Send comments to: Robert Taggart, Administrator, Office of Youth Programs, U.S. Department of Labor, 601 D Street, NW., Washington, D.C. 20213.

FOR FURTHER INFORMATION CONTACT:

Robert Taggart, Administrator, Office of Youth Programs, U.S. Department of Labor, 601 D Street NW., Washington, D.C. 20213, telephone: 202-376-7449.

SUPPLEMENTARY INFORMATION: Notice is hereby given that the Department of Labor, Employment and Training Administration, proposes to revise the regulations accompanying title III, section 304(a)(3) of the Comprehensive Employment and Training Act of 1973, as amended (hereinafter referred to as the Act), Pub. L. 93-203, 87 Stat. 839; Pub. L. 93-567, 88 Stat. 1845; and Pub. L. 94-444, 90 Stat. 1476, in order to provide for the implementation of the 1978 summer program. This proposed document is essentially similar to the regulations published in the FEDERAL REGISTER (42 FR 11711) on April 22, 1977, however, programmatic changes have been made to reflect the experience gained in the first four years of implementation, and to integrate the summer program with the new Youth Programs established under title III, part C, subparts 2 and 3 of CETA, as amended.

The regulations are being published today as proposed 1978 summer program regulations.

### AN OVERVIEW AND GENERAL INSTRUCTIONS FOR THE 1978 SUMMER PROGRAM

The changes made in these proposed regulations reflect continued efforts to improve the quality of the summer program so that youth will engage in meaningful work tasks and training programs which will develop their skill levels and enhance their future employability. Major program emphases will be placed on: (1) Early planning and integration of the summer program and the overall youth employability development strategy of the prime sponsor; (2) monitoring and assessment to learn more about the program and to improve performance; (3) expanding vocational exploration programs and improving the relationship between education and work through the award of academic credit for competencies gained on the job.

The purposes and short term goals of this program are manifold. Inclusive among these, depending upon local needs of youth, are the provision of: (1) Structured well supervised work to improve work habits; (2) work experiences which will provide opportunities for vocational exploration; (3) job rotation to provide youth with exposure to different work settings which can assist them in making career decisions; (4) vocational counseling and occupational information; (5) summer income to participants who without assistance would be unable to return to school; (6) assistance for youth with special employability needs; (7) services which will induce and aid dropouts in returning to school; and (8) avenues for securing part-time in-school employment as well as full-time unsubsidized employment where return to school is not expected.

A short explanatory statement is provided to describe the substantive amendments proposed for the 1978 summer program regulations. A description of the amendments follows:

### DISCUSSION OF CHANGES

In § 97.2, *Allocation of funds*, paragraph (b)(3) has been changed to reflect the Department's decision to use data on the number of persons in low income families in the allocation formula rather than the data on the number of adults in low income families which were used last year.

In § 97.3, *Unexpended previous year summer program funds*, paragraphs (b) and (c) have been eliminated. The information previously contained in these paragraphs can be found in § 97.7.

In § 97.4, *Eligibility for funds*, paragraph (b) has been changed to indicate that Native American Employment and Training Program prime sponsors eligible to apply for funds are those which are Indian tribes on Federal or State Reservations, recognized tribes in Oklahoma, and Alaskan Native villages.

In § 97.5 and 97.8 changes are made to reflect the new grant application procedures implemented in fiscal year 1978, and the revised narrative description of the program.

In § 97.6, *Program planning; planning and youth councils*, renumbered § 97.7, the following changes have been made:

Paragraph (a) (1) has been added to require that prime sponsors coordinate their summer program with their Title I, YETP and YCCIP programs.

Paragraph (a) (2) has been revised to require that youth councils established under YETP be used for summer program planning. Last year's program required that a separate youth council be created for the summer program.

In § 97.10, *Comment and publications procedures*, renumbered § 97.9 has been changed to allow the required comment period to be simultaneous with the submission of the summer plan to the RA.

In § 97.11, *Modification to the Summer Plan*, renumbered § 97.12, has been revised. Modifications will be necessary whenever a prime sponsor transfers a substantial amount of its program funds between program activities or cost categories.

In § 97.14, *Basic responsbilities of prime sponsors*, renumbered § 97.13, the following changes have been made:

Paragraph (b) has been reworded to require that prime sponsors provide services on an equitable basis to the various significant demographic segments within their eligible population.

Paragraph (f) has been revised to require that outreach and recruitment techniques should be aimed at all segments of the eligible population, especially school dropouts and those youth not likely to return to school without assistance from the summer program. Last year's summer regulations listed three categories of youth which were to receive priority.

Paragraph (g) requires that labor market orientation be provided to all participants.

A new paragraph (i) has been added requiring that prime sponsors utilize those cooperative relationships established under YETP with other agencies and institutions providing employment and training services to youth in their community.

A new paragraph (j) has been added requiring that the prime sponsor insure that adequate supervision be provided to participants at each worksite.

A new paragraph (k) has been added requiring prime sponsors to make appropriate efforts to encourage educational agencies and institutions to award academic credit for competen-

cies participants gain from employment under the program.

In § 97.15, *Eligibility for participation*, renumbered § 97.14, the following changes have been made:

Paragraph (a) now requires that participants meet eligibility criteria at time of application. Previously, summer program eligibility was to be determined at time of enrollment.

Paragraph (a) has been expanded by allowing wards of the court and youth offenders to be eligible if they can be determined to have left the family unit. It should be noted that the definition of economically disadvantaged as revised in the October 18, 1977 FEDERAL REGISTER and found in § 94.4(s), applies to this year's summer program.

A new paragraph (a) (3) has been added to permit youth to directly transfer into the summer program from other CETA programs without recertification of youth's family income. Paragraph (c) has been eliminated because it duplicates section § 94.4(v).

In § 97.16, *Types of employment and training programs available*, renumbered as § 97.15, has been revised to exclude public service employment as described in § 95.33(d)(3) as an allowable activity. This revision does not preclude work experience which is designed to be a short term and/or part time work assignment, with a public employer or private non-profit employing agency as defined in § 95.33(d)(4).

In § 97.17, *Vocational Exploration Program*, renumbered § 97.16, the following changes have been made:

Paragraph (A) has been reworded to clarify that youth in this program may only receive allowances and wages may not be paid.

Paragraph (C) has been revised to clarify that Vocational Exploration Program opportunities cannot be for positions which are the subject of a labor dispute involving a work stoppage.

A new paragraph (D) has been added requiring that a detailed curriculum be developed.

A new paragraph (a)(ii) has been added to clarify that organizations involved in the program may only be reimbursed for the extraordinary training costs associated with the program.

In § 97.17, *Startup of program*, a new section has been added to clarify what activities are allowable prior to the close of the school year. The previous year's provision for the employment of out-of-school youth two weeks before the end of the school year has been eliminated.

In § 97.19 *Participant benefits*, where the prime sponsor elects not to pay allowances to enrollees during the planning and implementation of the program, prior to the close of the school year, no waiver is necessary from the RA.

In § 97.25, *Reporting requirements*, renumbered § 97.23, has been revised to reflect the Department's decision to use the same reporting forms developed for YCCIP and YETP for this program.

Section 97.26, *Termination date for the Summer Program*, has been renumbered § 97.24.

A new section, *Administrative provisions*, numbered § 97.25, has been added to place increased emphasis on monitoring responsibilities of prime sponsors, subgrantees and contractors.

A new section, *Alternative remedies*, numbered § 97.26, describes remedies to be used whenever a prime sponsor or one of its subgrantees or contractors has materially violated the provisions of the Act, the regulations or the terms of the summer program grant.

In addition to these substantive changes, other changes were made in restructuring these regulations to be similar in format to those published for other CETA programs.

1. In § 94.3, Consolidated table of contents for secs. 94–99; the table of contents for Part 97, Subpart A is revised to read as follows:

**§ 94.3 Consolidated table of contents for Parts 94–99.**

* * * * *

SUBPART A—SUMMER PROGRAM FOR ECONOMICALLY DISADVANTAGED YOUTH UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

*General*

Sec.
97.1 Scope and purpose.
97.2 Allocation of funds.
97.3 Unexpended previous year Summer Program funds.
97.4 Eligibility for funds.

*Grant Planning, Application and Modification Procedures*

97.5 Content and description of grant application.
97.6 Preapplication for Federal assistance.
97.7 Program planning; planning and youth councils.
97.8 Description of the Summer Plan.
97.9 Comment and publication procedures.
97.10 Submission of Summer Plan; review and approval.
97.11 Use of alternative prime sponsor and services by the Secretary; reallocation of funds.
97.12 Modifications to the Summer Plan.

*Program Operations*

97.13 Basic requirements of prime sponsors.
97.14 Eligibility for participation.
97.15 Types of employment and training programs available.
97.16 Vocational exploration program.
97.17 Startup of program.
97.18 Worksite standards.
97.19 Participant benefits.
97.20 Training for lower wage industries and relocation of industries.
97.21 Nepotism.
97.22 Nondiscrimination in Native Americans Programs.
97.23 Reporting requirements.
97.24 Termination date for the Summer Program.
97.25 Administrative provisions.
97.26 Alternative remedies.

2. Accordingly, Part 97 of Title 29 of the Code of Federal Regulations is revised to read as follows:

SUBPART A—SUMMER PROGRAM FOR ECONOMICALLY DISADVANTAGED YOUTH UNDER THE COMPREHENSIVE EMPLOYMENT AND TRAINING ACT

*General*

Sec.
97.1 Scope and purpose.
97.2 Allocation of funds.
97.3 Unexpended previous year Summer Program funds.
97.4 Eligibility for funds.

*Grant Planning, Application and Modification Procedures*

97.5 Content and description of grant application.
97.6 Preapplication for Federal assistance.
97.7 Program planning, planning and youth councils.
97.8 Description of the Summer Plan.
97.9 Comment and publication procedures.
97.10 Submission of Summer Plan; review and approval.
97.11 Use of alternative prime sponsor and services by the Secretary; reallocation of funds.
97.12 Modifications to the Summer Plan.

*Program Operations*

97.13 Basic requirements of prime sponsors.
97.14 Eligibility for participation.
97.15 Types of employment and training programs available.
97.16 Vocational exploration program.
97.17 Startup of program.
97.18 Worksite standards.
97.19 Participant benefits.
97.20 Training for lower wage industries and relocation of industries.
97.21 Nepotism.
97.22 Nondiscrimination in Native Americans Programs.
97.23 Reporting requirements.
97.24 Termination date for the Summer Program.
97.25 Administrative provisions.
97.26 Alternative remedies.

**Subpart A—Summer Program for Economically Disadvantaged Youth Under the Comprehensive Employment and Training Act**

AUTHORITY: Comprehensive Employment and Training Act of 1973, as amended (Pub. L. 93-203, 87 Stat. 839; (29 U.S.C. 801 et seq.); Pub. L. 93-567, 88 Stat. 1845 and Pub. L. 94-444, 90 Stat. 1476), secs. 702(a) and 304(a)(3), unless otherwise noted.

GENERAL

**§ 97.1 Scope and purpose.**

(a) This Subpart A contains the policies, rules, and regulations of the Department in implementing and administering a Summer Program for Economically Disadvantaged Youth (hereinafter referred to as the Summer Program) authorized by Title III, section 304(a)(3), of the comprehensive Employment and Training Act (hereinafter referred to as the Act).

(b) Programs funded under this Subpart A shall be designed by summer sponsors, defined in § 97.4, to provide

summer employment and any other activities and services, except public service employment, described under Title I of the Act.

(c) Subpart A should be read in conjunction with Parts 94, 95, 97, and 98 of this title. The provisions of Parts 95 and 97, however, apply to this Subpart A only as indicated in specific sections of these regulations. The definitions of Part 94 and the provisions of Part 98 shall apply to this Subpart A, unless otherwise indicated in specific sections of these regulations.

(d) The Division of Indian and Native American Programs in the Office of National Programs shall have field reponsibility for all matters pertaining to funds allocated to Indian and Native American Employment and Training Program summer sponsors for programs funded under this Subpart A. All references to PA in this Subpart A shall be read as Director, Division of Indian and Native American Programs, when pertaining to programs for Indian and Native Employment and Training Program summer sponsors.

**§ 97.2 Allocation of funds.**

(a) *General.* The funds available for Title III, section 304(a)(3) in any fiscal year shall be allocated according to the procedures set forth below; except that the Secretary may reserved up to 5 percent of available funds to fund a national vocational exploration program, and for other discretionary purposes.

(b) *Prime sponsor basic allocations.* Allocations of funds for summer sponsors who are prime sponsors under Tilte I of the Act shall be based on the following formula:

(1) Fifty percent of such funds shall be allocated on the basis of each sponsor area's proportion of the funds allocated for the previous year Summer Program;

(2) Thirty-seven and one-half percent of the funds shall be allocated based on the ratio of the annual average number of unemployed persons in the sponsor's area (in the most recent year for which data are available) to the total annual average number of unemployed persons in the United States in that year;

(3) Twelve and one-half percent of the funds shall be allocated based on the ratio of the number of persons in low income families in the sponsor's area to the total number of persons in low income families in the United States; and

(4) Each sponsor shall receive a new allocation which when added to its unspent previous year's summer funds as of December 31, shall be equal to the amount determined by the above formula.

(5) To the extent that funds are available, allocations shall be adjusted by the Secretary to insure that each prime sponsor area receives adequate funding to provide at least the same number of opportunities as were available in the area under the Summer Program for Economically Disadvantaged Youth in the previous year.

(c) *Native American prime sponsor allocations.* The total funds for Native American summer sponsors shall be allocated based on the ratio of the number of Native American youth 14 through 21 years of age in the eligible Native American summer sponsor's area to the total number of Native American youth 14 through 21 years in all Native American summer sponsor areas, except that adjustments in the allocations shall be made to insure that to the extent funds are available, no area receives less funds than were provided under the previous year's Summer Program.

(d) *Other allocation.* The allocation to Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands and the Northern Marianas, in the aggregate, shall be equal to the same percentage of the funds allocated to them in the aggregate under the previous summer program.

**§ 97.3 Unexpended previous year summer program funds.**

Unexpended summer program funds as of December 31 of each year must be utilized in the next year for appropriate summer activities and expended in accordance with these regulations.

**§ 97.4 Eligibility for funds.**

The following are eligible to be summer sponsors:

(a) Prime sponsors designated to operate programs under Title I of the Act; and

(b) Native American Employment and Training Program prime sponsors which are Indian tribes on Federal or State reservations, recognized tribes in Oklahoma and Alaskan Native villages.

GRANT PLANNING, APPLICATION, AND MODIFICATION PROCEDURES

**§ 97.5 Content and description of Grant Application.**

In order to receive funds, each eligible summer sponsor shall submit a summer plan which, when approved, together with the Prime Sponsor Agreement (PSA), shall become the grant application.

**§ 97.6 Preapplication for Federal assistance.**

(a) An eligible summer sponsor interested in receiving financial assistance shall submit a preapplication to the RA, the Governor and the appropriate State and areawide A-95 clearinghouses (See Part I of Attachment A, OMB Circular A-95) by a date established by the RA. The preapplication shall consist of Standard Form 424 as prescribed by Federal Management Circular (FMC) 74-7.

(b) State and areawide clearinghouses may request information in addition to that furnished on the preapplication form. Such a request shall be made within 30 days of receiving the preapplication in order to avoid delay in a prime sponsor applicant's preparation of its summer plan.

(c) The A-95 clearinghouses shall within 30 days of receiving the preapplication, inform the prime sponsor applicant of any actual or potential problems with the preapplication and notify the prime sponsor applicant if they wish to review the completed plan. If the prime sponsor applicant receives no such notifications, the prime sponsor applicant has fulfilled its obligation under A-95 and it may submit its plan to the RA without submitting it to the A-95 clearinghouses.

**§ 97.7 Program planning; planning and youth councils.**

(a)(1) In developing the summer program the prime sponsor shall coordinate such plan with its Title I, YETP, and YCCIP annual plans.

(2) Eligible summer sponsors which are prime sponsors under Title I of the Act shall utilize the planning process and planning council, as described in § 95.13 (b) and (c) of this title; and the youth council established for YETP. The roles and responsibilities of the youth council shall be those described in § 97.705(b) (1), (2), (3) and (5).

(b) Upon approval from the RA, the following planning and implementation activities shall be allowable beginning January 1 of each year:

(1) Hiring of staff (planners, worksite developers, intake specialists, etc.);

(2) Development of summer plan;

(3) Publication and clearance through A-95;

(4) Worksite development;

(5) Application, selection and enrollment until subject to the limitations provided in § 97.17;

(6) Arrangements for supportive services;

(7) Orientation to jobs/activities;

(8) Coordination between schools and other services;

(9) Other activities with the approval of the RA that may be characterized as planning and implementation but not program operation.

**§ 97.8 Description of the Summer Plan.**

The summer plan consists of the following items:

(a) Approval Request Letter.

(b) Application for Federal assistance (Standard Form 424) which is contained in FMC 74-7.

(c) Narrative description of the summer program consisting of the following:

(1) Objectives and needs for assistance.—A discussion of:

(i) The program's purpose and goals in terms of local needs of youth;

(ii) The rationale for the selection of significant segments by the summer sponsor as it relates to the program purposes and goals.

(2) Results and benefits expected.—A discussion of:

(i) How the enrollment of participants in the various program activities and the projected program outcomes reflect the program purposes: This should include a description of how the program activities will serve the needs of the particular significant segments designated by the summer sponsors;

(ii) Efforts to obtain academic credit for youth as a result of competencies gained on the job during the summer program;

(iii) Other benefits which will accrue to participants.

(3) Approach.—A description of:

(i) The role of the Youth Council in the formulation of the summer program;

(ii) How analyses of the previous summer program were used in the planning of the program including the selection of the worksites;

(iii) The methods, procedures, standards, etc. used to make worksite selections and items to be covered by worksite agreements;

(iv) Special methods, if any, specifically designed for recruitment of summer participants (as distinguished from other participants) and who the recruiting agent(s) will be;

(v) The intake process, including the particular methods to be used and the identity of the service providers;

(vi) The process of determining eligibility and the verification methods to be used;

(vii) The orientation, assessment and assignment process;

(viii) The work experience, on-the-job training, and classroom training activities indicating the number of youth who will be served in each of these components, and a discussion of labor market orientation and any skill training and remedial education to be provided;

(ix) Any special services to be provided to designated significant segments;

(x) The supportive services which will be provided to participants;

(xi) Any vocational Exploration Programs, funded under the summer plan, including:

(A) Number of total participants and planned expenditures;

(B) Name of organizations with which the prime sponsor has a contract or written agreement listing the number of participants and occupations to which participants will be exposed;

(C) The methods and techniques which will be used to provide broad career exposure;

(D) The methods the prime sponsor has developed to ensure that youth are not involved in work experience or any other activity which contributes to, or could be expected to contribute to, additional sales or profit for a private-for-profit organization or otherwise result in the subsidization of wages for such organizations; and

(E) Evidence of the approval of labor organizations representling employees in the affected collective bargining units;

(xii) The methods and delivery agents which will be used in placing participants into jobs, other CETA programs, etc. and of arrangements for providing continuity of services, and the efforts that will be made to encourage participants to return to school;

(xiii) A description of the linkages established with SESA's, local educational agencies and postsecondary institutions, labor organizations, the private sector (other than organizations conducting Vocational Exploration Program), neighborhood and community based organizations and other youth related programs/agencies;

(xiv) How the summer program will enhance the employment potential of participants and how this strategy will be coordinated with other CETA programs.

(4) Management and Administration Plan.

(i) An organization chart and staffing pattern and an explantion of how it relates to the prime sponsor's regular organization pattern;

(ii) A detailed description of monitoring procedures, including the number of planned visits to each worksite, the activities to be monitored, and procedures and timeframes for taking corrective action, including followup visits;

(iii) A discussion of plans to assess the overall program and the performance of each worksite employer, including how the knowledge gained will be used to improve the quality of other youth programs and next year's summer program;

(iv) A description of any special payroll process or any special allowance payment system not previously described in the PSA.

(v) A discussion of the cost plan, including an explanation of how administrative costs were determined.

(d) CETA Youth Program Planning Summary and Youth Budget Information Summary which provide information on the estimated number of participants and accured expenditures.

**§ 97.9 Comment and publication procedures.**

The comment and publication procedures of § 95.15 shall be applicable to the summer program, except that newspaper publication and provision of the application to Governors, appropriate units of Government, appropriate Native American prime sponsors, appropriate labor organizations and State and sub-State clearinghouse(s) may be simultaneous with submission of the summer plan to the RA. However, the plan cannot be executed until 30 days after submission of it to these organizations during which time comments can be submitted to the RA and prime sponsor.

**§ 97.10 Submission of summer plan; review and approval.**

(a) A program shall be undertaken upon execution of the summer plan between a summer sponsor and the RA. The RA shall send a summer plan package to each eligible summer sponsor. The summer plan shall be submitted to the RA not later than a date set by the RA.

(b) Each summer plan shall be reviewed by the appropriate RA using all the standards described in § 95.17 (a) and (b) (1), (7), (8), and (9) of this title.

(c) Each summer plan shall be approved or disapproved under the provisions and conditions described in §§ 95.18 and 95.19 of this title.

**§ 97.11 Use of alternative sponsor and services by the Secretary; reallocation of funds.**

(a) If a summer plan is not submitted, or is denied, or terminated, the Secretary may make provisions for the use of an alternative sponsor, or provide services directly pursuant to § 95.20 of this title.

(b) The reallocation provisions of § 98.11 of this title shall be applicable to the summer program, except as follows:

(c) Reallocation may occur immediately (without regard to the number of months that have elapsed in the fiscal year of the grant) after completion of the notice and comment procedure specified in § 98.11(d). The comment period specified in § 98.11(d)(2) shall be limited to 10 days.

Priority shall be given in reallocating such funds to other areas with the same State.

**§ 97.12 Modification to the summer plan.**

(a)(1) A modification to the summer plan requiring prior regional office approval is necessary under any of the following conditions:

(i) Change in duration of the summer plan;

(ii) Change in summer plan allotment;

(iii) Substantial change in program design and/or program goals defined as follows:

(A) When the cumulative number of individuals to be served is proposed to

be increased or decreased by 15 percent or more.

(B) For grants of $100,000 or less, when the cumulative transfer of funds among program activities or cost categories exceeds $15,000.

(C) For grants of over $100,000, when the cumulative transfer of funds among program activities or cost categories exceeds $50,000 or 15 percent of the total grant budget, whichever is less.

(2) A summer sponsor desiring a modification as defined in paragraph (a)(1) of this section, shall sumit a revised Youth Budget Information Summary, a revised Youth Program Planning Summary and an explanation of the proposed changes to the RA.

The RA shall notify the sponsor of approval or disapproval within 10 days of receipt of the proposed modification.

(b) A RA may initiate a modification as described in § 95.21(b)(iv).

PROGRAM OPERATIONS

**§ 97.13 Basic requirements for program operation.**

Each summer sponsor shall:

(a) Follow the regulations of this subpart;

(b) Follow the provisions described in § 95.31 (a), (b), (e), and (f) of this chapter;

(c) Provide service on an equitable basis to the significant demographic segments among its economically disadvantaged youth population, taking into account the priorities identified by the Secretary, if any, the youths most in need of service and the geographic distribution of economically disadvantaged youth within the prime sponsor's jurisdiction;

(d) Design programs which are, to the maximum extent feasible, consistent with every participants' fullest capabilities;

(e) Maintain accounting records in accordance with §§ 98.12 and 98.13 of this title;

(f) Giving special consideration to the needs of eligible veterans as described in § 95.32(e)(i) of this chapter;

(g) Develop outreach and recruitment techniques aimed at all segments of the economically disadvantaged youth population; especially school dropouts, youth not likely to return to school without assistance from the summer program, and youth who remain in school but are likely to be confronted with significent employment barriers relating to work attitude, aptitude, social adjustment, and other such factors.

(h) Provide labor market orientation to all participants. This orientation may include vocational exposure, counseling, testing, resume preparation, job interview preparation, providing labor market information, providing information about other training programs available in the area, including apprenticeship programs, and similar activities. It may be provided on a group or individual basis. Skill training and remedial education shall be provided on an as-needed basis. In providing labor market orientation, skill training and remedial education, each sponsor shall make maximum efforts to develop cooperative relationships with other community resources so that these activities are provided in the summer program at no cost, or at minimum cost, to the summer program.

(i) Coordinate its summer activities with an organization operating a nationally funded vocational exploration program in its area pursuant to § 97.16(b);

(j) Use cooperative relationships established under YETP with other agencies and institutions that provide employment and training services to youth in the community;

(k) Ensure that adequate supervision is provided to participants at each worksite; and

(l) Make appropriate efforts to encourage educational agencies and postsecondary institutions to award academic credit for the competencies participants gain from their employment.

(m) Ensure that all appropriate efforts are made to closely monitor the performance of service deliverers in compliance with § 97.25(d) as well as part 98, Subpart B, Assessment and Evaluations. Specifically, prime sponsors shall have sufficient technical and managerial personnel to monitor performance and to measure program outcomes against prime sponsor established goals.

(n) Ensure that enrollee applications are widely available and that jobs are awarded in an equitable fashion.

(o) Enter into subgrants and contracts in accordance with § 98.20 and OMB Circular A-102, Attachment O.

**§ 97.14 Eligibility for participation.**

(a) Each participant shall at the time of application be:

(1) Economically disadvantaged as defined in § 94.4(s) of this title and 14 through 21 years of age; or

(2) Wards of the court and offenders 14 through 21 years of age determined to have left the family unit or who otherwise do not have access to the benefits that family income would normally be expected to provide shall be treated as a family of one and only income generated by themselves shall be used in determining income status; such a determination shall be based on the certification by an assigned probation officer, or other responsible court official that the youth has lived at home 50 percent or less of the time in the last six months; or

(3) A current participant in another CETA program who at the time of his or her enrollment into any of these programs met the criteria of paragraph (a)(1) of this section.

(b) Program participation shall be limited to citizens of the United States, natives of American Samoa, Trust Territory of the Pacific Islands and the Northern Marianas, permanent resident aliens and other aliens who have been permitted to accept permanent employment in the United States.

**§ 97.15 Types of employment and training programs available.**

A program funded under this Subpart A may include any activity or service specified in § 95.33 of this title, except public service employment. Because of the short term nature of this program, public service employment opportunities which are transitional in nature and likely to lead to regular unsubsidized employment are not appropriate under this program.

**§ 97.16 Vocational exploration program.**

(a) A summer sponsor may conduct a vocational exploration program for the purpose of exposing youth to the operation and types of jobs available in the private sector through observation of such jobs and instruction, including where appropriate limited practical experience.

(1) The following provisions shall apply to all locally funded vocational exploration programs:

(i) All contracts, subgrants, or written agreements between summer sponsors and other parties for the operation of such programs shall at a minimum assure that:

(A) Participants in vocational exploration programs shall receive allowances in accordance with § 95.34 of this title and shall receive workmen's compensation benefits in accordance with § 98.24(a) of this title. Wages shall not be paid to participants;

(B) The program has received the approval of any labor organization representing employees in the affected collective bargaining units;

(C) Youth will not be assigned to vocational exploration opportunities which are the subject of a labor dispute involving a work stoppage;

(D) A detailed curriculum has been developed; and

(E) The program shall not displace currently employed workers or prevent the hiring of new workers.

(ii) Organizations which have a contract, subgrant or written agreement with a prime sponsor may be reimbursed only for the costs incurred in the conduct of the program: *Provided*, That payments to employers organized for profit are only made for the costs of training which are over and above those normally provided by the employer.

(2) Whenever opportunities are located with a private-for-profit organi-

zation, the summer sponsor shall assure, in addition to items listed in (1) (i) of this section, that youth will not be involved in work experience or any other activity that contributes, or could be expected to contribute, to additional sales or profit for the private-for-profit organization or otherwise result in the subsidization of wages for the organization.

(b) Where a nationally funded program operates in a summer sponsor area, the prime sponsor shall enter into an agreement with the local representative of the program which shall include provisions dealing with arrangements for recruitment, selection, referral and certification of the youth entering the nationally funded program.

**§ 97.17 Startup of program.**

During the planning and implementation phase of the program prior to the close of the school year, participants may only receive those services listed in § 95.33(d)(5). Such services may include outreach, intake, assessment, counseling, orientation to jobs/activities and other such services which may be appropriate for the youth.

**§ 97.18 Worksite standards.**

(a) No participant under 18 years of age shall be employed in any occupation which the Secretary has found, pursuant to his authority under the Fair Labor Standards Act, to be particularly hazardous for persons between 16 and 18 years of age (see Subpart E of Part 570, of this title).

(b) Participants who are 14 and 15 years of age will participate only in accordance with the limitations imposed by §§ 570.13 and 570.35 of Subpart C of Part 570 of this title.

(c) Each prime sponsor shall develop written agreements with each worksite employer which assures: (1) Adequate supervision of each participant; (2) adequate accountability for participant time and attendance; and (3) adherence to the rules and regulations governing the Summer Program. Such written agreements do not have to be contracts or subgrants. They may be memoranda of understanding, simple work statements or other documents which indicate an estimate of the number of participants at the worksite and any operational conditions to which the worksite is expected to adhere.

(d) Each prime sponsor shall establish procedures for the monitoring and evaluation of each worksite to insure compliance with the worksite agreements and the terms and conditions of subgrants and contracts.

(e) No participant shall be required to work, or be compensated for more than 40 hours of work per week. Nothing in this section shall be construed as limiting an individual to a maximum number of total hours of employment in the Summer Program. While the Department uses a 9-week, 26-hour week job as the basis for estimating the number of youth to be served, it is not intended to take away the flexibility of the prime sponsor to establish job slots in keeping with the needs of the area and the youth to be served.

**§ 97.19 Participant benefits.**

(a) Participants in classroom training shall receive allowances as described in § 95.34 of this title and workmen's compensation as provided in § 98.24(a) of this title.

(b) Participants in on-the-job training shall be compensated as specified in § 95.35 of this title, as applicable, and shall be assured of appropriate benefits and working conditions as provided in § 98.24 of this title.

(c) Participants in work experience shall receive wages, benefits and working conditions as provided in § 95.33(d)(4) (viii) and (ix) and § 98.24 of this title.

(d) Participants receiving services (including orientation to jobs/activities), other employment and training activities, or combined activities shall be compensated as specified in § 95.33 (d)(5)(v), (6)(ii), and (7)(ii) of this title.

**§ 97.20 Training for lower wage industries and relocation of industries.**

The provisions of § 95.37 shall apply in the summer program.

**§ 97.21 Nepotism.**

(a) The provisions of § 98.22 of this title regarding nepotism apply to summer sponsors who are prime sponsors under title I of the act.

(b)(1) The provisions of § 98.22 (a) and (b) of this title regarding nepotism apply to Native American Employment and Training Program summer sponsors except as modified by paragraphs (b) (2), (3), and (4) of this section.

(2) No Native American Employment and Training Program summer sponsor or subgrantee shall hire, or permit the hiring of, any person in a position funded under this subpart A if a member of that person's immediate family is employed in an administrative capacity by the Native American Employment and Training Program summer sponsor. For the purposes of paragraphs (b) (2), (3), and (4) of this section, the term "immediate family" means wife, husband, son, daughter, mother, father, brother, and sister and the term "administrative capacity" means persons who have selection, hiring, or supervisory responsibilities for participants in a program under this subpart A, or operational responsibility for the program.

(3) If a subgrantee cannot hire program participants without an immediate family member being included, the Director, Division of Indian and Native American Programs may waive the requirement of subparagraph (2) of this paragraph if adequate justification is received from such subgrantee that no other persons within the subgrantee's jurisdication are eligible and available for participation.

(4) Where a tribal policy regarding nepotism exists which is more restrictive than this policy, the prime sponsor shall follow the tribal rule in lieu of this policy.

**§ 97.22 Nondiscrimination in Native American Employment and Training Programs.**

Section 98.21 of this title shall be applicable to Indian programs funded pursuant to this subpart A, except that participants must be Native Americans and staff may be limited to Native Americans. Native American summer sponsors may also require that subgrantees agree, to the maximum extent feasible, to hire qualified Native Americans to provide services called for pursuant to the subgrant in accordance with 42 U.S.C. 2000e-2(i).

**§ 97.23 Reporting requirements.**

Each summer sponsor shall submit the following reports to the RA:

(A) A Youth Program Status Summary, as of September 30, based on the enrollment records required under §§ 98.8, and 98.18 of this title (separate reporting of the Vocational Exploration Program component will be included in this report);

(b) Two Youth Financial Status Reports, as of September 30 and December 31, based on the accounting records required under §§ 98.8, 98.12, and 98.13 of this title (separate reporting of the Vocational Exploration Program component will be included in this report;

(c) Separate Quarterly Summary of Youth Characteristics reports, as of September 30, based on the participant records for (1) this program and (2) the title I summer component, required under § 98.18 of this title.

(d) Selected information required on the above reports shall also be submitted for informational purposes for participants and expenditures in summer components funded with monies in the sponsor's current title I annual plan.

(e) The reports in this section shall be submitted to the RA no later than 30 days after the end of the report period.

**§ 97.24 Termination date for the Summer Program.**

(a) Participants shall not be enrolled in program activities beyond September 30.

(b) Allowable acitivities after September 30 include: Report and record preparation and submittal, completion

of followup activities, completion of evaluations and assessments of worksite employees and the overall program or other elements of the summer program, and audits.

§ 97.25 Administrative Provisions.

(a) Summer sponsors shall comply with the provisions of Part 98 of this title.

(b) Summer sponsors may enter into subgrants or contracts for the operations of the summer program only with public agencies and private nonprofit organizations which:

(1) Have sufficient capability to operate the program;

(2) Have financial management capability as required by § 98.5 of this title;

(3) Have stated that all proposed worksites have been evaluated in terms of the requirements of the summer program, and that such worksites will be adequate;

(4) Include in their applications the names and qualifications of their officers, directors, and managing personnel, including the names and qualifications of officers, directors and and managing personnel of any affiliate, subsidiary, etc. which will participate in the operation of the summer program;

(5) Include in their application a list of all Federal programs under which they have received financial assistance during the last three years and a statement that they have substantially compiled with the requirements, procedures and objectives of such programs;

(6) If they operated a summer program under this subpart in the previous year, that at the time of application there is no information available to them showing substantial noncompliance with the Act and regulations in operation during the terms of such program, or, if there is, they have developed a corrective action plan which has been approved by the RA;

(7) Assures in their applications that none of the officers, directors, or managing employees, who are subject to the disclosure requirement of paragraph (b)(4) of this section, have been convicted of defrauding the Federal Government, or of obstructing an investigation with respect to such fraud, during the past three years: *Provided*, That nothing herein will prohibit the participation of otherwise eligible ex-offenders in CETA programs; and

(8) Assures in their applications that all their personnel will have had basic training in the program and regulations before the summer program begins.

(c) In selecting subgrantees and contractors the prime sponsor shall consider the capability of such organizations to:

(1) Provide worthwhile work to participants (i.e., work that this appropriate in terms of participant needs and local market demands);

(2) Provide specific services contracted for;

(3) Restrict expenditures to allowable cost items only;

(4) Submit timely and accurate reports;

(5) Authorize payment only for time worked by a participant or an employee of the project sponsor; and

(6) Provide such public information regarding the program worksites and its administrators as may be requested, including the information required to be kept under paragraphs (b)(4) and (e) of this section.

(d) To effect compliance with part 98, Subpart B, Assessment and Evaluation, of this title, prime sponsors shall, or shall require their contractors and subgrantees to:

(1) Have supervisory and operational personnel for monitoring each site to which their participants are assigned;

(2) Assure that all sites where participants will be assigned, have the capability and facilities to provide services to summer youth in a sanitary and safe environment;

(3) Train their own personnel and site personnel with regard to duties and responsibilities, including monitoring.

(e) Each prime sponsor shall compile and continually update a list of worksites (broken down by subgrantee and contractor) to aid in its monitoring efforts and to be made available to the public on request.

(f) Each prime sponsor, without prior notice, shall visit some worksites of each subgrantee or subcontractor at least once during the first half of the summer program to determine whether:

(1) The activities on the site are those described in the worksite agreement;

(2) There is enough meaningful work to occupy all the youth assigned during the hours they are at the site;

(3) Attendance records which accurately record time worked by each enrollee are being maintained, and

(4) The requirements of the Act and this subpart are being met.

(g) In addition to following the monitoring requirements of § 98.31 of this title, each prime sponsor shall:

(1) Promptly review the reports written by its own and Federal monitors;

(2) Revisit worksites where monitors report problems; and

(3) Close worksites where it finds serious or continual violations of the Act, the regulations or the grant which are not likely to be remedied by quick remedial action.

§ 97.26 Alternative remedies.

(a) In addition to the remedial procedures available to the Secretary under Subpart C of Part 98 of this title, the Secretary, in view of the short-term nature, and the national program character, of the summer program, may employ any of the following remedies whenever the Secretary has reason to believe that a prime sponsor or one of its subgrantees or contractors has materially violated the provisions of the Act, the regulations, the terms of the summer program grant, or that the program is being administered in an inefficient or incompetent way:

(1) The Secretary may immediately terminate or suspend the prime sponsor's program in whole or in part provided the Secretary offers the prime sponsor an opportunity for a subsequent hearing; or

(2) The Secretary, for good cause, may order a subgrant or contract suspended or terminated in whole or in part effective on the date of the Secretary's order or on such other date as the Secretary determines. In cases of termination, the Secretary may allow the subgrantee or contractor to expend further funds only for purposes of closing out the subgrant or contract, including the transfer or participants into other of the prime sponsor's summer program slots in accordance with the Secretary's directions. Whenever the Secretary orders termination of suspension of a subgrantee or contractor under this paragraph, the Secretary may take whatever action is necessary including direct legal action against the subgrantee or contractor, or an order to the prime sponsor that it take such legal action, to reclaim misspent funds or to otherwise protect the integrity of the funds or ensure the proper operation of the summer program.

(b) All grants, subgrants and contracts under the summer program shall contain the provisions of this section.

Signed in Washington, D.C., this 3rd day of April 1978.

RAY MARSHALL,
*Secretary of Labor.*

[FR Doc. 78-9145 Filed 4-4-78; 8:45 am]

FRIDAY, APRIL 7, 1978
PART VII

THE NATIONAL ARCHIVES OF THE UNITED STATES
1934

federal register

# NATIONAL CREDIT UNION ADMINISTRATION

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# ORGANIZATION AND OPERATIONS OF FEDERAL CREDIT UNIONS

## Final and Proposed Provisions for Real Estate Lending

[7535-01]

## Title 12—Banks and Banking

## CHAPTER VII—NATIONAL CREDIT UNION ADMINISTRATION

## PART 701—ORGANIZATION AND OPERATIONS OF FEDERAL CREDIT UNIONS

### Final Rule—Real Estate Lending

AGENCY: National Credit Union Administration.

ACTION: Final rule.

SUMMARY: This rule implements amendments to the Federal Credit Union Act authorizing Federal credit unions to make residential real estate loans.

EFFECTIVE DATE: This regulation is to be effective May 8, 1978. The Administration is open to public comment on this final rule.

ADDRESS: National Credit Union Administration, 2025 M Street, NW., Washington, D.C. 20456.

FOR FURTHER INFORMATION CONTACT:

Either Joseph Bellenghi, Assistant Administrator, Office of Examination and Insurance, or Steven Bisker, Attorney-Advisor, Office of General Counsel, at the above address. Telephone: 202-254-8760 (Mr. Bellenghi) or 202-632-4870 (Mr. Bisker).

SUPPLEMENTARY INFORMATION: On November 23, 1977, the Administration published a proposed rule (42 FR 59980) to implement the provisions of the Federal Credit Union Act (12 U.S.C.A. 1751, *et seq.*, hereafter "the Act"), as amended by Pub. L. 95-22, authorizing Federal credit unions to make residential real estate loans with maturities not exceeding 30 years. Public comment was invited, to be received on or before January 18, 1978. Seventy comments were received, the majority of which were in support of the requirements of the regulations. Upon review of these comments by the Administration, various changes have been made.

ANALYSIS OF COMMENTS.

1. *Authority to refinance.* After considering comments on refinancing and further researching this area, the Administration has determined that the thrust of the legislation includes the right to refinance real estate loans. Therefore, Federal credit unions are permitted to refinance real estate loans under this rule.

2. *Key terms.* Part 701.21-6(a) of the final rule defines key terms used in the Act and in this rule. Commenters requested certain revisions to the definitions which would provide more flexibility in making real estate loans.

Paragraph (a)(2) defines "Principal residence". A large number of commenters stated that the 6 month period was too short a time frame to accommodate a member who was going to construct a home or extensively rehabilitate an existing home. One commenter recommended that this time period begin with the disbursement of the loan, instead of the conveyance of title. The Administration concurs with both recommendations and has extended the time period to 18 months beginning with the disbursement of the loan.

Paragraph (a)(3) defines "Median sales price". A number of the commenters stated that the requirement in the proposed rule to maintain data on all sales within a 12 month period would be burdensome and expensive. The requirements in the proposed rule were intended to prevent the establishment of artificially low or high median sales price levels. However, the Administration recognizes that the proposed rule could be excessively burdensome. The Administration has revised this final regulation to allow sampling techniques. Further, the sales data used would not have to cover the entire 12 month period. Rather, the data may represent sales occurring *within* a 12 month period (e.g., prior 3 months, 6 months, etc.) prior to the disbursement. Median sales data need only be obtained on the type of dwelling that is being financed, i.e., if a two family dwelling is being financed only sales data on two family dwellings will be used.

Paragraph (a)(4) defines "Geographical area". Some commenters recommended that the board of directors be allowed to choose very small geographical areas such as certain streets or sections of a community. The Administration has not adopted these suggestions since it would increase the likelihood of financing luxury homes and nonessential real estate contrary to the intent of Congress.

Paragraph (a)(5) defines "Value". Several commenters recommended that "Value", in the case of property to be rehabilitated be based upon an appraiser's estimate of market value after the rehabilition rather than the cost of rehabilitation. The Administration has not adopted these recommended changes. The costs of rehabilitation incurred by the first individuals to rehabilitate homes in a depressed urban area may not initially be reflected in a proportionate increase in the market value. However, we believe that with careful underwriting in evaluating the members' creditworthiness the credit union's interest can be protected. By Federal credit unions taking initiative and making the initial loans in urban depressed areas, the cycle of decay can be turned around and eventually the cost of rehabilitation will be reflected in the market value.

Paragraph (a)(6) defines "Appraisal". A few commenters recommended that the use of the cost and income methods of appraisal be included. The Administration concurs with the commenters that in certain instances (i.e. such as when a four family dwelling is being financed) a correlation of all three methods will provide the best indication of market value. Appropriate changes have been made.

Paragraph (a)(11) defines "Escrow account". A few commenters objected to the payment of dividends on escrow accounts. It should be stressed that a Federal credit union has the option of whether or not to require a borrower to maintain an escrow account. It is the Administration's position that borrowers having escrow accounts must receive reasonable compensation for the use of their money. Escrow accounts will earn either dividends or interest depending on whether the account is established by a member, or a nonmember assuming a member's loan.

Paragraph (a)(12) defines "Title insurance". The Administration has added language specifying that this insurance covers losses which may result from clouds or defects in the title to real property.

Paragraph (a)(13) defines "Hazard insurance". Some commenters recommended that the terminology of "a loss payable clause" be changed to a "standard mortgagee clause" and that protection and benefits of the hazard insurance run to subsequent purchasers of the mortgage. The Administration concurs and has made appropriate changes.

Paragraph (a)(14) defines "Service charges". This definition has been added to the final rule.

3. *Amortization of loans*—Paragraph (b)(2). A number of commenters recommended that the Administration allow flexible and graduated payment mortgage programs on an experimental pilot program basis. The Administration believes that such innovative and creative programs should be used to assist low and moderate income people in purchasing homes and has adopted the recommendation. Before a Federal credit union will be given this authority it must demonstrate that it can effectively manage real estate lending.

The Administration adopted a recommendation that the amortization of a loan be allowed to begin on the 61st day instead of the 60th day to accommodate those situations where a loan is closed on the 1st or 2nd day of consecutive 31-day months.

4. *Investment limitation—25 percent of loan portfolio*—Paragraph (b)(4). A

number of commenters recommended that the limitation be based upon assets instead of the loan portfolio. The commenters believed that a limitation based upon assets would give Federal credit unions greater flexibility. In addition, the commenters pointed out that several credit unions presently have low loan to share ratios. They asserted that in limiting the amount of real estate loans to a per centum of total loans, instead of total assets, their real estate lending activity would be unduly restricted. It should be pointed out that the Administration in basing the limitation upon the loan portfolio was guided by Congressional concern that Federal credit unions could lose sight of their primary purpose of providing low cost consumer loans. After careful consideration, the Adminsitration has determined that a limitation of 25 percent of assets will provide Federal credit unions with greater flexibility in mortgage lending without impeding the primary objective of extending low cost consumer credit.

A few commenters asked for clarification as to whether or not loans that are sold would be included within the 25 percent limitation. Whole loans which are sold will not be included within the 25 percent limitation. When a partial interest in a loan is sold, only the interest retained will be included in the 25 percent limitation.

5. *Loan to value ratio.* Several commenters recommended that the regulation permit the financing of conventional real estate loans up to 90 per centum of Value without private mortgage insurance in order to provide more young families and moderate income families the opportunity to purchase a home. In recognizing the role of credit unions in providing low cost home mortgage loans to persons of small and modest means, we have amended the regulation as recommended.

Paragraph (b)(5)(i) provides an exception to the 90 per centum of Value limitation when the loan is an Insured or Guaranteed Loan. Commenters indicated that the language in the proposed regulation would, in some instances, result in Federal credit unions not being permitted to loan up to the maximum amount acceptable to the insuring or guaranteeing agency. Since this was not the intent of the Administration, the final rule was revised.

Paragraph (b)(5)(ii) sets forth the requirements for obtaining private mortgage insurance. Since the regulation has been amended so as to allow conventional loans to be made up to 90 percent of Value without mortgage insurance, we have revised the corresponding language in this section requiring private mortgage insurance only when the borrower's loan balance exceeds 90 percent of Value.

6. *Loan application*—Paragraph (b)(6). The proposed regulation referred only to the Federal Home Loan Mortgage Corporation (FHLMC) loan application form. In order to avoid confusion the final rule has been revised to include the appropriate Federal National Mortgage Association (FNMA) form numbers.

7. *Mortgage loan file*—Paragraph (b)(11). Paragraph (b)(11) sets forth the documents that must be maintained in the mortgage loan file. A number of comments noted concern over the fact that when loans are sold on the secondary market the originals of certain documents are required to be transferred to investors. The Administration believes that there is sufficient latitude in the proposed language to allow Federal credit unions to maintain copies of the required documents in those instances.

Paragraph (b)(11)(ii) sets forth the required appraisal forms. The Administration has added language to indicate the appropriate FNMA form numbers in addition to the FHLMC form number.

Paragraph (b)(11)(vi) of the proposed rule stated that a copy of the hazard insurance policy must be maintained in the Federal credit union's office. The Administration has amended this paragraph to indicate that the original hazard insurance policy may be transferred if the loan is sold.

Paragraph (c)(3) has been amended so as to have the restriction in this section pertain to all officials of a Federal credit union.

### General Comments

1. *Interest-calculation and treatment.* Paragraph (c)(4) specifices, in part, that the rate of interest shall not exceed 1 per centum per month on the unpaid balance inclusive of all prepaid interest, processing fees and other service charges. This reflects the dictates of sections 107(5)(a)(vi)-(viii) of the Federal Credit Union Act.

As previously noted, paragraph (a)(14) defines "service charges" which, along with prepaid interest (points, discounts, etc.), must be included in the calculation of the 1 per centum interest. Points charged to the seller will not be included in the interest rate calculation unless actually passed on to the borrower (purchaser). Also, in a separate publication accompanying this final rule, it is proposed that origination fees (commitment fees, processing fees, administrative fees, etc.) shall not be charged to the borrower. Until such time as final action is taken on that proposal, any origination fees which are passed on to the borrower must, as indicated in paragraph (a)(14)(f) be included in the interest calculation.

Service charges and prepaid interest are not required to be treated as impacting solely on the "rate" of interest paid in the first month. Rather, it is the effective interest over the entire transaction which may not exceed the 1 per centum per month limitation.

Section 107(5)(a)(vi) of the Act is definitive in limiting the rate of interest. An early repayment, depending upon the amount of "front-end" payments, could result in the FCU exceeding the 1 per centum per month limitation.

Paragraph (c)(5) specifies that if the 1 per centum limitation is exceeded, a refund, or adjustment of the final payment must be made to the member. If the appropriate adjustments are made, the penalty provision of section 107(5)(A)(vii) would *not* be applicable since an excessive rate was not "knowingly" charged. Because of required effective yields demanded by the secondary market, many FCU's intending to sell their loans will attempt to keep their interest rates low by charging "points" (prepaid interest). An FCU, depending upon the amount of prepaid interest and service charges, may run the risk of absorbing a loss if the loan is paid prior to maturity (usually within the first two years).

A Federal credit union which neither charge points nor assesses service charges does not run the risk of being liable for refunds.

FCU's will have the opportunity and incentive to provide the borrower with a real choice in shopping for his/her mortgage loan. Instead of mirroring their competitors, FCU's can lead the way by informing borrowers that the amount of settlement costs are as important in shopping for a loan as is the interest rate. The idea of apprising borrowers of lenders' costs is not a novel one. This has been the intent of the Real Estate Settlement Procedures Act (R.E.S.P.A.), the Truth-in-Lending Act (T.I.L.), and the regulations promulgated thereunder.

Although T.I.L. requires disclosure of the Annual Percentage Rate (APR) certain service charges need not be included in this calculation. R.E.S.P.A. was intended to apprise borrowers of all costs, including those which do not affect the APR, so that borrowers could have a basis for comparison in shopping for credit. Because of the differences in these service charges from lender to lender, comparisons are still difficult to make.

Although R.E.S.P.A. and T.I.L. have greatly improved disclosures to borrowers, neither requires disclosure of an overall effective rate inclusive of all service charges. (For example, certain charges in connection with real estate loans—such as credit report fees—which are a cost of credit, are nonetheless specifically excluded from the "finance charge" and "annual percentage rate" computations under the Truth-In-Lending Act by section 106(e) thereof. A more accurate disclo-

sure of the true cost of credit would include these charges, if paid by the borrower.) The 1 per centum per month interest limitation in the Federal Credit Union Act, although it does not require disclosure of an overall effective rate of interest, it does limit the overall effective rate.

Because of the 1 per centum per month limitation, a borrower can be assured that the effective rate of interest he/she will pay on a credit union mortgage loan will never exceed 1 per centum per month inclusive of all service charges in the event the loan is prepaid. This is accomplished by requiring Federal credit unions to recompute the interest charge in the event of early payoff.

It would be in the public interest for T.I.L. to be amended to follow the lead taken by the Administration in including all the costs of obtaining credit in the calculation of an overall effective interest rate.

Borrowers can truly be benefited in cost savings by not incurring the settlement charges but instead paying a higher rate on their loans. If significant settlement charges are required, a borrower must have the readily available cash (or secure financing) to pay for these costs in addition to whatever downpayment is required. Congress intended that Federal credit unions be a source of mortgage money for those individuals that might have difficulty obtaining such financing elsewhere, especially those seeking low and middle priced housing. Typically, these individuals do not have large amounts of savings to use as downpayments and to pay for settlement charges. By minimizing the settlement charges these members will be benefited.

2. *New construction.* A few commenters questioned whether or not the language in the regulation would permit a member to finance the construction of his or her home. The Administration believes that the language in the regulation provides sufficient latitude in permitting this type of financing. Construction loans can be made, as presently discussed in the Credit Manual for Federal Credit Unions. However, instead of requiring a member to obtain financing from another financial institution upon the completion of the construction which has been the case, the credit union should determine whether or not it will be able to finance the loan under this regulation upon completion of construction.

3. *Assumption by nonmembers.* Several commenters expressed concern over the Administration's position that loans of members can be assumed by nonmembers so long as the member remains primarily liable. The commenters stated that this requirement would impose a hardship on veterans who must be relieved of all liability in order to have their Veterans eligibility reinstated. The Administration believes that this requirement will not impose a hardship upon the veteran since the Veterans Administration does not require the veteran to be relieved of his or her liability to the lender. In order to have their eligibility reinstated they must be relieved of their liability to the VA and not the lender.

Lastly, some commenters pointed out that the Administration should have used the term personally liable when referring to assumptions by nonmembers instead of primarily liable as stated in the preamble to the proposed regulation. The Administration concurs that the term personally liable is more appropriate.

LORENA C. MATTHEWS,
*Acting Administrator.*

(AUTHORITY: Sec. 120, 73 Stat. 635 (12 U.S.C. 1766) and Sec. 209, 84 Stat. 1104 (12 U.S.C. 1789).

Accordingly, 12 CFR Part 701 is amended by adding a new section to read as follows:

**§ 701.21-6 Real estate lending.**

(a) For purposes of this section;

(1) "One-to-four family dwelling" means a structure designed for residential use by not more than four families. The term also includes a one-to-four family unit in a planned unit development or condominium project where certain portions of the security property are owned in common with others. The term does not include a unit in a cooperative project.

(2) "Principal residence" means a structure where the member will be domiciled or will reside permanently within 6 months after initial disbursement of the loan or within 18 months, provided the structure is being newly constructed or extensively rehabilitated.

(3) "Median sales price" means that price level at which half of the residential real property in a geographical area have sold below and half have sold above within a period not exceeding 12 months prior to the disbursement of the loan. Sampling techniques may be utilized to determine "Median sales price."

(4) "Geographical area" means a definable market area. If such an area cannot be defined, regional areas such as city, county, census tract, or standard metropolitan statistical area will be used. In defining and selecting geographical areas the board will consider the availability of funds to persons of greater need and more moderate means; it shall not seek out high priced areas as the basis for determining the median sales price.

(5) "Value" means the lower of the appraised market value or the purchase price. In the case of residential real property being rehabilitated, "Value" shall also include the cost of rehabilitation. The cost of rehabilitation shall be supported by a good faith estimate.

(6) "Appraisal" means an objective estimate of value based upon a physical examination and evaluation which shall disclose the market value of the security offered by use of the market sales approach which shall be supported by an analysis of comparable properties in the immediate area. The market value should also be supported by use of the cost and income appraisal methods if conditions warrant.

(7) "Appraiser" means a person who is experienced in the appraisal of one-to-four family dwellings and is actively engaged in such appraisal work and whose qualifications are demonstrated by membership in a national professional appraisal organization, or who is licensed to appraise in the state in which the real estate is located or who is acceptable as an appraiser by an insuring or guaranteeing agency of the Federal or State government.

(8) "Market value" means that the highest price which real property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably, and assuming the price is not affected by undue stimulus.

(9) "Security instrument" means either a Deed of Trust, Mortgage or Leasehold Mortgage which constitutes a first lien. Only in those areas of the United States of America, its territories and possessions, the Panama Canal Zone, or the Commonwealth of Puerto Rico where an interest in real estate is customarily evidenced by leasehold or ground estates will the term "Leasehold Mortgage" be included in this definition.

(10) "Insured or Guaranteed Loan" means any loan that is fully or partially insured or guaranteed by the Federal Government, State government, or any agency of either.

(11) "Escrow account" means either a special limited withdrawal share account or accounts payable account for the accumulation of funds to pay for not more than one year's taxes, assessments, insurance premiums, construction proceeds, or other charges that could affect the credit union's first lien position.

(12) "Title insurance" means insurance protecting the credit union against loss due to clouds or defects in title to real property equaling the current principal balance of the mortgage loan also protecting and benefiting subsequent purchasers of the mortgage.

(13) "Hazard insurance" means property insurance affording protection against loss or damage from fire and

other hazards covered by the industry's standard extended coverage endorsement which provides for payment of an amount sufficient to pay the mortgage balance in the event of a covered loss, with a standard mortgagee clause in favor of the credit union and subsequent purchasers of the mortgage.

(14) "Service charges" means those charges paid by the borrower which are a cost or condition of obtaining credit such as:

a. Appraisal fees;
b. Credit report fees;
c. Fees or premiums for title examinations, abstracts, or insurance, which protect the lenders' interest;
d. Attorneys' fees for services performed for the lender;
e. Lenders' inspection fees;
f. Loan origination fees.

Charges payable in connection with any home purchase transaction which would be incurred whether or not credit is obtained are *not* service charges. Examples are:

a. Fees or premiums for title examinations or title insurance which protect the borrower;
b. Premiums for hazard insurance;
c. Fees for surveys;
d. Fees for preparing and notarizing deeds or other documents.

(b) Federal credit unions with assets of $2,000,000 or more, or any other Federal credit union with prior written consent of the Administration, may originate loans secured by first liens on residential real property, with maturities in excess of 12 years and not exceeding 30 years within the limitations of written policies adopted by the board of directors provided:

(1) Loans shall be made to finance or refinance a one-to-four family dwelling which will be used for the principal residence of the Federal credit union member.

(2) Loans shall be amortized by substantially equal monthly installments sufficient to retire the loan at maturity. Each monthly installment shall be applied first to taxes and insurance due and payable (when an escrow account is established), then to interest currently due and payable, with the remainder to principal. Amortization shall commence no later than 61 days after disbursement of proceeds and shall not exceed 30 years from date of disbursement. An Insured or Guaranteed Loan shall be amortized as permitted by the insuring or guaranteeing agency. With prior written consent of the Administration, loans may be amortized by other than substantially equal monthly installments.

(3) The sales price of the real estate and improvements thereon shall not exceed 150 per centum of the median sales price of residential real property in the geographical area in which the property is located.

(4) The aggregate dollar amount of real estate loans outstanding may not exceed 25 per centum of the Federal credit union's assets without prior written consent of the Administration. This limitation does not include real estate loans with maturities not exceeding 12 years.

(5) The loan shall not exceed 90 per centum of value at the time of disbursement except that:

(i) An Insured or Guaranteed Loan may equal the maximum amount acceptable to the insuring or guaranteeing agency.

(ii) The loan amount may equal up to 95 per centum of value provided that private mortgage insurance is obtained for the amount of the loan in excess of 90 per centum of value.

(6) The loan application shall be the current revision of FHLMC Form 65/FNMA Form 1003 or its equivalent. In the case of an Insured or Guaranteed Loan the loan application shall be acceptable to the insuring or guaranteeing agency.

(7) The security instruments and notes shall be executed on the current revision of the FNMA/FHLMC Uniform Instruments for the jurisdiction in which the property is located. No prepayment penalty shall be allowed. In the case of an Insured or Guaranteed Loan these instruments shall be acceptable to the insuring or guaranteeing agency.

(8) The loan shall be secured by a perfected first lien on real property in favor of the credit union supported by a properly executed and recorded security instrument. No loan shall be secured by real property located outside the U.S.A., its territories and possessions, the Panama Canal Zone, or the Commonwealth of Puerto Rico.

(9) Where an interest in real estate is customarily evidenced by leasehold or ground rent estates, real estate loans shall comply with the preceding provisions of this section in addition to the procedures customarily followed to perfect an interest in a leasehold or ground rent estate. In the case of an Insured or Guaranteed Loan the leasehold or coveyance reserving ground rents shall comply with the requirements of the insuring or guaranteeing agency.

(10) A Federal credit union may require the member/borrower to maintain an escrow share account. If a member's loan is assumed by a nonmember, any required escrow account shall be maintained as an interest bearing account payable. The rate of interest paid on such accounts shall be equal to the dividend rate paid on regular share accounts.

(11) Each mortgage loan file shall contain the following:

(i) A loan application supported by an executed sales contract and any modifications bearing the signature of the applicant(s) and a statement of the median sales price for the geographical area.

(ii) A written appraisal on the current revision of FHLMC Form 70/FNMA Form 1004; FHLMC 465; FNMA Form 1004-A or their equivalent, prepared and signed prior to approval of the loan application by an appraiser who shall provide a certification on the current revision of FHLMC Form 439 or its equivalent. In the case of an Insured or Guaranteed loan, the appraisal form shall comply with the requirements of the insuring or guaranteeing agency.

(iii) When applicable, a private mortgage insurance certificate or documentation of Insured or Guaranteed loans.

(iv) A complete settlement statement (Form HUD-1) detailing all charges and fees and distribution of the loan proceeds.

(v) An opinion of title signed by an attorney licensed to practice in the jurisdiction in which the property is located or a title insurance policy affirming the quality and the position of the first lien.

(vi) A current hazard insurance policy.

(vii) A flood insurance policy, if required.

(viii) A properly executed note and security instrument and a document indicating the date and place(s) of recording of such instruments.

(c) The following restrictions shall be applicable to all loans made under this section;

(1) A Federal credit union shall not grant any loan on the prior condition, agreement, or understanding that the borrower contract with any specific person or organization for the following:

(i) Insurance services (as an agent, broker, or underwriter) except insurance or a guarantee provided by a government agency;

(ii) Building materials or construction services;

(iii) Legal services rendered to the borrower; and

(iv) Services of a real estate agent or broker.

(2) Notwithstanding the preceding paragraph, a Federal credit union may refuse to grant any loan if it believes, on reasonable grounds, that the insurance services provided by the person or organization selected by the borrower will afford insufficient protection to the credit union.

(3) A Federal credit union shall not make any mortgage loan if, either directly or indirectly, any commission, fee or other compensation is to be paid to, or received by, any of its officials or employees in connection with the procuring or insuring of the loan.

(4) The rate of interest shall not exceed 1 per centum per month on the unpaid balance inclusive of all service

charges. Any loan discount or points charged to the borrower represent prepaid interest. Knowingly charging or receiving a rate of interest in excess of 1 per centum per month shall constitute a forfeiture of the entire interest on the obligation. A member may repay a loan, in whole or in part, prior to maturity on any business day without penalty.

(5) Early repayment of a loan involving points or service changes shall require recomputation. A refund, or an adjustment of the final payment must be made promptly to ensure that the true rate of interest has not exceeded 1 per centum per month. This requirement also applies to loans which the credit union has sold in whole or in part.

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[7535-01]

## NATIONAL CREDIT UNION ADMINISTRATION

[12 CFR Part 701]

### ORGANIZATION AND OPERATIONS OF FEDERAL CREDIT UNIONS

#### Proposed Rulemaking—Real Estate Lending

AGENCY: National Credit Union Administration.

ACTION: Proposed amendment to rule.

SUMMARY: The purpose of this proposed amendment to the National Credit Union Administration's Real Estate Lending Regulation is to provide the public with an opportunity to comment on proposed provisions which impose certain restrictions and affirmative requirements upon Federal credit unions. Inasmuch as these provisions were not contained in the proposed real estate lending rule previously published (42 FR 59980) on November 23, 1977, the Administration believes it is appropriate to publish the provisions in proposed form now, rather than including the provisions in the final real estate lending regulation which is being published concurrent with this proposal.

DATES: Comments must be received on or before May 8, 1978.

FOR FURTHER INFORMATION CONTACT:

Either Joseph Bellenghi, Assistant Administrator, Office of Examination and Insurance, or Steven Bisker, Attorney Advisor, Office of General Counsel, National Credit Union Administration, 2025 M Street NW., Washington, D.C. 20456. Telephone: (202) 254-8760 (Mr. Bellenghi) or (202) 632-4870 (Mr. Bisker).

SUPPLEMENTARY INFORMATION: The final rule on real estate lending, § 701.21-6, defined "service charges", in paragraph (a)(14)f. as including loan origination fees. It is the Administration's position that the charging of such origination fees to member borrowers is not consistent with credit union philosophy of providing low cost credit. The fee represents administrative costs of processing the loan application and related documents. Historically, these costs have been absorbed by the Credit Union and not assessed to the borrower. In this regard, the Administration is proposing to prohibit Federal credit unions from charging origination fees (commitment fees, processing fees, administrative fees, etc.) to the borrower.

The second proposed amendment to the final rule concerns the possible refund to borrowers that might result in the event that service charges and/or prepaid interest are paid by the borrower and, because of an early repayment of the loan, upon recomputing the interest charge, the 1 per centum per month limitation is exceeded with the excess remitted to the borrower. It is proposed that every Federal credit union making real estate loans subject to the regulation provide written notification to the borrowers where the possibility of a refund exists (service charges and/or prepaid interest paid by borrowers), at the time of disbursing the loan, that early repayment of their loan may result in a possible refund or adjustment in their final payment. This notification is especially critical in those instances where the Credit Union sells the loan and does not retain the servicing. In these situations, the Credit Union would not know if the member makes an early repayment on his/her loan, and therefore, it would be left solely to the borrower to notify the Credit Union.

LAWRENCE CONNELL,
*Administrator.*

MARCH 29, 1978.

AUTHORITY: Sec. 120, 73 Stat. 635 (12 U.S.C. 1766) and Sec. 209, 84 Stat. 1104 (12 U.S.C. 1789).

12 CFR Part 701 is proposed to be amended by revising §701.21-6 as follows:

**§ 701.21-6 [Amended]**

1. Section 701.21-6(a)(14)(i)(f) is to be deleted with § 701.21-6(a)(14)(i)(g) redesignated as § 701.21-6(a)(14)(i)(f);

2. Section 701.21-6(c)(4) is to be amended by inserting, "No borrower shall be required to pay a loan origination fee" after the second sentence; and

3. Section 701.21-6(c)(5) is to be amended by inserting "Each Federal credit union is required to provide written notification to borrowers, if the possibility of a refund exists, at the time of disbursement of the loan, that an early repayment of their loan may result in a refund or an adjustment" at the end of the section.

[FR Doc. 78-9236 Filed 4-6-78; 8:45 am]