Rules and Regulations

Title 7—AGRICULTURE

Chapter VII—Commodity Stabilization Service (Farm Marketing Quotas and Acreage Allotments), Department of Agriculture

[Amdt. 20]

PART 728—WHEAT

Subpart—Wheat Marketing Quota Regulations for 1958 and Subsequent Crop Years

MISCELLANEOUS AMENDMENTS

Basis and purpose. The amendments herein are issued pursuant to the Agricultural Adjustment Act of 1938, as amended, and are for the purpose of (1) clarifying the provisions of the regulations relating to the issuance of marketing cards and certificates and (2) extending the interpretation provision that wheat delivered to the Secretary shall be free of all encumbrances to include all years subsequent to 1958.

With respect to the provisions relating to the issuance of marketing cards and certificates, a recent amendment to § 728.874(c) of the regulations (FEDERAL REGISTER of May 10, 1960, 25 F.R. 4130), provided that a producer who satisfies his proportionate share of the penalty on a farm marketing excess shall remain liable for the remainder of the penalty on the farm marketing excess, notwithstanding the apportionment of the penalty. The first two amendments are for the purpose of harmonizing §§ 728.867 (b) and (c) and 728.868(a) with the amendment to § 728.874(c).

The third amendment deleted the words "of the 1958 crop" from § 728.880(d) so that the provision will apply to 1958 and subsequent crop years as provided in § 728.850.

Since these amendments apply to the 1960 crop of wheat, it is important that they become effective as soon as possible. In addition, they are issued only for the purpose of clarifying certain provisions of the regulations. Accordingly, it is hereby found that compliance with the notice, procedure, and 30-day effective date provisions of the Administrative Procedure Act (5 U.S.C. 1003) is unnecessary, impracticable, and contrary to the public interest. Therefore, these amendments shall become effective upon publication in the FEDERAL REGISTER.

1a. Section 728.867(b)(1) is amended to read as follows: "(1) if any producer on the farm owes any penalty for excess wheat for the current crop year or any preceding crop year,".

b. Section 728.867(b) is further amended by inserting the word "or" immediately preceding subparagraph (6) and by changing the comma after the word "operator" at the end of subparagraph (6) to a pediod and deleting the remainder of the sentence reading "or (7) if a producer's liability has been reduced to a proportionate share of the entire penalty.".

c. The second sentence of § 728.867 (c) is amended by inserting the word "and" immediately preceding subparagraph (2) and by changing the comma after the word "crop" at the end of subparagraph (2) to a period and deleting the remainder of the sentence reading "and (3) the producer's liability has not been reduced to a proportionate share of any such farm.".

2. The first sentence of § 728.868(a)(2) is amended to read as follows: "who has availed himself of the provisions of § 728.874(c),".

3. Section 728.880(d) is amended to read as follows:

(d) *Interpretation.* Any wheat delivered to the Secretary for the purpose of avoiding the penalty with respect to the farm marketing excess for any farm shall be free and clear of all encumbrances and particularly no wheat shall be accepted for such purpose if it is subject to storage charges or liens of any kind. Conveyance of the wheat to the Secretary shall be made by the execution and delivery of Form MQ–99—Wheat.

(Secs. 1, 55 Stat. 203, 375, 52 Stat. 66, as amended; 7 U.S.C. 1340, 1375)

Issued in Washington, D.C., this 20th day of July 1960.

WALTER C. BERGER,
Administrator,
Commodity Stabilization Service.

[F.R. Doc. 60–6925; Filed, July 25, 1960; 8:46 a.m.]

Chapter IX—Agricultural Marketing Service (Marketing Agreements and Orders), Department of Agriculture

[Lemon Reg. 855, Amdt. 1]

PART 953—LEMONS GROWN IN CALIFORNIA AND ARIZONA

Limitation of Handling

Findings. 1. Pursuant to the marketing agreement, as amended, and Order No. 53, as amended (7 CFR Part 953), regulating the handling of lemons grown in California and Arizona, effective under the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 et seq.; 68 Stat. 906, 1047), and upon the basis of the recommendation and information submitted by the Lemon Administrative Committee, established under the said amended marketing agreement and order, and upon other available information, it is hereby found that the limitation of handling of such lemons as hereinafter provided will tend to effectuate the declared policy of the act.

2. It is hereby further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rule-making procedure, and postpone the effective date of this amendment until 30 days after publication hereof in the FEDERAL REGISTER (60 Stat. 237; 5 U.S.C. 1001 et seq.) because the time intervening between the date when information upon which this amendment is based became available and the time when this amendment must become effective in order to effectuate the declared policy of the Agricultural Marketing Agreement Act of 1937, as amended, is insufficient, and this amendment relieves restriction on the handling of lemons grown in California and Arizona.

Order, as amended. The provisions in paragraph (b)(1)(ii) of § 953.962 (Lemon Regulation 855; 25 F.R. 6744) are hereby amended to read as follows:

(ii) District 2: 372,000 cartons.

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

Dated: July 21, 1960.

S. R. SMITH,
Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[F.R. Doc. 60–6923; Filed, July 25, 1960; 8:46 a.m.]

Title 16—COMMERCIAL PRACTICES

Chapter I—Federal Trade Commission

SUBCHAPTER C—REGULATIONS UNDER SPECIFIC ACTS OF CONGRESS

PART 303—RULES AND REGULATIONS UNDER THE TEXTILE FIBER PRODUCTS IDENTIFICATION ACT

Fiber Content of Special Types of Products; Exclusions From the Act

On May 10, 1960, a notice of Proposed Rule Making was issued by the Commission and published in the FEDERAL REGISTER on May 11, 1960. Such notice stated that the Commission would on June 6, 1960, at its offices in the City of Washington, District of Columbia, give consideration to an amendment of § 303.10 and 303.45 (Rules 10 and 45) of Part 303 Rules and Regulations under the Textile Fiber Products Identification Act. Such notice provided that interested parties might participate by submitting in writing to the Commission on or before such date their views, arguments or other data and further provided that written rebuttal could be submitted until June 13, 1960. A draft of the proposed amendments was made a part of the notice.

Pursuant to such notice, interested parties were afforded an opportunity to submit their views, arguments or other data in writing through June 6, 1960, and

opportunity was afforded for the submission of written rebuttal until June 13, 1960. All views, arguments and data presented have been made a part of the record.

After due consideration of the proposed amendments, suggested revisions, deletions and additions thereto, together with all views, arguments, and other data submitted, the following amendments to § 303.10 and 303.45 (Rules 10 and 45) of Part 303 Rules and Regulations under the Textile Fiber Products Identification Act (72 Stat. 1717, 15 U.S.C. 70) are hereby promulgated. Inasmuch as all of the amendments involve a relaxation of the previous requirements of such Rules, such amendments are hereby made effective upon publication in the FEDERAL REGISTER.

(Sec. 7, 72 Stat. 1717; 15 U.S.C. 70e)

The amendments are as follows:

1. An amendment of § 303.10 (Rule 10) under the authority of section 7(c) so as to incorporate present § 303.10 (Rule 10) into paragraph (a) of amended § 303.10 (Rule 10) and to make certain changes therein for the purpose of clarifying the meaning of the Rule and to add a new paragraph (b) to § 303.10 (Rule 10) relating to the disclosure of the required fiber content information of drapery or upholstery fabrics manufactured on hand-operated looms for a particular customer after the sale of such fabric has been consummated where the amount of such order does not exceed 100 yards of fabric.

Section 303.10 (Rule 10) shall hereafter read:

§ 303.10 Fiber content of special types of products.

(a)(1) Where a textile product is made wholly of elastic yarn or material, with minor parts of non-elastic material for structural purposes, it shall be identified as to the percentage of the elastomer, together with the percentage of all textile coverings of the elastomer and all other yarns or materials used therein. (2) Where a textile fiber product is made in part of elastic material and in part of other fabric, the fiber content of such fabric shall be set forth sectionally by percentages as in the case of other fabrics. In such cases the elastic material may be disclosed by describing the material as elastic followed by a listing in order of predominance by weight of the fibers used in such elastic, including the elastomer, where such fibers are present by more than five percentum with the designation "other fiber" or "other fibers" appearing last when fibers required to be so designated are present. An example of labeling under this paragraph is:

Front and back non-elastic sections: 50% Acetate, 50% Cotton.
Elastic: Rayon, Cotton, Nylon, Rubber.

(b) Where drapery or upholstery fabrics are manufactured on hand-operated looms for a particular customer after the sale of such fabric has been consummated, and the amount of the order does not exceed 100 yards of fabric, the required fiber content disclosure may be made by listing the fibers present in order of predominance by weight with any fiber or fibers required to be designated as "other fiber" or "other fibers" appearing last, as for example:

Rayon.
Wool.
Acetate.
Metallic.
Other fibers.

§ 303.45 [Amendment]

2. An amendment of subdivision (xv) of paragraph (a)(1) of § 303.45 (Rule 45), so as to exclude certain flags from the operation of the Act pursuant to section 12(b) of the Act and under the conditions prescribed by § 303.45 (Rule 45). Section 303.45(a)(1)(xv) (Rule 45) shall hereafter read:

(xv) Flags with heading or more than 216 square inches in size.

3. An amendment of paragraph (a) of § 303.45 (Rule 45) by adding another subparagraph thereto. Such paragraph shall follow subparagraph (7) of paragraph (a) of § 303.45 (Rule 45) and shall read:

(8) All textile fiber products in a form ready for the ultimate consumer procured by the military services of the United States which are bought according to specifications, but shall not include those textile fiber products sold and distributed through post exchanges, sales commissaries, or ship stores; provided, however, that if the military services sell textile fiber products for nongovernmental purposes the information with respect to the fiber content of such products shall be furnished to the purchaser thereof who shall label such products in conformity with the Act and regulations before such products are distributed for civilian use.

By direction of the Commission.

Issued: July 25, 1960.

[SEAL] ROBERT M. PARRISH,
Secretary.

[F.R. Doc. 60-6937; Filed, July 25, 1960; 8:48 a.m.]

Title 12—BANKS AND BANKING

Chapter II—Federal Reserve System

SUBCHAPTER A—BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

[Reg. A]

PART 201—ADVANCES AND DISCOUNTS BY FEDERAL RESERVE BANKS

Deed of Trust Notes

§ 201.102 Deed of trust notes issued under military housing program as collateral for advances.

(a) The Board of Governors has been asked for an opinion whether certain "Deed of Trust Notes", issued under the provisions of Title VIII of the National Housing Act in connection with the military housing program, are eligible as collateral for advances to member banks under any of the provisions of section 13 of the Federal Reserve Act.

(b) It is understood that the "Deed of Trust Notes" are issued by so-called "Capehart Corporations" and that the financing institutions which advance the funds for the housing construction look to the Defense Department for payment pursuant to a so-called guaranty agreement executed by the Secretary of Defense or his designee under which the United States undertakes to make each periodic payment which becomes due on the note without prior demand for such payment.

(c) After careful consideration of the questions involved, the Board has concluded that (1) the notes would not be eligible as collateral for 15-day advances under the eighth paragraph of section 13 of the Federal Reserve Act since the "Deed of Trust Notes" are not "bonds, notes, certificates of indebtedness, or Treasury bills" as those words are used in the eighth paragraph; (2) the notes are not "such notes, drafts, bills of exchange, or bankers' acceptances" as are eligible for rediscount or for purchase by Federal Reserve Banks under the provisions of the Federal Reserve Act, and, accordingly, they are not eligible as collateral for 90-day advances under paragraph eight of section 13; and (3) the notes are not eligible for advances under the last paragraph of section 13 which authorizes 90-day advances to any individual, partnership, or corporation on promissory notes secured by direct obligations of the United States.

(d) Some comment seems desirable with respect to (3) above. Notwithstanding the fact that in a broad sense the Government's contract to make periodic payments on the notes without prior demand appears to be a direct obligation of the United States, it is the Board's view that the Government's contract does not constitute such an obligation within the meaning of the last paragraph of section 13. Under that paragraph, advances by Reserve Banks are authorized on such obligations subject to such "limitations, restrictions, and regulations" as the Board may prescribe. While the term "direct obligations of the United States" is not specifically defined in this Part 201, nevertheless in two places in paragraph (a) of § 201.3, the term is parenthetically defined as meaning only bonds, notes, Treasury bills, or certificates of indebtedness of the United States. Clearly this evidences an intent that the term shall have that meaning wherever it is used in Part 201.

(e) Of course, the "Deed of Trust Notes" are eligible for advances under section 10(b) of the Federal Reserve Act although at a rate of interest not less than one-half of one percent per annum higher than the highest rate applicable to discounts for member banks then in effect.

(Sec. 11(i), 38 Stat. 262; 12 U.S.C. 248(i). Interprets or applies sec. 13, 38 Stat. 263 as amended; 12 U.S.C. 347, 347c)

Dated at Washington, D.C., this 8th day of July 1960.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
[SEAL] MERRITT SHERMAN,
Secretary.

[F.R. Doc. 60-6913; Filed, July 25, 1960; 8:46 a.m.]