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not, however, modify or abridge a party's right to any proceeding authorized by his part or by Chapter 46 of Title 42 of the United States Code.

**§17.72 Finality of the proceedings.**

Determinations and findings of fact made by the Administration shall be final and conclusive, if supported by substantial evidence, upon all applicants or parties in a compliance hearing under §17.31 or in an adjudicative hearing under §17.33, or upon all parties in an administrative investigation under §17.32 (except that a subsequent hearing shall constitute a trial de novo on the facts), in a rehearing under §17.34, or in a hearing under a petition for judicial review, except that the Administration may make new or modified findings or determinations pursuant to 42 U.S.C. section 3759(b) upon remand from a court. Such new or modified findings or determinations, when filed in the remanding court, shall likewise be final and conclusive, if supported by substantial evidence.

**§17.74 Limitation of the hearing examiner's authority.**

A hearing examiner may reopen a proceeding at any time prior to his submission of recommendations to the Administration. After submission of his recommendations, the hearing examiner's jurisdiction is terminated, except for the correction of clerical errors. However, the Administration, at its own discretion, may remand a proceeding to a hearing examiner for further inquiry after the presentation of recommendations and before the making of determinations and findings of fact.

JERRIS LEONARD,  
Administrator, Law Enforcement  
Assistance Administration.

[FR Doc.72-12641 Filed 8-11-72;8:45 am]

**DEPARTMENT OF AGRICULTURE**

Agricultural Marketing Service

[7 CFR Part 918]

**HANDLING OF FRESH PEACHES  
GROWN IN GEORGIA**

**Peaches Shipped to Adjacent Markets**

Notice is hereby given that the Department is considering a proposed amendment, as hereinafter set forth, to the rules and regulations (Subpart—Industry Committee Regulations; 7 CFR §18.100-918.131) currently in effect pursuant to the applicable provisions of the marketing agreement, as amended, and Order No. 918, as amended (7 CFR Part 918), regulating the handling of peaches grown in Georgia. This is a regulatory program effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). The amendment of the said rules and regulations was proposed by the Industry Committee, established under the said amended marketing agreement and

order as the agency to administer the terms and provisions thereof.

The proposed amendment is designed to establish safeguards pursuant to §918.60(c), to prevent new containers of bulk peaches which fail to meet requirements for shipment to markets other than the adjacent markets issued under §918.60(b), from being shipped to nonadjacent markets. Until recently, ungraded peaches shipped in bulk to adjacent markets were packed in used containers, which were readily distinguishable from peaches packed for shipment to nonadjacent markets. Recently, ungraded peaches for shipment to adjacent markets have been packed in new Duall and similar containers. These new handling and packaging practices make it relatively simply to divert ungraded peaches meeting only the adjacent markets requirements to the nonadjacent markets. The proposed safeguards hereinafter set forth are designed to prevent the diversion of such peaches from the adjacent markets to the nonadjacent markets.

All persons who desire to submit written data, views, or arguments for consideration in connection with the proposed amendment shall file the same, in quadruplicate, with the Hearing Clerk, U.S. Department of Agriculture, Room 112, Administration Building, Washington, D.C. 20250, not later than the 15th day after publication of the notice in the FEDERAL REGISTER. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)).

The proposal would be implemented by amending §918.130 *Peaches shipped to adjacent markets*, to read as follows:

**§918.130 Peaches shipped to adjacent markets.**

(a) Each handler who ships adjacent market peaches shall report daily to the Industry Committee, in such manner and on such forms as prescribed by that committee, the following information with respect to each such shipment: *Provided*, That such reports shall not be required on shipments of adjacent market peaches which are exempt from inspection pursuant to §918.64:

- (1) Name and address of the handler; and date;
- (2) Originating point;
- (3) Destination in adjacent markets;
- (4) Truck license number, trailer license number, or other identification of the conveyance in which shipment was made;
- (5) Number of bushels so shipped;
- (6) The number of the inspection certificate or memorandum issued with respect to the shipment; and
- (7) A certification that the information is complete and accurate.

(b) Each handler who ships, in new containers, adjacent market peaches which do not meet the current regulations for nonadjacent markets issued pursuant to §918.60(b) shall (1) stamp or print on the ends or sides of such containers in letters not less than one-half inch in height "For Sale in Adjacent

Markets Only," along with the handler's name and address; and (2) have such fruit so shipped inspected as provided in §918.64.

Dated: August 9, 1972.

CHARLES R. BRADER,  
Acting Deputy Director, Fruit  
and Vegetable Division, Agri-  
cultural Marketing Service.

[FR Doc.72-12809 Filed 8-11-72;8:54 am]

**DEPARTMENT OF HEALTH,  
EDUCATION, AND WELFARE**

Food and Drug Administration

[21 CFR Part 121]

**FOOD ADDITIVES**

**Proposal Regarding Regulation of  
Prior-Sanctioned Food Ingredients**

The Commissioner of Food and Drugs is conducting a study of food ingredients that have been used in food products without approval of a food additive regulation on the ground either that they are generally recognized as safe (GRAS) or that they are subject to a prior sanction. The Commissioner has already published proposed procedures for the affirmation of GRAS status or the determination of food additive status. It is therefore appropriate to establish comparable procedures for the regulation of ingredients subject to prior sanctions.

Section 201(s) of the Federal Food, Drug, and Cosmetic Act excludes from the definition of "food additive":

- (4) Any substance used in accordance with a sanction or approval granted prior to the enactment of this paragraph pursuant to this Act, the Poultry Products Inspection Act (21 U.S.C. 451 and the following) or the Meat Inspection Act of March 4, 1907 (34 Stat. 1260), as amended and extended (21 U.S.C. 71 and the following);

Pursuant to this grandfather clause, a food ingredient subject to a prior sanction may not be regulated under the food additive provisions of the law. Such an ingredient may, however, be regulated under the general adulteration and misbranding provisions of the Act, and in particular may be banned from food if found to be a "poisonous or deleterious substance" in violation of section 402(a)(1) of the Act.

The Food and Drug Administration, between 1938 and 1958, reaffirmed many sanctions or approvals granted under the Federal Food and Drugs Act of 1906, and also granted additional sanctions and approvals. The U.S. Department of Agriculture has similarly granted many sanctions and approvals. Not all of these sanctions and approvals can be ascertained because of the destruction of old records and the retirement of personnel involved in these matters. The Food and Drug Administration has requested information on prior sanctions (35 F.R. 5810) in an effort to make its files on these matters more complete.

Whether or not a food ingredient is used as a result of a determination that it is GRAS, or pursuant to a food additive regulation, or as a result of a prior sanction, the basis for such use should be a matter of public record. The Commissioner has therefore determined to expand Subpart E under Part 121, within which will be established regulations governing all prior-sanctioned direct and indirect food ingredients known to the Commissioner.

New scientific information requires, on occasion, that additional limitations be placed on the use of prior-sanctioned ingredients. Accordingly, the Commissioner has concluded that a procedure should also be established under which a regulation in Subpart E stating the existence of a prior sanction may be established or amended to impose limitations upon the use of the ingredient when scientific data justify such limitations.

As the first action under this proposed new subpart, the Commissioner proposes to issue a regulation for talc, which has a prior sanction for use in coating polished rice. This use was first approved in a food inspection decision issued under the Federal Food and Drugs Act of 1906, and was subsequently recognized in the standard of identity for enriched rice, § 15.525. Talc has also been listed as GRAS in § 121.101(h) for use in paper and paperboard used in dry food packaging, in § 121.101(i) for use in cotton and cotton fabrics used in dry food packaging, in an FDA opinion letter for use in chewing gum base, and in an FDA opinion letter for use as an antisticking agent in forms used in molding various food shapes.

Talc is a naturally occurring hydrous magnesium silicate without well-defined specifications or limitations. A recent publication (Science 173:1141-1142, September 17, 1971) identifies the presence of asbestos-form particles in talc used to coat rice. Independent laboratory investigation by the Food and Drug Administration has confirmed this report. A copy of the FDA report is on file with the Food and Drug Administration Hearing Clerk. Since asbestos, another form of natural magnesium silicate, is carcinogenic when inhaled and asbestos-form particles may therefore be injurious to health when ingested, and since talc can be processed to remove asbestos-form particles, it is prudent to require that talc which is to be used in the manufacture of food or food packaging be free of asbestos-form particles.

Therefore, pursuant to provisions of the Federal Food, Drug, and Cosmetic Act (secs. 201(s), 409, 701(a), 52 Stat. 1055 and 72 Stat. 1784-88, as amended; 21 U.S.C. 321(s), 348, 371(a) and under authority delegated to him (21 CFR 2.120), the Commissioner of Food and Drugs proposes to amend Part 121 as follows:

1. Section 121.101 is amended as follows:

a. Paragraphs (h) and (i) are amended by adding the phrase "free of asbestos-form particles" after the word "talc".

b. Paragraph (d) (8) is amended by adding the following entry in alphabetical sequence:

§ 121.101 Substances that are generally recognized as safe.

| Agreement<br>CAB 23184 | Resolution      | Title                                                                                    |
|------------------------|-----------------|------------------------------------------------------------------------------------------|
| R-1-----               | 002-----        | Revalidation Resolution—Sales Agency Rules, Inclusive Tours Initiated by Tour Operators. |
| R-2-----               | 105(PAC)203     | Reduced Fares for Passenger Agents (Except U.S.A.) (Amending).                           |
|                        | 305 (PAC)203    |                                                                                          |
|                        | 305 (PAC)203    |                                                                                          |
|                        | JT12 (5PAC)203  |                                                                                          |
|                        | JT23 (5PAC)203  |                                                                                          |
|                        | JT31 (5PAC)203  |                                                                                          |
|                        | JT123 (5PAC)203 |                                                                                          |

2. Subpart E of Part 121 is amended as follows:

a. The title of Subpart E is revised to read, "Subpart E—Prior-Sanctioned Food Ingredients".

b. Section 121.2001 is redesignated as § 121.2005 and §§ 121.2000 and 121.2006 are added to read as set forth below:

§ 121.2000 General.

(a) An ingredient whose use in food or food packaging is subject to a prior sanction or approval within the meaning of section 201(s) (4) of the act is exempt from classification as a food additive. The Commissioner will publish in this subpart all known prior sanctions. Any interested person may submit to the Commissioner a request for publication of a prior sanction, supported by evidence to show that it falls within section 201(s) (4) of the act.

(b) Based upon scientific data or information that shows that use of a prior-sanctioned food ingredient may be injurious to health, and thus is in violation of section 402(a) (1) of the act, the Commissioner will establish or amend the applicable prior sanction regulation to impose whatever limitations or conditions are necessary for the safe use of the ingredient, or to prohibit use of the ingredient.

§ 121.2006 Talc.

(a) Talc is a naturally occurring hydrous magnesium silicate for which no food grade specifications exist. Talc is subject to a prior sanction for use in coating polished rice.

(b) Talc containing asbestos-form particles may be injurious to health. Accordingly, any food or food packaging material containing talc that is not free of asbestos-form particles shall be deemed to be adulterated in violation of section 402(a) (1) of the Act.

Interested persons may, within 60 days after publication hereof in the FEDERAL REGISTER, file with the Hearing Clerk, Department of Health, Education, and Welfare, Room 6-88, 5600 Fishers Lane, Rockville, Md. 20852, written comments (preferably in quintuplicate) regarding this proposal. Comments may be accompanied by a memorandum or brief in support thereof. Received comments may

be seen in the above office during working hours, Monday through Friday.

Dated: August 1, 1972.

SAM D. FINE,  
Associate Commissioner  
for Compliance

[FR Doc.72-12714 Filed 8-11-72; 8:45 am]

## FEDERAL RESERVE SYSTEM

[ 12 CFR Part 226 ]

[Reg. Z]

### TRUTH IN LENDING

#### Credit Cards; Issuance and Liability

1. Pursuant to the authority contained in the Truth in Lending Act (15 U.S.C. 1601 et seq.), the Board of Governors proposes to amend Part 226 (Regulation Z) in the manner and for the reasons set forth below:

Amend § 226.13 (a) (4) and (b) to read as follows:

§ 226.13 Credit cards—issuance and liability.

(a) *Supplemental definitions applicable to this section.* \* \* \*

(4) "Cardholder" means any natural person or organization to whom a credit card is issued for personal, family, household, agricultural, business, or commercial purposes, or any natural person or organization who has agreed with the card issuer to pay obligations arising from the issuance of a credit card to another person for such purposes.

(b) *Issuance of credit cards.* Regardless of whether a credit card is to be used for personal, family, household, agricultural, business, or commercial purposes, no credit card shall be issued to a natural person or organization except:

(1) In response to a request or application therefor, or

(2) As a renewal of, or in substitution for, an accepted credit card whether such card is issued by the same or a successor card issuer.

2. Considerable uncertainty has prevailed as to whether the exemption in § 226.3 of Regulation Z for extensions of credit for business and commercial purposes applies to the unsolicited issuance of credit cards and to the limits on liability for their unauthorized use. The purpose of these proposed amendments is to make clear that all credit cards, regardless of use or cardholder status, are covered by the maximum liability limit and by the same token, may not be distributed without an initial request from the cardholder. These amendments would not affect the application of the business exemption to the disclosure, rescission, and advertising requirements of Regulation Z for which it was originally intended.

This notice is published pursuant to section 553(b) of title 5, United States