

FEDERAL RESERVE BANK OF DALLAS

FISCAL AGENT OF THE UNITED STATES

DALLAS, TEXAS 75222

Circular No. 74-27  
January 25, 1974

To the Chief Executive Officer  
of the Bank Addressed  
in the Eleventh Federal Reserve District:

Enclosed are amendments to Circular No. 92, Circular No. 1079, and excerpts from the General Services Administration Rules and Regulations. All of the material is related to the Equal Employment Opportunity Executive Order 11246 by Executive Order 11375, and concerns the promotion of employment of Vietnam veterans.

Additional copies of this material may be obtained by contacting this office, but any inquiries concerning the regulations should be directed to the Contract Compliance Officer, Treasury Department, Washington, D. C. 20220.

FEDERAL RESERVE BANK OF DALLAS  
Fiscal Agency of the United States

Enclosures

UNITED STATES TREASURY DEPARTMENT  
Fiscal Service, Bureau of Accounts

Regulations Governing the Deposit of Federal Taxes with  
Depository Banks and Federal Reserve Banks  
Department Circular No. 1079 (First Revision)  
Revised December 13, 1967  
Amendment No. 1

Department Circular No. 1079 (First Revision), dated  
December 13, 1967, is hereby amended, effective January 1,  
1974, as follows:

1. By changing Subsection 214.5(c) to read as follows:

"(c) Agreement--Receipt by a depository of notice of approval of its application by the Federal Reserve Bank completes the depository's qualification and creates an agreement between it and the Treasury Department under which the depository agrees to be bound by all the terms and provisions of this part and the provisions prescribed in section 202 of Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375."

2. By changing Subsection 214.5(d) to read as follows:

"(d) Existing agreements--Existing agreements between depositaries and the Treasury Department shall continue in effect without further action until terminated. A depository which accepts a deposit of Federal taxes under an existing agreement thereby agrees to be bound by all the terms and provisions of this part and the provisions prescribed in section 202 of Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375."



John K. Carlock  
Fiscal Assistant Secretary

DATED: January 2, 1974


UNITED STATES TREASURY DEPARTMENT  
Fiscal Service, Bureau of Accounts

Regulations Governing Special Depositaries of Public Money  
Department Circular No. 92 (Second Revision)  
Revised October 9, 1967  
Amendment No. 3

Department Circular No. 92 (Second Revision), dated  
October 9, 1967, as amended, is hereby further amended,  
effective January 1, 1974, as follows:

1. By changing Section 203.4 to read as follows:

"A special depositary which accepts a deposit under this part enters into a contract of deposit with the Treasury Department. The terms of the contract include all the provisions of this part and the provisions prescribed in section 202 of Executive Order 11246, entitled "Equal Employment Opportunity," as amended by Executive Order 11375, and the provisions of the General Services Administration regulations for the promotion of employment of disabled and Vietnam era veterans, 41 CFR Subpart 1-12.11, except that depositaries which notify the Department of the Treasury that the gross annual earning value on their Federal deposits is less than \$2,500 are exempt from the application of the General Services Administration regulations."

  
John K. Carlock  
Fiscal Assistant Secretary

DATED: January 2, 1974

objectives, stockpile-grade materials in the Defense Production Act and the supplemental stockpile inventories shall be retained for national stockpile purposes.

n. *Disposals.*—The Director of the Office of Emergency Preparedness will authorize the disposal of excess materials only after due regard to: (a) Avoidance of serious disruption of the usual markets of producers, processors and consumers, and (b) the protection of the United States against avoidable loss.

In general, excess materials constitute unneeded assets and shall be disposed of as expeditiously as possible.

In making such disposals preference shall be given to materials that deteriorate, that are likely to become obsolete, that do not meet quality standards, or that do not have stockpile objectives.

The Administrator of General Services shall be responsible for disposal of excess materials. He shall advise the Secretary of State and the Assistant to the President for Economic Affairs in advance on all disposal plans.

o. *Government use.*—Under such policies and procedures as the Administrator of General Services may prescribe, Government agencies which directly or indirectly use strategic and critical materials shall fulfill their requirements through the use of materials in Government inventories that are excess to the needs thereof. Direct use means use in a Government-owned and operated facility and use in a Government-owned facility which is operated by a contractor for the Government. Indirect Government use means use by prime contractors and all tiers of subcontractors in the production of items being procured by the Government.

4. *Delegation of authority—Preparation of reports.*—The Administrator of General Services shall prepare on behalf of the Director of the Office of Emergency Preparedness and forward to him for transmittal to the Congress the reports required by section 304 of the Defense Production Act of 1950, as amended, and section 4 of the Strategic and Critical Materials Stock Piling Act.

5. *Effective date.*—This order shall take effect on the date hereof.

Dated April 11, 1973.

DARRELL M. TRENT,  
Acting Director, Office of  
Emergency Preparedness.

[FR Doc. 73-7348 Filed 4-16-73; 8:45 am]

## Title 41—Public Contracts and Property Management

### CHAPTER I—FEDERAL PROCUREMENT REGULATIONS

#### EMPLOYMENT OF DISABLED AND VIETNAM ERA VETERANS

This amendment of the Federal procurement regulations revises subpart 1-12.11 relating to the listing of employment openings by Government contractors and subcontractors in order to give special emphasis to the employment of qualified disabled veterans and veterans

of the Vietnam era. The amendment implements provisions of Public Law 92-540, approved October 24, 1972, Executive Order 11701, dated January 24, 1973, and rules and regulations of the Secretary of Labor issued pursuant thereto (41 CFR 50-250, 38 FR 2968, Jan. 31, 1973). It provides for the inclusion of a contract clause in all procurement contracts and first-tier subcontracts which requires Government contractors and subcontractors to offer for listing at an appropriate local office of the Federal-State employment service system all employment openings which occur at their facilities.

#### PART 1-2—PROCUREMENT BY FORMAL ADVERTISING

##### Subpart 1-2.2—Solicitation of Bids

Section 1-2.201 is amended to revise paragraph (a) (30), as follows:

##### § 1-2.201 Preparation of invitations for bids.

(a) \* \* \*

(30) The following provision regarding the employment of qualified disabled veterans and veterans of the Vietnam era shall be placed on the face of the invitation for bids or on a cover sheet where awards in the amount of \$2,500 or more may result:

##### LISTING OF EMPLOYMENT OPENINGS

Bidders and offerors should note that this solicitation includes a provision requiring the listing of employment openings with the local office of the Federal-State employment service system where a contract award is for \$2,500 or more.

#### PART 1-12—LABOR

The table of contents is changed to provide a revised entry as follows:

Sec.  
1-12.1102-4 Inquiries on listing requirements.

Subpart 1-12.11 is revised to read as follows:

##### Subpart 1-12.11—Listing of Employment Openings

##### § 1-12.1100 Scope of subpart.

This subpart sets forth policies and procedures relating to manpower requirements for Federal contractors and subcontractors and implements Public Law 92-540, approved October 24, 1972 (86 Stat. 1097; 38 U.S.C. 2012), Executive Order 11701, dated January 24, 1973, and rules and regulations of the Secretary of Labor issued pursuant thereto (41 CFR 50-250, 38 FR 2968, Jan. 31, 1973) concerning employment opportunities with Federal contractors and subcontractors, with special emphasis on the employment of qualified disabled veterans and veterans of the Vietnam era.

##### § 1-12.1101 General.

Executive agencies shall cooperate with and encourage contractors and subcontractors to utilize to the fullest extent

practicable the U.S. Employment Service (USES) and its affiliated local State employment service offices in meeting the contractors' and subcontractors' manpower (labor supply) requirements to staff new or expanding facilities, including the recruitment of workers in all occupations and skills both from local labor market areas and through the Federal-State manpower clearance system. Local State employment service offices are operated in every State and in the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands. In addition to providing recruitment assistance to contractors and subcontractors who need and desire it, cooperation with the local State employment service offices will further the national program of maintaining continuous assessment of manpower requirements and resources on a national local basis.

##### § 1-12.1102 Listing of employment openings.

##### § 1-12.1102-1 Policy.

In order to give special emphasis to the employment of qualified disabled veterans and veterans of the Vietnam era, Government contractors and first-tier subcontractors shall list all of their suitable employment openings with the appropriate local office of the State employment service system as required by Public Law 92-540, approved October 24, 1972 (86 Stat. 1097; 38 U.S.C. 2012), Executive Order 11701, dated January 24, 1973, and the rules and regulations of the Secretary of Labor issued pursuant thereto (41 CFR 50-250, 38 FR 2968, Jan. 31, 1973).

##### § 1-12.1102-2 Clause.

Unless otherwise provided in this subpart, executive agencies shall include, either directly or by reference, the contract clause prescribed by this § 1-12.1102-2 in (a) all invitations for bids and requests for proposals for the procurement of personal property and nonpersonal services (including construction), and (b) all contracts for the procurement of personal property and nonpersonal services (including construction), including contracts resulting from unsolicited proposals, where it is anticipated that a contract will be for \$2,500 or more.

##### LISTING OF EMPLOYMENT OPENINGS

(This clause is applicable pursuant to 41 CFR 50-250 if this contract is for \$2,500 or more.)

(a) The contractor agrees, in order to provide special emphasis to the employment of qualified disabled veterans and veterans of the Vietnam era, that all suitable employment openings of the contractor which exist at the time of the execution of this contract and those which occur during the performance of this contract, including those not generated by this contract and including those occurring at an establishment other than the one wherein the contract is being performed but excluding those of independently operated corporate affiliates, shall be offered for listing at an appropriate local office of the State employment service system wherein the opening occurs and to provide such reports to such local office regarding employment openings and hires as may be

required: *Provided*, That if this contract is for less than \$10,000 or if it is with a State or local government the reports set forth in paragraphs (c) and (d) are not required.

(b) Listing of employment openings with the employment service system pursuant to this clause shall be made at least concurrently with the use of any other recruitment service or effort and shall involve the normal obligations which attach to the placing of a bona fide job order, including the acceptance of referrals of veterans and nonveterans. This listing of employment openings does not require the hiring of any particular job applicant or from any particular group of job applicants, and nothing herein is intended to relieve the contractor from any requirements in any statutes, Executive orders, or regulations regarding nondiscrimination in employment.

(c) The reports required by paragraph (a) of this clause shall include, but not be limited to, periodic reports which shall be filed at least quarterly with the appropriate local office or, where the contractor has more than one establishment in a State, with the central office of the State employment service. Such reports shall indicate for each establishment (i) the number of individuals who were hired during the reporting period, (ii) the number of those hired who were disabled veterans, and (iii) the number of those hired who were nondisabled veterans of the Vietnam era. The contractor shall submit a report within 30 days after the end of each reporting period wherein any performance is made under this contract. The contractor shall maintain copies of the reports submitted until the expiration of 1 year after final payment under the contract, during which time they shall be made available, upon request, for examination by any authorized representatives of the contracting officer or of the Secretary of Labor.

(d) Whenever the contractor becomes contractually bound by the listing provisions of this clause, he shall advise the employment service system in each State wherein he has establishments of the name and location of each such establishment in the State. As long as the contractor is contractually bound to these provisions and has so advised the State employment system, there is no need to advise the State system of subsequent contracts. The contractor may advise the State system when it is no longer bound by this contract clause.

(e) This clause does not apply to the listing of employment openings which occur and are filed outside of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.

(f) This clause does not apply to openings which the contractor proposes to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement. This exclusion does not apply to a particular opening once an employer decides to consider applicants outside of his own organization or employer-union arrangement for that opening.

(g) As used in this clause:

(1) "All suitable employment openings" includes, but is not limited to, openings which occur in the following job categories: Production and nonproduction; plant and office; laborers and mechanics; supervisory and nonsupervisory; technical; and executive, administrative, and professional openings which are compensated on a salary basis of less than \$18,000 per year. The term includes full-time employment, temporary employment of more than 3 days' duration, and part-time employment. It does not include openings which the contractor pro-

poses to fill from within his own organization or to fill pursuant to a customary and traditional employer-union hiring arrangement.

(2) "Appropriate office of the State employment service system" means the local office of the Federal-State national system of public employment offices with assigned responsibility for serving the area of the establishment where the employment opening is to be filled, including the District of Columbia, the Commonwealth of Puerto Rico, Guam, and the Virgin Islands.

(3) "Openings which the contractor proposes to fill from within his own organization" means employment openings for which no consideration will be given to persons outside the contractor's own organization (including any affiliates, subsidiaries, and parent companies), and includes any openings which the contractor proposes to fill from regularly established "recall" or "re-hire" lists.

(4) "Openings which the contractor proposes \* \* \* to fill pursuant to a customary and traditional employer-union hiring arrangement" means employment openings for which no consideration will be given to persons outside of a special hiring arrangement, including openings which the contractor proposes to fill from union halls, which is part of the customary and traditional hiring relationship which exists between the contractor and representatives of his employees.

(5) "Disabled veteran" means a person entitled to disability compensation under laws administered by the Veterans Administration for a disability rated at 30 percentum or more, or a person whose discharge or release from active duty was for a disability incurred or aggravated in line of duty.

(6) "Veteran of the Vietnam era" means a person (A) who (i) served on active duty with the Armed Forces for a period of more than 180 days, any part of which occurred after August 5, 1964, and was discharged or released therefrom with other than a dishonorable discharge, or (ii) was discharged or released from active duty for service-connected disability if any part of such duty was performed after August 5, 1964, and (B) who was so discharged or released within the 48 months preceding his application for employment covered by this clause.

(h) If any disabled veteran or veteran of the Vietnam era believes that the contractor (or any first-tier subcontractor) has failed or refuses to comply with the provisions of this contract clause relating to giving special emphasis in employment to veterans, such veteran may file a complaint with the veterans' employment representative at a local State employment service office who will attempt to informally resolve the complaint and then refer the complaint with a report on the attempt to resolve the matter to the State office of the Veterans' Employment Service of the Department of Labor. Such complaint shall then be promptly referred through the Regional Manpower Administrator to the Secretary of Labor who shall investigate such complaint and shall take such action thereon as the facts and circumstances warrant consistent with the terms of this contract and the laws and regulations applicable thereto.

(i) The contractor agrees to place this clause (excluding this paragraph (i)) in any subcontract directly under this contract.

**§ 1-12.1102-3 Deviations.**

Under the most compelling circumstances such as situations where the needs of the Government cannot reasonably be otherwise supplied, where listing

of employment openings would be contrary to national security, or where the requirement of listing would otherwise not be in the best interests of the Government, a deviation from this subpart may be made, subject to the approval of the Secretary of Labor. Requests for any such deviations shall be addressed to the Secretary of Labor, U.S. Department of Labor, 14th Street and Constitution Avenue NW., Washington, D.C. 20210, or to the Regional Manpower Administrator of the U.S. Department of Labor of the region wherein the contract is to be signed, and shall set forth the reasons for the request.

**§ 1-12.1102-4 Inquiries on listing requirements.**

Contractors with inquiries regarding listing requirements shall be advised that such inquiries should be submitted to the appropriate Regional Manpower Administrator of the U.S. Department of Labor.

**§ 1-12.1102-5 Failure to comply.**

Upon notice that a contractor or any of his first-tier subcontractors has failed to comply with the provisions of the Listing of Employment Openings clause in § 1-12.1102-2, the contracting officer shall take such action as may be appropriate under the default provisions of the contracts concerned.

(Sec. 205(c), 63 Stat. 390; 40 U.S.C. 486(c).)

*Effective date.*—These regulations shall be effective May 30, 1973, but may be observed earlier.

Dated April 10, 1973.

ARTHUR F. SAMPSON,  
*Acting Administrator of*  
*General Services.*

[FR Doc.73-7358 Filed 4-16-73;8:45 am]

**Title 49—Transportation**

**CHAPTER V—NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION**

[Docket No. 72-7; Notice 3]

**PART 577—DEFECT NOTIFICATION**

**Response to Petitions for Reconsideration**

This notice responds to petitions for reconsideration of the defect notification regulations, published January 23, 1973 (38 FR 2215). Petitions were received from the Firestone Tire & Rubber Co., Chrysler Corp., the Motor and Equipment Manufacturers' Association, and the Recreational Vehicle Institute. A petition was also received from the Wagner Electric Co. Although not received within 30 days of the regulation's publication (49 CFR 553.35), it has been considered in the preparation of this notice. Insofar as this notice does not grant the requests of the petitioners, they are hereby denied.

The Firestone Tire & Rubber Co. has petitioned for reconsideration of § 577.6, "Disclaimers", which prohibits manufacturers from stating or implying that the notification does not involve a safety related defect. Firestone requested that the provision, for Federal Constitutional