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R-220

## U. S. DEPARTMENT OF LABOR

WAGE AND HOUR DIVISION

NOTICE OF HEARING ON PROPOSED AMEND-MENT OF SECTION 536.1 AND SECTION 536.2 (AREA OF PRODUCTION) OF REGULATIONS ISSUED UNDER THE FAIR LABOR STANDARDS ACT OF 1938.

WHEREAS, Section 7 (c) of the Fair Labor Standards Act of 1938 provides that the maximum hours provision contained in Section 7 (a) of said Act shall not apply during a period or periods of not more than fourteen work weeks in the aggregate in any calendar year to employees of an employer engaged in

> "The first processing, within the area of production (as defined by the Administrator), of any agricultural or horticultural commodity during seasonal operations."

and

WHEREAS, Section 13(a) of the Fair Labor Standards Act of 1938 provides that the wages and hours provisions contained in Sections 6 and 7 of said Act shall not apply with respect

> "(10) to any individual employed within the area of production (as defined by the Administrator), engaged in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products."

and

WHEREAS, pursuant to the authority contained in said Sections, the Administrator of the Wage and Hour Division has issued the following regulations, as amended:

> "SECTION 536.1 'AREA OF PRODUCTION' AS USED IN SECTION 7 (c) OF THE FAIR LABOR STANDARDS ACT. An employer shall be regarded as engaged in the first processing of any agricultural or horticultural commodity during

seasonal operations within the 'area of production' within the meaning of Section 7 (c)

(a) if the first processing is conducted on a farm and is performed on agricultural or horticultural commodities produced exclusively on such farm, or

(b) if the commodities processed are obtained from farms in the immediate locality of the processing establishment and the number of employees there engaged in such processing does not exceed seven, or

(c) with respect to dry edible beans, if he is so engaged in an establishment which is a first concentration point for the processing of such beans into standard commercial grades for marketing (in their raw or natural state). As used in this subsection (c), 'first concentration point' means a place where such beans are first assembled from nearby farms for such processing but shall not include any establishment normally receiving a portion of the beans assembled from other first concentration points.

"SECTION 536.2 'AREA OF PRODUCTION' AS USED IN SECTION 13(a)(10) OF THE FAIR LABOR STANDARDS ACT. An individual shall be regarded as employed in the 'area of production' within the meaning of Section 13(a)(10), in handling, packing, storing, ginning, compressing, pasteurizing, drying, preparing in their raw or natural state, or canning of agricultural or horticultural commodities for market, or in making cheese or butter or other dairy products.

(a) if he is engaged in such work on a farm and on agricultural or horticultural commodities produced exclusively on such farm, or

(b) if the agricultural or horticultural commodities are obtained by the establishment where he is employed from farms in the immediate locality and the number of employees in such establishment does not exceed seven, or

(c) with respect to dry edible beans, if he is so engaged in an establishment which is a first concentration point for the processing of such beans into standard commercial grades for marketing in their raw or natural state. As used in this subsection (c), 'first concentration point' means a place where such beans are first assembled from nearby farms for such processing but shall not include any establishment normally receiving a portion of the beans assembled from other first concentration points.

(d) with respect to Puerto Rican leaf tobacco, if he is engaged in handling, packing, storing, and drying such tobacco for market in an establishment which is a first concentration point for such tobacco. As used in this subsection (d), 'first concentration point' means a place where such tobacco is first assembled from noarby farms for such preparation for market but shall not include any establishment normally receiving a portion of the tobacco assembled from other concentration points, nor any establishment operated by a manufacturer for the preparation of tobacco for his own use in manufacturing.

"SECTION 536.3 PETITION FOR AMENDMENT OF REGULATIONS. Any interested persons or association wishing a revision of the foregoing regulations may make application to the Administrator in writing to amend Sections 536.1 and 536.2. If upon inspection of the petition the Administrator believes that reasonable cause for amendment of the regulations is set forth, the Administrator will either schedule a hearing with due notice to interested parties or will make other provision for affording interested parties an opportunity to present their views either in support of or in opposition to the proposed changes."

and

WHEREAS, the American Seed Trade Association has filed a petition with the Administrator to amend said Section 536.1 and Section 536.2 as amended, of said regulations with respect to the production, assembling, processing and distribution of farm and garden seeds.

NOW, THEREFORE, notice is hereby given of a public hearing to commence on March 27, 1939, at 10 o'clock A. M. at the Washington Hotel, Washington, D. C., before a presiding officer hereafter to be designated, at which interested parties will be heard on the following question:

> What, if any, amendment should be made of Section 536.1 or Section 536.2 as amended, of the regulations issued under the Fair Labor Standards Act of 1938 with respect to the production, assembling, processing and distribution of farm and garden seeds.

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Said petition may be examined at the offices of the Hearings and Exemptions Section, Wage and Hour Division, U. S. Department of Labor, 1737 L Street, Washington, D. C.

Signed at Washington, D. C., this 14th day of March, 1939.

F. andrews

Elmer F. Andrews, Administrator Wage and Hour Division Department of Labor