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Monday
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Highlights

61839 **Income Tax** Treasury/IRS issues temporary regulations on incentive stock options.

62038 **Mineral Resources** Interior/BLM and NPS adopt regulations on leasing of all minerals in recreation areas. (Part IV of this issue)

61988 **Rural Housing** USDA/FmHA revises regulations on Section 502 rural housing loan policies, procedures, and authorizations. (Part II of this issue)

61908 **Radioactive Materials** DOT/RSPA proposes to revise regulations on transportation of limited quantities of radioactive materials and devices.

61894 **Nuclear Safety—Reporting Requirements** NRC proposes regulations on immediate notification of certain "significant events" by operating nuclear reactors.

61887 **Motor Vehicle Safety** DOT/NHTSA amends standard for hydraulic brake systems on trucks, buses, and multipurpose passenger vehicles.

61879 **Communications** FCC amends regulations on automated inland waterways communications system.

CONTINUED INSIDE

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Questions and requests for specific information may be directed to the telephone numbers listed under INFORMATION AND ASSISTANCE in the READER AIDS section of this issue.

Highlights

62034 **Surface Mining** Interior/SMREO issues technical memorandum on construction of drainage or road structures on backfilled material in steep slope areas. (Part III of this issue)

61845 **Marine Safety** DOT/CG establishes requirements for sound signal appliances on inland water vessels.

61852 **Procurement** GSA updates regulations on cost accounting standards.

61983 **Sunshine Act Meetings**

Separate Parts of This Issue

61988 **Part II, USDA/FmHA**
62034 **Part III, Interior/SMREO**
62038 **Part IV, Interior/BLM and NPS**

Contents

Federal Register
Vol. 46, No. 244
Monday, December 21, 1981

Administrative Office of United States Courts
NOTICES
61913 Interpreters in courts; Spanish/English certification examination; correction

Agricultural Marketing Service
RULES
61833 Grapefruit, papayas, tomatoes and lettuce; marketing orders

Agriculture Department
See Agricultural Marketing Service; Animal and Plant Health Inspection Service; Commodity Credit Corporation; Farmers Home Administration; Forest Service.

Animal and Plant Health Inspection Service
RULES
Plant quarantine, domestic:
61833 Witchweed; final rule affirmed

Coast Guard
RULES
Inland waterways navigation regulations:
61845 Fishing vessels in close proximity; signals
61845 Sound signal appliances; technical details
NOTICES
Navigation safety:
61980 Loran-C radionavigation system blink procedure change; inquiry

Commodity Credit Corporation
RULES
Loan and purchase programs:
61834 Cotton; removal of certain CFR regulations

Commodity Futures Trading Commission
NOTICES
Contract market proposals:
61914 MidAmerica Commodity Exchange; New York silver

Commerce Department
See National Oceanic and Atmospheric Administration.

Defense Department
NOTICES
Meetings:
61914 Wage Committee

Economic Regulatory Administration
NOTICES
Natural gas exportation and importation petitions:
61916 Vermont Gas Systems, Inc.
Powerplant and industrial fuel use; prohibition orders, exemption requests, etc.:
61915 Kissimmee, Fla.

Energy Department
See Economic Regulatory Administration; Federal Energy Regulatory Commission.

Environmental Protection Agency
RULES
Air quality implementation plans; approval and promulgation; various States, etc.:
61849 Utah
NOTICES
Toxic and hazardous substances control:
61918, 61919 Premanufacture notification requirements; test marketing exemption applications (2 documents)
61917 Premanufacture notification requirements; test marketing exemption approvals (2 documents)

Farmers Home Administration
RULES
Rural housing loans and grants:
61988 Policies, procedures, and authorizations (Section 502); revision and redesignation

Federal Aviation Administration
RULES
Airworthiness directives:
61835 British Aerospace
61836 Lockheed-California
61837 Rajay Industries, Inc.; correction
61838 Control zones; final rule and request for comments
61838 Transition areas

Federal Communications Commission
RULES
Radio services, special:
61879 Maritime services; automated inland waterways communications system on Mississippi River and connecting waterways, etc.

Federal Deposit Insurance Corporation
NOTICES
61983 Meetings; Sunshine Act

Federal Emergency Management Agency
RULES
Flood elevation determinations:
61871 Illinois et al.
Flood insurance; special hazard areas; map corrections:
61873, 61875 California (2 documents)
61876 Louisiana
61875 Massachusetts
61878 Missouri
61878 Montana
61873, 61874, 61877 Texas (4 documents)
61876 Washington
PROPOSED RULES
Flood elevation determinations:
61898 Arkansas et al.
61900 Colorado
61901 Connecticut
61902, 61903 Illinois (2 documents)
61904 Massachusetts

61904 New Jersey
61905 New York
61906 Pennsylvania (2 documents)
61907 Texas
NOTICES
Disaster and emergency areas:
61920 Massachusetts

Federal Energy Regulatory Commission
NOTICES
61983 Meetings; Sunshine Act

Federal Highway Administration
NOTICES
Environmental statements; availability, etc.:
61981 Honolulu, Hawaii; intent to prepare

Federal Home Loan Bank Board
NOTICES
61984 Meetings; Sunshine Act

Federal Housing Commissioner—Office of Assistant Secretary for Housing
RULES
Minimum property standards:
61839 Acrylonitrile-butadiene-styrene (ABS) and poly (vinyl chloride) (PVC) plastic drain, waste and vent pipe and fittings (Materials Bulletin No. 79); correction

Federal Maritime Commission
NOTICES
Freight forwarder licenses:
61921 Faith Freight Forwarding Corp. et al.
61920 Gallagher & Ascher Co.
61921 Gaynar Shipping (Texas) Inc.
61921 Gurge & Co.
61921 Jack P. Hyams Associates, Ltd.
61921 Kaufman & Vinson Co., Inc.
61922 Leo Hill, Inc.
61922 Pacific Terminals International, Inc.
61922 Roland Thompson Agency, Inc.
61922 Universal Foreign Service, Inc.
61923 World Cargo, Ltd.

Federal Reserve System
NOTICES
Applications, etc.:
61923 AmSouth Bancorporation
61924 Banco do Commercio e Industria de Sao Paulo, S.A.
61923 Bank Securities, Inc.
61924 Centerville Bancshares, Inc.
61923 Colorado National Bankshares, Inc.
61924 F&M Shares-Corp.
61924 F. T. Bancshares, Inc.
61925 First National Bankshares of Beloit, Inc.
61925 First Olathe Bancshares, Inc.
61925 First Pacific Bancorp, Inc.
61925 Georgia State Bankshares, Inc.
61924 Girard International Bank
61925 Heights Bancshares, Inc.
61925 Menno Holding Co.
61926 Pinemont Financial Corp.
61926 Telluride Bank Shares, Inc.
61926 Valley Bancshares, Inc.

Fish and Wildlife Service
NOTICES
61927 Endangered and threatened species permit applications

Forest Service
NOTICES
Meetings:
61913 San Juan National Forest Grazing Advisory Board

General Services Administration
RULES
Procurement:
61852 Standards and definitions prescribed by Cost Accounting Standards Board

Health and Human Services Department
See Health Care Financing Administration.

Health Care Financing Administration
NOTICES
Drugs, limitations on payment or reimbursement; maximum allowable cost:
61926 Dicloxacillin sodium

Housing and Urban Development Department
See Federal Housing Commissioner—Office of Assistant Secretary for Housing.

Interior Department
See also Fish and Wildlife Service; Land Management Bureau; National Park Service; Surface Mining Reclamation and Enforcement Office.
NOTICES
Environmental statements; availability, etc.:
61929 Atlantic and Gulf Coasts; definition and proposed designation of undeveloped and unprotected coastal barriers

Internal Revenue Service
RULES
Income taxes:
61839 Incentive stock options, temporary rules; questions and answers

Interstate Commerce Commission
NOTICES
Motor carriers:
61930 Permanent authority applications (2 documents)
61942 Permanent authority applications; operating rights authority; republication (2 documents)
61936 Temporary authority applications
Rail carriers:
61943 Seaboard Coast Line Railroad Co.; contract tariff exemption

Land Management Bureau
RULES
62038 Mineral leasing; uniform procedures and requirements
NOTICES
Opening of public lands:
61927 California
Withdrawal and reservation of lands, proposed, etc.:
61927 Michigan
61927 Utah

Management and Budget Office
NOTICES
61947 Agency forms under review

Metric Board
NOTICES
61943 Increased metric usage and voluntary metric conversion; public forum

National Highway Traffic Safety Administration
RULES
Motor vehicle safety standards:
61887 Hydraulic brake systems; response to reconsideration petitions

National Oceanic and Atmospheric Administration
PROPOSED RULES
Fishery conservation and management:
61911 Atlantic butterfish; foreign and domestic
NOTICES
Meetings:
61913 North Pacific Fishery Management Council

National Park Service
RULES
62038 Mineral leasing; uniform procedures and requirements
NOTICES
Historic Places National Register; pending nominations:
61928 Oregon
61928 World heritage properties list; U.S. nominations inventory

National Science Foundation
NOTICES
Meetings:
61943 Advisory Council

Nuclear Regulatory Commission
PROPOSED RULES
Production and utilization facilities, domestic licensing:
61894 Immediate reporting of significant events at operating nuclear power reactors
NOTICES
Applications, etc.:
61945 Boston Edison Co.
61945 Florida Power Corp. et al.
61947 Public Service Co. of New Hampshire et al.; republication
61946 Tennessee Valley Authority
61946 Virginia Electric & Power Co.
Meetings:
61944 Reactor Safeguards Advisory Committee (3 documents)

Occupational Safety and Health Review Commission
NOTICES
61985 Meetings; Sunshine Act (3 documents)

Postal Service
PROPOSED RULES
Domestic Mail Manual:
61897 Undeliverable-as-addressed mail; handling changes; advance notice; extension of time

Research and Special Programs Administration, Transportation Department
PROPOSED RULES
Hazardous materials:
61908 Radioactive materials, limited quantities

Securities and Exchange Commission
NOTICES
Hearings, etc.:
61973 Franklin Life Insurance Co. et al.
61976 Mellon Financial Co.
61978 Middle South Utilities, Inc.
61979 Trust Funds Liquid Asset Trust
61984 Meetings; Sunshine Act

Surface Mining and Reclamation and Enforcement Office
PROPOSED RULES
Permanent program submissions; various States:
61897 West Virginia
NOTICES
62034 Backfilled materials in steep slope areas; drainage or road structures; technical memorandum
Surface coal mining operations; lands unsuitable for mining; petitions, designations, etc.:
61929 Montana

Transportation Department
See also Coast Guard; Federal Aviation Administration; Federal Highway Administration; National Highway Traffic Safety Administration; Research and Special Programs Administration, Transportation Department.

Treasury Department
See also Internal Revenue Service.
NOTICES
Organization, functions, and authority delegations:
61981 Government Financial Operations Commissioner; authority to sign regulations governing Treasury checks

Veterans Administration
NOTICES
Meetings:
61981 Cooperative Studies Evaluation Committee

MEETINGS ANNOUNCED IN THIS ISSUE

AGRICULTURE DEPARTMENT
Forest Service—
61913 San Juan National Forest Grazing Advisory Board, Durango, Colo. (open), 1–15–82

COMMERCE DEPARTMENT
National Oceanic and Atmospheric Administration—
61913 North Pacific Fishery Management Council its Scientific and Statistical Committee and its Advisory Panel, Juneau, Alaska (open), 1–4 through 1–7–82

DEFENSE DEPARTMENT
Office of the Secretary—
61914 Defense Wage Committee, Washington, D.C. (closed), 2-2, 2-9, 2-16 and 2-23-82

METRIC BOARD
61943 Public Forum, San Diego, Calif. (open), 1-7-82

NATIONAL SCIENCE FOUNDATION
61943 Task Group #20 of the NSF Advisory Council, Washington, D.C. (open), 1-8-82

NUCLEAR REGULATORY COMMISSION
61944 Reactor Safeguards Advisory Committee, Advanced Reactors Subcommittee, Washington, D.C. (partially open), 1-6-82
61944 Reactor Safeguards Advisory Committee, Human Factors Subcommittee, Washington, D.C. (open), 1-5-82
61944 Reactor Safeguards Advisory Committee, Reliability and Probabilistic Assessment Subcommittee, Washington, D.C. (partially open), 1-5-82

VETERANS ADMINISTRATION
61981 Cooperative Studies Evaluation Committee, Miami, Fla. (open), 2-1 and 2-2-82

HEARING

INTERIOR DEPARTMENT
Surface Mining Reclamation and Enforcement Office—
61897 West Virginia Permanent Regulatory Program, East Charleston, W. Va., 1-18-82

CFR PARTS AFFECTED IN THIS ISSUE

A cumulative list of the parts affected this month can be found in the Reader Aids section at the end of this issue.

7 CFR
Ch. XVIII 61988
301 61833
904 61833
912 61833
913 61833
928 61833
966 61833
971 61833
1427 61834

10 CFR
Proposed Rules:
50 61894

14 CFR
39 (3 documents) 61835–61837
71 (2 documents) 61838

24 CFR
200 61839

26 CFR
14a 61839

30 CFR
Proposed Rules:
948 61897

33 CFR
85 61845
86 61845

39 CFR
Proposed Rules:
111 61897

40 CFR
52 61849

41 CFR
Ch. 1 61852

43 CFR
3200 62038
3110 62038
3500 62038

44 CFR
67 61871
70 (11 documents) 61873–61878
Proposed Rules:
67 (11 documents) 61893–61907

47 CFR
81 61879
83 61879

49 CFR
571 61887
Proposed Rules:
172 61908
173 61908
175 61908

50 CFR
Proposed Rules:
611 61911
657 61911

Rules and Regulations

Federal Register
Vol. 46, No. 244
Monday, December 21, 1981

This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.
The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each month.

DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

7 CFR Part 301

Witchweed Regulated Areas

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Affirmation of final rule.

SUMMARY: This action affirms the final rule which amended the list of suppressive areas under the witchweed quarantine and regulations by adding areas in 9 counties and extending areas in 1 county in North Carolina and 1 county in South Carolina to the list of suppressive areas; by deleting areas in 12 counties in North Carolina and South Carolina from the list of suppressive areas; and by deleting 2 entire counties in North Carolina from the list of suppressive areas. The final rule was published in the **Federal Register** on June 19, 1981 (46 FR 31999–32006). This is necessary in order to prevent the artificial spread of witchweed, and to eliminate the imposition of unnecessary restrictions on the movement of certain articles.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: T. J. Lanier, Chief Staff Officer, Regulatory Support Staff, Plant Protection and Quarantine, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, Room 635, Federal Building, 6505 Belcrest Road, Hyattsville, MD 20782, (301) 436–8247.

SUPPLEMENTARY INFORMATION:

Executive Order 12291

The final rule has been determined to be not a "major rule" under Executive Order 12291. Based on information compiled by the Department, it has been determined that the rule will have an annual effect on the economy of approximately $300; that this rule will not cause a major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions; and that this rule will not have a significant adverse effect on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

Alternatives were considered in connection with the final rule. Consideration was given, with regard to those areas where witchweed no longer occurs, whether to (1) delete restrictions on the interstate movement of regulated articles, and to eliminate eradication measures, or (2) to continue restrictions from these regulated areas on the interstate movement of regulated articles, and to continue eradication measures. Alternative (1) is adopted because it appears that otherwise three would be unnecessary restrictions on the movement of witchweed regulated articles and unnecessary expense in taking eradication measures where witchweed no longer occurs. With regard to those areas where witchweed has spread or is likely to spread, consideration was given whether to (1) impose restrictions on the interstate movement of regulated articles and to take eradication measures, or (2) to continue to permit the interstate movement of regulated articles without restrictions, and to withhold eradication measures. Alternative (1) was adopted because it appears that otherwise there would be a significant threat of spread of witchweed throughout the United States. Under these circumstances, it appears that the final rule is cost effective. Also, it appears that the final rule maximizes the net benefits to society at the lowest net cost.

Background

A document published in the **Federal Register** on June 19, 1981, (46 FR 31999–32006) amended Title 7, Code of Federal Regulations, § 301.80–2a, amending the list of suppressive areas under the witchweed quarantine and regulations, by adding areas in 9 counties and extending areas in 1 county in North Carolina and 1 county in South Carolina to the list of suppressive areas; by deleting areas in 12 counties in North Carolina and South Carolina from the list of suppressive areas; and by deleting 2 entire counties in North Carolina from the list of suppressive areas.

The document provided that the amendment was necessary as an emergency measure in order to prevent the artificial spead of the witchweed and to delete unnecessary restrictions on the movement of certain articles. The document also stated that the amendment became effective June 19, 1981.

Comments were solicited until February 19, 1981. No comments were received in response to the amendment. The factual situations which were set forth in the document of June 19, 1981, still provide a basis for the amendment. Accordingly, it has been determined that the final rule should remain effective as published in the **Federal Register** on June 19, 1981.

(Secs. 8, 9, 37 Stat. 318, as amended, sec. 106, 71 Stat. 33 (7 U.S.C. 161, 162, 150ee); 37 FR 28464, 28477; 38 FR 19141)

Done at Washington, D.C., this 16th day of December 1981.

Harvey L. Ford,

Deputy Administrator, Plant Protection and Quarantine, Animal and Plant Health Inspection Service.

[FR Doc 81-36289 Filed 12-18-81; 8:45 am]

BILLING CODE 3410-34-M

Agricultural Marketing Service

7 CFR Parts 904, 912, 913, 928, 966, and 971

Expenses and Rates of Assessment for Specified Marketing Orders

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: This regulation authorizes expenses of the California Grapefruit Administrative Committee functioning under Marketing Order 904, the Indian River Grapefruit Committee functioning under Marketing Order 912, the Interior Grapefruit Marketing Committee functioning under Marketing Order 913, the Papaya Administrative Committee functioning under Marketing Order 928, and the South Texas Lettuce Committee functioning under Marketing Order 971,

and changes in containers assessed by the Florida Tomato Committee functioning under Marketing Order 966. Funds to administer these programs are derived from assessments on grapefruit, papaya, lettuce, and tomato handlers regulated under the orders.

EFFECTIVE DATES: August 1, 1981—July 31, 1982, for Marketing Orders 912, 913, 966, and 971; September 1, 1981—August 31, 1982, for Marketing Order 904; January 1, 1982—December 31, 1982, for Marketing Order No. 928; §§ 904.201; 912.221; 913.217; 928.211; 966.218; and 971.221.

FOR FURTHER INFORMATION CONTACT: Charles W. Porter, Chief, Vegetable Branch, F&V, AMS, USDA, Washington, D.C. 20250 (202) 447-2615.

SUPPLEMENTARY INFORMATION: This rule has been reviewed under Secretary's Memorandum 1512-1 and Executive Order 12291 and has been designated a "nonmajor" rule. William T. Manley, Deputy Administrator, Agricultural Marketing Service, has determined that this action will not have a significant economic impact on a substantial number of small entities because it would not measurably affect costs for the directly regulated handlers.

These marketing orders are effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). These actions are based upon the recommendations and information submitted by the committees established under the respective marketing orders, and upon other information. It is found that the expenses and rates of assessment, as hereinafter provided, will tend to effectuate the declared policy of the act.

It is further found that it is impracticable and contrary to the public interest to give preliminary notice and engage in public rulemaking and good cause exists for not postponing the effective date until 30 days after publication in the Federal Register (5 U.S.C. 553). Each order requires that the rate of asessment for a particular fiscal period shall apply to all assessable grapefruit, papayas, lettuce, and tomatoes handled from the beginning of such period. To enable the committees to meet current fiscal obligations, approval of the expenses is necessary without delay. It is necessary to effectuate the declared policy of the act to make these provisions effective as specified, and handlers have been apprised of such provisions, and the effective time.

Information collection requirements (reporting and recordkeeping) under these parts are subject to clearance by the Office of Management and Budget and are in the process of review. These information requirements shall not become effective until such time as clearance by the OMB has been obtained.

Therefore, §§ 904.200 (M. O. 904); 912.220 (M. O. 912); 913.216 (M. O. 913); 928.210 (M. O. 928); and 971.220 (M. O. 971) are removed and new §§ 904.201, (M. O. 904); 912.221 (M. O. 912); 913.217 (M. O. 913); 928.211 (M. O. 928); and 971.221 (M. O. 971) are added, and § 966.218, 46 FR 49101 (M. O. 966) is revised, to read as follows: (The following sections prescribed annual expenses and assessment rates and will not be published in the Code of Federal Regulations).

PART 904—GRAPEFRUIT GROWN IN A DESIGNATED AREA IN CALIFORNIA

§ 904.201 Expenses and assessment rate.

Expenses of $253,137.01 by the California Grapefruit Administrative Committee are authorized, and an assessment rate of $0.04 per 32-pound carton of grapefruit is established for the fiscal year ending August 31, 1982. Unexpended funds may be carried over as a reserve.

PART 912—GRAPEFRUIT GROWN IN THE INDIAN RIVER DISTRICT IN FLORIDA

§ 912.221 Expenses and assessment rate.

Expenses of $22,943 by the Indian River Grapefruit Committee are authorized, and an assessment rate of $0.0005 per carton (⅘ bushel) of grapefruit is established for the fiscal year ending July 31, 1982.

PART 913—GRAPEFRUIT GROWN IN THE INTERIOR DISTRICT OF FLORIDA

§ 913.217 Expenses and assessment rate.

Expenses of $21,100 by the Interior Grapefruit Marketing Committee are authorized, and an assessment rate of $0.002 per carton (⅘ bushel) of grapefruit is established for the fiscal year ending July 31, 1982.

PART 928—PAPAYAS GROWN IN HAWAII

§ 928.211 Expenses and assessment rate.

Expenses of $593,000 by the Papaya Administrative Committee are authorized, and an assessment rate of $0.006 per pound of papayas is established for the fiscal year ending December 31, 1982.

PART 966—TOMATOES GROWN IN FLORIDA

§ 966.218 Expenses and assessment rate.

Expenses of $165,000 by the Florida Tomato Committee are authorized for the fiscal period ending July 31, 1982. During this fiscal period, an assessment rate of $0.0025 per 30-pound container of tomatoes is established through December 31, 1981; thereafter, the assessment rate shall be $0.0025 per 25-pound container. Unexpended funds may be carried over as a reserve.

PART 971—LETTUCE GROWN IN SOUTH TEXAS

§ 971.221 Expenses and assessment rate.

Expenses of $40,000 by the South Texas Lettuce Committee are authorized for the fiscal period ending July 31, 1982. During this fiscal period, an assessment rate of $0.03 per carton of lettuce is established. Unexpended funds may be carried over as a reserve.

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

Dated: December 16, 1981.

D. S. Kuryloski,

Deputy Director, Fruit and Vegetable Division, Agricultural Marketing Service.

[FR Doc. 81-36324 Filed 12-18-81; 8:45 am]

BILLING CODE 3410-02-M

Commodity Credit Corporation

7 CFR Part 1427

Cotton Loan Program

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Final rule.

SUMMARY: This final rule deletes the regulations codified at 7 CFR §§ 1427.1101 through 1427.1103 (Subpart-Procedures and Factors for Determining Three-Year Average Price for Middling 1-Inch American Upland Cotton in World Markets), 7 CFR §§ 1427.2101 through 1427.2106 (Subpart-Upland Cotton Price Support and Diversion Program Regulations, 1966 and Subsequent Years), and 7 CFR §§ 1427.2250 through 1427.2255 (Subpart-Regulations Governing Redemption of Cotton Payment-in-Kind Certificates Earned Under Food and Agriculture Act of 1965 and Liquidation of Certificate Pools). These regulations have not been applicable to the cotton loan program for a number of years, thus making the regulations obsolete.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT:
Eloise V. Mauck, (202) 447-7936.

SUPPLEMENTARY INFORMATION: This final rule has been reviewed in accordance with the provisions of Secretary's Memorandum 1512-1 and Executive Order 12291 and has been classified "not major." This final rule has been classified as "not major" since it will not result in: (1) An annual effect on the economy of $100 million or more; (2) major increases in costs or prices for consumers, individual industries, Federal, State, or local government agencies or geographic regions; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or on the ability of U.S.-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This rule will not have a major impact specifically on area and community development. Therefore, review as established by Office of Management and Budget Circular A-95 was not used to assure that units of local government are informed of this rule.

It has been determined that the Regulatory Flexibility Act is not applicable to this final rule since Commodity Credit Corporation (CCC) is not required by 5 U.S.C. 553 or any other provision of law to publish a notice of proposed rulemaking with respect to the subject matter of this rule.

Since this final rule makes no substantive changes in regulation but merely deletes obsolete regulations, it has been determined that no further public rulemaking is required.

The material previously appearing at 7 CFR §§ 1427.1101 through 1427.1103, 7 CFR §§ 1427.2101 through 1427.2106, and 7 CFR §§ 1427.2250 through 1427.2255 remains in full force as to the crop years to which it is applicable.

Final Rule

PART 1427—COTTON

Accordingly, the subpart titles and the regulations appearing at 7 CFR (Subpart-Procedures and Factors for Determining Three-Year Average Price for Middling 1-Inch American Cotton in World Markets), 7 CFR §§ 1427.2101 through 1427.2106 (Subpart-Upland Cotton Price Support and Diversion Program Regulations, 1966 and Subsequent Years), and 7 CFR §§ 1427.2250 through 1427.2255 (Subpart-Regulations Governing Redemption of Cotton Payment-in-Kind Certificates Earned Under Food and Agriculture Act of 1965 and Liquidation of Certificate Pools), are hereby removed from the Code of Federal Regulations.

(Secs. 4, 5, 62 Stat. 1070, as amended (15 U.S.C. 714b, 714c); secs. 101, 103, 401, 402, 63 Stat. 1051, as amended (7 U.S.C. 1441, 1444, 1421))

Signed at Washington, D.C. on December 9, 1981.

Everett Rank,

Executive Vice President, Commodity Credit Corporation.

[FR Doc. 81-36322 Filed 12-18-81; 8:45 am]
BILLING CODE 3410-05-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 21841; Amdt. 39-4285]

Airworthiness Directives; British Aerospace, Aircraft Group, (Formerly British Aircraft Corporation) Model BAC 1-11 200 and 400 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD) that requires repetitive inspections for cracks, and repair or replacement as necessary, of the passenger and service door inner operating handles and endfittings on certain British Aerospace, Aircraft Group, Model BAC 1-11 200 and 400 series airplanes. The AD is needed to prevent cracks and subsequent failure of the door inner handle and endfittings which would prevent opening of the door and result in undue hazard to passengers in the event of an emergency evacuation of the airplane.

EFFECTIVE DATE: January 20, 1982. Compliance schedule—as prescribed in the body of the AD.

ADDRESSES: The applicable service bulletin may be obtained from: British Aerospace, Inc., Box 17414, Dulles International Airport, Washington, D.C. 20041. A copy of the service bulletin is contained in the Rules Docket, Room 916, 800 Independence Avenue, SW., Washington, D.C. 20591.

FOR FURTHER INFORMATION CONTACT:
C. Christie, Chief, Aircraft Certification Staff, AEU-100, Europe, Africa, and Middle East Office, Federal Aviation Administration, c/o American Embassy, Brussels, Belgium, telephone: 513.38.30, or C. Chapman, Chief, Technical Standards Branch, AWS-110, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, D.C. 20591, telephone: 202-426-8374.

SUPPLEMENTARY INFORMATION: A proposal to amend Part 39 of the Federal Aviation Regulations to include an airworthiness directive to require repetitive inspections for cracks, and repair or replacement as necessary, of the passenger and service door inner operating handles and endfittings on certain British Aerospace, Aircraft Group, Model BAC 1-11 200 and 400 series airplanes, was published in the Federal Register at 46 FR 33282.

The proposal was prompted by reports of failure of a passenger door inner operating handle from cracks in the inner door handles and endfittings on certain British Aerospace, Aircraft Group, Model BAC 1-11 200 and 400 series airplanes. When the inner handle or endfitting fails, the handle can still be moved but the door remains shut, creating a hazard to passengers if an emergency evacuation of the aircraft is required.

Since this condition is likely to exist or develop on other airplanes of the same type design, the AD would require repetitive inspections, and replacement as necessary, of existing handles and endfittings with serviceable parts of the same part number, or steel parts installed in accordance with British Aerospace Modification PM 5703. Upon incorporation of this modification, the repetitive inspections required by this AD are no longer required.

Interested persons have been afforded an opportunity to participate in the making of the amendment. One comment was received requesting that the compliance times be revised to allow credit for work previously accomplished. Since the inspections and modifications have already been accomplished and the operator is already into the 1800 hour repetitive inspection cycle, the FAA agrees with this request and paragraphs (a), (b), and (c) have been revised accordingly.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) is amended by adding the following new airworthiness directive:

British Aerospace, Aircraft Group (formerly British Aircraft Corporation): Applies to Model BAC 1-11 200 and 400 series airplanes, certificated in all categories, which have not incorporated British Modification PM 5703.

Compliance required as indicated.

To detect cracking and prevent possible failures of the passenger and service door inner operating handles and endfittings, accomplish the following:

(a) On airplanes which have not incorporated British Aerospace Modification PM 5178, within the next 600 hours time in service after the effective date of this AD, unless already accomplished, remove the passenger door inner handle and inspect the handle tube and reinforcing liners and handle for cracks in accordance with paragraph 2.1, "Accomplishment Instructions," of British Aerospace Alert Service Bulletin 52–A–PM5703, Issue 1, dated September 3, 1979 (hereinafter referred to as the Service Bulletin), or an FAA-approved equivalent.[1]

(b) On airplanes which incorporate British Aerospace Modification PM 5176, prior to the accumulation of 10,000 hours time in service since the incorporation of this modification, or within the next 600 hours time in service after the effective date of this AD, whichever occurs later, unless already accomplished, remove the passenger door inner handle and inspect the handle tube and reinforcing liners in accordance with paragraph 2.2, "Accomplishment Instructions," of the Service Bulletin, or an FAA-approved equivalent.

(c) On airplanes which have not incorporated British Aerospace Modification PM 5178, prior to the accumulation of 10,000 hours time in service, or within the next 600 hours time in service after the effective date of this AD, whichever occurs later, unless already accomplished, remove and inspect the endfitting, P/N AB24–4269, for cracks in accordance with paragraph 2.3, "Accomplishment Instructions," of the Service Bulletin, or an FAA-approved equivalent.

(d) If no cracks are found during the inspections required by paragraph (a), (b), or (c) of this AD, repeat these inspections at intervals not to exceed 1800 hours time in service from the last inspection.

(e) If, during the inspection required by paragraph (a) or (b) of this AD, no cracks are found in the handle tube on either side of the reinforcing liner, but cracks are found in the reinforcing liners which are 0.10 inches in length or less, return the handle assembly to service and continue the inspection required by paragraph (a) or (b) of this AD at intervals not to exceed 300 hours time in service from the last inspection.

(f) If, during the inspection required by paragraph (a) or (b) of this AD, cracks are found in the reinforcing liner with any crack exceeding 0.10 inches in length, or any cracks are found in the handle tube on either side of the reinforcing liner, before further flight, either—

(1) Replace the handle and reinforcing liner assembly with a serviceable assembly and continue the inspection required by paragraph (a) or (b) of this AD at intervals not to exceed 1800 hours time in service from the last inspection; or

(2) Perform temporary repairs to the handle and reinforcing liner assembly in accordance with paragraph (i) of this AD and continue the inspections required by paragraph (a) or (b) of this AD at intervals not to exceed 300 hours time in service from the last inspection.

(g) If, during the inspection required by paragraph (c) of this AD, cracks are found in the endfitting running inboard or outboard from the taper pin hole, with the length of each crack 0.30 inches or less, either—

(1) Replace the endfitting with a serviceable part and continue the inspection required by paragraph (c) of this AD at intervals not to exceed 1800 hours time in service from the last inspection; or

(2) The endfitting may remain in service if the cracks are stop-drilled and inspected in accordance with paragraph 2.3.1, "Accomplishment Instructions," of the Service Bulletin, or an FAA-approved equivalent, at intervals not to exceed 300 hours time in service from the last inspection.

(h) If, during the inspection required by paragraph (c) of this AD, cracks are found in the endfitting running outboard or inboard from the taper pin hole, with the length of any crack greater than 0.30 inches, before further flight, either—

(1) Replace the endfitting with a serviceable part and continue the inspection required by paragraph (c) of this AD at intervals not to exceed 1800 hours time in service from the last inspection; or

(2) Perform temporary repairs to the endfitting in accordance with paragraph (i) of this AD and continue the inspections required by paragraph (c) of this AD at intervals not to exceed 300 hours time in service from the last inspection.

(i) If serviceable spares are not available, temporary repairs of inner handles or endfittings may be made in accordance with paragraph 2.1.4., 2.2.3. or 2.3.4., "Accomplishment Instructions," of the Service Bulletin, or an FAA-approved equivalent.

(j) Upon incorporation of British Aerospace Modification PM 5703, compliance with this AD is no longer required.

(k) For the purpose of complying with paragraphs (f) and (h) of this AD, the airplane may be flown in accordance with FAR §§ 21.197 and 21.199 to a base where the inspection, repair or replacement can be performed.

(l) If an equivalent means of compliance is used in complying with this AD, that equivalent means must be approved by the Chief, Aircraft Certification Staff, AEU–100, Europe, Africa and Middle East Office, FAA, c/o American Embassy, Brussels, Belgium.

All persons affected by this directive who have not already received these documents from the manufacturer may obtain copies upon request to British Aerospace, Inc., Box 17414, Dulles International Airport, Washington, D.C. 20041. These documents may be examined at FAA Headquarters, Room 916, 800 Independence Avenue, SW., Washington, D.C. 20591.

This amendment becomes effective January 20, 1982.

(Secs. 313(a), 601, and 603, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1421, 1423); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.89)

Note.—The FAA has determined that this regulation involves a regulation which is not considered to be major under Executive Order 12291 or significant under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979) and certifies that the rule will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act since it involves only a few aircraft owned by small entities. A final evaluation has been prepared for this regulation and has been placed in the docket. A copy of it may be obtained by contacting the person identified under the caption "For Further Information Contact."

This rule is a final order of the Administrator under the Federal Aviation Act of 1958, as amended. As such, it is subject to review only by the courts of appeals of the United States, or the United States Court of Appeals for the District of Columbia.

Issued in Washington, D.C., on December 11, 1981.

M. C. Beard,

Director of Airworthiness.

[FR Doc. 81-36111 Filed 12-18-81; 8:45 am]

BILLING CODE 4910-13-M

[1] Copy filed with original document.

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14 CFR Part 39

[Docket No. 81-NW-91-AD; Amdt. 39-4283]

Airworthiness Directives; Lockheed-California Co. Model L-1011 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment adds a new Airworthiness Directive (AD) which requires a modification to the electrical system of certain Lockheed Model L-1011 series airplanes. This AD is needed to prevent an unnecessary shut-down of number 2 engine due to false Airborne Vibration Monitor System indications which are caused by electro-magnetic interference.

DATE: Effective date December 31, 1981. Compliance schedule as prescribed in the body of the AD, unless already accomplished.

ADDRESSES: The applicable service information may be obtained from: Lockheed-California Company, P.O. Box 551, Burbank, California 91520, Attention: Commercial Support Contracts, Dept. 63–11, U–33, B–1. This information also may be examined at FAA Northwest Mountain Region, 9010 East Marginal Way South, Seattle, Washington 98108, or 4344 Donald Douglas Drive, Long Beach, California 90808.

FOR FURTHER INFORMATION CONTACT: Raymond A. Stoer, Aerospace Engineer, Systems and Equipment Branch, ANM-130L, Federal Aviation Administration, Northwest Mountain Region, Los Angeles Area Aircraft Certification

Office, 4344 Donald Douglas Drive, Long Beach, California 90808, telephone (213) 548-2831.

SUPPLEMENTARY INFORMATION: There have been several recent instances where keying of the Public Address (PA) System microphone caused interference with the Airborne Vibration Monitoring (AVM) System on the number 2 engine indicator. This electro-magnetic interference effect can cause an increase as high as one unit on the AVM indicator, and the false indication will remain as long as the microphone key is depressed. The microphone key can be depressed from either the flight deck or the cabin. As a result of an unrelated engine problem, Telegraphic AD T-81-21-51 was issued October 1, 1981, for Lockheed L-1011 series aircraft requiring an immediate action engine shutdown for a sudden increase of one unit or higher on the Airborne Vibration Monitoring System indicator.

The electro-magnetic interference problem is caused by the close proximity of the Public Address System and number 2 engine Airborne Vibration Monitoring System wiring within one harness disconnet. This condition is to be corrected by relocating the Public Address System wiring to unused pins within the same disconnect, as detailed in Lockheed Service Bulletin 093-23-083.

Since this situation is likely to exist or develop on other airplanes of the same type design, this AD requires minor electrical circuitry changes which will preclude the erroneous indications on the number 2 engine vibration monitoring indicators which require the immediate shutdown of the number 2 engine.

Since a situation exists that requires immediate adoption of this regulation, it is found that notice and public procedure hereon are impracticable, and good cause exists for making this amendment effective in less than 30 days.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) is amended by adding the following new Airworthiness Directive:

Lockheed-California Company: Applies to Lockheed Model L-1011 series airplanes, Serial Numbers as listed below, certificated in all categories. Compliance required within 30 days after the effective date of this AD, unless previously accomplished:

A. To prevent an unnecessary shutdown of the number 2 engine due to false Airborne Vibration Monitor System indications, incorporate electrical system modifications in accordance with Part 2, Accomplishment Instructions, of Lockheed-California Company L-1011 Service Bulletin 093-23-083 dated October 13, 1981, for the following 42 aircraft:

S/N 1083-1090
S/N 1092-1097
S/N 1099-1103
S/N 1105-1106
S/N 1112-1113
S/N 1117-1119
S/N 1121-1123
S/N 1126-1129
S/N 1132
S/N 1134-1136
S/N 1139
S/N 1141
S/N 1145-1147

B. Alternative means of compliance providing an equivalent level of safety may be used when approved by the Chief, Los Angeles Area Aircraft Certification Office, FAA Northwest Mountain Region.

C. Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base in order to comply with the requirements of this AD.

The manufacturer's specifications and procedures identified and described in this directive are incorporated herein and made a part hereof pursuant to 5 U.S.C. 552(a)(1).

All persons affected by this directive who have not already received these documents from the manufacturer may obtain copies upon request to Lockheed-California Company, P.O. Box 551, Burbank, California 91520, Attention: Commercial Support Contracts, Dept. 63-11, U-33, B-1.

These documents also may be examined at FAA Northwest Mountain Region, 9010 East Marginal Way South, Seattle, Washington 98108; or the Los Angeles Area Aircraft Certification Office, 4344 Donald Douglas Drive, Long Beach, California 90808.

This Amendment becomes effective December 31, 1981.

(Secs. 313(a), 601, and 603, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1421, and 1423); sec 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.89)

Note.—The FAA has determined that this regulation is an emergency regulation that is not major under Executive Order 12291. It has been further determined that this document involves an emergency regulation under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979). If this action is subsequently determined to involve a significant regulation, a final regulatory evaluation or analysis, as appropriate, will be prepared and placed in the regulatory docket (otherwise, an evaluation is not required). A copy of it, when filed, may be obtained by contacting the person identified under the caption "FOR FURTHER INFORMATION CONTACT."

This rule is a final order of the Administrator. Under section 1006(a) of the Federal Aviation Act of 1958, as amended, (49 U.S.C. 1486(a)), it is subject to review by the courts of appeals of the United States, or the United States Court of Appeals for the District of Columbia.

Issued in Seattle, Wash., on December 11, 1981.

Robert O. Brown,

Acting Director, Northwest Mountain Region.

[FR Doc. 81-36097 Filed 12-18-81; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 39

[Docket No. 81-WE-14-AD; Amdt. 39-4214]

Airworthiness Directive; Rajay Industries, Inc.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Correction of final rule.

SUMMARY: This document corrects errors appearing in FR Doc. 81-26722, at page 46122, in the issue of Thursday, July 17, 1981, which adopted an Airworthiness Directive for Rajay Industries, Inc.

EFFECTIVE DATE: September 17, 1981.

FOR FURTHER INFORMATION CONTACT: Guy Dalla Riva, Aerospace Engineer, FAA, Western Region, P.O. Box 92007, Worldway Postal Center, Los Angeles, Calif., 90009 tel: (213) 536-6351.

Correction of Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, § 39.13 of Part 39 of the Federal Aviation Regulations (14 CFR 39.13) is corrected, by correcting Amendment 39-4214 as follows: In FR Doc. 8-26722 appearing at page 46122, (46 FR 46122) in the issue of Thursday, July 17, 1981, delete from page 46123, (46 FR 46123), first column, 15th line from the bottom "Beech 35, S and V Bonanza" and substitute therefore the following:

.	.	.
Beech S35, V35, V35A, V35B, 35-C33A, E33A, E33C, F33A, F33C.		STC SA2556WE.
.	.	.

(Secs. 313(a), 601, and 603, Federal Aviation Act of 1958, as amended (49 U.S.C. 1354(a), 1421, and 1423); sec. 6(c) Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.89)

Issued in Los Angeles, Calif., on December 8, 1981.

DeWitte T. Lawson, Jr.,

Acting Director, FAA Western-Pacific Region.

[FR Doc 81-36110 Filed 12-18-81; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 71

[Airspace Docket No. 81-ASW-47]

Designation of Federal Airways, Area Low Routes, Controlled Airspace, and Reporting Points; Alteration of Transition Area; Corsicana, Tex.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment will alter the transition area at Corsicana, TX. The intended effect of the amendment is to provide adequate controlled airspace for aircraft executing a new instrument approach procedure to the Corsicana Municipal Airport. This amendment is necessary to provide additional controlled airspace for aircraft executing a new instrument approach procedure using a proposed nondirectional radio beacon (NDB) located 2.2 miles northwest of the airport.

EFFECTIVE DATE: March 18, 1982.

FOR FURTHER INFORMATION CONTACT: James L. Owens, Airspace and Procedures Branch (ASW-536), Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Forth Worth, TX 76101, telephone (817) 624-4911, extension 302.

SUPPLEMENTARY INFORMATION: On October 26, 1981, a notice of proposed rulemaking was published in the **Federal Register** (46 FR 52123) stating that the Federal Aviation Administration proposed to alter the Corsicana, TX, transition area. Interested persons were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the Federal Aviation Administration. Comments were received without objections. Except for editorial changes, this amendment is that proposed in the notice.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, by the Administrator, § 71.171 of Subpart G of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as republished (46 FR 540) is amended, effective 0901 G.m.t., March 18, 1982, as follows:

Corsicana, TX

That airspace extending upward from 700 feet above the surface within a 6.5-mile radius of the Corsicana Municipal Airport (latitude 32°01'40" N., longitude 96°23'55" W.) and within 3 miles each side of the 154° bearing of the Corsicana NDB (latitude 32°01'39" N., longitude 96°23'42" W.) extending from the 6.5-mile radius area to 8.5 miles southeast of the NDB; and within 5 miles each side of the 325° bearing of the Powell NDB (latitude 32°03'50" N., longitude 96°25'40" W.) extending from the 6.5-mile radius area to 11.5 miles northwest of the NDB.

(Sec. 307(a), Federal Aviation Act of 1958, as amended (49 U.S.C. 1348(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.61(c))

Note.—The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 1103; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal.

Issued in Fort Worth, Tex. on December 10, 1981.

F. E. Whitfield,

Acting Director, Southwest Region.

[FR Doc 81-36098 Filed 12-18-81; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 71

[Airspace Docket No. 81-ASW-65]

Designation of Federal Airways, Area Low Routes, Controlled Airspace, and Reporting Points; Alteration of Control Zones; Palacios, Tex., Victoria, Tex.

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule; request for comments.

SUMMARY: This amendment alters the description of the control zones at Palacios and Victoria, TX. This amendment will return to public use airspace no longer required for the protection of aircraft arriving/departing the foregoing airports. The amendment is necessary due to the future possibility of part-timing of the Palacios, TX, Flight Service Station (FSS). If the facility is reduced to less than a 24-hour status, there will be no weather reporting and/or communications available when the facility is nonoperational. Therefore, the airports will not meet the requirements for a control zone during this period.

DATES: Effective date—March 18, 1982. Comments on the rule must be received before February 26, 1982.

ADDRESS: Send comments on the action in triplicate to: Chief, Airspace and Procedures Branch, Air Traffic Division, Southwest Region: Docket No. 81-ASW-65, Federal Aviation Administration, P.O. Box 1689, Fort Worth, TX 76101.

FOR FURTHER INFORMATION CONTACT: Kenneth L. Stephenson, Airspace and Procedures Branch (ASW-535), Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, TX 76101, telephone (817) 624-4911, extension 302.

SUPPLEMENTARY INFORMATION:

History

Federal Aviation Regulation Part 71, Subpart F § 71.171 as republished in the **Federal Register** on January 2, 1981 (46 FR 455), contains the description of control zones designated to provide controlled airspace for the benefit of aircraft conducting instrument flight rules (IFR) activity. Alteration of the control zone descriptions at Palacios and Victoria, TX, will necessitate an amendment to this subpart. A statement at the end of each current description must be inserted in order to have the capability of part-timing the control zone by use of a Notice to Airmen (NOTAM) when the FSS is not operational.

The Rule

This amendment to Part 71 of the Federal Aviation Regulations (14 CFR Part 71) amends the description of the Palacios and Victoria, TX, control zones. Because this action reduces a burden on the public by releasing controlled airspace, I find that notice and public procedure and publication 30 days before the effective date are unnecessary; however, comments are invited on the rule. When the comment period ends, the FAA will use the comments and any other available information to review the regulation.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me, § 71.171 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as republished (46 FR 455) is amended, effective 0901 G.m.t., March 18, 1982, by adding the following to each airport:

Palacios and Victoria, TX

The control zone shall be effective during the specific dates and times established in advance by a NOTAM. The effective date and time will thereafter be continuously published in the Airport/Facility Director.

(Sec. 307(a), Federal Aviation Act of 1958, as amended (49 U.S.C. 1348(a)); sec. 6(c), Department of Transportation Act (49 U.S.C. 1655(c)); and 14 CFR 11.61(c))

Note.—The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 1103; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal.

Issued in Fort Worth, Tex., on December 10, 1981.

F. E. Whitfield,

Acting Director, Southwest Region.

[FR Doc. 81-36109 Filed 12-18-81; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Assistant Secretary for Housing—Federal Housing Commissioner

24 CFR Part 200

[Docket No. R-81-835]

Revision of Use of Materials Bulletin No. 79—Acrylonitrile—Butadiene-Styrene (ABS) and Poly (Vinyl Chloride) (PVC) Plastic Drain, Waste and Vent Pipe and Fittings

AGENCY: Office of Assistant Secretary for Housing—Federal Housing Commissioner (HUD).

ACTION: Correction to final rule; effective date.

SUMMARY: This notice will correct the effective date of the HUD Use of Materials Bulletin No. 79a (UM 79a) published November 17, 1981 at 46 FR 56413. Section 7(o)(3) of the Department of Housing and Community Development Act, as amended, requires that "no rule or regulation may become effective until after the first period of 30 calendar days of continuous session of Congress which occurs after the day on which a rule or regulation is published as final" in the Federal Register. Congressional adjournment will now preclude the passage of 30 continuous session days until approximately March 3, 1982. Therefore, the effective date of this rule is being changed from January 28, 1982 to March 3, 1982.

FOR FURTHER INFORMATION CONTACT: Richard H. Kolodin, Materials Acceptance Division, Office of Architecture and Engineering Standards, Room 6178, Department of Housing and Urban Development, Washington, D.C. 20410. Telephone: (202) 755-5929. (This is not a toll-free number.)

Authority: Sec. 7(d), Department of Housing and Urban Development Act of 1965, 79 Stat. 670; 42 U.S.C. 3535(d); sec. 211, 52 Stat. 23; 12 U.S.C. 1715b and 81 Stat. 54; 5 U.S.C. 552(a).

Issued at Washington, D.C. December 15, 1981.

Richard Lasner,

Assistant General Counsel for Regulations.

[FR Doc. 81-36200 Filed 12-18-81; 8:45 am]

BILLING CODE 4210-01-M

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 14a

[T.D. 7799]

Questions and Answers Relating to Incentive Stock Option Transitional Rules

AGENCY: Internal Revenue Service, Treasury.

ACTION: Temporary regulations.

SUMMARY: This document provides temporary regulations relating to the application of incentive stock option (ISO) treatment to certain previously granted stock options. Changes to the applicable tax law were made by section 251 of the Economic Recovery Tax Act of 1981 (95 Stat. 172) (ERTA), which added new section 422A to the Internal Revenue Code of 1954, entitled "Incentive Stock Options," and provided a set of transitional rules for options granted prior to ERTA's date of enactment. These regulations are intended to provide guidance to all taxpayers who, by application of ERTA § 251, will either affirmatively elect incentive stock option treatment or receive such treatment automatically.

EFFECTIVE DATE: The temporary regulations provided by this document are effective after August 12, 1981.

FOR FURTHER INFORMATION CONTACT: Philip R. Bosco of the Legislation and Regulations Division, Office of the Chief Counsel, Internal Revenue Service, 1111 Constitution Avenue, NW., Washington, D.C. 20224, Attention: CC:LR:T, 202-566-3288, not a toll-free call.

SUPPLEMENTARY INFORMATION:

Background

Prior to the enactment of section 422A, the tax treatment of employee stock options generally was governed by section 83 of the Code and the regulations thereunder. Under those rules, the value of a stock option constituted ordinary income to the employee when granted only if the option itself had a readily ascertainable fair market value at that time. If the option did not have a readily ascertainable value when granted, it did not constitute ordinary income at that time. Instead, when the option was exercised, the difference between the value of the stock at exercise and the option price constituted ordinary income to the employee. An employer who granted a stock option generally was allowed a business expense deduction equal to the amount includible in the employee's income in its corresponding taxable year.

Section 422A provides for incentive stock options (ISO's), under which there will be no tax consequences when an ISO is either granted or exercised, and the employee will be taxed at capital gains rates when and if the stock received on exercise of the option is sold. Similiarly, no business expense deduction will be allowed to the employer with respect to an ISO.

ERTA § 251(c) provides transitional rules relating to ISO treatment. That section limits the applicability of section 422A to options granted on or after January 1, 1976, and outstanding on or after January 1, 1981. In the case of an option granted during the years 1976 through 1980, section 422A will apply only if the employer elects to have the option treated as an ISO. The aggregate value (determined at time of grant) of stock for which an employee may be granted ISO's prior to 1981 may not exceed $50,000 per calendar year and $200,000 in the aggregate for the five-year period 1976–1980. In the case of an option outstanding on August 13, 1981, paragraph (1) of section 425(h) of the Code shall not apply to either any change in the option terms (or the terms of the plan under which the option was granted) or the obtaining of shareholder approval, to permit such option to qualify as an ISO, provided such change and/or shareholder approval occurs on or before August 13, 1982.

These temporary regulations are intended to provide guidance to taxpayers who seek to secure ISO treatment for their existing stock options. The regulations have been drafted in a question and answer format so as to both facilitate their timely publication and limit their scope to the transitional period issues. Of necessity, certain issues have been addressed that will also affect newly created ISO's. No inferences should be drawn, however, regarding issues not raised which may be suggested by a particular question or answer, or as to why certain questions, and not others, are included. A complete set of regulations under section 422A will be forthcoming and will be issued first as a notice of proposed rulemaking.

The temporary regulations contained in this document will remain in effect until the forthcoming proposed regulations are published in the **Federal Register** in final Treasury decision form.

Draft Information

The principal author of these regulations is Philip R. Bosco of the Legislation and Regulations Division of the Office of Chief Counsel, Internal Revenue Service. However, personnel from other offices of the Internal Revenue Service and Treasury Department participated in developing the regulation, both on matters of substance and style.

Amendments to the Regulations

Accordingly, a new Part 14a, Temporary Income Tax Regulations Relating to Incentive Stock Options, is added to Title 26 of the Code of Federal Regulations and the following Temporary regulations are adopted:

The following section is added in the appropriate place:

PART 14a—TEMPORARY INCOME TAX REGULATIONS RELATING TO INCENTIVE STOCK OPTIONS

§ 14a.422A-1 Questions and answers relating to incentive stock option transitional rules.

The following questions and answers relate to the application of incentive stock option (ISO) treatment to certain previously granted stock options, pursuant to section 422A of the Internal Revenue Code of 1954, as added by section 251 of the Economic Recovery Tax Act of 1981 (95 Stat. 172) (ERTA):

General Description of Section 422A and Its Transitional Rules

Q–1: What is the significance of new section 422A of the Code entitled "Incentive Stock Options?"

A–1: Prior to the enactment of section 422a, the tax treatment of employee stock options generally was governed by section 83 of the Code and the regulations thereunder. Under those rules, the value of a stock option constituted ordinary income to the employee when granted only if the option itself had a readily ascertainable fair market value at that time. If the option did not have a readily ascertainable value when granted, it did not constitute ordinary income at that time. Instead, when the option was exercised, the difference between the value of the stock at exercise and the option price constituted ordinary income to the employee. An employer who granted a stock option generally was allowed a business expense deduction equal to the amount includible in the employee's income in its corresponding taxable year.

Section 422A provides for incentive stock options (ISO's). Under this new provision there will be no tax consequences when an ISO is either granted or exercised, and the employee generally will be taxed at capital gains rates when and if the stock received on exercise of the option is sold. Similarly, no business expense deduction will be allowed to the employer with respect to an ISO.

Q–2: What requirements must be met for ISO treatment under section 422A?

A–2: (a) Section 422A provides that the employee, in order to receive ISO treatment, must not dispose of the stock within two years after the option is granted, and must hold the stock itself for at least one year. If all requirements other than these holding period rules are met, tax is deferred until disposition of the stock, but gain (in an amount equal to the lesser of (1) the fair market value of the stock on the date of exercise minus the option price or (2) the amount realized on disposition minus the option price) is treated as ordinary income and the employer is allowed a deduction at that time.

(b) In addition, for the entire time from the date of granting the option until three months before the date of exercise (expanded to 12 months if employment ceased due to permanent and total disability), the option holder must be an employee either of the company granting the option, a parent or subsidiary of that corporation, or a corporation (or parent or subsidiary of that corporation) which has assumed the option of another corporation as a result of a corporate reorganization, liquidation, etc. This requirement and the holding period requirement are waived in the case of the death of the employee.

(c) For an option to qualify as an ISO, the following conditions must be met:

(1) The option must be granted under a plan specifying the aggregate number of shares of stock which may be issued and the employees or class of employees eligible to receive the options. This plan must be approved by the stockholders of the granting corporation within 12 months before or after the plan is adopted.

(2) The option must be granted within ten years from the date the plan is adopted or the date the plan is approved by the stockholders, whichever is earlier.

(3) The option must by its terms be exercisable only within ten years of the date it is granted.

(4) The option price must equal or exceed the fair market value of the stock at the time the option is granted. This requirement will be deemed satisfied if there has been a good faith attempt to value the stock accurately, even if the option price is less than the stock value.

(5) The option by its terms must be nontransferable other than at death and must be exercisable during the employee's lifetime only by the employee.

(6) The employee must not, at the time the option is granted, own stock representing more than ten percent of the voting power of all classes of stock of the employer corporation or its parent or subsidiary. However, the stock ownership limitation will not apply if the option price is at least 110 percent of the fair market value (at the time the option is granted) of the stock subject to the option and the option by its terms is not exercisable more than five years from the date it is granted.

(7) The option by its terms is not exercisable while there is outstanding any ISO which was granted to the employee at an earlier time. For this purpose, an option which has not been exercised in full is outstanding until the expiration of the period which under its initial terms it could have been exercised. Thus, the cancellation of an earlier option will not enable a subsequent option to be exercised any sooner.

(8) In the case of options granted after 1980 the terms of the plan must limit the amount of aggregate fair market value of the stock (determined at the time of the grant of the option) for which any employee may be granted ISO's in any calendar year to not more than $100,000 plus a carryover amount. The carryover amount for an employee from any year after 1980 is one-half of the amount by which $100,000 exceeds the value at time of grant of the stock for which ISO's were granted in such prior year. Amounts may be carried over three years. Options granted in any year use up the $100,000 current year limitation first and then the carryover from the earliest year.

(d) Section 422A also provides that:

(1) Stock acquired on exercise of an ISO may be paid for with stock of the corporation granting the option.

(2) The difference between the option price and the fair market value of the stock at the exercise of an ISO is not an item of tax preference.

(3) The employee may have the right to receive additional compensation (in cash or property) at the time of exercise of the ISO so long as the additional amount is subject to inclusion in income under the provisions of sections 61 and 83 of the Code.

(4) An ISO will not be disqualified because of the inclusion of any condition not inconsistent with the qualification requirements.

Q–3: What are the transitional rules relating to ISO treatment under section 422A?

A–3: ERTA § 251(c) provides the transitional rules relating to ISO treatment. That section initially limits the applicability of section 422A to options originally granted on or after January 1, 1976.

In the case of an option granted during the years 1976 through 1980, section 422A will apply only if (1) the option was exercised on or after January 1, 1981, or was outstanding on that date, and (2) the employer elects (in such manner as the Treasury Department provides) to have the option treated as an ISO (see A–4). (See A–12 for necessary section 422A qualification requirements.) The aggregate fair market value (determined at time of grant) of stock for which an employee may be granted ISO's prior to 1981 may not exceed $50,000 per calendar year and $200,000 in the aggregate for the five-year period 1976–1980.

In the case of an option granted on or after January 1, 1976, and outstanding on August 13, 1981, paragraph (1) of section 425(h) of the Code shall not apply to either any change in the option terms (or the terms of the plan under which the option was granted) or the obtaining of shareholder approval, to permit such option to qualify as an ISO, provided such change and/or shareholder approval occurs on or before August 13, 1982. (Section 425(h) of the Code requires that if an option is changed, so that it is modified, extended, or renewed, the option shall be treated as newly granted as of the date of such change.)

Election Procedure and Selection of Options

Q–4: What is the procedure for electing ISO treatment for options granted during the years 1976 through 1980 and outstanding on January 1, 1981?

A–4: **Note:** The following procedure preempts the election procedure set forth in Temporary Regulation § 5c.o(d) (TD 7793, 46 FR 54538 (November 3, 1981)). If, prior to December 21, 1981, a corporation has filed an election statement that conforms to the requirements of § 5c.o(d), such an election statement will be considered to have been properly filed. An election statement filed prior to December 21, 1981, that does not meet the requirements of either § 5c.o(d) or this A–4, will not be considered to have been properly filed. In any event, a corporation may re-file the election statement, conforming it to the requirements of this A–4, and such re-filing will then constitute the only election (see A–9, regarding timely rescissions, for a possible reason a corporation may want to re-file).

A corporation may file only one election statement and that statement must include all options that are to receive ISO treatment. Thus a corporation that makes an election with respect to certain options granted before 1981 may not make any subsequent election with respect to other options granted before 1981. An election shall be made by attaching a statement to the employer's income tax return (or amended return) for the first taxable year during which either an option subject to the election or an option qualifying under the rules of section 422A is exercised. An election shall be made no later than the due date (including extensions) of the income tax return for such year, except that if the due date occurs before August 14, 1982, the employer will be permitted to make the election at any time prior to August 14, 1982, on a statement attached to an amended return. In any event, no election will be permitted after the due date (taking extensions into account) of the income tax return for the taxable year including December 31, 1982.

The statement must—

(a) Contain the name, address, and taxpayer identification number of the corporation.

(b) Identify the election as an election under section 251(c)(1)(B) of the Economic Recovery Tax Act of 1981.

(c) Specify, by employee, the options to which the election applies. For each option so elected, the filing must state the option's date of original grant (and, if applicable, date of most recent modification) and total exercise price (*i.e.*, the total number of shares subject to the option multiplied by the price per share).

All options that are subject to the election must meet the section 422A qualification requirements (see A–2(c)) at the time the election statement is filed. The only exception to this rule is the requirement, when necessary, of securing shareholder approval (see A–32 and A–34).

Q–5: In electing ISO treatment for options granted during the years 1976 through 1980 and outstanding on January 1, 1981, may a corporation select only those options that it wants to receive ISO treatment?

A–5: Yes. However the original grant dates—or later grant dates for options with section 425(h) amendments (see A–9)—of the options selected for ISO treatment will determine the new sequencing order for purposes of the ISO sequential exercise restriction (see A–2(c)(7)). For example consider the case of options granted in 1977, 1978, and 1979, and assume that in 1980 the 1978 option was modified to add a term beneficial to the employee (a modification which under 425(h) would be treated as the granting of a new option). If the 1977, 1978 (as modified), and 1979 options are now elected as ISO's, the sequencing order is as follows: the 1977 option must be exercised first, the 1979 option second, and the 1978 option (as modified) third. See also A–9 and A–38.

Q–6: In electing ISO treatment for options granted during the years 1976 through 1980 and outstanding on January 1, 1981, may a corporation select options on an option-by-option basis and/or an employee-by-employee basis?

A–6: Yes. Subject to the $50,000 per year and $200,000 aggregate limits (see A–3), a corporation may select for ISO treatment any or all options granted to any or all employees, subject only to plan requirements as to who must be benefited under a plan, as among different classes of employees.

Q–7: In electing ISO treatment for options granted during the years 1976 through 1980 and outstanding on January 1, 1981, may a corporation select only a portion of the elected option to receive such treatment?

A–7: Yes. Subject to the $50,000 per year and $200,000 aggregate limits (see A–3), a corporation may select for ISO treatment any portion of any option. If the option is not exercised prior to January 21, 1982, the option must be amended so that the ISO portion is clearly identified. When such a "split" option is exercised, separate stock certificates must be issued (or reissued)—one for the ISO stock and one for the non-ISO stock. See also A–15 and A–18.

Eligibility Requirements and Issues Involving Pre-enactment Modifications, Dollar Limitations, and Dual Plans

Q–8: Is an option originally granted prior to January 1, 1976, and amended on or after January 1, 1976, eligible for ISO treatment?

A–8: No. For purposes of ISO eligibility, the controlling date is the date of original grant. A modification, extension, or renewal on or after January 1, 1976, of any option originally granted before that date, will not make such option eligible for ISO treatment, regardless of whether or not the option, as so modified, extended, or renewed,

would be treated as newly granted within the meaning of section 425(h).

Q–9: If an option granted on or after January 1, 1976, was amended between its date of grant and August 13, 1981, will such an amendment affect the option's eligibility for ISO treatment?

A–9: An amendment to an otherwise eligible option (or plan) prior to August 13, 1981, will be subject to the rules of section 425(h). If, pursuant to section 425(h), the amendment is a modification, extension, or renewal of the option, such amendment shall be considered as the granting of a new option. In order for such an option to be eligible for ISO treatment, the option (and plan) must comply with the section 422A qualification requirements (see A–2(c)). The option will be deemed to have been granted on the date it was amended. Thus, the option price cannot be less than the fair market value of the stock on that date. If the corporation wishes to retain the original grant price (and grant date) of the option, the corporation may do so by rescinding the amendment that was either a modification, extension, or renewal pursuant to section 425(h), so long as such rescission occurs prior to the earliest of the exercise of the option, the election of ISO treatment, and August 14, 1982. To be effective, such rescission must apply to the entire option. For example, in the case of a $100,000 option granted in 1978 and amended in 1980, the corporation could not rescind the modification as to only half of the option, and then elect for ISO treatment both $50,000 of the option granted in 1978 and $50,000 of the option as amended in 1980.

Q–10: An option granted during 1978 was amended during 1980 to add the following features: An alternative stock appreciation right, the right to exercise the option with previously-acquired corporate stock, and the right to receive a cash bonus upon the exercise of the option. At the same time, the exercise period of the option was extended from five to ten years and the post-employment exercise period was extended from 3 to 18 months. If the option is to be elected as an ISO, which of the above amendments is either a modification, extension, or renewal within the meaning of section 425(h) so that the option will be treated as newly granted on the date it was amended?

A–10: Any one of the above amendments will cause the option, pursuant to section 425(h), to be treated as newly granted on the date it was amended.

Q–11: An option granted during 1978 was amended during 1980 to add the right to exercise the option with previously acquired corporate stock. During 1981, the corporation properly elected ISO treatment for the amended option and, pursuant to section 425(h), adjusted the option price upward so that it equaled the fair market value of the stock subject to the option as of the date of the 1980 amendment. During 1982, the employee intends to exercise the option and will pay cash. Under these circumstances, is the employee entitled to exercise the option at the 1978 option price?

A–11: No. The option price, as amended in 1980, is the option price. The application of section 425(h) to option amendments in not affected by whether or not the employee actually benefits from such amendments (but see A–9 regarding timely rescissions).

Q–12: Is an option granted on or after January 1, 1976, and exercised on or after January 1, 1981, eligible for ISO treatment, if, at the time of exercise, the option (or plan) did not meet all of the qualification requirements of section 422A and the transitional rules (see A–2(c) and A–3, respectively)?

A–12: No. Except in cases described in A–13 through A–15, and A–34, in order for an option to be eligible for ISO treatment it must, at the time of exercise, conform to all of the qualification requirements of section 422A and the transition rules. It is not possible to amend an exercised option retroactively, in order to correct non-conforming or missing terms, or to rescind an improper exercise.

Q–13: Is an option granted on or after January 1, 1976, and exercised on or after January 1, 1981, eligible for ISO treatment if, at the time of exercise, the terms of the option did not contain the ISO sequential exercise restriction (see A–2(c)(7))?

A–13: If the option was exercised prior to January 21, 1982, without containing the ISO sequential exercise restriction, such option may still be eligible for ISO treatment. The absence of the restriction will not disqualify an option if the employee in fact had no prior outstanding ISO's at the time the option in question was exercised. If the option was exercised on or after January 21, 1982, the absence of the ISO sequential exercise restriction will not disqualify an option if the employee in fact had no prior outstanding ISO's at the time the option in question was granted. In order to identify prior outstanding ISO's, it will be necessary to take into account all options either elected or qualifying for ISO treatment (see A–5, A–9, and A–38).

Q–14: Is an option granted and exercised during 1981 eligible for ISO treatment if, at the time of exercise, the terms of the plan pursuant to which the option was granted did not contain the $100,000 per year limit on ISO grants (see A–2(c)(8))?

A–14: If the option was exercised prior to January 21, 1982, the absence from the plan of the $100,000 per year limit will not disqualify the option. ISO treatment will only be available, however, for exercised amounts that do not exceed the $100,000 limit. Those amounts in excess of the limit will be treated as non-ISO's. If it is necessary to "split" an exercised option because the $100,000 limit has been exceeded, separate stock certificates must be issued (or reissued) no later than January 21, 1982, one for the ISO stock and one for the non-ISO stock. If the option was not exercised prior to January 21, 1982, the rules of A–18 will apply.

Q–15: Is an option granted during the years 1976 through 1980, and exercised during 1981, eligible for ISO treatment if, at the time of exercise, the option, either alone or in conjunction with similarly granted options, exceeded the $50,000 per year limit (or the $200,000 aggregate limit) on ISO grants (see A–3)?

A–15: If the option was exercised prior to January 21, 1982, the fact that the aggregate fair market value of the stock exceeded the $50,000 per year limit (or the $200,000 aggregate limit) will not prevent the election of up to $50,000 of the option as an ISO (subject to the $200,000 aggregate limit). Those amounts in excess of the applicable dollar limits cannot be elected as ISO's. If it is necessary to "split" an exercised option because the applicable dollar limits have been exceeded, separate stock certificates must be issued (or reissued) no later than January 21, 1982, one for the ISO stock and one for the non-ISO stock (see also A–7). If the option was not exercised prior to January 21, 1982, the rules of A–18 will apply.

Q–16: Do the $100,000 per year limit (see A–2(c)(8)), and the $50,000 per year and $200,000 aggregate limits (see A–3) apply to all options granted to an employee or only to elected and qualifying ISO's?

A–16: All three limits apply only to elected and qualifying ISO's.

Q–17: Do the $100,000 per year limit (see A–2(c)(8)), and the $50,000 per year and $200,000 aggregate limits (see A–3) apply to the fair market value of the stock granted, or to the option price of the options granted?

A–17: The dollar limits apply to the fair market value of the stock granted. Thus, an employee who is also a 10 percent shareholder would be permitted

to receive an ISO grant to purchase $100,000 worth of stock at an option price of $110,000 (see A–2(c)(6)).

Q–18: How do the $100,000 per year limit (see A–2(c)(8)), and the $50,000 per year and $200,000 aggregate limits (see A–3) apply to an option granted on or after January 1, 1976, and not exercised prior to January 21, 1982?

A–18: Such an option will not qualify for ISO treatment if, at the time it is exercised, the option amount is in excess of the applicable dollar limit. In order for such an option to qualify for ISO treatment, it must be "split" into an ISO and a non-ISO portion so that the ISO portion of the option does not exceed the applicable dollar limit. This option "split" must be accomplished prior to the exercise of the original option and the ISO portion of the option must be clearly identified. Any "split" option that was required, by its original terms, to be exercised in full, will still be required to be exercised in full after it is "split." Upon the exercise of a "split" option, separate stock certificates must be issued—one for the ISO stock and one for the non-ISO stock. Additionally, if the option was granted on or after January 1, 1981, the terms of the plan pursuant to which the option was granted must be amended to add the $100,000 per year limit—before the option is exercised.

Q–19: How does the $50,000 per year limit (see A–3) apply to the case of an employee who was granted $100,000 of options in 1979, and who proposes to exercise these options $50,000 in 1982 and $50,000 in 1983?

A–19: Only $50,000 (valued as of the date of grant) of the stock for which options were granted in 1979 will be eligible for ISO treatment. The $50,000 per year limit relates only to the year of grant, not to the year of vesting (as in the case of installment options) or exercise. Additionally, no carryover provision applies to the $50,000 per year limit. Thus, even if the employee had not been granted any options in prior years, the result described above would not change.

Q–20: Is it permissible for a corporation to grant ISO's and non-ISO's under the same plan, or must such options be granted pursuant to separate plans?

A–20: Both ISO's and non-ISO's may be granted pursuant to one plan so long as such plan, by its terms, meets all of the ISO qualification requirements (see A–2 (c)). Additionally, each option granted pursuant to such a "dual" plan must be clearly identified as to its status, *i.e.*, ISO or non-ISO.

Q–21: May a single option agreement, issued pursuant to a plan, grant both ISO's and non-ISO's, or must such option agreements grant either only ISO's or only non-ISO's?

A–21: Both ISO's and non-ISO's may be granted pursuant to a single option agreement, so long as each option is clearly identified as to its status, *i.e.*, ISO or non-ISO, and none of the options are subject to a "tandem" exercise arrangement (see A–39).

Q–22: When either amending an existing plan or creating a new plan that is to grant ISO's, is it necessary under the ISO qualification requirements (see A–2(c)) to specify only the aggregate number of total shares issuable under the plan, or must the aggregate numbers of ISO's and non-ISO's be specified?

A–22: Only the aggregate number of total shares issuable under the plan must be specified.

Q–23: Must either an option, or the plan pursuant to which the option is granted, contain a specific provision restricting the exercise of any ISO to within 3 months of termination of the employee's employment (see A–2(b))?

A–23: No. An otherwise eligible option will receive ISO treatment if it is, in fact, exercised within 3 months of termination of the employee's employment (except in cases of disability or death). Moreover, an option term that permits exercise beyond 3 months after termination of employment, will not disqualify an option from receiving ISO treatment.

Q–24: In order for an option to be eligible for ISO treatment, the option price must equal or exceed the fair market value of the stock subject to the option when the option is granted. This requirement will be deemed to have been satisfied if, at the time of grant, there was a good faith attempt to accurately value the stock—even if such valuation should subsequently prove to be in error (see A–2(c)(4)). Do similar good faith rules apply to the $100,000 per year and 50 percent carryover limits (see A–2(c)(8)), and the $50,000 per year and $200,000 aggregate limits (see A–3) relating to the value of ISO options granted per employee?

A–24: Yes.

Required Option and Plan Amendments

Q–25: What types of amendments, under the transitional rule governing changes in the terms of options and plans (see A–3), will not invoke the application of section 425(h)?

A–25: The transitional rule waives the applicability of section 425(h) only with respect to amendments which are necessary in order to permit an option or plan to meet the minimum qualification requirements of section 422A (see A–2(c)). Amendments to add or delete permissible terms (such as the right to use previously acquired corporate stock to exercise the option) do not fall within the waiver of section 425(h).

Q–26: Is an option granted after August 13, 1981, under a plan (or option terms) which fails to meet the qualification requirements of section 422A (see A–2(c)), eligible for ISO treatment?

A–26: No. However, prior to being exercised, such an option (or its plan) may be amended to meet the qualification requirements of section 422A and thus become eligible for ISO treatment. All such amendments, where an option is granted after August 13, 1981, will be subject to the rules of section 425(h) (see A–3). Thus, for example, if an option is granted on September 1, 1981, it may qualify as an ISO only if it is amended, and the option price is at least equal to the fair market value of the stock as of the amendment date.

Q–27: May the terms of an outstanding option that was granted on or after January 1, 1981, and that automatically qualified for ISO treatment, be selectively amended so as to disqualify the option from receiving ISO treatment? May the option be cancelled?

A–27: Yes. However, despite either the cancellation of the option or any disqualifying amendment to the option (or the plan pursuant to which the option was granted), the original option will, for purposes of the ISO sequential exercise restriction, be treated as an outstanding ISO until such option, by its original terms, expires by reason of lapse of time (see A–2(c)(7)).

Q–28: May a non-ISO plan be amended so as to qualify only prospectively granted options for ISO treatment?

A–28: Yes. Amendments to a non-ISO plan, so as to meet the section 422A qualification requirements (see A–2(c)), will only apply to previously granted and outstanding options when such amendments, by their terms, are clearly intended to have retroactive effect.

Q–29: If a corporation grants new ISO's in exchange for the cancellation of outstanding non-ISO's, will such an exchange violate either the 422A qualification requirements (see A–2(c)) or the transition rules (see A–3)?

A–29: No, so long as such an exchange does not constitute a "tandem" exercise arrangement (see A–39).

Shareholder Approval Issues

Q–30: If a plan received shareholder approval within 12 months before or

after the date such plan was originally adopted and it is being amended to conform to the qualification requirements of section 422A (see A-2(c)), will new shareholder approval be required?

A-30: For purposes of the section 422A qualification requirements, new shareholder approval will be required only if the original plan did not specify the aggregate number of issuable shares or identify the eligible employees (or class of employees).

Q-31: Does the amendment of a plan to add the $100,000 per year and 50 percent carryover limits (see A-2(c)(8)), relating to options granted on or after January 1, 1981, require new shareholder approval?

A-31: No.

Q-32: If a plan never received shareholder approval, or did not receive such approval within 12 months before or after the plan was adopted, will such plan conform to the qualification requirements of section 422A (see A-2(c)) if shareholder approval is obtained prior to August 14, 1982?

A-32: Yes, but only if an option granted pursuant to the plan was outstanding on August 13, 1981 (see A-3). If no option granted pursuant to the plan was outstanding on August 13, 1981, such plan must be re-adopted by the granting corporation and, if necessary, amended to meet the section 422A qualification requirements. Shareholder approval must be obtained within 12 months before or after the date the plan is re-adopted. Consequently, any option granted after August 13, 1981, and before the date the plan is re-adopted, will be treated as newly granted on the date of re-adoption of the plan.

Q-33: If an option was granted pursuant to no plan at all and the option was outstanding on August 13, 1981, may a plan now be instituted and shareholder approval obtained, as part of the amendments permitted under the transitional rules (see A-3)?

A-33: Yes.

Q-34: Assuming that shareholder approval is required with respect to certain amendments made to conform an option outstanding on August 13, 1981 (or its plan), to the qualification requirements of section 422A (see A-2(c)), may such option be exercised prior to securing shareholder approval and still be eligible for ISO treatment?

A-34: Yes, so long as shareholder approval is secured within the one-year period specified by the transitional rules (see A-3).

Sequential Exercise Issues

Q-35: Will the existence (or exercise) of prior stock options which are neither elected nor qualified to receive ISO treatment, ever prevent the exercise of an ISO under the 422A sequential exercise restriction (see A-2)?

A-35: No. However, if an option that is either elected or qualified to receive ISO treatment, contains sequencing restrictions that refer to options other than ISO's, the option will continue to be burdened by such restrictions. The deletion of such non-ISO sequencing restrictions from the option is not an amendment necessary in order to qualify an option for ISO treatment as permitted by the transitional rules (see A-3). Consequently, section 425(h) would be applicable to such an amendment.

Q-36: Under the sequencing rules applicable to section 422 qualified stock options, an option was permitted to be exercised out of sequence so long as it was issued at a higher price than prior outstanding options (section 422(c)(6)). Will a similar exception to the sequencing restriction be applicable to ISO's?

A-36: No. Section 422A does not contain such an exception to the sequencing restriction.

Q-37: How does the section 422A sequential exercise restriction (see A-2(c)(7)) apply to an ISO granted in one year that, by its terms, can only be exercised in installments over a period of years?

A-37: Such an installment ISO is the grant of a single option. The section 422A sequential exercise restriction would restrict the exercise of any later-granted ISO until either the exercise or expiration of all installments of this earlier-granted ISO.

Q-38: Assume that an option granted and exercised during January of 1982 automatically qualifies, by its terms, for ISO treatment. During February of 1982, the same employee exercised a second option, one that had been granted during 1978. Prior to the exercise of the 1978 option, it was amended under the transitional rules (see A-3) so that it would conform to the section 422A qualification requirements (see A-2(c)). If the 1978 option is properly elected to receive ISO treatment (see A-4), will such an election adversely affect the 1982 option's status as an ISO?

A-38: Yes. The election of the 1978 option to receive ISO treatment will automatically disqualify the 1982 option. If the 1982 option is to qualify as an ISO, it cannot be exercised prior to the exercise or expiration of all ISO's previously granted and outstanding on the 1982 option's date of grant (see A-2(c)(7)). When the 1982 option was granted during January of 1982, the 1978 option was already granted and outstanding for purposes of the section 422A sequential exercise restriction.

Receipt of Property or Cash Upon Exercise of an ISO

Q-39: Section 422A provides that ISO treatment will be available even though the employee has the right to receive cash or other property at the time of the exercise of the option, so long as such property is subject to inclusion in income under section 83 (see A-2(d)(3)). To what extent does section 422A permit the use of tandem options and stock appreciation rights (SARs) in connection with ISO's?

A-39: A tandem stock option, wherein two options are issued together and the exercise of one affects the right to exercise the other, is not permitted because such a tandem option arrangement may be used to evade the section 422A qualification requirements (see A-2(c)).

A tandem ISO-SAR, wherein an ISO and an SAR are granted together and the exercise of one affects the right to exercise the other, is permitted so long as the SAR, by its terms, meets the following requirements:

(a) The SAR will expire no later than the expiration of the underlying ISO.

(b) The SAR may be for no more than 100% of the spread, *i.e.*, the difference between the exercise price of the underlying option and the market price of the stock subject to the underlying option at the time the SAR is exercised.

(c) The SAR is transferable only when the underlying ISO is transferable, and under the same conditions.

(d) The SAR may be exercised only when the underlying ISO is eligible to be exercised.

(e) The SAR may be exercised only when there is a positive spread, *i.e.*, when the market price of the stock subject to the option exceeds the exercise price of the option.

If all of the above requirements are met, for purposes of the 422A sequential exercise restriction (see A-2(c)(7)), a tandem IOS-SAR will be considered exercised in full when either the underlying ISO or the SAR is exercised. Additionally, SAR's may be paid in either cash or property, or a combination thereof, so long as the section 83 income inclusion rule applies to any property so transferred.

(26 U.S.C. 7805)

There is need for immediate guidance with respect to the provisions contained

in this Treasury decision. For this reason, it would be impractical to first issue a notice of proposed rulemaking under subsection (b) of section 553 of Title 5 of the United States Code or subject to the effective date limitation of subsection (d) of that section.

This Treasury decision is issued under the authority contained in section 7805 of the Internal Revenue Code of 1954 (68A Stat. 917; 26 U.S.C. 7805).

Joseph T. Davis,

Acting Commissioner of Internal Revenue.

Approved: December 11, 1981.

John E. Chapoton,

Assistant Secretary of the Treasury.

[FR Doc. 81-36433 Filed 12-17-81; 2:10 pm]

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DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 85

[CGD 81-006]

Annex II to the Inland Navigation Rules—Additional Signals for Fishing Vessels Fishing in Close Proximity

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: The Coast Guard is issuing these final rules which provide trawlers and purse seiners with standardized signals to indicate specific fishing operations. These signals are identical to those found in Annex II of the International Navigation Rules, and are required by the Inland Navigational Rules Act of 1980 (Pub. L. 96-591).

EFFECTIVE DATES: The effective date of these regulations is December 24, 1981, except for the Great Lakes. The effective date for the Great Lakes will be announced in a later notice.

FOR FURTHER INFORMATION CONTACT: Mr. Chris Llana, Project Manager, Office of Navigation, Room 1606, U.S. Coast Guard Headquarters, 2100 Second St. S.W., Washington, D.C. 20593 (202) 426-4958.

SUPPLEMENTARY INFORMATION: On July 16, 1981, the Coast Guard published a Notice of Proposed Rulemaking in the Federal Register for this regulation (46 FR 37007). Interested persons were requested to submit comments and none were received.

Drafting Information

The principal persons involved in drafting this rule are Mr. Chris Llana, Project Manager, Office of Navigation, and LT Michael Tagg, Project Attorney, Office of the Chief counsel.

Discussion of Effective Dates

The effective date for the new Inland Navigation Rules is December 24, 1981, on all inland waters except for the Great Lakes, for which the effective date has not yet been established. The former date was established by the Inland Navigational Rules Act of 1980. The effective date for the Great Lakes, however, will be established in the next several months in coordination with the Canadian government. The new Inland Navigation Rules incorporate the requirements of the first four regulatory annexes by reference. The effective dates for this Annex must coincide with the effective dates for the Inland Navigation Rules. Therefore, good cause exists for making this regulation effective in less than 30 days after publication in the Federal Register.

Regulatory Evaluation

A review of the proposed Rulemaking was conducted in the Notice of Proposed rulemaking. It was determined that this rule is nonsignificant under the "Policies and Procedures for Simplification, Analysis, and Review of Regulations" [DOT Order 2100.5 of May 22, 1980], and that it was also non-major under Executive Order 12291. No new information has been received which alters those determinations. The rule has been previously certified under Section 605(b) of the Regulatory Flexibility Act as not having significant impact on a substantial number of small entities.

In consideration of the foregoing, a new Part 85 of Title 33, Code of Federal Regulations, is added to read as follows:

PART 85—ANNEX II, ADDITIONAL SIGNALS FOR FISHING VESSELS FISHING IN CLOSE PROXIMITY

Sec.

85.1 General.

85.3 Signals for trawlers.

85.5 Signals for purse seiners.

Authority: Sec. 3, Pub. L. 96-591; 49 CFR 1.46(n)(14).

§ 85.1 General.

The lights mentioned herein shall, if exhibited in pursuance of Rule 26(d), be placed where they can best be seen. They shall be at least 0.9 meter apart but at a lower level than lights prescribed in Rule 26(b)(i) and (c)(i) contained in the Navigational Rules Act of 1980. The lights shall be visible all around the horizon at a distance of at least 1 mile but at a lesser distance from the lights prescribed by these Rules for fishing vessels.

§ 85.3 Signals for trawlers.

(a) Vessels when engaged in trawling, whether using demersal or pelagic gear, may exhibit:

(1) When shooting their nets: two white lights in a vertical line;

(2) When hauling their nets: one white light over one red light in a vertical line;

(3) When the net has come fast upon an obstruction: two red lights in a vertical line.

(b) Each vessel engaged in pair trawling may exhibit:

(1) By night, a search light directed forward and in the direction of the other vessel of the pair;

(2) When shooting or hauling their nets or when their nets have come fast upon an obstruction, the lights prescribed in paragraph (a) above.

§ 85.5 Signals for purse seiners.

Vessels engaged in fishing with purse scine gear may exhibit two yellow lights in a vertical line. These lights shall flash alternately every second and with equal light and occultation duration. These lights may be exhibited only when the vessel is hampered by its fishing gear.

(Sec. 3, Pub. L. 96-591, 33 U.S.C. 2071; 49 CFR 1.46(n)(14))

Dated: November 25, 1981.

R. A. Bauman,

Rear Admiral, U.S. Coast Guard, Chief, Office of Navigation.

[FR Doc. 81-36416 Filed 12-21-81; 8:45 am]

BILLING CODE 4910-14-M

33 CFR Part 86

[CGD 81-009]

Annex III To Inland Navigation Rules; Technical Details of Sound Signal Appliances

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: The Coast Guard is issuing regulations which establish the technical details for the vessel sound signal appliances prescribed by the Inland Navigational Rules Act of 1980. These regulations give the details needed by a vessel to comply with this law. The intended effect of the regulation is to ensure that mariners on United States inland waters will be able to hear the sound signals of other vessels at appropriate minimum distances and will be able to judge the approximate size of the other vessel by the tone of its whistle.

EFFECTIVE DATES: The effective date of these regulations is December 24, 1981, except for the Great Lakes. The effective

date for the Great Lakes will be announced in a later notice.

FOR FURTHER INFORMATION CONTACT: Mr. Chris Llana, Project Manager, Office of Navigation, Room 1606, U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593, (202) 426–4958.

SUPPLEMENTARY INFORMATION: A Notice of Proposed Rulemaking on this subject was published on July 16, 1981 (46 FR 37008). Interested persons were given until September 14, 1981 to submit comments.

Drafting Information

The principal persons involved in drafting this rulemaking are Mr. Chris Llana, Project Manager, Office of Navigation, and Lieutenant Michael Tagg, Project Attorney, Office of Chief Counsel.

Discussion of Effective Dates

The effective date for the new Inland Navigation Rules is December 24, 1981, on all inland waters except for the Great Lakes, for which the effective date has not yet been established. The former date was established by the Inland Navigational Rules Act of 1980. The effective date for the Great Lakes, however, will be established in the next several months in coordination with the Canadian government. The new Inland Navigation Rules incorporate the requirements of this regulatory Annex by reference. The effective dates for this Annex must coincide with the effective dates for the Inland Navigation Rules, therefore good cause exists for making this regulation effective in less than 30 days after publication in the **Federal Register.**

Discussion of Comments

One commenter suggested a delay in publication of the final rules for Annexes I, III, and V until after the yet to be constituted Rules of the Road Advisory *Council* could meet and consider the subjects of the Annexes. In the alternative he requested a public hearing, but did not raise any issues on which an oral presentation would benefit the rulemaking. The new Inland Navigation Rules become effective on December 24, 1981, and incorporate by reference Annexes I–IV. New vessels are required to install lights conforming to Annex I and sound signal appliances conforming to Annex III on that date; thus it is essential to issue the final regulations as soon as possible. The commenter was a member of the old Rules of the Road Advisory *Committee* which considered the regulatory annexes and advised the Coast Guard. The commenter submitted thirteen pages of comments to the dockets of Annexes I, III, and V. Because we believe there has been ample opportunity to comment and as doing so would delay publication of final regulations beyond the effective date of the new Inland Rules, we did not grant the commenter's request for a public hearing.

Several commenters approved of Annex III as proposed and several others, while suggesting some changes, noted that the proposal was an improvement over Annex III to the International Navigation Rules. Several commenters were opposed to one or more of the proposed provisions.

There apparently was some confusion on the applicability of Annex III to sound signal appliances used on vessels less than 12 meters in length. As stated in the preamble to the proposed rule, Annex III applies only to vessels 12 meters or more in length. Vessels less than 12 meters in length may carry a sound signal appliance whose fundamental frequency is within the range specified for vessels over 12 meters in length, or which is higher or lower than the specified range. For practical purposes small vessels will probably not carry low pitched whistles. Vessels less than 12 meters in length may carry portable or permanently installed whistles, air-powered or electric or manually powered whistles. Rule 33 of both the new Inland Navigation Rules and the International Rules requires only that vessels less than 12 meters in length carry "some * * * means of making an efficient sound signal". Rule 33 makes Annex III applicable only to vessels 12 or more meters in length.

Section 86.01 Frequencies and range of audibility.

The proposal limits the fundamental frequency of whistles to 525 Hz. One commenter, who represents the recreational boat industry, asked that the upper limit be raised to 1000 Hz for the benefit of the smaller vessels (i.e. vessels from 12 meters to about 20 meters in length) for which Annex III whistles are required. We do not believe whistles whose fundamental frequencies are higher than 525 Hz are suitable for vessels over 12 meters in length, and so the proposed limit has not been raised. There are now on the market small whistles designed for smaller vessels and having fundamental frequencies less than 525 Hz. Tests on a popular hand-held "air horn" place its fundamental frequency in the 500–510 Hz range. Vessels *less* than 12 meters in length *may* use whistles whose fundamental frequency exceeds 525 Hz, and almost all recreational vessels are less than 12 meters in length.

Section 86.03 Limits of fundamental frequencies.

This section specifies different frequency ranges for different sizes of vessels—higher frequencies for smaller vessels, lower frequencies for larger vessels. One commenter suggested the scheme would not work because vessels less than 12 meters in length would be allowed to carry very low pitched whistles. While this may be true in theory, it is unlikely to become a problem because very low pitched whistles tend to be large and heavy power consumers. All whistles marketed for small vessels are relatively high pitched compared to the whistles used on tankers, cargo ships, etc.

Another commenter said mariners are not able to discriminate tones enough to determine vessel size. The assigned frequencies overlap between vessels sizes somewhat, and fine distinctions of vessel size were never envisioned. The Coast Guard believes, however, that gross distinctions are easily made by the ordinary person.

One commenter asked that the frequency limits in this and other provisions be adjusted to correspond to American National Standards Institute and the International Organization for Standardization standard ⅓ octave bands. The proposal adopted frequency limits from Annex III to the International Rules. The frequency limits do not establish standard fundamental frequencies or higher harmonics but instead set boundaries within which the frequencies can vary. Adopting frequency limits corresponding to standard ⅓ octave bands will not facilitate testing because the use of standard filters with fixed central frequencies rather than tunable ⅓ octave filters for sound signal analysis would result in incorrect measurement of the sound if its frequency components did not happen to fall in the center of the filter. Manufacturers of sound signal appliances which will or may be used on waters governed by the International Navigation Rules have been using the International Annex III since 1977. Many whistles from a number of manufactuers have already been tested and approved using the frequency limits in that Annex. We are not adopting the suggestion because doing so would impose on whistle manufacturers and vessel owners the burden of having completely different sets of frequency limits in the two Annex IIIs.

Section 86.05 Sound signal intensity and range of audibility.

In both this section and in § 86.09, the proposed rule adopted International Rules language which essentially required the "maximum intensity" of the whistle to be directed straight ahead, basing the alignment of the whistle on the direction of the maximum pressure level. This assumes that the natural forward axis of a whistle is congruent with its maximum intensity, which is true for a single source/single horn whistle. When a whistle is composed of two or more sources, however, it is not unusual for zones of maximum intensity to fall around the "forward axis", but not on it, even though the sound intensity along the forward axis exceeds the minimum required. Under the proposed rule, such a combined whistle would technically have to be tested and installed with its natural forward axis canted to one side. To remedy this problem, references in §§ 86.05 and 86.09 to the "maximum intensity" of a whistle have been replaced with the "forward axis" of a whistle. The forward axis will be established by the whistle manufacturer.

Several commenters representing the small boat industry advocated the measurement of sound signal intensity using the dB(A) system, which measures the total sound, rather than the 1/3 octave band system, which measures the intensities of the individual frequencies making up the whole sound. The reasons why their suggestion was not adopted are discussed below.

Two of the commenters spoke of the need to measure sound intensity of whistles as installed on vessels under real conditions, and argued that the dB(A) system was more suitable for such measurements. Annex III was not developed with on-board testing in mind. The range of audibility of sound is so variable under "real" conditions that testing of each model whistle under laboratory conditions is the only practical means of obtaining consistency and fairness—hence the note at the end of § 86.05.

The use of overall A-weighted sound pressure levels (dB(A)) is more suitable to those situations where the primary interest is the prevention of hearing impairment, as that system accounts for the total sound energy received by the human ear. Hence, it is appropriate to use the dB(A) system in § 86.09 which is concerned with the intensity of the sound at the listening post of the source vessel. In that case, the measuring instrument is placed *where* the sound will be *heard*.

On the other hand, the measurement of sound pressure levels of whistles in order to determine their range of audibility is done relatively close to the whistle. (Sound pressure levels should not literally be measured at one meter from the source even though the pressure levels are specified "at one meter". Instead, they are measured farther away and the readings are mathematically extrapolated back to the reference "one meter".) For this type of measurement, it is important to know the sound pressure levels for the various frequency components that make up the total sound because different frequencies having the same sound pressure levels at the source do not travel the same distances before becoming inaudible.

Research conducted over the past two decades has shown that the loudness of a horn (dB(A)) at its source is not necessarily indicative of the range of audibility or detectability of a sound signal. Detectability is dependent upon the intensity of the sound within any narrow frequency band compared to the intensity of the background noise within that same frequency band. (The sound pressure levels in Table 86.05 account for the average background noise found on vessels.) Adding similar amounts of energy in other frequency bands does not increase the range of audibility, but it does make the horn louder at the listening post of the source vessel. Recognizing these principles, the Coast Guard now utilizes pure tone fog signals on navigational aids, which maximizes range relative to power consumed.

The International Rules Annex III uses the 1/3 octave band system, and as was mentioned before, a number of manufacturers, both domestic and foreign, have had their whistles tested and approved under that system. Since Annex III applies only to vessels 12 or more meters in length, and these vessels are typically capable of operation in waters governed by the International Rules, consistency between the International Annex III and the Inland Annex III is desirable.

One of the commenters said use of the 1/3 octave system discriminates against electric whistles, and (apparently assuming that only electric whistles are available for small vessels) that therefore the owner of a 12 to 20 meter vessel would find it virtually impossible to purchase a sound signal appliance for his boat. Electric whistles have been approved under Annex III to the International Rules, and tests have indicated that at least one inexpensive model of hand-held air horn meets the requirements of Annex III for vessels 12 to 20 meters in length; therefore the Coast Guard does not believe the commenter's concern is justified.

The proposed Annex III to the Inland Rules raised the upper limit of the frequencies that may be measured to determine range of audibility from the 700 Hz allowed under Annex III to the International Rules, to 1,200 Hz. One commenter said the 1,200 Hz limit was not high enough, saying that high frequency whistles would be penalized. While test data has shown that most small whistles can qualify on the basis of their first or second harmonic sound pressure levels, the sound audibility curves indicate that for the lower audibility ranges frequencies higher than 1,200 Hz can be an important part of the transmitted sound. Therefore, the upper measurement frequency limits for the lower audibility range whistles have been raised. For vessels 12 to 20 meters in length, the new limit will allow the measurement of the third and fourth harmonics of a 525 Hz fundamental frequency whistle. For vessels 20 to 75 meters in length, the new limit will allow the measurement of the third harmonic of a 525 Hz whistle.

The measurement frequency limits for the larger classes of vessels are not being similarly raised because of the physical transmission characteristics of sound. Different frequency sounds to not carry equally well. Higher frequency sounds tend to die out sooner (over shorter distances) than lower frequency sounds. At the specified audibility distances for larger vessels (1½ and 2 miles), the high frequency components of a whistle's sound normally would have become inaudible. The minimum sound pressure levels in Table 86.05 are based on the stated frequency range. If higher frequency components for the larger vessels were included in the allowable measurement range, the minimum required sound pressure levels for those higher frequencies would be significantly higher.

Annex III to the International Rules specifies a single minimum required sound pressure level for each vessel size range. This single pressure level is a compromise/simplification of the curved plot (variable function) of sound frequency/intensity/audibility. In an attempt to make the standard more flexible, the proposed Inland Annex III used a "two-step" function that would more closely approximate the precise scientifically determined curve than the single number used in the International Rules. This change most benefits vessels less than 75 meters in length.

Two commenters requested that for the largest category of vessel size the

International standard be retained because at least one whistle approved under those requirements would not pass under the more precise proposed requirements. The proposal lowered the frequency measurement range from 180 to 140 Hz. Because of this change, the sound pressure levels for the lower frequencies had to be increased to retain roughly the same audibility. The boundary between the two sound pressure levels was chosen to be 200. We are adopting the suggestion in part by retaining the 180 Hz lower limit for the International sound pressure level, but retaining the alternative (and higher) sound pressure level for frequencies from 180 Hz to 140 Hz. The lower frequency limit has also been lowered to 130 Hz so that the lowest permitted fundamental frequency (130 Hz) for vessels 75 to 200 long can be measured to determine audibility. These changes have been made for the two classes of vessels over 75 meters in length.

In addition, because of the expanded frequency range, a three-step sound pressure level has been incorporated in the final rule. This now permits lower minimum sound pressure levels for some frequencies, which should still provide audibility ranges comparable to those achieved with the minimum sound pressure levels specified for other frequencies. This change makes possible a lessening of the potential for lookout hearing impairment on the source vessel.

One of the commenters was apparently confused about the two-step (now three-step) sound pressure level requirement, perhaps because the format of Table 86.05 as it appeared in the **Federal Register** differed somewhat from the format submitted. The three frequency ranges with accompanying sound pressure levels are not separate alternatives. When a whistle is tested (whose fundamental frequency conforms to § 86.03), all of the specified sound pressure levels are used. Which one governs depends on the particular 1/3 octave band frequency being measured. For example, a 300 Hz whistle intended for use on vessels 20 to 75 meters in length would be evaluated as follows. The fundamental frequency (300 Hz) could qualify the whistle if it attained 130 dB. The second harmonic (600 Hz) could qualify the whistle if it attained 125 dB. The third (900 Hz), fourth (1200 Hz), and fifth (1500 Hz) harmonics could qualify the whistle if any attained 121 dB. Table 86.05 has been redesigned to make it clearer.

Section 86.07 Directional properties.

This section specifies the performance of whistles in the horizontal plane other than in the forward direction. One commenter stated that the "horizontal plane" is not relevant for air horns; that the sound would not vary if the horn was rotated about its horizontal axis. Measurements in the horizontal plane are required not because of the horn itself, but because the sound propagated in the horizontal plane is the sound heard by other vessels. The proposed specification has been retained in the final rule.

Section 86.09 Positioning of whistles.

Paragraph (a) of the proposal specified that whistles be installed with the maximum intensity directed straight ahead. Two commenters objected to the language "straight ahead", saying that it would preclude a slight downward angling of horns for drainage and protection from the elements. It was not intended to require that the longitudinal axis of the horn be exactly parallel with the longitudinal axis of the vessel. The "straight ahead" is being changed to "forward" to clarify that.

Paragraph (a) was also interpreted by two commenters to preclude the use of portable whistles. That interpretation was never intended; we are revising the wording accordingly.

Paragraph (b) places upper limits on the whistle's A-weighted sound pressure level at the listening post. One commenter asserted that it would be "most difficult, if not impossible" to comply with this requirement. There were some problems with this requirement in the International Annex III as applied to small vessels. We believe reducing the minimum sound pressure level requirement in § 86.05 from that required under the International Rules is the correct solution to the problem. We believe the lookout's hearing should be protected in order to perform his or her duties properly; that is the purpose of paragraph (b).

Section 86.25 Approval.

One commenter requested that this section should not be finalized until the Rules of the Road Advisory Council cor!d consider the proposal. As indicated in the proposal, this section is merely reserved; a space for possible future regulations is being set aside. In the final rule this section has been placed in a separate subpart and numbered accordingly.

Regulatory Analysis

These regulations were reviewed in accordance with the "Policies and Procedures for Simplification, Analysis and Review of Regulations (DOT Order 2100.5 of May 22, 1980) and determined to be non-significant in the Notice of Proposed Rulemaking (46 FR 37008). A finding of non-major under Executive Order 12291 was also made in the same notice. No information has been received which alters these determinations. The Regulatory Flexibility Act (Pub. L. 96-354, 5 U.S.C. 601) certification of no significant impact was also published in the same Notice of Proposed Rulemaking.

In consideration of the foregoing, a new Part 86 of Title 33 of the Code of Federal Regulations is added to read as follows:

PART 86—ANNEX III: TECHNICAL DETAILS OF SOUND SIGNAL APPLIANCES

Subpart A—Whistles

Sec.

86.01 Frequencies and range of audibility.
86.03 Limits of fundamental frequencies.
86.05 Sound signal intensity and range of audibility.
86.07 Directional properties.
86.09 Positioning of whistles.
86.11 Fitting of more than one whistle.
86.13 Combined whistle systems.
86.15 Towing vessel whistles.

Subpart B—Bell or Gong

86.21 Intensity of signal.
86.23 Construction.

Subpart C—Approval

86.31 Approval. [Reserved]

Authority: Sec. 3, Pub. L. 96-591; 49 CFR 1.46(n)(14).

Subpart A—Whistles

§ 86.01 Frequencies and range of audibility.

The fundamental frequency of the signal shall lie within the range 70–525 Hz. The range of audibility of the signal from a whistle shall be determined by those frequencies, which may include the fundamental and/or one or more higher frequencies, which lie within the frequency ranges and provide the sound pressure levels specified in § 86.05.

§ 86.03 Limits of fundamental frequencies.

To ensure a wide variety of whistle characteristics, the fundamental frequency of a whistle shall be between the following limits:

(a) 70–200 Hz, for a vessel 200 meters or more in length;

(b) 130–350 Hz, for a vessel 75 meters but less than 200 meters in length;

(c) 250–525 Hz, for a vessel less than 75 meters in length.

§ 86.05 Sound signal intensity and range of audibility.

A whistle on a vessel shall provide, in the direction of the forward axis of the

whistle and at a distance of 1 meter from it, a sound pressure level in at least one ⅓-octave band of not less than the appropriate figure given in Table 86.05 within the following frequency ranges (±1 percent):

(a) 130–1200 Hz, for a vessel 75 meters of more in length;

(b) 250–1600 Hz, for a vessel 20 meters but less than 75 meters in length;

(c) 250–2100 Hz, for a vessel 12 meters but less than 20 meters in length.

TABLE 86.05

Length of vessel in meters	Fundamental frequency range (Hz)	For measured frequencies (Hz)	⅓-octave band level at 1 meter in dB referred to 2×10^{-5} N/m²	Audibility range in nautical miles
200 or more	70–200	130–180	145	
		180–250	143	2
		250–1200	140	
75 but less than 200	130–350	130–180	140	
		180–250	138	1.5
		250–1200	134	
20 but less than 75	250–525	250–450	130	
		450–800	125	1.0
		800–1600	121	
12 but less than 20	250–525	250–450	120	
		450–800	115	0.5
		800–2100	111	

NOTE.—The range of audibility in the table above is for information and is approximately the range at which a whistle may usually be heard on its forward axis in conditions of still air on board a vessel having average background noise level at the listening posts (taken to be 68 dB in the octave band centered on 250 Hz and 63 dB in the octave band centered on 500 Hz).

In practice the range at which a whistle may be heard is extremely variable and depends critically on weather conditions; the values given can be regarded as typical but under conditions of strong wind or high ambient noise level at the listening post the range may be much reduced.

§ 86.07 Directional properties.

The sound pressure level of a directional whistle shall be not more than 4 dB below the sound pressure level specified in § 86.05 in any direction in the horizontal plane within ±45 degrees of the forward axis. The sound pressure level of the whistle in any other direction in the horizontal plane shall not be more than 10 dB less than the sound pressure level specified for the forward axis, so that the range of audibility in any direction will be at least half the range required on the forward axis. The sound pressure level shall be measured in that one-third octave band which determines the audibility range.

§ 86.09 Positioning of whistles.

(a) When a directional whistle is to be used as the only whistle on the vessel and is permanently installed, it shall be installed with its forward axis directed forward.

(b) A whistle shall be placed as high as practicable on a vessel, in order to reduce interception of the emitted sound by obstructions and also to minimize hearing damage risk to personnel. The sound pressure level of the vessel's own signal at listening posts shall not exceed 110 dB(A) and so far as practicable should not exceed 100 dB(A).

§ 86.11 Fitting of more than one whistle.

If whistles are fitted at a distance apart of more than 100 meters, they shall not be sounded simultaneously.

§ 86.13 Combined whistle systems.

(a) A combined whistle system is a number of whistles (sound emitting sources) operated together. For the purposes of the Rules a combined whistle system is to be regarded as a single whistle.

(b) The whistles of a combined system shall—

(1) Be located at a distance apart of not more than 100 meters,

(2) Be sounded simultaneously,

(3) Each have a fundamental frequency different from those of the others by at least 10 Hz, and

(4) Have a tonal characteristic appropriate for the length of vessel which shall be evidenced by at least two-thirds of the whistles in the combined system having fundamental frequencies falling within the limits prescribed in § 86.03, or if there are only two whistles in the combined system, by the higher fundamental frequency falling within the limits prescribed in § 86.03.

Note.—If due to the presence of obstructions the sound field of a single whistle or of one of the whistles referred to in § 86.11 is likely to have a zone of greatly reduced signal level, a combined whistle system should be fitted so as to overcome this reduction.

§ 86.15 Towing vessel whistles.

A power-driven vessel normally engaged in pushing ahead or towing alongside may, at all times, use a whistle whose characteristic falls within the limits perscribed by § 86.03 for the longest customary composite length of the vessel and its tow.

Subpart B—Bell or Gong

§ 86.21 Intensity of signal.

A bell or gong, or other device having similar sound characteristics shall produce a sound pressure level of not less than 110 dB at 1 meter.

§ 86.23 Construction.

Bells and gongs shall be made of corrosion-resistant material and designed to give a clear tone. The diameter of the mouth of the bell shall be not less than 300 mm for vessels of more than 20 meters in length, and shall be not less than 200 mm for vessels of 12 to 20 meters in length. The mass of the striker shall be not less than 3 percent of the mass of the bell. The striker shall be capable of manual operation. Note: When practicable, a power-driven bell striker is recommended to ensure constant force.

Subpart C—Approval

§ 86.31 Approval. [Reserved]

(Sec. 3, Pub. L. 96–591; 49 CFR 1.46 (n)(14))

Dated: November 25, 1981.

R. A. Bauman,

Rear Admiral, U.S. Coast Guard, Chief, Office of Navigation.

[FR Doc. 81-36405 Filed 12-18-81; 8:45 am]

BILLING CODE 4910-14-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[A-8-FRL 1984-8]

Approval and Promulgation of State Implementation Plans; Utah TSP and Lead Plans

AGENCY: Environmental Protection Agency.

ACTION: Final rulemaking.

SUMMARY: This notice approves, with certain exceptions, Utah's State Implementation Plan (SIP) for total suspended particulates and lead. The notice also revokes several existing EPA regulations for Utah and eliminates the current major stationary source construction moratorium in Davis, Utah and Weber Counties.

The State Implementation Plan for TSP and lead were submitted to EPA for approval under sec. 110 of the Clean Air Act.

DATE: This action is effective December 21, 1981.

ADDRESSES: Copies of the revision are available for public inspection between 8:00 a.m. and 4:00 p.m. Monday through Friday at the following offices:

Environmental Protection Agency, Region VIII, Air Programs Branch, 1860 Lincoln Street, Denver, Colorado 80295

Environmental Protection Agency, Public Information Reference Unit, Waterside Mall, 401 M Street, S.W., Washington, D.C. 20460.

The Office of the Federal Register, 110 L. Street, NW., Room 8401, Washington, D.C. 20408

FOR FURTHER INFORMATION CONTACT: E. A. Rachal, Air Programs Branch, Environmental Protection Agency, 1860 Lincoln Street, Denver, Colorado 80295; (303) 837-3711.

SUPPLEMENTAL INFORMATION: On February 19, 1980, (45 FR 10761) EPA disapproved, with certain exceptions, the total suspended particulate (TSP) plan submitted by Utah in January 1979. The 1979 SIP was required by the Clean Air Act as amended in 1977 to implement measures designed to attain and maintain the National Ambient Air Quality Standards (NAAQS) in the nonattainment areas designated in Utah. These nonattainment areas were designated on March 3, 1978 (43 FR 8962) and September 11, 1978 (43 FR 40412) pursuant to the requirments of Section 107 of the Act. The requirements for an approvable nonattainment area SIP were described in a **Federal Register** notice published on April 4, 1979 (45 FR 20372).

In response to EPA's actions, the State developed a revised TSP SIP as well as a SIP for lead. These plans were submitted to EPA on March 11, 1980. The TSP plan addressed all of the nonattainment areas in Utah except for Utah County because the State and EPA were in the process of negotiating a consent decree with U.S. Steel for the Corporation's Geneva Works, located in Utah County. EPA's initial review of the State's submittal identified a number of deficiencies which could not be approved. Following several meetings and communications with EPA, the State submitted supplemental information to the SIP on July 25, 1980, which clarified some of the issues raised by the Agency and committed the State to correct most of the deficiencies through its regulatory process.

On November 13, 1980, the State submitted its revised TSP SIP for Utah County which contained the final consent decree with U.S. Steel. On December 26, 1980, the State submitted additional information on demonstration of reasonable further progress toward attainment of the TSP standards, as well as additional diffusion modeling estimates which were requested by EPA. In addition, on April 8, 1981, the State submitted various SIP changes which had been developed as a result of EPA's review of the March 11, 1980, submittal.

In total, the State's TSP plan includes specific regulations for all major sources (those with actual emissions of 25 tons per year or greater) in the TSP nonattainment areas in Utah (the designated portions of Davis, Salt Lake, Utah and Weber Counties).

The TSP plan contains a demonstration of attainment of the primary NAAQS by 1982 and, in the interim, reasonable further progress toward attainment. It requests an 18-month extension to submit a plan for attainment of the secondary TSP standards. The SIP for lead indicates that the standard will be attained in the only nonattainment area (Salt Lake City) by 1982 through the Federal program to reduce the lead content of gasoline and the prohibition of leaded gasoline in catalyst-equipped vehicles. The plan also includes new nonferrous smelter order regulations, the addition of several general requirements (compliance testing, air quality models, stack heights and dispersion techniques, and fees for major sources), and revisions to the visible emissions regulations and new source review requirments.

Proposed Action

On May 18, 1981 (46 FR 27129), EPA proposed the following actions on the Utah SIP revisions for TSP and lead, and the additions and revisions to the general requirements:

A. Approved Portions:

1. The TSP control strategies for Davis, Utah and Weber Counties and the control strategy for attainment of the primary annual TSP standard in Salt Lake City County.

2. The specific regulations for major TSP sources in the nonattainment areas, except as indicated below.

3. General requirements, except as indicated below.

4. The SIP for lead.

B. Disapproved Portions:

1. The TSP control strategy for attainment of the primary 24-hour standard in Salt Lake County.

2. Mass emission limitation and test methods for the main stack at the Kennecott Copper Corporation smelter and opacity provisions for the main stack, bypass stacks, fugitive emissions, concentrator dryers and roasting circuits, power plant and lime plant.

3. Opacity regulations for the Utah Power and Light Company Gadsby and Hale power plants.

4. Extension request to submit a plan for attainment of the secondary TSP standards.

The proposed rulemaking would have removed the current moratorium on construction of major new or modified stationary sources of TSP (except in Salt Lake County) which is required by section 110(a)(2)(I) of the Act, and which is currently in effect in Davis, Salt Lake, Utah and Weber Counties. In addition, EPA proposed to remove the existing Federally promulgated regulations applicable to particulate matter sources in the Wasatch Front Intrastate Region (40 CFR 52.2330), except for the Kennecott stack regulation, including the corresponding compliance schedule requirements (40 CFR 52.2327). EPA also proposed to remove Federally promulgated new source review procedures (40 CFR 52.2334). A detailed discussion of the proposed actions are contained in EPA's notice of proposed rulemaking and Evaluation Report. The proposed rulemaking also discussed several minor deficiencies in the SIP which need correction but do not warrant disapproval.

Public Comments

Interested parties were invited to comment on EPA's proposed action. Two comments were received. One was related to the proposed disapproval of the Kennecott and UP & L opacity limitations and the other was related to EPA's proposed disapproval of the control strategy demonstration for the 24-hour standard.

Final Action

Since EPA's proposal, the State has been working with Kennecott to correct the deficiencies in the in-stack test method and to resolve the issue of the need for an opacity limitation. Because EPA expects both issues to be resolved in the near future, no action is being taken on the deficiencies in today's notice.

In addition, today's action does not incorporate into the Federally approved SIP the State regulation for nonferrous smelter orders, nor does it approve or disapprove the SIP regarding the following minor deficiencies.

1. Compliance Schedules—the emission limitations in section 3.2.1 do not include compliance schedules for the

regulated sources. Section 3.2.2 requires sources not meeting the specified emission limits to submit compliance schedules within 180 days after the effective date of the regulations.

Since the regulations were adopted in February, 1980, the State should have received all necessary schedules. The State has agreed to submit these schedules, or reasonable summaries thereof, to EPA.

2. Section 3.2.1.b needs to specify whether method 5 full train or front half is to be used for compliance testing, and specify the procedures for evaluating compliance with the opacity limitations of section 3.2.1. The State will consider these corrections in future changes to these regulations.

3. Section 4.6 (Continuous Emission Monitoring) does not contain a provision requiring sources to keep continuous emission monitoring (CEM) data for two years as required by paragraph 4.6, Appendix P, 40 CFR Part 51. In addition, section 4.6.1.a specifies that CEM requirements apply to steam generators rated at 250 million BTU/hr for each boiler without specifying the basis for determining BTU/hr as "heat input" or that applicability is to boilers with capacity "equal to or greater than" 250 million BTU/hr heat input. The State has agreed to make the required corrections in a future SIP revision.

4. Section 3.4 (Emission Testing) should specify that federally approved stack testing methods must be used, either directly or by reference to sections 3.2.3. and 4.1.9. since it is the only section addressing mass testing for new sources. The State has agreed to reference the necessary sections in the future.

5. Visible Emissions Limitations—Although Utah's opacity requirements are generally approvable, EPA has identified several areas which present enforceability problems and should be corrected.

a. Section 4.1 indicated that * * * "opacity limitations in the section 4.1 shall not apply to any sources for which emission limitations are assigned pursuant to section 3.2 or section 4.3 of these regulations." The applicability of this section to both sources not listed in section 3.2.1 but owned by a company with another "source" which is listed in section 3.2.1, and/or installations not addressed with a listed source or which they are a part, is unclear. The State's definition for "source" does not cover an entire operation by a company at a contiguous location, and an "installation" is defined as "a discrete process with identifiable emissions * * *" These definitions allow a number of emitting facilities to be exempt from any opacity requirements. Although the State's intent may be that section 4.1 applies to all emission points (not specifically listed in section 3.2.1) of all sources/installations covered by section 3.2.1, the State has not made the necessary language changes recommended by EPA on several occasions. However, the State has agreed to either modify the regulations or provide EPA with a clear explanation of how these regulations are being interpreted.

b. Section 4.1.9 (Opacity Observation) states that for mobile and intermittent sources, opacity observers shall use procedures similar to EPA method 9, but the requirement for observations to be made at 15-second intervals over a six-minute period shall not apply. The regulation does not state what procedures will apply to such sources. In addition, the phrase "intermittent sources" is not defined. Because of the enforcement problems raised by these deficiencies, the State has initially agreed to provide EPA with a clear description of its enforcement procedures for these sources.

In summary, EPA is taking the following final actions:

A. Approval of the Part D SIP for particulates except for Salt Lake County and removal of the Part D disapproval and construction moratorium for TSP in all nonattainment areas except Salt Lake County.

B. Removal of EPA promulgated particulate regulations and associated compliance schedules for all existing sources in Utah except copper smelters.

C. Removal of EPA's regulation for review of new sources and modifications.

D. Approval of the State plan for lead.

EPA finds good cause exists for making the action taken in this notice immediately effective for the following reasons:

(1) Implementation plan revisions are already in effect under state law or regulation and EPA approval poses no additional regulatory burden;

(2) EPA has a responsibility under the Act to take final action on the portion of the SIP which addresses Part D requirements by July 1, 1979, or as soon thereafter as possible;

(3) Approval of the SIP removes the moratorium on stationary source construction currently in effect.

Pursuant to the provisions of the Regulatory Flexibility Act (5 U.S.C. section 605(b)), I hereby certify that this action will not have a significant economic impact on a substantial number of small entities. This action only approves state actions. It imposes no new requirements.

Under section 307(b)(1) of the Clean Air Act, judicial review of this action is available only by the filing of a petition for review in the United States Court of Appeals for the appropriate circuit within 60 days of today. Under section 307(b)(2) of the Clean Air Act, the requirements which are the subject of today's notice may *not* be challenged later in civil or criminal proceedings brought by EPA to enforce these requirements.

Under Executive Order 12291, EPA must judge whether a regulation is "Major" and therefore subject to the requirement of a Regulatory Impact Analysis. This regulation is not Major because it imposes no new requirements. It only approves requirements adopted by the State. This action was submitted to the Office of Management and Budget for review as required by Executive Order 12291.

This rulemaking is issued under the authority of section 110 of the Clean Air Act (42 U.S.C. 7410).

Dated: December 14, 1981.

Anne M. Gorsuch,

Administrator.

Note.—Incorporation by reference of the State Implementation Plan for the State of Utah was approved by the Director of the Federal Register on July 1, 1981.

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

Title 40, Part 52 of the Code of Federal Regulations is amended as follows:

1. In § 52.2320, paragraph (c)(9) is added as follows:

§ 52.2320 Identification of plan.

* * * * *

(c) * * *

(9) Provisions to meet the requirements of Part D for particulates and to attain the national standard for lead were submitted on March 11, 1980, July 25, 1980, November 13, 1980, December 26, 1980, and April 8, 1981.

§ 52.2327 [Removed]

2. Section 52.2327 is removed.

§ 52.2328 [Removed]

3. Section 52.2328 is removed.

§ 52.2334 [Removed]

4. Section 52.2334 is removed.

5. Section 52.2324 is revised to read as follows:

§ 52.2324 Control strategy: Particulate matter.

(a) *Part D Disapproval:* The requirements of section 172(b) of the Act are not met since the plan does not

provide for implementation of all reasonable available control measures necessary to attain national standards in Salt Lake County.

6. Section 52.2330 is amended by removing paragraphs (a), (b), (c)(1)(i)-(c)(1)(iii), (c)(2)-(c)(4), and (c)(6)-(c)(9), and redesignating the remainder of the section to read as follows:

§ 52.2330 Rules and regulations.

(a)(1) No owner or operator of any copper smelting operation in the Wasatch Front Intrastate Region shall discharge or cause the discharge of particulate matter into the atmosphere from the stack or stacks serving the reactor and converter operations in excess of 1340 pounds per hour, maximum 6-hour average, or allow the escape of any fugitive particulate matter emissions which can be captured and controlled using best available techniques.

(i) The owner or operator of any smelter subject to this paragraph shall comply with the compliance schedule specified below:

(A) December 15, 1975—Submit a final plan to the Administrator for meeting the requirements of paragraph (a)(1) of this section. Such a plan shall be subject to approval by the Administrator.

(B) January 31, 1976—Let contracts or issue purchase orders for emission capture systems.

(C) April 1, 1976—Initiate on-site construction and/or installation of emission capture equipment.

(D) May 31, 1977—Complete on-site construction and/or installation of emission capture system.

(E) July 31, 1977—Achieve final compliance with the requirements of paragraph (a)(1) of this section.

(2) The test methods and procedures used to determine compliance with paragraph (a)(1) of this section are set forth below. The methods referenced are contained in the appendix to Part 60 of this chapter. Equivalent methods and procedures may be used if approved by the Administrator.

(i) For each sampling repetition, the average concentration of particulate matter shall be determined by using method 5, except that compliance shall be determined by modifying method 5 to maintain a gas temperature above the sulfuric acid dew point (320° F minimum) at the exit end of the sampling probe and to utilize 80 percent isopropanol as the reagent in the first two impingers in place of water. Determination of the sulfuric acid mist concentration (including sulfur trioxide) collected by this modified method shall be based on the procedures described in method 8. Traversing during sampling by method 5 shall be according to method 1. The minimum sampling time shall be 2 hours and the minimum sampling volume shall be 60 feet ^{3} (1.170m^3) corrected to standard conditions on a dry basis.

(ii) The volumetric flow rate of the total effluent shall be determined by using method 2. Gas analysis shall be performed using the integrated sample technique of method 3, and moisture content shall be determined by the condenser technique of method 4.

(iii) All tests shall be conducted while the source is operating at the maximum production or combustion rate at which such source will be operated. During the tests, the source shall burn fuels or combinations of fuels, use raw materials, and maintain process conditions representative of normal operation, and shall operate under such other relevant conditions as the Administrator shall specify.

[FR Doc. 81-36326 Filed 12-18-81; 8:45 am]
BILLING CODE 6560-38-M

GENERAL SERVICES ADMINISTRATION

41 CFR Ch.1

[FPR Amdt. 218]

Standards and Definitions Prescribed by Cost Accounting Standards Board

AGENCY: General Services Administration.

ACTION: Final rule.

SUMMARY: This amendment revises and adds new material to the definitions and standards prescribed by the Cost Accounting Standards Board (CASB) as set forth in subpart 1-3.12. It is based on new definitions and new and revised standards issued by the CASB before its termination on October 1, 1980. The intended effect is to provide an up-to-date reference source of CASB promulgations for the convenience of FPR users.

EFFECTIVE DATE: January 18, 1982.

FOR FURTHER INFORMATION CONTACT: Philip G. Read, Director, Federal Procurement Regulations Directorate, Office of Acquisition Policy (703-557-8947).

SUPPLEMENTARY INFORMATION: Other policies and procedures in subpart 1-3.12 pertaining to application of the regulations and standards of the CASB are being updated and revised in a separate amendment.

PART 1-3—PROCUREMENT BY NEGOTIATION

The table of contents for Part 1-3 is amended to revise two entries and add six entries under subpart 1-3.12 as follows:

1-3.1220 Standards and definitions prescribed by the Cost Accounting Standards Board.
1-3.1220-13 Adjustment and allocation of pension cost.
1-3.1220-15 Accounting for the cost of deferred compensation.
1-3.1220-16 Accounting for insurance costs.
1-3.1220-17 Cost of money as an element of the cost of capital assets under construction.
1-3.1220-18 Allocation of direct and indirect costs.
1-3.1220-19 [Reserved]
1-3.1220-20 Accounting for independent research and development and bid and proposal costs.

SUBPART 1-3.12—COST ACCOUNTING STANDARDS

1. Section 1-3.1220 is revised to read as follows:

§ 1-3.1220 Standards and definitions prescribed by the Cost Accounting Standards Board.

(a) The text of the Cost Accounting Standards Board standards are set forth in the subsections following, using the numbering system of 4 CFR Subchapter G of Chapter III.

Note.—This section of the FPR is included for the convenience of procurement personnel. Users are cautioned that changes to existing standards or new standards may be published from time to time by a successor agency to the CASB. They will become effective for both defense and nondefense contracts following publication in the Federal Register on the date specified by such successor agency, even though a standard has not on that date, been republished in the FPR.

(b) Definitions promulgated by the Cost Accounting Standards Board are set forth herein. Unless the text of a particular standard demands a different definition or the definition is expressly modified for a particular standard, terms defined herein whenever used in any standard shall have the meanings ascribed to them in this paragraph (b). For convenience, the definitions of terms prominent in an individual standard are reprinted in that standard. The selection or nonselection of a particular definition to be reprinted in an individual standard, however, does not affect the applicability of all definitions in this paragraph (b) to that standard.

(1) *Accrued benefit cost method.* An actuarial cost method under which units of benefit are assigned to each cost accounting period and are valued as

they accrue; that is, based on the services performed by each employee in the period involved. The measure of normal cost under this method for each cost accounting period is the present value of the units of benefit deemed to be credited to employees for service in that period. The measure of the actuarial liability at a plan's inception date is the present value of the units of benefit credited to employees for service prior to that date. (This method is also known as the Unit Credit cost method.)

(2) *Accumulating costs.* The collecting of cost data in an organized manner, such as through a system of accounts.

(3) *Actual cash value.* The cost of replacing damaged property with other property of like kind and quality in the physical condition of the property immediately prior to the damage.

(4) *Actual cost.* An amount determined on the basis of cost incurred as distinguished from forecasted cost. Includes standard cost properly adjusted for applicable variance.

(5) *Actuarial assumption.* A prediction of future conditions affecting pension cost; for example, mortality rate, employee turnover, compensation levels, pension fund earnings, and changes in values of pension fund assets.

(6) *Actuarial cost method.* A technique which uses actuarial assumptions to measure the present value of future pension benefits and pension fund administrative expenses, and which assigns the cost of such benefits and expenses to cost accounting periods.

(7) *Actuarial gain and loss.* The effect on pension cost resulting from differences between actuarial assumptions and actual experience.

(8) *Actuarial liability.* Pension cost attributable, under the actuarial cost method in use, to years prior to the date of a particular actuarial valuation. As of such date, the actuarial liability represents the excess of the present value of the future benefits and administrative expenses over the present value of future contributions, for the normal cost for all plan participants and beneficiaries. The excess of the actuarial liability over the value of the assets of a pension plan is the Unfunded Actuarial Liability.

(9) *Actuarial valuation.* The determination, as of a specified date, of the normal cost, actuarial liability, value of the assets of a pension fund, and other relevant values for the pension plan.

(10) *Allocate.* To assign an item of cost, or a group of items of cost, to one or more cost objectives. This term includes both direct assignment of cost and the reassignment of a share from an indirect cost pool.

(11) *Asset accountability unit.* A tangible capital asset which is a component of plant and equipment that is capitalized when acquired or whose replacement is capitalized when the unit is removed, transferred, sold, abandoned, demolished, or otherwise disposed of.

(12) *Bid and proposal (B&P) cost.* The cost incurred in preparing, submitting, or supporting any bid or proposal which effort is neither sponsored by a grant, nor required in the performance of a contract.

(13) *Business unit.* Any segment of an organization, or an entire business organization which is not divided into segments.

(14) *Category of material.* A particular kind of goods, comprised of identical or interchangeable units, acquired or produced by a contractor, which are intended to be sold, or consumed or used in the performance of either direct or indirect functions.

(15) *Compensated personal absence.* Any absence from work for reasons such as illness, vacation, holidays, jury duty, military training, or personal activities for which an employer pays compensation directly to an employee in accordance with a plan or custom of the employer.

(16) *Cost input.* The cost, except General and Administrative (G&A) expenses, which for contract costing purposes is allocable to the production of goods and services during a cost accounting period.

(17) *Cost objective.* A function, organizational subdivision, contract or other work unit for which cost data are desired and for which provision is made to accumulate and measure the cost of processes, products, jobs, capitalized projects, etc.

(18) *Cost of capital committed to facilities.* An imputed cost determined by applying a cost of money rate to facilities capital.

(19) *Deferred compensation.* An award made by an employer to compensate an employee in a future cost accounting period or periods for services rendered in one or more cost accounting periods prior to the date of the receipt of compensation by the employee. This definition shall not include the amount of year end accruals for salaries, wages, or bonuses that are to be paid within a reasonable period of time after the end of a cost accounting period.

(20) *Defined-benefit pension plan.* A pension plan in which the benefits to be paid or the basis for determining such benefits are established in advance and the contribution are intended to provide the stated benefits.

(21) *Defined-contribution pension plan.* A pension plan in which the contributions to be made are established in advance and the benefits are determined thereby.

(22) *Direct cost.* Any cost which is identified specifically with a particular final cost objective. Direct costs are not limited to items which are incorporated in the end product as material or labor. Costs identified specifically with a contract are direct costs of that contract. All costs identified specifically with other final cost objectives of the contractor are direct costs of those cost objectives.

(23) *Directly associated cost.* Any cost which is generated solely as a result of the incurrence of another cost, and which would not have been incurred had the other cost not been incurred.

(24) *Entitlement.* An employee's right, whether conditional or unconditional, to receive a determinable amount of compensated personal absence, or pay in lieu thereof.

(25) *Estimating costs.* The process of forecasting a future result in terms of cost, based upon information available at the time.

(26) *Expressly unallowable cost.* A particular item or type of cost which, under the express provisions of an applicable law, regulation, or contract, is specifically named and stated to be unallowable.

(27) *Facilities capital.* The net book value of tangible capital assets and of those intangible capital assets that are subject to amortization.

(28) *Final cost objective.* A cost objective which has allocated to it both direct and indirect costs, and, in the contractor's accumulation system is one of the final accumulation points.

(29) *Fiscal year.* The accounting period for which annual financial statements are regularly prepared, generally a period of 12 months, 52 weeks, or 53 weeks.

(30) *Funded pension cost.* The portion of pension costs for a current or prior cost accounting period that has been paid to a funding agency or, under a pay-as-you-go plan, to plan participants or beneficiaries.

(31) *Funding agency.* An organization or individual which provides facilities to receive and accumulate assets to be used either for the payment of benefits under a pension plan, or for the purchase of such benefits.

(32) *General and administrative (G&A) expense.* Any management, financial, and other expense which is incurred by or allocated to a business

unit and which is for the general management and administration of the business unit as a whole. G&A expense does not include those management expenses whose beneficial or causal relationship to cost objectives can be more directly measured by a base other than a cost input base representing the total activity of a business unit during a cost accounting period.

(33) *Home office.* An office responsible for directing or managing two or more, but not necessarily all, segments of an organization. It typically establishes policy for, and provides guidance to the segments in their operations. It usually performs management, supervisory, or administrative functions, and may also perform service functions in support of the operations of the various segments. An organization which has intermediate levels, such as groups, may have several home offices which report to a common home office. An intermediate organization may be both a segment and a home office.

(34) *Immediate-gain actuarial cost method.* Any of the several actuarial cost methods under which actuarial gains and losses are included as part of the unfunded actuarial liability of the pension plan, rather than as part of the normal cost of the plan.

(35) *Independent research and development (IR&D) cost.* The cost of effort which is neither sponsored by a grant, nor required in the performance of a contract, and which falls within any of the following three areas: (i) Basic and applied research, (ii) Development, and (iii) Systems and other concept formulation studies.

(36) *Indirect cost.* Any cost not directly identified with a single final cost objective, but identified with two or more final cost objectives or with at least one intermediate cost objective.

(37) *Indirect cost pool.* A grouping of incurred costs identified with two or more objectives but not identified specifically with any final cost objective.

(38) *Insurance administration expenses.* The contractor's costs of administering an insurance program; e.g., the costs of operating an insurance or risk-management department, processing claims, actuarial fees, and service fees paid to insurance companies, trustees, or technical consultants.

(39) *Intangible capital assets.* An asset that no physical substance, has more than minimal value, and is expected to be held by an enterprise for continued use or possession beyond the current accounting period for the benefits it yields.

(40) *Labor cost at standard.* A preestablished measure of the labor element of cost, computed by multiplying labor-rate standard by labor-time standard.

(41) *Labor-rate standard.* A preestablished measure, expressed in monetary terms, of the price of labor.

(42) *Labor-time standard.* A preestablished measure, expressed in temporal terms, of the quantity of labor.

(43) *Material cost at standard.* A preestablished measure of the material elements of cost, computed by multiplying material-price standard by material-quantity standard.

(44) *Material inventory record.* Any record used for the accumulation of actual or standard costs of a category of material recorded as an asset for subsequent cost allocation to one or more cost objectives.

(45) *Material-price standard.* A preestablished measure, expressed in monetary terms, of the price of material.

(46) *Material-quantity standard.* A preestablished measure, expressed in physical terms, of the quantity of material.

(47) *Moving average cost.* An inventory costing method under which an average unit cost is computed after each acquisition by adding the cost of the newly acquired units to the cost of the units of inventory on hand and dividing this figure by the new total number of units.

(48) *Multiemployer pension plan.* A plan to which more than one employer contributes and which is maintained pursuant to one or more collective bargaining agreements between an employee organization and more than one employer.

(49) *Normal cost.* The annual cost attributable, under the actuarial cost method in use, to years subsequent to a particular valuation date.

(50) *Operating revenue.* Amounts accrued or charged to customers, clients, and tenants, for the sale of products manufactured or purchased for resale, for services, and for rentals of property held primarily for leasing to others. It includes both reimbursable costs and fees under cost-type contracts and percentage-of-completion sales accruals except that it includes only the fee for management contracts under which the contractor acts essentially as an agent of the Government in the erection or operation of Government-owned facilities. It excludes incidental interest, dividends, royalty, and rental income, and proceeds from the sale of assets used in the business.

(51) *Original complement of low cost equipment.* A group of items acquired for the initial outfitting of a tangible capital asset or an operational unit, or a new addition to either. The items in the group individually cost less than the minimum amount established by the contractor for capitalization for the classes of assets acquired but in the aggregate they represent a material investment. The group, as a complement, is expected to be held for continued service beyond the current period. Initial outfitting of the unit is completed when the unit is ready and available for normal operations.

(52) *Pay-as-you-go cost method.* A method of recognizing pension cost only when benefits are paid to retired employees or their beneficiaries.

(53) *Pension plan.* A deferred compensation plan established and maintained by one or more employers to provide systematically for the payment of benefits to plan participants after their retirement, *Provided,* That the benefits are paid for life or are payable for life at the option of the employees. Additional benefits such as permanent and total disability and death payments, and survivorship payments to beneficiaries of deceased employees may be an integral part of a pension plan.

(54) *Pension plan participant.* Any employee or former employee of an employer or any member or former member of an employee organization, who is or may become eligible to receive a benefit from a pension plan which covers employees of such employer or members of such organization who have satisfied the plan's participation requirements, or whose beneficiaries are receiving or may be eligible to receive any such benefit. A participant whose employment status with the employer has not been terminated in an active participant of the employer's pension plan.

(55) *Pricing.* The process of establishing the amount or amounts to be paid in return for goods or services.

(56) *Production unit.* A grouping of activities which either uses homogeneous inputs of direct material and direct labor or yields homogeneous outputs such that costs or statistics related to these homogeneous inputs or outputs are appropriate as bases for allocating variances.

(57) *Projected average loss.* The estimated long-term average loss per period for periods of comparable exposure to risk of loss.

(58) *Projected benefit cost method.* Any of the several actuarial cost methods which distribute the estimated total cost of all of the employee's prospective benefits over a period of years, usually their working careers.

(59) *Proposal.* Any offer or other submission used as a basis for pricing a contract, contract modification, or termination settlement, or for securing payments thereunder.

(60) *Repairs and maintenance.* Maintenance is the regularly recurring activity of keeping assets in normal or expected operating condition. Repair is the activity of putting them back into normal or expected operating condition. The total endeavor to obtain the expected service during the life of tangible capital assets is generally called repairs and maintenance.

(61) *Reporting costs.* Provision of cost information to others. The reporting of costs involves selecting relevant cost data and presenting it in an intelligible manner for use by the recipient.

(62) *Residual value.* The proceeds, less removal and disposal costs, if any, realized upon disposition of a tangible capital assets. It usually is measured by the net proceeds from the sale or other disposition of the asset, or its fair value if the asset is traded in on another asset. The estimated residual value is a current forecast of the residual value.

(63) *Segment.* One of two or more divisions, product departments, plants, or other subdivisions of an organization reporting directly to a home office, usually identified with responsibility for profit and/or producing a product or service. The term includes Government-owned contractor-operated (GOCO) facilities, and joint ventures and subsidiaries (domestic and foreign) in which the organization has a majority ownership. The term also includes those joint ventures and subsidiaries (domestic and foreign) in which the organization has less than a majority of ownership, but over which it exercises control.

(64) *Self-insurance.* The assumption or retention of the risk of loss by the contractor, whether voluntarily or involuntarily. Self-insurance includes the deductible portion of purchased insurance.

(65) *Self-insurance charge.* A cost which represents the projected average loss under a self-insurance plan.

(66) *Service life.* The period of usefulness of a tangible capital asset (or group of assets) to its current owner. The period may be expressed in units of time or output. The estimated service life of a tangible capital asset (or group of assets) is a current forecast of its service life and is the period over which depreciation cost is to be assigned.

(67) *Spread-gain actuarial cost method.* Any of the several projected benefit actuarial cost methods under which actuarial gains and losses are included as part of the current and future normal costs of the pension plan.

(68) *Standard cost.* Any cost computed with the use of preestablished measures.

(69) *Tangible capital asset.* An asset that has physical substance, more than minimal value, and is expected to be held by an enterprise for continued use or possession beyond the current accounting period for the services it yields.

(70) *Termination gain or loss.* An actuarial gain or loss resulting from the difference between the assumed and actual rates at which plan participants separate from employment for reasons other than retirement, disability, or death.

(71) *Unallowable cost.* Any cost which, under the provisions of any pertinent law, regulation, or contract, cannot be included in prices, cost reimbursements, or settlements under a Government contract to which it is allocable.

(72) *Variance.* The difference between a preestablished measure and an actual measure.

(73) *Weighted average cost.* An inventory costing method under which an average unit cost is computed periodically by dividing the sum of the cost of beginning inventory plus the cost of acquisitions, by the total number of units included in these two categories.

2. Section 1–3.1220–1 is amended to revise the Part 401 table of contents and § 401.10, and add an appendix to read as follows:

§ 1–3.1220–1 Consistency in estimating, accumulating and reporting costs.

Part 401—Cost Accounting Standard—Consistency in Estimating, Accumulating and Reporting Costs

Sec.

401.10 General applicability.
401.20 Purpose.
401.30 Definitions.
401.40 Fundamental requirement.
401.50 Techniques for application.
401.60 Illustrations.
401.70 Exemptions.
401.80 Effective date.
Appendix Interpretation No. 1.

Authority: Sec. 103, 84 Stat. 796; 50 U.S.C. App. 2168.

Source: 37 FR 4172, February 29, 1972, unless otherwise noted.

§ 401.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter). (43 FR 24819, June 8, 1978)

* * * * *

Appendix—Interpretation No. 1

Part 401, Cost Accounting Standard, Consistency in Estimating, Accumulating and Reporting Costs, requires in § 401.40 that a contractor's "practices used in estimating costs in pricing a proposal shall be consistent with his cost accounting practices used in accumulating and reporting costs."

In estimating the cost of direct material requirements for a contract, it is a common practice to first estimate the cost of the actual quantities to be incorporated in end items. Provisions are then made for additional direct material costs to cover expected material losses such as those which occur, for example, when items are scrapped, fail to meet specifications, are lost, consumed in the manufacturing process, or destroyed in testing and qualification processes. The cost of some or all of such additional direct material requirements is often estimated by the application of one or more percentage factors to the total cost of basic direct material requirements or to some other base.

Questions have arisen as to whether the accumulation of direct material costs in an undifferentiated account where a contractor estimates a significant part of such costs by means of percentage factors is in compliance with Part 401. The most serious questions pertain to such percentage factors which are not supported by the contractor with accounting, statistical, or other relevant data from past experience, nor by a program to accumulate actual costs for comparison with such percentage estimates. In the opinion of the Board, the accumulation of direct costs in an undifferentiated account in this circumstance is a cost accounting practice which is not consistent with the practice of estimating a significant part of costs by means of percentage factors. This situation is virtually identical with that described in Illustration 401.60(b)(5), which deals with labor.

Part 401 does not, however, prescribe the amount of detail required in accumulating and reporting costs. The Board recognizes that the amount of detail required may vary considerably depending on the percentage factors used, the data presented in justification or lack thereof, and the significance of each situation. Accordingly, the Board is of the view that it is neither appropriate nor practical for the Board to prescribe a single set of accounting practices which would be consistent in all situations with the practices of estimating direct material costs by percentage factors. The Board considers, therefore, that the amount of accounting and statistical detail to be required and maintained in accounting for this portion of direct material costs has been and continues to be a matter to be decided by Government procurement authorities on the basis of the individual facts and circumstances. (41 FR 52427, Nov. 30, 1976)

3. Section 1–3.1220–2 is amended to revise the Part 402 table of contents and

§ 402.10, and add an appendix to read as follows:

§ 1-3.1220-2 Consistency in allocating costs incurred for the same purpose.

Part 402—Cost Accounting Standard—Consistency in Allocating Costs Incurred for the Same Purpose

Sec.
402.10 General applicability.
402.20 Purpose.
402.30 Definitions.
402.40 Fundamental requirement.
402.50 Techniques for application.
402.60 Illustrations.
402.70 Exemptions.
402.80 Effective date.
Appendix Interpretation No. 1.

Authority: Sec. 103, 84 Stat. 796; 50 U.S.C. App. 2168.

Source: 37 FR 4173, February 29, 1972 unless otherwise noted.

§ 402.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter).

(43 FR 24819, June 8, 1978)

* * * * *

Appendix—Interpretation No. 1

Part 402, Cost Accounting Standard, Consistency in Allocating Costs Incurred for the Same Purpose, provides, in § 402.40, that "* * * no final cost objective shall have allocated to it as a direct cost any cost, if other costs incurred for the same purpose in like circumstances, have been included in any indirect cost pool to be allocated to that or any other final cost objective."

This interpretation deals with the way Part 402 applies to the treatment of costs incurred in preparing, submitting, and supporting proposals. In essence, it is addressed to whether or not, under the Standard, all such costs are incurred for the same purpose, in like circumstances.

Under Part 402, costs incurred in preparing, submitting, and supporting proposals pursuant to a specific requirement of an existing contract are considered to have been incurred in different circumstances from the circumstances under which costs are incurred in preparing proposals which do not result from such specific requirement. The circumstances are different because the costs of preparing proposals specifically required by the provisions of an existing contract relate only to that contract while other proposal costs relate to all work of the contractor.

This interpretation does not preclude the allocation, as indirect costs, of costs incurred in preparing all proposals. The costs accounting practices used by the contractor, however, must be followed consistently and the method used to reallocate such costs, of course, must provide an equitable distribution to all final cost objectives. (41 FR 24691, June 18, 1976)

4. Section 1-3.1220-3 is amended to revise the Part 403 table of contents, § 403.10, § 403.40(b)(5), § 403.70, and § 403.80, remove § 403.50(c)(2), and add § 403.80(b), and an appendix to read as follows:

§ 1-3.1220-3 Allocation of home office costs to segments.

Part 403—Allocation of Home Office Costs to Segments

Sec.
403.10 General applicability.
403.20 Purpose.
403.30 Definitions.
403.40 Fundamental requirement.
403.50 Techniques for application.
403.60 Illustrations.
403.70 Exemptions.
403.80 Effective date.
Appendix Interpretation No. 1.

Authority: Sec. 103, 84 Stat. 796 (50 U.S.C. App. 2168).

Source: 37 FR 26680, December 14, 1972, unless otherwise noted.

§ 403.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contact clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter).
(43 FR 24819, June 8, 1978)

* * * * *

§ 403.40 Fundamental requirement.

* * * * *

(b) * * *

(5) *Independent research and development costs and bid and proposal costs.* Independent research and development costs and bid and proposal costs of a home office shall be allocated in accordance with 4 CFR Part 420. (49 FR 55127, Sept. 25, 1979)

* * * * *

§ 403.50 Techniques for application.

* * * * *

(c) * * *

(2) Removed.

* * * * *

§ 403.70 Exemptions.

(a) Any contractor or subcontractor which together with its subsidiaries did not receive net awards of negotiated national defense prime contracts during Federal fiscal year 1971 (July 1, 1970, through June 30, 1971) totaling more than $30 million is exempt from this Standard.

This exemption expires on March 10, 1978. Any contractor, unless otherwise exempt, who receives a negotiated national defense contract after March 10, 1978, shall be required to comply at the start of his first cost accounting period following receipt of that award. (38 FR 30730, Nov. 7 1973; 40 FR 32749, Aug. 4, 1975; 42 FR 45629, Sept. 12, 1977)

(b) This standard shall not apply to contractors who are subject to the provisions of Federal Management Circular 74-4 (Principles for Determining Costs Applicable to Grants and Contracts with State and Local Governments). (FPR Note: Federal Management Circular 74-4 has been superseded by OMB Circular A-87, Jan. 15, 1981).

(43 FR 24820, June 8, 1978)

§ 403.80 Effective date.

(a) This standard shall be followed by each contractor as of the beginning of his next fiscal year after September 30, 1973. The effective date of this standard is July 1, 1973.

(38 FR 7447, Mar. 27, 1973, as amended at 41 FR 47239, Oct. 28, 1976)

(b) The effective date of § 403.70(a) as amended is March 10, 1978.

(42 FR 45629, Sept. 12, 1977)

Appendix—Interpretation No. 1

Questions have arisen as to the requirements of Part 403, Cost Accounting Standard, Allocation of Home Office Expenses to Segments, for the purpose of allocating State and local income taxes and franchise taxes based on income (hereinafter collectively referred to as income taxes) from a home office of an organization to its segments.

By means of an illustrative allocation base in Section 403.60, the Standard provides that income taxes are to be allocated by "any base or method which results in an allocation that equals or approximates a segment's proportionate share of the tax imposed by the jurisdiction in which the segment does business, as measured by the same factors used to determine taxable income for that jurisdiction." This provision contains two essential criteria for the allocation of income taxes from a home office to segments. First, the taxes of any particular jurisdiction are to be allocated only to those segments that do business in the taxing jurisdiction. Second, where there is more than one segment in a taxing jurisdiction, the taxes are to be allocated among those segments on the basis of "the same factors used to determine the taxable income for that jurisdiction." The questions that have arisen relate primarily to whether segment book income or loss is a "factor" for this purpose.

Most States tax a fraction of total organization income, rather than the book income of segments that do business within the State. The fraction is calculated pursuant to a formula prescribed by State statute. In these situations, the book income or loss of individual segments is not a factor used to determine taxable income for that jurisdiction. Accordingly, in States that tax a fraction of total organization income, rather than the book income of segments within the State, such book income is irrelevant for tax allocation purposes. Therefore, segment book-income is to be used as a factor in allocating income tax expense from a home office to segments only where this amount is expressly used by the taxing jurisdiction in computing the income tax.

(45 FR 13721, Mar. 3, 1980)

5. Section 1-3.1220-4 is amended to revise §§ 404.10, 404.40(b)(1),

404.60(a)(1), and 404.80 of Part 404 to read as follows:

§ 1-3.1220-4 Capitalization of tangible assets.

* * * * *

§ 404.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter).

(43 FR 24820, June 8, 1978)

* * * * *

§ 404.40 Fundamental requirement.

* * * * *

(b) * * *

(1) The contractor's policy shall designate a minimum service life criterion which shall not exceed 2 years, but which may be a shorter period. The policy shall also designate a minimum acquisition cost criterion which shall not exceed $1,000, but which may be a smaller amount.

(45 FR 13723, Mar. 3, 1980)

* * * * *

§ 404.60 Illustrations.

(a) *Illustrations of costs which must be capitalized.*

(1) Contractor has an established policy of capitalizing tangible assets which have a service life of more than 1 year and a cost of $2,000. The contractor's policy must be modified to conform to the $1,000 policy limitation on minimum acquisition cost established by the Standard.

(i) Contractor acquires a tangible capital asset with a life of 18 months at a cost of $1,200. The Standard requires that the asset be capitalized in compliance with contractor's policy as to service life.

(ii) Contractor acquires a tangible asset with a life of 18 months at a cost of $900. The asset need not be capitalized unless the contractor's revised policy establishes a minimum cost criterion below $900.

(45 FR 13723, Mar. 3, 1980)

* * * * *

§ 404.80 Effective date.

(a) The effective date of this standard is July 1, 1973. The standard shall be applied to accrued expenditures for acquisition of tangible capital assets during the contractor's next fiscal year beginning on or after October 1, 1973.

(b) Sections 404.40(b)(1), 404.60(a)(1), and 404.60(a)(2), as amended, shall be applied to accrued expenditures for acquisition of tangible capital assets during the contractor's cost accounting periods which begin on or after December 20, 1980.

(38 FR 12319, May 5, 1973; 45 FR 13723, Mar. 3, 1980)

6. Section 1-3.1220-5 is amended to revise § 405.10 of Part 405 to read as follows:

§ 1-3.1220-5 Accounting for unallowable costs.

* * * * *

§ 405.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter).

(43 FR 24820, June 8, 1978)

7. Section 1-3.1220-6 is amended to revise §§ 406.10, 406.50(f), and 406.60(c) of Part 406 to read as follows:

§ 1-3.1220-6 Cost accounting period.

* * * * *

§ 406.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter).

(43 FR 24820, June 8, 1978)

* * * * *

§ 406.50 Techniques for application.

* * * * *

(f) When a transitional cost accounting period is required under the provisions of § 406.40(a)(3), the contractor may select any one of the following: (1) The period, less than a year in length, extending from the end of his previous cost accounting period to the beginning of his next regular cost accounting period; (2) a period in excess of a year, but not longer than fifteen months, obtained by combining the period described in subparagraph (1) of this paragraph with the previous cost accounting period; or (3) a period in excess of a year, but not longer than fifteen months, obtained by combining the period described in subparagraph (1) of this paragraph with the next regular cost accounting period. A change in the contractor's cost accounting period is a change in accounting practices for which an adjustment in the contract price may be required in accordance with paragraph (a)(4)(B) or (C) of the contract clause set out at § 331.50 of this chapter.

(42 FR 9781, Mar. 10, 1978)

§ 406.60 Illustrations.

* * * * *

(c) A contractor changes his fiscal year from a calendar year to the 12-month period ending May 31. For financial reporting purposes, he has a five-month transitional "fiscal year." The same five-month period must be used as the transitional cost accounting period; it may not be combined as provided in § 406.50(f), because the transitional period would be longer than fifteen months. The new fiscal year must be adopted thereafter as his regular cost accounting period. The change in his cost accounting period is a change in accounting practices; adjustments of the contract prices may thereafter be required in accordance with paragraph (a)(4)(B) or (C) of the contract clause set out at § 331.50 of this chapter.

(43 FR 9781, Mar. 10, 1978)

* * * * *

8. Section 1-3.1220-7 is amended to revise § 407.10 of Part 407 to read as follows:

§ 1-3.1220-7 Use of standard costs for direct material and direct labor.

* * * * *

§ 407.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter).

(43 FR 24820, June 8, 1978)

9. Section 1-3.1220-8 is amended to revise §§ 408.10 and 408.70 of Part 408 to read as follows:

§ 1-3.1220-8 Accounting for costs of compensated personal absence.

* * * * *

§ 408.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter).

(43 24820, June 8, 1978)

* * * * *

§ 408.70 Exemption.

This standard shall not apply to contractors who are subject to the provisions of Federal Management Circular 74-4 (Principles for Determining Costs Applicable to Grants and Contracts with State and Local Governments).

(43 FR 24820, June 8, 1978)

10. Section 1-3.1220-9 is amended to revise §§ 409.10, 409.50(1), and 409.60(f) of Part 409 to read as follows:

§ 1-3.1220-9 Depreciation of tangible capital assets.

* * * * *

§ 409.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (§ 331.30 of this chapter).

(43 FR 24821, June 8, 1978)

* * * * *

§ 409.50 Techniques for application.

* * * * *

(1) Practices for determining depreciation methods, estimated service lives and estimated residual values need not be changed for assets acquired prior to compliance with this Standard if otherwise acceptable under applicable procurement regulations. However, if changes are effected such changes must conform to the criteria established in this Standard and may be effected on a prospective basis to cover the undepreciated balance of cost by agreement between the contracting parties pursuant to negotiation under (a)(4) (B) or (C) of the Contract Clause set out at § 331.50 of the Board's regulations (4 CFR 331.50).

(43 FR 9781, Mar. 10, 1978)

§ 409.60 Illustrations.

* * * * *

(f) A major item of equipment which was acquired prior to the applicability of this Standard was estimated, at acquisition, to have a service life of 12 years and a residual value of no more than 10 percent of acquisition cost. After four years of service, during which time this standard has become applicable, a change in the production situation results in a well-supported determination to shorten the estimated service life to a total of seven years. The revised estimated residual value is 15 percent of acquisition cost. The annual depreciation charges based on this particular asset will be appropriately increased to amortize the remaining cost, less the current estimate of residual value, over the remaining three years of expected usefulness. This change is not a change of cost accounting practice, but a correction of numeric estimates. The requirement of § 409.50(1) for an adjustment pursuant to section (a)(4) (B) or (C) of the CAS clause does not apply.

(43 FR 9781, Mar. 10, 1978)

* * * * *

11. Section 1–3.1220–10 is amended to revise §§ 410.40(d), 410.60(c)(1), 410.60(c)(3)(i), 410.60(h)(2), and 410.70 of Part 410 and paragraph (7) of Appendix A to Part 410 to read as follows:

§ 1–3.1220–10 Allocation of business unit general and administrative expenses to final cost objectives.

* * * * *

§ 410.40 Fundamental requirement.

* * * * *

(d) Any costs which do not satisfy the definition of G&A expense but which have been classified by a business unit as G&A expenses, can remain in the G&A expense pool unless they can be allocated to business unit cost objectives on a beneficial or causal relationship which is best measured by a base other than a cost input base.

(44 FR 55127, Sept. 25, 1979)

* * * * *

§ 410.60 Illustrations.

* * * * *

(c)(1) Business Unit C has a personnel function which is divided into two parts: (i) A vice president of personnel who establishes personnel policy and overall guidance, and (ii) a personnel department which handles hirings, testing, evaluations, etc. The expense of the vice president is included in the G&A expense pool. The expense of the personnel department is allocated to the other indirect cost pools based on the beneficial or causal relationship between that expense and the indirect cost pools. This procedure is in compliance with the requirements of this Standard.

* * * * *

(3) * * *

(i) C shall allocate IR&D and B&P costs during the transition period (from January 1, 1978, to and including the cost accounting period during which the pre-existing contracts are completed), to the pre-existing contracts as part of its G&A expense pool using a cost of sales base pursuant to 410.50(e) and Appendix A.

* * * * *

(h)(1) * * *

(2) This accounting practice of H does not comply with section 410.50(g)(2). Home office residual expenses should be in the G&A expense pool, and the expenses of the staff management functions relative to manufacturing and engineering should be included in the manufacturing overhead and engineering overhead pools, respectively. The health insurance costs should be allocated in proportion to the beneficial and causal relationship between these costs and H's cost objectives.

§ 410.70 Exemption.

This standard shall not apply to contractors who are subject to the provisions of Federal Management Circular 74–4 (Principles for Determining Costs Applicable to Grants and Contracts with State and Local Governments).

(43 FR 24821, June 8, 1978)

* * * * *

Appendix A

* * * * *

(7) In any cost accounting period, after the cost accounting periods described in (5) above, if the ending inventory of contracts subject to the CAS clause is less than the balance of the inventory suspense account, the business unit shall calculate two G&A expense allocation rates, one to allocate G&A expenses to contracts subject to the CAS clause and one applicable to other work.

* * * * *

12. Section 1–3.1220–13 is added to include the Part 413 table of contents and §§ 413.10 through 413.80 to read as follows:

§ 1–3.1220–13 Adjustment and allocation of pension cost.

Part 413—Adjustment and Allocation of Pension Cost

Sec.

413.10 General applicability.
413.20 Purpose.
413.30 Definitions.
413.40 Fundamental requirement.
413.50 Techniques for application.
413.60 Illustrations.
413.70 Exemptions.
413.80 Effective date.

Authority: Sec. 719 of the Defense Production Act of 1950, as amended, Pub. L. 91–379, 50 USC App. 2168.

Source: 42 FR 37196, July 20, 1977, unless otherwise noted.

§ 413.10 General applicability.

General applicability of this Cost Accounting Standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the Cost Accounting Standards contract clause in negotiated defense prime contracts and subcontracts (4 CFR 331.30).

§ 413.20 Purpose.

A purpose of this Standard is to provide guidance for adjusting pension cost by measuring actuarial gains and losses and assigning such gains and losses to cost accounting periods. The Standard also provides the bases on which pension cost shall be allocated to segments of an organization. The provisions of this Cost Accounting Standard should enhance uniformity and consistency in accounting for pension costs.

§ 413.30 Definitions.

(a) The following definitions of terms which are prominent in this Standard are reprinted from Part 400 of this chapter for convenience. Other terms which are used in this Standard and are defined in Part 400 of this chapter have the meanings ascribed to them in that part unless the text demands a different definition or the definition is modified in paragraph (b) of this section:

(1) *Actuarial assumption.* A prediction of future conditions affecting pension cost; for example, mortality rate, employee turnover, compensation levels, pension fund earnings, changes in values of pension fund assets.

(2) *Actuarial cost method.* A technique which uses actuarial assumptions to measure the present value of future pension benefits and pension fund administrative expenses, and which assigns the cost of such benefits and expenses to cost accounting periods.

(3) *Actuarial gain and loss.* The effect on pension cost resulting from differences between actuarial assumptions and actual experience.

(4) *Actuarial liability.* Pension cost attributable, under the actuarial cost method in use, to years prior to the date of a particular actuarial valuation. As of such date, the actuarial liability represents the excess of the present value of the future benefits and administrative expenses over

the present value of future contributions for the normal cost for all plan participants and beneficiaries. The excess of the actuarial liability over the value of the assets of a pension plan is the Unfunded Actuarial Liability.

(5) *Actuarial valuation.* The determination, as of a specified date, of the normal cost, actuarial liability, value of the assets of a pension fund, and other relevant values for the pension plan.

(6) *Immediate-gain actuarial cost method.* Any of the several actuarial cost methods under which actuarial gains and losses are included as part of the unfunded actuarial liability of the pension plan, rather than as part of the normal cost of the plan.

(7) *Normal cost.* The annual cost attributable, under the actuarial cost method in use, to years subsequent to a particular valuation date.

(8) *Pension plan.* A deferred compensation plan established and maintained by one or more employers to provide systematically for the payment of benefits to plan participants after their retirement, provided that the benefits are paid for life or are payable for life at the option of the employees. Additional benefits such as permanent and total disability and death payments, and survivorship payments to beneficiaries of deceased employees may be an integral part of a pension plan.

(9) *Pension plan participant.* Any employee or former employee of an employer, or any member or former member of an employee organization, who is or may become eligible to receive a benefit from a pension plan which covers employees of such employer or members of such organization who have satisfied the plan's participation requirements, or whose beneficiaries are receiving or may be eligible to receive any such benefit. A participant whose employment status with the employer has not been terminated is an active participant of the employer's pension plan.

(10) *Projected benefit cost method.* Any of the several actuarial cost methods which distribute the estimated total cost of all of the employees' prospective benefits over a period of years, usually their working careers.

(11) *Segment.* One of two or more divisions, product departments, plants, or other subdivisions of an organization reporting directly to a home office, usually identified with responsibility for profit and/or producing a product or service. The term includes Government-owned contractor-operated (GOCO) facilities, and joint ventures and subsidiaries (domestic and foreign) in which the organization has a majority ownership. The term also includes those joint ventures and subsidiaries (domestic and foreign) in which the organization has less than a majority of ownership, but over which it exercises control.

(12) *Spread-gain actuarial cost method.* Any of the several projected benefit actuarial cost methods under which actuarial gains and losses are included as part of the current and future normal costs of the pension plan.

(13) *Termination gain or loss.* An actuarial gain or loss resulting from the difference between the assumed and actual rates at which plan participants separate from employment for reasons other than retirement, disability, or death.

(b) The following modifications of definitions set forth in Part 400 of this chapter are applicable to this Standard: None.

§ 413.40 Fundamental requirement.

(a) *Assignment of actuarial gains and losses.* Actuarial gains and losses shall be calculated annually and shall be assigned to the cost accounting period for which the actuarial valuation is made and subsequent periods.

(b) *Valuation of the assets of a pension fund.* The value of all pension fund assets shall be determined under an asset valuation method which takes into account unrealized appreciation and depreciation of pension fund assets, and shall be used in measuring the components of pension cost.

(c) *Allocation of pension cost to segments.* Contractors shall allocate pension cost to each segment having participants in a pension plan. A separate calculation of pension cost for a segment is required when the conditions set forth in §413.50(c) (2) and (3) are present. When these conditions are not present, allocations may be made by calculating a composite pension cost for two or more segments and allocating this cost to these segments by means of an allocation base.

§ 413.50 Techniques for application.

(a) *Assignment of actuarial gains and losses.* (1) In accordance with the provisions of 4 CFR Part 412, actuarial gains and losses shall be identified separately from unfunded actuarial liabilities being amortized.

(2) Actuarial gains and losses determined under a pension plan whose costs are measured by an immediate-gain actuarial cost method shall be amortized over a 15-year period in equal annual installments, beginning with the date as of which the actuarial valuation is made. The installment for a cost accounting period shall consist of an element for amortization of the gain or loss and an element for interest on the unamortized balance at the beginning of the period. If the actuarial gain or loss determined for a cost accounting period is not material, the entire gain or loss may be included as a component of the current or ensuing year's pension cost.

(3) Actuarial gains and losses applicable to a pension plan whose costs are measured by a spread-gain actuarial cost method shall be included as part of current and future normal cost and spread over the remaining average working lives of the work force.

(b) *Valuation of the assets of a pension fund.* (1) The actuarial value of the assets of a pension fund shall be used (i) in measuring actuarial gains and losses, and (ii) for purposes of measuring other components of pension cost.

(2) The actuarial value of the assets of a pension fund may be determined by the use of any recognized asset valuation method which provides equivalent recognition of appreciation and depreciation of pension fund assets. However, the total asset value produced by the method used shall fall within a corridor from 80 to 120 percent of the market value of the assets, determined as of the valuation date. If the method produces a value that falls outside the corridor, the value of the assets shall be adjusted to equal the nearest boundary of the corridor.

(3) The method selected for valuing pension fund assets shall be consistently applied from year to year within each plan.

(4) The provisions of paragraphs (b) (1) through (3) of this section are not applicable to plans that are funded with insurance companies under contracts where the insurance company guarantees benefit payments.

(c) *Allocation of pension cost to segments.* (1) For contractors who compute a composite pension cost covering plan participants in two or more segments, the base to be used for allocating such costs shall be representative of the factors which the pension benefits are based. For example, a base consisting of salaries and wages shall be used for pension costs that are calculated as a percentage of salaries and wages; a base consisting of the number of employees shall be used for pension costs that are calculated as an amount per employee.

(2) Separate pension cost for a segment shall be calculated whenever any of the following conditions exist for that segment, provided that such condition[s] materially affect the amount of pension cost allocated to the segment: (i) There is a material termination gain or loss attributable to the segment, (ii) The level of benefits, eligibility for benefits, or age distribution is materially different for the segment than for the average of all segments, or (iii) The appropriate assumptions relating to termination, retirement age, or salary scale are, in the aggregate, materially different for the segment than for the average of all segments. Calculations of termination gains or losses shall give consideration to factors such as unexpected early retirements, benefits becoming fully vested, and reinstatements or transfers without loss of benefits. An amount may be estimated for future reemployments.

(3) Pension cost shall also be separately calculated for a segment under circumstances where (i) The pension plan for that segment becomes merged with that of another segment, and (ii) The ratios of assets to actuarial liabilities for each of the merged plans are materially different from one another after applying the benefits in effect after the merger.

(4) Whenever the pension cost of a segment is required to be calculated separately pursuant to paragraphs (c) (2) and (3) of this section, such calculations shall be prospective only; pension costs need not be redetermined for prior years.

(5) For a segment whose pension costs are required to be calculated separately pursuant to paragraph (c)(2) of this section, there shall be an initial allocation of a share in the undivided pension fund assets to that segment, as follows: (i) If the necessary data are readily determinable, the amount of assets to be allocated to the segment shall be the amount of funds contributed by, or on behalf of, the segment, increased by income received on such funds, and decreased by benefits and expenses paid from such funds;

(ii) if the data specified in subdivision (i) of this subparagraph, are not readily determinable, the actuarial value of the pension fund's assets shall be allocated to the segment in a manner consistent with the actuarial cost method or methods used to compute pension cost. For a segment whose pension costs are required to be calculated separately pursuant to paragraph (c)(3) of this section the initial allocation of assets to the segment shall be the market value of the segment's assets as of the date of the merger.

(6) If prior to the time a contractor is required to use this Standard, it has been calculating pension cost separately for individual segments, the amount of assets previously allocated to those segments need not be changed.

(7) After the initial allocation of assets, the contractor shall maintain a record of the portion of subsequent contributions, income, benefit payments, and expenses attributable to the segment and paid from the pension fund; income and expenses shall include a portion of any investment gains and losses attributable to the assets of the pension fund. Fund income and expenses shall be allocated to the segment in the same proportion that the assets allocated to the segment bears to total fund assets as of the beginning of the period for which fund income and expenses are being allocated.

(8) If plan participants transfer among segments, contractors need not transfer assets or liabilities unless a transfer is sufficiently large to distort the segments' ratio of fund assets to actuarial liabilities.

(9) Contractors who separately calculate the pension cost of one or more segments may calculate such cost either for all pension plan participants assignable to the segment(s) or for only the active participants of the segment(s). If costs are calculated only for active participants, a separate segment shall be created for all of the inactive participants of the pension plan and the cost thereof shall be calculated. When a contractor makes such an election, assets shall be allocated to the segment for inactive participants in accordance with paragraphs (c) (5), (6), and (7) of this section. When an employee of a segment becomes inactive, assets shall be transferred from that segment to the segment established to accumulate the assets and actuarial liabilities for the inactive plan participants. The amount of funds transferred shall be that portion of the actuarial liabilities for these inactive participants that have been funded. If inactive participants become active, funds and liabilities shall similarly be transferred to the segments to which the participants are assigned. Such transfers need be made only as of the last day of a cost accounting period. The total annual pension cost for a segment having active lives shall be the amount calculated for the segment plus an allocated portion of the pension cost calculated for the inactive participants. Such an allocation shall be on the same basis as that set forth in paragraph (c)(1) of this section.

(10) Where pension cost is separately calculated for one or more segments, the actuarial cost method used for a plan shall be the same for all segments, as required by 4 CFR 412.50(b). Unless a separate calculation of pension cost for a segment is made because of a condition set forth in paragraph (c)(2)(iii) of this section, the same actuarial assumptions may be used for all segments covered by a plan.

(11) If a pension plan has participants in the home office of a company, the home office shall be treated as a segment for purposes of allocating the cost of the pension plan. Pension cost allocated to a home office shall be a part of the costs to be allocated in accordance with the appropriate requirements of 4 CFR Part 403.

(12) If a segment is closed, the contractor shall determine the difference between the actuarial liability for the segment and the market value of the assets allocated to the segment, irrespective of whether or not the pension plan is terminated. The determination of the actuarial liability shall give consideration to any requirements imposed by agencies of the United States Government. In computing the market value of assets for the segment, if the contractor has not already allocated assets to the segment, such an allocation shall be made in accordance with the requirements of paragraph (c)(5) (i) and (ii) of this section. The market value of the assets allocated to the segment shall be the segment's proportionate share of the total market value of the assets of the pension fund. The calculation of the difference between the market value of the assets and the actuarial liability shall be made as of the date of the event (e.g., contract termination) that caused the closing of the segment. If such a date cannot be readily determined, or if its use can result in an inequitable calculation, the contracting parties shall agree on an appropriate date. The difference between the market value of the assets and the actuarial liability for the segment represents an adjustment of previously-determined pension costs.

§ *413.60 Illustrations.*

(a) *Assignment of actuarial gains and losses.* Contractor A has a defined-benefit pension plan whose costs are measured under an immediate-gain actuarial cost method. The contractor makes actuarial valuations every other year. In the past, at each valuation date, the contractor has calculated the actuarial gains and losses that have occurred since the previous valuation date and has merged such gains and losses with the unfunded actuarial liabilities that are being amortized. Pursuant to § 413.40(a), the contractor must make an actuarial valuation annually. Any actuarial gains or losses measured must be separately amortized over a 15-year period beginning with the period for which the actuarial valuation is made (§ 413.50(a) (1) and (2)).

(b) *Valuation of the assets of a pension fund.* Contractor B has a defined benefit pension plan, the assets of which are invested in equity securities, debt securities, and real property. The contractor, whose cost accounting period is the calendar year, has an annual actuarial valuation of the pension fund in June of each year; the effective date of the valuation is the beginning of that year. The contractor's method for valuing the assets of the pension fund is as follows: debt securities expected to be held to maturity are valued on an amortized basis running from initial cost at purchase to par value at maturity; land and buildings are valued at cost less depreciation taken to date; all equity securities and debt securities not expected to be held to maturity are valued on the basis of a 5-year moving average of market values. In making an actuarial valuation, the contractor must compare the values reached under the asset valuation method used with the market values of all of the assets (§ 413.40(b)). In this case, the assets are valued as of January 1 of that year. The contractor established the following values as of the valuation date.

	Asset valuation method	Market
Cash	$100,000	$100,000
Equity securities	6,000,000	7,800,000
Debt securities expected to be held to maturity	550,000	600,000
Other debt securities	600,000	750,000
Land and buildings, net of depreciation	400,000	750,000
Total	7,650,000	10,000,000

Section 413.50(b)(2) requires that the total value of the assets of the pension fund fall within a corridor from 80 to 120 percent of market. The corridor for the plan's assets as of January 1 is from $12 million to $8 million. Because the asset value reached by the contractor—$7,650,000—falls outside the corridor, the value reached must be adjusted to equal the nearest boundary of the corridor: $8 million. In subsequent years the contractor must continue to use the same method for valuing assets (§ 413.50(b)(3)). If the value produced falls inside the corridor, such value shall be used in measuring pension cost.

(c) *Allocation of pension cost to segments.* (1) Contractor C has a defined-benefit pension plan covering employees at five segments. Pension cost is computed by use of an immediate-gain actuarial cost method. One segment (X) is devoted primarily to performing work for the Government. During the current cost accounting period, Segment X had a large and unforeseeable reduction of employees because of a contract termination at the convenience of the Government and because the contractor did not receive an anticipated follow-on contract to one that was completed during the period. As a result, the plan has a large net termination gain. As a consequence of this gain a separate calculation of the pension cost for Segment X would result in a materially different allocation of costs to that segment than would a composite calculation and allocation by means of a base. Accordingly, pursuant to § 413.50(c)(2), the contractor must calculate a separate pension cost for Segment X. In doing so, the entire termination gain must be assigned to Segment X and amortized over 15 years. If the actuarial assumptions for Segment X continue to be substantially the same as for the other segments, the termination gain may be separately amortized and allocated only to Segment X; all other Segment X computations may be included as part of the composite calculation. After the gain is amortized, the contractor is

no longer required to separately calculate the costs for Segment X unless subsequent events require such separate calculation.

(2) Contractor D has a defined-benefit pension plan covering employees at ten segments, all of which have some contracts subject to Cost Accounting Standards. The contractor uses a spread-gain actuarial cost method and calculates pension cost by developing a pension cost rate and applying that rate to the salaries and wages of the work force. One of the segments (Segment Y) is entirely devoted to Government work. The contractor's policy is to place junior employees in this segment. The age distribution of the employees of the segment is so different from that of the other segments that the pension cost for Segment Y would be materially different if computed separately than if computed as part of a computation which averages the ages of all employees covered by the plan. Pursuant to § 413.50(c)(2), the contractor must compute the pension cost for Segment Y as if it were a separate pension plan. Accordingly, the contractor must allocate a portion of the pension fund's assets to Segment Y. Memorandum records may be used in making the allocation. However, because this portion cannot be readily determined, § 413.50(c)(5)(ii) permits the allocation to be made on the basis of the actuarial cost method or methods used to calculate prior years' pension cost for the plan. Once the assets have been allocated, in future cost accounting periods the contractor shall make separate pension cost calculations for Segment Y based on the actual age distribution for the segment. Because the factors comprising pension cost for the other nine segments are relatively equal, the contractor may compute pension cost for these nine segments by using composite factors and developing a percentage of payroll for the nine segments. The pension cost allocated to each of the nine segments shall be the product of the percentages developed and the payroll of each segment [§ 413.50 (c)(1)].

(3) Contractor E has a defined-benefit pension plan which covers employees at 12 segments. The contractor uses composite actuarial assumptions to develop a pension cost for all segments. Three of these segments primarily perform Government work; the work at the other nine segments is primarily commercial. Employee turnover at the segments performing commercial work is relatively stable. However, employment experience at the Government segments has been very volatile; there have been large fluctuations in employment levels and the contractor assumes that this pattern of employment will continue to occur. It is evident that separate termination assumptions for the Government segments and the commercial segments will result in materially different pension costs for the Government segments. Therefore, the cost for these segments must be separately calculated, using the appropriate termination assumptions for these segments [§ 413.50(c)(2)(iii)].

(4) Contractor F has a defined-benefit pension plan covering employees at 25 segments. Twelve of these segments primarily perform Government work; the remaining segments perform primarily commercial work. The contractor's records show that the termination experience and projections for the 12 segments are so different from that of the average of all of the segments that separate pension cost calculations are required for these segments pursuant to § 413.50(c)(2). However, because the termination experience and projections are about the same for all 12 segments, contractor F may calculate a composite pension cost for the 12 segments and allocate the cost to these segments by use of an appropriate allocation base.

(5) After this Standard becomes applicabale to Contractor G, it acquires Contractor H and makes it Segment H. Prior to the merger, each contractor had its own defined-benefit pension plan. Under the terms of the merger, Contractor H's pension plan and plan assets were merged with those of Contractor G. The actuarial assumptions, current salary scale, and other plan characteristics and about the same for Segment H and Contractor G's other segments. However, based on the same benefits at the time of the merger, the plan of Contractor H had a disproportionately larger unfunded actuarial liability than did Contractor G's plan. Any combining of the assets and actuarial liabilities of both plans would result in materially different pension cost allocation to Contractor G's segments than if pension cost were computed for Segment H on the basis that it had a separate pension plan. Accordingly, pursuant to § 413.50(c)(5), Contractor G must allocate to Segment H a portion of the assets of the combined plan. The amount to be allocated shall be the market value of Segment H's pension plan assets at the date of the merger, adjusted for subsequent receipts and expenditures applicable to the segment (§ 413.50(c)(7)). Contractor G must use these amounts of assets as a basis for calculating the annual pension cost applicable to Segment H.

(6) Contractor I has a defined-benefit pension plan covering employees at seven segments. The contractor has been making a composite pension cost calculation for all of the segments. However, the contractor determines that, pursuant to this Standard, separate pension costs must be calculated for one of the segments. In accordance with § 413.50(c)(9), the contractor elects to allocate fund assets only for the active participants of that segment. The contractor must then create a segment to accumulate the assets and actuarial liabilities for the plan's inactive participants. When active participants of a segment become inactive, the contractor must transfer assets to the segment for inactive participants to cover the actuarial liabilities for the participants that become inactive. However, the amount to be transferred shall be proportionate to the percentage of such liabilities that are funded.

(7) Contractor J has a defined-benefit pension plan covering employees at ten segments. The contractor makes a composite pension cost calculation for all segments. The contractor's records show that the termination experience for one segment—primarily performing Government work—has been significantly different from the average turnover experience of the other segments. Moreover, the contractor assumes that such different experience will continue. Because of this fact, and because the application of a different termination assumption would result in significantly different costs being charged to the Government, the contractor must develop separate pension cost for that segment. In accordance with § 413.50(c)(2), the amount of pension cost must be based on an acceptable termination assumption for that segment; however, as provided in § 413.50(c)(10), all other assumptions for that segment may be the same as those for the remaining segments.

(8) Contractor K has a five-year contract to operate a Government-owned facility. The employees of that facility are covered by the contractor's overall defined-benefit pension plan which covers salaried and hourly employees at other locations. At the conclusion of the five-year period, the Government decides not to renew the contract. Although some employees are hired by the successor contractor, as far as Contractor K is concerned, the facility is closed. Pursuant to § 413.50(c)(12), Contractor K must compute an unfunded actuarial liability for the pension plan for that facility. The contractor first calculates the actuarial liability as of the date the contract expired. Because many of Contractor K's employees are terminated from the pension plan, the Internal Revenue Service considers it to be a partial plan termination, and thus requires that the terminated employees become fully vested in their accrued benefits to the extent such benefits are funded. Taking this factor into consideration, the actuary calculates the actuarial liability as amounting to $12.5 million. The contractor must then determine the market value of the pension fund assets allocable to the facility, pursuant to § 413.50(c)(5), as of the date agreed to by the contracting parties (§ 413.50(c)(12))—the date the contract expired. In making this determination the contractor establishes the ratio of the actuarial value of the assets allocable to the segment to the total actuarial value of the assets of the pension fund. The product of this ratio and the market value of all pension fund assets is the market value of the assets allocated to the segment. In this case, the market value of the segment's assets amounted to $13.8 million. Thus, for this facility the value of pension fund assets exceeded the actuarial liability by $1.3 million. This amount indicates the extent to which the Government over-contributed to the pension plan for the segment and, accordingly, indicates the extent to which prior years' pension costs are subject to adjustment.

§ 413.70 Exemptions.

None for this Standard.

§ 413.80 Effective date.

(a) The effective date of this Standard is March 10, 1978.

(b) This Standard shall be followed by each contractor on or after the start of his next cost accounting period beginning after the receipt of a contract to which this Cost Accounting Standard is applicable.

13. Section 1-3.1220-14 is amended to revise Table VIII of Appendix B of Part 414 to read as follows:

§ 1-3.1220-14 Cost of money as an element of the cost of facilities capital.

* * * * *

Appendix B

* * * * *

TABLE VIII.—Cost Data for the Contract

Purchased parts	$85,000
Subcontract items	990,000
Technical computer time 280 h at $250/h	70,000
Engineering labor	330,000
Engineering overhead at 80 pct	264,000
Manufacturing labor	1,210,000
Manufacturing overhead at 200 pct	2,420,000
Total cost input (excluding cost of money)	5,369,000
G. & A. at 8.99 pct	483,000
Total cost input and G. & A. (excluding cost of money)	5,852,000

* * * * *

14. Section 1-3.1220-15 is added to read as follows:

§ 1-3.1220-15 Accounting for the cost of deferred compensation.

PART 415—ACCOUNTING FOR THE COST OF DEFERRED COMPENSATION

Sec.

415.10 General applicability.
415.20 Purpose.
415.30 Definitions.
415.40 Fundamental requirement.
415.50 Techniques for application.
415.60 Illustrations.
415.70 Exemptions
415.80 Effective date.

Authority: Sec. 719 of the Defense Production Act of 1950, as as amended, Pub. L. 91-379, 50 USC App. 2168.

Source: 41 FR 31799, July 30, 1976, unless otherwise noted.

§ 415.10 General applicability.

General applicability of this Cost Accounting Standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the Cost Accounting Standards in negotiated defense prime contracts and subcontracts (4 CFR 331.30).

§ 415.20 Purpose.

(a) The purpose of this Standard is to provide criteria for the measurement of the cost of deferred compensation and the assignment of such cost to cost accounting periods. The application of these criteria should increase the probability that the cost of deferred compensation is allocated to cost objectives in a uniform and consistent manner.

(b) This Standard is applicable to the cost of all deferred compensation except for compensated personal absence and pension plan costs which are covered in other Cost Accounting Standards.

§ 415.30 Definition.

(a) The following definitions of terms which are prominent in this Standard are reprinted from Part 400 of this chapter for convenience. Other terms which are used in this Standard and are defined in Part 400 of this chapter have the meanings ascribed to them in that part unless the text demands a different definition or the definition is modified in paragraph (b) of this section:

(1) *Deferred Compensation.* An award made by an employer to compensate an employee in a future cost accounting period or periods for services rendered in one or more cost accounting periods prior to the date of the receipt of compensation by the employee. This definition shall not include the amount of year end accruals for salaries, wages, or bonuses that are to be paid within a reasonable period of time after the end of a cost accounting period.

(b) The following modifications of definitions set forth in Part 400 of this chapter are applicable to this Standard: None.

§ 415.40 Fundamental requirement.

(a) The cost of deferred compensation shall be assigned to the cost accounting period in which the contractor incurs an obligation to compensate the employee. In the event no obligation is incurred prior to payment, the cost of deferred compensation shall be the amount paid and shall be assigned to the cost accounting period in which the payment is made.

(b) The measurement of the amount of the cost of deferred compensation shall be the present value of the future benefits to be paid by the contractor.

(c) The cost of each award of deferred compensation shall be considered separately for purposes of measurement and assignment of such costs to cost accounting periods. However, if the cost of deferred compensation for the employees covered by a deferred compensation plan can be measured with reasonable accuracy on a group basis, separate computations for each employee are not required.

§ 415.50 Techniques for application.

(a) The contractor shall be deemed to have incurred an obligation for the cost of deferred compensation when all of the following conditions have been met. However, for awards which require that the employee perform future service in order to receive the benefits, the obligation is deemed to have been incurred as the future service is performed for that part of the award attributable to such future service.

(1) There is a requirement to make the future payment(s) which the contractor cannot unilaterally avoid.

(2) The deferred compensation award is to be satisfied by a future payment of money, other assets, or shares of stock of the contractor.

(3) The amount of the future payment can be measured with reasonable accuracy.

(4) The recipient of the award is known.

(5) If the terms of the award require that certain events must occur before an employee is entitled to receive the benefits, there is a reasonable probability that such events will occur.

(6) For stock options, there must be a reasonable probability that the options ultimately will be exercised.

(b) If any of the conditions in § 415.50(a) is not met, the cost of deferred compensation shall be assignable only to the cost accounting period or periods in which the compensation is paid to the employee.

(c) If the cost of deferred compensation can be estimated with reasonable accuracy on a group basis, including consideration of probable forfeitures, such estimate may be used as the basis for measuring and assigning the present value of future benefits.

(d) The following provisions are applicable for plans that meet the conditions of § 415.50(a) and the compensation is to be paid in money.

(1) If the deferred compensation award provides that the amount to be paid shall include the principal of the award plus interest at a rate fixed at the date of award, such interest shall be included in the computation of the amount of the future benefit. If no interest is included in the award, the amount of the future benefit is the amount of the award.

(2) If the deferred compensation award provides for payment of principal plus interest at a rate not fixed at the time of award but based on a specified index which is determinable in each applicable cost accounting period, e.g., a published corporate bond rate, such interest shall be included in the computation of the amount of future benefit. The interest rate to be used shall be the rate in effect at the close of the period in which the cost of deferred compensation is assignable. Since that interest rate is likely to vary from the actual rates in future periods, adjustments shall be made in any such future period in which the variation in rates materially affects the cost of deferred compensation.

(3) If the deferred compensation award provides for payment of principal plus interest at a rate not based on a specified index or not determinable in each applicable year:

(i) The cost of deferred compensation for the principal of the award shall be measured by the present value of the future benefits of the principal and shall be assigned to the cost accounting period in which the employer incurs an obligation to compensate the employee and

(ii) The interest on such awards shall be assigned to the cost accounting period(s) in which the payment of the deferred compensation is made.

(4) If the terms of the award require that the employee perform future service in order to receive benefits, the cost of the deferred compensation shall be appropriately assigned to the periods of current and future service based on the facts and circumstances of the award. The cost of deferred compensation for each cost accounting period shall be the present value of the future benefits of the deferred compensation calculated as of the end of each such period to which such cost is assigned.

(5) In computing the present value of the future benefits, the discount rate shall be equal to the interest rate as determined by

the Secretary of the Treasury pursuant to Pub. L. 92–41, 85 Stat. 97, at the time the cost is assignable.

(6) If the award is made under a plan which requires irrevocable funding for payment to the employee in a future cost accounting period together with all interest earned thereon, the amount assignable to the period of award shall be the amount irrevocably funded.

(7) In computing the assignable cost for a cost accounting period, any forfeitures which reduce the employer's obligation for payment of deferred compensation shall be a reduction of contract costs in the period in which the forfeiture occurred. The amount of the reduction for a forfeiture shall be the amount of the award that was assigned to a prior period, plus interest compounded annually, using the same Treasury rate that was used as the discount rate at the time the cost was assigned. For irrevocably funded plans, pursuant to § 415.50(d)(6), the amount of the reduction for a forfeiture shall be the amount initially funded plus or minus a pro-rata share of the gains and losses of the fund.

(8) If the cost of deferred compensation for group plans measured in accordance with § 415.50(c) is determined to be greater than the amounts initially assigned because the forfeiture was overestimated, the additional cost shall be assignable to the cost accounting period in which such cost is ascertainable.

(e) The following provisions are applicable for plans that meet the conditions of § 415.50(a) and the compensation is received by the employee in other than money. The measurements set forth herein constitute the present value of future benefits for awards made in other than money and, therefore, shall be deemed to be a reasonable measure of the amount of the future payment.

(1) If the award is made in the stock of the contractor, the cost of deferred compensation for such awards shall be based on the market value of the stock on the measurement date, i.e., the first date the number of shares awarded is known. Market value is the current or prevailing price of the security as indicated by market quotations. If such values are unavailable or not appropriate (thin market, volatile price movements, etc.) an acceptable alternative is the fair value of the stock.

(2) If an award is made in the form of options to employees to purchase stock of the contractor, the cost of deferred compensation of such award shall be the amount by which the market value of the stock exceeds the option price multiplied by the number of shares awarded on the measurement date, i.e., the first date on which both the option price and the number of shares is known. If the option price on the measurement date is equal to or greater than the market value of the stock, no cost shall be deemed to have been incurred for contract costing purposes.

(3) If the terms of an award of stock or stock option require that the employee perform future service in order to receive the stock or to exercise the option, the cost of the deferred compensation shall be appropriately assigned to the periods of current and future service based on the facts and circumstances of the award. The cost to be assigned shall be the value of the stock or stock option at the measurement date as prescribed in § 415.50(e)(1) or (e)(2).

(4) If an award is made in the form of an asset other than cash, the cost of deferred compensation for such award shall be based on the market value of the asset at the time the award is made. If a market value is not available, the fair value of the asset shall be used.

(5) If the terms of an award, made in the form of an asset other than cash, require that the employee perform future service in order to receive the asset, the cost of the deferred compensation shall be appropriately assigned to the periods of current and future service based on the facts and circumstances of the award. The cost to be assigned shall be the value of the asset at the time of award as prescribed in § 415.50(e)(4).

(6) In computing the assignable cost for a cost accounting period, any forfeitures which reduce the employer's obligation for payment of deferred compensation shall be a reduction of contract costs in the period in which the forfeiture occurred. The amount of the reduction shall be equal to the amount of the award that was assigned to a prior period, plus interest compounded annually, using the Treasury rate (see § 415.50(d)(5)) that was in effect at the time the cost was assigned. If the recipient of the award of stock options voluntarily fails to exercise such options, such failure shall not constitute a forfeiture under provisions of this Standard.

(7) Stock option awards or any other form of stock purchase plans containing all of the following characteristics shall be considered noncompensatory and not covered by this Standard:

(i) Substantially all full-time employees meeting limited employment qualifications may participate,

(ii) Stock is offered to eligible employees equally or based on a uniform percentage of salary or wages,

(iii) An option or a purchase right must be exercisable within a reasonable period, and

(iv) The discount from the market price of the stock is no greater than would be reasonable in an offer of stock to stockholders or others.

§ 415.60 Illustrations.

(a) Contractor A has a deferred compensation plan in which all cash awards are increased each year by an interest factor equivalent to the long-term borrowing rate of the contractor prevailing during each such year. The interest factor based on a variable long-term borrowing rate meets the criteria of § 415.50(d)(2). Consequently, the cost of deferred compensation for Contractor A shall be measured by the present value of the future benefits and shall be assigned to the cost accounting period in which the contractor initially incurs an obligation to compensate the employee. If the long-term borrowing rate for Contractor A was nine percent at the close of the period to which the cost of deferred compensation was assignable, then that rate should be used to calculate the future benefit. Any adjustment in the cost of deferred compensation which results from a material change in the nine percent rate in future applicable periods shall be made in each such future period or periods (see § 415.50(d)(2)).

(b) Contractor B made a deferred compensation award of $10,000 to an employee on December 31, 1976, for services performed in 1976 to be paid in equal annual payments of $2,000 starting at December 31, 1981. The terms of the award do not provide for an interest factor to be included in the payment; consequently, according to provisions of § 415.50(d)(1), interest may not be included in the computation of the future benefit. The assignable cost for 1976 is computed as follows, assuming that the interest rate determined by the Secretary of the Treasury (pursuant to Public Law 92–41, 85 Stat. 97) at the time of award is eight percent and the conditions set forth in § 415.50(a) are met.

Year	Amount of future payment	×	Discount rate 8-pct present value factor	=	Present value
1981	$2,000	×	0.6805	=	$1,361
1982	2,000	×	.6301	=	1,260
1983	2,000	×	.5834	=	1,167
1984	2,000	×	.5402	=	1,080
1985	2,000	×	.5002	=	1,000
Assignable cost for 1976					5,868

(c) Contractor C awarded stock options for 1,000 shares of the contractor to key employees on December 31, 1976, under a deferred compensation plan requiring two years of additional service before the awards can be exercised. The facts and circumstances of the awards indicate that the deferred compensation applies only to the periods of future service. The market price of the stock was $26 per share, the option price was $22, and the interest rate established by the Secretary of the Treasury in effect at the time of award was 8 percent.

(1) In accordance with § 415.50(e)(2), the cost of the stock options is the amount by which the current value of the stock exceeds the option price multiplied by the number of shares awarded on the measurement date. Thus, the total cost of the stock options is 1,000 shares multiplied by the difference of the option price and the market price ($26 − $22) or $4,000.

(2) Under provisions of § 415.50(e) (3), the cost for stock options is assigned to each future cost accounting period in which employee service is required and is computed as follows:

	Assignable cost[1]
Year of required service:	
1977	$2,000
1978	2,000
Total amount of award	4,000

[1] Note that this illustration assumes that the facts and circumstances of the award indicate that the award relates equally to each period of future service. Thus, the assignable cost was allocated on a pro-rata basis.

(d) (1) Contractor D has a deferred compensation plan that specifies that an

employee receiving a cash award must remain with the company for three calendar years after the award in order to qualify and receive the award and the facts and circumstances indicate that the deferred compensation applies only to the periods of future service. In accordance with § 415.50(d)(4), the cost of deferred compensation is assignable to the periods of future service. Thus, the amount of cost of deferred compensation to be assigned by Contractor D for each of the three years shall be the present value of the future benefits of the deferred compensation award calculated as of the end of each such period to which such cost is assigned.

(2) Under this plan, Contractor D made an award to an employee of $3,000 to be paid at the end of the third year. The assignable cost for each of the three years is computed as follows:

Year [1]	Amount of future payment	×	Present value factor [2] using prevailing Treasury rate [3]	=	Assignable cost for each year
1	$1,000	×	0.8573 (8 pct for 2 yr).	=	$857.30
2	1,000	×	0.9302 (7.5 pct for 1 yr).	=	930.20
3	1,000	×	1.0000 (8 pct for 0 yr).	=	1,000.00

[1] Note that in accordance with the facts and circumstances of the award no deferred compensation is assignable to the period in which the award is made and that the award relates equally to each period of future service.
[2] Note that since the costs are measured at the end of each year of required service, the present value factors are based on the number of years from the year of assignment to the date of payment.
[3] Note that the prevailing Treasury rate changed from year 1 to year 2.

(e) (1) Contractor E has a deferred compensation plan that specifies that an employee receiving a cash award must remain with the company for two calendar years after the award in order to qualify and receive the award. Contractor E made an award of $6,000 at the end of 1976 to an employee to be paid at the end of 1978. However, the employee voluntarily terminated his employment before the end of 1977. The facts and circumstances of the award indicate that $2,000 of the award represents compensation for services rendered in the period of award (1976). The remaining portion of the award represents compensation for services to be rendered in future periods. The assignable cost for 1976, which was the only period to which costs were assigned before termination, was the present value of $2,000, the amount of the award attributable to the services of that period. Thus, the cost assigned for 1976 was:

Amount of future payment	×	Discount rate present value factor for 2 yr at 8 pct	=	Assignable cost
$2,000	×	0.8573	=	$1,714.60

(2) According to provisions of § 415.50(d)(7), the amount of the forfeiture shall be the amount of the cost that was assigned to a prior period, plus interest compounded annually, from the year the cost was assigned to the year of forfeiture, using the same Treasury rate (see § 415.50(d)(5)) that was used as the discount rate at the time the cost was assigned. The Treasury rate in effect at the date of award was eight percent.

(3) The amount of the forfeiture is computed as follows:

Assignable cost	×	Discount rate future value factor for 1 yr at 8 pct	=	Forfeiture
$1,714.60	×	1.08	=	$1,851.77

§ 415.70 Exemption.

None for this Standard.

§ 415.80 Effective date.

(a) The effective date of this Standard is July 10, 1977.

(b) This Standard shall be followed by each contractor for awards of deferred compensation made on or after the start of his next cost accounting period beginning after the receipt of a contract to which the Cost Accounting Standard is applicable.

(42 FR 18857, April 11, 1977; 43 FR 24821, June 8, 1978)

15. Section 1-3.1220-16 is added to read as follows:

§ 1-3.1220-16 Accounting for insurance costs.

Part 416—Accounting for Insurance Costs

Sec.
416.10 General applicability.
416.20 Purpose.
416.30 Definitions.
416.40 Fundamental requirement.
416.50 Techniques for application.
416.60 Illustrations.
416.70 Exemptions.
416.80 Effective date.

AUTHORITY: Sec. 719 of the Defense Production of Act of 1950, as amended, Pub. L. 91-379, 50 USC App. 2168.

SOURCE: 43 FR 42239, September 20, 1978, unless otherwise noted.

§ 416.10 General applicability.

General applicability of this cost accounting standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the cost accounting standards contract clause in negotiated defense prime contracts and subcontracts (4 CFR 331.30).

§ 416.20 Purpose.

The purpose of this standard is to provide criteria for the measurement of insurance costs, the assignment of such costs to cost accounting periods, and their allocation to cost objectives. The application of these criteria should increase the probability that insurance costs are allocated to cost objectives in a uniform and consistent manner.

§ 416.30 Definitions.

(a) The following definitions of terms which are prominent in this standard are reprinted from Part 400 of this chapter for convenience. Other terms which are used in this standard and are defined in Part 400 of this chapter have the meanings ascribed to them in that part unless the text demands a different definition or the definition is modified in paragraph (b) of this section.

Actual cash value. The cost of replacing damaged property with other property of like kind and quality in the physical condition of the property immediately prior to the damage.

Insurance administration expenses. The contractor's costs of administering an insurance program, e.g., the costs of operating an insurance or risk-management department, processing claims, actuarial fees, and service fees paid to insurance companies, trustees, or technical consultants.

Projected average loss. The estimated long-term average loss per period for periods of comparable exposure to risk of loss.

Self-insurance. The assumption or retention of the risk of loss by the contractor, whether voluntarily or involuntarily. Self-insurance includes the deductible portion of purchased insurance.

Self-insurance charge. A cost which represents the projected average loss under a self-insurance plan.

(b) The following modifications of definitions set forth in part 400 of this chapter are applicable to this standard: None.

§ 416.40 Fundamental requirement.

(a) The amount of insurance cost to be assigned to a cost accounting period is the projected average loss for that period plus insurance administration expenses in that period.

(b) The allocation of insurance costs to cost objectives shall be based on the beneficial or causal relationship between the insurance costs and the benefiting or causing cost objectives.

§ 416.50 Techniques for application.

(a) Measurement of projected average loss.

(1) For exposure to risk of loss which is covered by the purchase of insurance or by payments to a trusteed fund, the premium or payment, adjusted in accordance with the following criteria, shall represent the projected average loss:

(i) The premium cost applicable to a given policy term shall be assigned pro rata among the cost accounting periods covered by the policy term, except as provided in subparagraphs (ii) through (vi) of this paragraph. A refund, dividend or additional assessment shall become an adjustment to the pro rata premium costs for the earliest cost accounting period in which the refund or dividend is actually or constructively received or in which the additional assessment is payable.

(ii) Where insurance is purchased specifically for, and directly allocated to, a single final cost objective, the premium need not be prorated among cost accounting periods.

(iii) Any part of a premium or payment to an insurer or trustee, or any part of a dividend or premium refund retained by an insurer or trustee which would be includable as a deposit in published financial statements prepared in accordance with generally accepted accounting principles shall be

accounted for as a deposit for the purpose of determining insurance costs.

(iv) Any part of a premium or payment to an insurer or to a trustee, or any part of a dividend or premium refund retained by an insurer, for inclusion in a reserve or fund established and maintained on behalf of the insured or the policyholder or trustor, shall be accounted for as a deposit unless the following conditions are met: (A) The objectives of the reserve or fund are clearly stated in writing;

(B) Measurement of the amount required for the reserve or fund is actuarially determined and is consistent with the objectives of the reserve or fund;

(C) Payments and additions to the reserve or fund are made in a systematic and consistent manner; and

(D) If payments to accomplish the stated objectives of the reserve or fund are made from a source other than the reserve or fund, the payments into the reserve or fund are reduced accordingly.

(v) If an objective of an insurance program is to prefund insurance coverage on retired persons, then, in addition to the requirements imposed by subparagraph (iv) of this paragraph:

(A) Payments must be made to an insurer or trustee to establish and maintain a fund or reserve for that purpose;

(B) The policyholder or trustor must have no right of recapture of the reserve or fund so long as any active or retired participant in the program remains alive unless the interests of such remaining participants are satisfied through adequate reinsurance or otherwise; and

(C) The amount added to the reserve or fund in any cost accounting period must not be greater than an amount which would be required to apportion the cost of the insurance coverage fairly over the working lives of the active employees in the plan. If a contractor establishes a terminal-funded plan for retired persons or converts from a pay-as-you-go plan to a terminal-funded plan, the actuarial present value of benefits applicable to employees already retired shall be amortized over a period of 15 years.

(vi) The contractor may adopt and consistently follow a practice of determining insurance costs based on the estimated premium and assessments net of estimated refunds and dividends. If this practice is adopted, then any difference between an estimated and actual refund, dividend, or assessment shall become an adjustment to the pro rata net premium costs for the earliest cost accounting period in which the refund or dividend is actually or constructively received or in which the additional assessment is payable.

(2) For exposure to risk of loss which is not covered by the purchase of insurance or by payments to a trusteed fund, the contractor shall follow a program of self-insurance accounting according to the following criteria:

(i) Except as provided in paragraph (a)(2)(ii) and (iii) of this section actual losses shall not become a part of insurance costs. Instead, the contractor shall make a self-insurance charge for each period for each type of self-insured risk which shall represent the projected average loss for that period. If insurance could be purchased against the self-insured risk, the cost of such insurance may be used as an estimate of the projected average loss; if this method is used, the self-insurance charge plus insurance administration expenses may be equal to, but shall not exceed, the cost of comparable purchased insurance plus the associated insurance administration expenses. However, the contractor's actual loss experience shall be evaluated regularly, and self-insurance charges for subsequent periods shall reflect such experience in the same manner as would purchased insurance. If insurance could not be purchased against the self-insured risk, the amount of the self-insurance charge for each period shall be based on the contractor's experience, relevant industry experience, and anticipated conditions in accordance with accepted actuarial principles.

(ii) Where it is probable that the actual amount of losses which will occur in a cost accounting period will not differ significantly from the projected average loss for that period, the actual amount of losses in that period may be considered to represent the projected average loss for that period in lieu of a self-insurance charge.

(iii) Under self-insurance programs for retired persons, only actual losses shall be considered to represent the projected average loss unless a reserve or fund is established in accordance with § 416.50(a)(1)(v).

(iv) The self-insurance charge shall be determined in a manner which will give appropriate recognition to any indemnification agreement which exists between the contracting parties.

(3) In measuring actual losses under paragraph (a)(2) of this section:

(i) The amount of a loss shall be measured by (A) The actual cash value of property destroyed; (B) amounts paid or accrued to repair damage; (C) amounts paid or accrued to estates and beneficiaries; and (D) amounts paid or accrued to compensate claimants, including subrogation. Where the amount of a loss which is represented by a liability to a third party is uncertain, the estimate of the loss shall be the amount which would be includable as an accrued liability in financial statements prepared in accordance with generally accepted accounting principles.

(ii) If a loss has been incurred and the amount of the liability to a claimant is fixed or reasonably certain, but actual payment of the liability will not take place for more than 1 year after the loss is incurred, the amount of the loss to be recognized currently shall not exceed the present value of the future payments, determined by using a discount rate equal to that prescribed for settling such claims by the State having jurisdiction over the claim. If no such rate is prescribed by the State, then the rate shall be equal to the interest rate as determined by the Secretary of the Treasury pursuant to Pub. L. 92-41, 85 Stat. 97, in effect at the time the loss is recognized. Alternatively, where settlement will consist of a series of payments over an indefinite time period, as in worker's compensation, the contractor may follow a consistent policy of recognizing only the actual amounts paid in the period of payment.

(4) The contractor may elect to recognize immaterial amounts of self-insured losses or insurance administration expenses as part of other expense categories rather than as "insurance costs."

(b) Allocation of insurance costs:

(1) Where actual losses are recognized as an estimate of the projected average loss, in accordance with § 416.50(a)(2), or where actual loss experience is determined for the purpose of developing self-insurance charges by segment, a loss which is incurred in a given segment shall be identified with that segment. However, if the contractor's home office is, in effect, a reinsurer of its segments against catastrophic losses, a portion of such catastrophic losses shall be allocated to, or identified with, the home office.

(2) Insurance costs shall be allocated on the basis of the factors used to determine the premium, assessment, refund, dividend, or self-insurance charge, except that insurance costs incurred by a segment or allocated to a segment from a home office may be combined with costs of other indirect cost pools if the resultant allocation to each final cost objective is substantially the same as it would have been if separately allocated under this provision.

(3) Insurance administration expenses which are material in relation to total insurance costs shall be allocated on the same basis as the related premium costs or self-insurance charge.

(c) *Records.* The contractor shall maintain such records as may be necessary to substantiate the amounts of premiums, refunds, dividends, losses, and self-insurance charges, paid or accrued, and the measurement and allocation of insurance costs. Memorandum records may be used to reflect any material differences between insurance costs as determined in accordance with this standard and as includable in financial statements prepared in accordance with generally accepted accounting principles.

§ *416.60 Illustrations.*

(a) Contractor A pays a company-wide property and casualty insurance premium for the policy term July 1, 1980, to July 1, 1983, and includes the entire amount as cost in its cost accounting period which ended December 31, 1980. This is a violation of § 416.50(a)(1)(i) in that only one-sixth of the policy term fell within the cost accounting period which ended December 31, 1980, and therefore only one-sixth of the premium should have been included in cost in that cost accounting period.

(b) Contractor B has a retrospectively rated worker's compensation insurance program. The policy term corresponds with the contractor's cost accounting period. Premium refunds are normally received and applied in the following cost accounting period. The contractor's practice is to include the entire gross premium in insurance cost in the cost accounting period in which it is paid and to credit the refund against insurance cost in the cost accounting period in which it is received. This practice conforms with § 416.50(a)(1)(i). The contractor could also, under the provisions of § 416.50(a)(1)(vi), have followed

a consistent practice of estimating such refunds in advance and including the estimated net premium in insurance cost.

(c) Contractor C establishes a self-insured program of life insurance for active and retired persons. The contractor pays death benefits directly to the beneficiaries of deceased employees and includes such payments in insurance costs at the time of payment. This practice complies with § 416.50(a)(2)(iii) which requires that only the actual losses be recognized unless a trusteed reserve or fund is established in accordance with § 416.50(a)(1)(v).

(d) Instead of paying death benefits directly, contractor D purchases annual group term life insurance on active and retired persons and charges the premiums to insurance costs (with proper recognition for refunds and dividends). Contractor D's retired persons wish to be protected against possible discontinuance of the program. Contractor D, therefore, establishes a trusteed fund. As each employee retires, contractor D deposits in the fund an amount which is equal to the premium on a paid-up policy for that employee, and he advises the trustee that the fund is to be used to continue to pay premiums on retired persons in the event the program is discontinued. The contractor also continues to purchase group term insurance on both active employees and retired persons and charges both the premiums and the deposits to insurance costs. This practice does not comply with § 416.50(a)(1)(iv)(D) which requires that if payments to accomplish the stated objectives of the reserve or funds are made from a source other than the reserve or fund, the payments into the fund shall be reduced accordingly.

Note.—In this instance the contractor could comply with the standard by paying from the fund that portion of the group term premium which represented the retired persons or by reducing the deposits to the fund by an equivalent amount in accordance with § 416.50(a)(1)(iv)(D). This practice would also comply with the requirement of § 416.50(a)(1)(v)(C) that the amount added to the fund not be greater than an amount which would be required to fairly allocate the cost over the working lives of the active employees in the plan.

(e) Contractor E wishes to provide assurance of his life insurance program continuance to both active and retired employees. He establishes a trusteed fund in accordance with § 416.50(a)(1) (iv) and (v) and thereafter pays into the fund each year for each active employee an actuarially determined amount which will accumulate to the equivalent of the premium on a paid-up life insurance policy at retirement. He charges the annual payments to insurance costs. Benefits are paid directly from the fund (or the fund is used to pay the annual premiums on group term life insurance for all employees). This practice also complies with the requirement of § 416.50(a)(1)(v)(C) that the amount added to the fund not be greater than an amount which would be required to fairly allocate the cost over the working lives of the active employees in the plan.

(f) Contractor F has a fire insurance policy which provides that the first $50,000 of any fire loss will be borne by the contractor. Because the risk of loss is dispersed among many physical units of property and the average potential loss per unit is relatively low, the actual losses in any period may be expected not to differ significantly from the projected average loss. Therefore, the contractor intends to let the actual losses represent the projected average loss for this exposure to risk. Property with an actual cash value of $80,000 is destroyed in a fire. The contractor charges the $50,000 of the loss not covered by the policy to insurance costs for contract costing purposes. The practice complies with the requirement of § 416.50(a)(2). However, had the contractor's plan been to make a self-insurance charge for such losses, then any difference between the self-insurance charge and actual losses in that cost accounting period would not have been allocable as an insurance cost.

(g) Contractor G is preparing to enter into a Government contract to produce explosive devices. The contractor is unable to purchase adequate insurance protection and must act as a self-insurer. There is a significant possibility of a major loss, against which the Government will not undertake to idemnify the contractor. The contractor, therefore, intends to make a self-insurance charge for this exposure to risk. The contractor may, in accordance with § 416.50(a)(2)(i), use data obtained from other contractors or any other reasonable method of estimating the projected average loss in order to determine the self-insurance charge.

(h) Contractor H purchases liability insurance for all of its motor vehicles in a single, company-wide policy which contains a $50,000 deductible provision. However, the company's management policy provides that when a loss is incurred in a segment, only the first $5,000 of the loss will be charged to the segment; the balance of the loss will be absorbed at the home-office level and reallocated among all segments. Because the risk of loss is dispersed among many physical units and the maximum potential loss per occurrence is limited, the actual losses in any cost accounting period may be expected not to differ significantly from the projected average loss. Therefore, the contractor intends to let the actual losses represent the projected average loss for this exposure to risk. An analysis of the loss experience shows that many past losses exceeded $5,000. Contractor H's practice of allocating the loss in excess of $5,000 to the home office is a violation of § 416.50(b)(1)(ii). The limit of $5,000 cannot realistically be considered a measure of a "catastrophic" loss when losses frequently exceed this amount, and the use of a limit this low would obscure segment loss experience.

§ 416.70 Exemptions.

None for this standard.

§ 416.80 Effective date.

(a) The effective date of this standard is July 10, 1979.

(b) This standard shall be followed by each contractor on or after the start of his next cost accounting period beginning after the receipt of a contract to which this cost accounting standard is applicable.

16. Section 1–3.1220–17 is added to read as follows:

§ 1–3.1220–17 Cost of Money as an element of the cost of capital assets under construction.

Part 417—Cost of money as an Element of the Cost of Capital Assets Under Construction

Sec.

417.10 General applicability.
417.20 Purpose.
417.30 Definitions.
417.40 Fundamental requirement.
417.50 Techniques for application.
417.60 Illustrations.
417.70 Exemptions.
417.80 Effective date.

Authority: Sec. 719 of the Defense Production Act of 1950, as amended, Pub. L. 91–379, 50 U.S.C. App. 2168.

Source: 45 FR 48573, July 21, 1980, unless otherwise noted.

§ 417.10 General applicability.

General applicability of this Cost Accounting Standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the Cost Accounting Standards contract clause in negotiated defense prime contracts and subcontracts (4 CFR 331.30).

§ 417.20 Purpose.

The purpose of this Cost Accounting Standard is to establish criteria for the measurement of the cost of money attributable to capital assets under construction, fabrication or development as an element of the cost of those assets. Consistent application of these criteria will improve cost measurement by providing for recognition of cost of contractor investment in assets under construction, and will provide greater uniformity in accounting for asset acquisition costs.

§ 417.30 Definitions.

(a) The following definitions of terms which are prominent in this Standard are reprinted from Part 400 of this chapter for convenience. Other terms which are used in this Standard and are defined in Part 400 of this chapter have the meanings ascribed to them in that part unless the text demands a different definition or the definition is modified in paragraph (b) of this section.

(1) *Intangible Capital Asset.* An asset that has no physical substance, has more than minimal value, and is expected to be held by an enterprise for continued use or possession beyond the current accounting period for the benefits it yields.

(2) *Tangible Capital Assets.* An asset that has physical substance, more than minimal value, and is expected to be held by an enterprise for continued use or possession beyond the current accounting period for the services it yields.

(b) The following modifications of definitions set forth in Part 400 of this chapter are applicable to this Standard: None.

§ 417.40 Fundamental requirement.

The cost of money applicable to the investment in tangible and intangible capital assets being constructed, fabricated or developed for a contractor's own use shall be included in the capitalized acquisition cost of such assets.

§ 417.50 Techniques for application.

(a) The cost of money for an asset shall be calculated as follows:

(1) The cost of money rate used shall be based on interest rates determined by the Secretary of the Treasury pursuant to Public Law 92-41 (85 Stat. 97).

(2) A representative investment amount shall be determined each cost accounting period for each capital asset being constructed, fabricated or developed giving appropriate consideration to the rate at which costs of construction are incurred.

(3) Other methods for calculating the cost of money to be capitalized, such as the method used for financial accounting and reporting, may be used, provided the resulting amount does not differ materially from the amount calculated by use of paragraphs (a)(1) and (2), of this section.

(b) If substantially all the activities necessary to get the asset ready for its intended use are discontinued, cost of money shall not be capitalized for the period of discontinuance. However, if such discontinuance arises out of causes beyond the control and without the fault or negligence of the contractor, cessation of cost of money capitalization is not required.

§ 417.60 Illustrations.

(a) A contractor decided to build a major addition to his plant using both his own labor and outside subcontractors. It took 13 months to complete the building. The first 10 months of the construction period were in one cost accounting period. At the end of the cost accounting period the total charges, including cost of money computed in accordance with 4 CFR 414, accumulated in the construction-in-progress account for this project amounted to $750,000. However, most of these construction costs were incurred towards the end of the cost accounting period. In developing a method for determining a representative investment amount appropriate consideration must be given to the rate at which costs have been incurred in accordance with § 417.50(a)(ii). Therefore, the contractor averaged the 10 month-end balances and determined that the average investment in the project was $245,000. Two cost of money rates were in effect during the 10-month period; their time-weighted average was determined to be 8.6%. Application of the 8.6% rate for 1%12 of a year to the representative balance of $245,000 resulted in the determination that $17,448 should be added to the construction-in-progress account in recognition of the cost of money related to this project in its first cost accounting period. The project was completed with the addition of $750,000 of additional costs during the first three months of the subsequent cost accounting period. The contractor considered the three month-end balances (which included the $17,558 capitalized cost of money described in the preceding paragraph) and determined that the representative balance was $1,234,000. The cost of money rate in effect during this three-month period was 7.75%. Applying the rate of 7.75% for ¼ of a year to the balance of $1,234,000 resulted in a determination that $23,909 should be added to the construction-in-progress account in recognition of the cost of money while under construction in the second cost accounting period. The capitalized project was put into service at the recognized cost of acquisition of $1,541,467 which consists of the "regular" costs of $1,500,000 plus $17,558 and $23,909 cost of money. This practice is in accordance with § 417.50(a) and other applicable provisions of the Standard.

Note.—An alternative technique would be to make separate calculations, using an appropriate investment amount and cost of money rate, for each month. The sum of the monthly cost of money amounts could be entered in the construction-in-progress account once each cost accounting period.

(b) A contractor built a major addition with identical basic data to those described in § 417.60(a) except that the costs were incurred at a fairly uniform rate throughout the period. Because of the pattern of cost incurrence the contractor used beginning and ending balances of the cost accounting period to find the representative amounts. For the first cost accounting period the representative investment amount was the average of the beginning and ending balances (zero and $750,000), or $375,000. Application of the average interest rate of 8.6% for 1%12 of a year resulted in the determination that $26,875 should be added to the construction-in-progress account in recognition of the cost of money related to this project in its first cost accounting period. During the subsequent three months the contractor used the representative balance of $1,151,875, derived by averaging the beginning balance of $776,875 ($750,000 "regular" cost plus the $26,875 imputed cost from the prior period) and the balance at the end, $1,526,875. Applying the 7.75% cost of money rate to this balance for a three-month period resulted in a determination that $22,317 should be added to the construction-in-progress account in recognition of the cost of money while under construction in the second cost accounting period. The capitalized project was put into service at the recognized cost of acquisition of $1,549,192 which consists of the "regular" costs of $1,500,000 plus $26,875 and $22,317 imputed cost of money. This practice is in accordance with § 417.50(a) and other applicable provisions of the Standard.

Note.—If this contractor, acting in accordance with established Standards for financial accounting, allocated a portion of its paid interest expense to this construction project and the resultant acquisition cost for financial reporting purposes was not materially different from $1,549,192, the contractor could, in accordance with § 417.50(a)(iii), use the same acquisition cost for contract costing purposes.

§ 417.70 Exemptions.

None for this Standard.

§ 417.80 Effective date.

(a) The effective date of this Cost Accounting Standard is December 15, 1980.

(b) This Cost Accounting Standard shall be followed by each contractor on or after the start of his next cost accounting period beginning after the receipt of a contract to which this Cost Accounting Standard is applicable.

17. Section 1-3.1220-18 is added to read as follows:

§ 1-3.1220-18 Allocation of direct and indirect costs.

Part 418—Allocation of Direct and Indirect Costs

Sec.

418.10 General applicability.
418.20 Purpose.
418.30 Definitions.
418.40 Fundamental requirement.
418.50 Techniques for application.
418.60 Illustrations.
418.70 Exemptions.
418.80 Effective date.

Authority: Sec. 719 of the Defense Production Act of 1950, as amended, Pub. L. 91-379, 50 U.S.C. App. 2168.

Source: 45 FR 31929, May 15, 1980, unless otherwise noted.

§ 418.10 General applicability.

General applicability of this Cost Accounting Standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirements to include the Cost Accounting Standards contract clause in negotiated defense prime contracts and subcontracts (4 CFR 331.30).

§ 418.20 Purpose.

The purpose of this Cost Accounting Standard is (a) to provide for consistent determination of direct and indirect costs, (b) to provide criteria for the accumulation of indirect costs, including service center and overhead costs, in indirect cost pools, and (c) to provide guidance relating to the selection of allocation measures based on the beneficial or causal relationship between an indirect cost pool and cost objectives. Consistent application of these criteria and guidance will improve classification of costs as direct and indirect and the allocation of indirect costs.

§ 418.30 Definitions.

(a) The following are definitions of terms prominent in this Standard.

(1) *Allocate.* To assign an item of cost, or a group of items of cost, to one or more cost objectives. This term includes both direct assignment of cost and the reassignment of a share from an indirect cost pool.

(2) *Direct cost.* Any cost which is identified specifically with a particular final cost objective. Direct costs are not limited to items which are incorporated in the end product as material or labor. Costs identified specifically with a contract are direct costs of that contract. All costs identified specifically with other final cost objectives of the

contractor are direct costs of those cost objectives.

(3) *Indirect cost.* Any cost not directly identified with a single final cost objective, but identified with two or more final cost objectives or with at least one intermediate cost objective.

(4) *Indirect cost pool.* A grouping of incurred costs identified with two or more cost objectives but not identified specifically with any final cost objective.

(b) The following modifications of definitions set forth in Part 400 of this chapter are applicable to this Standard: None.

§ 418.40 Fundamental requirements.

(a) A business unit shall have a written statement of accounting policies and practices for classifying costs as direct or indirect which shall be consistently applied.

(b) Indirect costs shall be accumulated in indirect cost pools which are homogeneous.

(c) Pooled costs shall be allocated to cost objectives in reasonable proportion to the beneficial or causal relationship of the pooled costs to cost objectives as follows: (1) If a material amount of the costs included in a cost pool are costs of management or supervision of activities involving direct labor or direct material costs, resource consumption cannot be specifically identified with cost objectives. In that circumstance, a base shall be used which is representative of the activity being managed or supervised. (2) If the cost pool does not contain a material amount of the costs of management or supervision of activities involving direct labor or direct material costs, resource consumption can be specifically identified with cost objectives. The pooled cost shall be allocated based on the specific identifiability of resource consumption with cost objectives by means of one of the following allocation bases: (i) a resource consumption measure, (ii) an output measure, or (iii) a surrogate that is representative of resources consumed. The base shall be selected in accordance with the criteria set out in § 418.50(e).

(d) To the extent that any cost allocations are required by the provisions of other Cost Accounting Standards, such allocations are not subject to the provisions of this Standard.

(e) This Standard does not cover accounting for the costs of special facilities where such costs are accounted for in separate indirect cost pools.

§ 418.50 Techniques for application.

(a) *Determination of direct cost and indirect cost.* (1) The business unit's written policy classifying costs as direct or indirect shall be in conformity with the requirements of this Standard.

(2) In accounting for direct costs a business unit shall use actual costs, except that:

(i) Standard costs for material and labor may be used as provided in 4 CFR Part 407, or

(ii) An average cost or pre-established rate for labor may be used provided that (A) the functions performed are not materially disparate and employees involved are interchangeable with respect to the functions performed, or (B) the functions performed are materially disparate but the employees involved either all work in a single production unit yielding homogeneous outputs, or perform their respective functions as an integral team.

Whenever average cost or pre-established rates for labor are used, the variances, if material, shall be disposed of at least annually by allocation to cost objectives in proportion to the costs previously allocated to these cost objectives.

(3) Labor or material costs identified specifically with one of the particular cost objectives listed in paragraph (d)(3) of this section shall be accounted for as direct labor or direct material costs.

(b) *Homogeneous indirect cost pools.* (1) An indirect cost pool is homogeneous if each significant activity whose costs are included therein has the same or a similar beneficial or causal relationship to cost objectives as the other activities whose costs are included in the cost pool. It is also homogeneous if the allocation of the costs of the activities included in the cost pool result in an allocation to cost objectives which is not materially different from the allocation that would result if the costs of the activities were allocated separately.

(2) An indirect cost pool is not homogeneous if the costs of all significant activities in the cost pool do not have the same or a similar beneficial or causal relationship to cost objectives and, if the costs were allocated separately, the resulting allocation would be materially different. The determination of materiality shall be made using the criteria provided in 4 CFR 331.71.

(3) A homogeneous indirect cost pool shall include all indirect costs identified with the activity to which the pool relates.

(c) *Change in Allocation Base.* No change in an existing indirect cost pool allocation base is required if the allocation resulting from the existing base does not differ materially from the allocation that results from the use of the base determined to be most appropriate in accordance with the criteria set forth in paragraphs (d) and (e) of this section. The determination of materiality shall be made using the criteria provided in 4 CFR 331.71.

(d) *Allocation measures for an indirect cost pool which includes a material amount of the costs of management or supervision of activities involving direct labor or direct material costs.* (1) The costs of the management or supervision of activities involving direct labor or direct material costs do not have a direct and definitive relationship to the benefiting cost objectives and cannot be allocated on measures of a specific beneficial or causal relationship. In that circumstance, the base selected to measure the allocation of the pooled costs to cost objectives shall be a base representative of the activity being managed or supervised.

(2) The base used to represent the activity being managed or supervised shall be determined by the application of the criteria below. All significant elements of the selected base shall be included.

(i) A direct labor hour base or direct labor cost base shall be used, whichever in the aggregate is more likely to vary in proportion to the costs included in the cost pool being allocated, except that

(ii) A machine-hour base is appropriate if the costs in the cost pool are comprised predominantly of facility-related costs, such as depreciation, maintenance, and utilities, or

(iii) A units-of-production base is appropriate if there is common production of comparable units, or

(iv) A material cost base is appropriate if the activity being managed or supervised is a material-related activity.

(3) Indirect cost pools which include material amounts of the costs of management or supervision of activities involving direct labor or direct material costs shall be allocated to:

(i) Final cost objectives;

(ii) Goods produced for stock or product inventory;

(iii) Independent research and development and bid and proposal projects;

(iv) Cost centers used to accumulate costs identified with a process cost system (i.e., process cost centers);

(v) Goods or services produced or acquired for other segments of the contractor and for other cost objectives of a business unit; and

(vi) Self-construction, fabrication, betterment, improvement, or installation of tangible capital assets.

(e) *Allocation measures for indirect cost pools that do not include material amounts of the costs of management or supervision of activities involving direct labor or direct material costs.* Homogeneous indirect cost pools of this type have a direct and definitive relationship between the activities in the pool and benefiting cost objectives. The pooled costs shall be allocated using an appropriate measure of resource consumption. This determination shall be made in accordance with the following criteria taking into consideration the individual circumstances:

(1) The best representation of the beneficial or causal relationship between an indirect cost pool and the benefiting cost objectives is a measure of resource consumption of the activities of the indirect cost pool.

(2)(i) If consumption measures are unavailable or impractical to ascertain, the next best representation of the beneficial or causal relationship for allocation is a measure of the output of the activities of the indirect cost pool. Thus, the output is substituted for a direct measure of the consumption of resources.

(ii) The use of the basic unit of output will not reflect the proportional consumption of resources in circumstances in which the level of resource consumption varies among the units of output produced. Where a material difference will result, either the output measure shall be modified or more than one output measure shall be used to reflect the resources consumed to perform the activity.

(3) If neither resources consumed nor output of the activities can be measured practically, a surrogate that varies in proportion to the services received shall be used to measure the resources consumed. Generally, such surrogates measure the activity of the cost objectives receiving the service.

(4) Allocation of indirect cost pools which benefit one another may be accomplished by use of (i) the cross-allocation (reciprocal) method, (ii) the sequential method, or (iii) another method the results of which

approximate those achieved by either of the methods in paragraph (e)(4)(i) or paragraph (e)(4)(ii).

(5) Where the activities represented by an indirect cost pool provide services to two or more cost objectives simultaneously, the cost of such services shall be prorated between or among the cost objectives in reasonable proportion to the beneficial or causal relationship between the services and the cost objectives.

(f) *Special allocation.* Where a particular cost objective in relation to other cost objectives receives significantly more or less benefit from an indirect cost pool than would be reflected by the allocation of such costs using a base determined pursuant to paragraphs (d) and (e) of this section, the Government and contractor may agree to a special allocation from that indirect cost pool to the particular cost objective commensurate with the benefits received. The amount of a special allocation to any such cost objective made pursuant to such an agreement shall be excluded from the indirect cost pool and the particular cost objective's allocation base data shall be excluded from the base used to allocate the pool.

(g) *Use of pre-established rates for indirect costs.* (1) Pre-established rates, based on either forecasted actual or standard cost, may be used in allocating an indirect cost pool.

(2) Pre-established rates shall reflect the costs and activities anticipated for the cost accounting period except as provided in paragraph (g)(3) of this section. Such pre-established rates shall be reviewed at least annually, and revised as necessary to reflect the anticipated conditions.

(3) The contracting parties may agree on pre-established rates which are not based on costs and activities anticipated for a cost accounting period. The contractor shall have and consistently apply written policies for the establishment of these rates.

(4) Under paragraph (g)(2) and (g)(3) of this section where variances of a cost accounting period are material, these variances shall be disposed of by allocating them to cost objectives in proportion to the costs previously allocated to these cost objectives by use of the pre-established rates.

(5) If pre-established rates are revised during a cost accounting period and if the variances accumulated to the time of the revision are significant, the costs allocated to that time shall be adjusted to the amounts which would have been allocated using the revised pre-established rates.

§ 418.60 Illustrations.

(a) Business Unit A has various classifications of engineers whose time is spent in working directly on the production of the goods or services called for by contracts and other final cost objectives. In keeping with its written policy, detailed time records are kept of the hours worked by these engineers, showing the job/account numbers representing various cost objectives. On the basis of these detailed time records, Business Unit A allocates the labor costs of these engineers as direct labor costs of final cost objectives. This practice is in accordance with the requirements of § 418.50(a)(1).

(b) Business Unit B has a fabrication department, employees of which perform various functions on units of the work-in-process of multiple final cost objectives. These employees are grouped by labor skills and are interchangeable within the skill grouping. The average wage rate for each group is multiplied by the hours worked on each cost objective by employees in that group. The contractor classifies these costs as direct labor costs of each final cost objective. This cost accounting treatment is in accordance with the provisions of § 418.50(a)(2)(B)(i).

(c) Business Unit C accumulates the costs relating to building ownership, maintenance, and utility into one indirect cost pool designated "Occupancy Costs" for allocation to cost objectives. Each of these activities has the same or a similar beneficial or causal relationship to the cost objectives occupying a space. Business Unit C's practice is in conformance with the provisions of § 418.50(b)(1).

(d) Business Unit D includes the indirect costs of machining and assembling activities in a single manufacturing overhead pool. The machining activity does not have the same or similar beneficial or causal relationship to cost objectives as the assembling activity. Also, the allocation of the cost of the machining activity to cost objectives would be significantly different if allocated separately from the costs of the assembling activity. Business Unit D's single manufacturing overhead pool is not homogeneous in accordance with the provisions of § 418.50(b), and separate pools must be established in accordance with § 418.40(b).

(e) In accordance with § 418.50(b)(3), Business Unit E includes all the cost of occupancy in an indirect cost pool. In selecting an allocation measure for this indirect cost pool, the contractor establishes that it is impractical to ascertain a measurement of the consumption of resources in relation to the use of facilities by individual cost objectives. An output base, the number of square feet of space provided to users, can be measured practically; however, the cost to provide facilities is significantly different for various types of facilities such as warehouse, factory, and office and each type of facility requires a different level of resource consumption to provide the same number of square feet of usable space. Allocation on a basic unit measure of square feet of space occupied will not adequately reflect the proportional consumption of resources. Business Unit E establishes a weighted square foot measure for allocating occupancy costs, which reflects the different levels of resource consumption required to provide the different types of facilities. This practice is in conformance with provisions of § 418.50(e)(2)(B).

(f) Business Unit F has an indirect cost pool containing a significant amount of material-related costs. The contractor allocates these costs between his machining overhead cost pool and his assembly overhead cost pool. The business unit finds it impractical to use an allocation measure based on either consumption or output. The business unit selects a dollars of material-issued base which varies in proportion to the services rendered. The dollars of material-issued base is a surrogate base which conforms to the provisions of § 418.50(e)(3).

(g) Business Unit G has a machining activity for which it develops a separate overhead rate, using direct labor cost as the allocation base. The machining activity occasionally does significant amounts of work for other activities of the business unit. The labor used in doing the work for other activities is of the same nature as that used for contract work. However, the machining labor for other activities is not included in the base used to allocate the overhead costs of the machining activity. This practice is not in conformance with § 418.50(d)(2). Business Unit G must include the cost of labor doing work for the other activities in the allocation base for the machining activity indirect cost pool.

(h) Business Unit H accounts for the costs of company aircraft in a separate homogeneous indirect cost pool and allocates the cost to benefiting cost objectives using flight hours. Business Unit H prorates the cost of a single flight between benefitting cost objectives whenever simultaneous services have been rendered. Manager of Contract 2 learns of the trip and goes along with Manager of Contract 1. Business Unit H prorates the cost of the trip between Contract 1 and Contract 2. This practice is in conformance with the provision of § 418.50(e)(5).

(i) During a cost accounting period Business Unit I allocates the cost of its flight services indirect cost pool to other indirect cost pools and final cost objectives using a pre-established rate. The pre-established rate is based on an estimate of the actual costs and activity for the cost accounting period. For the cost accounting period Business Unit I establishes a rate of $200 per hour for use of the flight services activity. In March the contractor's operating environment changes significantly; the contractor now expects a significant increase in the cost of this activity during the remainder of the year. Business Unit I estimates the rate for the entire cost accounting period to be $240 an hour. Pursuant to the provisions of § 418.50(g)(4), the Business Unit may revise its rate to the expected $240 an hour. If the accumulated variances are significant, the business unit must also adjust the costs previously allocated to reflect the revised rates.

§ 418.70 Exemptions.

This standard shall not apply to contractors who are subject to the provisions of Federal Management Circular 74-4 (Principles for Determining Costs Applicable to Grants and Contracts with State and Local Governments).

§ 418.80 Effective date.

(a) The effective date of this Cost Accounting Standard is September 20, 1980.

(b) This Cost Accounting Standard shall be followed by each contractor on or after the start of his second fiscal year beginning after the receipt of a contract to which this Cost Accounting Standard is applicable.

18. Section 1–3.1220–19 is added and reserved as follows:

§ 1–3.1220–19 [Reserved]

19. Section 1–3.1220–20 is added to read as follows:

§ 1–3.1220–20 Accounting for independent research and development costs and bid and proposal costs.

Part 420—Accounting for Independent Research and Development Costs and Bid and Proposal Costs

Sec.
420.10 General applicability.
420.20 Purpose.
420.30 Definitions.
420.40 Fundamental requirement.
420.50 Techniques for application.
420.60 Illustrations.
420.70 Exemptions.
420.80 Effective date.

Authority: Sec. 719 of the Defense Production Act of 1950, as amended, Pub. L. 91–379, 50 U.S.C. App. 2168.

Source: 44 FR 55128, September 25, 1979, unless otherwise noted.

§ 420.10 General applicability.

General applicability of this Cost Accounting Standard is established by § 331.30 of the Board's regulations on applicability, exemption, and waiver of the requirement to include the Cost Accounting Standards contract clause in negotiated defense prime contracts and subcontracts. (§ 331.30 of this chapter.)

§ 420.20 Purpose.

The purpose of this Cost Accounting Standard is to provide criteria for the accumulation of independent research and development costs and bid and proposal costs and for the allocation of such costs to cost objectives based on the beneficial or causal relationship between such costs and cost objectives. Consistent application of these criteria will improve cost allocation.

§ 420.30 Definitions.

(a) The following definitions of terms which are prominent in this Standard are reprinted from Part 400 of this chapter for convenience. Other terms which are used in this Standard and are defined in Part 400 of this chapter have the meanings ascribed to them in that part unless the text demands a different definition or the definition is modified in paragraph (b) of this section.

(1) *Allocate.* To assign an item of cost, or a group of items of cost, to one or more cost objectives. This term includes both direct assignment of cost and the reassignment of a share from an indirect cost pool.

(2) *Bid and proposal (B&P) cost.* The cost incurred in preparing, submitting, or supporting any bid or proposal which effort is neither sponsored by a grant, nor required in the performance of a contract.

(3) *Business unit.* Any segment of an organization, or an entire business organization which is not divided into segments.

(4) *General and administrative (G&A) expense.* Any management, financial, and other expense which is incurred by or allocated to a business unit and which is for the general management and administration of the business unit as a whole. G&A expense does not include those management expenses whose beneficial or causal relationship to cost objectives can be more directly measured by a base other than a cost input base representing the total activity of a business unit during a cost accounting period.

(5) *Home office.* An office responsible for directing or managing two or more, but not necessarily all, segments of an organization. It typically establishes policy for, and provides guidance to the segments in their operations. It usually performs management, supervisory, or administrative functions, and may also perform service functions in support of the operations of the various segments. An organization which has intermediate levels, such as groups, may have several home offices which report to a common home office. An intermediate organization may be both a segment and a home office.

(6) *Independent research and development (IR&D) cost.* The cost of effort which is neither sponsored by a grant, nor required in the performance of a contract, and which falls within any of the following three areas: (i) Basic and applied research, (ii) Development, and (iii) Systems and other concept formulation studies.

(7) *Indirect cost.* Any cost not directly identified with a single final cost objective, but identified with two or more final cost objectives or with at least one intermediate cost objective.

(8) *Segment.* One of two or more divisions, product departments, plants, or other subdivisions of an organization reporting directly to a home office, usually identified with responsibility for profit and/or producing a product or service. The term includes Government-owned contractor-operated (GOCO) facilities, and joint ventures and subsidiaries (domestic and foreign) in which the organization has a majority ownership. The term also includes those joint ventures and subsidiaries (domestic and foreign) in which the organization has less than a majority of ownership, but over which it exercises control.

(b) The following modifications of definitions set forth in Part 400 of this Chapter are applicable to this Standard. None.

§ 420.40 Fundamental requirement.

(a) The basic unit for the identification and accumulation of IR&D and B&P costs shall be the individual IR&D or B&P project.

(b) IR&D and B&P project costs shall consist of all allocable costs, except business unit general and administrative expenses.

(c) IR&D and B&P cost pools consist of all IR&D and B&P project costs and other allocable costs, except business unit general and administrative expenses.

(d) The IR&D and B&P cost pools of a home office shall be allocated to segments on the basis of the beneficial or causal relationship between the IR&D and B&P costs and the segments reporting to that home office.

(e) The IR&D and B&P cost pools of a business unit shall be allocated to the final cost objectives of that business unit on the basis of the beneficial or causal relationship between the IR&D and B&P costs and the final cost objectives.

(f)(1) B&P costs incurred in a cost accounting period shall not be assigned to any other cost accounting period.

(2) IR&D costs incurred in a cost accounting period shall not be assigned to any other cost accounting period, except as may be permitted pursuant to provisions of existing laws, regulations and other controlling factors.

§ 420.50 Techniques for application.

(a) IR&D and B&P project costs shall include: (1) costs, which if incurred in like circumstances for a final cost objective, would be treated as direct costs of that final cost objective, and (2) the overhead costs of productive activities and other indirect costs related to the project based on the contractor's cost accounting practice or applicable Cost Accounting Standards for allocation of indirect costs.

(b) IR&D and B&P cost pools for a segment consist of the project costs plus allocable home office IR&D and B&P costs.

(c) When the costs of individual IR&D or B&P efforts are not material in amount, these costs may be accumulated in one or more project(s) within each of these two types of effort.

(d) The costs of any work performed by one segment for another segment shall not be treated as IR&D costs or B&P costs of the performing segment unless the work is a part of an IR&D or B&P project of the performing segment. If such work is part of a performing segment's IR&D or B&P project, the project will be transferred to the home office to be allocated in accordance with paragraph (e) below.

(e) The costs of IR&D and B&P projects accumulated at a home office shall be allocated to its segments as follows:

(1) Projects which can be identified with a specific segment(s) shall have their costs allocated to such segment(s).

(2) The costs of all other IR&D and B&P projects shall be allocated among all segments by means of the same base used by the company to allocate its residual expenses in accordance with 4 CFR Part 403; provided, however, where a particular segment receives significantly more or less benefit from the IR&D or B&P costs than would be reflected by the allocation of such costs to the segment by that base, the Government and the contractor may agree to a special allocation of the IR&D or B&P costs to such segment commensurate with the benefits received. The amount of a special allocation to any segment made pursuant to such an agreement shall be excluded from the IR&D and B&P cost pools to be allocated to other segments and the base data of any such segment shall be excluded from the base used to allocate these pools.

(f) The costs of IR&D and B&P projects accumulated at a business unit shall be allocated to cost objectives as follows:

(1) Where costs of any IR&D or B&P project benefit more than one segment of the organization, the amounts to be allocated to

each segment shall be determined in accordance with paragraph (e) above.

(2) IR&D and B&P cost pools which are not allocated under subparagraph (1) above shall be allocated to all final cost objectives of the business unit by means of the same base used by the business unit to allocate its general and administrative expenses in accordance with 4 CFR Part 410.50; provided, however, where a particular final cost objective receives significantly more or less benefit from IR&D or B&P costs than would be reflected by the allocation of such costs the Government and the contractor may agree to a special allocation of the IR&D or B&P costs to such final cost objective commensurate with the benefits received. The amount of special allocation to any such final cost objective made pursuant to such an agreement shall be excluded from the IR&D and B&P cost pools to be allocated to other final cost objectives and the particular final cost objective's base data shall be excluded from the base used to allocate these pools.

(g) Notwithstanding the provisions of paragraphs (d), (e) or (f), the costs of IR&D and B&P projects allocable to a home office pursuant to paragraph 420.50(d) may be allocated directly to the receiving segments, provided that such allocation not be substantially different from the allocation that would be made if they were first passed through home office accounts.

§ 420.60 Illustrations.

(a) Business Unit A's engineering department in accordance with its established accounting practice, charges administrative effort including typing to its overhead cost pool. In submitting a proposal the engineering department assigns several typists to the proposal project on a full time basis and charges the typists' time directly to the proposal project, rather than to its overhead pool. Because the engineering department under its established accounting practice does not charge the cost of typing directly to final cost objectives, the direct charge does not meet with the requirements of § 420.50(a).

(b) Company B has five segments. The company undertakes an IR&D project which is part of the IR&D plans of segments X, Y, and Z, and will be of general benefit to all five segments. The company designates Segment Z as the project leader in performing the project. In accumulating the costs, each segment allocates overhead to its part of the project but does not allocate segment G&A. The IR&D costs are then allocated to the home office by each segment. The costs are combined with other IR&D costs that benefit the company as a whole. The costs are allocated to all five segments by means of the same base by which the company allocates its residual home office expense costs to all segments. This practice meets the requirements of § 420.40(b), .50(e)(2), and .50(f)(1).

(c) Business Unit C normally accounts for its B&P effort by individual project. It accumulates directly allocated costs and departmental overhead costs by project. The business unit also submits large numbers of bids and proposals whose individual costs of preparation are not material in amount. The business unit collects the cost of these efforts under a single project. Since the cost of preparing each individual bid and proposal is not material, the practice of accumulating these costs in a single project meets the requirements of § 420.50(c).

(d) Segment D requests that Segment Y provide support for a Segment D IR&D project. The work being performed by Y is similar in nature to Y's normal product and is not part of its annual IR&D plan. Segment Y allocates to the project all costs it allocates to other final cost objectives, including G&A expense. Segment Y then directly transfers the cost of the project to Segment D in accordance with its normal intersegment transfer procedure. This accounting treatment meets the requirements of § 420.50(d) and 4 CFR Part 410.

(e) Contractor E has six operating segments and a research segment. The research segment performs work under (i) research and development contracts, (ii) projects which are not part of its own IR&D plan but are specifically in support of other segments' IR&D projects, and (iii) IR&D projects for the benefit of the company as a whole.

(1) The research segment directly allocates the cost of the projects in support of another segment's IR&D projects, including an allocation of its general and administrative expenses, to the receiving segment. This practice meets the requirements of § 420.50(d).

(2) The costs of the IR&D projects which benefit the company as a whole exclude any allocation of the research segment's general and administrative expenses and are transferred to the home office. The home office allocates these costs on the same base it uses to allocate its residual expenses to all seven segments. This practice meets the requirements of § 420.50(e)(2) and (f)(1).

(f) Company F accumulates at the home office the costs of IR&D and B&P projects which generally benefit all segments of the company except Segment X. The company and the contracting officer agree the nature of the business activity of Segment X is such that the home office IR&D and B&P effort is neither caused by nor provides any benefit to that segment. For the purpose of allocating its home office residual expenses, the company uses a base as provided in 4 CFR Part 403. For the purpose of allocating the home office IR&D and B&P costs, the company removes the data of Segment X from the base used for the allocation of its residual expenses. This practice meets the requirements of § 420.50(e)(2).

(g) Company G has 10 segments. Segment X performs IR&D projects, the results of which benefit it and 2 other segments but none of the other seven segments. The cost of those projects performed by Segment X are transferred to the home office and allocated to the three segments on the basis of the benefits received by the three segments. This practice meets the requirements of § 420.50(e)(1) and .50(f)(1).

§ 420.70 Exemptions.

This Standard shall not apply to contractors who are subject to the provisions of Federal Management Circular 74-4 (Principles for Determining Cost Applicable to Grants and Contracts with State and Local Governments.)

§ 420.80 Effective Date.

(a) The effective date of this Cost Accounting Standard is March 15, 1980.

(b) This Cost Accounting Standard shall be followed by each contractor as of the start of his second fiscal year beginning after the receipt of a contract to which this Cost Accounting Standard is applicable.

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

Dated: December 5, 1981.

Ray Kline,

Acting Administrator of General Services.

[FR Doc. 81-35980 Filed 12-18-81; 8:45 am]

BILLING CODE 6820-61-M

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 67

National Flood Insurance Program; Final Flood Elevation Determinations; Illinois, et al.

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: Final base (100-year) flood elevations are listed below for selected locations in the nation.

These base (100-year) flood elevations are the basis for the flood plain management measures that the community is required either to adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

EFFECTIVE DATE: The date of issuance of the Flood Insurance Rate Map (FIRM), showing base (100-year) flood elevations, for the community.

ADDRESS: See table below.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P. E., National Flood Insurance Program (202) 287-0230, Federal Emergency Management Agency, Washington, D.C. 20472.

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency gives notice of the final determination of flood elevations for each community listed.

This final rule is issued in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 44 CFR Part 60.4(a)). An opportunity for the community or individuals to appeal this determination to or through the

community for a period of ninety (90) days has been provided, and the Associate Director has resolved the appeals presented by the community.

The Agency has developed criteria for flood plain management in flood-prone areas in accordance with 44 CFR Part 60.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that the final flood elevation determinations if promulgated, will not have a significant economic impact on a substantial number of small entities. A flood elevation determination under section 1363 forms the basis for new local ordinances, which, if adopted by a local community, will govern future construction within the floodplain area. The elevation determinations, however, impose no restriction unless and until the local community voluntarily adopts floodplain ordinances in accord with these elevations. Even if ordinances are adopted in compliance with Federal standards, the elevations prescribe how high to build in the floodplain and do not prescribe development. Thus, this action only forms the basis for future local actions. It imposes no new requirement; of itself it has no economic impact.

The final base (100-year) flood elevations for selected locations are:

FINAL BASE (100-YEAR) FLOOD ELEVATIONS

State	City/town/county	Source of flooding	Location	#Depth in feet above ground. *Elevation in feet (NGVD)
Illinois	Downers Grove, Village DuPage County (Docket No. FEMA-6019).	East Branch DuPage River	Downstream Corporate Limits	*677
			Upstream Corporate Limits	*677
		Lacey Creek	Confluence with East Branch DuPage River	*677
			Approximately 1,960 feet above confluence with East Branch DuPage River.	*677
Maps available for inspection at the Village Hall, 801 Burlington Street, Downers Grove, Illinois.				
Texas	Town of Refugio, Refugio County (FEMA-6141)	Mission River	Confluence of Tributary A	*39
		Tributary B	Approximately 100 feet downstream of U.S. Highway 77.	*43
			Just upstream of U.S. Highway 77	*47
			Approximately 80 feet downstream of Swift Street (Corporate Limits).	*53
Maps available for inspection at City Secretary's Office, City Hall, 613 Commerce Street, Refugio, Texas 78377.				
Virginia	Arlington County (Docket No. FEMA-6128)	Fourmile Run	Jefferson Davis Highway (upstream side)	*11
			Confluence of Long Branch	*16
			Shirlington Road (upstream side)	*50
			Confluence of Doctors Run	*82
			Columbia Pike (upstream side)	*111
			Abandoned Railroad second crossing (upstream side)	*159
			Wilson Boulevard (upstream side)	*217
			McKinley Road (upstream side)	*248
			Upstream Corporate Limits	*260
			Approximately 2,120 feet upstream of upstream Corporate Limits.	*289
		Doctors Run	Confluence with Fourmile Run	*82
			Washington Drive (upstream side)	*100
			Approximately 830 feet upstream of Sixteenth Street	*109
		Little Pimmit Run	Downstream Corporate Limits	*225
			Old Dominion Drive	*280
			Approximately 1,030 feet upstream of Little Falls Road	*306
		Little Pimmit Run Tributary	Confluence with Little Pimmit Run	*246
			37th Street North (extended)	*255
			Approximately 700 feet upstream 37th Street North (extended).	*271
		Long Branch (Downstream of Doctors Run).	Confluence with Fourmile Run	*16
			23rd Street South (upstream side)	*55
			Private Road (upstream side)	*90
			South Rolfe Street (upstream side)	*125
		Spout Run	Spout Run Parkway first crossing (downstream side)	*20
			24th Street North (downstream side)	*90
			Lee Highway (downstream side)	*176
			North Lincoln Street (upstream side)	*220
			North Quincy Street (upstream side)	*250
			Approximately 410 feet upstream of North Stafford Street.	*264
		Windy Run	Downstream Corporate Limits	*36
			Approximately 1,080 feet upstream of George Washington Memorial Parkway.	*120
			Approximately 2,880 feet upstream of George Washington Memorial Parkway.	*170
		Long Branch (Upstream of Doctors Run).	South Harrison Street extended (upstream side)	*170
			7th Street South extended (downstream side)	*190
		Lubber Run	Confluence with Fourmile Run	*164
			Approximately 1,400 feet upstream of Access Road	*215
			Wilson Boulevard (upstream side)	*250
			13th Street extended (downstream side)	*278
		Gulf Branch	George Washington Memorial Parkway (upstream side)	*80
			Military Road (downstream side)	*164
			North Upland Street (downstream side)	*210
			North Chestabrook Road (extended)	*230
		North Branch Donaldson Run	Confluence with Donaldson Run	*170
			31st Street North (upstream side)	*213
		Donaldon Run	George Washington Memorial Parkway (downstream side).	*30
			North Monroe Street extended (upstream side)	*100

FINAL BASE (100-YEAR) FLOOD ELEVATIONS—Continued

State	City/town/county	Source of flooding	Location	#Depth in feet above ground. *Elevation in feet (NGVD)
			Military Road (upstream side)	*170
			North Vermont Street (downstream side)	*260
Maps available for inspection at the County Court House, 1400 North Courthouse Road, Arlington, Virginia.				
Washington	Douglas County (Unincorporated Areas) FEMA-6000	Douglas Creek at Palisades	Intersection of Palisades Road with the channel (near Unnamed Canyon 2).	*812
			Confluence with Sutherland Canyon	*873
			Confluence with Whiskey Dick Creek	*958
Maps available for inspection at Planning Department, 110 N.E. 3rd, East Wenatchee, Washington.				

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to the Associate Director)

Issued: November 25, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc 81-36286 Filed 12-18-81; 8:45 am]

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44 CFR Part 70

[Docket No. FEMA-6139]

Letter of Map Amendment for the City of Killeen, Tex.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included the City of Killeen, Texas. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for the City of Killeen, Texas, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; Telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 480031 Panels 0007B and 0008B, published on September 25, 1981, in 46 FR 47226, indicates that Lots 10 and 11, Block 12; Lots 7 and 8, Block 13, Bellaire Heights, 1st Extension, Killeen, Texas, as recorded in Plat Book 2, Page 180, in the Office of Clerk, Bell County, Texas, are within the Special Flood Hazard Area.

Map No. H & I 480031 Panels 0007B and 0008B are hereby corrected to reflect that the existing structures located on the above mentioned lots are not within the Special Flood Hazard Area identified on August 3, 1981. These structures are in Zone C.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: December 7, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36262 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

44 CFR Part 70

[Docket No. FEMA-5909]

Letter of Map Amendment for the City of El Cajon, Calif.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included the City of El Cajon, California. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical

review of the Flood Insurance Rate Map for the City of El Cajon, California, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; Telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 060289 Panel 0001B, published on October 6, 1980, in 45 FR 66117, indicates that Lot 65, Cajon Villas, Unit No. 2, El Cajon, California, recorded as Reception No. 80–057029, in the Office of the Recorder, San Diego County, California, is within the Special Flood Hazard Area.

Map No. H & I 060289 Panel 0001B is hereby corrected to reflect that the above mentioned property is not within the Special Flood Hazard Area identified on September 15, 1977. This Lot is in Zone B.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 25, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36265 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 70

[Docket No. FEMA-5909]

Letter of Map Amendment for the City of Garland, Tex.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included the City of Garland, Texas. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for the City of Garland, Texas, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 485471 Panel 0020B, published on October 6, 1980, in 45 FR 66098, indicates that Lots 1 through 9, Block 2, Northlake Estates No. 10, Garland, Texas, as recorded in Volume 78067, Page 1136, in the Office of the Clerk, Dallas County, Texas, are within the Special Flood Hazard Area.

Map No. H & I 485471 Panel 0020B is hereby corrected to reflect that the existing structures located on the above mentioned lots are not within the Special Flood Hazard Area identified on November 1, 1979. These structures are in Zone B.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirments or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: December 7, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36267 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

44 CFR Part 70

[Docket No. FEMA-5909]

Letter of Map Amendment for the City of Quincy, Mass.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included the City of Quincy, Massachusetts. It has been determined by the Associate Director, State and Local Programs and Support after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for the City of Quincy, Massachusetts, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Washington, D.C. 20472; (202) 287–0230.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP): P.O. Box 34294, Bethesda, Maryland 20034; Phone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map Number H & I 255219A, Panel 03, published on October 6, 1980 in 45 FR 66021 indicates that Lots 8 and 9, as recorded on Plan No. 35537C, being a subdivision on LC 35537B, Lot 5, Quincy, Massachusetts in the Land Court of Massachusetts are within the Special Flood Hazard Area.

Map Number H & I 255219A, Panel 03, is hereby corrected to reflect that those portions of the property which are presently at or above 11 feet Mean Sea Level (MSL) are not within the Special Flood Hazard Area identified on July 30, 1976. Those portions of the lots which are between 11 feet (MSL) and 12 feet (MSL) are located within Zone B. Those portions which are at or above 12 feet (MSL) are in Zone C.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: December 7, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36272 Filed 12-16-81; 8:45 am]

BILLING CODE 6718-03-M

44 CFR Part 70

[Docket No. FEMA-5909]

Letter of Map Amendment for the City of Milpitas, Calif.; Under National Flood Insurance Program

AGENCY: Federal Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included the City of Milpitas, California. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for the City of Milpitas, California, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P. E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 060344 Panel 0003D, published on October 6, 1980, in 45 FR 66118, indicates that the Dempsey Road Office Complex, being Parcels 1 through 4 of Parcel Map, Milpitas, California, as recorded in File No. 7030218, Book 482 of Maps, Page 43, in the Office of the Recorder, Santa Clara County, California is within the Special Flood Hazard Area.

Map No. H & I 060344 Panel 0003D is hereby corrected to reflect that the existing structures located on the above mentioned property are not within the Special Flood Hazard Area identified on July 16, 1980. These structures are in Zone B.

Pursuant to provisions of 5 U.S.C. 605(b) the Associate Director, State and Local Programs and Support, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas

on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: December 7, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36270 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 70

[Docket No. FEMA-6002]

Letter of Map Amendment for Chelan County, Wash.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included Chelan County, Washington. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for Chelan County, Washington, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 530015 Panel 0625A, published on October 6, 1981, in 45 FR 49126, indicates that Lot 3, Canyonside, Chelan County, Washington, as recorded in Book 9 of Plats, Pages 1 and 2, in the Office of the Auditor, Chelan County, Washington, is within the Special Flood Hazard Area.

Map No. H & I 530015 Panel 0625A is hereby corrected to reflect that the above mentioned property is not within the Special Flood Hazard Area identified on February 4, 1981. This Lot is in Zone C.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 25, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36271 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 70

[Docket No. FEMA-5909]

Letter of Map Amendment for East Baton Rouge Parish, LA.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included East Baton Rouge Parish, Louisiana. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for East Baton Rouge Parish, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 220058 Panels 0020A and 0045A, published on October 6, 1980, in 45 FR 66092, indicates that Lots 37 through 45 and 65 through 69, Shadow Oaks Estates, Subdivision, East Baton Rouge Parish, Louisiana, recorded as Original 935, Bundle 9435, in the Office of the Clerk of Court, East Baton Rouge Parish, Louisiana, are within the Special Flood Hazard Area.

Map No. H & I 220058 Panels 0020A and 0045A are hereby corrected to reflect that the above mentioned lots are

not within the Special Flood Hazard Area identified on July 2, 1979. These lots are in Zone C.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 25, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc 81-36284 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 70

[Docket No. FEMA-5909]

Letter of Map Amendment for Harris County, Tex.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included Harris County, Texas. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for Harris County, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 480287 Panel 0175C, published on October 6, 1980, in 45 FR 66098, indicates that Lots 1 through 7 and 15 through 24, Block 1; and all of Blocks 2 through 5, Winchester County, Section One, Harris County, Texas, recorded as Document No. G863544 in Volume 300, Page 118 of Map Records, in the Office of the Clerk, Harris County, Texas, are within the Special Flood Hazard Area.

Map No. H & I 480287 Panel 0175C is hereby corrected to reflect that the above mentioned property is not within the Special Flood Hazard Area identified on February 24, 1981. These lots are in Zone C.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 10, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc 81-36283 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 70

[Docket No. FEMA-5909]

Letter of Map Amendment for Harris County, Tex.; Under National Flood Insurance Program

AGENCY: Federal Emergency Mangement Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included Harris County, Texas. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for Harris County, Texas, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda,

Maryland 20034; telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 480287 Panel 0175C, published on October 6, 1980 in 45 FR 66098 indicates, that Lots 2 through 5, Block 2; and Lots 11 through 20, Block 5, Winchester Country, Section One, Harris County, Texas, recorded as Document No. G863544 in Volume 300, Page 118 of Map Records, in the Office of the Clerk, Harris County, Texas, are within the Special Flood Hazard Area.

Map No. H & I 480287 Panel 0175C is hereby corrected to reflect that the above mentioned lots are not within the Special Flood Hazard Area identified on February 24, 1981. These lots are in Zone C.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 10, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc 81-36266 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 70

[Docket No. FEMA-6048]

Letter of Map Amendment for Lewis and Clark County, Mont.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included Lewis and Clark County, Montana. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for Lewis and Clark County, Montana, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 300038 Panel 1527B, published on May 12, 1981, in 46 FR 26306, indicates that a 1.06 acre lot and two 1.00 acre lots, located in the NE¼ of Section 25, Township 11, North, Range 4 West, P.M.M., Lewis and Clark County, Montana, recorded as Document No. 313105, in Book 303, Pages 901 and 902, in the Office of the Recorder, Lewis and Clark County, Montana, are within the Special Flood Hazard Area.

Map No. H & I 300038 Panel 1527B is hereby corrected to reflect that the above mentioned lots are not within the Special Flood Hazard Area identified on April 1, 1981. These lots are in Zone B.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: December 7, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc 81-36268 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 70

[Docket No. FEMA-5909]

Letter of Map Amendment for St. Louis County, MO.; Under National Flood Insurance Program

AGENCY: Federal Emergency Management Agency.

ACTION: Final rule.

SUMMARY: The Federal Emergency Management Agency (FEMA) published a list of communities for which maps identifying Special Flood Hazard Areas have been published. This list included St. Louis County, Missouri. It has been determined by the Associate Director, State and Local Programs and Support, after acquiring additional flood information and after further technical review of the Flood Insurance Rate Map for St. Louis County, Missouri, that certain property is not within the Special Flood Hazard Area.

This map amendment, by establishing that the subject property is not within the Special Flood Hazard Area, removes the requirement to purchase flood insurance for that property as a condition of Federal or federally-related financial assistance for construction or acquisition purposes.

EFFECTIVE DATE: December 21, 1981.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: If a property owner was required to purchase flood insurance as a condition

of Federal or federally-related financial assistance for construction or acquisition purposes, and the lender now agrees to waive the property owner from maintaining flood insurance coverage on the basis of this map amendment, the property owner may obtain a full refund of the premium paid for the current policy year, provided that no claim is pending or has been paid on the policy in question during the same policy year. The premium refund may be obtained through the insurance agent or broker who sold the policy, or from the National Flood Insurance Program (NFIP) at: P.O. Box 34294, Bethesda, Maryland 20034; telephone: (800) 638–6620.

The map amendments listed below are in accordance with § 70.7(b):

Map No. H & I 290327 Panel 0150A, published on October 6, 1980, in 45 FR 66107, indicates that the existing Condominium Units 3 through 11, 58 through 98, and the clubhouse, located on Amended Westport Crossing Plat One, and Westport Crossing, 3rd Amended Final Development Plan, St. Louis County, Missouri, as recorded in Book 188, Page 14, and Book 206, Pages 43 and 44, respectively, in the Office of the Recorder, St. Louis County, Missouri, are within the Special Flood Hazard Area.

Map No. H & I 290327 Panel 0150A is hereby corrected to reflect that the above mentioned condominium units are not within the Special Flood Hazard Area identified on September 15, 1978. These structures are in Zone C.

Pursuant to provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: December 7, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36259 Filed 12-18-81; 8:45 am]

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FEDERAL COMMUNICATIONS COMMISSION

47 CFR Parts 81 and 83

[Gen. Docket No. 80-1; RM-3101; RM-3128; RM-3129; FCC 81-545]

Automated Inland Waterways Communications System, Automated VHF Common Carrier Systems, and VHF Frequency Assignments

AGENCY: Federal Communications Commission.

ACTION: Final rule, reconsideration.

SUMMARY: This document revises certain rules which were adopted to provide a frequency allocation (216–220 MHz) and basic operational and technical standards for automated, integrated river-wide maritime communications systems on the Mississippi River and connecting waterways. Additionally, this document denies requests for other rule changes. This action results from requests from parties who had previously commented in the proceeding. We expect that the revised rules will aid the implementation and operation of such future maritime communications systems.

EFFECTIVE DATE: January 11, 1982.

ADDRESS: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Robert McNamara, Private Radio Bureau, (202) 632–7175, or Robert Eckert, Office of Science and Technology, (202) 653–8116.

SUPPLEMENTARY INFORMATION:

Adopted: November 24, 1981.
Released: December 4, 1981.

In the matter of amendment of Parts 81 and 83 of the Commission's rules to allocate spectrum for an automated Inland Waterways Communications System (IWCS) along the Mississippi River and connecting waterways and, Maritime Mobile Radio services: improvement in service through provision for automated VHF Common Carrier Systems and, VHF frequency assignments to the Maritime Radio services in the New Orleans and Lower Mississippi Rivers areas and on the coastlines of the contiguous states; memorandum opinion and order.

1. By this action in the above-captioned proceeding, we are granting the Petition for Reconsideration filed by Mid-American Television Company; Granting in part and denying in part the Petition For Clarification filed by Waterway Communications System, Inc., and denying the Petitions For Reconsideration filed by River Communications, Inc. and WJG Telephone Company. In addition, we are denying the Petitions For stay filed by River Communications, Inc. and WJG Telephone Company.

Background

2. In General Docket No. 80–1 the Commission consolidated a number of related requests to provide radio frequencies for an automated interconnected marine communications system on the Mississippi River and connecting waterways. Primarily, these requests for an Inland Waterways Communication System (IWCS) has been from tug, towboat and barge operators who serve the Mississippi River transportation system. Essentially, these tug and barge operators complained that the existing ship-shore communications service on the rivers was not adequate to meet their needs.

3. With the benefit of considerable in-depth public comment on the *Notice* in this proceeding,[1] the Commission, in the subsequent Report and Order,[2] took the actions indicated in the paragraphs below.

4. In light of the record of strong support, the Commission affirmed its earlier tentative conclusion that a need existed for an automated, integrated, interconnected inland waterways communications system(s) on the Mississippi River and connecting waterways.

5. The Commission allocated the 216–220 MHz band for use by maritime communications systems on the Mississippi River System. Certain technical requirements were prescribed to prevent potential interference with reception on television channels 10 and 13. This allocation was viewed to be in the public interest because (1) it is consistent with the U.S. proposal adopted for Region 2 at the 1979 World Administrative Radio Conference (WARC) of the International Telecommunication Union, (2) sufficient

[1] *Notice of Proposed Rule Making Order and Notice of Inquiry*, General Docket No. 80–1, FCC 80–2, 45 FR 3064. Three Errata were issued: mimeo 15497, 45 FR 6967; mimeo 15647, 45 FR 13477; mimeo 15775, 45 FR 17043.

[2] General Docket No. 80–1, released March 11, 1981, FCC 81–24, 46 FR 15690; An Errata was released April 29, 1981, mimeo 29348, 46 FR 26485.

spectrum is provided for such communications for the foreseeable future, (3) the propagation characteristics are favorable and the equipment and technology should be readily adaptable, and (4) of great importance to the maritime community, an Inland Waterways Communications System (IWCS) can likely be implemented without significant delays.

6. In regard to system and equipment standards, the Commission concurred with the view of the majority of the commenters that detailed technical standards, particularly for nonvoice services, should not be adopted at this time. Therefore, the Commission amended the rules to provide a framework under which system development could commence, but which would not unduly hinder innovation and flexibility. The standards adopted are summarized below:

(a) The band 216–220 MHz was channelized using a 25 kHz spacing to provide 80 duplex channels. The lower half of the band (216–218 MHz) was designated for coast station use and the upper half (218–220 MHz) was designated for ship station use. A spacing of 2 MHz between coast and ship frequencies was utilized.

(b) In general, stations will be authorized subject to the condition that no harmful interference be caused to television reception within the grade B contour. In addition, coast station transmitting facilities situated within 105 miles (168 kilometers) of a channel 13 TV station or 80 miles (129 kilometers) of a channel 10 station will be authorized only on the basis of an engineering determination of the potential interference area. Quantitative considerations were presented.

(c) The emission and bandwidth standards generally applicable to the maritime service were made applicable to IWCS stations. A frequency tolerance of 5 parts per million (ppm) and the standard 5 kHz deviation for coast and ship stations were also specified.

(d) Standards were not set for nonvoice transmissions other than that such transmissions must remain within the authorized bandwidth specified for voice transmission in the rules.

(e) In that it was considered too early to compel future system licensees to employ a specific signalling methodology, no signalling format was mandated.

(f) The Commission also required that applicants seeking to operate an IWCS demonstrate that the proposed system would provide continuity of service along a major portion (more than 60%) of one or more navigable waterways encompassing the Mississippi River System. Waterways less than 150 miles long were required to be served in their entirety. A list of waterways encompassing the Mississippi River System, derived from the U.S. Army Corps of Engineers, was included in the rules.

7. Among the issues addressed in the subject *Report and Order* was an application (file No. W–P–C–2279) submitted by Waterway Communications Systems, Inc. (Watercom) pursuant to section 214 of the Communications Act. In essence, Watercom sought a determination that an IWCS was needed and authority to operate such a system utilizing four VHF maritime public correspondence frequencies with additional "Appendix 18" frequencies [3] to be made available in the future. Because Watercom's application had been effectively superseded by this rulemaking proceeding (in which Watercom fully participated) the application was dismissed without prejudice.

8. The *Report and Order* also terminated General Docket No. 80–1. In that the main thrust of this voluminous proceeding involved the frequency allocation question, the Commission believed that having resolved the allocation issue and basic channelization standards, the Docket should be terminated. If new rules relative to IWCS systems are requested by the public or deemed appropriate by the Commission, the better course appeared to be to initiate a new rulemaking proceeding rather than leave General Docket 80–1 open and issue Further NPRM's.

Petitions

9. A number of petitions were filed in response to the *Report and Order*. Waterway Communications System, Inc. (Watercom) filed a Petition For Clarification. Mid-America Television Company (Mid-America) licensee of Television Station KRCG–TV, Channel 13, Jefferson City, Missouri; River Communications, Inc. (Rivercom) an association of existing public coast station licensees; and WJG Telephone Company (WJG) a public coast station licensee submitted Petitions For Reconsideration. In addition, Petitions For Stay were filed by WJG and Rivercom.[3A]

10. Oppositions and statements in support of petitions were submitted by the parties indicated below:

—Watercom filed Oppositions to the Petitions For Stay and Petitions For Reconsideration submitted by Rivercom and WJG.

—The Association of Maximum Service Telecasters, Inc. (AMST) an organization of approximately 260 television broadcast stations filed a Partial Opposition to Watercom's Petition For Clarification.

—RKO General, Inc. (RKO) the licensee of WHBQ–TV, Channel 13 in Memphis, Tennessee filed a statement in suppport of Mid-America's Petition For Reconsideration.

—Gateway Communications, Inc. (Gateway) licensee of WOWK–TV, Channel 13 in Huntington, West Virginia, also submitted a statement in support of Mid-America's petition.

—Rivercom filed comments in support of WJG's Petition For Reconsideration.

—The Maritime Administration (MARAD) submitted comments regarding the Petitions For Reconsideration and Clarification.

11. The following Replies were received in response to the various oppositions:

—Watercom filed a Reply to AMST's Partial Opposition.

—Rivercom filed a Reply to Watercom's Opposition to the Petitions For Reconsideration.

—WJG submitted a Reply to MARAD's comments.

Petitions for Stay

12. WJG argues in support of its Petition For Stay that (1) if licenses were issued and construction commenced, subsequent amendment of the rules might subject parties to irreparable harm, and (2) WJG would likely make different decisions concerning its potential involvement in an IWCS if the rules were amended as suggested in its Petition For Reconsideration.

13. In its petition, Rivercom states that the effective date of the subject rules should be stayed pending reconsideration because (1) prudent

[3] This refers to Appendix 18 of the ITU Radio Regulations which contains the frequency bands in the 150–170 MHz region allocated internationally for maritime mobile use. The specific bands are 156.025–157.425, 160.625–160.975, and 161.475–165.025 MHz. These bands were allocated internationally for maritime use by the 1959 World Administrative Radio Conference (WARC). The 1959 WARC, however, also adopted footnote No. 287 Mar 2 in Article 5 of the ITU Radio Regulations which, in effect, permits the continued use of some of the frequencies in Appendix 18 for other than maritime purposes. For convenience we will refer to all of these frequencies as "Appendix 18" frequencies.

[3A] We note that WJG has also filed a Petition for Review in the U.S. Court of Appeals for the District of Columbia, *WJG Telephone Company, Inc.* v. *FCC*, D.C. Cir. No. 81–1461, raising issues similar to those addressed herein. This Petition for Review remains pending. Rivercom, an intervenor in this case, filed a Motion for Stay on September 9, 1981, which was subsequently denied by the Court on October 19, 1981.

system planning is not possible until the Commission acts on its request to establish signalling standards and related channelization requirements, (2) if Rivercom unilaterally refrains from filing an application all available channels may be applied for by others, (3) incompatible parallel systems may otherwise be developed, and (4) the licensee of the first system authorized could exert economic pressure on the Commission to adopt its signalling system as a standard.

14. Watercom filed an Opposition to the Petitions For Stay. In essence, Watercom argues that the petitioners have not made a sufficient showing under the criteria considered by the Commission in determining whether a stay should be issued.[4] Nothing is said concerning the likelihood of the petitioners prevailing on the merits of their respective Petitions For Reconsideration. None of the reasons advanced by the petitioners are seen to demonstrate irreparable injury. Rather, Watercom characterizes the showings of both petitioners as "* * * general allegations of potential harm predicated upon an undefined scenario"[5] Watercom finds no actual showing of harm, of decisions impacted, of a time table for such decisions, of the irrevocable nature of such decisions or substantial burden resulting from changing such decisions, or any like demonstration of irreparable harm.

15. With regard to the signalling methodology issue, Watercom states that the internal signalling system is only one facet of a complex design which could be easily be deferred or modified at a later date, and that the system recommended by Rivercom is available off-the-shelf and thus does not constitute a major design element. Watercom notes that in its comments to the *Notice* an allocation of sixty channels was recommended, while Rivercom requested a fifty channel allocation. Therefore, the eighty channel allocation made by the Commission in this proceeding should be more than adequate to meet present demand. If Rivercom chooses to defer system design pending reconsideration it should not be precluded from subsequently applying for system authorization. As the Commission being subject to economic pressure by a party proceeding with system development prior to reconsideration, Watercom states that it projects a lead time of at least one year before the first shore station can be installed. It expects Commission action on the pending petitions well within this time frame.

16. Further, Watercom argues that the public interest requires that the development of the new communications services for the domestic maritime community progress as expeditiously as possible. Staying the effectiveness of the rules would result in delay of IWCS development, thereby being detrimental to the user public. Watercom also declares that it would suffer economic harm by the issuance of a stay. It estimates planned construction to cost $10 million, and inflation at 12 percent per annum. Thus every month of delay could add $100,000 to its construction costs. Watercom submits that the more prudent less costly approach is to deny the Petitions For Stay and accept applications subject to modification as may be required as a result of reconsideration by the Commission.

Discussion of Petitions For Stay

17. We are denying the Petitions For Stay because neither WJG nor Rivercom sustained its burden under the standards enuniciated in the *Virginia Petroleum Jobbers Association* case and the *Holiday Tours* case (footnote 4, *supra*). As Watercom states in its opposition to the petitions, WJG and Rivercom have simply made general allegations of potential harm. Neither petitioner made any showing regarding its likelihood of prevailing on the merits of its Petition For Reconsideration, nor did they demonstrate that without the requested relief they would suffer irreparable injury. Further, it appears that substantial harm in the form of an adverse economic impact estimated at $100,000 per month would be incurred by Watercom, and that after years of effort by the inland waterways transportation industry the public interest would be best served by allowing the development of IWCS systems to continue without interruption.

18. In any case, since we are acting on the various Petitions For Reconsideration herein, the Petition For Stay are mooted. We further note that in light of the considerable engineering requirements imposed to protect television reception in adjacent broadcast bands, no application has yet been granted.

Mid-America Petition For Reconsideration

19. In its petition Mid-America requests that a notification procedure be adopted by which licensees of television stations operating on channels 10 and 13 are advised of the filing of IWCS applications which propose operations within the parameters set out in new § 81.134(j)(2). Specifically, this section requires that IWCS coast stations located less than 105 miles from a channel 13 television station, or 80 miles from a channel 10 station, or using an antenna height greater than 200 feet, operate in accordance with an engineering plan designed to suitably limit the interference contour.

20. Mid-America asks that the system applicant be required to give notice of the filing of such an IWCS application to the television stations which may be affected. Further, it suggests a statement be included in the application listing the television stations potentially affected and certifying that they have been notified of the filing. Mid-America believes that this procedure would not measurably increase the burden on the applicant. Rather, it would encourage coordination, contribute to efficient resolution of any interference potential, and reduce the likelihood of complaints once the system is in operation.

21. RKO, AMST and Gateway filed statements in support of Mid-America's petition. The parties request that the notification procedures suggested by Mid-America be adopted by the Commission. The rationale proffered by Mid-America is fully concurred in by RKO, AMST and Gateway.

22. Watercom in its opposition to Petitions For Reconsideration poses no objection to Mid-America's requested notification procedures. Watercom notes that it intends to cooperate with television broadcast licensees to assure that no harmful interference is caused to the Broadcast Service and, reciprocally, to assure optimum operation of its proposed maritime communications system.

Discussion of Mid-America Petition

23. We agree that the notification procedure suggested by Mid-America will encourage coordination and reduce potential interference problems while placing little additional burden on system applicants. Accordingly, we are amending § 81.134(j) substantially as requested by Mid-America.

Watercom Petition for Clarification

24. Although Watercom endorses the allocation of the 216–220 MHz band for automated marine communication

[4] In *Virginia Petroleum Jobbers Association* v. *Federal Power Commission*, 259 F. 2d 921 (D.C. Cir. 1958) and *Washington Metropolitan Area Transit Commission* v. *Holiday Tours, Inc., et al.*, 182 U.S. App. D.C. 220, 559, F. 2d 841 (1977) the court indicated that essentially four factors influence the decision whether to grant a stay.

[5] Opposition To Petition For Stay filed by Watercom April 20, 1981, at p. 6.

systems and commends the Commission's approach to meet present and future requirements. Its petition addresses certain points characterized as "housekeeping" in nature. Essentially, Watercom asks that:

a. The Commission's intention to license and regulate inland waterways communications systems on a distinct basis from existing class III public coast stations be more clearly reflected in the rules;[6]

b. The Gulf Intracoastal Waterway (GIWW) be included within the definition of the Mississippi River System; and

c. The authorized ship station transmitter power be increased to a maximum of 50 watts provided the power is automatically reduced to produce an ERP not exceeding 18 watts within the grade B contour of a protected television station.

Gulf Intracoastal Waterway

25. Throughout this proceeding the Commission has referred to the proposed IWCS service as extending to the Mississippi River and connecting waterways. As Watercom points out, both the *Notice* (in footnote 2) and *Report and Order* (in footnote 1) listed certain waterways as illustrative of those waterways connecting to the upper and lower Mississippi River.[7] In new §§ 81.913(a) and 83.1100 these same waterways specifically define the Mississippi River System. Watercom argues that the Gulf Intracoastal Waterway (GIWW) which is not included in the list of waterways defining the Mississippi River System is indeed an integral part of the Mississippi River System. Therefore, Watercom requests that the Mississippi River System be redefined in the rules to include the GIWW.

26. No oppositions were filed in response to Watercom's request to include the GIWW in the definition of the Mississippi River System. However, Fairfield Industries, Inc. and the Manufacturers Radio Frequency Advisory Committee (MRFAC) both filed comments on the *Second Notice of Inquiry* in General Docket No. 80–739 (concerning the implementation of the Final Acts of the World Administrative Radio Conference, Geneva, 1979) which referenced the GIWW issue raised in Watercom's Petition For Clarification. These comments were also tendered for filing in General Docket No. 80–1 after the date for filing comments had passed. Both Fairfield and MRFAC note that expansion of maritime communications along hundreds of miles of the Gulf Coast could pose potential interference problems for certain telemetry operations. In any event, Fairfield and MRFAC argue that this issue should be the subject of a separate rulemaking proceeding in which all interested parties would be afforded notice and opportunity to comment. Watercom filed a Reply to Fairfield and MRFAC, which also was placed in the record of this proceeding. In essence, Watercom argues that no incompatability has been shown between maritime mobile use of the 216–220 MHz band and existing telemetry operations, that as a secondary service telemetry operations do not have standing to object to maritime mobile use of the band, and that the maritime 216–220 MHz allocation should be implemented on a priority basis.

Ship Station Power

27. Included in the provisions for protection of television reception is the restriction contained in § 83.134(l) which limits IWCS ship stations to a transmitter power which in combination with the antenna system produces an ERP not exceeding 18 watts. This section also limits transmitter output power to 25 watts or less measured at the transmitter output terminals. Watercom submits that outside of the grade B contour of protected television stations the limitation on the ship station output power is unnecessary.

28. Watercom argues that the objectives of § 83.134(l) may be achieved alternatively by allowing the use of vessel transmitters with output power not exceeding 50 watts and which automatically, by program and/or command control from the coast station, reduce power to an ERP not exceeding 18 watts within the grade B contour of a television station to be protected. Inasmuch as Watercom's IWCS concept entails coast station control of ship stations, the system can be designed to require such power reductions. This will permit the use of essentially the same type transmitter by ship and coast stations. Watercom also states that such a feature will optimize system design and performance while maintaining the same degree of protection for television. Therefore, Watercom requests that the rules be revised to allow ship transmitters to employ up to 50 watts output power provided the system is designed to automatically reduce power to an ERP not exceeding 18 watts when the vessel is in the grade B contour of a protected television station.

29. In its Partial Opposition to Watercom's Petition For Clarification AMST states that the request to permit increased power outside of Channel 13 grade B contours should be denied. AMST argues that such an increase in authorized power will create a risk of interference to television broadcast service beyond the grade B contour.

30. The Maritime Administration in its response to the petitions filed supports flexible power levels. In its view the steps for power increases and means for power control should be left to system design.

31. In its Reply to AMST's opposition, Watercom notes AMST's objection to the requested power increase is premised on the grounds that television reception beyond the grade B contour is weak and thus more susceptible to degradation by signals in adjacent frequency bands. Watercom submits that AMST's position would result in the Commission protecting television signals beyond the grade B contour, which would be inconsistent with the rules and policy. Further, it argues that the rules adopted in this proceeding go far beyond the legal and engineering requirements necessary to protect TV reception. Poor TV reception, in its view, is due to the failure of TV receivers to have adequate adjacent channel selectivity.

Discussion of Watercom Petition

Gulf Intracoastal Waterway

32. As Watercom states in its petition, there is a major flow of traffic between the GIWW and the Mississippi River. Only the Ohio River has a higher traffic interchange. Additionally, the GIWW was not specifically excluded from the IWCS service in the *Notice* or *Report and Order* in this proceeding. However, the GIWW was not mentioned at all in

[6] In the Errata in General Docket No. 80–1 released April 29, 1981, mimeo 29348, 46 FR 26485, the Commission specifically excluded stations operating in the 216–220 MHz band from the definition of class III public coast stations, and added a U.S. footnote (which was inadvertently deleted from the *Report and Order*) to the Table of Frequency Allocations to protect the Navy SPASUR system. These corrections substantially satisfy Watercom's request for the clarification of the relationship between IWCS systems and existing Class III public coast stations and its comment regarding protection for the Navy SPASUR system. Therefore, these two issues raised by Watercom are moot.

[7] The waterways listed as connecting to the upper and lower Mississippi River were: Allegheny, Amite, Arkansas, Atachafalaya, Big Sandy, Black (Ark.), Black (Wisc.), Calcasieu, Cumberland, Green/Barren, Hiwassee, Illinois, Kanawha, Kaskaskia, Kentucky, L'Anguille, Little Kanawha, Mermentau, Minnesota, Missouri, Monongahela, Ohio, Ouachita, Red, St. Croix, St. Francis, Tennessee, White, Wolf, and Yazoo Rivers. The canal project currently under construction to connect the Tennessee and Tombigbee Rivers will, upon completion, connect the Alabama, Black Warrior, Mobile and Tombigbee Rivers into the Mississippi River.)

this lengthy proceeding. Neither the Commission nor any of the numerous commenters including Watercom, specifically suggested that the GIWW was or ought to be included in a discussion of frequency allocation for an automatic "inland" waterways communications system. The entire proceeding focused on the Mississippi River and connecting inland rivers. The Commission did not intend, nor do we believe interested parties considered General Docket No. 80-1 to include some 1100 miles of Gulf Coast in the Mississippi River System.

33. Accordingly, we feel it would be fundamentally unfair to expand the area of IWCS service along the Gulf Coast approximately from Port Isabel, Texas, to the Florida Panhandle without providing interested parties adequate notice and an opportunity to comment. Therefore, we are denying Watercom's request to clarify the rules by including the GIWW within the definition of the Mississippi River System.

34. However, since substantial waterborne traffic flows between the GIWW and the Mississippi River System, we will initiate a separate rulemaking proceeding proposing to expand the IWCS service area to include the GIWW. This will provide the public adequate notice and an opportunity to comment on the merits of such an expansion of the subject maritime communications system.

Ship Station Power.

35. It appears that Watercom's request for an increase in the authorized IWCS ship station power will not reduce the level of protection provided for TV reception in this proceeding. Power would only be increased in areas where it has been demonstrated that it is unlikely that interference will be caused to television reception within a station's grade B contour. Where this has not been shown, power would automatically (as opposed to manually) be reduced to the currently specified levels. At the same time IWCS operators would likely realize cost savings and increased design and operational flexibility.

36. Accordingly, we will amend § 83.134(l) of the rules substantially as requested by Watercom to permit IWCS ship station transmitters to utilize maximum output power of 50 watts provided power is automatically reduced to an ERP not exceeding 18 watts wherever it has not been specifically shown that television reception within the grade B contour is unlikely to be affected.

Rivercom Petition for Reconsideration

37. Rivercom requests that the Commission reconsider the rules adopted in the *Report and Order* in two general areas. First, it asks that a standard signalling format be adopted. Second, Rivercom urges that the Commission require that all shipboard units be capable of operating on all 80 allocated channels and utilize a common signalling channel.

Signalling Standard

38. In the comments to the *Notice* Rivercom proposed a signalling format currently available from some equipment manufacturers (e.g., the Secode system). Watercom, MARAD and the Radio Technical Commission for Marine Services (RTCM) urged that the proposed international digital selective calling protocols (SELCALL) be utilized. In the *Report and Order* the Commission did not mandate a specific signalling methodology for IWCS systems. Although the SELCALL system was seen to have advantages in terms of interoperability and could ultimately reduce unit costs, the Commission believed it was too early to compel future licensees to employ a specific signalling methodology. It was felt that potential licensees would better by able to determine what signalling format is most advantageous for a given system design once the allocated frequency band and basic channelization requirements were specified.

39. In its petition Rivercom argues that the Commission should adopt a signalling standard in order to permit full and effective competition. Although Rivercom applauds the Commission's goal in General Docket No. 80-1, it believes more detailed standards are necessary before reasonable businessmen can make sizable investments to furnish IWCS service. Rivercom again urges that the Commission adopt the signalling standard it proposed in its comments in this proceeding. However, Rivercom states that it believes it is far more important to adopt a standard than to adopt its own proposal. In the Reply to Watercom's opposition, Rivercom again states that while it believes SELCALL is not cost justified or proved technologically, it would prefer the SELCALL system to no standard.

40. Watercom notes in its opposition that a standardized IWCS signalling methodology is acceptable. However, Watercom argues that the internationally compatible SELCALL system which represents the state-of-the-art signalling protocol should be selected if the Commission prescribes a signalling methodology. The ready availability of the relatively low speed Secode system is not considered to outweigh the technical advantages of the international SELCALL system. Watercom further indicates that it has no objection to Rivercom or any other party using the Secode or similar systems, so long as the Commission does not prescribe the use of the system for all licensees.

41. MARAD agrees with Rivercom that a standardized signalling methodology is essential. However, MARAD strongly supports the adoption of the internationally compatible SELCALL system. WJG considers SELCALL too costly and notes that no off-the-shelf equipment is yet available.

All-Channel Operation

42. Rivercom submits that in order to ensure effective competition the Commission should require that a compatible signalling channel be used by all systems* and that all mobile units, i.e., ship stations, be capable of operation on all 80 channels allocated for IWCS use. These requirements are deemed necessary to assure that all ship stations may have access to multiple systems. Rivercom refers to the Public Air-Ground Radiotelephone Service as an example of a service using compatible signalling and all channel capability.

43. Watercom vigorously opposes Rivercom's request that a common signalling channel be mandated. In its analysis Watercom indicates that a signalling channel utilizing the spectrum-efficient SELCALL format can accommodate a twenty channel operation in a busy port area such as New Orleans. Expanding the use of a signalling channel to serve up to as many as 80 channels would exceed the capacity of any signalling channel. Using more than one channel complicates the mobile station equipment, thus increasing unit costs. In regard to the possible use of a tieline to synchronize operations or provide simultaneous signalling of ships, Watercom notes that there is no indication of the allocation of costs or responsibility, or that the possibility exists that the coast stations of competing systems would not substantially overlap service contours. If the stations of competing systems were interspersed between each other it

*As an alternative to one signalling channel Rivercom notes that each licensee could use its own signalling channel with an intersystem tieline to any other system with duplicate coverage. Ships would be signalled on all systems simultaneously.

would be necessary to interconnect three stations rather than two stations. A reduction in signalling channel efficiency would result.

44. Watercom further argues that such an arrangement is unworkable from an operational standpoint. If a call is received on one system and via simultaneous signalling "answered" by a subscriber to another system, an unanswered call would result since the call would not be switched to the second system's working channel. Watercom notes that no system operator could reasonably be expected to maintain landline interconnect and routing channels in sufficient quantities to handle calls over competitor systems as well as its own traffic.

45. Watercom also express concern that Rivercom's mutual signalling request raises the potential for unfair practices and methods of competition. In essence, Watercom fears that a smaller, less sophisticated system operator could utilize the internal networking features of a larger more highly developed system to the latter's economic disadvantage. Watercom finds it impractical, costly and of no public interest benefit to so highly structure user employment of optional services.

46. In regard to Rivercom's request that the Commission require all mobile units to be equipped for full 80 channel operation, Watercom argues that whether a vessel is so configured should be a user choice. It estimates that the additional cost of equipping a vessel to operate on 80 channels, in lieu of 20 channel, is approximately $2,000.[9] In its view it is unreasonable to require a user electing to employ such a system to equip for full 80 channel operation.

47. Watercom finds the analogy with the public air-ground service inappropriate. The public air-ground service utilizes a geographic frequency assignment plan for locally operated stations. There is no interstation networking, rather the stations are individually interconnected with the public switched telephone networks. This is similar to the existing maritime mobile service provided on the Appendix 18 frequencies. There is no requirement that a ship station be operated on Appendix 18 public correspondence channels at all, or on any specific complement of public correspondence channels. Thus Watercom considers it inappropriate to require all channel capability in the 216–220 MHz band.

48. In its Reply to the Opposition Rivercom states that Watercom has misunderstood the manner in which common calling procedures would work. It envisions common signalling as permitting a call to be completed and service provided in all cases through an intersystem tie proposal, i.e., one system would perform the "handshake" and assign the call to the other's working channel. Charges for services would be mutually agreed by the licensees or resolved under the Commission's tariff jurisdiction. Further, Rivercom argues that Watercom's estimated price for additional duplexers is inflated. Its research indicates that full 80 channel capability versus 20 channel capability would cost an additional $900 to $1,000 per unit.

49. MARAD in its response indicates that it believes a common signalling channel is not technically or operationally feasible. It feels the simultaneous signalling proposal would be disastrous due to the interference potential to the calling channel which must remain interference free for automation to be reliable. MARAD also states that the requirement for all channel mobile units need not be imposed by regulation. With a standard signalling protocol, a user may choose any available system or all systems and obtain appropriate equipment. Likewise, intersystem interconnection is not viewed as a regulatory requirement.

50. WJG in its response finds it ironic that MARAD supports the SELCALL signalling system but opposes requirements for interconnect and integration. As relevant here, WJG generally supports Rivercom.

Discussion of Rivercom Petition

Signalling Standard

51. Initially, we note that at this time the CCIR has yet to adopt the Draft Recommendation "Automatic VHF/UHF Maritime Mobile Telephone System" which uses the Digital Selective Calling System (SELCALL) as the basis for signalling over the radio path.[10] Further, hardware utilizing the SELCALL methodology is not generally available in the marketplace. Therefore, while we recognize that an international maritime signalling format has advantages in terms of system interoperability and may ultimately reduce unit costs, we affirm our earlier view that it is premature to compel future system operators and users to employ a specific signalling methodology. Prospective applicants are free to exercise their business judgement as to the best signalling methodology for their proposed system. If, as Rivercom suggests, Watercom does become the first to install an IWCS utilizing the SELCALL format, Rivercom is free to employ a compatible SELCALL format or another signalling format deemed more appropriate. It does not appear that such flexibility at this developmental stage will harm Rivercom or any other potential applicant.

52. Accordingly, we will not establish an IWCS signalling standard at this time.

All Channel Operation

53. As indicated by MARAD and Watercom, it appears that designating one IWCS signalling channel would introduce a number of potential technical and operational problems. We emphasize that our intention in this proceeding is to adopt the minimum system and equipment technical standards necessary to provide a framework under which system development can begin but which will not unduly hinder innovation or flexibility. We believe that a prescribed signalling channel at this early juncture[11] would unnecessarily restrict flexibility in system development. We are permitting single or multiple channel systems to be employed for calling purposes at this time. However, when the IWCS service has sufficiently matured we may revisit this matter if the public interest so dictates.

54. Likewise, requiring all mobile units to be equipped for full 80 channel operation would appear to unnecessarily restrict the users' options. Even assuming the Rivercom's lowest estimated cost of $900 per unit (to increase operational capability from 20 channels to 80 channels) is accurate, a significant additional cost could be imposed on potential users such as towboat and barge operators who may not need or desire all-channel capability. We feel that the best course of action is to allow the user to select the channel capability that it considers most advantageous for its specific operations.

55. Therefore, we are denying Rivercom's request that a compatible

[9] Watercom noted that given the narrow spacing between transmit and receive frequencies duplexers will be required. Commonly each duplexer can accommodate 0.5 MHz on both transmit and receive (20 channels). It submits that the cost of three additional duplexers and switching equipment is about $2,000.

[10] CCIR is the International Radio Consultative Committee of the International Telecommunication Union. It is expected that the CCIR Plenipotentiary Meeting will adopt the subject recommendation in 1982.

[11] One application for an IWCS system has been filed. In light of the large undertaking required to serve a specialized and limited market, we do not expect a great number of applications for collocated systems will be received.

signalling channel be used by all IWCS systems and that all mobile units be capable of operating on all 80 allocated channels.

WJG Petition for Reconsideration

56. In its petition WJG requests that the requirement for IWCS systems to serve a major portion (more than 60%) of one or more navigable waterways encompassing the Mississippi River System be deleted. WJG also asks that existing public coast stations be granted grandfather rights to operate an IWCS. Further, WJG opposes terminations of this proceeding and, in essence, seeks to have it made subject to the ultimate resolution of other proceedings.

60 Percent Service Requirement

57. WJG argues that the requirement for IWCS applicants to provide a continuity of service along a major portion (more than 60%) of one or more navigable waterways encompassing the Mississippi River System [12] is arbitrary, discriminatory and not rationally related to any of the stated goals of this proceeding. It states that the 60% figure was not specifically discussed nor proposed in the *Notice*. Noting that a system would be permitted on rivers which through geographical circumstance are less than 150 miles, WJG sees no rational basis to require systems located elsewhere to be greater than 150 miles.

58. Rivercom filed comments in support of WJG, which is indicated to be a founding member of Rivercom. It also asks for the deletion of the service area requirement, which would permit the licensing of individual stations rather than require a system authorization.

59. Watercom submits in its Opposition that the 60% coverage requirement is too low and that a higher figure is warranted to meet the objectives developed in the record of this proceeding. Continuity of coverage optimizes system and spectrum efficiency and user employment. Watercom sees the entire thrust of General Docket No. 80–1 as having been to provide a frequency complement to allow the establishment of a communications system serving the Mississippi and connecting waterways. It is not viewed as concerned with providing additional frequencies for single station operations as exists in the 156–162 MHz band. Watercom notes that the 60% (or greater) navigable channel coverage requirements is simply a form of implementing the systemization requirement intended throughout the proceeding.

60. Watercom states that the *Notice* and the Comments of the various parties, and even the docket caption, clearly evidenced that the proposed allocation was intended for a communications system. It points out that Watercom's rulemaking petition (RM 3101) and its application (File No. W–P–C–2279) which served as the genesis of this proceeding concerned development of a river-wide communications network. Watercom provides a number of quotations from the *Notice* demonstrating the Commission's intent to provide an allocation for river communications systems as distinguished from the individual station operation characteristics of the 156–162 MHz band.[13]

61. Further, Watercom states that all the commenters representing the user community supported the river-wide systemization requirement and that the existing public coast station operators certainly understood the proposed frequency allocation was intended to provide for river-wide systems rather than individual local stations. Watercom illustrates that Rivercom and the existing coast stations indeed recognized and supported the system coverage requirement. Rivercom described its interest in this proceeding in paragraph one of its Comments filed April 7, 1980, as follows:

> Rivercom was incorporated February 20, 1980, as a vehicle for participation by existing Public Coast licensees in an automated public correspondence network as proposed in the instant matter.

In its Petition for Reconsideration WJG states that it desires the option to work with existing public coast stations to operate an IWCS on a network basis. Watercom notes that Rivercom, in which WJG claims membership, is the apparent vehicle to accomplish this objective.

62. Watercom argues that coverage requirement as a condition of licensing is indigenous to the system or network aspect of utilization of the spectrum allocation. Both WJG and Rivercom have indicated that existing public coast station licensees can pool resources to provide service on a network basis. This is perceived as consistent with the Report and Order. However, Watercom believes that to separate the systemization requirement from the licensing process could defeat the purpose of the allocation. If a "network plan" were employed as a ruse to obtain local operating authority in the 216–220 MHz band, Watercom feels the Commission would have no effective means of enforcing the systemization requirement should some stations become non-operational.

63. Contrary to WJG and Rivercom, Watercom asks that the Commission not only retain the minimum river coverage requirement but that it be increased in order to better comport with the objectives set forth in the *Notice*.

Grandfather Rights

64. WJG asks that the Commission grant existing public coast stations "grandfather" rights to permit operation on the IWCS frequency band within their existing service territories (as defined in § 81.303 (a) and (b)). WJG envisions that these stations could then voluntarily enter into interoperating agreements in order to achieve intrasystem compatibility and technical compliance with the applicable rules. The public benefit to be derived is the continued economic viability of the existing public coast stations on the Mississippi River System. In addition, WJG asks that the Commission provide continued economic supervision of IWCS operators to prevent anticompetitive practices.

65. Watercom opposes WJG's request for "grandfather" rights for existing public coast stations. It argues that WJG is not requesting "grandfather" rights in the common sense of the term, but rather a right to a "head-start" in a new communications service. Watercom states that it knows of no precedent for permitting existing service suppliers a head-start in rendering a new service. Additionally, Watercom notes that the WJG approach reiterates the local operation concept rejected by the Commission in this proceeding, without demonstrating error or introducing new factors. In regard to WJG's request for continuing economic supervision, Watercom states it assumes the Commission will carry out its responsibilities as mandated by the Communications Act.

Other Issues

66. WJG also raises a number of other matters in its petition. It suggests that if a limited (i.e., private) IWCS is someday authorized and if it functions as a public (i.e., common carrier) system, such a system should be regulated as a common carrier. Additionally WJG opposes the termination of General Docket No. 80–1. In essence, it argues that now that the IWCS allocation has been made, the docket should remain

[12] See 47 CFR 81.913(b). Rivers less than 150 miles long must be served in their entirety.

[13] See, Opposition to Petitions For Reconsideration, filed May 14, 1981, by Watercom, p. 14–16.

open and address issues such as interconnection, terms of access and the division of revenues with the wireline telephone companies. Further, WJG comments on a number of other dockets of potential affect on the Maritime Mobile Service which are pending before the Commission.

67. Watercom states that comments pertaining to landline interconnection and operation of public coast stations operating in the 156–162 MHz band have no relationship to the IWCS allocation and thus are completely outside the scope of this proceeding. Thus, these issues should be addressed in the appropriate proceedings.

Discussion of WJG Petition

60 Percent Service Requirement

68. The purpose of General Docket 80–1 was to provide a frequency allocation to allow the development of inland waterways communications *systems* serving the Mississippi River and connecting waterways. It is clear from their various filings in this proceeding that both WJG and Rivercom fully understood this purpose. Rivercom itself it a creature of the existing public coast station licensees, including WJG, designed as a vehicle for their potential participation in an IWCS.

69. With the allocation of the 216–220 MHz band for Inland Waterways Communications Systems to provide vessels with automatic, integrated communications along some portion of the Mississippi River System, it obviously becomes necessary to provide a structure by which to license such systems. Rather than require an applicant to demonstrate its proposed system would provide continuity of service over an entire waterway, the Commission felt that such a showing for service along a major portion of a navigable waterway would be sufficient to ensure that an integrated network serving the Mississippi River System were established. The 60% figure was considered the minimum "major portion" of a waterway that would fulfill this enunciated intent. Lesser coverage, or no coverage requirements at all, would likely result in numerous "systems" essentially providing local service along a portion of a river. This type of service is currently available via existing public coast stations operating in the 156–162 MHz band. (Since the frequencies in this maritime band are so heavily utilized, no such frequencies were available to assign for IWCS communications.) A requirement for applicants to provide continuity of service over more than 60% of a major waterway was not considered a potential bar to participation by a consortium of relatively small entities, e.g., Rivercom, which was known from its comments to be incorporated for such a purpose. Waterways of less than 150 miles were considered an exception and were required to be served in their entirety. Since such relatively small rivers could be served by two or three shore stations, no need was seen to provide a lesser standard.

70. We believe that without a specific requirement for an IWCS to provide coverage over a major portion of a waterway no river-wide communications system will develop, and our intent in allocating the 216–220 MHz band in this proceeding will not be fulfilled. It would appear that service must be available over at least 60% of a waterway (with the exception of relatively small rivers) in order to provide the advantages and efficiencies an IWCS can offer the waterborne transportation industry. Although Watercom argues that this minimum coverage figure should be increased, we feel that the 60% coverage requirement represents a reasonable compromise between complete (i.e., 100%) coverage and no coverage requirement (i.e., local area service).

71. Further, the 60% service requirement does not obstruct or prevent WJG from having "* * * the option to work with other public coast station licensees to initiate and operate an IWCS on a network basis with each station serving an identifiable section of the involved river or rivers." [14] In fact, the requirement to provide river-wide coverage would seem to have the opposite effect. Rivercom itself is an example. When the Commission proposed to allocate the 216–220 MHz band for IWCS purposes, a number of the existing public coast station licensees joined together to form Rivercom as a means of potentially participating in developing such a system. This avenue is still open to WJG and other coast station licensees.

72. Accordingly, we are denying WJG's request to delete the requirement contained in new § 81.913(b) for applicants to demonstrate that the proposed system will provide a continuity of service along more than 60% of the navigable waterway to be served.

Grandfather Rights

73. We feel it is not appropriate to grant existing public coast stations the "grandfather" rights requested by WJG. It appears that WJG is actually asking for early entry into the 216–220 MHz band without the obligation to provide the river-wide service for which the frequency allocations was provided. WJG seeks to have the Commission permit existing public coast stations to provide local area service on IWCS frequencies with the option to integrate with each other if desired. In this regard the service supplied on the IWCS frequencies would be similar to that now provided by these stations on other maritime frequencies. As noted above, WJG joined with other interested coast station operators to form Rivercom as a potential vehicle for operating and coordinating an IWCS system. There appears to be no rationale for granting individual stations now operating on the rivers authority to use the newly allocated band in a manner inconsistent with the purpose of the allocation.

74. It is understandable that WJG is concerned about the effect the introduction of a new competitive communications service will have on its markets. As we stated in the Report and Order there is ample evidence that the introduction of IWCS service will in fact increase competition on the inland waterways. Moreover, there is ample evidence in the record of the demand and need for an automated, integrated river-wide communications system. Such a system will allow the towing barge industry as well as other vessels navigating the river system the high quality voice and non-voice communications services they have been seeking for a number of years. It is extremely unlikely though that all tow and barge vessels would participate in an IWCS. Many local or regional companies may not desire or need to affiliate with an automated river-wide communications system. As previously noted in this proceeding many of the VHF maritime channels suffer from congestion, and some coast stations, particularly in the lower Mississippi River, are saturated during peak hours. The demand for communications in this maritime environment is expected to continue to grow. We expect that existing and new coast stations will be capable of competing on price, quality and diversity of service with any future IWCS.

75. Accordingly, we are denying WJG's request for "grandfather" rights for existing public coast stations to provide service in the 216-220 MHz band.

Other Issues

76. If, as WJG fears, an IWCS is eventually authorized to provide limited service (e.g., private operational

[14] WJG Petition for Reconsideration at paragraph 4.

communications) on a shared cost basis and then it violates the terms of its authorization by providing public correspondence service, it would be subject to the same procedures and potential penalties as other private stations operating beyond the terms of their authorization.

77. As we indicated in the Report and Order, the main thrust of this proceeding has involved the frequency allocation question and basic channelization standards. Much of the voluminous record is of interest only by way of background. Thus, rather than leave this docket open and issue Further NPRM's we elected to terminate General Docket No. 80-1 and commence a new rulemaking proceeding if changes regarding the IWCS rules are deemed necessary. Despite WJG's objection, we still consider this the better course. It does not appear that any advantage would be derived by leaving General Docket No. 80-1 open in order that Further NPRM's could be issued from time to time.

Action

78. Regarding questions on matters covered in this document contact Robert McNamara at (202) 632-7175 or Robert Eckert at (202) 653-8116.

79. In view of the above, the following actions are taken regarding the petitions filed in this proceeding:

(a) The Petition For Stay filed April 8, 1981, by WJG Telephone Company is denied.

(b) The Petition For Stay filed April 10, 1981, by River Communications, Inc. is denied.

(c) The Petition For Reconsideration filed April 8, 1981, by Mid-America Television Company is granted to the extent indicated herein.

(d) The Petition For Clarification filed April 9, 1981, by Waterway Communications System, Inc. is granted in part and denied in part as indicated herein.

(e) The Petition for Reconsideration filed April 10, 1981, by River Communications, Inc. is denied.

(f) The Petition For Reconsideration filed April 8, 1981, by WJG Telephone Company is denied.

80. Accordingly, it is ordered, That under the authority contained in sections 4(i) and 303(r) of the Communications Act of 1934, as amended (47 U.S.C. 154(i) and 303(r)), the Commission's rules are amended as set forth in the attached Appendix, effective January 11, 1982.

81. It is further ordered, That this proceeding is terminated.

(Secs. 4, 303, 307, 48 Stat., as amended, 1066, 1082, 1083; 47 U.S.C. 154, 303, 307)

Federal Communications Commission.

William J. Tricarico,

Secretary.

Appendix

Parts 81 and 83 of Chapter I of Title 47 of the Code of Federal Regulations are amended as follows:

PART 81—STATIONS ON LAND IN THE MARITIME SERVICES AND ALASKA—PUBLIC FIXED STATIONS

A. Section 81.913(b) is revised to read as follows:

§ 81.913 Service authorized.

* * * * *

(b) Applicants may use FCC Form 503 (Application For Land Radio Station in the Maritime Services) when seeking authorization to operate an IWCS system, supplemented with a showing consisting of a detailed plan demonstrating that the proposed system will provide continuity of service along a major portion (more than 60%) of each of one or more navigable waterways encompassing the Mississippi River System to be served by the applicant. Waterways less than 150 miles (240 kilometers) long must be served in their entirety. A separate form is not required for each station in a system however, the applicable technical particulars for each proposed station, including transmitter type and location, frequencies, emissions, power, antenna arrangement and location, must be provided.

(1) Applicants proposing to locate a coast station transmitter within 105 miles (169 kilometers) of a channel 13 television station or within 80 miles (129 kilometers) of a channel 10 station or with an antenna height greater than 200 feet (61 meters) must submit an engineering study clearly showing the means of avoiding interference with television reception within the grade B contour. (See § 81.134(j).)

(2) Additionally, applicants required to submit the above specified engineering study shall give written notice of the filing of such application(s) to the television stations which may be affected. A list of the television stations notified shall be submitted with the subject applications.

* * * * *

PART 83—STATIONS ON SHIPBOARD IN THE MARITIME SERVICES

B. Section 83.134(l) is amended by adding new subparagraphs (4), (5) and (6) to read as follows:

§ 83.134 Transmitter power.

* * * * *

(l) * * *

(4) Ship station transmitters are permitted to exceed 25 watts output power under the following conditions:

(i) Increases over 25 watts are made only by radio command from controlling coast stations.

(ii) The application for an equipment authorization must demonstrate that the transmitter output power is 25 watts or less when external radio commands are not present.

(5) When the conditions of paragraph (l)(4) of this section are met, the maximum output power shall be the same 50 watts as permitted for coast station transmitters.

(6) Ship installations with transmitters meeting the conditions of paragraph (l)(4) of this section are exempted from the limitation of 18 watts ERP when operating in specific geographical areas identified in a plan for the use of higher power. This plan must be filed with the Commission and accompanied by an engineering study demonstrating minimum interference potential to TV reception within the grade B contour of existing channel 10 and channel 13 stations.

[FR Doc. 81-38194 Filed 12-18-81; 8:45 am]

BILLING CODE 6712-01-M

DEPARTMENT OF TRANSPORTATION

National Highway Traffic Safety Administration

49 CFR Part 571

[Docket No. 70-27; Notice 23]

Hydraulic Brake Systems

AGENCY: National Highway Traffic Safety Administration (NHTSA), DOT.

ACTION: Final rule; response to petitions for reconsideration.

SUMMARY: This notice responds to three petitions for reconsideration concerning the amendment extending Standard No. 105, *Hydraulic Brake Systems*, to trucks, buses, and multipurpose passenger vehicles (MPV's). The amendment also upgraded the standard's requirements for school buses. In response to one of the petitions, the agency has changed the parking brake gradient requirement from 30 percent to 20 percent for trucks, buses (other than school buses) and MPV's with a GVWR of 10,000 pounds or less. This change will substantially reduce the costs of the parking brake requirements with only a minimal impact on benefits. Also, the change may promote international harmonization of safety standards. The

agency will shortly propose a conforming amendment to make the same change for school buses with a GVWR of 10,000 pounds or less.

DATES: This amendment is effective September 1, 1983. That is the same effective date as for the January 1981 final rule extending Standard No. 105 to trucks, buses and MPV's.

ADDRESS: Petitions for reconsideration should refer to the docket number and be submitted to: Docket Section, Room 5109, 400 Seventh Street, SW, Washington, D.C. 20590.

FOR FURTHER INFORMATION CONTACT: Mr. George L. Parker, Office of Vehicle Safety Standards, National Highway Traffic Safety Administration, 400 Seventh Street, S.W., Washington, D.C. 20590 (202–426–2720).

SUPPLEMENTARY INFORMATION: On January 2, 1981, the NHTSA published in the **Federal Register** (46 FR 55) a final rule amending Standard No. 105, *Hydraulic Brake Systems*. Prior to that time, the standard applied to passenger cars and school buses only. The amendment extended the standard's applicability on a general basis (with some modifications) to trucks, all types of buses, and multipurpose passenger vehicles (MPV's) with a gross vehicle weight rating (GVWR) of 10,000 pounds or less. (These vehicles are collectively referred to as LTM's.) Several requirements were also extended to trucks, buses and MPV's with a GVWR greater than 10,000 pounds. In addition, the standard's requirements for school buses were upgraded.

Petitions for reconsideration were filed with the agency by Chrysler, Ford and the Brake System Parts Manufacturers Council, all of which dealt almost entirely with the requirements applicable to vehicles with a GVWR of 10,000 pounds or less. Of the three petitions, Chrysler's was the only one that raised any technical issues associated with compliance with the amendment. All three petitions challenged the amendment on the bases of safety need and/or costs and benefits. After carefully evaluating those petitions, the agency decided to modify the parking brake requirements in response to Chrysler's petition. To the extent set forth below, Chrysler's petition is granted. Otherwise, Chrysler's petition and the other two petitions are denied.

Parking Brake Requirements

Standard No. 105 includes requirements for both a vehicle's service brake system and its parking brake. These two systems are related in that the parking brake uses major components of the service brake system, including the brake shoes and brake drums. The final rule's parking brake requirements specified that various performance tests be met when a vehicle is parked on a 30 percent grade and a maximum force of 90 pounds is applied to hand-operated parking brake systems and 125 pounds is applied to foot-operated parking brake systems.

Chrysler's petition for reconsideration stated that the parking brake effort limits would cause a major redesign of most of its brake systems. According to that company, such redesign would waste scarce resources and be inflationary in the absence of demonstrated benefits.

The agency contacted Chrysler to obtain clarification of that company's assertions. The agency requested information about the nature of the changes needed to meet the parking brake requirements and the costs of those changes, as well as data substantiating those needs. Chrysler indicated that all of its parking brake systems would require changes in order to meet the parking brake requirements. Many vehicles were said to require a major redesign, including new actuating pedals and supporting structures, low friction cables with new guides, new parking brake lever arms within the rear brake drums, and new shoes and linings.

Chrysler's assertions were substantiated by test data. Chrysler ran a series of parking brake test on a cross-section of its light trucks on both a 32 percent grade and a 20 percent grade. (The 32 percent grade was used because it was the grade closest to 30 percent that Chrysler had available.) On nine vehicles tested on the 32 percent grade, only one passed the parking brake tests. That vehicle passed by a margin generally considered to be insufficient to assure that other vehicles of the same type would pass the tests.

In addition to the information received from Chrysler, the agency received new data from agency-sponsored tests that were conducted for purposes unrelated to this rulemaking. Three Chrysler LTM's were among the vehicles tested. While the tests were limited in number, their results confirmed the information supplied by Chrysler. Both the data submitted by Chrysler and the test results received from the agency-sponsored tests have been placed in the docket.

The agency evaluated Chrysler's assertions in light of the test data received. Based upon that data, the agency has concluded that its Regulatory Evaluation underestimated the costs of the parking brake requirements for Chrysler. Because this conclusion is based on actual test results, it is more reliable than the original conclusions made in the Regulatory Evaluation. Those earlier conclusions were largely based on engineering analysis, which is generally less reliable than actual testing. While they were also based on confidential information received from manufacturers, the agency had received less information from Chrysler than from other companies.

The Regulatory Evaluation estimated that 10 percent of Chrysler's LTM's would require changes in order to meet the parking brake requirements, at an average cost of $10.00 per vehicle needing changes. The agency now estimates that virtually all of Chrysler's LTM's would require changes in order to meet the parking brake requirements as issued. Many of Chrysler's LTM's would require a major redesign with the types of changes indicated by Chrysler and listed above. Other vehicles would require a minor redesign, with such changes as longer actuating pedals, rerouted cables, and new parking brake lever arms within the rear brake drums.

Chrysler did not provide information about the costs of the changes needed to meet the parking brake requirements. The agency estimates that the cost per vehicle requiring a major redesign would be $17.50, while the cost per vehicle requiring a minor redesign would be $6.00. These estimates are based on the types of changes needed for a major redesign and a minor redesign, discussed above. The agency used brake system component costs contained in a report prepared by the IIT Research Institute under contract to the agency, for guidance in preparing its estimates. That report, which was issued in 1979, was included in the docket at the time the notice of proposed rulemaking was issued.

In response to Chrysler's petition for reconsideration, the agency reevaluated Standard No. 105's parking brake requirements in light of the higher costs that it recognizes would result from those requirements. In reevaluating the requirements the agency analyzed two issues: the appropriateness of the parking brake effort limits and the 30 percent gradient. Concerns about both of these issues were raised by several commenters in response to the notice of proposed rulemaking.

While the parking brake effort limit and gradient requirements address different issues from the point of view of motor vehicle safety, in practice the two requirements are closely related. Over a certain range of both force and gradient, a given parking brake will hold a vehicle

on increasingly steep gradients as increasingly greater force is applied to the brake. Thus, a given parking brake design may be able to meet either a more stringent parking brake effort limit (i.e., a limit requiring that less force be used) or a steeper gradient, but not both.

The agency has concluded, in light of the lack of significant safety need for a gradient requirement as stringent as 30 degrees and the increased costs that would result from the parking brake requirements, that the parking brake gradient requirement should be changed from 30 percent down to 20 percent with retention of the parking brake effort limits. As explained below, this change will substantially reduce the costs of the parking brake requirements with only a minimal impact on benefits. Also, the change may promote international harmonization of safety standards. Consideration is currently being given in Europe to changing its standard to incorporate a 20 percent gradient requirement instead of an 18 percent gradient.

The preamble to the final rule explained that two commenters had indicated that they believed the 30 percent gradient to be too stringent. Those commenters requested that an 18 percent gradient be adopted, noting that European and Australian safety standards incorporate that gradient. The agency declined to adopt a less stringent gradient at that time, noting that 30 percent gradients do exist in some parts of the United States and that the requirement provided a margin of safety where parking brake systems have deteriorated over time or are improperly adjusted. Even at that time, the agency recognized that any benefits of that particular requirement would be relatively small. Roads with a gradient as steep as 30 percent exist in only a few parts of the country. Therefore, only a small number of vehicles affected by this standard would ever encounter such roads.

The agency does not believe that the large numbers of vehicles affected by the standard should be required to meet this particular requirement which would only be of any possible benefit for a very small number of vehicles.

The agency declined to change the parking brake effort requirements because they were chosen as the maximum force requirements that are appropriate for small females. Those requirements, a maximum force of 90 pounds for hand-operated parking brake systems and 125 pounds for foot-operated parking brake systems, are the same as those in effect for passenger cars. Chrysler's comment on the notice of proposed rulemaking had asked that they be changed to 125 pounds and 150 pounds, respectively. Those limits represent the parking brake effort requirements that have been in effect for school buses for several years. Research studies indicate, however, that between 20 and 50 percent of the female driving population do not have enough strength to exert the maximum pedal efforts that have been permitted for school buses. It is appropriate to require that parking brake systems be designed with the needs of the driving population in mind. The 90 pound and 125 pound limits will cut the above percentages in half, i.e., only 10 percent to 25 percent of the females may lack sufficient strength.

The new parking brake effort limits apply to all LTM's, including school buses (with a GVWR of 10,000 pounds or less). As noted above, school buses were subject to Standard No. 105 before the January 1981 final rule was issued. The parking brake requirements for school buses with a GVWR over 10,000 pounds, which specify both a 20 percent gradient and the less stringent effort limit, were not changed by either the January 1981 final rule or this amendment. However, the January 1981 final rule did change the standard's parking brake requirements for school buses with a GVWR of 10,000 pounds or less to include the new more stringent effort limit. The agency had not proposed changing the gradient requirement, which remained at 30 percent.

As a conforming amendment, the agency will shortly propose to change the gradient requirement for school buses with a GVWR of 10,000 pounds or less from 30 percent to 20 percent. The purpose of that change would be to make the parking brake requirements for those school buses the same as for other LTM's. The agency believes that change should be made primarily because school buses are constructed on the same chassis, including parking brakes, as other LTM's. Different parking brake requirements for school buses could either limit which chassis could be used for school buses or require that new parking brake systems be specifically designed and installed on some of those chassis used for school buses. In light of the more stringent parking brake effort limits and the relationship between force and the steepness of gradient on which a parking brake will hold a vehicle, the agency does not believe that current school bus parking brakes will be significantly altered as a result of the less strigent gradient requirement.

The agency has determined that significant cost savings will result from changing the gradient requirement for all LTM's. With a 30 percent gradient requirement, Chrysler would be required to complete major redesigns of the braking systems on many of its vehicles and minor redesigns of the rest. With the 20 percent gradient requirement, Chrysler will not have to complete any major redesigns. The agency estimates that Chrysler will have to complete minor redesigns on approximately 48 percent of its vehicles.

A Supplement to the Final Regulatory Evaluation has been prepared to reflect these new conclusions and has been placed in the docket. The figures contained in that document assume that the conforming amendment for school buses, discussed above, will be made. If it is not made, substantially higher costs for school buses could be involved. Because of the larger number or vehicles that are now estimated to be affected, the new projected cost for the parking brake requirements for Chrysler is higher than previously estimated, despite the relaxation of the gradient requirement. The Supplement to the Final Regulatory Evaluation estimates that the parking brake requirements will result in a total cost to Chrysler of $1,271,400. The previous estimate was $442,000. The agency now estimates that the total costs of the parking brake requirements for Chrysler would have been in excess of $3,000,000 if the gradient requirement was left at 30 percent.

While the agency now estimates that the 20 percent grade will result in greater costs for Chrysler (though not for manufacturers as a whole) than originally estimated, the agency believes that those costs are justified. The parking brake of a vehicle performs an important safety function. It is vital that a vehicle's parking brake be able to hold the vehicle on the types of grades on which it is parked. Twenty percent grades are not uncommon in urban and residental areas, both on streets and driveways, where these vehicles are likely to be parked. In light of the relatively modest cost required to meet the 20 percent grade requirement, the agency has determined that vehicles not meeting that requirement pose an unreasonable safety risk. As noted above, Standard No. 105 has required even large school buses, i.e., those with a GVWR greater than 10,000 pounds, to be tested on a 20 percent grade for several years. Also, Standard No. 121, *Air Brake Systems*, uses a 20 percent grade for large air-braked trucks.

The change in gradient will result in cost savings to other manufacturers. The agency's new cost estimates for those manufacturers are set forth in the Supplement to the Final Regulatory

Evaluation. The agency estimates that while the number of vehicles requiring upgrading as a result of the parking brake requirements will not change for those manufacturers, less significant design changes will be needed to meet the new gradient requirement. The costs for those manufacturers will therefore be less than previously estimated.

Service Brake Requirements: Technical Issues

Chrysler's petition discussed several issues in addition to the parking brake requirements and requested withdrawal of the entire amendment pending further studies. That company stated, as it did in its comment on the notice of proposed rulemaking, that the test requirements are overly stringent and unreasonable because the test procedures are abusive to the brake system. According to that commenter, the test procedure is unrepresentative of real world driving conditions and goes beyond the need for motor vehicle safety. Moreover, that commenter suggested that the requirements might cause manufacturers to bias the design of brake systems toward complying with the standard rather than providing brake systems that are balanced under all vehicle loading and driving conditions.

The agency carefully considered and addressed those concerns in the preamble to the January 1981 final rule. Chrysler's petition neither addressed the statements made by the agency in response to those concerns nor indicated any consideration of changes made in the standard's requirements to assure that manufacturers have adequate leeway to produce well-balanced brake systems. The petition also did not cite any new issues or data related to those concerns. Moreover, as explained in the preamble to the final rule, the vast majority of light trucks sold today already meet all of the standard's performance requirements without experiencing any problems relating to the balancing of brake performance.

Standard No. 105's test procedures were developed by the agency to assure that a vehicle's braking system meets minimum performance requirements under the varying types of conditions experienced in actual service. A vehicle's braking system is tested, for example, in new and broken-in conditions, at various speeds, while the vehicle is fully and lightly loaded, under varying conditions of fade, and under partial failure and failed power.

Contrary to the assertions made by Chrylser's petition and as explained in the preamble to the final rule, the tests do represent the types of conditions experienced in actual service. For example, the standard's second fade test, which Chrysler has alleged in the past to be abusive, simulates the type of fade experienced during long mountain descents. The agency has verified that the temperatures produced by the test sequence are the same temperatures as sometimes experienced during long mountain descents.

Chrysler's comment on the proposed rule requested only one change in the standard's requirements based upon the above-stated concerns, an increase of 16 percent in fourth effectiveness (fully loaded) stopping distances. Chrysler stated that change was necessary to provide consumers with better balanced brake systems and to avoid the use of unproven load or deceleration sensing proportioning devices. As the preamble to the final rule explained, the proposed stopping distances were based on vehicle tests conducted by the agency using production vehicles with unaltered brakes and on confidential information provided by General Motors, Ford and Chrysler. These data indicated that recent models of almost all vehicles under 8,000 pounds GVWR passed the proposed requirements. Moreover, the agency determined that all vehicles subject to the standard could meet the proposed requirements without using unproven load or deceleration sensing proportioning devices by instead making modifications to such vehicle components as brake linings, wheel cylinders, master cylinders, and combination valves.

A vehicle's braking system which met the proposed requirements for Standard No. 105 would be adequately balanced in that it would meet performance requirements under the varying conditions described above, most significantly when the vehicle was both loaded and unloaded. Based upon a number of comments received from manufacturers, however, as well as on a further evaluation of available data, the agency determined for the January 1981 final rule that the stopping distances for the fourth effectiveness test for vehicles with a GVWR of 8,000 to 10,000 pounds should be extended by 10 percent. This change gave manufacturers additional leeway in balancing their braking systems, thus making it easier to design systems that are balanced for both fully loaded and lightly loaded conditions.

The preamble to the final rule explained that since the agency had concluded that the requirements could be met as proposed for all vehicles (for both loaded and unloaded tests) without anti-lock or similar devices, the agency declined to adopt Chrysler's suggestion of a 16 percent extension of fourth effectiveness stopping distances. Instead, NHTSA chose the 10 percent extension suggested by a number of other manufacturers. The agency further determined, based on test data, that a 10 percent extension would be sufficient to make it easier for manufacturers to assure that their vehicle's braking systems perform well in both loaded and unloaded conditions.

Neither Chrysler's comment on the notice of proposed rulemaking or its petition for reconsideration explained the derivation of its 16 percent figure. Moreover, Chrysler's petition for reconsideration did not indicate why the 10 percent extension was insufficient to meet the problem identified by Chrysler and did not either renew that company's request for a 16 percent extension, or raise any other issues concerning the matter.

Safety Need, Costs and Benefits

All three petitions for reconsideration challenged the extension of the standard on the bases of safety need and/or costs and benefits. Chrysler stated that the January 1981 final rule would require it and probably other manufacturers to redesign service and parking brake systems of light duty trucks, buses and MPV's. According to that commenter, such changes would waste scarce resources in the absence of any demonstrated safety need. As explained above, the agency changed the parking brake requirements in response to Chrysler's concerns. Ford's petition requested withdrawal of the entire final rule because it believes there has been a complete lack of any valid demonstration by NHTSA that the implementation of the requirements may reasonably be expected to produce the safety benefits that have been projected for it and because it believes that the expenditures required to demonstrate conformity with the standard are excessive and inflationary. Ford's petition also stated that NHTSA has failed, based on data presented, to establish a safety need for the extension of the standard. The Brake System Parts Manufacturers Council stated in its petition that it did not believe that careful analysis has been conducted relating to the costs and benefits of the standard and that it does not believe that regulations should be adopted unless the benefits exceed the costs of the regulation.

The issues of safety need and costs and benefits were discussed at considerable length in the preambles of the notice of proposed rulemaking and the final rule and in the Regulatory Evaluation which was prepared by the

agency and made available to the public. As those documents indicate, the agency did carefully consider those issues.

The safety need for the extension of the standard arises from the vital safety role played by a vehicle's braking system and the fact that many vehicles are produced with braking systems which can be significantly improved at an economical cost. In evaluating safety need, the agency carefully considered studies indicating the number and seriousness of accidents involving these vehicles, the overinvolvement of LTM's in fatal accidents as compared with passenger cars, the reduction in accidents that would result from improved braking systems, and the costs and feasibility of making such improvements.

One of the agency's primary concerns about LTM braking is the differential in stopping distances between passenger cars and LTM's. Since light trucks, buses and MPV's share the same roads and traffic flow with passenger cars, they should ideally stop in the same distances. The preamble to the final rule explained, however, that there are differences between passenger cars and LTM's which make accomplishing that goal more difficult for LTM's. Therefore, taking those differences into account, the agency established stopping distances for light trucks, buses and MPV's which are slightly longer than those in effect for passenger cars. In light of the greater aggressiveness associated with LTM's as a result of their size, weight, and design, the agency determined that there is a safety need for LTM braking to be as optimal as is economically feasible, thereby reducing the differential in stopping distances between passenger cars and LTM's and reducing accidents involving those vehicles.

Based on those considerations, the agency believes there is a safety need to assure that the braking performance of all vehicles subject to the standard is at the optimal level which can economically be achieved. Approximately 25 percent of the vehicles subject to the amendment will require improved braking systems. Moreover, the rulemaking action has had and will continue to have an effect on the other 75 percent of vehicles. As is explained below, manufacturers have already improved the braking systems of many of their vehicles, largely as a result of this rulemaking.

The agency believes there is a safety need to assure that those vehicles' braking performance is not downgraded. Increases in stopping distance are not without precedent. Stopping distances for passenger cars actually lengthened during the 1960's as a result of increased weight. Today, the agency is concerned that manufacturers might be tempted, in the absence of a standard, to reduce the braking performance of their vehicles as part of an effort to reduce weight and thereby improve fuel economy. Since some braking system components are relatively heavy, the braking system is a prime target for weight-reduction. The agency believes braking ability to be such an important safety factor that it should not be compromised by efforts to improve fuel economy.

Contrary to assumptions made by Ford's petition for reconsideration, the agency did not issue the amendment to Standard No. 105 solely because of the overinvolvement of LTM's in fatal accidents, as compared to passenger cars, and the rise in the trend of those accidents. Ford attempted to demonstrate in its petition that the overinvolvement of LTM's in fatal accidents is the result of a greater number of young males driving those vehicles rather than a problem with LTM braking ability. Ford also argued that there is no evidence that improved braking ability for LTM's will reverse the rise in the trend of fatal accidents involving those vehicles.

The agency included in its Regulatory Evaluation an analysis of accident data involving LTM's. The agency stated that the overinvolvement of LTM's in fatal accidents suggests a probability that LTM's are deficient in accident preventative systems and/or that their weight and aggressiveness make them dangerous to pedestrians, bicyclists, and occupants of lower weight cars. The Regulatory Evaluation noted that in either case improvement of the braking systems of LTM's for greater accident prevention would serve to help fulfill the need for safety.

Ford may be correct that the demographic profile of LTM drivers is another factor accounting for the overinvolvement of LTM's in fatal accidents. That would not change the fact that improved braking ability will reduce accidents. Similarly, the fact that the rise in the trend of fatal accidents involving LTM's has occurred during a period when braking performance has either improved or been held constant does not alter the fact that further improvements in braking performance will produce additional safety benefits. There is a safety need for vehicles' braking systems to perform as optimally as is economically feasible. The agency has not claimed that improved braking performance will by itself reverse the rise in the trend of fatal accidents involving LTM's. The agency has determined that improved braking performance as a result of the amendment will reduce accidents that would occur in the absence of the standard and thereby save lives.

The amendment to Standard No. 105 was issued by the agency in light of the total number of accidents involving LTM's and not just the increase in those accidents. As noted above, the agency evaluated the number and seriousness of accidents involving LTM's, the overinvolvement of LTM's in fatal accidents as compared with passenger cars, the reduction in accidents that would result from improved braking systems, and the costs and feasibility of making such improvements. Before issuing the notice of proposed rulemaking, the agency estimated both the costs and the benefits of the requirements and concluded that the costs of the amendment were justified by the benefits. Based upon all of these factors, the agency concluded that improving braking systems is a reasonable way of reducing some of the LTM accident problem.

The rulemaking process for this amendment has been going on for a period of over 10 years. During the early 1970's, a final rule was issued establishing braking requirements for these vehicles. However, that rule was indefinitely delayed in 1975 based upon economic considerations. Since that time, manufacturers have voluntarily made a number of improvements in their braking systems, largely following the requirements and test procedures of the delayed final rule.

Because of the voluntary changes made by manufacturers in many of their vehicles since the previous final rule was delayed, as well as changes made by the agency in the new standard, the costs of the amendment are estimated to be only a small fraction of those of the delayed 1975 final rule. Manufacturers had submitted costs for the 1975 final rule for light to medium duty trucks that ranged from $54 to $775 per unit (depending on model configuration) to attain compliance with the standard. The agency compared those figures with independently gathered detailed cost information and determined that those estimates were accurate.

Those figures have no relevance to the January 1981 final rule. Today, as a result of the voluntary changes made by manufacturers in many of their vehicles and changes made in the standard's requirements by the agency, it is estimated that the average cost of the new final rule will be only $2.53 per domestic LTM, or about $13.74 for each vehicle that needs to be upgraded. The

costs for meeting the requirements for medium and heavy trucks (over 10,000 lbs. GVWR) are estimated to be about $54 per vehicle. The total costs of meeting the standard's requirements for all trucks, buses and MPV's are estimated to be under $18,000,000.

The agency made its estimates of costs on a company-by-company basis. In order to assure that its estimates were correct, the agency enlisted an outside contractor to independently assess the costs that would be involved. As the preamble to the January 1981 final rule explained more fully, the report substantially verified the cost estimates of the agency. Both the contractor's report and the agency's Regulatory Evaluation, which were available to the public in the docket, indicated the models which would require upgrading and the nature of the changes needed.

Comments received from Ford and Chrysler on the notice of proposed rulemaking suggested that a greater number of vehicles would be affected by the standard than estimated by the agency. However, those comments gave only generalized bases for that assertion. While those commenters cited some additional braking system components that might require changes, they did not specify which vehicles would require changes or indicate what the nature or costs of those changes would be. Neither Chrysler's petition for reconsideration or that of Ford provided such information.

The agency contacted Chrysler to obtain clarification of that company's assertions about the costs of the standard. As explained above, Chrysler provided information concerning changes that would be required as a result of the parking brake requirements. That company also provided test data to substantiate that information. Largely on the basis of that information, the agency changed the parking brake requirements and amended its cost estimates concerning those requirements. Chrysler did not provide information concerning the costs of the other requirements of the standard. In the absence of information contradicting the detailed studies on costs made by both the agency and an outside contractor for those other requirements, the agency continues to believe that its cost estimates are correct.

The agency also contacted Ford to obtain clarification of its assertions about costs. Ford's petition stated that the amendment would result in $10,000,000 of certification related costs for that company and cause it to raise the suggested retail prices of its LTM's by an average of $11 per vehicle. By contrast, the agency's estimate of certification costs for Ford is only $130,000. Ford did not discuss the $130,000 figure, which was included in the Regulatory Evaluation, in its comment on the notice of proposed rulemaking.

In response to the agency's request for clarification, Ford indicated that of the $11 increase in costs that it projects, $8 is related to increased quality control by parts suppliers and $3 represents amortization of a $10 million initial investment. Of the $10 million, $7.5 million was said to be for the purchase of nine chassis dynamometers and the upgrading of nine other dynamometers to be used to check brake performance at their nine truck plants. The remaining $2.5 million was attributed to engineering costs associated with compliance certification and quality control.

In setting the requirements for the amendment, the agency specifically took into account production variability. All manufacturers balance their level of quality control with the margin of compliance that they believe is necessary to be confident of 100 percent compliance. By designing braking systems for a level of performance which provides a sufficient margin of compliance to account for production variability, the substantial quality control costs cited by Ford should be made unnecessary. The agency took those factors into account when making its cost estimates and assumed that manufacturers would upgrade their vehicles' braking systems, where necessary, to provide a margin of compliance so as to make substantial quality control costs unnecessary. Further, the test requirements of Standard No. 105 do not specify the use of chassis dynamometers. While such devices may be useful for the purposes of quality control in checking such vehicle components as braking systems, speedometers, and emissions systems, their use is neither necessary nor sufficient to assure compliance with Standard No. 105.

On the issue of benefits, the Brake System Parts Manufacturers Council (BSPMC) cited in its petition a statement made in *The Automobile Calendar* by the United States Regulatory Council that NHTSA cannot predict the precise level of safety improvement resulting from the January 1981 final rule because of the isolated effect of a number of interrelated accident factors, such as driver performance, vehicle responsiveness, and the variable characteristics of the highway and environment. That statement was cited by BSPMC as evidence that the agency does not know the benefits that the final rule will entail.

Both the notice of proposed rulemaking and the preamble to the final rule explained that in carrying out the mandate of the National Traffic and Motor Vehicle Safety Act to issue vehicle safety standards to protect the public against unreasonable risk of vehicle accidents and of death and injury occurring as a result of such accidents, the agency is confronted with inherent problems that limit the degree of precision achievable in estimating the benefits of proposed standards. Engineering and accident analyses can clearly demonstrate that certain vehicle improvements will facilitate the performance of the driver's task and thereby improve safety. In this case, there is also a study showing that reducing stopping distances will reduce accidents. However, it is virtually impossible to isolate individual factors to arrive at precise and certain conclusions about the quantified benefits that will accrue.

The notices explained that given the duty to act under this precautionary statute in the area of accident avoidance notwithstanding an inherent measure of imprecision and uncertainty, the agency has developed and issued accident avoidance standards while attempting within its capabilities to quantify the benefits of the standards and limit the uncertainty. Before issuing the proposal to amend Standard No. 105, the agency carefully evaluated and estimated the benefits that will accrue from the amendment. Those estimates were included in the Regulatory Evaluation prepared by the agency and made available to the public.

Ford's petition challenged the statement in the Regulatory Evaluation that an average four percent reduction in stopping distance capability will produce a five to nine percent reduction in accidents where brakes are used. That statement, which was based on a study by the Institute for Research in Public Safety (IRPS), was used by the agency in projecting a reduction of 1700 to 3500 LTM related accidents in the first year after the requirements become effective. The preamble to the final rule discussed the IRPS study at some length in response to a comment by Ford.

Ford's petition did not discuss the agency's response to its comment regarding the IRPS study. Instead, Ford stated that it is "obvious" that a minor improvement (such as four percent) in the maximum stopping distance capability of a vehicle can be utilized only in a very small proportion of accidents (well under five percent). That

commenter concluded that reductions in LTM accidents would be limited to only the five percent of accidents in which this maximum capability was utilized. According to Ford, that would make the projeced benefits virtually disappear.

Ford's petition gave no basis for its assertion that it is "obvious" that a four percent improvement in the maximum stopping distance capability of a vehicle can be utilized only in a very small proportion of accidents. Nor did Ford cite any source for its five percent figure. As noted above, the agency factored into its estimates of benefits the fact that brakes are used in about 50 percent of accidents. The 50 percent figure is derived from the IRPS study.

Moreover, in addition to the projected reduction of 1700 to 3500 LTM related accidents in the first year after the requirements become effective, the improvement in stopping distance capability will provide benefits in accident situations where brakes are used but the accident is not prevented. Those benefits will result from the fact that the vehicles will be traveling at a slower rate of speed when the accident occurs, thereby reducing the severity of the accident. For example, assuming a vehicle's maximum stopping distance capability is utilized from a speed of 60 mph, at the point where the improved vehicle is going less than 2 mph, the unimproved vehicle would have been going about 13 mph. At the point where the improved vehicle is going 10 mph, the unimproved vehicle would have been going about 16 mph. In the absence of information contradicting the agency's estimates of benefits or the studies on which they are based, the agency continues to believe that its estimates of benefits are correct.

NHTSA has considered the economic and other impacts of the January 1981 final rule and this amendment and has determined that they are not major within the meaning of Executive Order No. 12291. The agency has further determined that they are not significant within the meaning of the Department of Transportation regulatory procedures. Copies of the agency's Supplement to the Final Regulatory Evaluation may be obtained by writing NHTSA's Docket Section at the address given at the beginning of this notice.

Although NHTSA has considered the effects of these amendments on small businesses, the agency has not prepared a regulatory flexibility analysis. Such an analysis is not necessary in this case, since the Regulatory Flexibility Act applies only to rules for which an NPRM was issued on or after January 1, 1981. The NPRM for the extension of Standard No. 105 to trucks, buses and MPV's was published in October 1979.

The agency has also analyzed these amendments for purposes of the National Environmental Policy Act and has determined that they will not have a significant effect on the human environment.

The principal authors of this notice are George L. Parker, Office of Vehicle Safety Standards, and J. Edward Glancy, Office of Chief Counsel.

PART 571—FEDERAL MOTOR VEHICLE SAFETY STANDARDS

In consideration of the foregoing, § 571.105, Chapter V of Title 49, Code of Federal Regulations, is amended as follows:

Sections S5.2.1 and S5.2.3 are revised to read:

§ 571.105 Standard No. 105; Hydraulic brake systems.

* * * * *

§ 5.2.1. Except as provided in § 5.2.2, the parking brake system on a passenger car and on a school bus with a GVWR of 10,000 pounds or less shall be capable of holding the vehicle stationary (to the limit of traction on the braked wheels) for 5 minutes in both a forward and reverse direction on a 30 percent grade.

* * * * *

§ 5.2.3. The parking brake system on a multipurpose passenger vehicle, truck and bus (other than a school bus) with a GVWR of 10,000 pounds or less and a school bus with a GVWR greater than 10,000 pounds shall be capable of holding the vehicle stationary for 5 minutes, in both forward and reverse directions, on a 20 percent grade.

* * * * *

(Secs. 103, 119, Pub. L. 89-563, 80 Stat. 718 (15 U.S.C. 1392, 1407); delegation of authority at 49 CFR 1.50)

Issued: December 15, 1981.

Raymond A. Peck, Jr.,

Administrator.

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Proposed Rules

Federal Register
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This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

NUCLEAR REGULATORY COMMISSION

10 CFR Part 50

Immediate Notification Requirement for Operating Nuclear Reactors

AGENCY: Nuclear Regulatory Commission.

ACTION: Proposed rule.

SUMMARY: The Nuclear Regulatory Commission is proposing a change to 10 CFR 50.54 to implement the provisions of section 201 of the NRC's 1980 Fiscal Year Authorization Act in light of the existing requirement that licensees notify the NRC of certain "significant events" specified in the NRC regulations. Under the proposed rule, every operating license for a nuclear power reactor would require as a condition that licensees immediately notify the NRC of any significant event set forth in 10 CFR 50.72. The Commission is also proposing to clarify the list of reportable significant events in 10 CFR 50.72.

DATE: Comments must be submitted in writing on or before February 19, 1982. Comments received after that date will be considered if it is practical to do so, but assurances of consideration cannot be given except as to comments filed on or before the due date specified herein.

ADDRESSES: Interested persons are invited to submit written comments and suggestions on the proposal rule change and/or the supporting Value/Impact analysis to the Secretary of the Commission, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Docketing and Service Branch. Copies of the Value/Impact analysis and of the comments received by the Commission may be examined in the Commission's Public Document Room at 1717 H Street NW., Washington, D.C. Single copies of the Value/Impact analysis may be obtained through written request.

FOR FURTHER INFORMATION CONTACT: Michael T. Jamgochian, Office of Nuclear Regulatory Research, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555 (telephone: 301-443-5942).

SUPPLEMENTARY INFORMATION: Section 201 of the Nuclear Regulatory Commission Authorization Act for Fiscal Year 1980 (Pub. L. 96-295) (hereinafter "Authorization Act") provides:

> (a) Section 103 of the Atomic Energy Act of 1954 is amended by adding at the end thereof the following new subsection: "f. Each license issued for a utilization facility under this Section or section 104 b. shall require as a condition thereof that in case of any accident which could result in an unplanned release of quantities of fission products in excess of allowable limits for normal operation established by the Commission, the licensee shall immediately so notify the Commission. Violation of the condition prescribed by this subsection may, in the Commission's discretion, constitute grounds for license revocation. In accordance with section 187 of this Act, the Commission shall promptly amend each license for a utilization facility issued under this section or Section 104 b. which is in effect on the date of enactment of this subsection to include the provisions required under this subsection."

The Conference Report accompanying Pub. L. 96-295 stated that the conferees recognized the need for predictability by licensees in determining those situations which would require immediate notification. The conferees further intended that the Commission establish specific guidelines for the identification of accidents which could result in an unplanned release of radioactivity in excess of allowable limits, and that the immediate notification requirement would take effect when such guidelines were established. H. Conf. Rep. No. 96-1070, 96th Cong., 2d Sess., 30 (June 4, 1980).

Accordingly, the Nuclear Regulatory Commission is proposing to revise two sections of 10 CFR Part 50. The first proposed revision would amend 10 CFR 50.54 by adding an appropriate notification requirement in the list of conditions in the operating license of each nuclear utilization facility licensed under Sections 103 and 104b of the Atomic Energy Act of 1954, as amended, 42 U.S.C. 2133, 2134b (the "Act"). In particular, licensees having Section 103 or 104b licenses would be required, as a condition of their operating licenses, to notify the NRC immediately of any "significant event" set forth in 10 CFR 50.72. This license condition would be added to § 50.54, thus eliminating the need to amend each license individually. These section 103 and 104b facilities are the commercial nuclear power facilities that produce electricity for public consumption. Research and test reactors are not subject to the proposed license conditions as they are licensed under section 104a or 104c of the Act.

Licensees are not subject to certain notification requirements, both as to the contents of their applications for operating licenses and as to actions authorized by the operating licenses, but none of these present requirements are specifically addressed to section 201 of the FY 1980 NRC Authorization Act. All applications for section 103 or 104b licenses are now required by § 50.34 to include emergency plans that contain the various elements set forth in 10 CFR Part 50, Appendix E. Section IV.D. of Appendix E requires the plans to include procedures for notifying local, state, and Federal officials. Once an operating license under section 103 or 104b is granted, the licensee is required by 10 CFR 50.72 to actuate immediate notification procedures upon the occurrence of any of the specific "significant events" described in § 50.72. In the final rule adding § 50.72 to 10 CFR Part 50, the NRC stated that the § 50.72 notification requirements were established partly "[i]n view of (1) the significance of these twelve types of events with respect to their ability to jeopardize the health and safety of the public * * *" (45 FR 13434, 13435, Feb. 29, 1980).

The NRC considers that incorporation of the immediate notification requirements of § 50.72 into § 50.54 as a condition in every operating license granted under sections 103 and 104b of the Act will implement the Congressional mandate in section 201 of the Authorization Act. Section 201, however, also provides that immediate notification of the NRC be made for "any accident which could result in an unplanned release of quanties of fission products in excess of allowable limits of normal operation established by the NRC." This provision would be implemented by the changes proposed to § 50.72 also contained in this notice.

The NRC has provided, since the enactment of section 201, further guidance for operating licensees as to situations or events which require

notification by the licensee of the NRC and State and local response organizations and other emergency personnel. On August 19, 1980, the NRC published the final rule on Emergency Planning, effective on November 3, 1980 (45 FR 55402–15). This rule established a multifaceted emergency planning and preparedness program and, among other things, required procedures to be established for immediate notification of the NRC and State and local emergency response personnel in certain situations.

These situations were discussed in Revision 1 to NUREG–0654/FEMA–REP–1 [1] entitled "Criteria for Preparation and Evaluation of Radiological Emergency Response Plans and Preparedness in Support of Nuclear Plants" (hereinafter "Revision 1"), which was issued in November 1980, shortly after the Emergency Planning rule became effective. Revision 1 specified four classes of Emergency Action Levels involving notification actions—Notification of Unusual Event, Alert, Site Area Emergency, and General Emergency. Revision 1 also set forth examples of initiating conditions for each of these four Emergency Classes: 26 examples for the first level, 29 for the second, 24 for the third, and 15 for the fourth.

As stated on page 1–3 of Revision 1:

> The rationale for the notification and alert classes is to provide early and prompt notification of minor events which could lead to more serious consequences given operator error or equipment failure or which might be indicative of more serious conditions which are not yet fully realized. A gradation is provided to assure fuller response preparations for more serious indicators. The site area emergency class reflects conditions where some significant releases are likely or are occurring but where a core melt situation is not indicated based on current information. In this situation full mobilization of emergency personnel in the near site environs is indicated as well as dispatch of monitoring teams and associated communications. The general emergency class involves actual or imminent substantial core degradation or melting with the potential for loss of containment.

The criteria set forth in Revision 1 and the examples of events triggering the respective Emergency Classes (with attendant notification actions) provide additional guidance for every operating licensee in the preparation, approval, and ultimately, the implementation of their emergency preparedness plans which must be submitted to NRC for evaluation pursuant to 10 CFR 50.47.

Given the above-mentioned NRC materials, sections 103 and 104b operating licensees now have guidelines which provide a sufficient level of predictability concerning situations requiring immediate notification of the NRC. The NRC, therefore, proposes to implement section 201 of the FY 1980 NRC Authorization Act by incorporating existing 10 CFR 50.72 immediate notification requirements (as clarified and revised by this proposed rule) into 10 CFR 50.54, which prescribes the conditions of every operating license for facilities licensed under sections 103 and 104b. The proposed § 50.72 revisions encompass the standard set forth in section 201 of the Authorization Act.

In addition, the NRC has received public comments from thirteen licensees and two other industry sources on § 50.72 and the NRC staff has now had experience with that rule. A significant number of comments stated that the February 29, 1980 final regulation (45 FR 13434) contained many requirements (such as paragraphs § 50.72(a)(7), (a)(8), and (a)(9)) that were vague, too broad in scope, and ambiguous.

The staff's experience has indicated an agreement with many of the concerns of the commenters regarding unnecessary notifications to the NRC. All of the new provisions in the proposed rule reflect these concerns by being more specific as to what significant events should be reported to the NRC. For example, paragraph § 50.72(b) in the 1980 regulation required a licensee to "establish and maintain an open, continuous communication channel." The new proposed regulation would require a licensee to make the initial notification to NRC followed by a second notification when the event terminates or worsens and only maintain a continuous channel when requested. The licensee would need to maintain an open channel only when requested to do so by the NRC.

Likewise, proposed paragraph (b)(6) would modify the 1980 regulation by establishing a reporting threshold of 25% of the applicable Technical Specification limit for instantaneous releases offsite. This threshold was based on engineering judgment and experience as to what percentage level was appropriate to adequately protect the public health and safety.

The 1980 regulation also required in § 50.72(a)(10) that "any serious personnel radioactive contamination . . ." be reported. The staff agrees with comments that this requirement is ambiguous and therefore has included a clarification of what is meant by a personnel contamination that is reportable under the proposed rule.

These proposed modifications to § 50.72 are being made after full consideration of the mandate of section 201 of the Authorization Act. It is expected that these modifications will provide further predictability for licensees in determining situations which would require immediate notification to the NRC.

Paperwork Reduction Act Statement

Pursuant to the provisions of the Paperwork Reduction Act of 1980 (Pub. L. 96–511), the NRC has made a preliminary determination that these proposed regulations do not impose new reporting, recordkeeping, or information collection requirements. These proposed regulations will nevertheless be submitted to the Office of Management and Budget for its consideration of any potential or new reporting, recordkeeping, or information collection requirements, pursuant to Pub. L. 96–511.

Regulatory Flexibility Certification

In accordance with the Regulatory Flexibility Act of 1980, 5 U.S.C. 605(b), the Commission hereby certifies that these proposed regulations will not, if promulgated, have a significant economic impact on a substantial number of small entities. These proposed regulations affect electric utilities that are dominant in their respective service areas and that own and operate nuclear utilization facilities licensed under sections 103 and 104b of the Atomic Energy Act of 1954, as amended. The amendments clarify and modify existing notification requirements and incorporate them as a condition of the respective operating licenses. Accordingly, there is not new, significant economic impact on these licensees nor do these licensees fall within the definition of small businesses set forth in section 3 of the Small Business Act, 15 U.S.C. 632, or within the Small Business Size Standards set forth in 13 CFR Part 121.

For the reasons set out in the preamble and pursuant to the Atomic Energy Act of 1954, as amended, the Energy Reorganization Act of 1974, as amended, and section 553 of Title 5 of the United States Code, notice is hereby given that adoption of the following amendments to 10 CFR Part 50 is contemplated.

[1] Copies of NUREG documents are available at the Commission's Public Document Room, 1717 H Street, NW., Washington, D.C. 20555. Copies may be purchased from the Government Printing Office. Information on current prices may be obtained by writing the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Publications Sales Manager.

PART 50—DOMESTIC LICENSING OF PRODUCTION AND UTILIZATION FACILITIES

1. The authority citation for Part 50 reads as follows:

Authority: Secs. 103, 104, 161, 182, 183, 189, 68 Stat. 936, 937, 948, 953, 954, 955, 956, as amended (42 U.S.C. 2133, 2134, 2201, 2232, 2233, 2239); secs. 201, 202, 206, 88 Stat. 1243, 1244, 1246 (42 U.S.C. 5841, 5842, 5846), unless otherwise noted. Section 50.78 also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Sections 50.80–50.81 also issued under sec. 184, 68 Stat. 954, as amended; (42 U.S.C. 2234). Sections 50.100–50.102 issued under sec. 186, 68 Stat. 955; (42 U.S.C. 2236). For the purposes of sec. 223, 68 Stat. 958, as amended; (42 U.S.C. 2273). § 50.54(i) issued under sec. 161i, 68 Stat. 949; (42 U.S.C. 2201(i)) §§ 50.70, 50.71, and 50.78 issued under sec. 161o, 68 Stat. 950, as amended; (42 U.S.C. 2201(o)), and the Laws referred to in Appendices.

2. A new paragraph (w) is added to § 50.54 to read as follows:

§ 50.54 Conditions of licenses.

* * * * *

(w) In the case of every utilization facility licensed pursuant to Section 103 or 104b of the Act, the licensee shall immediately notify the NRC Operations Center of any significant event set forth in § 50.72 of this part.

3. Section 50.72 is revised to read as follow:

§ 50.72 Notification of significant events.

(a) Each licensee of a nuclear power reactor licensed under § 50.21 (b) or § 50.22 of this part shall notify the NRC Operations Center via the Emergency Notification System each time there is an initiation of any of the following four Emergency Classes: Notification of Unusual Event, Alert, Site Area Emergency, of General Emergency.[2] All such notifications to the NRC shall be made immediately after notification to the appropriate State or local agencies and shall identify that the notice is being made under this pargraph. If the Emergency Notification System is inoperative, the licensee shall make the required notifications via commercial telephone service, other dedicated telephone system, or any other method which will ensure a report being made promptly to the NRC Operations Center.

(b) Each licensee of a nuclear power reactor licensed under § 50.21 (b) or § 50.22 shall also notify the NRC Operations Center via the Emergency Notification System as soon as possible and in all cases within one hour of the occurence of any of the following events if not reported under paragraph (a) of this section and shall identify the event as being reported under this paragraph. If the Emergency Notification System is inoperative, the licensee shall make the required notification via commercial telephone service, other dedicated telephone system, or any other method which will ensure a report being made promptly to the NRC Operations Center. The events to be reported are:

(1) Any event that results in the nuclear power plant being in a condition not governed by the plant's operating or emergency procedures.

(2) Any act of nature, event, or personnel act that explicitly threatens the safety of the nuclear power plant or site personnel in the performance of duties necessary for the safe operation of the nuclear plant or the security of special nuclear material, including strikes of operating personnel, and instances of sabotage or attempted sabotage. When reporting events involving sabotage, attempted sabotage or events which threaten the security of special nuclear material, the licensee shall also comply with the requirements in § 73.71 of this chapter.

(3) Any event for which plant Technical Specifications require initiation of immediate shutdown of the nuclear power plant.

(4) Any instance of personnel error, equipment failure, or discovery of design or procedural inadequacies that alone could prevent the fulfillment of the safety function of those structures, systems, or components that are needed to (i) shut down the reactor and maintain it in a safe shutdown condition, (ii) remove residual heat, or (iii) control the release of radioactive material.

(5) Any event resulting in manual or automatic actuation of Engineered Safety Features (ESF), including the Reactor Protection System (RPS) (Actuation of ESF, including the RPS, which results from and is part of the planned sequence during surveillance testing or normal reactor shutdown, need not be reported).

(6)(i) For facilities which have instantaneous release rate technical specification limits derived by considering that such a release, if continued for one year, would reach the annual offsite limits of 10 CFR Part 20; any accidental, unplanned, or uncontrolled release that exceeds 25% of technical specification limits;

(ii) For all other facilities; any accidental, unplanned, or uncontrolled radioactive release offsite that exceeds, on an instantaneous basis, 25% of the applicable concentrations of 10 CFR Part 20, Appendix B, Table II, or

(iii) Any accidental, unplanned, or uncontrolled radioactive release that results in the evacuation of a building.

(7) Any onsite fatality or any injury involving radiation occurring onsite that requires transport to an offsite medical facility for treatment. (As used herein "injury involving radiation" is one in which an injured part of the body is contaminated, the injured person is wearing contaminated clothing at the time of transport, or the injury is related to radiation exposure).

(8) Any personnel radioactive contamination requiring extensive onsite decontamination or outside assistance. (Personnel contamination that can be readily removed using routine decontamination procedures need not be reported).

(c) With respect to the telephone notifications made under paragraphs (a) and (b) of this section, each licensee, in addition to making the required notification, shall during the course of the event:

(1) Promptly report any further degradation in the level of safety of the plant or other worsening plant conditions including those that require, or may require, initiation of any of the four Emergency Classes if such initiation has not been previously declared, or the change from one Emergency Class to another or a termination of the Emergency Class.

(2) Promptly report the results of ensuing evaluations or assessments of plant conditions, the effectiveness of response or protective measures taken, and information related to plant behavior that is not understood.

(3) Maintain an open, continuous communication channel with the NRC Operations Center upon request by the NRC.

Dated at Washington, D.C. this 14th day of December 1981.

For the Nuclear Regulatory Commission.

Samuel J. Chilk,

Secretary of the Commission.

[FR Doc. 81-36403 Filed 12-16-81; 8:45 am]

BILLING CODE 7590-01-M

[2] These Emergency Classes are addressed in NUREG–0654/FEMA-REP-1, entitled "Criteria for Preparation and Evaluation of Radiological Emergency Response Plans and Preparedness in Support of Nuclear Power Plants." Rev. 1, November 1980.

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 948

Public Comment Period and Opportunity for Public Hearing on Modified Portions of the West Virginia Permanent Regulatory Program

AGENCY: Office of Surface Mining Reclamation and Enforcement (OSM), Interior.

ACTION: Proposed rule: Notice of Receipt of Permanent Program Modifications; Public Comment Period and Opportunity for Public Hearing.

SUMMARY: OSM is announcing procedures for the public comment period and for a public hearing on the substantitve adequacy of program amendments to the West Virginia permanent regulatory program [hereinafter referred to as the West Virginia Program] under the Surface Mining Control and Reclamation Act of 1977 (SMCRA).

This notice sets forth the times and locations that the West Virginia program and proposed amendments are available for public inspection, the comment period during which interested persons may submit written comments which proposed program amendments and the procedures that will be followed at the public hearing.

DATES: Written comments must be received on or before 4:00 p.m. on January 20, 1982, to be considered in the Director's decision on whether the proposed amendments are acceptable.

A public hearing on the proposed modifications has been scheduled for January 18, 1982, from 6:00 p.m. to 8:00 p.m. at the Capitol Complex Conference Center, Rooms A and B, 1900 Washington Street, East Charleston, West Virginia.

Any persons interested in making an oral or written presentation at the hearing should contact Christine M. Struminski, Assistant Regional Director, at (304) 342–8125 or at the address below.

If no person has contacted Ms. Struminski to express an interest in participating in the hearing by January 4, 1982, the hearing will be cancelled. A notice announcing any cancellation will be published in the **Federal Register.**

ADDRESSES: Written comments should be mailed or hand delivered to: Office of Surface Mining Reclamation and Enforcement, Attention: West Virginia Administrative Record, 603 Morris Street, Charleston, West Virginia 25301.

Copies of the West Virginia program, the proposed modifications to the program, a listing of scheduled public meetings, and all written comments are available for review at the OSM offices and the office of the State regulatory authority listed below, Monday through Friday, 9:00 a.m. to 4:00 p.m., excluding holidays.

Office of Surface Mining Reclamation and Enforcement, Region I, 603 Morris Street, Charleston, West Virginia 25301, Telephone: (304) 342–8125

Office of Surface Mining Reclamation and Enforcement, Interior South Building, 1951 Constitution Avenue NW., Washington, D.C. 20240, Telephone: (202) 343–4728

West Virginia Department of Natural Resources, Room 630, Building 3, 1800 Washington Street, East, Charleston, West Virginia 25305, Telephone: (304) 348–9160.

FOR FURTHER INFORMATION CONTACT: Christine M. Struminski, Assistant Regional Director, Division of State and Federal Programs, 603 Morris Street, Charleston, West Virginia 25301, Telephone: (304) 342–8125.

SUPPLEMENTARY INFORMATION: On March 3, 1980, OSM received a proposed regulatory program from the State of West Virginia. On January 21, 1981, following a review of that proposed program as outlined in 30 CFR Part 732, the Secretary of the Interior approved the program conditioned on the correction of minor deficiencies. Information pertinent to the general background of the permanent program submission, as well as the Secretary's findings, the disposition of comments and explanations of the conditions of approval of the West Virginia program can be found in the January 21, 1981, **Federal Register** (46 FR 5915–5956).

On April 29, 1981, the State provided a copy of proposed coal refuse disposal regulations to OSM for review (Administrative Record No. WV 400). On June 8, 1981, OSM provided an informal listing of deficiencies found in the proposed regulations (Administrative Record No. 401a) and informed the State that the promulgated regulations must be submitted as formal a program amendment which would be subject to public comment.

The regulations were promulgated on October 1, 1981, and submitted as a program amendment on October 29, 1981. The Director now seeks public comment on the adequacy of these regulations.

Dated: December 11, 1981.

J. R. Harris,

Director, Office of Surface Mining.

[FR Doc. 81–36290 Filed 12–18–81; 8:45 am]

BILLING CODE 4310–05–M

POSTAL SERVICE

39 CFR Part 111

Changes in Handling of Undeliverable-as-Addressed Mail; Extension of Comment Period

AGENCY: Postal Service.

ACTION: Solicitation of comments in advance of proposed rulemaking; extension of time for comment.

SUMMARY: This notice extends the time for filing comments on the Postal Service's solicitation of comments on proposed changes in the handling of undeliverable-as-addressed mail.

DATE: Comments must be received on or before January 18, 1982.

ADDRESS: Written comments should be addressed to the Director, Office of Post Office Services, Delivery Services Department, U.S. Postal Service, Washington, D.C. 20260–7230. Copies of written comments received will be available for public inspection and photocopying between 9 a.m. and 4 p.m., Monday through Friday, in Room 7347, 475 L'Enfant Plaza West, S.W., Washington, D.C. 20260–7230.

FOR FURTHER INFORMATION CONTACT: John Amtmann, Office of Post Office Services, (202) 245–5791.

SUPPLEMENTARY INFORMATION: On October 29, 1981, a document was published in the **Federal Register** (46 FR 53458) soliciting public comments on several changes under consideration by the Postal Service for handling undeliverable-as-addressed mail. The purpose of the notice was to explain the changes under consideration and to solicit suggestions and recommendations. The notice is preparatory to future rulemaking proceedings; in is not a proposed rule at this time.

In response to requests from the Mailers Technical Advisory Group Industry Members, The Kiplinger Washington Editors, Inc., and Reader's Digest, for an additional thirty-day comment period, the Postal Service will accept written comments which are received on or before January 18, 1982.

(39 U.S.C. 401, 403, 404)

Fred Eggleston,

Assistant General Counsel, Legislative Division.

[FR Doc. 81-36295 Filed 12-18-81; 8:45 am]

BILLING CODE 7710-12-M

FEDERAL EMERGENCY MANAGEMENT AGENCY

44 CFR Part 67

[Docket No. FEMA-6216]

National Flood Insurance Program; Proposed Flood Elevation Determinations; Arkansas, et al.

AGENCY: Federal Emergency Management Agency.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base (100-year) flood elevations listed below for selected locations in the nation. These base (100-year) flood elevations are the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATE: The period for comment will be ninety (90) days following the second publication of this proposed rule in a newspaper of local circulation in each community.

ADDRESSES: See table below.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., National Flood Insurance Program, (202) 287-0230, Federal Emergency Management Agency, Washington, D.C. 20472.

SUPPLEMENTARY INFORMATION: The Federal Emergency Management Agency gives notice of the proposed determinations of base (100-year) flood elevations for selected locations in the nation, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90-448), 42 U.S.C. 4001-4128, and 44 CFR 67.4(a).

These elevations, together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. They should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State, or Regional entities.

These proposed elevations will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents and for the second layer of insurance on existing buildings and their contents.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that the proposed flood elevation determinations, if promulgated, will not have a significant economic impact on a substantial number of small entities. A flood elevation determination under section 1363 forms the basis for new local ordinances, which, if adopted by a local community, will govern future construction within the floodplain area. The elevation determinations, however, impose no restriction unless and until the local community voluntarily adopts floodplain ordinances in accord with these elevations. Even if ordinances are adopted in compliance with Federal standards, the elevations prescribe how high to build in the floodplain and do not prescribe development. Thus, this action only forms the basis for future local actions. It imposes no new requirement; of itself it has no economic impact.

The proposed base (100-year) flood elevations for selected locations are:

PROPOSED BASE (100-YEAR) FLOOD ELEVATIONS

State	City/town/county	Source of flooding	Location	#Depth in feet above ground. *Elevation in feet (NGVD). **Elevation in meters (MSL)
Arkansas	Town of Jacksonport, Jackson County	White River	At intersection of State Highway 69 and Washington Street.	*231
Maps available for inspection at City Hall, Jacksonport, Arkansas 72075. Send comments to Mayor William Smart or Ms. Carol Eddington, Town Secretary, Town Hall, Jacksonport, Arkansas 72075				
Delaware	Bowers, Town, Kent County	Delaware Bay	Entire shoreline within community	*12
Maps available for inspection by contacting Mayor James Parker at (302) 335-9884. Send comments to Honorable James Parker, Mayor of Bowers, Bowers Beach, Delaware 19946.				
Delaware	Delaware City, City, New Castle County	Delaware River	Coastline from Upstream Corporate Limits to Downstream Corporate Limits.	*12
Maps available for inspection at the Municipal Offices, 407 Clinton Street, Delaware City, Delaware 19706. Send comments to Honorable Joseph Daniels, Mayor of Delaware City, 407 Clinton Street, Delaware City, Delaware 19706.				
Delaware	Lewes, City, Sussex County	Delaware Bay	entire shoreline within community	*12
Maps available for inspection at the City Hall, East Third Street, Lewes, Delaware. Send comments to Honorable Alfred A. Stango, Mayor of Lewes, P.O. Box 227, Lewes, Delaware 19958.				
Delaware	Slaughter Beach, Town, Sussex County	Delaware Bay	Coastline from upstream corporate limits to downstream corporate limits.	*12
Maps available for inspection by contacting the Town Secretary at (302) 335-4192. Send comments to Honorable Frank Newton, Mayor of Slaughter Beach, R.D. 3, Box 466, Milford, Delaware 19963.				
Maryland	Cristfield, City, Somerset County	Little Annemessex River	Shoreline from approximately 760 feed south of Mammock Point to approximately 520 feed northwest of Lavalette Road (extended).	*8
			Somers Cove Shoreline from approximately 520 feet northwest of Lavalette Road (extended) to Dock Street (extended).	*8
			Shoreline from Dock Street (extended) to 240 feet northwest of Lumber Street (extended).	*8

PROPOSED BASE (100-YEAR) FLOOD ELEVATIONS—Continued

State	City/town/county	Source of flooding	Location	#Depth in feet above ground. *Elevation in feet (NGVD). **Elevation in meters (MSL)
			Shoreline from 240 feet northwest of Lumber Street (extended) to approximately 160 feet southwest of Wellington Road, at the corporate limits.	*6
			Shoreline from approximately 160 feet northeast of Wellington Road, at the corporate limits to approximately 400 feet southwest of Lorie C. Quinn Sr. Drive at the corporate limits.	*5
		Dougherty Creed	Shoreline from approximately 200 feet west of Brick Kiln Road (extended) to approximately 500 feet west of Hall Highway, at the corporate limits.	*5

Maps available for inspection at the City Hall, Main Street, Crisfield, Maryland.

Send comments to Honorable Charles McClenahan, Mayor of Cristfield, City Hall, Main Street, Crisfield, Maryland 21817.

Nebraska	(C) Omaha, Douglas County	Missouri River	At southern county boundary	*978
			About 0.4 mile downstream of Illinois Central Gulf Railroad.	*985
			At northern county boundary	*995
		Big Papillion Creek	About 200 feet downstream of Harrison Street	*100
			Just downstream of F Street	*1,015
			Just upstream of Interstate 80	*1,022
			Just downstream of 105th Street	*1,032
			Just downstream of Blondo Street	*1,045
			About 1.1 miles upstream of State Street	*1,082
			Rockbrook Creek	
			About 1,900 feet downstream of 105th Street	*1,030
			Just downstream of 105th Street	*1,042
			Just upstream of 105th Street	*1,051
			Just downstream of Interstate 680 Ramp	*1,069
		Little Papillion Creek	At mouth	*1,009
			About 175 feet downstream of Union Pacific Railroad	*1,013
			About 300 feet upstream of Union Pacific Railroad	*1,021
			Just upstream of Dodge Street	*1,040
			Just downstream of Fort Street	*1,075
			About 900 feet upstream of State Street	*1,088
		Cole Creek	At mouth	*1,041
			Just downstream of Western Avenue	*1,050
			Just upstream of Western Avenue	*1,055
			Just downstream of Blondo Street	*1,067
			Just upstream of Blondo Street	*1,074
			Just downstream of Maple Street	*1,075
			Just upstream of Maple Street	*1,083
			Just downstream of Military Avenue	*1,093
			Just upstream of Military Avenue	*1,102
			About 1900 feet upstream of Ames Avenue	*1,110
			Just downstream of Redick Avenue	*1,143
		Thomas Creek	At mouth	*1,080
			Just downstream of Interstate 680	*1,098
			Just upstream of Interstate 680	*1,102
			Just upstream of Bennington Road	*1,151
			At northern county boundary	*1,194
		Heil Creek	Just upstream of Harrison Street	*1,055
			Just downstream of Interstate 80	*1,071
			Just upstream of Interstate 80	*1,080
			Just upstream of Q Street	*1,087
			Just downstream of L Street	*1,087
			Just upstream of L Street	*1,098
			Just downstream of West Center Road	*1,128
			Just upstream of West Center Road	*1,137
			Just downstream of Pacific Street	*1,161
		West Papillion Creek	Just upstream of Harrison Street	*1,044
			Just upstream of 156th Street	*1,077
			Just upstream of Pacific Street	*1,095
			About 1.0 mile upstream of 168th Street	*1,120
		Boxelder Creek	At mouth	*1,071
			Just upstream of 168 Street	*1,101
			About 0.5 mile downstream of 180th Street	*1,116
		North Branch West Papillion Creek	At mouth	*1,110
			Just downstream of 168th Street	*1,139
			About 0.34 mile upstream of State Street	*1,184
		Ponca Creek	At mouth	*994
			Just downstream of Pershing Drive	*1,002
			Just upstream of Pershing Drive	*1,007
			Just downstream of 36th Street	*1,022
			Just upstream of 36th Street	*1,032
			Just downstream of Private Drive (near Calhoun Road)	*1,051
			Just upstream of Private Drive (near Calhoun Road)	*1,061
			Just downstream of Calhoun Road	*1,062

Maps available for inspection at the City Planning Department, Omaha/Douglas Civic Center, 1819 Farnam, Omaha, Nebraska.

Send comments to Honorable Michael Boyle, Mayor, City of Omaha, Omaha/Douglas Civic Center, 1819 Farnam, Omaha, Nebraska 68183.

New Jersey	Clark, Township, Union County	Rahway River	Downstream Corporate Limits	*21
			Upstream Valley Road Dam	*29
			Upstream Bloodgood Dam	*40
			Upstream Corporate Limits	*42
		Robinsons Branch	Downstream Corporate Limits at Madison Hill Road	*32
			Upstream Middlesex Reservoir Dam	*48
			Upstream Featherbed Lane	*49

PROPOSED BASE (100-YEAR) FLOOD ELEVATIONS—Continued

State	City/town/county	Source of flooding	Location	#Depth in feet above ground. *Elevation in feet (NGVD). **Elevation in meters (MSL)
			Downstream Cellar Avenue (extended)	*52
			Upstream Corporate Limits	*58
		Pumpkin Patch Brook	Confluence with Robinsons Branch	*57
			Upstream Corporate Limits	*61
Maps available for inspection at the Municipal Building, 315 Westfield Avenue, Clark, New Jersey. Send comments to Honorable Bernard Yarusavage, Mayor of Clark, Municipal Building, 315 Westfield Avenue, Clark, New Jersey 07066.				
Commonwealth of Puerto Rico.	Rio Anton Ruiz	Rio Anton Ruiz	30 meters downstream of the confluence of Quebrada Mambiche and Quebrada Collores.	**26.2
		Quebrada Mambiche	18 meters upstream of the intersection of the center of Puerto Rico Highway 924 and Quebrada Mambiche.	**31.4
		Quebrada De Las Mulas	20 Meters upstream of the intersection of the center of Puerto Rico Highway 927 and Quebrada De Las Mulas.	**20.2
		Atlantic Ocean	Intersection of Puerto Rico Highway 3 and Rio Anton Ruiz.	**2.9
Maps available for inspection at Puerto Rico Planning Board, Minillas Government Center, North Building, 14th Floor, Santurce, Puerto Rico. Send comments to the Honorable Carlos Romero Barcelo, La Fortaleza, San Juan, Puerto Rico 00902.				
Commonwealth of Puerto Rico.	Rio Blanco Basin	Rio Blanco	50 meters upstream of confluence with Quebrada Maizalos.	**5.6
			25 Meters upstream of the intersection of the center of Puerto Rico Highway 927 and Rio Blanco.	**7.4
		Rio Santiago	20 meters upstream of the intersection of the center of Puerto Rico Highway 31 and Rio Santiago.	**21.5
		Rio Santiago Lateral Branch	5 meters upstream of the intersection of the center of Puerto Rico Highway 31 and Rio Santiago Lateral Branch.	**18.4
		Atlantic Ocean	At mouth of Rio Blanco	**2.9
Maps available for inspection at Puerto Rico Planning Board, Minillas Government Center, North Building, 14th Floor, Santurce, Puerto Rico. Send Comments to the Honorable Carlos Romero Barcelo, La Fortaleza, San Juan, Puerto Rico 00902.				
Commonwealth of Puerto Roco.	Rio Culebrinas Basin	Rio Culebrinas (Downstream Reach).	5 meters upstream of the intersection of the center of Puerto Rico Highway 2 and Rio Culebrians.	**8.5
			Upstream face of Camino Las Brujas (Puerto Rico Highway 110).	**19.0
		Rio Culebrinas (At San Sebastian)	30 meters upstream of the intersection of the center of Puerto Rico Highway 109 and Rio Culebrinas.	**62.4
		Cano Madre vieja	10 meters upstream of the intersection of the center of Puerto Rico Highway 418 and Cano Madre Vieja.	**6.0
		Atlantic Ocean	At mouth of Rio Culebrinas	**1.6
Maps available for inspection at Puerto Rico Planning Board, Minillas Government Center, North Building, 14th Floor, Santurce, Puerto Rico. Send comments to the Honorable Carlos Romero Barcelo, La Fortaleza, San Juan, Puerto Rico 00902.				
Washington	Kittitas County (Unnoncorporated Areas)	Manastash Creek	50 feet upstream from the centerline of Brown Road	*1,577
			At intersection of Barnes Road and Manastash Creek	*1,637
Maps available for inspection at Office of the County Commissioner, 5th & Main, Ellensburg, Washington. Send comments to the Honorable Roy A. Lumaco, P.O. Box 10410, Ellensburg, Washington 98926.				

(National Flood Insurance Act of 1968 (title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E. O. 12127, 44 FR 19367; and delegation of authority to the Associate Director)

Issued: November 25, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36278 Filed 12-18-81: 8:45 am]

BILLING CODE 6718-03-M

44 CFR Part 67

[Docket No. FEMA-6214]

National Flood Insurance Program; Proposed Base Flood Elevation and Zone Designation Determinations for the Town of Erie, Boulder and Weld Counties, Colorado

AGENCY: Federal Emergency Management Agency.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base flood elevations and zone designations as described below.

The proposed based flood elevations and zone designations are the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The period for comment will be ninety (90) days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Maps and other information showing the detailed outlines of the flood-prone areas and the proposed base flood elevations and zone designations are available for review at the Office of the Town Clerk, 645 Holbrook, P.O. Box 100, Erie, Colorado.

Send comments to: The Honorable Harold Stewart, Mayor, Town of Erie, P.O. Box 100, Erie, Colorado 80516.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and

Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472, (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support, gives notice of the proposed base flood elevations and zone designations for the Town of Erie, Colorado, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968, Pub. L. 90–448), 42 U.S.C. 4001–4128, and 44 CFR Part 67.

These base flood elevations and zone designations, together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. It should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State, or regional entities. The proposed base flood elevations and zone designations will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents and for the second layer of insurance on existing buildings and their contents.

The proposed base flood elevations and zone designations are as follows:

Source of flooding	Location	Elevation in feet National Geodetic Vertical Datum	Zone designation
Coal Creek (Main Channel)	At Cheesman Street extended	5015	A4.
	At the Union Pacific Railroad	5022	A4.
Coal Creek West Line Overflow	At Evans Street	5013	A2.
	Approximately 100 feet upstream of Cheesman Street	5015	A2.
	Approximately 100 feet upstream of Moffat Street	5019	A2.
Coal Creek West Line Overflow	Just downstream of Anderson Street	5022	A2.
	Just downstream of Perry Street	5025	A2.
	At the Union Pacific Railroad	5027	A2.

In the recently annexed area in the southern portion of the City, the special flood hazard area, identified as Zone A, is being added along Coal Creek. The remaining annexed areas are identified as Zone C. The floodway has been modified along the reach of Coal Creek between the northernmost corporate limits and the Union Pacific Railroad.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; and delegation of authority to the Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36276 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

44 CFR Part 67

[Docket No. FEMA 6219]

National Flood Insurance Program; Proposed Base Flood Elevation and Zone Designations for the City of Norwich, Connecticut

AGENCY: Federal Emergency Management Agency, FEMA.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base flood elevations and zone designations described below.

The proposed base flood elevations and zone designations will be the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The period for comment will be ninety (90) days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Map and other information showing the detailed outlines of the floodprone areas and the proposed base flood elevations and zone designations are available for review at the City Manager's Office, Norwich, Connecticut.

Send comments to: Mr. Charles C. Whitty, City Manager, City Hall, 100 Broadway, Norwich, Connecticut 06360.

FOR FURTHER INFORMATION CONTACT:

Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, National Flood Insurance Program, 500 C Street, Donohoe Building, Room 510, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support gives notice of the proposed base flood elevations and zone designations (100–year flood) for the City of Norwich, Connecticut in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90–448), 42 U.S.C. 4001–4128, and 44 CFR 67.4 (a)).

The proposed base flood elevations and zone designations together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. They should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State or regional entities. The proposed base flood elevations and zone designations will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents and for the second layer of insurance on existing buildings and their contents.

The proposed 100-year flood elevations and zone designations for selected locations are:

Source of flooding	Location	Elevation (feet)	Zone
Thames River	Southernmost corporate limit	13 (NGVD)	A10
Thames River	Confluence with Shetucket and Yantic Rivers	14 (NGVD)	A10
Shetucket River	Confluence with Thames River	14 (NGVD)	A10
Shetucket River	8th Street	24 (NGVD)	A11
Shetucket River	Point approximately 700 feet downstream of confluence with Tributary D	32 (NGVD)	A11

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated Special Flood Hazard Areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 [Title XIII of Housing and Urban Development Act of 1968], effective January 28, 1969 [33 FR 17804, November 28, 1968], as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; and delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, Office of State and Local Programs and Support.

[FR Doc. 81-36273 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 67

[Docket No. FEMA 6210]

National Flood Insurance Program; Proposed Zone Designation and Base Flood Elevation Determinations for the City of Wood Dale, DuPage County, Illinois

AGENCY: Federal Emergency Management Agency.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base flood elevations and zone designations described below.

The proposed base flood elevations and zone designations are the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The period for comment will be ninety-days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Maps and other information showing the detailed outlines of the flood-prone areas and the proposed base flood elevations and zone designations are available for review at 404 North Wood Dale Road, Wood Dale, Illinois.

Send comments to: Steven Gutnayer, Administrative Assistant, City of Wood Dale, 404 North Wood Dale Road, Wood Dale, Illinois 60191.

FOR FURTHER INFORMATION CONTACT: Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472, (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support gives notice of the proposed base flood elevations and zone designations for the City of Wood Dale, Illinois, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 [Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90–448)], 42 U.S.C. 4001–4128, and 44 CFR 67.

These zone designations and base (100-year) flood elevations, together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. They should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State, or regional entities. The proposed base flood elevations and zone designations will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents.

The proposed zone designations are as follows:

Zone A4, Zone B, and Zone C in portions of the recently annexed area adjacent to Salt Creek bounded by Thorndale Avenue, School Street, Wood Dale Road, and the corporate limits.

Zone A4 in portions of the area bounded on the north and west by the corporate limits, on the south by the Chicago, Milwaukee, St. Paul and Pacific Railroad, and on the east by a line perpendicular to the railroad tracks and approximately 2,700 feet from the Railroad's Salt Creek bridge; in portions of the area bounded on the north by the corporate limits, on the south by the Chicago, Milwaukee, St. Paul and Pacific Railroad, and on the east and west by lines which are perpendicular to the railroad tracks and approximately 1,250 and 1,500 feet respectively from the Railroad's Salt Creek bridge; and in portions of the area bounded on the north by a line parallel to and approximately 100 feet north of Irving Park Road, on the south by Irving Park Road, and on the east and west by lines parallel to and approximately zero and 700 feet, respectively, west of Forest View Avenue.

Zone B in portions of the area bounded on the north by a line parallel to and approximately 2,500 feet south of Throndale Avenue, on the south and east by the corporate limits, and on the west by Wood Dale Avenue; in portions of the area bounded by Irving Park Road, a line parallel to and approximately 250 feet south of Irving Park Road, Salt Creek, and Forest View Avenue; and in portions of the area bounded by a line parallel to and approximately 1,400 feet north of Carter Avenue, Carter Avenue, Forest View Avenue, and Harvey Avenue.

Zone C in three newly annexed areas bounded, in the first case, by Potter Street, Gilbert Drive, Addison Road, and a line parallel to and approximately 950 feet west of Addison Road; in the second case, by Mary Jane Lane, the corporate limits, and a line parallel to and approximately 950 feet west of St. Andrews Drive; and in the third case, by the corporate limits, Sherwood Lane, and Central Avenue.

The proposed base flood elevations are as follows:

680 feet MSL in portions of the area bounded on the north by a line parallel to and approximately 100 feet north of Irving Park Road, on the south by Irving Park Road, and on the east and west by lines parallel to and approximately zero and 700 feet, respectively, west of Forest View Avenue.

681 feet MSL along Salt Creek in portions of the area bounded by Thorndale Avenue, School Street, Wood Dale Road, and the corporate limits; in portions of the area bounded on the north and west by the corporate limits, on the south by the Chicago, Milwaukee, St. Paul and Pacific Railroad, and on the east by a line perpendicular to the railroad tracks and approximately 2,700 feet from the Railroad's Salt Creek bridge; and in portions of the area bounded on the north by the corporate limits, on the south by the Chicago, Milwaukee, St. Paul and Pacific Railroad, and on the east and west by lines which are perpendicular to the railroad tracks and approximately 1,250, and 1,500 feet respectively from the Railroad's Salt Creek bridge.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; and delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36280 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 67

[Docket No. FEMA-6211]

National Flood Insurance Program; Proposed Zone Designation and Base Flood Elevation Determinations for Stephenson County, Unincorporated Areas, Illinois

AGENCY: Federal Emergency Management Agency.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base flood elevations and zone designations described below.

The proposed base flood elevations and zone designations are the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The Period for comment will be ninety-days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Maps and other information showing the detailed outlines of the flood-prone areas and the proposed base flood elevations and zone designations are available for review at 15 North Galena Avenue, Freeport, Illinois.

Send comments to: Don Penticoss, Chairman, Stephenson County Board, 15 North Galena Avenue, Freeport, Illinois 61032.

FOR FURTHER INFORMATION CONTACT: Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support gives notice of the proposed base flood elevations and zone designations for Stephenson County, Illinois, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90–448)), 42 U.S.C. 4001–4128, and 44 CFR 67).

These zone designations and base (100-year) flood elevations, together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. They should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, state, or regional entities. The proposed base flood elevations and zone designations will also be used to calculate the appropriate flood insurnace premium rates for new buildings and their contents.

The proposed zone designations are as follows:

Zone A6, Zone A, and Zone C along a tributary of the Pecatonica River in portions of the area bounded by Cedarville Road, West Wagner Road, Ayp Road, and North Flansburg Road.

Zone A and Zone C along Waddams Creek in portions of Lake Le-Aqua-Na State Park.

Zone A along a tributary of Rock Run in portions of the area bounded by East Knoup Road, East Cedarville Road, Rock Run, and North Eggert Road; along Richland Creek in portions of the area bounded by West Richland Road, West Beaver Road, Richland Creek, and North Schneider Road; and along Pink Creek and a tributary of Pink Creek in the area bounded by East Brick School Road, East Winneshiek Road, the corporate limits, and North Farwell Bridge Road.

Zone B along the Pecatonica River in portions of the area bounded by the Pecatonica River, U.S. Route 20, Silver Creek, and Yellow Creek; and along the Pecatonica River in portions of Section 27 of Range 9 and Tier 27 North.

Zone C along Cedar Creek in portions of the area bounded by East McConnell Road, East Mill Road, North Dakota Road, and North Afolkey Road; along Rock Run in portions of the area bounded by East Pleasant View Road, North Rock City Road, and Rock Run; along Waddams Creek in portions of the area bounded by Waddams Creek, North Unity Road, and West Range Road; along the Pecatonica River in portions of the area bounded by West Richland Road, West Beaver Road, North Damascus Road, and the Pecatonica River; and along Richland Creek in portions of the area bounded by West Richland Road, West Cedarville Road, North Bellview Road, North Cockrell Road, West Red Oak Road, and the Illinois Central Gulf Railroad.

The proposed base flood elevations are as follows:

772 feet MSL along a tributary of the Pecatonica River (in the area bounded by Cedarville Road, West Wagner Road, Ayp Road, and North Flansburg Road) approximately 1,400 feet upstream of Ayp Road.

745 through 748 feet MSL along the Pecatonica River, Rock Run, and Pink Creek (in the area bounded by East Winneshiek Road, East Sumner Road, the corporate limits, and North Farwell Road) with elevation 745 feet MSL at the eastern corporate limits and elevation 748 feet MSL where Farwell Bridge Road crosses the Pecatonica River.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42

U.S.C. 4001–4128; Executive Order 12127, 44 FR 19367; delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36284 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 67

[Docket No. FEMA 6220]

National Flood Insurance Program; Proposed Elevation and Zone Designation for Town of Amesbury, Massachusetts

AGENCY: Federal Emergency Management Agency, FEMA.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base flood elevation and zone designation described below.

The proposed base flood elevation and zone designation will be the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The period for comment will be ninety (90) days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Map and other information showing the detailed outlines of the floodprone areas and the proposed base flood elevation and zone designation are available for review at the Selectmen's Office, Amesbury, Massachusetts.

Send comments to: Mr. Christopher Cashman, Chairman, Board of Selectmen, Town Hall, Friend Street, Amesbury, Massachusetts 01913.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, National Flood Insurance Program, 500 C Street, Donohoe Building, Room 510, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support gives notice of the proposed base flood elevation and zone designation (100-year flood) for the Town of Amesbury, Massachusetts in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90–448), 42 U.S.C. 4001–4128, and 44 CFR 67.4 (a)).

The proposed base flood elevation and zone designation together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. They should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State or regional entities. The proposed base flood elevation and zone designation will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents and for the second layer of insurance on existing buildings and their contents.

The proposed 100-year flood zone designation and base flood elevation for selected locations are:

Source of flooding	Location	Zone	Elevation
Lake Attitash	Areas contiguous to Lakeshore.	A1	98(NGVD).

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated Special Flood Hazard Areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; Executive Order 12127, 44 FR 19367; and delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, Office of State and Local Programs and Support.

[FR Doc. 81-36285 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 67

[Docket No. FEMA 6221]

National Flood Insurance Program; Proposed Flood Insurance Zone Designation for Borough of Oakland, New Jersey

AGENCY: Federal Emergency Management Agency, FEMA.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed flood insurance zone designation described below.

The proposed flood insurance zone designation will be the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATE: The period for comment will be ninety (90) days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Map and other information showing the detailed outlines of the floodprone areas and the proposed flood insurance zone designation are available for review at the Mayor's Office, Oakland, New Jersey.

Send comments to: The Honorable T. Emmet Bauer, Mayor, Borough of Oakland, Municipal Plaza, Oakland, New Jersey 07436.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, National Flood Insurance Program, 500 C Street, Donohoe Building, Room 510, Washington, D.C. 20472; (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support, gives notice of the proposed flood insurance zone designation for the Borough of Oakland, New Jersey in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90–448), 42 U.S.C. 4001–4128, and 44 CFR 67.4 (a)).

The proposed flood insurance zone designation together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. They should not be construed to mean the community

must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State or regional entities. The proposed flood insurance zone designation will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents and for the second layer of insurance on existing buildings and their contents.

The proposed flood insurance zone designation for selected locations are:

Source of flooding	Location	Previous zone	New zone
Unnamed tributary to Ramapo River	Upstream of Ramapo Road	A2	B

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated Special Flood Hazard Areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; Executive Order 12127, 44 FR 19367; and delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, Office of State and Local Programs and Support.

[FR Doc. 81-36283 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

44 CFR Part 67

[Docket No. FEMA-6215]

National Flood Insurance Program; Proposed Floodway, Base Flood Elevations and Zone Designations for the Village of Owego, N.Y.

AGENCY: Federal Emergency Management Agency, FEMA.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed floodway, base flood elevations and zone designations described below.

The proposed floodway, base flood elevations and zone designations will be the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The period for comment will be ninety (90) days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Map and other information showing the detailed outlines of the floodprone areas and the proposed floodway, base flood elevations and zone designations are available for review at the Mayor's Office.

Send comments to: The Honorable John B. Shafer, Mayor, Village of Owego, 90 Temple Street, Owego, New York 13827.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, National Flood Insurance Program, 500 C Street, Donohoe Building, Room 510, Washington, D.C. 20472, (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support, gives notice of the proposed floodway, base flood elevations and zone designations (100-year flood) for the Village of Owego in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90–448), 42 U.S.C. 4001–4128, and 44 CFR 67.4(a)).

The proposed floodway, base flood elevations and zone designations together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. They should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State or regional entities. The proposed floodway, base flood elevations and zone designations will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents and for the second layer of insurance on existing buildings and their contents.

The proposed floodway, base flood elevations and zone designations for selected locations are:

Source of flooding	Location	Elevation (feet) (MSL)	Zone
Owego Creek (backwater from Susquehanna River)	Between the corporate limits and Gere Street	816	A9.
Owego Creek (backwater from Susquehanna River)	Approximately 100 feet south of Conrail	814	A9.
Susquehanna River	Approximately 1,600 feet east of the corporate limits at West Main Street	814	A9.
Susquehanna River	Just west of the intersection of McMaster Street and West Main Street	815	A9.
Susquehanna River	Just east of the intersection of Ross Street and Front Street	816	A10.
Susquehanna River	At the eastern corporate limits	817	A10.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated Special Flood Hazard Areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; and delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, Office of State and Local Programs and Support.

[FR Doc. 81-36277 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

44 CFR Part 67

[Docket No. FEMA-6212]

National Flood Insurance Program; Proposed Base Flood Elevation Determinations for the Township of East Penn, Carbon County, Pennsylvania

AGENCY: Federal Emergency Management Agency.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base flood elevations described below.

The proposed base flood elevations are the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The period for comment will be ninety days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Maps and other information showing the detailed outlines of the flood-prone areas and the proposed base flood elevations are available for review at the East Penn Township Building on Township Route 343.

Send comments to: Asher Repsher, Chairman, East Penn Township Board of Supervisors, R.D. 1, Box 42, Lehighton, Pennsylvania 18235.

FOR FURTHER INFORMATION CONTACT: Robert G. Chappell, P.E. Chief, Engineering Branch Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472, (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support gives notice of the proposed base flood elevations for the Township of East Penn, Pennsylvania, in accordance with section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90–448)), 42 U.S.C. 4001–4128, and 44 CFR Part 67.

These zone designations and base (100-year) flood elevations, together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. They should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State, or regional entities. The proposed base flood elevations will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents.

The proposed base flood elevations are as follows:

Source of flooding	Location	Elevation National Geodetic Vertical Datum
Lehigh River	Downstream corporate limits.	387

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E.O. 12127, 44 FR 19367; and delegation of authority to Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36275 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

44 CFR Part 67

[Docket No. FI-4851]

National Flood Insurance Program; Revision of Proposed Flood Elevation Determinations; Pennsylvania

AGENCY: Federal Emergency Management Agency

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base (100-year) flood elevations listed below for selected locations in the Township of Penn, Snyder County, Pennsylvania.

Due to recent engineering analysis, this proposed rule revises the proposed determinations of base (100-year) flood elevations published in the **Federal Register** at 44 FR 1172 on January 4, 1979, and hence supersedes those previously published rules.

DATES: The period for comment will be ninety (90) days following the second publication of this notice in a newspaper of local circulation in each community.

ADDRESSES: Maps and other information showing the detailed outlines of the floodprone areas and the proposed flood elevations are available for review at the Penn Township Building, Clifford Road, Selinsgrove, Pennsylvania.

Send comments to: Honorable Edward S. Burgess, chairman of the Penn Board of Supervisors, R. D. 1, Selinsgrove, Pennsylvania 17870.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Federal Emergency Management Agency, National Flood Insurance Program, (202) 287–0230, Washington, D.C. 20472.

SUPPLEMENTARY INFORMATION: Proposed base (100–year) flood elevations are listed below for selected locations in the Township of Penn, Snyder County, Pennsylvania, in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added Section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968 (Pub. L. 90–448)), 42 U.S.C. 4001–4128, and 44 CFR 67.4(a).

These base (100–year) flood elevations are the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

These modified elevations will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents and for the second layer of insurance on existing buildings and their contents.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that the proposed flood elevation determinations, if promulgated, will not have a significant economic impact on a substantial number of small entities. A flood elevation determination under section 1363 forms the basis for new local ordinances, which, if adopted by a local community, will govern future construction within the flood plain area. The elevation determinations, however, impose no restriction unless and until

the local community voluntarily adopts flood plain ordinances in accord with these elevations. Even if ordinances are adopted in compliance with Federal standards, the elevations prescribe how high to build in the flood plain and do not proscribe development. Thus, this action only forms the basis for future local actions. It imposes no new requirement; of itself it has no economic impact.

The proposed base (100-year) flood elevations are:

State	City/town/county	Source of flooding	Location	#Depth in feet above ground. *Elevation in feet (NGVD)
Pennsylvania	Penn, Township Snyder County	Susquehanna River	Downstream Corporate Limits	*430
			Upstream Corporate Limits	*434
		Penns Creek	Confluence with Susquehanna River	*430
			Upstream of U.S. Routes 11/15 (downstream crossing).	*433
			Upstream of U.S. Routes 11/15 (Market Street)	*435
			Upstream of Gravel Pit Road	*444
			Upstream Corporate Limits	*453
		Middle Creek	Confluence with Penns Creek	*433
			Upstream of dam	*441
			Upstream of State Route 35	*446
			Upstream of Creek Road	*456
			Approximately 2,100' upstream of upstream Corporate Limits.	*461
		South Tributary	Confluence with Penns Creek	*433
			Upstream Corporate Limits	*433

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; E. O. 12127, 44 FR 19367; and delegation of authority to the Associate Director)

Issued: December 7, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36279 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

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44 CFR Part 67

[Docket No. FEMA-6213]

National Flood Insurance Program; Proposed Base Flood Elevation Determinations for the City of Carrollton, Dallas, Denton, and Collin Counties, Texas

AGENCY: Federal Emergency Management Agency.

ACTION: Proposed rule.

SUMMARY: Technical information or comments are solicited on the proposed base flood elevations as described below.

The proposed base flood elevations are the basis for the flood plain management measures that the community is required to either adopt or show evidence of being already in effect in order to qualify or remain qualified for participation in the National Flood Insurance Program (NFIP).

DATES: The period for comment will be ninety (90) days following the second publication of this proposed rule in the newspaper of local circulation in the above-named community.

ADDRESSES: Information regarding the proposed base flood elevations is available for review at the Office of the City Secretary, 1002 South Broadway, Carrollton, Texas.

Send comments to: The Honorable Leddie Taylor, Mayor, City of Carrollton, P.O. Box 535, Carrollton, Texas 75006.

FOR FURTHER INFORMATION CONTACT: Mr. Robert G. Chappell, P.E., Chief, Engineering Branch, Office of State and Local Programs and Support, Federal Emergency Management Agency, Washington, D.C. 20472, (202) 287–0270.

SUPPLEMENTARY INFORMATION: The Associate Director, State and Local Programs and Support, gives notice of the proposed base flood elevations for the City of Carrollton in accordance with Section 110 of the Flood Disaster Protection Act of 1973 (Pub. L. 93–234), 87 Stat. 980, which added section 1363 to the National Flood Insurance Act of 1968 (Title XIII of the Housing and Urban Development Act of 1968, Pub. L. 90–448), 42 U.S.C. 4001–4128, and 44 CFR Part 67.

These base flood elevations, together with the flood plain management measures required by § 60.3 of the program regulations, are the minimum that are required. It should not be construed to mean the community must change any existing ordinances that are more stringent in their flood plain management requirements. The community may at any time enact stricter requirements on its own, or pursuant to policies established by other Federal, State, or regional entities. The proposed base flood elevations will also be used to calculate the appropriate flood insurance premium rates for new buildings and their contents and for the second layer of insurance on existing buildings and their contents.

In the Summertree II Subdivision, the proposed change in base (100-year) flood elevations on Panel 15 of 15 of the City of Carrollton Flood Insurance Rate Map and Flood Boundary and Floodway Map is as follows:

Source of flooding	Location	Elevation in feet National Geodetic Vertical Datum	Zone designation
Stream 6D5	Approximately 1200 feet upstream of Keller Springs Road	510	A1
	Approximately 1900 feet upstream of Keller Springs Road	515	A1
	Approximately 2800 feet upstream of Keller Springs Road	525	A1

The proposed 100-year flood through the Summertree II Subdivision is confined to the improved channel and the Carmel Drive right-of-way. The proposed floodway through the above-mentioned reach of Stream 6D5 is confined to the improved channel.

Pursuant to the provisions of 5 U.S.C. 605(b), the Associate Director, State and Local Programs and Support, to whom authority has been delegated by the Director, Federal Emergency Management Agency, hereby certifies that this rule if promulgated will not have a significant economic impact on a substantial number of small entities. This rule provides routine legal notice of technical amendments made to designated special flood hazard areas on the basis of updated information and imposes no new requirements or regulations on participating communities.

(National Flood Insurance Act of 1968 (Title XIII of Housing and Urban Development Act of 1968), effective January 28, 1969 (33 FR 17804, November 28, 1968), as amended; 42 U.S.C. 4001–4128; Executive Order 12127, 44 FR 19367; and delegation of authority to the Associate Director, State and Local Programs and Support)

Issued: November 30, 1981.

Lee M. Thomas,

Associate Director, State and Local Programs and Support.

[FR Doc. 81-36274 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-03-M

DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

49 CFR Parts 172, 173, and 175

[Docket No. HM-166F; Notice No. 81-8]

Transportation of Limited Quantities of Radioactive Materials and Devices

AGENCY: Materials Transportation Bureau, Research and Special Programs Administration, DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to revise the Hazardous Materials Regulations applicable to transportation of limited quantities of radioactive materials and radioactive devices, in order to achieve comparable levels of safety in each mode of transportation and in a fashion that is consistent in regulatory controls and requirements.

DATE: Comments must be received by February 19, 1982.

ADDRESS: Comments should be addressed to Dockets Branch, Research and Special Programs Administration, U.S. Department of Transportation, Washington, D.C. 20590, (202) 426–3148. Comments should identify the docket number and be submitted in five copies. The Dockets Branch is located in Room 8426 of the Nassif Building, 400 Seventh Street, S.W., Washington, D.C. 20590. Office hours are 8:30 a.m. to 5:00 p.m., Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Richard R. Rawl, Office of Hazardous Materials Regulation, Materials Transportation Bureau (MTB), Department of Transportation, Washington, D.C. 20590, (202) 426–2311.

SUPPLEMENTARY INFORMATION: On December 8, 1980, MTB published an advance notice in the **Federal Register** (45 FR 80843) calling for comments on the need for, or possible elimination of, certain regulatory requirements applicable to the transportation of radioactive materials and radioactive devices in limited quantities. That notice identified the glaring inconsistency which has existed between shipments transported by air versus those transported by any of the surface modes, ever since the Hazardous Materials Regulations (HMR) were consolidated in 1976. Rules proposed in this notice are based upon (1) public comments received in response to the previously cited publication, (2) an assessment of risks inherent in the transportation of these radioactive materials, (3) consideration of risks inherent in each of the modes, (4) an evaluation of hazardous materials incidents reported since 1971, and (5) a comparative analysis of radioactive materials and materials belonging to other hazard classes, with respect to the relaxed requirement for transportation of small quantity packages and the favorable safety records generally achieved by each class. A discussion of pertinent issues and comments received in response to the advance notice follows.

I. Adequacy and Suitability of Current Regulations

A review of comments generally confirms MTB's own assessment that requirements for the most frequently used modes (highway and air) are not consistent, and may be excessive for surface modes and too relaxed for air transportation. In its comments, however, 3M Static Control Systems expressed the opinion that requirements for transportation by air do assure protection of public health and safety. 3M points out further that the International Atomic Energy Agency's Regulations for the Safe Transport of Radioactive Materials exempt qualifying packages from regulation by all modes in a fashion similar to MTB's exception for air transportation, and it proposes that the HMR be amended to reflect these less restrictive requirements for shipments transported by highway, rail, and water as well. This opinion and recommendation was shared by several other commenters and supported by a claim from Hoffman-La Roche, Inc., that tens of thousands of such packages were safely transported for them in 1980 with only three known incidents occurring. Of these, none involved release of radioactive materials and the internal containers were simply repackaged and returned for disposition.

A. Technical Requirements

Data supplied in comments filed by Miles Laboratories, Inc. and others support MTB's earlier conclusion that activity limits are so low as to present no significant risk to public health. That conclusion holds true not only for the vast majority of packages that contain a small percentage of the maximum permissible activity limit, but for theoretical packages containing one-hundred percent of the authorized activity limit as well, based on generally accepted release fractions and intake rates. Other commenters, like the American College of Radiology, agree that the present regulatory limit of external radiation levels not exceeding 0.5 millirem per hour at the package surface (2.0 millirem per hour for exclusive use shipments) present no radiation danger to persons handling the packages, even if deformed by damage. No commenter to this docket indicated

either a need or desire to revise the activity limits applicable to limited quantities of radioactive material, radioactive devices, or packages containing more than one radioactive device. Also, MTB believes that current limits adequately provide for the public safety, regardless of the mode in which the packages are transported.

1. *Classification with other hazardous materials.* Although not discussed in the advance notice or in comments to the docket, MTB believes that consideration must be given to reordering the precedence of hazards listed in § 173.2 to downgrade limited quantity radioactive materials to a level more appropriate to their actual risk. While actual incidents are not documented, the HMR have been criticized for a "loophole" which some persons contend allows flammable liquids and corrosive liquids containing trace amounts of radioactive material to be transported aboard aircraft as completely unregulated materials. To correct this situation, MTB is proposing that radioactive materials in limited quantities be separated from the major classification and downgraded to a position between "corrosive material (solid)" and "irritating materials."

2. *Packaging.* Only one commenter responding to the advance notice addressed the subject of container integrity. The Lawrence Berkeley Laboratory, while acknowledging the low risks associated with limited quantity radioactive materials, suggests measures be taken to preclude any incidential leakage of dispersible radioactive material (from the inner container) in the form of a liquid or an alpha-emitting solid. To achieve this, they propose that DOT 2N metal cans of the sealed or friction-lid type when used as the inner container should be able to withstand atmospheric pressure differentials and the dropping or crushing incurred in minor accidents. They further propose that items too large or not practical for limited quantity radioactive material packaging be shipped as low specific activity radioactive materials. These suggestions have not been included in the proposed rule, since MTB is satisfied that general requirements for packages in §§ 173.6 and 173.24 and provisions of § 173.91 already provide an adequate level of regulatory control.

B. Administrative Requirements

Although MTB received widespread agreement on its standards for the more critical elements of transportation safety (i.e. packaging, quantity limits, and external radiation levels), the same cannot be said for those requirements which address the communication of hazard warning information (i.e. shipping papers and package markings). As previously indicated, several commenters believe an acceptable level of safety is being achieved in the air mode, and since air is generally considered to be the most critical mode, they imply that requirements for detailed shipping papers, incident reporting and the like for limited quantity radioactive materials transported by surface modes are superfluous.

1. *Shipping papers.* It seems worthy to note that every commenter responding to MTB's inquiry, "In the case of intermodal transfers, do the more restrictive regulations impose an unwarranted economic burden without providing a commensurate increase in safety?," noted that hazardous materials shipping papers are a reason for frustration of shipments or impose a significant economic burden. The frustration of shipments reportedly occurs on occasions when motor carriers interline packages to air carriers. Air carrier personel sometimes become suspicious when they observe hazardous materials shipping papers in the motor vehicle driver's possession and are then asked to accept the packages without similar documentation. The absence of DOT shipping papers, it is explained, often leads to unnecessary delays while pertinent regulations are researched and, as a result, packages of radioactive materials requiring delivery in a timely manner fail to be loaded on scheduled flights.

Conversely, if a shipper seeks to avoid such delays by preparing a hazardous materials shipping paper to accompany packages during air transportation, it may incur additional freight charges attributed to hazardous materials. Miles Laboratories, Inc. cite an example of increased transportation charges amounting to $6.00 per shipment whenever they ship via Federal Express. That surcharge is applied whenever the HMR prevent Federal Express from transporting packages in local pick-up and delivery service which is incidental to its air operations, unless the packages are accompanied by detailed shipping papers. Miles Laboratories, Inc. claims its air transportation costs are increased by at least $27,000.00 per year as an indirect result of MTB's requirement to describe packages of limited quantity radioactive materials in detail on shipping papers, when offered for transportation in the highway mode. Considering that projections for the year 1985 estimate over 800,000 packages of limited quantity radioactive materials and radioactive devices will be transported by air, the aggregate cost imposed through the hazardous materials surcharge is substantial. In fact, it is estimated that savings in excess of $1 million per year may be realized by shippers if carriers follow MTB's lead in the deregulation of these materials.

Although there is an identifiable cost associated with the preparation and distribution of shipping papers, most commenters apparently chose to ignore this incidental and relatively small administrative cost of regulatory compliance, in favor of emphasizing the more direct costs. However, calculated savings of more than 15,000 person-hours per year is possible with elimination of the shipping paper requirements, as proposed herein.

Without exception, every comment filed in response to MTB's query on possible adverse impact to emergency response activities, if detailed shipping paper requirements are waived for surface modes, very boldly proclaim that such activities would not suffer, and some in fact suggest that the impact may be positive. The latter conclusion is based upon several commenters' assessments that the risks presented by limited quantity radioactive materials are so low as to not even warrant notification of traditional emergency response personnel such as firefighters, but instead rely on in-house safety personnel to take appropriate measures which further reduce the already low risk. These commenters reason that calling on emergency service personnel, who are trained and equipped to handle acutely hazardous incidents, is a poor utilization of their resources. However, it was not explained how the absence of detailed shipping papers would alleviate any overreaction of this sort.

While acknowledging that detailed shipping papers for packages of limited quantity radioactive materials and radioactive devices provide benefits which only increase public safety by a slight margin, MTB believes that an indication of the presence of a radioactive material must be communicated in some general fashion if a damaged or a stray package is discovered during transportation. Consequently, the proposed rules contain a new provision for qualifying packages under the limited quantity exception which specifies that the shipper must furnish a written notice on or with the package which reads "Radioactive material, limited quantity, n.o.s., UN 2910" *or* "Radioactive device, n.o.s., UN 2911", as appropriate.

followed by the statement "This package meets all requirements of 49 CFR 173.391 for limited quantity radioactive materials."

2. *Package markings.* Unlike the general agreement reached by most commenters on the need for and value of detailed shipping papers, package markings involve a more diverse range of opinions. Those persons in favor of maintaining the status quo point to the long history of safety in transporation for packages of limited quantity radioactive materials and radioactive devices. They contend that the absence of external markings has not resulted in any mishandling of packages to the extent that there was ever a serious threat to public health or the environment and, therefore, question the justification for a new requirement at this time. In addition, they also worry that markings which include the word "radioactive" may in fact delay the otherwise speedy delivery of these packages by unnecessarily alarming carrier personnel.

In their comments, the Lawrence Berkeley Laboratory supports a requirement for marking packages as "Radioactive material, limited quantity, n.o.s." However, their concern does not seem to be so much with the communication of hazard warning information as it is with expediting delivery. MTB agrees that some small benefits in the form of reduced normal dose may be gained by minimizing the period of time these radioactive materials packages spend in transit. It does not, however, believe that such a package marking would have the effect of shortening transit times.

United Parcel Service indicated support for the elimination of detailed shipping paper requirements but suggested instead inclusion of those presently required entries as package markings. In this way they believe sufficient information would be available to properly handle damaged packages. Obviously this approach goes far beyond all other existing requirements for package markings and its relative merits appear dubious while the burden on shippers would be considerable.

In consideration of the above it is the determination of MTB that current marking requirements prescribed in § 173.391(a)(4) provide an adequate level of safety without unduly burdening shippers and that regulation should, therefore, remain unchanged.

3. *Incident reporting.* One of the principal means available to MTB for assessing the effectiveness of the Hazardous Materials Regulations is the incident reporting system. Information accumulated in that system over the past ten years suggests that limited quantity radioactive materials and radioactive devices are being safely transported. In fact, while it is estimated that several million such packages have been transported during this past decade, MTB has records on only fourteen reported incidents involving these materials. However, since air carriers are presently excepted from reporting requirements when limited quantity radioactive materials are involved in an accident, MTB must acknowledge that it does not have total confidence in its data and resulting conclusions. (Note.—Of the fourteen incident reports discussed above, more than half were submitted by carriers operating in the air mode, even though they are not required to do so.) As no carriers responding to the advance notice chose to address the matter of incident reports, MTB is of the opinion that present requirements applicable to the surface modes are reasonable and necessary and should be extended to include air carriers as well. Appropriate revisions are proposed for §§ 173.391 and 175.10. A conservative estimate of 10 person-hours per year (10 reports at one hour each) is the additional paperwork burden which MTB believes would be imposed if the proposed rule change is adopted. The burden would be shared by approximately 73 of the more than 340 for-hire air carriers now operating in the U.S. MTB solicits specific comments on the accuracy of its estimates for the actual number of additional Hazardous Material Incident Reports which may be required, the time required for their preparation, and the affected population. Carrier estimates of the number of incidents occurring within their system over the past several years and not reported because of the current exception from §§ 171.15 and 171.16 would be most useful.

4. *Shipping descriptions.* In its formulation of these proposed rules, MTB was once again made aware of problems faced by carriers who transport radiopharmaceuticals. They claim that the proper shipping names "Radioactive material, n.o.s." and "Radioactive material, limited quantity, n.o.s." trigger responses by Federal, State, and local enforcement personnel which are quite often inappropriate to any risks associated with these materials. After confirming that the carrier is not transporting particularly objectionable materials, it is generally allowed to proceed but only after a sometimes lengthy delay. These carriers reason that if the DOT proper shipping name more clearly identified the materials by their intended use, such problems would be greatly reduced without compromising safety. As MTB's experience with materials belonging to the hazard classes flammable liquid, corrosive material, poison B, and others reflects no adverse effects in transportation which can be attributed to their use for, and description as, "Medicines, n.o.s.," it is proposing in § 172.101 to introduce a similar proper shipping name, "Radiopharmaceuticals, n.o.s.", for hazard class radioactive material.

In consideration of the foregoing, 49 CFR Parts 172, 173, and 175 would be amended as follows:

PART 172—HAZARDOUS MATERIALS TABLES AND HAZARDOUS MATERIALS COMMUNICATIONS REGULATIONS

1. The Hazardous Materials Table in § 172.101 would be amended as follows:

§ 172.101 Purpose and use of hazardous materials table.

HAZARDOUS MATERIALS TABLE

(1)	(2)	(3)	(3 A)	(4)	(5)		(6)		(7)		
					Packaging		Maximum net quantity in one package		Water shipments		
*/E/A/W	Hazardous materials descriptions and proper shipping names	Hazard class	Identification number	Label(s) required (if not excepted)	Exceptions	Specific requirements	Passenger carrying aircraft or railcar	Cargo only aircraft	Cargo vessel	Passenger vessel	Other requirements
	*	*	*	*	(a)	(b)	(a)	(b)	(a)	(b)	*(c)
	ADDITION										
	Radiopharmaceuticals, n.o.s. (normal form, nonfissile materials)	Radioactive material.	NA 9181	Radioactive	173.391	173.395			1,2	1,2	
	*	*	*	*	*	*	*				
	REVISIONS										
	Radioactive device, n.o.s. See § 173.391										
	Radioactive material, limited quantity, n.o.s. See § 173.391										
	*	*	*	*	*	*	*				

PART 173—SHIPPERS—GENERAL REQUIREMENTS FOR SHIPMENTS AND PACKAGINGS

2. In § 173.2 paragraphs (a)(11)–(16) would be redesignated as paragraphs (a)(12)–(17) and a new paragraph (a)(11) would be added to read as follows:

§ 173.2 Classification of a material having more than one hazard as defined in this part.

(a) * * *

(11) Radioactive materials (in limited quantity per § 173.391).

* * * * *

3. In § 173.391 paragraphs (a), (b), and (c) would be amended by adding the words "shipping paper and certification requirements," immediately following "packaging,"; and paragraph (d) would be revised to read as follows:

§ 173.391 Limited quantities of radioactive materials and radioactive devices.

* * * * *

(d) In addition to the requirements specified in paragraphs (a), (b), or (c) of this section, packages offered and accepted for transportation under this section must have an associated notice enclosed in or on the package, included with the packing list, or otherwise forwarded with the consignment. The notice must include the name and address of the consignor or consignee, and the description "Radioactive material, limited quantity, n.o.s., UN 2910" *or* "Radioactive device, n.o.s., UN 2911", as appropriate, followed by the statement "This package meets all requirements of 49 CFR 173.391 for limited quantity radioactive materials". Packages shipped under provisions of this section (except when offered for transportation by air) are not otherwise subject to the requirements of this subchapter, except for §§ 171.15, 171.16, 174.750, 176.710, and 177.861 pertaining to the reporting of incidents and decontamination. Prior to May 3, 1983, packages shipped under provisions of this section and transported by air are not otherwise subject to the requirements of this subchapter, except for §§ 171.15, 171.16, 175.45, and 175.700(b) pertaining to the reporting of incidents and decontamination.

PART 175—CARRIAGE BY AIRCRAFT

§ 175.700 [Amended]

4. In § 175.10 paragraph (a)(6) is removed and reserved.

§ 175.10 [Amended]

5. In § 175.700 paragraph (c) is amended by removing the last sentence. (49 U.S.C. 1803, 1804, 1808; 49 CFR 1.53, App. A to Part 1, and paragraph (a)(4) of App. A Part 106)

Note.—The Materials Transportation Bureau has determined that this document will not result in a "major rule" under the terms of Executive Order 12291 and DOT procedures (44 FR 11034) nor require an environmental impact statement under the National Environmental Policy Act (49 U.S.C. 4321 et seq.). Based on limited information available concerning size and nature of entities likely to be affected by this proposal, I certify that this proposal will not, if promulgated, have a singificant economic impact on a substantial number of small entities. This proposal will not affect not-for-profit enterprises or small governmental jurisdictions. Small businesses potentially affected include air carriers and radioactive materials suppliers. The economic impact on such small entities will be minimal. A regulatory evaluation and environmental assessment are available for review in the Docket.

Issued in Washington, D.C. on December 11, 1981.

Alan I Roberts,

Associate Director for Hazardous Materials Regulation, Materials Transportation Bureau.

[FR Doc. 81-36288 Filed 12-16-81; 8:45 am]

BILLING CODE 4910-60-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Parts 611 and 657

Atlantic Butterfish Foreign Fishery; Notice

AGENCY: National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of intent.

SUMMARY: This notice announces NOAA's intent to determine whether any portion of the optimum yield (OY) for Atlantic butterfish, in addition to the annual fishing level certified by the Mid-Atlantic Fishery Management Council, will be available for allocation to foreign fishing vessels during the 1981–82 fishing year. The notice solicits factual data relevant to the factors NOAA will consider in making the determination.

DATE: Information may be submitted until January 5, 1982.

ADDRESS: Submit information to Roland A. Finch, Chief, Plan Review Division, National Marine Fisheries Service, Washington, D.C. 20235.

FOR FURTHER INFORMATION CONTACT: Roland A. Finch (address above); telephone (202) 634–7449.

SUPPLEMENTARY INFORMATION: The American Fisheries Promotion Act amended the Magnuson Fishery Conservation and Management Act (Magnuson Act) to provide an alternate method of determining the amount of fish available for foreign harvest each year. Under section 201(d) of the Magnuson Act, a Regional Fishery Management Council may certify an annual fishing level (AFL), based on an elaborate formula, for allocation to foreign fishing vessels. This year the Mid-Atlantic Council certified an AFL of 759 metric tons (mt) for Atlantic

butterfish. (The fishery is governed by regulations contained in 50 CFR Parts 611 and 657).

NOAA has accepted the AFL and made the 759 mt of butterfish available for allocation to foreign fishing vessels. Under section 201(d)(4) of the Magnuson Act, the portion of OY (beyond the AFL already made available) that will not be harvested by U.S. vessels must be allocated to foreign vessels unless NOAA makes the findings specified in that paragraph. OY in the butterfish fishery is 11,000 mt; the estimate of domestic annual harvest (DAH) in the fishery management plan is 7,000 mt. Thus the portion of OY in that could be made available for foreign fishing during this fishing year (April 1, 1981–March 31, 1982) is 3,241 mt (11,000 mt − 7,000 mt − 759 mt).[1]

[1] (An additional amount could be made available if the Regional Director transfers some of the DAH to TALFF this year, pursuant to 50 CFR 657.22).

If the findings in paragraph 201(d)(4) are made, some or all of the 3,241 mt may be "deferred" for allocation during the 1982–83 fishing season (April 1, 1982–March 31, 1983). The deferred portion would automatically be made available for allocation to foreign fishing vessels on April 1, 1982, over and above the 1982–83 total allowable level of foreign fishing (TALFF).

The Mid-Atlantic Council has recommended that none of the 3,241 mt be made available during the current fishing year. In making the determination whether to defer or allocate any of the surplus butterfish, NOAA will consider factual information relevant to the following questions:

1. Would allocation of any of the 3,241 mt during the 1981–82 fishing year be detrimental to the development of the U.S. fishing industry? NOAA will consider the impact on all segments of the industry.

2. What part of the 3,241 mt will be available for harvest in the 1982–83 fishing season? NOAA will consider natural mortality and the status of the butterfish stock in determining the degree of survivability.

3. Would deferral of any part of the 3,241 mt constrain the foreign harvest of 1981–82 allocations of species for which butterfish is an incidental catch? The Magnuson Act's standards of achieving OY and coordinating management of interrelated stocks require consideration of the impact of any deferral on the foreign fleet's ability to harvest TALFFs of related species such as *Loligo* and *Illex* squid.

NOAA invites the submission of information concerning these questions by January 5, 1982.

Dated: December 15, 1981.

Robert K. Crowell,

Deputy Executive Director, National Marine Fisheries Service.

[FR Doc. 81-36232 Filed 12-18-81; 8:45 am]

BILLING CODE 3510-22-M

Notices

Federal Register
Vol. 46, No. 244
Monday, December 21, 1981

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

ADMINISTRATIVE OFFICE OF THE UNITED STATES COURTS

Interpreters in Courts of the United States; Announcement of Spanish/English Certification Examination; Correction

AGENCY: Administrative Office of the United States Courts.

ACTION: Correction to notice of Spanish/English certification examination for court interpreters.

In FR Doc. 81-35444, published on page 60636, on Friday, December 11, 1981, the following list of testing sites for the written portion of the certification examination was inadvertently omitted. These sites are the only places available to take the written examination:

Testing Sites

Alabama: Mobile
Arizona: Flagstaff, Phoenix, Tucson
California: Fresno, Los Angeles, Monterey, Sacramento, San Diego, San Francisco
Connecticut: Hartford
District of Columbia
Florida: Miami, West Palm Beach
Georgia: Atlanta
Louisiana: New Orleans
Maryland: Baltimore
Massachusetts: Boston
Nevada: Las Vegas, Reno
New Jersey: Newark, Trenton
New Mexico: Albuquerque, Las Cruces, Santa Fe
New York: Manhattan
Puerto Rico: San Juan
Texas: Beaumont, Brownsville, Corpus Christi, Dallas, Fort Worth, Houston, Laredo, San Antonio
Utah: Salt Lake City

[FR Doc. 81-36350 Filed 12-18-81; 8:45 am]
BILLING CODE 2210-01-M

DEPARTMENT OF AGRICULTURE

Forest Service

San Juan National Forest Grazing Advisory Board; Meeting

The San Juan National Forest Grazing Advisory Board will meet on Friday, January 15, 1982, at 1:00 p.m. at the Centennial Savings and Loan, Hospitality Room 1011 East 2nd Ave., Durango, Colorado. The Board was established in accordance with provisions of the Federal Land Policy and Management Act of 1976.

The Agenda for the meeting will include: (1) Recommendations for the utilization of range betterment funds; (2) recommendations for the development of allotment management plans; (3) problems and conflicts involving the grazing of livestock on the Forest concerning allotment management plans and utilization of range betterment funds; (4) election of officers for the Board.

The meeting will be open to the public. Persons who wish to attend and participate should notify H. E. Bond, San Juan National Forest (303-247-4874) prior to the meeting. The public may participate in discussions during the meeting or may file a written statement following the meeting.

P. C. Sweetland,
Forest Supervisor.
December 11, 1981.

[FR Doc 81-36242 Filed 12-18-81; 8:45 am]
BILLING CODE 3410-11-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

North Pacific Fishery Management Council, Scientific and Statistical Committee and Advisory Panel; Public Meetings

AGENCY: National Marine Fisheries Service, National Oceanic and Atmospheric Administration (NOAA), Commerce.

SUMMARY: The North Pacific Fishery Management Council, established by section 302 of the Magnuson Fishery Conservation and Management Act (Pub. L. 94-265), has established a Scientific and Statistical Committee (SSC) and an Advisory Panel (AP) to assist the Council in carrying out its responsibilities under the Act. The Council, its SSC and AP will hold separate public meetings.

DATES: The Council meeting will convene on Monday, January 4, 1982, at 9 a.m., in Room 770 of the Federal Building, Juneau, Alaska. Beginning on Tuesday, January 5, the Council will meet at 9 a.m., in the Baranof Hotel, Juneau, in joint session with the Alaska Board of Fisheries to hear technical reports on the status of fishery resources; and at 9 .m., on Wednesday and Thursday, January 6-7, reconvene the joint session to hear public testimony on proposed 1982 amendments to the troll salmon fishery management plan (FMP). The joint session is expected to adjourn at approximately 5 p.m., on January 7. However, the Council will reconvene its meeting on Friday, January 8, at the Federal Building to conclude its business.

The Scientific and Statistical Committee meeting will convene on Monday, January 4, 1982, at approximately 1:30 p.m., in the Capitol Room of the Baranof Hotel and will adjourn on Tuesday, January 5, at approximately 5 p.m. The Advisory Panel will meet on Monday, January 4, from 9 a.m., to approximately 5 p.m., at the Baranof Hotel in the Gastineau Room. The meetings may be lengthened or shortened depending upon progress on the agenda, and are open to the public.

Proposed Agenda

Council—A detailed agenda will be sent to the public around December 21, 1981. The Council will consider the 1982 amendment package for the troll salmon fishery off Alaska, which includes alternatives regarding optimum yield, time and area closures, gear restrictions, reporting requirements, and heads-on requirements. The Council will also select its preferred options for the 1982 amendment package and, time permitting, may consider FMPs and amendments for herring, tanner crab, king crab, Gulf of Alaska groundfish and Bering Sea/Aleutian Islands groundfish, as well as consider applictions from ships of foreign nations to fish in the fishery conservation zone off Alaska and consider various contracts.

SSC and AP—Same as Council.

FOR FURTHER INFORMATION CONTACT: North Pacific Fishery Management Council, P.O. Box 3136DT, Anchorage, Alaska 99510; Telephone: (907) 274-4563.

Dated: December 15, 1981.

Jack L. Falls,

Chief, Administrative Support Staff, National Marine Fisheries Service.

[FR Doc. 81-36233 Filed 12-18-81; 8:45 am]

BILLING CODE 3510-22-M

COMMODITY FUTURES TRADING COMMISSION

MidAmerica Commodity Exchange; Proposed New York Silver Futures Contract

AGENCY: Commodity Futures Trading Commission.

ACTION: Notice of availability of the terms and conditions of proposed commodity futures contract.

SUMMARY: The MidAmerica Commodity Exchange ("MACE") has applied for designation as a contract market in New York silver. The Commodity Futures Trading Commission (the "Commission") has determined that the terms and conditions of the proposed futures contract are of major economic significance and that, accordingly, making the proposed contract available for public inspection and comment is in the public interest, will assist the Commission in considering the views of interested persons, and is consistent with the purposes of the Commodity Exchange Act.

DATE: Comments must be received on or before February 19, 1982.

ADDRESS: Interested persons should submit their views and comments to Jane K. Stuckey, Secretary, Commodity Futures Trading Commission, 2033 K Street, NW., Washington, D.C. 20581. Reference should be made to the MidAmerica Commodity Exchange New York silver futures contract.

FOR FURTHER INFORMATION CONTACT: Richard Shilts, Division of Economics and Education, Commodity Futures Trading Commission, 2033 K Street., N.W., Washington, D.C., (202) 254-7303.

SUPPLEMENTARY INFORMATION: The MACE has submitted for Commission approval, pursuant to section 5a(12) of the Commodity Exchange Act (the "Act"), proposed Chapter 20, amending its silver contract. This proposal would allow the Exchange to trade two separate contracts in silver: the currently traded contract for Chicago delivery, and a new contract for New York delivery. The Commission has determined that it shall treat this submission as an application for a new contract market designation in silver, pursuant to Section 5 of the Act and Guideline No. 1, rather than as a rule change for approval under section 5a(12). The new designation would be for silver delivered in New York and would be in addition to the current silver contract market designation for the MACE, under which contracts are traded for delivery in Chicago.

A copy of the terms and conditions of the MACE proposed New York silver futures contract will be available for inspection at the Office of the Secretariat, Commodity Futures Trading Commission, 2033 K Street, N.W., Washington, D.C. 20581. Copies can be obtained through the Office of the Secretariat by mail at the above address or by phone at (202) 254-6314.

Other materials submitted by the MACE in support of its application for contract market designation may be available upon request pursuant to the Freedom of Information Act (5 U.S.C. 552) and the Commission's regulations thereunder (17 CFR Part 145 (1981)). Requests for copies of such materials should be made to the FOIA, Privacy and Sunshine Acts Compliance staff of the Office of the Secretariat at the Commission's headquarters in accordance with 17 CFR 145.7 and 145.8.

Any person interested in submitting written data, views or arguments on the terms and conditions of the proposed futures contract, or with respect to other materials submitted by the MACE in support of its application, should send such comments to Jane K. Stuckey, Secretary, Commodity Futures Trading Commission, 2033 K Street, N.W., Washington, D.C. 20581, by February 19, 1982. Such comment letters will be publicly available except to the extent that they are entitled to confidential treatment as set forth in 17 CFR 145.5 and 145.9.

Issued in Washington, D.C. on December 14, 1981.

Jane K. Stuckey,

Secretary of the Commission.

[FR Doc 81-36261 Filed 12-18-81; 8:45 am]

BILLING CODE 6351-01-M

DEPARTMENT OF DEFENSE

Office of the Secretary of Defense

Department of Defense Wage Committee; Closed Meetings

Pursuant to the provisions of section 10 of Pub. L. 92-463, the Federal Advisory Committee Act, notice is hereby given that a meeting of the Department of Defense Wage Committee will be held on Tuesday, February 2, 1982; Tuesday, February 9, 1982; Tuesday, Feburary 16, 1982; and Tuesday, February 23, 1982 at 10:00 a.m. in Room 3D321, the Pentagon, Washington, D.C.

The Committee's primary responsibility is to consider and submit recommendations to the Assistant Secretary of Defense (Manpower, Reserve Affairs, and Logistics) concerning all matters involved in the development and authorization of wage schedules for federal prevailing rate employees pursuant to Pub. L. 92-392. At this meeting, the Committee will consider wage survey specifications, wage survey data, local wage survey committee reports and recommendations, and wage schedules derived therefrom.

Under the provisions of section 10(d) of Pub. L. 92-463, meetings may be closed to the public when they are "concerned with matters listed in 5 U.S.C. 552b." Two of the matters so listed are those "related solely to the internal personnel rules and practices of an agency," (5 U.S.C. 552b. (c)(2)), and those involved "trade secrets and commercial or financial information obtained from a person and privileged or confidential" (5 U.S.C. 552b. (c)(4)).

Accordingly, the Deputy Assistant Secretary of Defense (Civilian Personnel Policy) hereby determines that all portions of the meeting will be closed to the public because the matters considered are related to the internal rules and practices of the Department of Defense (5 U.S.C. 552b. (c)(2)), and the detailed wage data considered by the Committee during its meetings have been obtained from officials of private establishments with a guarantee that the data will be held in confidence (5 U.S.C. 552b. (c)(4)).

However, members of the public who may wish to do so are invited to submit material in writing to the chairman concerning matters believed to be deserving of the Committee's attention. Additional information concerning this meeting may be obtained by writing the Chairman, Department of Defense Wage Committee, Room 3D264, the Pentagon, Washington, D.C. 20301.

M. S. Healy,

OSD Federal Register Liaison Officer, Washington Headquarters Services, Department of Defense.

December 16, 1981.

[FR Doc. 81-36342 Filed 12-18-81; 8:45 am]

BILLING CODE 3810-01-M

DEPARTMENT OF ENERGY

Economic Regulatory Administration

[Docket No. ERA-FC-81-019; ERA Case No. 51518-0672-21-22]

Powerplant and Industrial Fuel Use; City of Kissimmee, Fla.

AGENCY: Economic Regulatory Administration, Department of Energy.

ACTION: Order granting exemption from the prohibitions of the Powerplant and Industrial Fuel Use Act of 1978.

SUMMARY: On July 14, 1981, the City of Kissimmee, Florida (Kissimmee) filed a petition with the Economic Regulatory Administration (ERA) of the Department of Energy (DOE) seeking a permanent peakload exemption from the prohibitions against (1) the use of petroleum or natural gas as a primary energy source by new powerplants and (2) the construction of new powerplants without the capability to use an alternate fuel as a primary energy source, which are contained in Title II of the Powerplant and Industrial Fuel Use Act of 1978, 42 U.S.C. 8301 *et seq.* (FUA or the Act). The procedures and criteria for petitioning for exemptions from the prohibitions of FUA are published at 10 CFR Parts 501 and 503 (45 FR 38276, June 6, 1980).

Kissimmee requested a permanent peakload powerplant exemption to enable it to use oil or natural gas as a primary energy source in a 29,000 kw oil or natural gas-fired combustion turbine powerplant, referred to as Roy Hansel Unit No. 21, to be located at Kissimmee, Florida. Pursuant to section 212(g) of the Act, and 10 CFR 503.41, and subject to specified terms and conditions stated therein, ERA hereby issues this order granting a permanent peakload exemption to Kissimmee to use oil or natural gas in Roy Hansel Unit No. 21.

DATE: In accordance with section 702(a) of FUA, this order shall become effective on February 19, 1982.

FOR FURTHER INFORMATION CONTACT:
Jack C. Vandenberg, Office of Public Information, Economic Regulatory Administration, Department of Energy, Federal Building, Room 7120, Washington, D.C. 20461, Phone (202) 633-8755.

Louis T. Krezanosky, Office of Fuels Conversion, Economic Regulatory Administration, Department of Energy, 2000 M Street, N.W., Room 6128H, Washington, D.C. 20461, Phone (202) 653-3462.

Christina Simmons, Office of General Counsel, Department of Energy, 1000 Independence Avenue, S.W., Room 6B-178, Washington, D.C. 20585, Phone (202) 252-2967.

The public file containing a copy of this order and other documents and supporting materials on this proceeding is available for inspection upon request at: ERA, Room 7120, Federal Building, Washington, D.C., Monday through Friday, 8:00 a.m.-4:30 p.m.

SUPPLEMENTARY INFORMATION:
Kissimmee plans to install a 29,000 kw natural gas or oil-fired combustion turbine unit to be called Roy Hansel Unit No. 21 at Kissimmee, Florida. Based upon estimates by Kissimmee the proposed unit will have a fuel heat input rate of 11,950 BTU per hour at peak capacity. The unit is scheduled for commercial operation in January 1982. Kissimmee submitted a sworn statement with the petition signed by Mr. Jack Danforth, Utilities Director for Kissimmee as required by 10 CFR 503.41(b)(1). In his statement, Mr. Danforth certified that Roy Hansel Unit No. 21 will be operated solely as a peakload powerplant and to meet peakload demand for the life of the plant. He also certified that the maximum design capacity of the unit is 29,000 kw and that the maximum generation that the unit will be allowed during any 12-month period is the design capacity times 1,500 hours or 43,500,000 Kwh.

In accordance with the procedural requirements of FUA and and ERA regulations, ERA accepted the petition on August 7, 1981 and published a notice of acceptance, together with a statement of the reasons set forth in the petition for requesting the exemption, in the **Federal Register** on August 21, 1981 (46 FR 42502). Publication of the notice of acceptance commenced a 45-day public comment period pursuant to section 701 of FUA. During this period, which ended on October 5, 1981, interested parties were also afforded an opportunity to request a public hearing. Comments received from the Environmental Protection Agency's Atlanta Regional Office indicated that construction of the proposed combustion turbine unit would be in full compliance with Federal Clean Air Act requirements. No requests for a public hearing were received.

ERA's staff reviewed the information contained in the record of the proceeding. A Tentative Staff Analysis (TSA) was prepared which recommended that ERA issue an order granting Kissimmee a permanent peakload powerplant exemption to use oil or natural gas in Roy Hansel Unit No. 21 subject to certain terms and conditions. A notice of availability of the TSA was published in the **Federal Register** on November 17, 1981 (46 FR 56497). The publication of the notice of availability opened a 14-day public comment period which ended December 1, 1981. No comments were received.

On August 11, 1980, DOE published in the **Federal Register** (45 FR 53199) a notice of proposed amendments to the guidelines for compliance with the National Environmental Policy Act of 1969 (NEPA). Pursuant to the guidelines, the grant or denial of certain FUA permanent exemptions, including the permanent exemption by certification for a peakload powerplant, was identified as an action which normally does not require an Environmental Impact Statement or an Environmental Assessment pursuant to NEPA (categorical exclusion).

This classification raises a rebuttable presumption that the grant or denial of the exemption will not significantly affect the quality of the human environment. Kissimmee has certified that it will secure all applicable permits and approvals prior to commencement of operation of the new unit under this exemption. The Environmental Checklist completed and certified to by Kissimmee pursuant to 10 CFR 503.15(b) has been reviewed by DOE's Office of Environment, in consultation with the Office of the General Counsel. Kissimmee's responses to the questions contained therein indicate that the operation of the peakload powerplant will have no impact on those areas regulated by specified laws that impose consultation requirements on DOE, and otherwise affirm the applicability of the categorical exclusion in this case. Therefore, no additional environmental review is deemed to be required.

Order

On the basis of ERA's review of the entire record of this proceeding, ERA hereby grants to Kissimmee a permanent exemption from the prohibitions of FUA against the use of oil or natural gas in Roy Hansel Unit No. 21 provided that the powerplant is operated solely as a peakload powerplant and to meet peakload demand subject to the following terms and conditions imposed pursuant to the authority granted to ERA by section 214(a) of the Act:

Terms and Conditions

A. Kissimmee Electric shall not produce more than 43,500,000 Kwh during any 12-month period with the proposed unit. Kissimmee shall provide annual estimates of the expected periods (hours during specific months) of operation of Roy Hansel Unit No. 21

for peakload purpose (e.g., 8:00–10:00 a.m. and 3:00–6:00 p.m. during the June–September period, etc.). Estimates of the hours during which Kissimmee expects to operate Roy Hansel Unit No. 21 during the 12-month period shall be furnished within 30 days from the date of this order.

B. Kissimmee shall comply with the reporting requirements set forth in 10 CFR 503.41(d).

C. The quality of any petroleum to be burned in this unit will be the lowest grade available which is technically feasible and capable of being burned consistent with applicable environmental requirements.

D. Kissimmee shall comply with any terms and conditions which may be imposed pursuant to the environmental requirements set forth at 10 CFR 503.15(b).

E. This order shall become effective on February 19, 1982.

Issued in Washington, D.C., on December 14, 1981.

Rayburn Hanzlik,

Administrator, Economic Regulatory Administration.

[FR Doc 81-36245 Filed 12-18-81; 8:45 am]

BILLING CODE 6450-01-M

[ERA Docket No. 81-33-NG]

Natural Gas Imports; Vermont Gas Systems, Inc.; Application To Increase Volume of Natural Gas Being Imported From Canada

AGENCY: Economic Regulatory Administration, DOE.

ACTION: Notice of application to increase the volumes of natural gas being imported from Canada.

SUMMARY: The Economic Regulatory Administration (ERA) of the Department of Energy (DOE) gives notice of the receipt, on October 26, 1981, of the application of Vermont Gas Systems, Inc. (Vermont Gas) to increase its importation of natural gas from Canada. Currently, Vermont Gas has authority to import 21,200 Mcf per day. Vermont Gas seeks to amend its current import authorization to increase progressively the maximum daily volumes authorized during the period November 1, 1982, to November 1, 1986. Vermont requests authorization to import a maximum of 25,600 Mcf per day by November 1986 and to continue imports at this level until November 1, 1991.

The application is filed with ERA pursuant to Section 3 of the Natural Gas Act and DOE Delegation Order No. 0204–54. Protests or petitions to intervene are invited.

DATE: Protests or petitions to intervene are to be filed no later than 4:30 p.m., January 18, 1982.

FOR FURTHER INFORMATION CONTACT:

P. J. Fleming, Division of Natural Gas, Economic Regulatory Administration, 2000 M Street, N.W., Room 6304, RG–13, Washington, D.C. 20461, (202) 653–3623

Patricia J. Neel (Office of General Counsel, Natural Gas and Mineral Leasing), 1000 Independence Avenue, S.W., Forrestal Building, Room 6E–042, Washington, D.C. 20585, (202) 252–6667.

SUPPLEMENTARY INFORMATION: In DOE/ERA Opinion and Order No. 34 issued on July 2, 1981, in ERA Docket No. 81–15–NG (1 ERA Para. 70534, *Federal Energy Guidelines*), Vermont Gas was authorized to import from TransCanada PipeLines Limited (TransCanada), under a gas purchase contract dated February 16, 1966, as amended, a total of up to 21,200 Mcf of Canadian natural gas per day beginning November 1, 1981. Although the term of the contract extends through October 31, 1991, the Canadian National Energy Board License, No. GL–19, issued to TransCanada on October 11, 1965, as amended, expires on October 31, 1989. The ERA authorization amended previous import authority granted by the Federal Power Commission (FPC) on January 30, 1976, in FPC Docket No. CP76–100.

Vermont Gas imports its total supply of natural gas from TransCanada, with delivery at the international boundary near Highgate Springs, Vermont. Vermont Gas sells and distributes this gas supply entirely within the State of Vermont.

By an amendment to its gas purchase contract with Vermont, dated September 11, 1981, TransCanada agreed to increase periodically the amount of natural gas sold to Vermont Gas from 21,200 Mcf per day to 25,600 Mcf per day. The amending agreement provides for the sale to Vermont of the following daily volumes:

November 1 through October 31—Mcf/day

1982–83—22,400
1983–84—23,200
1984–85—24,000
1985–86—24,800
1986–91—25,600

The additional import volumes will be delivered through existing facilities. The price of the gas will be U.S. $4.94 per MMBtu, the currently authorized border price for natural gas imported from Canada. Under a contract amendment, dated March 25, 1981, Vermont Gas incurs no take-or-pay obligation until after it has taken 10 Bcf of gas per year. Since the proposed imports will not exceed this amount, the take-or-pay provision will not be invoked.

In its application, Vermont asserts that the additional volumes of gas will be used to meet anticipated increases in demand within its marketing area.

Other information

Any person wishing to become a party to the proceeding or to participate as a party in any conference or hearing which might be convened must file a petition to intervene.

Any person may file a protest with respect to this application. The filing of a protest will not serve to make the protestant a party to the proceeding. Protests will be considered in determining the appropriate action to be taken on the application.

All protests and petitions to intervene must meet the requirements specified in 18 CFR 1.8 and 1.10. They should be filed with the Division of Natural Gas, Economic Regulatory Administration, Room 6304, RG–13, 2000 M Street, NW., Washington, D.C. 20461. All protests and petitions to intervene must be filed no later than 4:30 p.m., on January 18, 1982.

A hearing will not be held unless a motion for a hearing is made by a party or person seeking intervention and granted by ERA, or if ERA on its own motion believes that a hearing is necessary or required. A person filing a motion for hearing should demonstrate how a hearing will advance the proceedings. If a hearing is scheduled, ERA will provide notice to all parties and persons whose petitions to intervene are pending.

A copy of the application is available for public inspection and copying in the Division of Natural Gas Docket Room, Room 6013, 2000 M Street, NW., Washington, D.C. 20461, between the hours of 8:00 a.m., and 4:30 p.m., Monday through Friday, except Federal holidays.

Issued in Washington, D.C., on December 14, 1981.

Rayburn Hanzlik,

Economic Regulatory Administration.

[FR Doc. 81-36330 Filed 12-18-81; 8:45 am]

BILLING CODE 6450-01-M

ENVIRONMENTAL PROTECTION AGENCY

[OPTS-590070A TSH-FRL-2004-6]

3-Hydroxy-1-Propanesulfonic Acid; Approval of Test Marketing Exemption

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA received an application for a test marketing exemption (TM-81-43) under section 5 of the Toxic Substances Control Act (TSCA) on November 4, 1981. Notice of receipt of the application was published in the **Federal Register** of November 13, 1981 (46 FR 56038). EPA has granted the exemption.

EFFECTIVE DATE: This exemption is effective on December 14, 1981.

FOR FURTHER INFORMATION CONTACT: Kathleen M. Ehrensberger, Chemical Control Division (TS-794), Office of Toxic Substances, Environmental Protection Agency, Rm. E-222, 401 M St., SW., Washington, D.C. 20460, (202)-426-8815).

SUPPLEMENTARY INFORMATION: Under section 5 of TSCA, anyone who intends to manufacture in, or import into, the United States a new chemical substance for commercial purposes must submit a notice to EPA before manufacture or import begins. A "new" chemical substance is any chemical substance that is not on the Inventory of existing substances compiled by EPA under section 8(b) of TSCA. Section 5(a)(1) requires each premanufacture notice (PMN) to be submitted in accordance with section 5(d) and any applicable requirements of section 5(b). Section 5(d)(1) defines the contents of a PMN and section 5(b) contains additional reporting requirements for certain new chemical substances.

Section 5(h), "Exemptions", contains several provisions for exemptions from some or all of the requirements of section 5. In particular, section 5(h)(1) authorizes EPA, upon application, to exempt persons from any requirements of section 5(a) or section 5(b), and to permit them to manufacture or process chemical substances for test marketing purposes. To grant an exemption, the Agency must find that the test marketing activities will not present any unreasonable risk of injury to health or the environment. EPA must either approve or deny the application within 45 days of its receipt, and under section 5(h)(6) the Agency must publish a notice of this disposition in the **Federal Register**. If EPA grants a test marketing exemption, it may impose restrictions on the test marketing activities.

On November 4, 1981, EPA received an application for an exemption from the requirements of sections 5(a) and 5(b) of TSCA to import a new chemical substance for test marketing purposes. The application was assigned test marketing exemption number TM-81-43. The importer has claimed its identity as confidential business information. The specific identity of the chemical covered by this exemption is 3-hydroxy-1-propanesulfonic acid; its use is as a chemical intermediate. A maximum of 5 kilograms (kg) will be imported for test market purposes during a period not to exceed 1 year. A notice published in the **Federal Register** of November 13, 1981 (46 FR 56038) announced receipt of this application and requested comment on the appropriateness of granting the exemption. The Agency has not received any comments concerning the application.

EPA has established that the test marketing of the substance described in TM-81-43 will not present any unreasonable risk of injury to health provided that safequards such as a full facepiece respirator and impervious gloves are used to protect against worker exposure to the TME chemical. The TME chemical contains propane sultone as an impurity in trace amounts. Propane sultone was identified by the International Agency for Research on Cancer to be a positive animal carcinogen. Since no dose response relationship for the chemical has been clearly established, EPA believes that workers should be apprised of the presence of a potential carcinogen in the Material Safety Data Sheet (MSDS) as well as be provided with protective equipment such as a full facepiece respirator and impervious gloves. The submitter has indicated in its test marketing application that 18 workers may experience dermal or inhalation exposure to the TME chemical for a maximum of 16 hours per day for 250 days. However, due to the small production quantity involved (5 kg), the actual duration of exposure and the number of workers exposed to the TME chemical is expected to be much less than the number cited.

EPA believes that the health risk posed by the TME chemical is not unreasonable because the submitter has agreed to identify the presence of the propane sultone impurity in its MSDS, thereby alerting the workers to a potential hazard, as well as provide protective equipment at all points of exposure. In addition, the submitter has pointed out that the workers handling the TME chemical are experienced in handling such materials.

EPA had minimal concern for the environmental effects of the TME chemical because of the expected very low release of the chemical, combined with high water solubility, and lack of predicted significant adverse ecotox effects.

This test marketing exemption is granted based on the facts and information obtained and reviewed, but is subject to all conditions set out in the exemption application and, in particular, those enumerated below.

1. This exemption is granted solely to this importer.

2. The import volume of the new substance may not exceed the quantity described in the test marketing exemption application.

3. The test marketing activity approved in this notice is limited to a period of one year commencing on the date of signature of this notice by the Administrator.

4. The number of workers exposed to the new chemical should not exceed that specified in the application. In addition, the workplace controls specified in the revised MSDS should be used to reduce the potential for exposure to the TME chemical.

The Agency reserves the right to rescind its decision to grant this exemption should any new information come to its attention which casts significant doubt on the Agency's conclusions that the test marketing of this substance under the conditions specified in the application will not present an unreasonable risk of injury to human health or the environment.

Dated: December 14, 1981.

Anne M. Gorsuch,

Administrator.

[FR Doc. 81-36312 Filed 12-18-81; 8:45 am]

BILLING CODE 6560-31-M

[OPTS-590070B; TSH FRL 20045]

3-Hydroxy-1-Propanesulfonic Acid, Monosodium Salt; Approval of Test Marketing Exemption

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA received an application for a test marketing exemption (TM-81-44) under section 5 of the Toxic Substances Control Act (TSCA) on November 4, 1981. Notice of receipt of the application was published in the **Federal Register** of November 13, 1981

(46 FR 56038). EPA has granted the exemption.

EFFECTIVE DATE: This exemption is effective on December 14, 1981.

FOR FURTHER INFORMATION CONTACT: Kathleen M. Ehrensberger, Chemical Control Division (TS-794), Office of Toxic Substances, Environmental Protection Agency, Rm. E-222, 401 M St., SW., Washington, D.C. 20460, (202-426-8815).

SUPPLEMENTARY INFORMATION: Under section 5 of TSCA, anyone who intends to manufacture in, or import into, the United States a new chemical substance for commercial purposes must submit a notice to EPA before manufacture or import begins. A "new" chemical substance is any chemical substance that is not on the Inventory of existing substances compiled by EPA under section 8(b) of TSCA. Section 5(a)(1) requires each premanufacture notice (PMN) to be submitted in accordance with section 5(d) and any applicable requirements of section 5(b). Section 5(d)(1) defines the contents of a PMN and section 5(b) contains additional reporting requirements for certain new chemical substances.

Section 5(h), "Exemptions", contains several provisions for exemptions from some or all of the requirements of section 5. In particular, section 5(h)(1) authorizes EPA, upon application, to exempt persons from any requirements of section 5(a) or section 5(b), and to permit them to manufacture or process chemical substances for test marketing purposes. To grant an exemption, the Agency must find that the test marketing activities will not present any unreasonable risk of injury to health or the environment. EPA must either approve or deny the application within 45 days of its receipt, and under section 5(h)(6) the Agency must publish a notice of this disposition in the **Federal Register**. If EPA grants a test marketing exemption, it may impose restrictions on the test marketing activities.

On November 4, 1981, EPA received an application for an exemption from the requirements of sections 5(a) and 5(b) of TSCA to manufacture a new chemical substance for test marketing purposes. The application was assigned test marketing exemption number TM-81-44. The manufacturer claims his identify as confidential business information. The specific identify of the chemical covered by this exemption is 3-hydroxy-1-propanesulfonic acid, monosodium salt; its use is as a chemical intermediate. A maximum of 5 kilograms (kg) will be manufactured for test market purposes during a period not to exceed 1 year. A notice published in the **Federal Register** of November 13, 1981 (46 FR 56038) announced receipt of this application and requested comment on the appropriateness of granting the exemption. The Agency has not received any comments concerning the application.

EPA has established that test marketing of the substance described in TM-81-44 will not present any unreasonable risk of injury to health provided that safeguards such as a full facepiece respirator and impervious gloves are used to protect against worker exposure to the TME chemical. The TME chemical contains propane sultone as an impurity in trace amounts. Propane sultone was identified by the International Agency for Research on Cancer to be a positive animal carcinogen. Since no dose response relationship for the chemical has been clearly established, EPA believes that workers should be appraised of a potential carcinogen in the Material Safety Data Sheet (MSDS) as well as be provided with protective equipment such as a full facepiece respirator and impervious gloves. The submitter has indicated in its test marketing application that, during manufacturing and processing, a total of 24 workers may experience dermal or inhalation exposure to the TME chemical for a maximum of 16 hours per day for 250 days. However, due to the small production quantity involved (5 kg), the actual duration of exposure and the number of workers exposed to the TME chemical is expected to be much less than the numbers cited.

EPA believes that the health risk posed by the TME chemical is not unreasonable because the submitter has agreed to identify the presence of the propane sultone impurity in its MSDS, thereby alerting the workers to a potential hazard, as well as provide protective equipment at all points of exposure. In addition, the submitter has pointed out that the workers handling the TME chemical are experienced in handling such materials.

EPA had minimal concern for the environmental effects of the TME chemical because of the expected very low release of the chemical combined with high water solubility, and lack of predicted significant adverse ecotox effects.

This test marketing exemption is granted based on the facts and information obtained and reviewed, but is subject to all conditions set out in the exemption application and, in particular, those enumerated below.

1. This exemption is granted solely to this manufacturer.

2. The production volume of the new substance may not exceed the quantity described in the test marketing exemption application.

3. The test marketing activity approved in this notice is limited to a period of one year commencing on the date of signature of this notice by the Administrator.

4. The number of workers exposed to the new chemical should not exceed that specified in the application. In addition, the workplace controls specified in the revised MSDS should be used to reduce the potential for exposure to the TME chemical.

The Agency reserves the right to rescind its decision to grant this exemption should any new information come to its attention which casts significant doubt on the Agency's conclusion that the test marketing of this substance under the conditions specified in the application will not present an unreasonable risk of injury to human health or the environment.

Dated: December 14, 1981.

Anne M. Gorsuch,

Administrator.

[FR Doc. 81-36311 Filed 12-18-81; 8:45 am]

BILLING CODE 6560-31-M

[OPTS-590071A; TSH-FRL-2004-4]

Modified Polyethlene Oxide; Approval of Test Marketing Exemption

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA received an application for a test marketing exemption (TM-81-45) under section 5 of the Toxic Substances Control Act (TSCA) on November 5, 1981. Notice of receipt of the application was published in the **Federal Register** of November 17, 1981 (46 FR 56500). EPA has granted the exemption.

EFFECTIVE DATE: This exemption is effective on December 14, 1981.

FOR FURTHER INFORMATION CONTACT: Rachel S. Diamond, Chemical Control Division (TS-794), Office of Toxic Substances, Environmental Protection Agency, Rm. E-206, 401 M St., SW., Washington, D.C. 20460, (202-426-8815).

SUPPLEMENTARY INFORMATION: Under section 5 of TSCA, anyone who intends to manufacture in, or import into, the United States a new chemical substance for commercial purposes must submit a notice to EPA before manufacture or import begins. A "new" chemical substance is any chemical substance that is not on the Inventory of existing

substances compiled by EPA under section 8(b) of TSCA. Section 5(a)(1) requires each premanufacture notice (PMN) to be submitted in accordance with section 5(d) and any applicable requirements of section 5(b). Section 5(d)(1) defines the contents of a PMN and section 5(b) contains additional reporting requirements for certain new chemical substances.

Section 5(h), "Exemptions", contains several provisions for exemptions from some or all of the requirements of section 5. In particular, section 5(h)(1) authorizes EPA, upon application, to exempt persons from any requirements of section 5(a) or section 5(b), and to permit them to manufacture or process chemical substances for test marketing purposes. To grant an exemption, the Agency must find that the test marketing activities will not present any unreasonable risk of injury to health or the environment. EPA must either approve or deny the application within 45 days of its receipt, and under section 5(h)(6) the Agency must publish a notice of this disposition in the **Federal Register**. If EPA grants a test marketing exemption, it may impose restrictions on the test marketing activities.

On November 5, 1981, EPA received an application for exemption from the requirements of sections 5(a) and 5(b) of the TSCA to manufacture a new chemical substance for test marketing purposes. The application was assigned test marketing exemption number TM-81-45. The manufacturer has claimed its identity, the specific chemical identity, the specific use, and the production volume of the chemical as confidential business information. The generic chemical identity is modified polyethylene oxide, and it will be used as an intermediate. During manufacture, a total of two workers may be exposed to the TME substance for 1 hour per day for 30 days. A notice published in the **Federal Register** of November 17, 1981 (46 FR 56500) announced receipt of this application and requested comment on the appropriateness of granting the exemption. The Agency has not received any comments concerning the application.

EPA has established that the test marketing of the substance described in TM-81-45, under conditions set out in the application, will not present any unreasonable risk of injury to health or the environment for the reasons explained below. There were no significant health concerns for the TME substance. Minimal worker exposure is expected, and there is no potential for consumer exposure. No significant environmental concerns were identified and environmental release of the substance will be negligible.

This test marketing exemption is granted based on the facts and information obtained and reviewed, but is subject to all conditions set out in the exemption application and, in particular, those enumerated below.

1. This exemption is granted solely to this manufacturer.

2. The applicant must maintain records of the date(s) of shipment(s) to the customer(s) specified in the application, and the quantities shipped in each shipment and must make these records available to EPA upon request.

3. Each bill of lading that accompanies a shipment of the substance during the test marketing period must state that the use of the substance is restricted to that described to EPA in the test marketing exemption application.

4. The production volume of the new substance may not exceed the quantity described in the test marketing exemption application.

5. The test marketing activity approved in this notice is limited to a period of 60 days commencing on the date of signature of this notice by the Administrator.

6. The number of workers exposed to the new chemical should not exceed that specified in the application and the exposure levels and duration of exposure should not exceed those specified.

The Agency reserves the right to rescind its decision to grant this exemption should any new information come to its attention which casts significant doubt on the Agency's conclusion that the test marketing of this substance under the conditions specified in the application will not present an unreasonable risk of injury to human health or the environment.

Dated: December 14, 1981.

Anne M. Gorsuch,

Administrator.

[FR Doc. 81-36314 Filed 12-18-81; 8:45 am]

BILLING CODE 6560-31-M

[OPTS-590071B; TSH-FRL-2004-7]

Polyglycol Styrene Acrylic Polymer; Approval of Test Marketing Exemption

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: EPA received an application for a test marketing exemption (TM-81-46) under section 5 of the Toxic Substances Control Act (TSCA) on November 5, 1981. Notice of receipt of the application was published in the **Federal Register** of November 17, 1981 (46 FR 56500). EPA has granted the exemption.

EFFECTIVE DATE: This exemption is effective on December 14, 1981.

FOR FURTHER INFORMATION CONTACT: Rachel S. Diamond, Chemical Control Division (TS-794), Office of Toxic Substances, Environmental Protection Agency, Rm. E-206, 401 M St., SW., Washington, D.C. 20460, (202-426-8815).

SUPPLEMENTARY INFORMATION: Under section 5 of TSCA, anyone who intends to manufacture in, or import into, the United States a new chemical substance for commercial purposes must submit a notice to EPA before manufacture or import begins. A "new" chemical substance is any chemical substance that is not on the Inventory of existing substances compiled by EPA under section 8(b) of TSCA. Section 5(a)(1) requires each premanufacture notice (PMN) to be submitted in accordance with section 5(d) and any applicable requirements of section 5(b). Section 5(d)(1) defines the contents of a PMN and section 5(b) contains additional reporting requirements for certain new chemical substances.

Section 5(h), "Exemptions", contains several provisions for exemptions from some or all of the requirements of section 5. In particular, section 5(h)(1) authorizes EPA, upon application, to exempt persons from any requirements of section 5(a) or section 5(b), and to permit them to manufacture or process chemical substances for test marketing purposes. To grant an exemption, the Agency must find that the test marketing activities will not present any unreasonable risk of injury to health or the environment. EPA must either approve or deny the application within 45 days of its receipt, and under section 5(h)(6) the Agency must publish a notice of this disposition in the **Federal Register**. If EPA grants a test marketing exemption, it may impose restrictions on the test marketing activities.

On November 5, 1981, EPA received an application for an exemption from the requirements of sections 5(a) and 5(b) of TSCA to manufacture a new chemical substance for test marketing purposes. The application was assigned test marketing exemption number TM-81-46. The manufacturer has claimed its identity, the specific chemical identity, the specific use of the new substance, and the production volume as confidential business information. The generic name of the new substance is polyglycol styrene acrylic polymer and it will have an open use as a raw material for an industrial, commercial,

and consumer product. During manufacture and processing at either of two sites, dermal exposure may occur to four workers, 1–4 hours per day for 30 days. A notice published in the Federal Register of November 17, 1981 (46 FR 56500) announced receipt of this application and requested comment on the appropriateness of granting the exemption. The Agency did not receive any comments concerning the application.

EPA has established that the test marketing of the substance described in TM–81–46, under the conditions set out in the application, will not present any unreasonable risk of injury to health or the environment for the reasons explained below. No significant health concerns were identified for the TME substance. The substance will be a minor constituent of a final product. No significant environmental concerns were identified and environmental release of the substance will be low.

This test marketing exemption is granted based on the facts and information obtained and reviewed, but is subject to all conditions set out in the exemption application and, in particular, those enumerated below.

1. This exemption is granted solely to this manufacturer.

2. The applicant must maintain records of the date(s) and amounts of manufacture of the new chemical, and must make these records available to EPA upon request.

3. Each bill of lading that accompanies a shipment of the substance during the test marketing period must state that the use of the substance is restricted to that described to EPA in the test marketing exemption application.

4. The production volume of the new substance may not exceed the quantity described in the test marketing exemption application.

5. The test marketing activity approved in this notice is limited to a period of 60 days commencing on the date of signature of this notice by the Administrator.

6. The number of workers exposed to the new chemical should not exceed that specified in the application, and the duration of exposure should not exceed that specified.

The Agency reserves the right to rescind its decision to grant this exemption should any new information come to its attention which casts significant doubt on the Agency's conclusion that the test marketing of this substance under the conditions specified in the application will not present an unreasonable risk of injury to human health or the environment.

Dated: December 14, 1981.

Anne M. Gorsuch,

Administrator.

[FR Doc. 81-36313 Filed 12-18-81; 8:45 am]

BILLING CODE 6560-31-M

FEDERAL EMERGENCY MANAGEMENT AGENCY

[FEMA-650-DR]

Massachusetts; Major Disaster and Related Determinations

AGENCY: Federal Emergency Management Agency.

ACTION: Notice.

SUMMARY: This is a notice of the Presidential declaration of a major disaster for the Commonwealth of Massachusetts (FEMA–650–DR), dated December 3, 1981, and related determinations.

DATED: December 3, 1981.

FOR FURTHER INFORMATION CONTACT: Sewall H. E. Johnson, Disaster Assistance Programs, Federal Emergency Management Agency, Washington, D.C. 20472, (202) 287–0491.

Notice: Pursuant to the authority vested in the Director of the Federal Emergency Management Agency by the President under Executive Order 12148, effective July 15, 1979, and delegated to me by the Director under Federal Emergency Management Agency delegation of authority, and by virtue of the Act of May 22, 1974, entitled "Disaster Relief Act of 1974" (88 Stat. 143); notice is hereby given that, in a letter of December 3, 1981, the President declared a major disaster as follows:

I have determined that the damage in certain areas of the Commonwealth of Massachusetts resulting from a fire which began on November 28, 1981, is of sufficient severity and magnitude of warrant a major-disaster declaration under Pub. L. 93–288. I therefore declare that such a major disaster exists in the Commonwealth of Massachusetts.

In order to provide Federal assistance, you are hereby authorized to allocate, from funds available for these purposes, such amounts as you find necessary for Federal disaster assistance and administrative expenses. Consistent with the requirements that Federal assistance be supplemental, the Federal funds under Pub. L. 93–288 will be limited to 75 percent of all eligible public assistance in designated areas except for technical assistance which will be funded at 100 percent.

The time period prescribed for the implementation of section 313(a), priority to certain applications for public facility and public housing assistance, shall be for a period not to exceed six months after the date of this declaration.

Notice is hereby given that pursuant to the authority vested in the Director of Federal Emergency Management Agency under Executive Order 12148, and delegated to me by the Director under the Federal Emergency Management Agency Delegation of Authority, I hereby appoint Mr. David M. Sparks of the Federal Emergency Management Agency to act as the Federal Coodinating Officer for this declared major disaster.

I do hereby determine the following area of the Commonwealth of Massachusetts to have been affected adversely by this declared major disaster.

The City of Lynn for Individual Assistance and Public Assistance.

(Catalog of Federal Domestic Assistance No. 83–300, Disaster Assistance)

Lee M. Thomas,

Associate Director, State and Local Programs and Support, Federal Emergency Management Agency.

[FR Doc. 81-36258 Filed 12-18-81; 8:45 am]

BILLING CODE 6718-02-M

FEDERAL MARITIME COMMISSION

[Independent Ocean Freight Forwarder License No. 333]

Gallagher and Ascher Co.; Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no Independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime Commission General Order 4 further provides that a license shall be automatically revoked for failure of a licensee to maintain a valid bond on file.

The bond issued in favor of Gallagher and Ascher Co., 222 West Adams Street, Chicago, IL 60606 was cancelled effective October 24, 1979.

By letter dated September 26, 1979, Gallagher and Ascher Co. was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder License No. 333 would be automatically revoked unless a valid surety bond was filed with the Commission.

Gallagher and Ascher Co. has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981:

Notice is hereby given, That Independent Ocean Freight Forwarder

License No. 333 be and is hereby revoked effective October 24, 1979.

It is ordered, That Independent Ocean Freight Forwarder License No. 333 issued to Gallagher and Ascher Co. be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order be published in the Federal Register and served upon Gallagher and Ascher Co.

Albert J. Klingel, Jr.,

Director, Bureau of Certification & Licensing.

[FR Doc. 81-36333 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Feight Forwarder License No. 2111]

Gaynar Shipping (Texas) Inc.; Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime Commission General Order 4 further provides that a license shall be automatically revoked for failure of a licensee to maintain a valid bond on file.

The bond issued in favor of Gaynar Shipping (Texas) Inc., 3212 Smith St., Suite 201, Houston, TX 77006 was cancelled effective January 12, 1980.

By letter dated January 3, 1980, Gaynar Shipping (Texas) Inc. was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder License No. 2111 would be automatically revoked unless a valid surety bond was filed with the Commission.

Gaynar Shipping (Texas) Inc. has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981;

Notice is hereby given, That Independent Ocean Freight Forwarder License No. 2111 be and is hereby revoked effective January 12, 1980.

It is ordered, That Independent Ocean Freight Forwarder License No. 2111 issued to Gaynar Shipping (Texas) Inc. be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order be published in the Federal Register and served upon Gaynar Shipping (Texas) Inc.

Albert J. Klingel, Jr.,

Director, Bureau of Certification & Licensing.

[FR Doc. 81-36334 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Freight Forwarder License No. 377]

Gurge & Company; Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime Commission General Order 4 further provides that a license shall be automatically revoked for failure of a license to maintain a valid bond on file.

The bond issued in favor of Gurge & Company, 11 Broadway, New York, NY 10004 was cancelled effective November 16, 1979.

By letter dated October 18, 1979, Gurge & Company was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder License No. 377 would be automatically revoked unless a valid surety bond was filed with the Commission.

Gurge & Company has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981;

Notice is hereby given, That Independent Ocean Freight Forwarder License No. 377 be and is hereby revoked effective November 16, 1979.

It is ordered, That Independent Ocean Freight Forwarder License No. 377 issued to Gurge & Company be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order be published in the Federal Register and served upon Gurge & Company.

Albert J. Klingel, Jr.,

Director, Bureau of Certification & Licensing.

[FR Doc. 81-36335 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

Independent Ocean Freight Forwarder License; Applicants; Faith Freight Forwarding Corp. et al.

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as independent ocean freight forwarders pursuant to section 44(a) of the Shipping Act, 1916 (75 Stat. 522 and 46 U.S.C. 841(c)).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to communicate with the Director, Bureau of Certification and Licensing, Federal Maritime Commission, Washington, D.C. 20573.

Faith Freight Forwarding Corp., New Orleans Division, Inc., 4440 Earhart Blvd., New Orleans, LA 70125

Officers:
Luis C. Gomez, President
Roberto Faith

Victor A. Cienfuegos, dba Cione Forwarding , 11403 Davenrich Street, Santa Fe Springs, CA 90670

E.D.S. International Shipping Corp., 506 Cozine Avenue, Brooklyn, NY 11208

Officers:
David Kadoch, President
Yigal Aviani, Vice President
Sheila Kadoch, Secretary.

By the Federal Maritime Commission.

Dated: December 16, 1981.

Francis C. Hurney,

Secretary.

[FR Doc. 81-36341 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Freight Forwarder License No. 1791-R]

Jack P. Hyams Associates, Ltd.; Order of Revocation

On February 21, 1980, Jack P. Hyams Associates, Ltd., 153-40 Rockaway Blvd., Jamaica, NY 11434 surrendered its Independent Ocean freight Forwarder License No. 1791-R for revocation.

Therefore, by virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(e) dated November 12, 1981;

It is ordered, That Independent Ocean Freight Forwarder License No. 1791-R issued to Jack P. Hyams Associates, Ltd. be revoked effective February 21, 1980, without prejudice to reapplication for a license in the future.

It is further ordered, That a copy of this Order be published in the Federal Register and served upon Jack P. Hyams Associates, Ltd.

Albert J. Klingel, Jr.,

Director, Bureau of Certification and Licensing.

[FR Doc. 81-36339 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Freight Forwarder License No. 49]

Kaufman & Vinson Co., Inc.; Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime

Commission General Order 4 further provides that a license shall be automatically revoked for failure of a licensee to maintain a valid bond on file.

The bond issued in favor of Kaufman & Vinson Co., Inc., One World Trade Center, New York, NY 10048 was cancelled effective December 1, 1979.

By letter dated November 6, 1979, Kaufman & Vinson Co., Inc. was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder No. 49 would be automatically revoked unless a valid surety bond was filed with the Commission.

Kaufman & Vinson Co., Inc. has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981;

Notice is hereby given, That Independent Ocean Freight Forwarder License No. 49 be and is hereby revoked effective December 1, 1979.

It is ordered, That Independent Ocean Freight Forwarder License No. 49 issued to Kaufman & Vinson Co., Inc. be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order be published in the **Federal Register** and served upon Kaufman & Vinson Co., Inc.

Albert J. Klingel, Jr., Director,

Bureau of Certification & Licensing.

[FR Doc. 81-36340 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Freight Forwarder License No. 852-R]

Leo Hill, Inc. (Hill-Tampa, d.b.a.); Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime Commission General Order 4 further provides that a license shall be automatically revoked for failure of a licensee to maintain a valid bond on file.

The bond issued in favor of Leo Hill, Inc. (Hill-Tampa, aba), 704 N. 13th Street, Tampa, FL 33605 was cancelled effective August 2, 1979.

Leo Hill, Inc. (Hill-Tampa, d.b.a.) has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981.

Notice is hereby given, That Independent Ocean Freight Forwarder License No. 852-R be and is hereby revoked effective August 2, 1979.

It is ordered, That Independent Ocean Freight Forwarder License No. 852-R issued to Leo Hill, Inc. (Hill-Tampa, d.b.a.) be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order be published in the **Federal Register** and served upon Leo Hill, Inc. (Hill-Tampa, d.b.a.).

Albert J. Klingel, Jr.,

Director, Bureau of Certification & Licensing.

[FR Doc. 81-36336 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Freight Forwarder License No. 921-R]

Pacific Terminals International, Inc.; Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime Commission General Order 4 further provides that a license shall be automatically revoked for failure of a licensee to maintain a valid bond on file.

The bond issued in favor of Pacific Terminals International, Inc., P.O. Box 6279, Bellevue, Washington 98007 was cancelled effective March 12, 1980.

By letter dated February 13, 1980, Pacific Terminals International, Inc. was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder License No. 921-R would be automatically revoked unless a valid surety bond was filed with the Commission.

Pacific Terminals International, Inc. has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981;

Notice is hereby given, That Independent Ocean Freight Forwarder License No. 921-R be and is hereby revoked effective March 12, 1980.

It is ordered, That Independent Ocean Freight Forwarder License No. 921-R issued to Pacific Terminals International, Inc. be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order be published in the **Federal Register** and served upon Pacific Terminals International, Inc.

Albert J. Klingel, Jr.,

Director, Bureau of Certification & Licensing

[FR Doc. 81-36338 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Freight Forwarder License No. 1558]

Roland Thompson Agency, Inc.; Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime Commission General Order 4 further provides that a license shall be automatically revoked for failure of licensee to maintain a valid bond on file.

The bond issued in favor of Roland Thompson Agency, Inc., 1160 N.W., 72nd Avenue, #707, Miami, FL 33126 was cancelled effective November 28, 1979.

By letter dated October 30, 1979, Roland Thompson Agency, Inc. was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder No. 1558 would be automatically revoked unless a valid surety bond was filed with the Commission.

Roland Thompson Agency, Inc. has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981;

Notice is hereby given, That Independent Ocean Freight Forwarder License No. 1558 be and is hereby revoked effective November 28, 1979.

It is ordered, That independent Ocean Freight Forwarder License No. 1558 issued to Roland Thompson Agency, Inc. be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order by published in the Federal Register and served upon Roland Thompson Agency, Inc.

Albert J. Klingel, Jr., Director,

Director, Bureau of Certification & Licensing.

[FR Doc. 81-36337 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Freight Forwarder License No. 329]

Universal Foreign Service, Inc.; Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no independent ocean

freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime Commission General Order 4 further provides that a license shall be automatically revoked for failure of a licensee to maintain a valid bond on file.

The bond issued in favor of Universal Foreign Service, Inc., World Trade Center, Suite 350, 350 South Figueroa Street, Los Angeles, CA 90071 was cancelled effective September 15, 1979.

By letter dated August 17, 1979, Universal Foreign Service, Inc. was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder License No. 329 would be automatically revoked unless a valid surety bond was filed with the Commission.

Universal Foreign Service, Inc. has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth in Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981;

Notice is hereby given, That Independent Ocean Freight Forwarder License No. 329 be and is hereby revoked effective September 15, 1979.

It is ordered, That Independent Ocean Freight Forwarder License No. 329 issued to Universal Foreign Service, Inc. be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order be published in the **Federal Register** and served upon Universal Foreign Service, Inc.

Albert J. Klingel, Jr.,

Director, Bureau of Certification & Licensing.

[FR Doc. 81-36332 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

[Independent Ocean Freight Forwarder License No. 1837]

World Cargo, Ltd.; Order of Revocation

Section 44(c), Shipping Act, 1916, provides that no independent ocean freight forwarder license shall remain in force unless a valid bond is in effect and on file with the Commission. Rule 510.15(d) of Federal Maritime Commission General Order 4 further provides that a license shall be automatically revoked for failure of a licensee to maintain a valid bond on file.

The bond issued in favor of World Cargo, Ltd., 4775 Lima Street, Denver, CO 80239 was cancelled effective January 2, 1980.

By letter dated December 17, 1979, World Cargo, Ltd. was advised by the Federal Maritime Commission that Independent Ocean Freight Forwarder License No. 1837 would be automatically revoked unless a valid surety bond was filed with the Commission.

World Cargo, Ltd. has failed to furnish a valid bond.

By virtue of authority vested in me by the Federal Maritime Commission as set forth In Manual of Orders, Commission Order No. 1 (revised), section 10.01(f) dated November 12, 1981;

Notice is hereby given, That Independent Ocean Freight Forwarder License No. 1837 be and is hereby revoked effective January 2, 1980.

It is ordered, That Independent Ocean Freight Forwarder License No. 1837 issued to World Cargo, Ltd. be returned to the Commission for cancellation.

It is further ordered, That a copy of this Order be published in the **Federal Register** and served upon World Cargo, Ltd.

Albert J. Klingel, Jr.,

Director, Bureau of Certification & Licensing.

[FR Doc. 81-36331 Filed 12-18-81; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL RESERVE SYSTEM

AmSouth Bancorporation; Acquisition of Bank

AmSouth Bancorporation, Birmingham, Alabama, has applied for the Board's approval under section 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 percent of the voting shares of the successor by merger to Parker Bank and Trust Company, Cullman, Alabama. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Atlanta. Any person wishing to comment on the application should submit views in writing to the Reserve Bank to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36301 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Bank Securities, Inc.; Acquisition of Bank

Bank Securities, Inc., Albuquerque, New Mexico, has applied for the Board's approval under § 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares of First National Bank of Socorro, Socorro, New Mexico. The factors that are considered in acting on the application are set forth in 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36302 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Colorado National Bankshares, Inc.; Acquisition of Bank

Colorado National Bankshares, Inc., Denver, Colorado, has applied for the Board's approval under 3(a)(3) of the Bank Holding Company Act (12 U.S.C. 1842(a)(3)) to acquire 100 per cent of the voting shares of Colorado National Bank—Boulder, Boulder, Colorado, a *de novo* bank. The factors that are considered in acting on the application are set forth in 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Kansas City. Any person wishing to comment on the application should submit views in writing to the Reserve Bank to be received not later than January 10, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 15, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36349 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Banco Do Commercio E Industria De Sao Paulo, S.A.; Corporation to Do Business Under the Federal Reserve Act

An application has been submitted for the Board's approval of the organization of a corporation to do business under section 25(a) of the Federal Reserve Act ("Edge Corporation"), to be known as Comind International Banking Corporation, Houston, Texas. Comind International Ban King Corporation would operate as a subsidiary of Banco do Commercio e Industria de Sao Paulo, S.A., Sao Paulo, Federative Republic of Brazil. The factors that are considered in acting on the application are set forth in § 211.4(a) of the Board's Regulation K (12 CFR 211.4(a)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of New York. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551 to be received not later than January 10, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identify specifically any questions of fact that are in dispute and summarize the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 15, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36351 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Girard International Bank; Establishment of U.S. Branch of a Corporation Organized Under the Federal Reserve Act

Girard International Bank, New York, New York, a corporation organized under section 25(a) of the Federal Reserve Act, has applied for the Board's approval under § 211.4(c)(1) of the Board's Regulation K (12 CFR 211.4(c)(1)), to establish a branch in Miami, Florida, and to change the location of its corporate headquarters from its branch in New York, New York, to the proposed Miami, Florida, branch office. Girard International Bank operates as a subsidiary of Girard Bank, Philadelphia, Pennsylvania.

The factors that are to be considered in acting on this application are set forth in § 211.4(a) of the Board's Regulation K (12 CFR 211.4(a)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of New York. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551 to be received no later than January 10, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identify specifically any questions of fact that are in dispute, and summarize the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 15, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36347 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Centerville Bancshares, Inc.; Formation of Bank Holding Company

Centerville Bancshares, Inc., Centerville, Texas, has applied for the Board's approval under 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company by acquiring 100 per cent of the voting shares of The Centerville State Bank, Centerville, Texas. The factors that are considered in acting on the application are set forth in 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 9, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 15, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36350 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

F&M Shares-Corp.; Formation of Bank Holding Company

F&M Shares-Corp, Eagle Grove, Iowa, has applied for the Board's approval under 3(a)(1) of the Bank Holding Company Act (12 U.S.C 1842(a)(1)) to become a bank holding company by acquiring 80 percent or more of the voting shares of Farmers & Merchants Savings Bank, Manchester, Iowa. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Chicago. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36303 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

F.T. Bancshares, Inc., Formation of Bank Holding Company

F.T. Bancshares, Inc., Shelbyville, Kentucky, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company by acquiring 80 percent or more of the voting shares of Farmers and Traders Bank, Inc., Shelbyville, Kentucky. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of St. Louis. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 10, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 15, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36348 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

First National Bankshares of Beloit, Inc., Formation of Bank Holding Company

First National Bankshares of Beloit, Inc., Beloit, Kansas, has applied for the Board's approval under 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company by acquiring 83.9 percent or more of the voting shares of The First National Bank of Beloit, Beloit, Kansas. The factors that are considered in acting on the application are set forth in 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Kansas City. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36304 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

First Olathe Bancshares, Inc.; Formation of Bank Holding Company

First Olathe Bancshares, Inc., Olathe, Kansas, has applied for the Board's approval under 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company by acquiring 91 percent or more of the voting shares of The First National Bank of Olathe, Olathe, Kansas. The factors that are considered in acting on the application are set forth in 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Kansas City. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36305 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

First Pacific Bancorp, Inc.; Formation of Bank Holding Company

First Pacific Bancorp, Inc., Los Angeles, California, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company by acquiring 80 percent or more of the voting shares of First Pacific Bank, Los Angeles, California. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of San Francisco. Any person wishing to comment on the the application should submit views in writing to the Reserve Bank, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36306 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Georgia State Bankshares, Inc.; Formation of Bank Holding Company

Georgia State Bankshares, Inc., Mableton, Georgia, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company by acquiring 100 percent of the voting shares of Georgia State Bank, Mableton, Georgia. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Atlanta. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36307 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Heights Bancshares, Inc.; Formation of Bank Holding Company

Heights Bancshares, Inc., Harker Heights, Texas, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C 1842(a)(1)) to become a bank holding company by acquiring 80 percent or more of the voting shares of Heights Bank, Harker Heights, Texas. The factors that are considered in acting on the application are set forth in section 3(c) of the Act (12 U.S.C 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36308 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Menno Holding Company; Formation of Bank Holding Company

Menno Holding Company, Menno, South Dakota, has applied for the Board's approval under section 3(a)(1) of the Bank Holding Company Act (12 U.S.C 1842(a)(1)) to become a bank holding company by acquiring 97.5 percent of the voting shares of Menno State Bank, Menno, South Dakota. The factors that are considered in acting on

the application are set forth in section 3(c) of the Act (12 U.S.C 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Minneapolis. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36309 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Pinemont Financial Corp.; Formation of Bank Holding Company

Pinemont Financial Corporation, Houston, Texas, has applied for the Board's approval under 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company by acquiring 100 percent of the voting shares of Pinemont Bank, Houston, Texas. The factors that are considered in acting on the application are set forth in 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit views in writing to the Reserve Rank, to be received not later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.

Assistant Secretary of the Board.

[FR Doc. 81-36310 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Telluride Bank Shares, Inc.; Formation of Bank Holding Company

Telluride Bank Shares, Inc., Crawford, Colorado, has applied for the Board's approval under 3(a)(1) of the Bank Holding Company Act (12 U.S.C 1842(a)(1)) to become a bank holding company by acquiring 80 percent or more of the voting shares of The Bank of Telluride, Telluride, Colorado. The factors that are considered in acting on the application are set forth in 3(c) of the Act (12 U.S.C 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Kansas City. Any person wishing to comment on the application should submit views in writing to the Reserve Bank, to be received not later than January 10, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 15, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36352 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

Valley Bancshares, Inc.; Formation of Bank Holding Company

Valley Bancshares, Inc., McAllen, Texas, has applied for the Board's approval under 3(a)(1) of the Bank Holding Company Act (12 U.S.C. 1842(a)(1)) to become a bank holding company by acquiring 100 per cent, less directors' qualifying shares, of the voting shares of the successor by consolidation to The Valley National Bank, McAllen, Texas. The factors that are considered in acting on the application are set forth in 3(c) of the Act (12 U.S.C. 1842(c)).

The application may be inspected at the offices of the Board of Governors or at the Federal Reserve Bank of Dallas. Any person wishing to comment on the application should submit views in writing to the Secretary, Board of Governors of the Federal Reserve System, Washington, D.C. 20551 to be received no later than January 7, 1982. Any comment on an application that requests a hearing must include a statement of why a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute and summarizing the evidence that would be presented at a hearing.

Board of Governors of the Federal Reserve System, December 8, 1981.

Theodore E. Downing, Jr.,

Assistant Secretary of the Board.

[FR Doc. 81-36300 Filed 12-18-81; 8:45 am]

BILLING CODE 6210-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

Pharmaceutical Reimbursement Board; Suspension of Maximum Allowable Cost Limits on Specific Drug Products

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Suspension Notice for the Maximum Allowable Cost on dicloxacillin sodium, oral capsule, 250 mg.

SUMMARY: The Pharmaceutical Reimbursement Board announces the suspension of the maximum allowable cost (MAC) limit on dicloxacillin sodium, oral capsule, 250 mg., effective November 19, 1981. The limit for this drug product was published on October 24, 1980 (45 FR 70574), and became effective on December 8, 1980.

The suspension of the MAC limit on dicloxacillin sodium, oral capsule, 250 mg., is based upon information from Ayerst Laboratories. At the time the MAC limit was established, Ayerst Laboratories listed a wholesale price of $0.2690 per capsule for the product and supplied eleven percent of the market based on dollar volume.

Because Ayerst Laboratories will no longer supply the market with its brand of dicloxacillin sodium, and the Board's concern that the product may not be widely and consistently available in the marketplace at the established MAC limit, the Board is suspending the MAC limit for this product. The Pharmaceutical Reimbursement Board may reinstitute procedures to establish a new MAC limit on this drug product in the future.

FOR FURTHER INFORMATION CONTACT: Charles Spalding, Executive Secretary, Pharmaceutical Reimbursement Board, 1-D-5 East Low Rise Building, 6325 Security Boulevard, Baltimore, Maryland 21207.

Dated: November 20, 1981.

Peter J. Rodler,

Chairman, Pharmaceutical Reimbursement Board.

[FR Doc 81-36343 Filed 12-18-81; 8:45 am]

BILLING CODE 4120-03-M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[ES 8517]

Michigan; Termination of Proposed Withdrawal and Reservation of Land

Notice of the Department of Agriculture, Forest Service application ES 8517 for withdrawal and reservation of the following described land from all forms of appropriation under the public land laws was published as FR Doc. 79–16556 on page 30769 of the **Federal Register**, published on May 29, 1979. The applicant has canceled the application in its entirety.

Michigan Meridian, Michigan.

T. 44 N., R. 31 W.,
Sec. 23, Lots 8 and 11.
Containing an aggregate of 112.00 acres.

T. 47 N., R. 13 W.,
Sec. 18, Lot 1.
Containing 35.74 acres.

Pursuant to the regulations contained in 43 CFR 2310.2–1(c), these lands shall at 7:30 a.m. on January 20, 1982, be relieved of the segregative effect resulting from the above referenced publication.

Jeff O. Holdren,

Chief, Division of Lands and Minerals Operations.

[FR Doc. 81-36241 Filed 12-18-81; 8:45 am]

BILLING CODE 4310-84-M

[CA 5322]

Los Angeles County, California, Watershed; Proposed Opening of Land to the Mining Laws

December 10, 1981.

The Forest Service, U.S. Department of Agriculture, has filed application CA 5322 to revoke 80 acres of land withdrawn from location or entry under the mining laws by the Act of May 29, 1928 (45 Stat. 958) to conserve the water resources and to encourage reforestation of the watershed of Los Angeles County, California.

This land is located within the Angeles National Forest and is reported to be mineral in character with considerable more value for mineral development than for water resource development. The land subject to this action remains under the jurisdiction of the Forest Service.

On or before January 19, 1982, all persons who wish to submit comments, suggestions, or objections regarding this proposed revocation may present their views in writing to the undersigned officer of the Bureau of Land Management, U.S. Department of the Interior, Room E–2841 Federal Office Building, 2800 Cottage Way, Sacramento, California 95825.

If circumstances warrant, a public hearing will be held at a convenient time and place, which will be announced.

The land involved in the application is as follows:

San Bernardino Meridian

Angeles National Forest

T. 2 N., R. 7 W.,
Sec. 31, S½SE¼.

The above described land aggregates 80 acres in San Bernardino County, California.

Joan B. Russell,

Chief, Lands Section, Branch of Lands and Minerals Operations.

[FR Doc. 81-36126 Filed 12-18-81; 8:45 am]

BILLING CODE 4310-84-M

Utah; Proposed Withdrawal and Opportunity for Public Hearing

On December 13, 1981, a petition was approved allowing the Bureau of Reclamation to file an application to withdraw the following described national forest lands from location and entry under the mining laws, but not the mineral leasing laws, subject to valid existing rights:

ASHLEY NATIONAL FOREST

Uintah Meridian

Swift Creek Trailhead

T. 2 N., R. 4 W.,
Sec. 4, lots 3 and 4, NW¼SE¼NW¼, NE¼SW¼NW¼.

Center Park Trailhead

T. 3 N., R. 5 W.,
Sec. 34, SW¼SW¼, S½NW¼SW¼.

The area described contains 159.91 acres in Duchesne County.

The purpose of the withdrawal is to permit the construction of recreation facilities in connection with the Upalco Unit of the Central Utah Project.

On or before March 22, 1981, all persons who wish to submit comments, suggestions, or objections in connection with the proposed withdrawal may present their views in writing to the undersigned officer of the Bureau of Land Management.

In accordance with section 204(h) of the Federal Land Policy and Management Act of 1976, notice is given that an opportunity for a public hearing is afforded in connection with the proposed withdrawal. All persons who desire to be heard on the proposed withdrawal must submit a written request for a hearing to the undersigned at the address shown below. Upon determination by the authorized officer that a public hearing will be held, a notice of the time and place will be published in the **Federal Register** at least 30 days before the scheduled date of the meeting.

This application will be processed in accordance with the regulations set forth in 43 CFR Part 2300.

For a period of 2 years from the date of publication of this notice in the **Federal Register**, the lands will be segregated from location and entry under the mining laws as specified above unless the application is denied or canceled, or the withdrawal is approved prior to that date. The temporary uses which will be permitted during this segregative period are grazing and non-occupancy oil and gas leasing.

The temporary segregation of the lands in connection with a withdrawal application or proposal shall not affect administrative jurisdiction over the lands, and the segregation shall not have the effect of authorizing any use of the lands by the Bureau of Reclamation.

All communications in connection with this proposed withdrawal should be addressed to the Chief, Branch of Lands and Minerals Operations, Bureau of Land Management, Department of the Interior, University Club Building, 136 East South Temple, Salt Lake City, Utah 84111.

Darrell Barnes,

Chief, Branch of Lands and Minerals Operations.

December 13, 1981.

[FR Doc. 81-36291 Filed 12-18-81; 8:45 am]

BILLING CODE 4310-84-M

Fish and Wildlife Service

Endangered Species Permit; Receipt of Applications

The applicant listed below wishes to conduct specific activities with Endangered Species.

Applicant: Columbus Zoological Gardens, Powell, Ohio—PRT 2–8709

The applicant requests a permit to import one male captive-bred white Bengal tiger (*Panthera tigris*) from the Delhi Zoological Park, India, for enhancement of propagation.

Humane care and treatment during transport, if applicable, has been indicated by the applicants.

Documents and other information submitted with these applications are available to the public during normal business hours in Room 601, 1000 N. Glebe, Arlington, Virginia, or by writing to the U.S. Fish & Wildlife Service, WPO, P.O. Box 3654, Arlington, VA 22203.

Interested persons may comment on these applications within 30 days of the date of this publication by submitting written data, views, or arguments to the above address. Please refer to the file number when submitting comments.

Dated: December 16, 1981.

R. K. Robinson,

Chief, Branch of Permits Federal Wildlife Permit Office.

[FR Doc. 81-36045 Filed 12-18-81; 8:45 am]
BILLING CODE 4310-55-M

National Park Service

National Register of Historic Places; Pending Nominations

Nominations for the following properties being considered for listing in the National Register were received by the National Park Service before December 11, 1981. Waiver of the 15-day public commenting period following this publication is necessary for the Oregon nominations listed below in order for listing of eligible properties to be accomplished before December 31, 1981. Listing in the National Register by this date will enable property owners to take advantage of Oregon's Historic Property Tax Law of 1975 (ORS 358.475), which provides that owners of properties entered into the National Register of Historic Places, including those properties which have been designated as contributing features of historic districts, may apply for special assessment status—a freeze of the assessed valuation for a 15-year period. Waiver of the public commenting period will allow timely listing which is necessary to aid in the preservation of these properties.

Carol D. Shull,

Acting Keeper of the National Register.

OREGON

Jackson County

Ashland, *Pracht, Humboldt, House,* 234 Vista St.

Marion County

Butteville, *Scheurer, William Riley, House,* 23707 1st St., NE.

[FR Doc. 81-36208 Filed 12-18-81; 8:45 am]
BILLING CODE 4310-70-M

United States World Heritage Nominations 1982; Cahokia Mounds State Historic Site, Illinois

AGENCY: National Park Service, Interior.

ACTION: Public notice.

SUMMARY: The Department of the Interior, through the National Park Service, announces the nomination of Cahokia Mounds State Historic Site in Illinois to the World Heritage Committee for inscription on the World Heritage List. The nomination is the result of Interior's annual World Heritage nomination process, which was initiated through a January 13, 1981, Federal Register notice (46 FR 3073). The Department earlier announced the identification of Cahokia Mounds as a proposed U.S. World Heritage nomination (46 FR 36757). The nomination is being submitted to the Secretariat of the World Heritage Committee for consideration through a process that could lead to Cahokia Mound's inscription on the World Heritage List in Fall 1982.

FOR FURTHER INFORMATION CONTACT: Mr. Robert A. Ritsch, Acting Associate Director, National Park Service, U.S. Department of the Interior, Washington, D.C. 20240 (202–343–4462).

SUPPLEMENTARY INFORMATION: The Convention Concerning the Protection of the World Cultural and Natural Heritage, ratified by the United States and 60 other countries as of this date, has established a system of international cooperation through which cultural and natural properties of outstanding universal value to mankind may be recognized and protected. The Convention seeks to put into place an orderly approach for coordinated and consistent heritage resource protection and enhancement throughout the world. The Convention complements each participating nation's heritage conservation programs, and provides for:

(a) The establishment of a 21-member World Heritage Committee assisted by UNESCO to further the goals of the Convention and to approve properties for inclusion on the World Heritage List;

(b) The development and maintenance of a World Heritage List to be comprised of natural and cultural properties of outstanding universal value;

(c) The preparation of a List of World Heritage in Danger;

(d) The establishment of a World Heritage Fund, with a primary function to assist participating countries in preserving and protecting endangered World Heritage properties;

(e) The provision of technical assistance to participating countries, upon request; and

(f) The promotion and enhancement of public knowledge and understanding of the vital importance of heritage conservation at the international level.

Participating nations identify and nominate their sites for inclusion on the World Heritage List, which currently includes 112 cultural and natural properties. The World Heritage Committee judges all nominations against established criteria. Under the Convention, each participating nation assumes responsibility for taking appropriate legal, scientific, technical, administrative, and financial measures necessary for the identification, protection, conservation, presentation, and rehabilitation of World Heritage properties situated within its borders.

The Federal Interagency Panel for World Heritage makes recommendations on proposed U.S. World Heritage nominations and related matters. The Panel includes representatives from the Office of the Assistant Secretary for Fish and Wildlife and Parks, the National Park Service, and the U.S. Fish and Wildlife Service within the Department of the Interior; the President's Council on Environmental Quality; the Smithsonian Institution; the Advisory Council on Historic Preservation; and the Department of State.

In the United States, the Interior Department is responsible for directing and coordinating U.S. participation in the World Heritage Convention. The Department implements its responsibilities under the Convention in accordance with the statutory mandate contained in Title IV of the National Historic Preservation Act Amendments of 1980 (Pub. L. 96–515; 16 U.S.C. 470a–1, a–2). On October 20, 1981, the Interior Department published in the Federal Register policies and procedures which it proposes to use to carry out this legislative mandate (46 FR 51557). The proposed rules contain further information on the Convention and its implementation in the United States.

United States World Heritage Nomination: 1982

The Interior Department, in cooperation with the Federal Interagency Panel for World Heritage, has selected the following property as a United States nomination to the World Heritage Committee for inscription on the World Heritage List:

Illinois

Cahokia Mounds State Historic Site. Cahokia Mounds State Historic Site, located in southwestern Illinois eight miles northeast of St. Louis, Missouri, includes roughly 1,300 acres of the central portion of one of the largest population centers known to have existed in prehistoric North America. Cahokia Mounds was the center of Mississippian development between 900 A.D. and 1300 A.D., after which time it was abruptly abandoned. As center of this development, Cahokia exerted

considerable influence on trade, political and social development, and various population groups throughout the southeast, mid-south, and midwest. The evolution of highly organized and complex political systems in prehistoric North America reached its zenith at Cahokia, with Monk's Mound, the largest prehistoric man-made structure north of central Mexico, as its focal point.

Criteria: (ii) It has exerted great influence, over a span of time or within a cultural area of the world, on developments in architecture, monumental arts, or townplanning and landscaping; (iii) it bears a unique or at least exceptional testimony to a civilization which has disappeared; and (iv) it is an outstanding example of a type of structure which illustrates a significant stage in history.

Dated: December 15, 1981.

J. Craig Potter,

Acting Deputy Assistant Secretary for Fish and Wildlife and Parks.

[FR Doc. 81-36292 Filed 12-18-81; 8:45 am]

BILLING CODE 4310-70-M

Office of the Secretary

Compliance With the National Environmental Policy Act; Notice of Intent To Prepare an Environmental Impact Statement

AGENCY: Department of the Interior.

ACTION: Notice of intent to prepare an environmental impact statement with regard to the submission of a report to the Congress concerning alternative definitions of undeveloped coastal barriers, as required by section 341(d)(2) of the Omnibus Budget Reconciliation Act (OBRA), and for the proposed designation of undeveloped and unprotected coastal barriers along the Atlantic and Gulf Coasts of the United States, as required by section 341(d)(1) of OBRA, for the purpose of restricting the availability of Federal flood insurance.

SUMMARY: The Department of the Interior announces its intent to prepare an environmental impact statement (EIS) to assess the environmental implications of possible revised definitions that may be recommended to Congress, and of a proposed rule to be issued by the Secretary of the Interior on or about August 13, 1982. The recommendations, if any, will concern legislative amendments to the definition of the term "coastal barriers" as defined in OBRA. The proposed rule will delineate those coastal barriers along the Atlantic and Gulf of Mexico Coasts which are proposed to be designated as undeveloped and unprotected coastal barriers under the existing definition.

ADDRESS: Comments may be submitted to: Mr. Ric Davidge, Chairman, Coastal Barriers Task Force, Department of the Interior, Washington, D.C. 20240, (202) 343-5347.

FOR FURTHER INFORMATION CONTACT: Mr. Hardy Pearce, National Park Service (780), Department of the Interior, Washington, D.C. 20240, (202) 272-3566.

SUPPLEMENTARY INFORMATION: On or before August 13, 1982, the Secretary of the Interior is required to transmit to the Congress a report of his findings and conclusions arising from a study conducted for the purpose of designating undeveloped coastal barriers and to include any recommendations regarding the definition of the term "coastal barrier," as presently defined. The Secretary of the Interior also intends to issue a proposed rule on or about August 13, 1982, which will delineate those coastal barriers along the Atlantic Coast and the Gulf of Mexico which are proposed to be designated as undeveloped and unprotected as presently defined in OBRA for the purpose of limiting the availability of Federal flood insurance in those areas. The Department of the Interior will prepare an EIS to assess the environmental implications of alternative actions the Secretary of the Interior may take pursuant to these OBRA responsibilities.

This EIS will examine the environmental effects of making the designations and compare them with effects of reasonable alternatives. Alternatives under consideration for analysis in the EIS include, but are not limited to: "no action," whereby no designations would be made; various alternative definitions of "coastal barriers", as presently contained in OBRA; and various alternative methodologies for determining an "undeveloped" status for coastal barriers.

The draft EIS will be issued for a 60-day public review and comment period as soon as feasible. In this regard, a notice was issued in the **Federal Register** on December 1, 1981 outlining the process the Department intended to follow to meet its OBRA responsibilities. (46 FR 58346.) This notice was amended on December 8, 1981. (46 FR 60022.) As indicated therein, the Department hopes to issue draft definitions and designations on or about January 15, 1982. This draft EIS should be available at that time, or shortly thereafter.

Interested agencies, organizations, and members of the general public are invited to submit comments or suggestions for consideration with regard to the scope and the preparation of this EIS. Upon completion of the draft EIS, its availability will be announced in the **Federal Register** and comments will again be solicited. All suggestions, comments, and questions should be submitted as quickly as possible in order to be considered in the preparation of the draft EIS.

Bruce Blanchard,

Director, Office of Environmental Project Review.

[FR Doc. 81-36299 Filed 12-18-81; 8:45 am]

BILLING CODE 4310-70-M

Office of Surface Mining Reclamation and Enforcement

Petition To Designate Certain Lands in Southeastern Montana Unsuitable for Surface Coal Mining Operations; Availability of Final Evaluation Document, Decision, and Statement of Reasons

AGENCY: Office of Surface Mining Reclamation and Enforcement, Interior.

ACTION: Notice of availability of the final petition evaluation document, the decision, and the statement of reasons for the decision.

SUMMARY: The Office of Surface Mining (OSM) and the Montana Department of State Lands (DSL) with the assistance of several Federal, State, and county agencies have prepared a final evaluation of the petition to designate certain lands in southeastern Montana unsuitable for all or certain types of surface coal mining and reclamation operations.

Copies of the final evaluation document, the decision, and the statement of reasons for the decision are being made available today. OSM and DSL have arranged delivery of these three items to known interested parties.

Additional information on this petition may be found in **Federal Register** notices of June 5, 1981 (Receipt of a Complete Petition for Designation of Lands as Unsuitable for Surface Coal Mining Operations, 46 FR 30202-03), and September 18, 1981 (Petition to Designate Certain Lands in Southeastern Montana Unsuitable for Surface Coal Mining Operations; Public Hearing; Availability of Draft Evaluation Document for the Tongue River Petition; 46 FR 46008-09).

DATE: The final evaluation document, the decision, and the statement of reasons for the decision are being made available on December 21, 1981.

ADDRESSES: Copies of the final document, the decision, and the statement of reasons are available at the following locations: OSM Headquarters, Room 133, Interior South, 1951 Constitution Ave., NW., U.S. Department of the Interior, Washington, DC 20240; OSM Western Technical Service Center, 2d Floor, Brooks Towers, 1020 15th Street, Denver, CO 80202; and Montana Department of State Lands, 1825 Eleventh Ave., Capitol Station, Helena, MT 59620.

FOR FURTHER INFORMATION CONTACT: Sandi Johnson (telephone: 406–449–4560) at the Helena, Mont., office listed under "Addresses" or John Lovell (telephone: 202–343–5981) at the Washington, D.C. office listed under "Addresses."

SUPPLEMENTARY INFORMATION: The analysis in the final petition evaluation document supplements the draft document's analysis of the following allegations made in the petition: (1) That surface coal mining on lands near the Tongue River would irreparably harm the water quality of the Tongue River and ground water and (2) that soil conditions would make reclamation technically and economically infeasible. Together the final and draft documents summarize available information on the petition area (including related NEPA reviews) as well as material from new studies. The documents also contain discussions of the potential coal resources in the area, the demand for coal resources, and the impacts of any designation on the environment, the economy, and the supply of coal, as well as the impact of alternatives available to the decisionmakers.

Public hearings were held on October 21 and 22, 1981, at Ashland, Mont. Responses to the hearings testimony and to written comments ont he draft document have been prepared and are published in the final document.

Date: December 15, 1981.

James R. Harris,

Director.

[FR Doc. 81-36330 Filed 12-18-81; 8:45 am]

BILLING CODE 4310-05-M

INTERSTATE COMMERCE COMMISSION

[Volume No. OP2-073]

Motor Carriers; Permanent Authority Decisions; Decision-Notice

Decided: December 11, 1981.

The following applications, filed on or after July 3, 1980, are governed by Special Rule 247 of the Commission's Rules of Practice, see 49 CFR 1100.247. Special Rule 247 was published in the **Federal Register** of July 3, 1980, at 45 FR 45539. For compliance procedures, refer to the **Federal Register** issue of December 3, 1980, at 45 FR 80109.

Persons wishing to oppose an application must follow the rules under 49 CFR 1100.247(B). A copy of any application, together with applicant's supporting evidence, can be obtained from any applicant upon request and payment to applicant of $10.00.

Amendments to the request for authority are not allowed. Some of the applications may have been modified prior to publication to conform to the Commission's policy of simplifying grants of operating authority.

Findings

With the exception of those applications involving duly noted problems (e.g., unresolved common control, fitness, water carrier dual operations, or jurisdictional questions) we find, preliminarily, that each applicant has demonstrated its proposed service warrants a grant of the application under the governing section of the Interstate Commerce Act. Each applicant is fit, willing, and able to perform the service proposed, and to conform to the requirements of Title 49, Subtitle IV, United States Code, and the Commission's regulations. Except where noted, this decision is neither a major Federal action significantly affecting the quality of the human environment nor a major regulatory action under the Energy Policy and Conservation Act of 1975.

In the absence of legally sufficient interest in the form of verified statements filed on or before 45 days from date of publication (or, if the application later becomes unopposed) appropriate authorizing documents will be issued to applicants with regulated operations (except those with duly noted problems) and will remain in full effect only as long as the applicant maintains appropriate compliance. The unopposed applications involving new entrants will be subject to the issuance of an effective notice setting forth the compliance requirements which must be satisified before the authority will be issued. Once this compliance is met, the authority will be issued.

Within 60 days after publication an applicant may file a verified statement in rebuttal to any statement in opposition.

To the extent that any of the authority granted may duplicate an applicant's other authority, the duplication shall be construed as conferring only a single operating right.

By the Commission, Review Board No. 1, Members Parker, Chandler and Fortier.

Agatha L. Mergenovich,

Secretary.

Note.—All applications are for authority to operate as a motor common carrier in interstate or foreign commerce over irregular routes, unless noted otherwise. Applications for motor contract carrier authority are those where service is for a named shipper "under contract".

MC 153202, filed December 15, 1980, published in the **Federal Register** issue of January 15, 1981, and republished, as corrected, this issue. Applicant: SEA TRANSPORT, INC., 2455 SW 12 St., Miami, FL 33135. Representative: Richard B. Austin, 320 Rochester Bldg., 8390 NW 53d St., Miami, FL 33166. Transporting *general commodities* (except classes A and B explosives), between those points in FL in and south of Jefferson, Madison, Hamilton, Columbia, Baker and Nassau Counties, FL, restricted to traffic having an immediately prior or subsequent movement by water. The purpose of this republication is to clarify the commodity and territory description.

[FR Doc 81-36250 Filed 12-18-81; 8:45 am]

BILLING CODE 7035-01-M

Motor Carriers; Permanent Authority Decisions; Decision-Notice

The following applications, filed on or after February 9, 1981, are governed by Special Rule of the Commission's Rules of Practice, see 49 CFR 1100.251. Special Rule 251 was published in the **Federal Register** of December 31, 1980, at 45 FR 86771. For compliance procedures, refer to the **Federal Register** issue of December 3, 1980, at 45 FR 80109.

Persons wishing to oppose an application must follow the rules under 49 CFR 1100.252. A copy of any application, including all supporting evidence, can be obtained from applicant's representative upon request and payment to applicant's representative of $10.00.

Amendments to the request for authority are not allowed. Some of the applications may have been modified prior to publication to conform to the Commission's policy of simplifying grants of operating authority.

Findings

With the exception of those applications involving duly noted problems (e.g., unresolved common control, fitness, water carrier dual operations, or jurisdictional questions) we find, preliminarily, that each applicant has demonstrated a public need for the proposed operations and

that it is fit, willing, and able to perform the service proposed, and to conform to the requirements of Title 49, Subtitle IV, United States Code, and the Commission's regulations. This presumption shall not be deemed to exist where the application is opposed. Except where noted, this decision is neither a major Federal action significantly affecting the quality of the human environment nor a major regulatory action under the Energy Policy and Conservation Act of 1975.

In the absence of legally sufficient opposition in the form of verified statements filed on or before 45 days from date of publication, (or, if the application later becomes unopposed) appropriate authorizing documents will be issued to applicants with regulated operations (except those with duly noted problems) and will remain in full effect only as long as the applicant maintains appropriate compliance. The unopposed applications involving new entrants will be subject to the issuance of an effective notice setting forth the compliance requirements which must be satisfied before the authority will be issued. Once this compliance is met, the authority will be issued.

Within 60 days after publication an applicant may file a verified statement in rebuttal to any statement in opposition.

To the extent that any of the authority granted may duplicate an applicant's other authority, the duplication shall be construed as conferring only a single operating right.

Note.—All applications are for authority to operate as a motor common carrier in interstate of foreign commerce over irregular routes, unless noted otherwise. Applications for motor contract carrier authority are those where service is for a named shipper "under contract". Please direct status inquiries to the Ombudsman's Office, (202) 275-7326.

Volume No. OPY-2-241

Decided: December 10, 1981.

By the Commission, Review Board No. 1, Members Parker, Chandler, and Fortier. (Member Parker not participating.)

MC 103383 (Sub-5), filed November 24, 1981. Applicant: SAFETY TANK LINE, 403 Old Greensboro Highway, Danville, VA 24541. Representative: Charles A. Taylor (same address as applicant), 804-793-1643. Transporting *textile mill products*, between points in the U.S. (except AK and HI), under continuing contract(s) with Barnes Supply Company, Inc., of Collinsville, VA.

MC 124333 (Sub-39), filed November 30, 1981. Applicant: BAKER PETROLEUM TRANSPORTATION CO., INC., Pyles Lane, New Castle, DE 19720. Representative: Lois H. Baker (same address as applicant), 302-652-0508. Transporting *petroleum and petroleum products*, between points in the U.S., under continuing contract(s) with Pittston Petroleum Inc., of Montvale, NJ.

MC 129872 (Sub-7), filed November 30, 1981. Applicant: SCHUSTER TRANSPORT, INC., Rte. 6, Menomonie, WI 54751. Representative: Stanley C. Olsen, Jr., 5200 Willson Rd. Suite 307, Edina, MN 55424, 612-927-8855. Transporting *food and related products*, between points in Barron, Dunn, Eau Claire, and Wood Counties, WI, and Madison County, KY, on the one hand, and, on the other, points in WI, IL, IA, MN, ND, SD, NE, KS, MO, OK, TX, AR, LA, MS, AL, GA, FL, TN, KY, IN, OH, and MI.

MC 129923 (Sub-23), filed November 27, 1981. Applicant: SHIPPERS TRANSPORTS, INC., 5010 Commerce St., West Memphis, AR 72301. Representative: Edward G. Grogan, Twentieth Fl., First Tennessee Bldg., Memphis, TN 38103, 901-526-2000. Transporting *agricultural chemicals, between points in the U.S. (except AK and HI)*.

MC 134272 (Sub-7F), filed December 1, 1981. Applicant: DAY & ROSS, LTD., P.O. Box 2099, Station A or Mapleton Rd., Moncton, New Brunswick, CD. Representative: John C. Lightbody, 30 Exchange St., Portland, ME 04101, (207) 773-5651. Transporting *general commodities* (except classes A and B explosives, commodities in bulk and household goods), between ports of entry on the international boundary line between the United States and Canada located in ME, MI, NH, NY, and VT, on the one hand, and, on the other, points in the U.S.

MC 134453 (Sub-28), filed November 30, 1981. Applicant: STERNLITE TRANSPORTATION COMPANY, Winsted, MN 55359. Representative: Robert P. Sack, P.O. Box 6010, West St. Paul, MN 55118, 612-457-6889. Transporting *metal products*, between points in Stark County, OH, on the one hand, and, on the other, points in the U.S.

MC 136733 (Sub-2), filed November 20, 1981. Applicant: WEISS TRANSPORTATION CO., INC., 4250 Wissahickon Ave., Philadelphia, PA 19129. Representative: Raymond A Thistle, Jr., Five Cottman Ct., Homestead Rd. & Cottman St., Jenkintown, PA 19046 (215) 576-0131. Transporting *general commodities* (except classes A and B explosives), between points in the U.S., under continuing contract(s) with Associated Warehousing Corp., of Philadelphia, PA.

MC 148443 (Sub-10), filed November 25, 1981. Applicant: SOUTH SHORE EQUIPMENT CORP., 1284 Miller Rd., Avon, OH 44011. Representative: Alan N. Johnson (same address as applicant) 216-934-6538. Transporting *general commodities* (except classes A and B explosives), between points in Pitt County, NC and Roanoke County, VA, on the one hand, and, on the other, points in the U.S.

MC 150163 (Sub-10), filed November 30, 1981. Applicant: HORWITH TRUCKS, INC. R.D. #1, Coplay, PA 18037. Representative: Francis W. Doyle, 323 Maple Ave., Southampton, PA 18966, 215-357-7220. Transporting *scrap or waste materials*, between points in CT, NJ, NY and PA.

MC 151173 (Sub-10), filed November 30, 1981. Applicant: HAR-BET, INC., 7209 Tara Blvd, Jonesboro, GA 30236. Representative: O.L. Godfrey, Jr. (same address as applicant) 404-478-4115. Transporting *general commodities* (except classes A and B explosives and commodities in bulk), between points in the U.S., under continuing contract(s) with Pomona Products Company, Division of Stokely-Van Camp, Inc., of Griffin, GA.

MC 151292, filed November 30, 1981. Applicant: DALE'S ARABIAN HORSE TRANSPORTATION, INC., Route 1, Box 197-A, Cottonwood, CA 96022. Representative: James R. Dale (same address as applicant) 916-347-6326. Transporting *breeding, race and show horses*, between points in the U.S. (except AK and HI).

MC 153563, filed November 3, 1981. Applicant: INLAND POLLUTION CONTROL, INC., P.O. Box 303, 385 Quincy Ave., Braintree, MA 02184. Representative: Joseph V. Polsinello, 26 James Road, Hanover, MA 02339 (617) 826-5505. Transporting *such commodities* as are dealt in or used by the pollution control industry, between points in IL, LA and TX, and those points in the U.S. east of a line beginning at the mouth of the Mississippi River, and extending along the Mississippi River to its junction with the western boundary of Itasca County, MN, then northward along the western boundaries of Itasca and Koochiching Counties, MN, to the International Boundary Line between the United States and Canada.

MC 157882, filed November 20, 1981. Applicant: NEWPORT TRUCKING COMPANY, INC., P.O. Box 91227, Lafayette, LA 70509. Representative: C. Kenneth Keller (same as applicant) (318) 233-6130. Transporting *machinery, equipment, material and supplies used*

in, or in connection with, the discovery, development, production, refining, manufacture, processing, storage, transmission, and distribution of natural gas and petroleum and their products and by-products (except commodities in bulk), between points in the U.S., (including AK but excepting HI), under continuing contract(s) with Cliff's Drilling Company, of Lafayette, LA, DEL International, of Lafayette, LA, American Well Service, of Lafayette, LA, MGF Drilling Company—Houston, d.b.a. MGF Drilling Company—Lafayette, of Scott, LA, Resource Investment Corporation, of Houston, TX.

MC 158453, filed November 30, 1981. Applicant: EDDIE P. CARTER, d.b.a. CARTER TRUCKING CO., Rt. 3, Box 147–H, Ninety Six, SC 29666. Representative: William B. Patrick, Jr., P.O. Box 1207, Greenwood, SC 29648, 803–229–2511. Transporting *lumber, plywood, sawdust and shavings,* between points in GA, NC, SC and TN.

MC 159372, filed November 27, 1981. Applicant: ROBERT L. FISHER, d.b.a. FISHER TRUCKING, 13555 Agate Rd., Eagle Point, OR 97524. Representative: Lawrence V. Smart, Jr., 419 NW 23rd Ave., Portland, OR 97210, 503–226–3755. Transporting *general commodities* (except classes A and B explosives and commodities in bulk), between points in Jackson County, OR, on the one hand, and, on the other, Portland, OR.

MC 159423, filed November 24, 1981. Applicant: JOEL CARLSON TRUCKING, INC., Rte. 3, Box 128, North Branch, MN 55056. Representative: Jim Pitzer, 15 S. Grady Way, Suite 321, Renton, WA 98055 (206) 235–1111. Transporting (1) *food and related products* between points in the U.S., (2) *metal and metal products,* between points in ID, IL, IN, IA, LA, MI, MN, MS, MT, NJ, NY, ND, OH, OR, PA, VA, WI and WY, (3) *fiberglass and fiberglass products* between points in IL, IN, MN, NC, NJ, NY, OH, PA, SC, TN, KY, WV and WI, (4) *plastic and plastic products* between points in the U.S., (5) *charcoal briquets and lighter fluid* between points in the U.S., and (6) *building materials* between points in the U.S.

MC 159432, filed November 24, 1981. Applicant: B. Z. ENTERPRISES, INC., 10794 Pine, Bldg. 7, Taylor, MI 48180. Representative: Paul M. Ross, 3104 S. Cedar St., Lansing, MI 48910 (517) 394–4222. Transporting *metal products* between points in the U.S., under continuing contract(s) with Moore Flamecutting, Inc., of Roseville, MI.

MC 159452, filed November 30, 1981. Applicant: GLEN ALDERSON, d.b.a. ALDERSON TRUCKING CO., Box 156, West Bend, IA 50597. Representative: Lester C. Arvin, 814 Century Plaza Bldg., Wichita, KS, 316–265–2634. Transporting *meat and meat products,* between points in Sedgwick County, KS, on the one hand, and, on the other, points in AR, IL, IA, IN, MD, MI, MN, MO, NE, NY, OH, PA, and WI.

MC 159472, filed November 30, 1981. Applicant: LANCE FREIGHT CORP., 423 S.E. 18th St., Des Moines, IA 50317. Representative: Thomas E. Leahy, Jr., 1980 Financial Center, Des Moines, IA 50309, 515–245–4300. Transporting *general commodities* (except classes A and B explosives), between points in the U.S., under continuing contract(s) with Wilson Foods Corporation, of Oklahoma City, OK, and its subsidiaries.

MC 159473, filed November 30, 1981. Applicant: MOON-LITE EXPRESS, INC., 133 Lincoln St., Jersey City, NJ 07307. Representative: Harold L. Reckson, 33–28 Halsey Rd., Fair Lawn, NJ 07410. Transporting *computer parts* between points in Bergen County, NJ, on the one hand, and, on the other, points in Orange, Rockland, Dutchess, Ulster, Westchester and Suffolk Counties, NY, those in PA on and east of U.S. Hwy 15, and CT, MA and RI.

Volume No. OPY–4–478

Decided: December 11, 1981.

By the Commission, Review Board No. 2, Members Carleton, Fisher, and Williams.

MC 123476 (Sub-75), filed December 7, 1981. Applicant: CURTIS TRANSPORT, INC., P.O. Box 427, Arnold, MO 63010. Representative: David G. Dimit (Same address as applicant) (314) 464–1300. Transporting *ruber and plastic products,* between points in Montgomery County, OH, on the one hand, and, on the other, those points in the U.S. in and east of MT, WY, CO, and NM.

MC 124896 (Sub-105), filed December 8, 1981. Applicant: WILLIAMSON TRUCK LINES, INC., Corner Thorne and Ralston Sts., P.O. Box 3485, Wilson, NC 27893. Representative: Norman J. Philion, III, 1920 N St., N.W. Suite 700, Washington, DC 20036 (202) 331–8800. Transporting *textile mill products,* between the facilities of M. Lowenstein Corporation in the U.S., on the one hand, and, on the other, points in the U.S. (except AK and HI).

MC 136246 (Sub-51), filed December 7, 1981. Applicant: GEORGE BROS., INC., P.O. Box 492, Sutton, NE 68979. Representative: Arlyn L. Westergren, Suite 201, 9202 W. Dodge Rd., Omaha NE 68114 (402) 397–7033. Transporting *metal products, plastic and rubber products and related products,* between points in York County, NE, on the one hand, and, on the other, points in the U.S.

MC 135936 (Sub-36), filed December 7, 1981. Applicant: C & K TRANSPORT, INC., Box 205, Webster City, IA 50595. Representative: Thomas E. Leahy, Jr., 1980 Financial Center, Des Moines, IA 50309 (515) 245–4300. Transporting *food and related products,* between Chicago, IL, on the one hand, and, on the other, points in IA, MI, WI, MN, ND, SD, NE, CO, KS, MO, IN, and OH.

MC 144446 (Sub-2), filed December 7, 1981. Applicant: PRODUCER'S SERVICE, INC., 68 E. Church St., Xenia, OH 45385. Representative: A. Charles Tell, 100 E. Broad St., Columbus, OH 43215 (614) 228–1541. Transporting *food and related products,* between points in the U.S., under continuing contract(s) with Hi-Point Beef Co., of Bellefontaine, OH, and Tennessee Dressed Beef Company, of Nashville, TN.

MC 144446 (Sub-3), filed December 7, 1981. Applicant: PRODUCER'S SERVICE, INC., 68 E. Church St., Xenia, OH 45385. Representative: A. Charles Tell, 100 E. Broad St., Columbus, OH 43215 (614) 228–1541. Transporting *plastic products,* between points in Rockcastle County, KY, on the one hand, and, on the other, points in the U.S. (except AK and HI).

MC 145966 (Sub-10), filed December 7, 1981. Applicant: NELSEN BROS., INC., P.O. Box 613, Nebraska City, NE 68410. Representative: Bradford E. Kistler, P.O. Box 82028, Lincoln, NE 68501, (402) 475–6761. Transporting *food and related products,* between Omaha, NE, Wyandotte County, KS, Eau Claire County, WI, Jefferson County, TN, and Monmouth County, NJ, on the one hand, and, on the other, points in the U.S. (except AK and HI).

MC 151996 (Sub-2), filed December 4, 1981. Applicant: M & S TRANSPORTATION, INC., P.O. Box 155, Lonoke, AR 72086. Representative: James M. Duckett, Suite 411, 221 West 2nd, Little Rock, AR 72201, (501) 375–3022. Transporting *food and related products,* between points in Jefferson County, CO, on the one hand, and, on the other, points in TX.

MC 153516 (Sub-2), filed December 4, 1981. Applicant: INTERSTATE EXPRESS, INC., P.O. Box 37144, Millard, NE 68137. Representative: William J. Boyd, 2021 Midwest Rd., Suite 205, Oak Brook, IL 60521, (312) 629–2900. Transporting *general commodities* (except classes A and B explosives, household goods, and commodities in bulk), between points in the U.S. under continuing contract(s) with Swift

Independent Packing Company, of Chicago, IL, and its subsidiaries.

MC 154646 (Sub-10), filed December 7, 1981. Applicant: A & O ENTERPRISES, INC., d.b.a. GREATWEST TRANSPORTATION SYSTEMS, 2022 Kent Ave., Grand Island, NE 68801. Representative: Jack L. Shultz, P.O. Box 82028, Lincoln, NE 68501, (402) 475–6761. Transporting *general commodities* (except classes A and B explosives, household goods, and commodities in bulk), between the facilities of York Manufacturers Company, Ace Irrigation and Manufacturing Company, and Pole Barns, Inc., at points in the U.S. on the one hand, and, on the other, points in the U.S.

MC 156436 (Sub-2), filed December 4, 1981. Applicant: FRANKELL I. BARAMDYKA, d.b.a. I. W. TRANSPORT, INC., 353 South Santa Fe Ave., Los Angeles, CA 90013. Representative: Frederick J. Coffman, 1834 N. Kelly Ave., P.O. Box 1455, Upland, CA 91786, (714) 981–9981. Transporting *general commodities* (except classes A and B explosives, and households goods), between points in the U.S., under continuing contract(s) with Ben Franklin Distribution Center, of Des Plaines, IL.

MC 156886 (Sub-1), filed December 7, 1981. Applicant: J. O. STRAYHORN'S WRECKER SERVICE, INC., 1701 S. Miami Blvd., Durham, NC 27703. Representative: Archie W. Andrews, 617 F Lynrock Terrace, Eden, NC 27288, (919) 627–0555. Transporting *used building materials*, and *restaurant fixtures*, between points in AL, AR, FL, GA, IL, IN, KY, MS, MO, NC, OH, SC, TN, TX, VA, and DC.

Volume No. OPY–4–479

Decided: December 14, 1981.

By the Commission, Review Board No. 2, Members Carleton, Fisher, and Williams.

MC 108676 (Sub-176), filed December 2, 1981. Applicant: A. J. METLER HAULING & RIGGING, INC., 117 Chicamauga Ave., Knoxville, TN 37913. Representative: H. E. Miller, Jr., 501 Union St., Nashville, TN 37219, (615) 255–0540. Transporting *glass and glass products* between points in the U.S.

MC 116886 (Sub-44), filed December 3, 1981. Applicant: HOWELL'S MOTOR FREIGHT, INC., P.O. Box 12308, Roanoke, VA 24024. Representative: Charles A. Webb, Suite 1111, 1828 L Street NW., Washington, DC 20036, (202) 822–8200. Transporting *such commodities as are dealt in by wholesale, retail, chain grocery and food business houses* between points in the States east of LA, AR, MO, IA and MN.

MC 138076 (Sub-24), filed December 2, 1981. Applicant: HEAVY HAULING, INC., 100 West Grand, Salina, KS 67401. Representative: William B. Barker, 641 Harrison St., P.O. Box 1979, Topeka, KS 66601, (913) 234–0565. Transporting *coal and coal products, clay products* and *minerals*, between points in Bowman County, ND, Big Horn and Weston Counties, WY and Butte County, SD, on the one hand, and, on the other, Fort Smith, AR, points in Red Willow County, NE, and points in KS and OK.

MC 150206 (Sub-3), filed December 4, 1981. Applicant: DANTE GENTILINI TRUCKING, INC., 30 W. 443 Roosevelt Rd., P.O. Box 387, West Chicago, IL 60185. Representative: Donald S. Mullins, 1033 Graceland Ave., Des Plaines, IL 60016, (312) 298–1094. Transporting (1) *pulp, paper and related products*, (2) *metal products*, and (3) *rubber and plastic products*, between points in IL, IN, IA, KY, MI, MO, OH, and WI.

MC 159566, filed December 4, 1981. Applicant: TOTAL INTERMODAL SERVICE, INC., 401 Bakewell St., Covington, KY 41011. Representative: James Duvall, 220 W. Bridge St., P.O. Box 97, Dublin, OH 43017, (614) 889–2531. Transporting *general commodities* (except classes A and B explosives) between Cincinnati, OH, on the one hand, and, on the other, points in IL, IN, KY, MI, OH, PA, and WV.

Volume No. OPY–4–482

Decided: December 14, 1981.

By the Commission, Review Board No. 2, Members Carleton, Fisher, and Williams.

MC 59856 (Sub-93), filed November 10, 1981, previoulsy noticed in the **Federal Register** of November 25, 1981. Applicant: SALT CREEK FREIGHTWAYS, 3333 W. Yellowstone, Casper, WY 82602. Representative: John R. Davidson, Rm. 805, First Bank Bldg., Billings, MT 59 101, (406) 248–9156. Transporting *general commodities* (except classes A and B explosives, household goods, and commodities in bulk), between points in CO, ID, MN, MT, ND, OR, OK, SD, TX, UT, WA, and WY.

Note.—The purpose of this republication is to show the state of MT, which was inadvertently reflected as MI instead of MT.

MC 148966 (Sub-10), filed December 7, 1981. Applicant: DROTZMANN, INC., P.O. Box 667, Yankton, SD 57078. Representative: James M. Hodge, 1000 United Central Bank Bldg., Des Moines, IA 50309, (515) 243–6164. Transporting *general commodities* (except classes A and B explosives), between Boston, MA, North Bergen, NJ, Philadelphia, PA, Cleveland and Columbus, OH, Los Angeles, CA, and Portland, OR, on the one hand, and, on the other, Spokane, WA.

MC 159596, filed December 7, 1981. Applicant: WESTBURY TRUCKING CO., INC., Rt. 1, Box 146, Cross, SC 29436. Representative: Lucas C. Padgett, Jr., 141 E. Bay St., Charleston, SC 29401, (803) 723–7831. Transporting (1) *fertilizer and fertilizer material*, and (2) *sand, gravel, crushed stone, and gypsum rock*, between Augusta and Savannah, GA, Chorlotte and Rockingham, NC, and points in Berkeley County, SC.

MC 159606, filed December 8, 1981. Applicant: RANDALL DIST., INC., 691 N. 1800 E., St. George, UT 84770. Representative: Earl N. Miles, 3704 Candlewood Dr., Bakersfield, CA 93306, (805) 872–1106. Transporting *food and related products*, between points in the U.S. under continuing contract(s) with Khyber Foods Incorporated, of Fullerton, CA.

Volume No. OPY–4–483

Decided: December 11, 1981.

By the Commission, Review Board No. 2, Members Carleton, Fisher, and Williams.

MC 1367 (Sub-7), filed December 4, 1981. Applicant: OWL TRANSFER & STORAGE CO., INC., 3623 6th Ave. S., Seattle, WA 98134. Representative: Michael D. Duppenthaler, 211 S. Washington St., Seattle, WA 98104, (206) 622–3220. Transporting *general commodities* (except classes A and B explosives), between points in WA on and west of U.S. Hwy 97.

MC 5227 (Sub-87), filed December 3, 1981. Applicant: ECKLEY TRUCKING, INC., P.O. Box 201, Mead, NE 68041. Representative: A. J. Swanson, P.O. Box 1103, Sioux Falls, SD 57101, (605) 335–1777. Transporting (1) *machinery*, and *metal products*, between points in Clark County, OH, on the one hand, and, on the other, points in the U.S. (except AK and HI); (2) *building materials, contractor's equipment, materials, and supplies, metal products*, and *machinery*, between those points in the U.S. in and west of WI, IL, MO, AR, and LA; and (3) *malt beverages*, (a) between Portland, OR, on the one hand, and, on the other, points in CO, AZ, NM, and UT, (b) between Milwaukee, WI, Peoria, IL, and points in Houston County, GA, on the one hand, and, on the other, points in WY, SD, and ND, and (c) between points in Houston County, GA, on the one hand, and, on the other, points in KS, MN, NE, IA, CO, MO, OK, and AR.

MC 50307 (Sub-106), filed December 4, 1981. Applicant: INTERSTATE DRESS CARRIERS, INC., 215 County Ave., Secaucus, NJ 07094. Representative: Gerald W. Eskow (same address as applicant), (201) 330–0700. Transporting *wearing apparel*, between Philadelphia, PA and El Paso, TX.

MC 61977 (Sub-44), filed December 4, 1981. Applicant: ZERKLE TRUCKING CO., Route 6, Box, South Point, OH 45680. Representative: Henry E. Seaton, 929 Pennsylvania Bldg., 425 13th St., N.W., Washington, D.C. 20004, (202) 347–8882. Transporting *general commodities* (except classes A and B explosives, household goods, and commodities in bulk), between those points in the U.S. in and east of WI, IL, KY, TN, and MS, on the one hand, and, on the other, points in the U.S.

MC 102567 (Sub-257), filed December 3, 1981. Applicant: McNAIR TRANSPORT, INC., 4295 Meadow Lane, P.O. Drawer 5357, Bossier City, LA 71111. Representative: E. Stephen Heisley, 805 McLachlen Bank Bldg., 666 11th St., NW., Washington, D.C. 20001, (202) 628–9243. Transporting *commodities in bulk*, between points in the U.S.

MC 107367 (Sub-4), filed December 4, 1981. Applicant: BOWMAN BUS SERVICE, INC., R.D. 2, Box 75, Milford, DE 19963. Representative: Chester A. Zyblut, 366 Executive Bldg., 1030 15th St., NW., Washington, D.C. 20005, (202) 296–3555. Transporting *passengers and their baggage*, in the same vehicle with passengers, in one-way or round-trip charter operations, beginning and ending at points in DE, and those in MD south of the Chesapeake and Delaware Canal, and east of the Chesapeake Bay, and extending to points in the U.S. including AK but excluding HI.

MC 134387 (Sub-97), filed December 2, 1981. Applicant: BLACKBURN TRUCK LINES, INC., 4998 Branyon Ave., South Gate, CA 90280. Representative: Michael J. O'Neil, 811 S. 59th Ave., Phoenix, AZ 85043, (602) 278–7676. Transporting *general commodities* (except classes A and B explosives) between points in Spokane County, WA, on the one hand, and, on the other, points, CA, OR, UT, and CO.

MC 139177 (Sub-7), filed December 4, 1981. Applicant: MAIERS TRANSPORT AND WAREHOUSING, INC., 515 25th Ave. North, St. Cloud, MN 56301. Representative: Val M. Higgins, 1600 TCF Tower, 121 S. 8th St., Minneapolis, MN 55402, (612) 333–1341. Transporting *general commodities* (except classes A and B explosives) between points in Stearns, Benton, Sherburne, Wright, Kandiyohi and Morrison Counties, MN, on the one hand, and, on the other, points in ND, SD, NE, KS, OK, MN, IA, MO, WI, IL, MI, IN, and OH.

MC 146447 (Sub-19), filed December 3, 1981. Applicant: TANBAC, INC., 2941 SW 1st. Terrace, Ft. Lauderdale, FL 3315. Representative: Richard B. Austin, 320 Rochester Bldg., 8390 NW. 53rd St., Miami, FL 33166, (305) 592–0036. Transporting *metal products*, between points in the U.S. under continuing contract(s) with The Miller Co., of Meridan, CT.

MC 158357, filed December 2, 1981. Applicant: LEONARD ZERNONE, d.b.a. MEKIMLEN TRUCKING, 1028 S. Walnut, Arlington Heights, IL 60005. Representative: Anthony E. Young, 29 S. LaSalle St., Suite 350, Chicago, IL 60603, (312) 782–8880. Transporting *metal and metal products*, between Chicago, IL, on the one hand, and, on the other, points in IN, WI, IA, OH, MN, MI, NJ, IL, and PA.

MC 159367, filed December 2, 1981. Applicant: MID-AMERICA TRAVEL CENTERS, INC., 508 6th St., Grundy Center, IA 50638 Representative: Martha Martell, 600 Fifth Ave. Plaza, Des Moines, IA 50309, (515) 824–6923. Transporting *passengers and their baggage*, in the same vehicle as passengers, in round-trip charter operations, beginning and ending at points in Grundy and Hardin Counties, IA, and extending to points in the U.S. (including AK, but excluding HI).

MC 159557, filed December 4, 1981. Applicant: B. & M. TRANSPORTATION CO., INC., P.O. Box 17, Route 313 North Federalsburg, MD 21632. Representative: Lee D. McMahan (same address as applicant), (301) 754–8117. Transporting *containers, container ends and closures, and tim plate* between points in NY, OH, IL, MA, RI, PA, MD, DE, VA, WV, NJ, NC, SC, GA, and FL.

MC 159607, filed December 7, 1981. Applicant: VALLEY WAREHOUSE, INC., d.b.a. T. G. V. WAREHOUSE, INC., 2000 S. 71st St., Philadelphia, PA 19142. Representative: Alan Kahn, 1430 Land Title Bldg., Philadelphia, PA 19110 (215) 561–1030. Transporting (1) *printed matter, and (2) pulp, paper and related products*, between Philadelphia, PA, on the one hand, and, on the other, points in DE, MD, NJ, PA, VA and DC.

Volume No. OPY–5–224

Decided: December 14, 1981.

By the Commission, Review Board No. 3, Members Krock, Joyce, and Dowell.

MC 109708 (Sub-106), filed December 4, 1981. Applicant: INDIAN RIVER TRANSPORT CO., INC., P.O. Box AG, Dundee, FL 33838. Representative: John J. Harned (same address as applicant), 813–324–2430. Transporting *commodities in bulk*, between points in AL, AR, DE, FL, GA, KY, LA, MS, NC, OH, OK, SC, TN, TX, VA and WV.

MC 117875 (Sub-21), filed November 30, 1981. Applicant: DWIGHT CHEEK TRUCKING CO., INC., 4831 E. 25th St., P.O. Box 31538, Amarillo, TX 79102. Representative: Steven R. Swicegood (same address as applicant), (806) 374–5217. Transporting (1) *meats, meat products, meat by-products, and articles distributed by meat packinghouses*, between Amarillo, TX, on the one hand, and, on the other, points in CO, MS, UT, NV, OR, WA, ID, MT, WY, KS, TX, and OK, and (2) the same *commodities as in (1) above*, and *cheese and cheese products*, between points in WI, NE, KS, IL, MO, OK, TX, CO, AR, KY, TN, LA, MS, AL, GA, NC, SC, and FL.

MC 119928 (Sub-14), filed December 7 1981. Applicant: C & E TRUCKING CORPORATION, 1818 West Sample St., South Bend, IN 46621. Representative: Edward G. Bazelon, 29 South La Salle St., Chicago, IL 60603, (312) 236–9375. Transporting *general commodities* (except classes A and B explosives), between points in Cook and DuPage Counties, IL, on the one hand, and, on the other, points in IN, KY, MI, and OH.

MC 121489 (Sub-28), filed December 7, 1981. Applicant: NEBRASKA–IOWA XPRESS, INC., 3219 Nebraska Ave., Council Bluffs, IA 51501. Representative: James E. Ballenthin, 630 Osborn Bldg., St. Paul, MN 55102, 612–227–7731. Transporting *general commodities* (except classes A and B explosives), between points in Kimball and Scotts Counties, NE and Goshen County, WY, on the one hand, and, on the other, points in the U.S.

Note.—Applicant intends to tack this authority to its existing regular route authority.

MC 136669 (Sub-19), filed December 3, 1981. Applicant: PROCESSED BEEF EXPRESS, INC., P.O. Box 522, Dakota City, NE 68731. Representative: Eugene D. Anderson, Suite 838, 1001 Connecticut Ave., N.W., Washington, D.C. 20036, 202–296–2550. Transporting *general commodities* (except classes A and B explosives), between points in the U.S.

MC 136818 (Sub-137), filed December 4, 1981. Applicant: SWIFT TRANSPORTATION COMPANY, INC., 5601 W. Mohave, Phoenix, AZ 85031. Representative: Donald E. Fernaays, 4040 E. McDowell Rd., Suite 320, Phoenix, AZ 85008, (602) 275–3124. Transporting *petroleum and petroleum products* (except in bulk), between points in the U.S. (except AK and HI).

MC 141878 (Sub-14), filed December 7, 1981. Applicant: DIRECT COURIER, INC., 6310 C. Gravel Ave., Fleet Industrial Park, Alexandria, VA 22310. Representative: Gerald K. Gimmel, Suite 145, 4 Professional Dr., Gaithersburg, MD 20879, (301) 840-8565. Transporting *general commodities* (except classes A and B explosives, household goods as defined by the Commission, and commodities in bulk), between the facilities of International Paper Co., at points in the U.S., on the one hand, and, on the other, points in the U.S.

MC 142189 (Sub-52), filed December 7, 1981. Applicant: C. M. BURNS, d.b.a. WESTERN TRUCKING, P.O. Box 980, Baker, MT 59313. Representative: James B. Hovland, 525 Lumber Exchange Bldg., Minneapolis, MN 55402, 612-340-0808. Transporting *Fiberglass sucker rods*, between points in Will County, IL, on the one hand, and, on the other, points in the U.S.

MC 144999 (Sub-9), filed December 2, 1981. Applicant: JEM TRUCKING COMPANY, INC., P.O. Box 217, Wilkesboro, NC 28697. Representative: Fred W. Johnson, Jr., P.O. Box 1291, Jackson, MS 39205, (601) 355-3543. Transporting *food and related products* between points in the U.S., under continuing contract(s) with Tideland Food Sales, Inc., of Hampstead, NC Associated Meats, Inc., of Silver Spring, MD, and Harris Teeter Supermarket, Inc., of Charlotte, NC.

MC 147039 (Sub-7), filed December 3, 1981. Applicant: TRANSPORTATION SERVICES, INC., 21055 West Rd., Trenton, MI 48183. Representative: H. Neil Garson, 3251 Old Lee Hwy., Fairfax, VA 22030, 703-691-0900. Transporting *food and related products*, between points in CA, FL, IL, KY, MD, MA, MI, MN, NY, OH, OR, PA, TN, TX and WA on the one hand, and, on the other, points in the U.S.

MC 147499 (Sub-8), filed December 2, 1981. Applicant: D. H. TRANSFER, INC., 671 M-73, Iron River, MI 49935. Representative: Donald Hooper (same address as applicant), (906) 265-9329. Transporting *hardwood and synthetic flooring systems* between points in Langlade County, WI, and Marquette County, MI, on the one hand, and, on the other, points in the U.S.

MC 151118 (Sub-14), filed December 7, 1981. Applicant: MDR CARTAGE, INC., 516 West Jackson, Jonesboro, AR 72401. Representative: Douglas C. Wynn, P.O. Box 1295, Greenville, MS 38701, 601-335-3576. Transporting *general commodities* (except classes A and B explosives, and household goods as defined by the Commission), between the facilities of Uncle Ben's Inc. at points in Norfolk County, MA; Union County, NJ; York County, PA; Seneca, Hancock and Hamilton Counties, OH; Cook County, IL; Clay and St. Louis Counties, MO; Ramsey County, MN; Clayton County, GA; Mecklenburg County, NC; DuVal County, FL; Shelby County, TN; Harris, Dallas and Tarrant Counties, TX; Denver County, CO; Maricopa County, AZ; Salt Lake County, UT; Santa Clara and Los Angeles Counties, CA; King County, WA; and Jefferson Parish, LA on the one hand, and, on the other, points in the U.S. (except AK and HI).

MC 151819 (Sub-8), filed December 1, 1981. Applicant: CARGO-MASTER, INC., 917 S. Harwood St., Dallas, TX 75201-6192. Representative: Jackson Salasky (same address as applicant), (214) 741-6185. Transporting *pulp, paper and printed matter* between points in the U.S.

MC 154209, filed December 2, 1981. Applicant: CHARLES J. MERLO, INC., R.D. #1, Box 88A, Mineral Point, PA 15942. Representative: William J. Lavelle, 2310 Grant Bldg., Pittsburgh, PA 15219, (412) 471-1800. Transporting *coal and coal products* between points in Cambria, Indiana, and Somerset Counties, PA, on the one hand, and, on the other, points in WV, MD, and those points in OH on and east of a line beginning at Sandusky, OH, and extending over OH Hwy 4 to junction U.S. Hwy 23, and then over U.S. Hwy 23 to the OH-KY State line.

MC 154739 (Sub-2), filed December 3, 1981. Applicant: JEBCO LEASING, INC., 505 Elcamino Rd., Greenwood, IN 46142. Representative: Norman R. Garvin, 1301 Merchant Plaza, East Tower, Indianapolis, IN 46204-3491, 317-638-1301. Transporting *metal products*, and *machinery*, between points in the U.S. under continuing contract(s) with Jenn-Air Corporation of Indianapolis, IN; Carrier Corp., of Syracuse, NY; and United Technology Corporation, of Hartford, CT.

Volume No. OPY-5-225

Decided: December 14, 1981.

By the Commission, Review Board No. 3, members Krock, Joyce, and Dowell.

MC 154989 (Sub-3), filed December 7, 1981. Applicant: JAMES N. ALLEN, INC., 308 Leasure Way, New Bethlehem, PA 16242. Representative: James N. Allen (same address as applicant), 814-275-4064. Transporting *general commodities* between Bradford, Broughton, Castleton, Dales, Equality, Havaline, Junction, Lombardville, Shawneetown, and Sherwood, IL; Burton, Chardon, Concord, East Clairdon, Middlefield, and West Farmington, OH; Barton, Bergoo, Hylow Mine, and Webster Springs, WV; on the one hand, and, on the other, points in the U.S.

Note.—Approval of this authority is conditioned upon applicant certifying to the Commission, prior to commencing operations, that all rail service, including that of the *Burlington Northern, Inc; Baltimore and Ohio Railroad Company; Louisville and Nashville Railroad Co; and Western Maryland Railway Co.* whose abandoment was approved, has actually terminated at all the involved points.

Note.—The sole purpose of this application is to substitute motor carrier service for completely abandoned rail service.

MC 156088 (Sub-1), filed December 1, 1981. Applicant: R & S TRUCKING LEASING, INC., 1651 Walker Rd., Muskegon, MI 49442. Representative: D. Richard Black, Jr., 7610 Cottonwood Drive, P.O. Box 294, Jenison, MI 48428, (616) 457-9290. Transporting *pulp, paper and related products* between points in the U.S., under continuing contract(s) with Muskegon Paper Box Co., Inc., of Muskegon, MI, and Scientific Games and Dittler Brothers, Inc., both of Sparta, MI.

MC 156589, filed December 4, 1981. Applicant: DRURY BROTHERS, 11950 East Newburg Rd., Durand, MI 48429. Representative: Roger D. Drury (same address as applicant), 517-288-2070. Transporting *acids, chemicals*, and *petroleum products*, between points in the U.S. under continuing contract(s) with General Oil Company of Detroit, MI; Dow Corning Corporation of Midland, MI; Nortru, Inc. of Birmingham, MI; Dearborn Refining of Dearborn, MI; Commercial Industrial Chemicals, Inc. and Oil Chem, Inc. both of Flint, MI.

MC 158708, filed December 30, 1981. Applicant: BEST-WAY TRUCK LINE, INC., P.O. Box 188, Richmond, MO 64085. Representative: Marshall D. Becker, Suite 610, 7171 Mercy Road, Omaha, NE 68106, (402) 392-1220. Transporting *such commodities* as are dealt in or used by manufacturers of electronic equipment, between points in the U.S., under continuing contract(s) with Zenith Radio Corporation, of Glenview, IL.

MC 158979 (republication), filed October 26, 1981. Originally published in the **Federal Register** November 18, 1981. Applicant: ROBERT G. LEADUM, 316 Pleasant Dr., Cherry Hill, NJ 08003. Representative: Alan Kahn, 1430 Land Title Bldg., Philadelphia, PA 19110-1097, 215-561-1030. Transporting *passengers and their baggage*, in the same vehicle with passengers, in special and charter operations, limited to the transportation of not more than 14 passengers (not including the driver) in the same vehicle,

between points in the Philadelphia, PA Commercial Zone on the one hand, and, on the other, the commercial zones of New York, NY, Washington, DC, and points in DE and NJ, and those points in MD on and east of Interstate Highway 81.

Note.—This application is republished to correct territorial description.

MC 159248, filed November 30, 1981. Applicant: HALTERMAN SERVICES, INC., d.b.a. NET, 500 North 6th Ave., Evansville, IN 47710. Representative: Michael D. McCormick, 1301 Merchants Plaza, Indianapolis, IN 46204, (317) 638-1301. Transporting (1) *plastic articles and packaging products*, under continuing contract(s) with Craddock Finishing Corporation, of Evansville, IN, (2) *malt beverages*, under continuing contract(s) with River City Beverages, of Evansville, IN, (3) *plastic and plastic products*, under continuing contract(s) with General Electric Company, of Mt. Vernon, IN, and (4) *such commodities* as are dealt in or used by greenhouse and wholesale floral supply companies, under continuing contract(s) with Zeidler Wholesale Floral Co., of Evansville, IN, between points in the U.S.

MC 159288, filed December 7, 1981. Applicant: SCHULZ TRANSPORTATION SERVICES, INC., Route 3, Box 89, Seward, NE 68434. Representative: Donald L. Stern, Suite 610, 7171 Mercy Rd., Omaha, NE 68106, (402) 392-1220. Transporting *meat and packinghouse products* between points in the U.S., under continuing contract(s) with Pork Packers International, Inc., of Downs, KS.

MC 159308, filed December 2, 1981. Applicant: G. RADEN & SONS, INC., 1915 South Corgiat Drive, Seattle, WA 98108. Representative: Henry C. Winters, 12600 S.E. 38th St., Belleview, WA 98006, (206) 644-2100. Transporting *pulp, paper and related products*, between points in CA, on the other, points in WA.

MC 159548, filed December 3, 1981. Applicant: COLCA CORPORATION, 12 Commercial Road, Albany, NY 12205. Representative: Neil D. Breslin, 11 North Pearl St., Albany, NY 12207, (518) 434-1136. Transporting *general commodities* (except classes A and B explosives), between points in AL, CA, CT, FL, GA, IL, IN, KY, ME, MD, MA, MN, MS, NH, NJ, NY, NC, OH, PA, SC, TN, TX, VT, VA, and WV.

MC 159558, filed December 4, 1981. Applicant: EIGHTEEN WHEEL TRANSPORTATION, INC., 355 So. Santa Fe, Los Angeles, CA 90013. Representative: Frederick J. Coffman, 1834 N. Kelly Ave., P.O. Box 1455, Upland, CA 91786, 714-981-9981. Transporting *transportation equipment*, between points in the U.S. (except AK and HI).

MC 159568, filed December 4, 1981. Applicant: DC & L TRANSPORT, INC., 16521 Van Dam Road, South Holland, IL 60473. Representative: Joseph Winter, 29 South LaSalle St., Chicago, IL 60603, (312) 263-2306. Transporting *metal products*, between Chicago, IL, on the one hand, and, on the other, points in IL, IN, KY, MI, MO, OH, PA, TN, and WI.

MC 159569, filed December 4, 1981. Applicant: GENERAL MOTOR FREIGHT SYSTEMS, INC., 7807 Hall St., St. Louis, MO 63147. Representative: Joseph E. Rebman, 314 N. Broadway, Suite 1300, St. Louis, MO 63102, (314) 421-0845. Transporting *general commodities* (except classes A and B explosives), between St. Louis, MO, on the one hand, and, on the other, points in AR, IL, IN, IA, KS, KY, MO, NE, OK, TN, and TX.

MC 159578, filed December 7, 1981. Applicant: STATE WHOLESALERS, INC., 1990 FeFoor Ave., N.W., Atlanta, GA 30318. Representative: Clayton R. Byrd, 2870 Briarglen Dr., Doraville, GA 30340, 404-491-1896. Transporting *general commodities* (except classes A and B explosives), between points in the U.S. under continuing contract(s) with State Wholesalers, Inc., of Atlanta, GA; Oxford Chemicals, Inc., of Chamblee, GA, and Southeastern Bonded Warehouses, Inc. of Atlanta, GA.

MC 159598, filed December 8, 1981. Applicant: BILLY CLAYPOOL, LaRue Rd., Route 6, Paris, KY 40361. Representative: Lawrence E. Linderman, 916 Overlook Dr., Alexandria, VA 22305, 703-836-0228. Transporting *machinery*, between points in Bourbon and Nicholas, Counties, KY on the one hand, and, on the other, points in the U.S. and *metal products*, between points in Bourbon County, KY on the one hand, and, on the other, points in the U.S.

MC 159618, filed December 9, 1981. Applicant: RYAN BROS. TRUCKING, INC., P.O. Box 506, Highway 11 N., Trenton, GA 30752. Representative: J. Greg Hardeman, 618 United American Bank Bldg., Nashville, TN 37219, (615) 244-8100. Transporting *metal products* between points in Dade County, GA and Hamilton County, TN, on the one hand, and, on the other, points in KY, AL, MS, GA, FL, SC, NC, VA, TN, LA, TX, and AR.

Agatha L. Mergenovich,

Secretary.

[FR Doc. 81-36251 Filed 12-18-81; 8:45 am]

BILLING CODE 7035-01-M

Motor Carrier Temporary Authority Application

The following are notices of filing of applications for temporary authority under Section 10928 of the Interstate Commerce Act and in accordance with the provisions of 49 CFR 1131.3. These rules provide that an original and two (2) copies of protests to an application may be filed with the Regional Office named in the **Federal Register** publication no later than the 15th calendar day after the date the notice of the filing of the application is published in the **Federal Register**. One copy of the protest must be served on the applicant, or its authorized representative, if any, and the protestant must certify that such service has been made. The protest must identify the operating authority upon which it is predicated, specifying the "MC" docket and "Sub" number and quoting the particular portion of authority upon which it relies. Also, the protestant shall specify the service it can and will provide and the amount and type of equipment it will make available for use in connection with the service contemplated by the TA application. The weight accorded a protest shall be governed by the completeness and pertinence of the protestant's information.

Except as otherwise specifically noted, each applicant states that there will be no significant effect on the quality of the human environment resulting from approval of its application.

A copy of the application is on file, and can be examined at the ICC Regional Office to which protests are to be transmitted.

Note.—All applications seek authority to operate as a common carrier over irregular routes except as otherwise noted.

Motor Carriers of Property

Notice No. F-174

The following applications were filed in Region 2. Send protests to: ICC, Fed. Res. Bank Bldg., 101 North 7th St., Rm. 620, Philadelphia, PA 19106.

MC 155912 (Sub-II-2TA), filed December 9, 1981. Applicant: BALTIMORE WAREHOUSING & TRANSPORTATION, INC., 2701 Boston St., Baltimore, MD 21224. Representative: Bruce Burchett (same as applicant). *Household goods in containers, empty household goods containers and uncontainerized automobiles in mixed shipments with household goods*, between pts. in the US for 270 days. An underlying ETA seeks 120 days authority. Supporting shipper(s): There are five supporting

shippers. Their statements may be examined at the ICC Regional Office, Philadelphia, PA.

MC 159642 (Sub-II–1TA), filed December 10, 1981. Applicant: DONNA'S TOWING SERVICE, 1702 Ketcham Ave., Toledo, OH 43608. Representative: Richard L. Sanders, 4024 Lewis Ave., Toledo, OH 43608. *Contract: Irregular: Automobiles, Used or Repossessed, in tow-a-way service* from pts. in OH and IN to Taylor, MI, under a continuing contract with Ford Motor Credit Co., Toledo, OH, for 270 days. Supporting shipper: Ford Motor Credit Co., 5726 Southwyck Blvd., Toledo, OH 43614.

MC 119315 (Sub-II–8–TA), filed December 9, 1981. Applicant: FREIGHTWAY CORPORATION, 131 Matzinger Rd., Toledo, OH 43215. Representative: Paul F. Berry, 275 E. State St., Columbus, OH 43215. *Textile mill products*, between Oneda County, NY; Oconee County, SC; Covington and Russell Counties, AL; Chester County, PA; and Rockingham County, NH, on the one hand, and on the other, Lucas County, OH. An underlying eta seeks 120 days authority. Supporting shipper(s) Textile Leather, Div. of General Tire and Rubber Co., P.O. Box 4875, Toledo, OH 43612.

MC 159522 (Sub-1 TA), filed December 9, 1981. Applicant: F. M. MAIETTA AND DENNIS G. MAIETTA, d.b.a. MAIETTA TRUCKING & CONTRACTING, P.O. Box 205, State Line, PA 17263. Representative: Charles E. Creager, 1329 Pennsylvania Ave., P.O. Box 1417, Hagerstown, MD 21740. Irregular: Contract: *Waste stone*, between Adams County, PA, on the one hand, and, on the other, Hagerstown, MD, including its commercial zone, for 270 days, under a continuing contract or contracts with G & W Natural Resources Group, a division of Gulf & Western Industries, Inc. An underlying ETA seeks 120 days' authority. Supporting shipper: G & W Natural Resources Group, a division of Gulf & Western Industries, Inc., 1 Commerce Place, Nashville, TN 37239.

MC 107012 (Sub-II–208–TA), filed December 10, 1981. Applicant: NORTH AMERICAN VAN LINES, INC., 5001 U.S. Hwy 30 West, P.O. Box 988, Fort Wayne, IN 46801. Representative: Bruce W. Boyarko (same as applicant). *General commodities* (except classes A & B explosives and household goods as defined in 49 U.S.C. 10102(10)), between points in the United States, under continuing contract(s) with Payless Cashways, Inc., Kansas City, MO for 270 days. Supporting shipper(s): Payless Cashways, Inc., One Pershing Square, 2301 Main, Kansas City, MO 64108.

MC 154381 (Sub-II–3TA), filed December 9, 1981. Applicant: PRETLOW BROS. TRUCKING CO., INC., 121 E. Marshall St., Richmond, VA 23219. Representative: Revardo C. Pretlow (same as applicant). *Contract: irregular: Fluids, spirit duplicating, NOI non-frozen and not in bulk*, between Philadelphia, PA and its commercial zones on the one hand, and, on the other, pts. in NC, VA, KY, IN, GA, TN, OH, NY, MA, SC, WV, MD, and DE, under continuing contract(s) with Carroll, LTD, Inc., Philadelphia, PA, for 270 days. Supporting shipper(s): Carroll Ltd., Inc., 2656 Salmon St., Philadelphia, PA 19125.

MC 17605 (Sub-II–1TA), filed December 9, 1981. Applicant: RONALD E. WATSON, P.O. Box 217, Ross, OH 45061. Representative: Paul F. Beery, 275 E. State St., Columbus, OH 43215. *Sand and gravel* from Hamilton County, OH to pts. in KY and IN for 270 days. An underlying ETA seeks 120 days authority. Supporting Shipper: Watson Gravel, Inc., P.O. Box 217, Ross, OH 45061.

The following applications were filed in Region 3. Send protests to ICC, Regional Authority Center, P.O. Box 7600, Atlanta, GA 30357.

MC 158947 (Sub-3–1TA), filed December 9, 1981. Applicant: CUBANICA TRANSPORT CORP., 7353 S. Waterway Dr., Miami, FL 33155. Representative: Mario Gonzalez (same as above). *General merchandise;* between the Port of Miami, Riveria Beach, West Palm Beach and Port Everglades, on the one hand, and, on the other, points in FL restricted to shipments having a prior or subsequent movement by water. Supporting shipper: Anacoana and Lonjeff, Inc., 8745 S.W. 131 St., Miami, FL 33176.

MC 143741 (Sub-3–1TA), filed December 10, 1981. Applicant: WILLIAMS BROTHERS TRUCKING, INC., P.O. Box 188, Hazelhurst, GA 31539. Representative: Clyde W. Carver, P.O. Box 720434, Atlanta, GA 30328. *Steel wire and materials and supplies used in the manufacture of steel wire*, between points in Telfair County, GA, on the one hand, and, on the other, points in AR, GA, IA, IL, KY, MS, NC, NY, OH, OK, PA, SC, TN, TX, VA and WI. Supporting shipper: Cook and Company, P.O. Box 458, Lumber City, GA 31549.

MC 159647 (Sub-3–1TA), filed December 10, 1981. Applicant: J TRANSPORT, INC., P.O. Box 1003, Gainesville, GA 30503. Representative: Mitchell King, Jr., P.O. Box 5711, Greenville, SC 29606. *Contract:* Irregular: *Plastic pipe and related articles* between points in the U.S. except AK and HI under continuing contract(s) with Spiral Engineered Systems, a division of Gulf Oil Corporation, 4094 Blue Ridge Industrial Pkwy., Norcross, GA 30071. Spiral Engineered Systems, 4094 Blue Ridge Industrial Pkwy., Norcross, GA 30071.

MC 159618 (Sub-3–1TA), filed December 10, 1981. Applicant: RYAN BROS. TRUCKING, INC., P.O. Box 506, Highway 11 N., Trenton, GA 30752. Representative: J. Greg Hardeman, 618 United American Bank Building, Nashville, TN 37219. *Metal products* between points in Dade County, GA, and Hamilton, TN, on the one hand, and points in KY, AL, MS, GA, FL, SC, NC, VA, TN, LA, TX and AR, on the other. Supporting shippers: Alloy Fabricators, Inc., Trenton Hwy., Trenton, GA 30752; Pipe Alloy Fabricators, 1410 Hamil Road, Chattanooga, TN 37407.

MC 150573 (Sub-3–5TA), filed December 11, 1981. Applicant: BEN KENNEDY TRUCKING COMPANY, INC., P.O. Box 13, Preston, GA 31824. Representative: C. E. Walker, P.O. Box 1085, Columbus, GA 31902. *(1) Livestock and poultry feed and feed ingredients, and phosphate, feed phosphate, fish and bone meal (scrap), (2) agricultural chemicals, fertilizer and fertilizer materials, diammonium phosphate, ammonium nitrate, monoammonium, tripple super phosphate, lime, lime materials, lime granulars, landplaster, basic slag, (3) food and related products, cottonseed, soybean meal and hulls, peanut meal and hulls, sunflower meal, cottonseed meal and citrus pulp, (4) gravel, crushed granite, and crushed limestone, in dump vehicles*, between all points in AL, FL, GA, SC, and NC. There are five supporting shipper statements attached to this application which may be reviewed at the ICC Regional Office in Atlanta, GA.

Note.—Applicant intends to tack under existing authority held under MC–150573 and Sub-Nos. 2, 4, and 5.

MC 159661 (Sub-3–1TA), filed December 11, 1981. Applicant: ANCHOR TOURS, INCORPORATED, 3473 Johnson Drive, Lithonia, GA 30058. Representative: Mrs. John F. Stancil (same as above). *Passengers and their baggage, in the same vehicle with passengers in charter operations* between points in DeKalb, Fulton, Cobb Rockdale, Henry, Forsyth, Clarke, Walton, Gwinnett, Barrow, Hall, Cherokee, Habersham, and Banks counties in GA on the one hand, and, on the other, points in the US (except AK and HI) in round-trip special operations

beginning and ending at points in DeKalb, Fulton, Cobb, Rockdale, Henry, Forsyth, Clarke, Walton, Gwinnett, Barrow, Hall, Cherokee, Habersham, and Banks counties in GA. Supporting shippers: There are 25 statements of support which may be examined in the Regional Office of the ICC in Atlanta, GA.

The following applications were filed in Region 4. Send protests to: Interstate Commerce Commission, Complaint and Authority Branch, P.O. Box 2980, Chicago, IL 60604.

MC 16903 (Sub-4–6TA), filed December 4, 1981. Applicant: MOON FREIGHT LINES, INC., P.O. Box 1275, Bloomington, IN 47401. Representative: Donald W. Smith, P.O. Box 40248, Indianapolis, IN 46240. *Building materials and prefabricated buildings,* between Monroe County, IN on the one hand, and, on the other, points in GA, PA, AL, SC, FL, MS, IL, TN, WI, WV, OH, MO, MI, and KY. Supporting Shipper: Mayhill Homes Corporation, Gainesville, GA 30503.

MC 135410 (Sub-4–44TA), filed December 2, 1981. Applicant: COURTNEY J. MUNSON, d.b.a. MUNSON TRUCKING, P.O. Box 266, North 6th Street Rd., Monmouth, IL 61462. Representative: Daniel O. Hands, Suite 200–A, 205 West Touhy Ave., Park Ridge, IL 60068. *Such commodities as are dealt in or used by retail department stores,* between points in AL, AR, CO, CT, GA, IL, IN, IA, KS, KY, ME, MD, MA, MI, MN, MO, MS, NE, NC, NH, NJ, NY, OH, OK, PA, RI, SC, TN, TX, VT, VA, WV and WI, restricted to the transportation of traffic originating at or destined to the facilities of Gamble Stores, Division of Wickes Companies, Inc. Supporting Shipper: Gamble Stores, Division of Wickes Companies, Inc., Minneapolis, MN 55440.

MC 143023 (Sub-4–5TA), filed December 4, 1981. Applicant: CHI-WAUKEE TRUCK LINES, INC., 1501 W. Pershing Road, Chicago, IL 60609. Representative: Donald E. Weishaar, Suite 202, 1301 W. 22nd St., Oak Brook, IL 60521. *Contract* irregular: *Palletized, new, empty one-piece beverage cans and related advertising material* from Oak Creek, WI to the facility of Joseph Schlitz Brewing Co. at or near Memphis, TN under continuing contract(s) with Joseph Schlitz Brewing Co. Supporting shipper: Joseph Schlitz Brewing Co., P.O. Box 614, Milwaukee, WI 53201.

MC 152730 (Sub-4–9TA), filed December 3, 1981. Applicant: DEPENDABLE TRANSIT, INC., P.O. Box 349, Hartford City, IN 47348. Representative: Larry Dee Garrett, P.O. Box 349, (same as above). *Building and building materials and accessories; materials, equipment and supplies utilized in the sale, distribution and manufacture of building and building materials;* between Wells County, IN; Huntington County, IN on the one hand and on the other all points in the U.S. (except AK and HI) Supporting shipper: Affordable Luxury Homes, Inc. P.O. Box 288, Markle, IN 46770.

MC 153683 (Sub-4–2TA), filed December 3, 1981. Applicant: B P D LEASE, INC., P.O. Box 303, Sheridan, MI 48884. Representative: Joseph A. Farhat III, Farhat, Burns, Story & Stafford, P.C., 417 Seymour Ave., Lansing, MI 48933. *Contract* irregular: Transporting *building materials and supplies* between all points in MI on the one hand and between all points in the states of IN and IL on the other under continuing contract with Big L Corporation of Sheridan, MI. Supporting shipper: Big L Corporation, M66, Sheridan, MI 48884.

MC 156908 (Sub-4–3TA), filed December 3, 1981. Applicant: AMTRANS, INC., P.O. Box 04704, Milwaukee, WI 53204. Representative: Richard C. Alexander, 710 North Plankinton Ave., Milwaukee, WI 53203. *Contract;* irregular; *Paper,* between points in Brown, Marathon, Milwaukee, Otagamie, and Winnebago Counties, WI, on the one hand, and, on the other, points in the Chicago, IL, Commercial Zone, and Brainerd, MN, under continuing contract(s) with Jim Walters Paper, Inc., Nackie Paper Division, Supporting shipper: Jim Walters Paper, Inc., Nackie Paper Division, 100 North Marshall St., Milwaukee, WI, 53202.

MC 159119 (Sub-4–1TA), filed December 4, 1981. Applicant: RAY COOPER, d.b.a. RAY'S TRUCKING CO., Box 84, Paragon, IN 46166. Representative: Richard E. Aikman, Jr., 300 Merchants Bank Building, Indianapolis, IN 46204. *Transporting lumber and wood products, including wood residuals and forest products,* between points and places in IN, KY, TN, OH, NC, IL, MI and MO. Supporting shippers: Crone Lumber Company, P.O. Box 1171, Martinsville, Indiana 46151; Blue Grass Cooperage, P.O. Box 1602, Martinsville, Indiana 46151; Barnett Lumber Company, Inc., P.O. Box 177, Paragon, Indiana 46166.

MC 159549 (Sub-4–1 TA), filed December 3, 1981. Applicant: DAVID A. MEENGS, 15358 Riley Street, Holland, MI 49423. Representative: D. Richard Black, Jr., 7610 Cottonwood Drive, P.O. Box 294, Jenison, MI 49538. *Contract:* Transporting heating and cooling systems and all equipment, materials and parts used in the manufacture and distribution thereof between Holland, MI on the one hand and on the other points in the U.S. under continuing contract with Hart & Cooley Manufacturing Company. Supporting shipper: Hart & Cooley Manufacturing Co., 500 E. 8th, Holland, MI 49423.

MC 159550 (Sub-4–1 TA), filed December 3, 1981. Applicant: ODYSSEY TRAILS, INC., 1367A West Clarke Street, Milwaukee, WI 53206. Representative: Eric Rockmore (same as applicant). *Passengers and their baggage, in special and charter operations,* between points in Milwaukee, Racine, and Kenosha, WI on the one hand, and on the other, to points in IL, IN, MN, OH, MI, KY, TN, TX, MO, GA, DC, MS, AL, LA, CA, NV, VI, IA, NY, PA, MD, NJ, MA, WA, OR, ND, SD, WY, VT, CO, AZ, NM, NE, UT, NH, ME, RI, CT, DE, ID. Supporting shippers: Ms. Arlene Skwierawski, 1011 W. Center St., Milwaukee, WI 53206; Earl S. Adams, 3422 North 10th St., Milwaukee, WI 53206; Sister Margaret Mary Janke, 3434 North 46th St., Milwaukee, WI 53216.

MC 20824 (Sub-4–6 TA), filed December 7, 1981. Applicant: COMMERCIAL MOTOR FREIGHT INC., OF INDIANA, 2141 S. High School Road, Indianapolis, IN 46241. Representative: C. C. Boyd, 2141 S. High School Road, Indianapolis, IN 46241. *General commodities* (except those of unusual value, Classes A and B explosives, household goods as defined by the Commission, commodities in bulk, and those requiring special equipment), serving points in the Southern Peninsula of MI as off-route points in connection with carrier's presently authorized regular-route operations. Supporting shipper: 14.

Note.—Applicant intends to tack with its existing authority in I.C.C. Certificate No. MC–20824, and to interline with other carriers.

MC 88619 (Sub-4–1 TA), filed December 7, 1981. Applicant: MARVIN JAY HUTCHINSON, d.b.a. HUTCHINSON TRANSFER, 309 E. 3rd Street, Thief River Falls, MN 56701. Representative: WillIAm J. Gambucci, 525 Lumber Exchange Bldg., Minneapolis, MN 55402. Contract: *Food and related products,* between points in NE, SD, IA, MN, ND, WI, IL, KS and MO, on the one hand, and, on the other, points in ME, VT, MA, CT, NY, NJ, PA, DE, MD, VA, NC, GA, FL, AL, LA, TX, OK, MO, IA, SD, OH, IN, AR, TN, KY, CO, NE, NM, AZ, ID, UT, WY, OR, WA, MT, and CA, for the account of Trans-Consolidated, Inc., St. Paul, MN. Supporting shipper: Trans-Consolidated, Inc., 240 Chester St., St. Paul, MN 55107.

MC 113751 (Sub-4–13 TA), filed December 7, 1981. Applicant: HAROLD F. DUSHEK, INC., 10th & Columbia St., Waupaca, WI 54981. Representative: James A. Spiegel, Attorney, Olde Towne Office Park, 6333 Odana Rd., Madison, WI 53719. *Transportation equipment, parts and supplies* between the facilities of Oshkosh Truck Corporation at Oshkosh, WI, on the one hand and, on the other hand, points in TX, MO, NE, OK, AR, KS, CO, AL, MN, and IA. An underlying ETA seeks 120 days authority. Supporting shipper: Oshkosh Truck Corporation, P.O. Box 2566, Oshkosh, WI 54903.

MC 120364 (Sub-4–23TA), filed December 9, 1981. Applicant: A & B FREIGHT LINE, INC., 4805 Sandy Hollow Road, Rockford, IL 61109. Representative: Michael J. Wyngaard, 150 East Gilman St., Madison, WI 53703. Contract: irregular: *Machinery and welding equipment, materials, and supplies* between Savannah, GA; Tama, IA; Rockford, IL; Russell, KY; Laurel, MT; Springfield, MO; Bellevue, OH; Green Spring, WV; Houston; TX; Lakehurst, NJ; and Laramie, WY, on the one hand, and, on the other, points in the U.S. under continuing contract(s) with Chemetron-Railway Products, Inc., and Orgotherm, Inc. Supporting shippers: Chemetron-Railway Products, Inc., and Orgotherm, Inc., 111 East Wacker Drive, Chicago, IL 60601.

MC 127187 (Sub-4–10TA), filed December 7, 1981. Applicant: FLOYD DUENOW, INC., P.O. Box 86, Savage, MN 55378. Representative: William J. Gambucci, 525 Lumber Exchange Bldg., Minneapolis, MN 55402. *Glass product,* from Toledo and Lancaster, OH to St. Paul, MN. Supporting shipper: Merrill Charman Company, 115 S. Wabasha, St. Paul, MN 55107.

MC 135598 (Sub-4–6TA), filed December 7, 1981. Applicant: SHARKEY TRANSPORTATION, INC., P.O. Box 3156, Quincy, IL 62301. Representative: Carl L. Steiner, 29 South LaSalle St., Chicago, IL 60603. *Wire and Cable* from Monticello, KY to Richmond, IN. Supporting shipper: Belden Corporation, 2000 So. Batavia Ave., Batavia, IL 60134.

MC 138512 (Sub-4–2TA), filed December 8, 1981. Applicant: ROLAND'S TRANSPORTATION SERVICES, INCORPORATED, d.b.a. WISCONSIN PROVISIONS EXPRESS, P.O. Box 656, Cudahy, WI 53110. Representative: Michael V. Kaney, P.O. Box 1000, Lake Bluff, IL 60044. *General Commodities* (except classes A and B explosives and household goods) between points in the U.S. under continuing contracts with PPG Industries, Inc., Pittsburgh, PA. An underlying ETA seeks 120 days authority. Supporting shipper: PPG Industries, Inc., One Gateway Center, Pittsburgh, PA 15222.

MC 148585 (Sub-4–1TA), filed December 8, 1981. Applicant: CARAVAN MOTOR SERVICE, INC., 1800 Mannheim Rd., Westchester, IL 60153. Representative: Joel H. Steiner, 29 South LaSalle St., Chicago, IL 60603. *Metal Product* between Chicago, IL, and points in its Commercial Zone, on the one hand, and, on the other, points in WI. Supporting shipper: Summit Steel, Oak Brook, IL.

MC 152001 (Sub-4–5TA), filed December 7, 1981. Applicant: HALL'S SPECIALTIES, INC., R.R. #1, Laotto, IN 46763. Representative: Constance J. Goodwin, Suite 800, Circle Tower, 5 E. Market St., Indianapolis, IN 46204. *Petroleum and Natural Gas and Petroleum and Natural Gas Products,* between Allen County, IN on the one hand, and, on the other, points in IL, KY, MI, OH and PA. Supporting shipper: Gladieux Refinery, Inc., 4133 New Haven Ave., Fort Wayne, IN 46803.

MC 153064 (Sub-4–1TA), filed December 7, 1981. Applicant: HAAS CARRIAGE, INC., 625 W. Utica St., Sellersburg, IN 47172. Representative: Donald W. Smith, P.O. Box 40248, Indianapolis, IN 46240. *(1) Wood office furniture,* from Charlestown, IN to points in the U.S.; and *(2) Corrugated packaging materials,* from Louisville, KY to points in OH and IN. Supporting shippers: Independent Container, Inc. of Louisville, KY and Hesco Industries, Inc. of Charlestown, IN.

MC 153664 (Sub-4–3TA), filed December 8, 1981. Applicant: DAVID A. LUNDEEN, d.b.a. FARGO FREIGHT TERMINAL & WAREHOUSE, 1445 5th Avenue North, P.O. Box 1828, Fargo, ND 58102. Representative: Richard P. Anderson, 502 First National Bank Bldg., Fargo, ND 58126. *Contract,* Irregular: *Such commodities as are dealt in or used by agricultural and truck equipment dealers and manufacturers* (except in bulk, in tank vehciles), from St. Paul, MN, to Fargo, ND under contract(s) with International Harvester. Supporting shipper: International Harvester Company, 401 N. Michigan Avenue, Chicago, IL 60611.

MC 157235 (Sub-4–5TA), filed December 4, 1981. Applicant: INDIANA TRUCK LINES, INC., P.O. Box 8056, Ft. Wayne, IN 46898. Representative: Charles E. Creager, 1329 Pennsylvania Ave., P.O. Box 1417, Hagerstown, MD 21740. *Contract: Irregular: Pumps, related parts and equipment and materials and supplies used in the manufacture of such commodities,* between points in IN, on the one hand, and, on the other, points in TN under a continuing contract or contracts with Tokheim Corporation. An underlying ETA seeks 120 days authority. Supporting shipper: Tokheim Corporation, P.O. Box 360, Ft. Wayne, IN 46801.

MC 157909 (Sub-4–2TA), filed December 7, 1981. Applicant: MIDLAND-RAIL-WATER TRANSPORT, INC., 3014 S. Laramie St., Chicago, IL 60650. Representative: Stephen H. Loeb, Suite 2027, 33 North LaSalle St., Chicago, IL 60602. Contract, irregular. *Such merchandise as is dealt in by retail and wholesale grocery stores,* between points in IL, IN, OH, MI, and WI, under contract with Shurfine-Central Corporation. Supporting shipper: Shurfine-Central Corporation, 2100 North Mannheim Road, Northlake, IL 60164.

MC 158888 (Sub-4–1TA), filed December 9, 1981. Applicant: RESOURCE DISTRIBUTION, INC., 240 Chester St., St. Paul, MN 55107. Representative: Richard G. Braman, 1100 National City Bank Building, 510 Marquette Ave., Minneapolis, MN 55402. *General commodities (except those of unusual value and Classes A and B explosives),* between points in MN, WI, IL, IA, SD, ND, and NE. Supporting shippers: Bell Cold Storage, 240 Chester St., St. Paul, MN and Trans-Consolidated, Inc., 240 Chester St., St. Paul, MN.

MC 159431 (Sub-4–1TA), filed December 8, 1981. Applicant: MELVIN L. LYNCH, d.b.a. LYNCH MOVERS, 220 S. Main St., Wauconda, IL 60084 (mailing address: P.O. Box 112, Island Lake, IL 60042). Representative: T. M. Schlechter and D. S. Mullins, 1033 Graceland Ave., Des Plaines, IL 60016, (312) 298–1094. *Contract:* Irregular: *Organs, and organ parts and accessories,* From points in AL, FL, IN, GA, LA, MA, MI, MN, MO, MS, NC, OH, PA, TN, TX, and WI, to Hoopeston, IL, under continuing contract(s) with Gulbransen Co., Division of CBS Musical Instruments located in Deerfield, IL. Supporting shipper: Gulbransen Co., Division of CBS Musical Instruments, 100 Wilmot Road, Deerfield, IL 60015.

MC 159564 (Sub-4–1TA), filed December 7, 1981. Applicant: LEO CONZEMUIS, d.b.a. CONZEMUIS CARRIERS, 13335 Lock Blvd., Hastings, MN 55033. Representative: Robert P. Sack, P.O. Box 6010, West St. Paul, MN 55118. *Contract* irregular *Firebrick and related refractory materials and supplies used in the installation or*

repair of boilers and heat treating systems, between points in the U.S. under a continuing contract(s) with Firebrick Supply Co., St. Paul, MN. Supporting shipper: Firebrick Supply Co., 1407 Marshall Ave., St. Paul, MN 55104.

MC 159587 (Sub-4–1TA), filed December 7, 1981. Applicant: BREMER SUGAR & DISTRIBUTION CO., INC., 10034 Gordon St., Zeeland, MI 49464. Representative: Edward N. Button, 635 Oak Hill Ave., Hagerstown, MD 21740. *Contract;* irregular: *Pet food* between Hamilton, MI, on the one hand, and, on the other, points in IL and OH, under continuing contract(s) with Hi-Life Packing Company. An underlying ETA seeks 120 days authority. Supporting shipper: Hi-Life Packing Company, Rt. #1, M40, Hamilton, MI 49419.

The following applications were filed in Region 5. Send protests to: Consumer Assistance Center, Interstate Commerce Commission, Post Office Box 17150, Fort Worth, TX 76102.

MC 123476 (Sub-5–13TA), filed December 4, 1981. Applicant: CURTIS TRANSPORT, INC., P.O. Box 427, Arnold, MO 63010. Representative: David G. Dimit (same address as applicant). *Rubber and plastic articles (except in bulk) and materials, equipment and supplies used to manufacture such articles* between Dayton, OH on the one hand, and on the other hand, all points in and east of NM, CO, WY and MT. Supporting shipper: Deraspan, Inc., 3131 South Dixie Dr., Dayton, OH 45439.

MC 133471 (Sub-5–1TA), filed December 3, 1981. Applicant: HOWARD TRUCKING CO., INC., P.O. Drawer 1479, New Iberia, LA 70560. Representative: Thomas F. Sedberry, Small, Craig & Werkenthin, P.O. Box 2023, Austin, Texas 78768. *Oilfield commodities,* as defined in T. E. Mercer, Ext.—Oilfield Commodities, 46 M.C.C. 845 between points in Terrebone, Lafourche, St. Charles, Orleans, Iberia, St. Martin, St. Bernard, Lafayette, St. Mary, Plaquemines, Jefferson and Vermilion parishes, LA, and Harris county, TX, on the one hand, and on the other, points in the U.S. in and west of LA, AR, MO, IA and MN. Supporting shippers: 41.

MC 143043 (Sub-5–3TA), filed December 3, 1981. Applicant: WATSON COMPANY, Rte. 2, Box 440, Colfax, LA 71417. Representative: Billy R. Reid, 1721 Carl Street, Fort Worth, TX 76103. *Chemicals and related products,* except commodities in bulk in tank vehicles, between points in the U.S. Supporting shipper: Vertac Chemical Corp., P.O. Box 3, Vicksburg, MS 39180.

MC 144209 (Sub-5–4TA), filed December 4, 1981. Applicant: ERWIN TRUCKING, INC., 4515 North 24th Street, Omaha, NE 68110. Representative: Donald L. Stern, Suite 610, 7171 Mercy Road, Omaha, NE 68106. Contract; irregular. *Food and related products,* between pts in the U.S., under continuing contract(s) with Campbell Soup Co. Supporting shipper: Campbell Soup Co., Campbell Place, Camden, NJ 08101.

MC 144962 (Sub-5–14TA), filed December 4, 1981. Applicant: OHIO PACIFIC EXPRESS, INC., P.O. Box 277, Benton, MO 63736. Representative: Harry F. Horak, Suite 115, 5001 Brentwood Stair Rd., Fort Worth, TX 76112. *Canned goods* from points in AZ, CA, OR and WA to the facilities of Giant Eagle Markets, Inc. in Allegheny and Butler counties, PA. Supporting shippers: Grant Eagle Markets, Pittsburgh, PA.

MC 146800 (Sub-5–2TA), filed December 4, 1981. Applicant: VERMILLION BROTHERS, INC., Main Street Road, Keokuk, IA 52632. Representative: Kenneth F. Dudley, P.O. Box 279, Ottumwa, IA 52501. *Food and Related Products,* between pts in IL and IN, on the one hand, and, on the other, pts in ID, OR, WA, AZ, CO, IA, NV, UT, CA and NM. Supporting Shippers: Rose Packing Company, Inc., R.R. #3, South Barrington Road, Barrington, IL 60010 and Blue Island Foods, Inc., 2747 W. York Street, Blue Island, IL 60406.

MC 151962 (Sub-5–2TA), filed December 4, 1981. Applicant: INTERNATIONAL CHEMICALS TRANSPORTATION, INC., Route 3, Interstate 30 West, Mt. Pleasant, TX 75455. Representative: Lawrence A. Winkle, P.O. Box 45538, Dallas, TX 75245. Contract; Irregular; *Chemicals or allied products and/or materials, equipment and supplies used in the manufacture and distribution of chemicals* (except hazardous waste materials) between Mt. Pleasant, TX and Middle Port, OH on the one hand, and, on the other, points in the U.S. under continuing contract(s) with International Chemicals, Inc., Mt. Pleasant, TX.

MC 153764 (Sub-5–3TA), filed December 2, 1981. Applicant: WILLIE L. TURNER, Route 1, 520 K 45, Blanchard, OK 73034. Representative: Max G. Morgan, P.O. Box 2650, Edmond, OK 73083. *Food and related products* between the facilities of George A. Hormel and Co. at Rockville, and Springfield, MO and Oklahoma City, OK on the one hand, and points in LA, MO, and OK on the other hand. Supporting shipper: Geo. A. Hormel & Co., P.O. Box 800, Austin, MN 55912.

MC 158821 (Sub-5–1TA), filed December 4, 1981. Applicant: McLEAN TRANSPORTATION, INC., 7119 Northampton, Houston, TX 77055. Representative: Damon R. Capps, 1300 Main Street, Suite 1230, Houston, TX 77002. *Mercer commodities, metal and metal products, plastic and plastic products, rubber and rubber products, paper and paper products, machines and machinery parts, and pipe and related commodities, restricted against commodities in bulk, in tank vehicles,* between the plantsites of Cameron Iron Work, Inc., in Austin and Harris Counties and all points in TX, in interstate and foreign commerce. Supporting shipper: Cameron Iron Works, Inc., Houston, TX.

MC 159044 (Sub-5–1TA), filed December 3, 1981. Applicant: MIDLAND EXPRESS, INC., 2428 Coolidge, Wichita, KS 67204. Representative: Paul V. Dugan, 2707 West Douglas, Wichita, KS 67213. *Aircraft parts and materials used in the manufacture thereof;* Between: the plantsite of The Boeing Company and Boeing Military Airplane Company at Wichita, KS, on the one hand; and all points in the US except AK and HI on the other hand. Supporting shippers: The Boeing Company, 3801 S. Oliver, Wichita, KS 67210; Boeing Military Airplane Company, 3801 S. Oliver, Wichita, KS 67210.

MC 159365 (Sub-5–1TA), filed December 3, 1981. Applicant: A. L. NILES TRUCKING, R.R. 1, Box 100, Palmyra, NE 68418. Representative: Clay B. Statmore, Attorney at Law, 210 Terminal Building, Lincoln, NE 68508. *Fertilizer and irrigation equipment used in farming,* between points in Lincoln, NE, Tulsa, OK, and their commercial zones and points in SD, NE, KS, OK, TX, LA, NM, CO. Supporting shipper: Jim Mabray, 5400 Oak Brook Road, Arlington, TX 76016.

MC 159537 (Sub-5–1TA), filed December 3, 1981. Applicant: TRANSPORT PACKAGING, INC., P.O. Box 3171, Irving, TX 75061. Representative: William Sheridan, P.O. Drawer 5049, Irving, TX 75062. Contract: Irregular, *Cosmetics, Hair and Skin Care Products and Toilet Preparations and/or Materials, Equipment and Supplies used in the manufacture, sale or distribution of the foregoing commodities* between Dallas, TX on the one hand, and, on the other, Kansas City, MO; Memphis, TN; Detroit, MI; New York City, NY; Baltimore, MD; Atlanta, GA; Jacksonville, FL; Orange Park, FL; Tucson, AZ; Los Angeles, CA

and their respective commercial zones. Restricted to shipments originating at or destined to the facilities of Pro-Line of Dallas, TX. Supporting shipper: Pro-Line Corporation, 2121 Panoramic Circle, Dallas, TX.

MC 159538 (Sub-5–1TA), filed December 3, 1981. Applicant: NEWSOM TRUCKING AND CONSTRUCTION CO., INC., Route 1, Box 149, Livingston, LA 70754. Representative: Doyle G. Owens, 3965 Phelan Blvd., Suite 209, Beaumont, TX 77707. Contract, irregular: *Foundry and Steel Mill Supplies, Refractory Articles, Brick; Chemical and Mineral Compounds, in packages,* between Mt. Braddock, PA and La Place, LA, under continuing contract(s) with Foseco, Inc., of Brookpark, OH.

MC 159540 (Sub-5–1TA), filed December 3, 1981. Applicant: WANDA F. SEXTON, d.b.a. ROSE CITY BUS COMPANY, 1632 Woodland Hills, Tyler, TX 75701. Representative: Wanda F. Sexton (same as above). *Passengers and their baggage in charter and special operations* between Tyler, TX, and points within 200 miles on the one hand, and on the other, points in LA, AR, MO, TN, NM, and CO. Supporting shippers: 6.

MC 159541 (Sub-5–1TA), filed December 3, 1981. Applicant: MID TERMINAL LEASEWAY, INC., P.O. Box 149, Clear Lake, IA 50428. Representative: Larry D. Knox, Myers, Knox & Hart, 600 Hubbell Building, Des Moines, IA 50309. *Building Materials* between Hennepin County, MN, on the one hand, and, on the other, points in the U.S. Supporting shippers: (1) Metal Matic, Inc., 629 S.E. 2nd Street, Minneapolis, MN 55414; (2) Tooltech, 3145 Columbia Ave., N.E., Minneapolis, MN 55418; (3) Tonka Equipment Company, 5115 Industrial Street, Maple Plain, MN 55359; (4) Reserve Supply Co., P.O. Box 1372, Minneapolis, MN 55440.

MC 159555 (Sub-5–1TA), filed December 4, 1981. Applicant: LAWRENCE E. BLAIR, d.b.a. L. E. BLAIR TRUCKING, P.O. Box 247, Potosi, MO 63664. Representative: Lawrence E. Blair (same address as applicant). *Ore and ore concentrates, in bulk, in dump vehicles,* from points in Washington County, MO, to points in KS. Supporting shipper: DeSoto Mining Company, Inc., P.O. Box 35, Richwoods, MO 63071.

MC 102223 (Sub-5–1TA), filed December 7, 1981. Applicant: FRETTE-NICHOLSON TRUCK LINES, INC., P.O. Box 206, Ankeny, IA 50021. Representative: Kenneth F. Dudley, P.O. Box 279, Ottumwa IA 52501. *Meats, fresh, fresh frozen, frozen; packinghouse products; smoked, salted and cured and canned meat products,* (1) Between Crawford and Hardin Counties, IA on the one hand, and, on the other, pts in DE, IN, RI, VT, VA, ME and WV, and (2) between the Omaha, NE-Council Bluffs, IA Commercial Zone and Saline County, NE on the one hand, and, on the other, pts in CT, DE, IL, IN, IA, KY, ME, MD, NH, NJ, NY, OH, PA, RI, VT, VA, WV and DC. Supporting shipper: Farmland Foods, Inc., P.O. Box 403, Denison, IA 51442.

MC 116077 (Sub-5–13TA), filed December 8, 1981. Applicant: DSI TRANSPORTS, INC., 5851 San Felipe, Suite 800, Houston TX 77057. Representative: J. C. Browder, 5851 San Felipe, Suite 800, Houston, TX 77057. *Commodities, in bulk, in tank vehicles,* between Memphis, TN on the one hand and points in the U.S. on the other. Supporting shipper: Ciba-Geigy Corporation, Saw Mill River Road, Ardsley, NY 10502.

MC 138328 (Sub-5–29TA), filed December 8, 1981. Applicant: CLARENCE L WERNER, d.b.a. WERNER ENTERPRISES, P.O. Box 37308, Omaha, NE 68137. Representative: Donna Ehrlich (same address as applicant). *Insulation, and materials, equipment and supplies used in the manufacture, distribution and installation of insulation,* between Bartlesville, OK; Eugene, OR; Rock Springs, WY; South Bend, IN; and Tampa, FL, and pts in their respective commercial zones, on the one hand, and, on the other, pts in the U.S. restricted to traffic originating at or destined to facilities used by Delron Corporation. Supporting shipper: Delron Corporation, 55851 East Ave., Mishawaka, IN 46544.

MC 145088 (Sub-5–1TA), filed December 7, 1981. Applicant: S & T TRUCKLOAD, INC., P.O. Box 4408, Fort Worth, TX 76106. Representative: Billy R. Reid, 1721 Carl Street, Fort Worth, TX 76103. *Furniture, and materials, equipment and supplies* used in the manufacture and distribution of such commodities, between points in Dallas and Tarrant Counties, TX, on the one hand, and, on the other, points in the U.S. Supporting shipper: Leather & Oak, Inc., 611 Mockingbird, Dallas, TX 75247.

MC 145557 (Sub-5–6TA), filed December 5, 1981. Applicant: LIBERTY TRANSPORT, INC., 2501 Nicholson Road, Kansas City, MO 64168. Representative: Arthur J. Cerra, 2100 CharterBank Center, Kansas City, MO 64141. *Food and related products,* from Menominee and Vesper, WI, to points in IA, MO, AR, LA, TX, OK, KS and CO. Supporting shipper: Sanna Division, Beatrice Foods Company, P.O. Box 8046, Madison, WI 53708.

MC 147196 (Sub-5–40TA), filed December 8, 1981. Applicant: ECONOMY TRANSPORT, INC., P.O. Box 50262, New Orleans, LA 70150. Representative: Martin White, P.O. Box 5387, Richardson, TX 75080. Contract Irregular: *Adhesive noi,* between TX, FL, GA, LA, on the one hand and points in the U.S. on the other. Supporting shipper: H. B. Fuller Co., 3434 Executive Blvd., Mesquite, TX 75149.

MC 147196 (Sub-5–41TA), filed December 8, 1981. Applicant: ECONOMY TRANSPORT, INC., P.O. Box 50262, New Orleans, LA 70150. Representative: Martin White, P.O. Box 5387, Richardson, TX 75080. Contract Irregular: *Roofing Materials, asphalt, tar, noi* between Dallas County, TX on the one hand and points in the U.S. on the other. Supporting shipper: Monsey Products, 3802 Miller Park Dr., Garland, TX.

MC 148152 (Sub-5–13TA), filed December 7, 1981. Applicant: K & H TRUCKING, INC., 3301 So. Lamar Street, Dallas, TX 75215. Representative: Edmond E. Payne (same as above). *(1) Auto and Truck Bumpers, (2) Equipment and Supplies used in the manufacture of Auto and Truck Bumpers* between Dallas, TX and Detroit, MI. Restricted to shipments originating at or destined to the facilities of Pal Bumper Co. Supporting shipper: Pal Bumper Co.

MC 149199 (Sub-5–7TA), filed December 7, 1981. Applicant: FRONTIER EXPRESS, INCORPORATED, d.b.a. D & M TRANSPORTATION, 905 S.W. Second, Oklahoma City, OK 73109. Representative: G. Timothy Armstrong, P.O. Box 1124, El Reno, OK 73036. *Mining and drilling equipment and supplies;* and *materials, equipment and supplies used in the manufacture and distribution thereof (except bulk)* between the facilities of Smith Gruner, an S.I.I. Mining Equipment Co. at Ponca City, OK, on the one hand, and, on the other, points in the U.S. Supporting Shipper: Smith Gruner, an S.I.I. Mining Equipment Co., P.O. Box 911, Ponca City, OK 74602.

MC 151118 (Sub-5–14TA), filed December 7, 1981. Applicant: M.D.R. CARTAGE INC., 516 West Johnson, Jonesboro, AR 72401. Representative: Douglas C. Wynn P.O. Box 1295, Greenville, MS 38701. *General Commodities (except classes A & B Explosives and household goods)* between the facilities of Uncle Ben's Inc., on the one hand, and, on the other, points in the U.S. (except AK and HI). Supporting shipper(s): Uncle Ben's, Inc., 1098 Broadway Extended, Greenville, MS 38701.

MC 159284 (Sub-5–1TA), filed December 7, 1981. Applicant:

CHEMICAL MARKETING SERVICES, INC., Fourth National Bank Building, Suite 2501, Tulsa, OK 74119. Representative: Fred Rahal, Jr., Suite 305 Reunion Center, 9 East Fourth Street, Tulsa, OK 74103. *Sulphur*, between points in TX, on the one hand, and on the other, points in NM. Supporting shipper: Kerr-McGee Corporation Kerr-McGee Center, P.O. Box 25861, Oklahoma City, OK 73125.

MC 159577 (Sub-5–1TA), filed December 7, 1981. Applicant: PAUL K. SCOTT, d.b.a. SCOTT TRUCKING COMPANY, 11201 Old Spanish Trail New Orleans, LA 70128. Representative: Wade H. Brown, P.O. Box 217, Bessemer, AL 35021–0217. *Oilfield Equipment, Materials and Supplies*, between points in Jefferson, Orleans and Plaquemines Parishes, LA, on the one hand, and, on the other, points in AL, AR, CA, FL, LA, MS, ND, OK and TX. Supporting shippers: Baker CAC, Inc., P.O. Box 336, Belle Chasses, LA 70037 and McMoRan Offshore Exploration Company, Inc., 3421 North Causeway, Metairie, LA 70002.

MC 159579 (Sub-5–1TA), filed December 7, 1981. Applicant: SIMPSON'S CARRIER, INC., Box 72, Rural Route, Plainview, NE 68769. Representative: Bradford E. Kistler, P.O. Box 82028, Lincoln, NE 68501. *Metal buildings, and parts and accessories for metal buildings*, from the Milwaukee, WI, commercial zone, to points in NE, IA, SD and WY. Supporting shipper: Simpson's Inc., P.O. Box 1206, Norfolk, NE 68701.

Agatha L. Mergenovich,

Secretary.

[FR Doc. 81-36252 Filed 12-18-81; 8:45 am]

BILLING CODE 7035-01-M

[Vol. No. OPY-5-227]

Motor Carriers; Permanent Authority; Republications of Grants of Operating Rights Authority Prior to Certification

The following grants of operating rights authorities are republished by order of the Commission to indicate a broadened grant of authority over that previously noticed in the **Federal Register.**

An original and one copy of opposing verified statements must be filed with the Commission within 45 days after the date of this **Federal Register** notice. Applicant may file a verified statement in rebuttal within 60 days. Such pleadings shall comply with 49 CFR 1100.252 addressing specifically the issues(s) indicated as the purpose for republication.

Agatha L. Mergenovich,

Secretary.

MC 152049 (Sub-2) (republication), filed July 17, 1981, published in the **Federal Register** issue of August 4, 1981, and republished this issue. Applicant: AIRO SERVICES, INC., 2103 E. 112th St., Tacoma, WA 98445. Representative: Jim Pitzer, 15 S. Grady Way, Suite 321, Renton, WA 98055. A decision of the Commission, Review Board 1, decided November 2, 1981, and served November 17, 1981, finds that the present and future public convenience and necessity require operations by applicant in interstate or foreign commerce, as a *common carrier*, by motor vehicle, over irregular routes, transporting *hazardous wastes*, between points in Kings County, CA, and Arapaho County, CO, on the one hand, and, on the other, points in Washington, Oregon, Idaho, Montana, Utah, and Wyoming, that applicant is fit, willing, and able properly to perform such service and conform to the requirements of the Interstate Commerce Act and the Commission's rules and regulations. The purpose of this republication is to indicate applicant's actual grant of authority.

[FR Doc. 81-36248 Filed 12-18-81; 8:45 am]

BILLING CODE 7035-01-M

Motor Carriers; Republications of Grants of Operating Rights Authority Prior to Certification; Decision Notice

The following grants of operating rights authorities are republished by order of the Commission to indicate a broaden grant of authority over that previously noticed in the **Federal Register.**

An original and one copy of a petition for leave to intervene in the proceeding must be filed with the Commission within 30 days after the date of this **Federal Register** notice. Such pleading shall comply with Special Rule 247(e) of the Commission's *General Rules of Practice* (49 CFR 1100.247) addressing specifically the issue(s) indicated as the purpose for republication, and including copies of intervenor's conflicting authorities and a concise statement of intervenor's interest in the proceeding setting forth in detail the precise manner in which it has been prejudiced by lack of notice of the authority granted. A copy of the pleading shall be served concurrently upon the carrier's representative, or carrier if no representative is named.

Volume No. 480

MC 157097 (Republication), filed July 13, 1981; published in the **Federal Register** issue of August 6, 1981; and republished this issue. Applicant: WENCZEL TILE COMPANY OF FLORIDA, INC., 6608 S. Westshore Blvd., Tampa, FL 33616. Representative: Gerard J. Donovan, 4791 S.W. 82nd Ave., Davie, FL 33328. In a decision by the Commission, Review Board No. 2, decided November 18, 1981 and finds that performance by the applicant as *a common carrier*, by motor vehicle, in interstate or foreign commerce, over *irregular routes*, transporting *general commodities* (except classes A and B explosives, commodities in bulk, and household goods as defined by the Commission), between points in Cherokee County, GA, and Florida, on the one hand, and, on the other, points in Alabama, Florida, Georgia, Mississippi, New Jersey, New York, North Carolina, and South Carolina, will serve a useful public purpose, responsive to a public demand or need. Applicant is fit, willing, and able properly to perform the granted service and to conform to statutory and administrative requirements. Conditions: (1) That applicant conducts its for-hire motor carrier activities separately from its other activities; and (2) That applicant maintains separate records for its for-hire motor carrier activities.

Note.—The purpose of this republication is to include service to Cherokee County, GA, and to note imposed conditions.

Volume No. 481

MC 115667 (Sub-19) (Republication), filed August 3, 1981; published in the **Federal Register** issue of August 24, 1981; and republished this issue. Applicant: ARROW TRANSPORTATION SYSTEMS, INC., 320 Seymour Blvd. North Vancouver, BC, Canada V7J 2J3. Representative: Clyde H. MacIver, 1415 Fifth Avenue, Seattle, WA 98171, (206) 344–2160. In a decision by the Commission, Review Board Number 1, decided November 25, 1981, and finds that performance by the applicant as *a common carrier*, by motor vehicle, in interstate or foreign commerce, *over irregular routes*, transporting (A)(1) *lumber and wood products;* (2) *forest products;* (3) *chemicals and related products;* (4) *metal products;* (5) *machinery;* (6) *commodities* which because of their size or weight require the use of special equipment; (7) *building materials;* and (8) *Mercer commodities*, between ports of entry on the international boundary line between the United States and

Canada in Washington, Idaho and Montana, on the one hand, and, on the other, points in Washington, Oregon, California, Idaho, Montana, Wyoming, Nevada, Utah, Colorado, Arizona, New Mexico, Texas, Oklahoma, Kansas, Nebraska, South Dakota, North Dakota, Minnesota, Louisiana, Illinois, and Iowa; and (B)(1) *metal products and machinery*, between points in California, Oregon, and Washington, on the one hand, and, on the other, points in the 21 states listed in (A) above; (2) *lumber and wood products*, between points in California, Oregon, Washington, Idaho, and Montana, on the one hand, and, on the other, points in the 21 states listed in (A) above; (3) *building materials*, (a) between points in Contra Costa County, CA, on the one hand, and, on the other, points in Washington and Oregon; and (b) between points in Pierce County, WA, on the one hand, and, on the other, points in Idaho; (4) *mining vehicles and parts*, between Portland, OR, on the one hand, and, on the other, points in the 21 states listed in (A) above; and (5) *glass*, between points in Fresno County, CA, on the one hand, and, on the other, points in Colorado, Montana, Idaho, Wyoming, New Mexico, Nevada, Utah, Washington, and Oregon will serve a useful public purpose, responsive to a public demand or need. Applicant is fit, willing, and able properly to perform the granted service and to conform to statutory and administrative requirements.

Note.—The purpose of this republication is to provide adequate public notice of authority to transport glass and mining vehicles.

Agatha L. Mergenovich,

Secretary.

[FR Doc.81-36249 Filed 12-18-81; 8:45 am]

BILLING CODE 7035-01-M

[Ex Parte No. 387 (Sub-70)]

Seaboard Coast Line Railroad Co. Exemption for Contract Tariff ICC-SCL-C-0010

AGENCY: Interstate Commerce Commission.

ACTION: Notice of Provisional Exemption.

SUMMARY: Petitioner is granted a provisional exemption under 49 U.S.C. 10505 from the notice requirement of 49 U.S.C. 10713(e). This contract tariff may be revoked if protests are filed within 15 days of publication in the Federal Register.

FOR FURTHER INFORMATION CONTACT:

Jane F. Mackall (202) 275-7656.

SUPPLEMENTARY INFORMATION: The Seaboard Coast Line Railroad Company (SCL) filed a petition on December 9, 1981, seeking an exemption under 49 U.S.C. 10505 from the statutory notice provisions of 49 U.S.C. 10713(e), to advance the effective date of its contemporaneously-filed contract tariff ICC-SCL-C-0010 (filed December 8, 1981, and now scheduled to become effective on January 8, 1982), so that it can become effective on one day's notice. This contract involves use of surplus SCL boxcars over the next 6 months for storage of pulpboard and woodpulp.

Under 49 U.S.C. 10713(e), contracts must be filed on not less than 30 nor more than 60 days' notice. There is no provision for waiving this requirement. Cf. former section 10762(d)(1). However, the Commission has granted relief under our section 10505 exemption authority in exceptional situations.

Customer orders for this shipper's pulpboard and woodpulp products have declined, but the shipper has, apparently, continued to produce at a normal pace. Therefore, because of lack of sales, it is running out of space to store its inventory. All available warehouse space is full and it has arranged with the SCL to use SCL's surplus boxcars as additional storage space. Ten cars were loaded on the date the tariff was filed and demurrage is running against them. The demurrage rate escalates to $60 per day after 6 days. Thus, the instant contract will provide a rate for use of the cars in lieu of demurrage. This will aid the shipper and provide income for the SCL on cars that are sitting empty and not generating revenues. Accordingly, the petition is granted because of the described immediate need on the part of the shipper and because it will also help the carrier. SCL's contract tariff ICC-SCL-C-0010 may become effective on one day's notice.

We will apply the following conditions which have been imposed in similar exemption proceedings:

If the Commission permits the contract to become effective on one day's notice, this fact neither shall be construed to mean that this is a Commission approved contract for purposes of 49 U.S.C. 10713(g) nor shall it serve to deprive the Commission of jurisdiction to institute a proceeding on its own initiative or on complaint, to review this contract and to disapprove it.

Subject to compliance with these conditions, under 49 U.S.C. 10505(a) we find that the 30 day notice requirement in these instances is not necessary to carry out the transportation policy of 49 U.S.C. 10101a and is not needed to protect shippers from abuse of market power. Further, we will consider revoking these exemptions under 49 U.S.C. 10505(c) if protests are filed within 15 days of publication in the Federal Register.

This action will not significantly affect the quality of the human environment or the conservation of energy resources.

(49 U.S.C. 10505)

Dated: December 14, 1981.

By the Commission, Division 2, Commissioners Gresham, Gilliam, and Taylor. Commissioner Taylor did not participate.

Agatha L. Mergenovich,

Secretary.

[FR Doc. 81-36148 Filed 12-18-81; 8:45 am]

BILLING CODE 7035-01-M

METRIC BOARD

Public Forum

Notice is hereby given that the United States Metric Board will hold a Public Forum on Thursday, January 7, 1982, from 10:00 a.m. to 1:00 p.m. The Forum will be held in conjunction with the Metric Board's regular bimonthly meeting. Notice of the regular meeting appears in the Sunshine Meeting section of this issue. The Forum and Meeting will be held in the Acapulco Room of The San Diego Hilton Hotel, 1775 East Mission Bay Drive, San Diego, California.

The purpose of the Forum will be to allow Board Members to receive comments about increased metric usage and voluntary metric conversion from individuals and from representatives of groups or organizations. The public is invited and encouraged to provide oral and written comments and ask questions of the Board from 11:30 a.m. to 1:00 p.m. Those who wish to participate may also submit comments or questions in advance to Mr. Chips Maurer, Office of Public Awareness and Education, United States Metric Board, 1600 Wilson Blvd., Suite 400, Arlington, Virginia 22209 (Phone: 703/235-2826).

Louis F. Polk,

Chairman, United States Metric Board.

[FR Doc. 81-36259 Filed 12-18-81; 8:45 am]

BILLING CODE 8260-01-M

NATIONAL SCIENCE FOUNDATION

Task Group No. 20 of the NSF Advisory Council; Meeting

In accordance with the Federal Advisory Council Act, Pub. L. 92-463, the National Science Foundation announces the following meeting:

Name: Task Group No. 20 of the NSF Advisory Council
Place: National Science Foundation, Rm. 523, 1800 G Street, N.W., Washington, D.C. 20550
Date: Friday, January 8, 1982
Time: 9:00 a.m. to 5:00 p.m.
Type of Meeting: Open
Contact Person: Ms. Jeanne Hudson, Executive Secretary of the NSF Advisory Council, National Science Foundation, Rm. 518, 1800 G Street NW., Washington, D.C. 20550. Telephone: 202/357–9419.
Purpose of Task Group: The purpose of the Task Group, composed of members of the NSF Advisory Council, is to provide the full Advisory Council with a mechanism to consider numerous issues of interest to the Council that have been assigned by the National Science Foundation.
Summary Minutes: May be obtained from the contact person at above stated address.
Agenda: The Task Group is asked to provide a clear and concise statement of the relationship of Foundation programs to DOD R&D activities, together with recommendations about how NSF can better coordinate its programs with those of the defense research agencies.

M. Rebecca Winkler,

Committee Management Coordinator.

December 16, 1981.

[FR Doc. 81–36247 Filed 12–18–81; 8:45 am]

BILLING CODE 1555–01–M

NUCLEAR REGULATORY COMMISSION

Advisory Committee on Reactor Safeguards, Subcommittee on Advanced Reactors; Meeting

The ACRS Subcommittee on Advanced Reactors will hold a meeting on January 6, 1982, Room 1167, 1717 H Street, NW, Washington, DC. The Subcommittee will discuss the fiscal year 1983 NRC Safety Research Programs pertaining to advanced reactors.

In accordance with the procedures outlined in the **Federal Register** on September 30, 1981, (46 FR 47903), oral or written statements may be presented by members of the public, recordings will be permitted only during those portions of the meeting when a transcript is being kept, and questions may be asked only by members of the Subcommittee, its consultants, and Staff. Persons desiring to make oral statements should notify the Designated Federal Employee as far in advance as practicable so that appropriate arrangements can be made to allow the necessary time during the meeting for such statements.

The entire meeting will be open to public attendance except for those sessions of this meeting that may be closed to discuss the NRC Safety Research Program as required (Sunshine Act Exemptions (2), (6), and (9)b). To the extent practicable, these closed sessions will be held so as to minimize inconvenience to members of the public in attendance.

The agenda for subject meeting shall be as follows:

Wednesday, January 6, 1982—3:00 p.m. until the conclusion of business

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, will exchange preliminary views regarding matters to be considered during the balance of the meeting.

The Subcommittee will then hear presentations by and hold discussions with representatives of the NRC Staff, their consultants, and other interested persons regarding the topics to be discussed.

Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call to the cognizant Designated Federal Employee, Mr. Elpidio Igne (telephone 202/634–1414) between 8:15 a.m. and 5:00 p.m., est.

I have determined, in accordance with subsection 10(d) Pub. L. 92–463 that it may be necessary to close sessions of the meeting as noted above to discuss matters which relate solely to the internal personnel rules and practices of the agency (Exemption (2)), to discuss information of a personal nature, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy (Exemption (6)), and to discuss preliminary information the release of which would be likely to significantly frustrate the Committee in the performance of its statutory function (Exemption (9)b). The authority for such closure are Exemptions (2), (6), and (9)b to the Sunshine Act, 5 U.S.C. 552B(c)(2)(6)(9)b.

Dated: December 16, 1981.

John C. Hoyle,

Advisory Committee, Management Officer.

[FR Doc. 36402 Filed 12–18–81; 8:45 am]

BILLING CODE 7590–01–M

Advisory Committee on Reactor Safeguards, Subcommittee on Human Factors; Meeting

The ACRS Subcommittee on Human Factors will hold a meeting on January 5, 1982, Room 1046, 1717 H Street, NW, Washington, DC. The Subcommittee will continue its review of documents produced by NRC's Division of Human Factors Safety including NUREG–0700, "Guidelines for Control Room Design Review", NUREG–0801, "Evaluation Criteria for Detailed Control Room Design Review", and NUREG–0835, "Human Factors Acceptance Criteria for the Safety Parameter Display System".

In accordance with the procedures outlined in the **Federal Register** on September 30, 1981 (46 FR 47903), oral or written statements may be presented by members of the public, recordings will be permitted only during those portions of the meeting when a transcript is being kept, and questions may be asked only by members of the Subcommittee, its consultants, and Staff. Persons desiring to make oral statements should notify the Designated Federal Employee as far in advance as practicable so that appropriate arrangements can be made to allow the necessary time during the meeting for such statements.

The entire meeting will be open to public attendance.

The agenda for subject meeting shall be as follows:

Tuesday, January 5, 1982
8:30 a.m. until the conclusion of business.

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, will exchange preliminary views regarding matters to be considered during the balance of the meeting.

The Subcommittee will then hear presentations by and hold discussions with representatives of the NRC Staff, their consultants, and other interested persons regarding this review.

Further information abut topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call to the cognizant Designated Federal Employee, Richard Major (telephone 202/634–1414) between 8:15 a.m. and 5:00 p.m., est.

Dated: December 16, 1981.

John C. Hoyle,

Advisory Committee Management Officer.

[FR Doc. 81–36400 Filed 12–18–81; 8:45 am]

BILLING CODE 7590–01–M

Advisory Committee on Reactor Safeguards, Subcommittee on Reliability and Probabilistic Assessment; Meeting

The ACRS Subcommittee on the Reliability and Probabilistic Assessment will hold a meeting on January 5, 1982,

Room 1046, at 1717 H Street, NW, Washington, DC. The Subcommittee will discuss the Systems and Reliability Analysis portion of the proposed NRC Safety Research budget for FY 1983. Notice of this meeting was published November 25.

In accordance with the procedures outlined in the Federal Register on September 30, 1981, (46 FR 47903), oral or written statements may be presented by members of the public, recordings will be permitted only during those portions of the meeting when a transcript is being kept, and questions may be asked only by members of the Subcommittee, its consultants, and Staff. Persons desiring to make oral statements should notify the Designated Federal Employee as far in advance as practicable so that appropriate arrangements can be made to allow the necessary time during the meeting for such statements.

The entire meeting will be open to public attendance except for those sessions of this meeting that may be closed to discuss the NRC Safety Research Program as required (Sunshine Act Exemptions (2), (6), and (9)b). To the extent practicable, these closed sessions will be held so as to minimize inconvenience to members of the public in attendance.

The agenda for subject meeting shall be as follows:

Tuesday, January 5, 1982—6:00 p.m. until the conclusion of business

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, will exchange preliminary views regarding matters to be considered during the balance of the meeting.

The Subcommittee will then hear presentations by and hold discussions with representatives of the NRC Staff, their consultants, and other interested persons regarding the topics to be discussed.

Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call to the cognizant Federal Employee, Mr. J. Michael Griesmeyer (telephone 202/634-3267) between 8:15 a.m. and 5:00 p.m., EST. The Designated Federal Employee for this meeting is Mr. Gary Quittschreiber.

I have determined, in accordance with subsection 10(d) Pub. L. 92-463 that it may be necessary to close sessions of the meeting as noted above to discuss matters which relate solely to the internal personnel rules and practices of the agency (Exemption (2)), to discuss information of a personal nature, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy (Exemption (6)), and to discuss preliminary information the release of which would be likely to significantly frustrate the Committee in the performance of its statutory function (Exemption (9)b). The authority for such closure are Exemptions (2), (6), and (9)b to the Sunshine Act, 5 U.S.C. 552b(c)(2)(9)b.

Dated: December 15, 1981.

John C. Hoyle,

Advisory Committee Management Officer.

[FR Doc 81-36401 Filed 12-18-81; 8:45 am]

BILLING CODE 7590-01-M

[Docket No. 50-293]

Boston Edison Co.; Issuance of Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 51 to Facility Operating License No. DPR-35 issued to Boston Edison Company (the Licensee) which revised the Technical Specifications for operation of the Pilgrim Nuclear Power Station Unit No. 1 (the facility) located near Plymouth, Massachusetts. The amendment was authorized by telephone on November 4, 1981 and was confirmed by letter dated November 5, 1981; therefore, the amendment became effective November 4, 1981.

The amendment grants relief from the requirements of the Technical Specifications (3.7.B.1.c, 3.7.B.1.e, 3.7.B.2.a, and 3.7.B.2.c) regarding the operability requirements for the Standby Gas Treatment System and the Control Room High Efficiency Air Filtration System for the initiation of fuel movement and during fuel handling operations for the period November 4, 1981 through November 24, 1981.

The application for amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment. Prior public notice of this amendment was not required since it does not involve a signficant hazards consideration.

The Commission has determined that the issuance of this amendment will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4), an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in conneotion with the issuance of the amendment.

For further details with respect to this action, see (1) the application for amendment dated November 4, 1981, (2) Amendment No. 51 to License No. DPR-35 and (3) the Commission's related Safety Evaluation. All of these items are available for public inspection at the Commission's Public Document Room, 1717 H Street, N.W., Washington, D.C., and at the Plymouth Public Library on North Street in Plymouth, Massachusetts 02360. A single copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Licensing.

Dated at Bethesda, Maryland this 10th day of December, 1981.

For the Nuclear Regulatory Commission.

Thomas A. Ippolito,

Chief, Operating Reactors Branch No. 2, Division of Licensing.

[FR Doc. 81-36394 Filed 12-18-81; 8:45 am]

BILLING CODE 7590-01-M

[Docket No. 50-302]

Florida Power Corp., et al.; Issuance of Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 47 to Facility Operating License No. DPR-72, issued to the Florida Power Corporation, City of Alachua, City of Bushnell, City of Gainesville, City of Kissimmee, City of Leesburg, City of New Smyrna Beach and Utilities Commission, City of New Smyrna Beach, city of Ocala, Orlando Utilities Commission and City of Orlando, Sebring Utilities Commission, Seminole Electric Cooperative, Inc., and the City of Tallahassee (the licensees) which revised the Technical Specifications (TSs) for operation for the Crystal River Unit No. 3 Nuclear Generating Plant (the facility) located in Citrus County, Florida. The amendment is effective as of the date of issuance.

The amendment revises Figure 3.1-7 of the TSs to be consistent with operational Cycle 4 application. The licensee failed to include this figure in their proposed TSs for Cycle 4 and subsequently, our approval of December 4, 1981, of Cycle 4 did not include Figure 3.1-7. This amendment, an

administrative change, corrects that deficiency.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment. Prior public notice of this amendment was not required since the amendment does not involve a significant hazards consideration.

The Commission has determined that the issuance of this amendment will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with issuance of this amendment.

For further details with respect to this action, see (1) the application for amendment dated December 8, 1981, (2) Amendment No. 47 to License No. DPR-72, and (3) the Commission's related Safety Evaluation. All of these items are available for public inspection at the Commission's Public Document Room, 1717 H Street, NW, Washington, D.C., and at the Crystal River Public Library, 668 NW First Avenue, Crystal River, Florida. A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Licensing.

Dated At Bethesda, Maryland, this 10th day of December 1981.

For the Nuclear Regulatory Commission.

Morton B. Fairtile,

Acting Chief, Operating Reactors Branch No. 4, Division of Licensing.

[FR Doc. 81-36397 Filed 12-18-81; 8:45 am]

BILLING CODE 7590-01-M

[Docket Nos. 50-259, 50-260 and 50-296]

Tennessee Valley Authority; Issuance of Amendments to Facility Operating Licenses

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 80 to Facility Operating License No. DPR-33, Amendment No. 76 to Facility Operating License No. DPR-52 and Amendment No. 49 to Facility Operating License No. DPR-68 issued to Tennessee Valley Authority (the licensee), which revised Technical Specifications for operation of the Browns Ferry Nuclear Plant, Unit Nos. 1, 2 and 3 (the facility) located in Limestone County, Alabama. The amendments are effective as of the date of issuance.

These amendments revise the Environmental Technical Specifications to (1) delete water quality and aquatic monitoring and reporting requirements which duplicate those conditions regulated by the Browns Ferry Nuclear Plants' NPDES Permit No. AL0022080 issued to TVA on June 30, 1977 and (2) change the titles in Section 5.0 (Administrative Controls) for the offices within TVA responsible for environmental activities to reflect recent organizational changes.

The application for the amendments complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendments. Prior public notice of these amendments was not required since the amendments do not involve a significant hazards consideration.

The Commission has determined that the issuance of these amendments will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with the issuance of these amendments.

For further details with respect to this action, see (1) the application for amendments dated July 29, 1981, (2) Amendment No. 80 to License No. DPR-33, Amendment No. 76 to License No. DPR-52, and Amendment No. 49 to License No. DPR-68, and (3) the Commission's letter to the licensee dated December 10, 1981. All of these items are available for public inspection at the Commission's Public Document Room, 1717 H Street, NW., Washington, D.C. and at the Athens Public Library, South and Forrest, Athens, Alabama 35611. A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Licensing.

Dated at Bethesda, Maryland, this 10th day of December 1981.

For the Nuclear Regulatory Commission.

Thomas A. Ippolito,

Chief, Operating Reactors Branch No. 2, Division of Licensing.

[FR Doc. 81-36395 Filed 12-18-81; 8:45 am]

BILLING CODE 7590-01-M

[Docket No. 50-338]

Virginia Electric & Power Co.; Issuance of Amendment to Facility Operating License

The U.S. Nuclear Regulatory Commission (the Commission) has issued Amendment No. 34 to Facility Operating License No. NPF-4 issued to the Virginia Electric & Power Co. (the licensee) which revised the Technical Specifications for operation of the North Anna Power Station, Unit No. 1 (the facility) located in Louisa County, Virginia. The amendment is effective 7 days from the date of issuance.

The amendment revises the Technical Specifications to specify that the inservice test requirements for pressurizer power operated relief valves are in accordance with the American Society of Mechanical Engineers Section XI for Category B valves.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment. Prior public notice of the amendment was not required since the amendment does not involve a significant hazards consideration.

The Commission has determined that the issuance of the amendment will not result in any significant environmental impact and that pursuant to 10 CFR 51.5(d)(4) an environmental impact statement or negative declaration and environmental impact appraisal need not be prepared in connection with issuance of the amendment.

For further details with respect to this action, see (1) the application for amendment dated April 16, 1980 (Serial No. 344), (2) Amendment No. 34 to Facility Operating license No. NPF-4; and (3) the Commission's related Safety Evaluation. These items are available for pulic inspection at the Commission's Public Document Room, 1717 H Street, NW., Washington, D.C. 20555 and at the Board of Supervisor's Office, Louisa County Courthose, Louisa, Virginia 23093 and at the Alderman Library, Manuscripts Department, University of Virginia, Charlottesville, Virginia 22901. A copy of items (2) and (3) may be obtained upon request addressed to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Director, Division of Licensing.

Dated at Bethesda, Maryland this 9th day of December, 1981.

For the Nuclear Regulatory Commission.

Leon B. Engle,

Acting Chief, Operating Reactors Branch No. 3, Division of Licensing.

[FR Doc. 81-36396 Filed 12-18-81; 8:45 am]

BILLING CODE 7590-01-M

[Docket Nos. 50-443A and 50-444A]

Public Service Company of New Hampshire, et al.; Receipt of Additional Antitrust Information; Time for Submission of Views on Antitrust Matters

Note.—Originally published in the issue of Monday, November 30, 1981 on page 58228 and reprinted at the request of the agency.

Public Service Company of New Hampshire, et al.,[1] pursuant to section 103 of the Atomic Energy Act of 1954, as amended, has filed information requested by the Attorney General for antitrust review as required by 10 CFR Part 50, Appendix L. This information concerns a proposed additional ownership participant, the Canal Electric Company (Canal) in the Seabrook Station, Unites 1 and 2. The change involves the transfer of ownership from the Commonwealth Electric Company to Canal.

The information was filed in connection with the application submitted by the construction permit holders for operating licenses for two pressurized water reactors. Construction was authorized on July 7, 1976 at the Seabrook site located in Rockingham County, New Hampshire.

The original application was docketed on July 9, 1973, and the Notice of Receipt of Application for Construction Permits and Facility Licenses and Availability of Applicants' Environmental Report; Time for Submission of Views on Antitrust Matters was published in the **Federal Register** on August 9, 1973 (38 FR 21522). The Notice of Receipt of Application for Facility Operating Licenses; Notice of Availability of Applicants' Environmental Report; and the Notice of Consideration of Issuance of Facility Operating Licenses and Notice of Opportunity for Hearing was published in the **Federal Register** on October 19, 1981 (46 FR 51330).

A copy of the above documents are available for public examination and copying for a fee at the Commission's Public Document Room, 1717 H Street, NW., Washington, D.C. 20555 and at the Exeter Public Library, Front Street, Exeter, New Hampshire 03883.

Any person who wishes to have his views on the antitrust matters with respect to the Canal Electric Company presented to the Attorney General for consideration or who desires additional information regarding the matters covered by this notice, should submit such views or requests for additional information to the U.S. Nuclear Regulatory Commission, Washington, D.C. 20555, Attention: Chief, Antitrust and Economic Analysis Branch, Division of Engineering, Office of Nuclear Reactor Regulation, on or before January 29, 1982.

Dated at Bethesda, Maryland, this 16th day of November 1981.

For the Nuclear Regulatory Commission.

Frank J. Miraglia,

Chief, Licensing Branch No. 3, Division of Licensing.

[FR Doc 81-34273 Filed 11-27-81; 8:45 am]

BILLING CODE 7590-01-M

OFFICE OF MANAGEMENT AND BUDGET

Agency Forms Under Review

Background

December 14, 1981.

When executive departments and agencies propose public use forms, reporting, or recordkeeping requirements, the Office of Management and Budget (OMB) reviews and acts on those requirements under the Paperwork Reduction Act (44 U.S.C. Chapter 35). Departments and agencies use a number of techniques including public hearings to consult with the public on significant reporting requirements before seeking OMB approval. OMB in carrying out its responsibility under the act also considers comments on the forms and recordkeeping requirements that will affect the public.

List of Forms under Review

Every Monday and Thursday OMB publishes a list of the agency forms received for review since the last list was published. The list has all the entries for one agency together and grouped into new forms, revisions, extensions (burden change), extensions (no change), or reinstatements. The Agency Clearance Officer can tell you the nature of any particular revision you are interested in. Each entry contains the following information:

The name and telephone number of the Agency Clearance Officer (from whom a copy of the form and supporting documents is available).

The office of the agency issuing this form.

The title of the form.

The agency form number, if applicable.

How often the form must be filled out.

Who will be required or asked to report.

The standard industrial classification (SIC) codes, referring to specific respondent groups that are affected.

Whether small businesses or organizations are affected.

A description of the Federal Budget functional category that covers the information collection.

An estimate of the number of responses.

An estimate of the total number of hours needed to fill out the form.

An estimate of the cost to the Federal Government.

An estimate of the cost to the public.

The number of forms in the request for approval.

An indication of whether section 3504(h) of Pub. L. 96-511 applies.

The name and telephone number of the person or office responsible for OMB review, and

An abstract describing the need for and uses of the information collection.

Reporting or recordkeeping requirements that appear to raise no significant issues are approved promptly. Our usual practice is not to take any action on proposed reporting requirements until at least ten working days after notice in the **Federal Register**, but occasionally the public interest requires more rapid action.

Comments and questions

Copies of the proposed forms and supporting documents may be obtained from the Agency Clearance Officer whose name and telephone number appear under the agency name. The Agency Clearance Officer will send you a copy of the proposed form, the request for clearance (SF83), supporting statement, instructions, transmittal letters, and other documents that are submitted to OMB for review. If you experience difficulty in obtaining the information you need in reasonable time, please advise the OMB reviewer to whom the report is assigned. Comments and questions about the items on this list should be directed to the OMB reviewer or office listed at the end of each entry.

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[1] The current applicants for the operating licenses for Seabrook Station are: Bangor Hydro-Electric Company, Central Maine Power Company, Central Vermont Public Service Corporation, Commonwealth Energy Systems, Connecticut Light & Power Company, Fitchburg Gas & Electric Light Company, Hudson Light & Power Department Maine Public Service Company, Massachusetts Municipal Wholesale Electric Company, Montaup Electric Company, New England Power Company, Public Service Company of New Hampshire, Taunton Municipal Lighting Plant, The United Illuminating Company, and Vermont Electric Cooperative, Inc.

If you anticipate commenting on a form but find that time to prepare will prevent you from submitting comments promptly, you should advise the reviewer of your intent as early as possible.

The timing and format of this notice have been changed to make the publication of the notice predictable and to give a clearer explanation of this process to the public. If you have comments and suggestions for further improvements to this notice, please send them to Jim J. Tozzi, Deputy Administrator, Office of Information and Regulatory Affairs, Office of Management and Budget, 726 Jackson Place, Northwest, Washington, D.C. 20503.

DEPARTMENT OF AGRICULTURE

Agency Clearance Officer—Richard J. Schrimper—202–447–6201

New

• Farmers Home Administration
Section 504 Rural Housing Loans and Grants—7 CFR 1944–J
On occasion
Individuals or households
Households in rural areas
Mortgage credit and thrift insurance: 46,000 responses; 12,880 hours; $12,800 Federal cost; $38,640 public cost; 1 form; NPRM under 3504(h)
Nell Minow, 202–395–7340

Title V of the Housing Act of 1949, as amended, authorizes FMHA to collect information needed to determine applicant's eligibility for a 504 repair loan and costs of needed repairs.

• Food and Nutrition Service
Application and Agreement: National School Lunch Program, School Breakfast Program and Special Milk Program
FNS–66, 66–1, 67
Annually
Businesses or other institutions
Nonpublic, nonprofit schools & resid. child care instit.
SIC: 821,336
Small businesses or organizations
Public assistance and other income supplements: 1,994 responses; 2,317 hours; $384,204 Federal cost; $23,170 public cost; 3 forms; not applicable under 3504(h)
Nell Minow, 202–395–7340

The FNS–66 and 66–1 are used by applicant organizations for participation in the national school lunch, school breakfast and special milk programs. FNS executes grant agreements with school food authorities of schools approved for participation via the FNS–67.

• Agricultural Marketing Service
Hawaiian Papayas—Marketing Order 928
Monthly, annually
Businesses or other institutions
Hawaiian papaya producers, handlers & processors
SIC: 017, 515, 203
Small businesses or organizations
Agricultural research and services: 965 responses; 539 hours; $532 Federal cost; $3,016 public cost; 3 forms; not applicable under 3504(h)
Charles A. Ellett, 202–395–7340

Papaya administrative committee forms are used to obtain information from papaya producers, handlers, and processors relating to the papayas disposed of by them, as well as make application for benefits, including obtaining special handling permits to make certain types of shipments exempt from regulation, as provided for in the marketing order.

• Farmers Home Administration
7 CFR 1951–F, Analyzing Credit Needs and Graduation of Borrowers
On occasion
Farms/businesses or other institutions
Farmers, ranchers, & lending institutions
SIC: 011, 013, 016, 017, 018, 019, 021, 024, 025, 027
Small businesses or organizations
Farm income stabilization: 142,500 responses; 96,250 hours; $9,600 Federal cost; $577,500 public cost; 1 form; not applicable under 3504(h)
Nell Ninow, 202–395–7340

FMHA needs this information to make loan servicing decisions. Complete and current information is necessary in order to determine appropriate servicing actions and whether proposed action is justified.

• Animal and Plant Health Inspection Service
Report of Violation
PPQ 518
On occasion
Individuals or households/farms/businesses or other institutions
Consignors, carriers, consignees, caterers, etc.,
SIC: 017, 018, 013, 016, 241, 514, 515, 519, 703, 451
Small businesses or organizations
Agricultural research and services: 900 responses; 153 hours; $21,766 Federal cost; $819 public cost; 1 form; not applicable under 3504(h)
Nell Minow, 202–395–7340

Information is needed to determine the nature and extend of violation of the laws and regulations enforced by plant protection and quarantine. The information is used to determine whether or not to prosecute, and in any subsequent prosecution.

• Foreign Agricultural Service
Regulations—Financing Commercial Sales of Agricultural Commodities Under Title I, PL 480—Recordkeeping Requirements
On occasion
Businesses or other institutions
Exporters of U.S. agricultural commodities
SIC: 515, 446
Agricultural research and services: 63 responses; 504 hours; $0 Federal cost; $5,040 public cost; 1 form; not applicable under 3504(h)
Nell Minow, 202–395–7340

Suppliers must keep accurate books, records and accounts on contracts entered into under PL 480, Title I. Records must be retained for 3 years after final payment, for USDA inspection and audit. (Section 17.17 of the regulations)

• Agricultural Marketing Service
Marketing Order 929—Cranberries Grown in States of MA, RI, CT, NJ, WI, MI, MN, OR, WA, and Long Island in the State of New York
On occasion/semiannually/annually
Farms Businesses or other institutions
Cranberry growers and handlers under marketing order 929
SIC: 017, 515, 203
Small businesses or organizations
Agricultural research and services: 2,924 responses; 205 hours; $555 Federal cost; 11 forms; $1,179 public cost; not applicable under 3504(h)
Charles A. Ellett, 202–395–7340

Cranberry marketing committee forms are used to obtain information from cranberry handlers relating to the cranberries handled, acquired, in inventory, sold, and otherwise disposed of by them, and from cranberry growers relating to their cranberry businesses, and their base quantities and allotment transactions.

• Food and Nutrition Service
Evaluation of the Food Stamp Work Registration and Job Search Demonstration
Biennially, other—see SF83
Individuals or households/State or local governments
Food Stamp Work Registrants, Food Stamp Agen. and State, etc.
SIC: 943
Food and nutrition assistance: 23,621 reponses; 12,220 hours; $2,400,000 Federal cost; 6 forms; $59,957 public cost; not applicable under 3504(h)
Nell Minow, 202–395–7340

Data collected will be used to assess the feasibility, operation, effectiveness, and costs of five food stamp work registration and job search procedures. Impacts on food stamp agencies, State employment security agencies, and food stamp work registrants will be assessed as well.

• Farmers Home Administration
7 CFR 1944–K, Technical and supervisory assistance grants
On occasion, quarterly
State or local governments/businesses or other institutions
Private non-profit organizations—State local gov't
SIC: 832, 839, 953
Small businesses or organizations
Mortgage credit and thrift insurance: 3,840 responses; 3,185 hours; $80,000 Federal cost; 1 form; $29,302 public cost; not applicable under 3504(h)
Nell Minow, 202–395–7340

Section 525 of the Housing Act of 1949 authorizes grants to low income families for assistance in applying for housing and counseling for housing applicants and delinquent borrowers.

• Farmers Home Administration
7 CFR 1901–0, Jointly funded grant assistance to State and local governments and non-profit organizations
On occasion
State or local governments/businesses or other institutions
Non-profit organizations, State and local governments
SIC: 162, 494
Small businesses or organizations
Area and regional development: 380 responses; 500 hours; $41,600 Federal cost; 1 form; $6,000 public cost; not applicable under 3504(h)
Nell Minow, 202–395–7340

Information is needed to provide guidance for processing applications when an applicant applies for joint funding under more than one Federal program and FMHA.

• Agricultural Marketing Service
Red Tart Cherries—Marketing Order No. 930
Annually Farms/businesses or other institutions
Red tart cherry growers and handlers
SIC: 017, 515, 203
Small businesses or organizations
Agricultural research and services: 3,336 responses; 548 hours; $570 Federal cost; 13 forms; $2,346 public cost; not applicable under 3504(h)
Charles A. Ellett, 202–395–7340

Cherry Administrative Board forms are used to obtain information from red tart cherry growers and handlers relating to the cherries received, processed, packed, placed in a reserve pool, and diverted by them, as well as make application for a permit to divert cherries by leaving them on the trees, as provided for in the marketing order.

• Farmers Home Administration
7 CFR 1822, Rural Housing Site Loan Policies, Procedures, and Authorizations (FMHA Instruction 444.8)
On occasion
Businesses or other institutions
Private and public nonprofit organizations
SIC: 839, 953
Small businesses or organizations
Mortgage credit and thrift insurance: 10 responses; 40 hours; $46,400 Federal cost; 1 form; $320 public cost; not applicable under 3504(h)
Nell Minow, 202–395–7340

Sections 523 and 524 of the Housing Act of 1949 authorize loans for acquiring and developing housing sites for low and moderate income housing. Information is used to determine eligibility, appropriate use of loans and continuing compliance with legislative requirements.

Revisions

• Farmers Home Administration
7 CFR 1901–E, Civil Rights Compliance Requirements
FMHA 400–1, 400–4, 400–7, 400–8
On occasion, monthly
Individuals or households/State or local governments/farms/businesses or other institutions
Recipients of loans and grants insured by FMHA in rural areas
SIC: All
Mortgage credit and thrift insurance: 494,110 responses; 226,580 hours; $927,000 Federal cost; 4 forms; $2,481,200 public cost; not applicable under 3504(h)
Nell Minow, 202–395–7340

The Civil Rights Act of 1964 authorizes MHA to assure civil rights compliance by recipients of financial assistance through FMHA.

Extensions (burden change)

• Food Safety and Inspection Service
Regulations Governing Poultry Inspection
6800–2, 6800–3, 6800–4, 6800–5, 6800–8, 528, 505, 526, 2, 514–2, 112
On occasion
Businesses or other institutions
Poultry slaughter and processing plants, laboratories
SIC: 201
Consumer and Occupational health and safety: 339,434 responses; 36,685 hours; $110,002 Federal cost; 12 forms; not applicable under 3504(h)
Charles A. Ellett, 202–395–7340

The Poultry Inspection program carries out the requirements of the Federal Poultry inspection act to inspect the commercial slaughter of domestic poultry and the processing of poultry products distributed to consumers are safe, wholesome, of good quality, not adulterated, and honestly and informatively labeled.

• Foreign Agricultural Service
Regulations—Financing Commercial Sales of Agricultural Commodities Under Title I, P.L. 480—Reporting Requirements
On occasion
Businesses or other insititution
Exporters of U.S. Agricultural Commodities
SIC: 515 446
Foreign economic and financial assistance: 770 responses; 395 hours; $7,075 Federal cost; 1 form; $3,950 public cost; not applicable under 3504(h)
Nell Minow, 202–395–7340

Prospective commodity suppliers must provide background information and a financial statement for USDA supplier approval process. Suppliers under P.L. 480, Title I must report to USDA payments to representatives of importing countries. Successful commodity suppliers must report to USDA details of sales for price approval.

• Forest Service
Plan and Equipment Questionnaire for Engineering
FS–6300–26
On occasion
Businesses or other institutions
Construction and service contractors
SIC: 154, 161, 162, 171, 173, 174, 175, 176, 177, 178
Small businesses or organizations
Conservation and land management: 4,118 responses; 6,177 hours; $84,000 Federal cost; $21,620 public cost; 1 form; not applicable under 3504(h)
Charles A. Ellett, 202–395–7340

Form FS–6300–26 is used to determine the responsibility of potential contractors for construction, services and other non-personal service contracts.

DEPARTMENT OF COMMERCE

Agency Clearance Officer—Edward Michals—202–377–3627

New

• Bureau of the Census
1982 Economic Censuses Report of Organization—Nucleus of the

Standard Statistical Establishment List (SSE)
NC–9901
Nonrecurring
Farms/businesses or other institutions
Multiestablishment companies in all economic areas
SIC: multiple
Other advancement and regulation of commerce: 65,000 responses; 48,750 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Statistical Policy Branch, 202–395–7313

SSEL provides: (1) A standard basis for assigning industrial classification codes of establishments engaged in all areas of economic activity, (2) A single universe for the selection and main tenance of statistical samples of establishments, legal entities, or enterprises, and (3) A benchmark data base from which sample estimates can be developed more accurately and efficiently.

• National Oceanic and Atmospheric Administration
Grants Management Financial Reporting
SF 269, 270, 271, 272
On occasion, quarterly, semiannually
State or local governments/businesses or other institutions
Universities, non-profit organ. and State agencies
SIC: 822, 951
Other advancement and regulation of commerce: 2,400 responses; 1,200 hours; $13,500 Federal cost; $6,000 public cost; 4 forms; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

These reports assist the NOAA grants office in monitoring funds disbursed by recipients. The data collected is used by the finance office to post and record funds disbursed by recipients.

Revisions

• Bureau of the Census
Metalworking Machinery (Shipments and Unfilled Orders)
MQ–35W
Quarterly
Businesses or other institutions
Manufacturers of metalworking machine tools
SIC: 354
Small businesses or organizations
Other advancement and regulation of commerce: 2,460 responses; 1,230 hours; $31,000 Federal cost; 1 form; not applicable under 3504(h)
Statistical Policy Branch, 202–395–7313

This survey was begun in 1942 to measure quantity and value of shipments, value of exports, and unfilled orders for the various types of machine tools. Government agencies use the data for analysis, defense mobilization planning, and forecasting. Businesses use the data for market analysis and long-term planning.

• Bureau of the Census
Converted Flexible Materials for Packaging and Other Uses
MQ–26F
Quarterly, annually
Businesses or other institutions
Manufacturers of converted flexible paper, film, etc.
SIC: 264, 349
Small businesses or oganizations
Other advancement and regulation of commerce: 1,300 responses; 650 hours; $16,117 Federal cost; 1 form; not applicable under 3504(h)
Statistical Policy Branch, 202–395–7313

Survey results are used by Government agencies, business firms, and trade associations for market analysis and to analyze and forecast economic trends in the industry.

Extensions (Burden Change)

• International Trade Administration
Domestic Trade Show Contact and Evaluation Forms
ITA–401 P, ITA–4015, ITA–4015P
On occasion
Businesses or other institutions
U.S. exhibitors at domestic trade shows
SIC: all
Small businesses or organizations
Other advancement and regulation of commerce: 3,000 responses; 750 hours; $1,000 Federal costs; 2 forms; not applicable under 3504(h)
William T. Adams, 202–395–4814

ITA 4014P is used to determine which U.S. companies that exhibit in U.S. trade shows participating in the foreign buyer program are interested in meeting with visiting foreign buyers. Information supplied is compiled into an exhibitors list of U.S. firms interested in exporting and given to each foreign buyer who attends a trade event receiving program support. ITA 4015P is a post-show evaluation form used to ascertain amount of intern'l business was conducted.

Extensions (No Change)

• National Oceanic and Atmospheric Administration
Monthly Fish Cold Storage Report
NOAA88–16
Monthly
Businesses or other institutions
Cold storage warehouses and fish companies operating, etc.
SIC: 422, 514
Small businesses or organizations
Other advancement and regulation of commerce: 4,080 responses; 1,700 hours; $17,601 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

Cold storage data provide the only reliable source of information on fishery cold storage holdings (stocks). These data are needed by industry for the orderly purchasing and distribution of fishery products and by NMFS for fishery management and development.

• Bureau of the Census
Monthly Retail Inventory Reports
B–175(A), B–175(L), B–207
Monthly
Businesses or other institutions
Retail business firms
SIC: multiple
Small businesses or organizations
Other advancement and regulation of commerce: 30,000 responses; 2,500 hours; $215,000 Federal cost; 3 forms; not applicable under 3504(h)
Statistical Policy Branch, 202–395–7313

The monthly retail inventory survey provides estimated dollar volume end-of-month inventory of retail stores. Changes in the value of inventory levels are used by the Bureau of Economic Analysis in their calculations of gross national product and are not publicly available from nongovernment or other governmental sources.

Reinstatements

• Bureau of the Census
Annual Demographic Survey
CPS–665
On Occasion
Individuals or households
58,500 interviewed households in March 1982 CPS, etc.
Other advancement and regulation of commerce: 61,000 responses; 24,400 hours; $1,000,000 Federal cost; 1 form; not applicable under 3504(h)
Statistical Policy Branch, 202–395–7313

This supplement is the source of data on work experience, personal and family income, poverty levels, population status, family relationships, marital status, and migration. These measurements will be analyzed with respect to each other as well as demographic variables such as education, age, race, and sex.

• Economic Development Administration
Application for Technical Assistance From Non-Government Applicants
ED–357NG
On occasion
Businesses or other institutions
Profit or non-profit organizations located in both EDA, etc.
SIC: Multiple
Small businesses or organizations

Other advancement and regulation of commerce: 100 responses; 1,000 hours; $15,750 Federal cost; $184,000 public cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

Application presents basic information from non-government organizations to meet the requirements for the EDA Act (42 U.S.C. 3211(A)), in particular, those of section 301(A) of Pub. L. 89–136, as amended, and of 13 CFR Part 307, sub-part A, especially § 307.5.

• Economic Development Administration
Application for technical assistance from State and local government organizations
ED–357A
On occasion
State or local governments
State and local governmental bodies and related, etc.
SIC: Multiple
Small businesses or organizations
Other advancement and regulation of commerce: 150 responses; 1,650 hours; $23,625 Federal cost; $336,600 public cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

Application presents basic information from applicant State and local government organizations, to enable EDA to meet the requirements of the EDA Act (42 U.S.C 3211(A)), in particular, those of section 301(A) of Pub. L. 89–136, as amended, and of 13 CFR Part 307, sub-part A, particularly § 307.5.

• National Oceanic and Atmospheric Administration
Fishing Boat Registration
Annually
Individuals or households/businesses or other institutions
Boat owners
SIC: 091
Small businesses or organizations
Other advancement and regulation of commerce: 500,000 responses; 4,000 hours; $58,000 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

The Gulf of Mexico Fishery Management Council has requested that the Gulf State's Boat Registration System be used to develop a universe of craft, commercial and recreational, fishing in the FCZ.

DEPARTMENT OF DEFENSE

Agency Clearance Officer—John V. Wenderoth—703–697–1195

New

• Departmental and Others
Report of F.O.B. Origin Deliveries (Alternate Release Procedures)
Other—see SF83
Business or other insitutions
Petroleum refineries and/or storage terminals
SIC: 291, 517
Small businesses or organizations
Department of defense—military: 60 responses; 1,512 hours; $6,361 Federal cost; 1 form; not applicable under 3504(h)
Kenneth B. Allen, 202–395–3785

Record of petroleum products shipped from a commercial refinery or final terminal on an F.O.B. origin basis where the contract authorizes alternate release procedures.

• Departmental and Others
Marine Corps Advertising Awareness and Attitude Tracking
Study
Semiannually
Individuals or households
17–24 year old males with no prior military service
Department of defense—military: 1,000 responses; 500 hours; $17,645 Federal cost; $184,000 public cost; 1 form; not applicable under 3504(h)
Kenneth B. Allen, 202–395–3785

Study is the primary means to evaluate the effectiveness of advertising and assisting in the efficient cost effective planning of future advertising campaigns.

Revisions

• Department of the Air Force
Report of Government Vehicles, Equipment, and Material in the Hands of Contractors
AFTO Form 439, AFIO Form 11, 392, 814, and G009
Monthly
Businesses or other institutions
Maintenance repair contr. and interserv. repair facilities
SIC: multiple
Small Businesses or organizations
Multiple functions: 926,640 responses; 185,328 hours; $6,211 Federal cost; 3 forms; not applicable under 3504(h)
Edward C. Springer, 202–395–4814

AFLC forms 11 and 392 and AFTO form 439 are manual systems used to report Air Force inventory and production data. The AFLC forms 814 and 815 are manual systems used to report spare parts inventories. The GFM transaction reporting system replaces the AFLC form 11, 392, 814, and 815 when applied to high value contracts. All of these collections are required for input to Air Force financial management and production of requirements computations systems.

Extensions (burden change)

• Departmental and Others
Supplemental Personal Qualifications Statement Designed for Computer Entry
DD form 2250
Nonrecurring
Individuals or households
Indiv. who voluntarily apply for DOD entry lev. GS–5, etc.
Department of Defense-Military: 25,000 responses; 25,000 hours; $360,200 Federal cost; 1 form; not applicable under 3504(h)
Kenneth B. Allen, 202–395–3785

Under provisions of the Civil Service Reform Act (CSRA) Office of Personnel Management (OPM) has delegated to DOD examining authority for entry level GS–5 positions in quality assurance occupational series. DD Form 2250 is specifically designed to collect personal qualification information from applicants for computer entry by an optical mark reader (OMR)

• Departmental and Others
Standard Integrated Support Management System (SISMS)
On occasion
Businesses or other institutions
DOD contractors engaged in development or production, etc.
SIC: 366, 371, 372, 376
Multiple functions: 2,000 responses; 77,600 hours; $5,000 Federal cost; 1 form; $1,260,000 public cost; not applicable under 3504(h)
Kenneth B. Allen, 202–395–3785

SISMS establishes a common approach and documentation among the military services to plan and manage both single and multi-service systems acquisition programs. It is applied selectively by the Army, Navy, Air Force and Marine Corps with requirements tailored to the valid needs of each program.

DEPARTMENT OF EDUCATION

Agency Clearance Officer—Wallace McPherson—202–426–7304

New

• Departmental Management
State Uses of Federal Funds
ED 511
Annually
State or local governments
State education agencies
SIC: 914
Education, training, employment, and social services: 51 responses; 7,650 hour; $100,000 Federal cost; 1 form; $765 public cost; not applicable under 3504(h)

Federal Education Data Acquistion Council, 202–426–5030

The data provide the necessary basis for annual report mandated by Congress.

• Office of Postsecondary Education
Application for New Projects Under Special Programs for Students From Disadvantaged Backgrounds
ED 872
Annually
State or local governments/businesses or other institutions
Institutions of higher education
SIC: 821, 822, 824
Small businesses or organizations
Higher education: 350 responses; 9,800 hours; $142,560 Federal cost; 1 form $88,200 public cost; not applicable under 3504(h)
Federal Education Data Acquistion Council, 202–426–5030

The form requests programmatic and budgetary information from eligible applicants so that the Department of Education program officers and non-Federal reviewers will have adequate, relevant information with which to make funding decisions. The collected information will also be used to determine compliance with the published funding criteria.

• Office of Educational Research and Improvement
State-Level Personnel Exchange (Postsecondary)
ED (NCES) 2436–1, 1,–3
On occasion annually
State or local governments
State education agencies responsible for postsecondary educ.
SIC: 941
Research and general education aids: 60 responses; 30 hours; $17,300 Federal cost; 3 forms; $450 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

"Assist State and local educational agencies in improving and automating their statistical and data collection activities." As part of its assistance program, NCES has established a State-level personnel exchange to facilitate the interchange of information and expertise among States.

• Departmental Management
Federal and State Program Interactions
ED 871
Nonrecurring
State or local governments
8 Seas, 3 Leas in each State
SIC: 941
Education, training, employment, and social service: 336 responses; 240 hours; $180,980 Federal cost; 1 form; $2,400 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

The study will examine the interaction of Federal and State education programs for special needs youth to determine the extent to which programs enhance, conflict or duplicate each other and to make modifications in Federal programs.

• Office of Elementary and Secondary Education
Annual Survey of Children in Institutions Operated or Supported by a State agency for neglected and delinquent children or in adult correctional institutions
4376, –1
Annually
State or local governments
State agencies (Dept. of Social Services, Dept. of Youth, etc.)
SIC: 999
Elementary, secondary, and vocational education: 2,000 responses; 2,000 hours; $1,500 Federal cost; 2 forms; $52,000 public cost; not applicable under 3504(h)
Richard Sheppard, 202–395–6880

An annual survey is conducted to collect data on (1) the average daily attendance of children in State-operated or supported institutions for neglected or delinquent children and (2) the October caseload of children in local institutions. These data are used in the statutory formula for computing entitlements.

• Office of Postsecondary Education
LEEP–6, Statement of LEEP Account LEEP–6A Participants Certification Statement Law Enforcement Education Program (LEEP)
LEEP–6A LEEP–6
Monthly
Individuals or Households
Students interested in law career
Higher education: 98,176 responses; 9,818 hours; $392,227 Federal cost; 2 forms; $1,964 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

This form serves as a bill or a certification of law enforcement employment. When used as the latter, the form serves to collect information on the recipient of funds. This information must be certified by an official of the employing agency. Information is fed into the computer file which automatically credits the recipient's account with the appropriate.

• Office of Elementary and Secondary Education
State Intended use Recordkeeping Requirement
ED 1001
Annually
State or local governments
State agency
SIC: Multiple
Elementary, secondard, and vocational education: 57 responses; 35,000 hours; $0 Federal cost; 1 form; $3,500,000 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

Each eligible jurisdiction must maintain specific information about the intended and actual use of State agency administered funds and make such information available to the public.

• Office of Postsecondary Education
National Direct Student Loan Program Report of Defaulted Loans as of December 30
ED 574
Annually
Businesses or other institutions
Postsecondary educational institutions
SIC: 822, 824
Higher education: 3,200 responses; 8,000 hours; $6,144 Federal cost; 1 form; $80,000 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

This report serves to provide information regarding the capability of an institution to establish and administer effective collection programs according to regulatory requirements. The data collected may be used to establish default trends and compare default ratios of various institutions. Revision to previously approved 574 through Mary 1983 it necessary to conform with ed form 646, fiscal-operations report and application.

• Office of Educational Research and Improvement
State Expenditures for Postsecondary Education for Fiscal Years Ending 1981 and 1982
ED 2440
Biennially
State or local governments
State education agencies
SIC: 822
Research and general education aids: 57 responses; 570 hours; $48,000 Federal cost; 1 form; $5,643 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

This survey for 1982–83 academic year will collect data on programs not reflected in institutional accounts. Such data will make possible more accurate

comparisons between States and will enable OMB and the congressional budget office to establish the extent to which States change expenditures patterns in response to changing Federal Priorities.

• Departmental Management
Computer Generated Recipient Report of Expenditures
ED 868–1
Quarterly
State or local governments/businesses or other institutions
State education agencies
SIC: 821, 822, 823, 824, 829, 841, 941
Education, training, employment, and social services: 28,000 responses; 112,000 hours; $23,000 Federal cost; 2 forms; $1,120,000 public cost; not applicable under 3504(h)
Federal Education Data Acquistion Council, 202–426–5030

OMB circular A–110 states that when Federal funds are advanced to recipients, the recipient are required to submit to the Federal sponsoring agency a report on expenditures made and Federal funds unexpended for each award and report the status for each award and report the status of Federal cash advanced. The agency will use the report to monitor cash advanced to the recipients and to obtain expenditure data for each agreement with the recipient.

• Office of Educational Research and Improvement
Application Package: Women's Educational Equity Act program
436–1
Annually
Individuals or households/State or local Governments/businesses or other institutions
Local ed agencies, State ed agencies, colleges, etc.
SIC: 821, 822, 823, 824, 841, 892, 941
Elementary, secondary, and vocational education: 800 responses; 16,000 hours; $35,000 Federal cost; 1 form; not applicable under 3504(h)
Federal Education Data Acquistion Council; 202–426–5030

In accord with OMB circular A–102 and title IX, part C, Pub. L. 96–561, the WEEA program requires an application for benefits. The WEEA program analyzes applications to insure that Federal funds are distributed fairly and that projects are cost-effective.

• Office of Elementary and secondary Education
Analysis of ESAA Funded Activities
ED 832
Nonrecurring
State or local governments
Local educational agencies
SIC: 999
Research and general education aids: 125 responses; 187 hours; $511,536 Federal cost; 1 form; $1,804 public cost; not applicable under 3504(h)
Federal Education Data Acquistion Council, 202–426–5030

The study will fulfill two congressional mandates for an annual evaluation of ESAA under the General Provision Act (Subpart 2, sec. 417) and ESAA (Pub. L. 95–561). It is consistent with OMB Requirements in circular A 102 (revised). A final report to Congress will be submitted in June 1982.

Revisions

• Office of Elementary and secondary Education
Title I, FESA, Section 143, Migrant Education Interstate and Intrastate Programs
ED 362–2
Annually
State or local governments
State educational agencies/local educational agencies
SIC: 941
Elementary, secondary, and vocational education: 51 responses; 2,040 hours; $48,500 Federal cost; 1 form; not applicable under 3504(h)
Federal Education Data Acquistion Council, 202–426–5030

Grants are needed for State education agencies (that may apply individually or cooperatively) to plan and implement special projects designed to improve the interstate and intrastate coordination of migrant activities. Products of these grants will be distributed to all States serving migrant children, the District of Columbia and Puerto Rico.

• Office of Postsecondary Education
Fiscal-Operations Report/Application to Participate in NDSL, SEOG, and CWS programs
ED 646 646–1
Annually
Businesses or other institutions
Institutions of higher education
SIC: 822, 824
Higher education: 4,650 responses; 174,750 hours; $40,000 Federal cost; 1 form; $758,415 public cost; not applicable under 3504(h)
Federal Education Data Acquistion Council, 202–426–5030

The application data will be used to compute the amount of funds needed by each institution during the 1983–1984 award period. The fiscal operation's report data will be used to asses program effectiveness and accountabililty of funds expended during the award period 1981–1982.

• Office of Postsecondary Education
Guarantee Agency Quarterly Report
OE 1130 ED 1130
Quarterly
State or local governments
State guarantee agencies
SIC: 821, 822
Higher education: 220 responses; 495 hours; $16,100 Federal cost; 1 form; $1,238 public cost; not applicable under 3504(h)
Richard Sheppard, 202–395–6880

(1) To provide summary data on agency finances and operations which are funded primarily with Federal dollars, (2) to provide the secretary with the necessary information to perform oversight functions of the agency—program operations, fraud and abuse, report to the Congress, etc., and (3) to collect certain specific data required to be reported under section 432(C) (1) (A) of the Higher Education Act.

• Office of Postsecondary Education
Upward Bound Financial Status and Performance Report
ED 712
Annually
State or local governments/businesses or other institutions
Postsecondary institutions
SIC: 822, 821, 824
Higher education: 446 responses; 1,784 hours; $8,500 Federal cost; 1 form; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

Data collection instrument is needed to comply with Edgar regulations 34 CFR parts 74 and 75. The information will be used to access individual project accomplishments of program goals as is required by Pub. L. 96–374 and past performance requirements of the regulations (S 645–32).

Extensions (Burden Change)

• Office of Educational Research and Improvement
Financial Statistics of Institutions of Highes Education for fiscal Year ending 1982
(HEGIS XVII)
2300–4
Annually
Businesses or other institutions
Colleges and universities
SIC: 822
Research and general education aids: 3,300 responses; 8,250 hours; $190,000 Federal cost; 1 form; $90,750 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

College financial statistics are needed by the Department of Education to

report on the condition of education and to determine eligibility for participation in the title III program. These data are used by the Bureau of Census to report the finances of State and local governments, and by the Bureau of Economic Analysis to develop the gross national product.

• Office of Elementary and Secondary Education
Application for Federal Assistance (Nonconstruction Programs) Mitgrant Education Program
ED 362
Annually
State of local governments
State education agencies/local education agencies
SIC: 941
Elementary, secondary, and vocational education: 1,951 responses; 1,020 hours; $7,000 Federal cost; 1 form; $390,200 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

Title I, ESEA migrant education program requires the annual submission of a State migrant education program application for an annual program grant. The Department of Education's migrant education program office conducts a comprehensive application review and approval process prior to awarding a grant to each State related activities.

• Office of Educational Research and Improvement
Degrees and Other Formal Awards Conferred Between July 1, 1981 and June 30, 1982 (HEGIS XVII)
ED 2300–2.1A, 2300–2.1A–1, 2300–2.1B, 2300–2.1B–1
Annually
Businesses or other institutions
Universities, colleges, and community colleges
SIC: 822
Research and general education aids: 3,300 responses; 4,950 hours; $212,000 Federal cost; 2 forms; $247,500 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

Degree and other formal awards data are needed by the Dept of Education, States, Planning and Budget Offices and individual colleges for use in economic and financial planning and policy formation. They are used by the Dept. of Labor in formulating their "Occupational Outlook Handbook" and by the National Occupational Information Coordinating Committee in assessing manpower information.

• Office of Educational Research and Improvement
Salaries, Tenure and Fringe Benefits of Full-Time Instructional Faculty in Institutions of Higher Education, 1982–83
ED (NCES) 2300–3
Annually
Businesses or other institutions
Colleges and universities
SIC: 822
Research and general education aids: 3,300 responses; 15,840 hours; $120,000 Federal cost; 1 form; $193,880 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

Faculty data are used by institutions to establish salary scales, State agencies to determine budgets for State supported institutions, professional and educational associations and Federal agencies to evaluate the extent to which salaries differ between men and women and to develop financial indicators of higher education.

Extensions (No Change)

• Office of Elementary and Secondary Education
Application for Disaster Assistance (P.L. 81–874 Sec. 7)
ED 423
Nonrecurring
State or local governments
Local education agencies
SIC: 941
Elementary, secondary, and vocational education: 250 responses; 500 hours; $3,000 Federal cost; 1 form; $10,000 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

Data is used to assist in determining eligibility of a local education agency for disaster assistance and amount of grant.

• Office of Special Education and Rehabilitative Services
Grant Application
RSA–424
Nonrecurring
State of local governments/businesses or other institutions
Colleges and universities, State agencies, private, etc.
SIC: 821, 944, 892
Social services: 1,170 responses; 46,800 hours; $20,000 Federal cost; 1 form; $374,000 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

This form is used by applicants for grants under each of the categorical discretionary grant programs of RSA. It is used to determine grant eligibility, technical acceptability of applications submitted, and amount of grant awards.

Reinstatements

• Office of Postsecondary Education
Physician's Certification of Borrower's Total and Permanent Disability for Student Loan Program
OE–777 Ed 1172
Annually
Individuals or households
Borrower or borrower's representative, certifying physician
Higher education:
2,500 responses; 1,000 hours;
$2,500 Federal cost; 1 form;
$75,000 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

The guaranteed student loan program (GSLP) was established in 1965 under title IV, part B of the Higher Education Act. The GSLP's chief objective is to provide a program of student loan insurance for students attending eligible postsecondary schools. This form is used to request cancellation of loan owed. The law provides that the Federal Government will cancel the loan if the borrower becomes permanently and totally disabled.

• Office of Special Education and Rehabilitative Services
Annual Report on Post-Employment Services and Case Reviews—RSA
RSA–62
Annually
State or local governments
State or agencies
SIC: 944
Social services: 84 responses; 74 hours; $1,400 Federal cost; 1 form; $666 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

Information from this form is used to track the extent of post-employment services, provides information on ineligibility determinations, and reports data on "similar benefits" used in State monitoring.

DEPARTMENT OF ENERGY

Agency Clearance Officer—John Gross—202–633–9770

Extensions (No Change)

• Federal Energy Regulatory Commission
Application for Annual Or Basic Valuation
FERC–42
Annually
Businesses or other institutions
Oil pipeline companies
SIC: 461
Other advancement and regulation of commerce: 90 responses; 45 hours; $300 Federal cost; 1 form; not applicable under 3504(h)

Anita T. Ducca, 202–395–7340

The data collected on this application identify the pipeline company requesting a valuation, and provide for calculation and submission of the required valuation fee in accordance with specified regulations.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Agency Clearance Officer—Joseph Strnad—202–245–7488

New

• Health Care Financing Administration
Preclearance—Evaluation of Three Demonstrations in Nursing Homes Certification Survey and Inspections of Care
Nonrecurring
Individuals or Households/businesses or other institutions
1,100 nursing homes in Wisconsin, Mass., and N.Y., etc.
SIC: 805
Small businesses or organizations
Health: $860,000 Federal cost; 1 form; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

The demonstrations test different streamlined methods of implementing federally-mandated nursing home certification surveys and inspections of patient care. The evaluation will assess the overall success of these streamlined methods hopefully showing less regulatory burden on industry and residents.

• Health Care Financing Administration
Preclearance: AFDC Home Health Aide Demo/Evaluation
HCFA–82–ORDS–01/BT
Nonrecurring
Individuals or households/businesses or other institutions
Low income elderly population at risk of institution, etc.
SIC: 808, 919
Small businesses or organizations
Health: $600,000 Federal cost; 1 form; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

As mandated by Congress, the purpose of this procurement is to establish a demonstration-evaluation design for the AFDC home health aide demonstration. This includes assisting HCFA and the States in developing the demonstration projects, any instrumentation or data collection procedures necessary, and implementing a research design which will insure the evaluability of the projects.

• Centers for Disease Control
Regulation—Mine Safety and Health Administration 30 CFR Part 11 Respiratory Protective Devices
On occasion
Businesses or other institutions
Manufacturers of respirators
SIC: Multiple
Small businesses or organizations
Health: $200,000 Federal cost; 1 form; not applicable under 3504(h)
Gwendolyn Pla, 202–395–6880

30 CFR Part 11 prescribes requirements and procedures which must be met in filing applications for joint approval by MSHA and NIOSH of respirators and modifications to approved respirators. Application contents, quality control plans and quality control records are required (subparts 11.11, 11.41, 11.43).

• Health Care Financing Administration
Contractors Information Collections—"Claims Development [1] Skilled Nursing Facilities"
HCFA 9031
On occasion
Businesses or other institutions
Skilled nursing facilities
SIC: 805
Small businesses or organizations
Health: 100,000 responses; 100,000 hours; $0 Federal cost; 1 form; $16,666 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

These forms are sent by fiscal intermediaries to skilled nursing facilities reimbursed by medicare. The forms request medical review information for processing claims.

• Health Care Financing Administration
Contractors Information Collections Claims Processing [1] Data Collected From Hospitals
HCFA–9026
On occasion
Businesses or other institutions
Hospitals participating in the medicare program
SIC: 806
Health: 2,600,000 responses; 433,333 hours; $0 Federal cost; 1 form; $4,333,330 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

This information is collected from hospitals by the contractor during claims review. It concerns psychiatric billing, CAT scans, medical information, late claims and duplicate claims.

• Health Care Financing Administration
Contractors' Information Collection—"Machine Readable [1] Claims"
HCFA–9037
On occasion
Businesses or other institutions
Medicare provider and suppliers
SIC: 801, 809, 805, 806
Small businesses or organizations
Health: 27,220 responses; 20,415 hours; $0 Federal cost; 1 form; $204,150 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

These intermediary/carrier forms survey providers/suppliers on their capability to submit machine-readable data. There are also transmittal forms which accompany the data, and forms requesting hard-copy substantiation.

• Health Care Financing Administration
Contractors Information Collections—"Claims Development [1] Home Heath Agencies"
HCFA–9030
On occasion
Businesses or other institutions
Home health agencies—medicare program
SIC: 808
Small businesses or organizations
Health: 300,000 responses; 50,000 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

The information collected from home health agencies is collected by the contractor during the review of the claim. Information gathered concerns late claims and medical records. This information is required before program payment can be made.

• Health Care Financing Administration
Contractors' Information Collections—Claims Development [1] Mixture of Institutions
HFCA–9027
On occasion
Businesses or other institutions
Hospitals, skilled nursing facilities
SIC: 805, 806, 809
Health: 5,600,000 responses; 933,333 hours; $0 Federal cost; 1 form; $9,333,330 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

The information is collected from a mixture of institutions, i.e., hospitals, SNFs, HHAs, during the contractor's review of the claim. Types of requested information include: records from providers regarding date and types of service, certification of therapy services, verification of date of death, explanation of billing delay, etc.

• Food and Drug Administration

[1] These reporting forms have been approved for interim use by OMB for one year in order to continue operation of the Medicare Program. However, OMB will continue its reviews of these forms, and will accept comments from health care providers and others based on their experience with these forms through this approval period. Health care providers and recipients, who are respondents to these Medicare contractor forms, are invited to send comments to Joseph Strnad at the above address, and to the OMB reviewer listed.

Medical Device and Laboratory Product Problem Reporting Program
FD 2519F
On occasion
Individuals or households/businesses or other institutions
Doctors, nurses, lab techs, pharmacists, biomedical, etc.
SIC: 999
Small businesses or organizations
Consumer and occupational health and safety: 2,400 responses; 567 hours; $190,000 Federal cost; 1 form; $5,670 public cost; not applicable under 3504(h)
Gwendolyn Pla, 202–395–6880

Data is submitted voluntarily from various health care professionals and is reviewed by FDA as a source of early warning data concerning hazardous devices and aids in the recall and seizure of adulterated and/or misbranded devices.

• Health Care Financing Administration
Contractors Information Collections—Intermediaries' Collection of Data on Owners Compensation
HCFA–9040
Annually
Businesses or other institutions
Providers participating in medicare
SIC: 805, 806, 808, 809
Small businesses or organizations
Health: 12,230 responses; 1,230 hours; $0 Federal cost; 1 form; $122,300 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

These forms have traditionally been used by intermediaries to collect information from all institutional providers on the compensation paid to owners. They will soon be replaced by a HCFA standard form (HCFA 231) which will gather this data from a sample of providers.

• Health Care Financing Administration
Contractors Information Collections—Sole Community ' Provider Exemption Requests
HCFA–9041
Annually
Businesses or other organizations
Hospitals participating in medicare
SIC: 806
Small businesses or organizations
Health: 80 responses; 80 hours; $0 Federal cost; 1 form; $800 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

HCFA's Denver regional office allowed hospitals to request exemption to cost containment limits on the basis that they were the sole provider in the community. These forms documented this situation. The use of these forms will be discontinued.

• Health Care Financing Administration
Contractors Information Collections—End Stage Renal ' Disease Forms
HCFA–9038
On occasion
Businesses or other institutions
Provider-based and free-standing renal dialysis
SIC: 801, 806
businesses or organizations
Health: 756,000 responses; 189,000 hours; $0 Federal cost; 1 form; $1,890,000 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

Each time that a bill for renal dialysis is filed, intermediaries gather supplemental information on lab services and charges. Most of the forms in this category are of this type. Other forms gather data on post-transplat tests, home dialysis support services, etc.

• Health Care Financing Administration
Contractors' Information Collection—"State Medicaid ' Agency Verification of Services Received"
HCFA–9033
On occasion
Individuals or households
Medicaid beneficiaries
Health: 810,000 responses; 202,500 hours; $0 Federal cost; 1 form; $2,025,000 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

Medicaid State agencies are required by HCFA regulations to verify medical services paid for by the medicaid program. These forms verify medical services received by beneficiaries.

• Health Care Financing Administration
Contractors' Information Collections—Carriers' External' audit of services provided to beneficiaries
HCFA–9039
On occasion
Individuals households
Medicare beneficiaries
Health: 170,000 responses; 28,333 hours; $0 Federal cost; 1 form; $283,330 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

Medicare carriers are required to conduct external audits with medicare beneficiaries to confirm services rendered by physicians and other health care suppliers. The beneficiaries are asked to identify discrepancies between services rendered and billed, and the amount charged for coinsurance.

• Health Care Financing Administration
Contractors' Information Collections—"Claims Development ' Physicians and Other Health Care Providers"
HCFA–9023
On occasion
Businesses or other institutions
Physicians, and therapists in medicare program
SIC: 801, 805, 809, 808
Small businesses or organizations
Health: 5,600,000 responses; 933,333 hours; $0 Federal cost; 1 form; $9,333,000 public cost; not applicable under 3504(h)
Richard Eisinger; 202–395–6880

The information in this category is collected by carriers and intermediaries from physicians and other health care providers (therapists). It concerns skilled nursing facility level of care, home health agency and therapy plans of treatment, and medical necessity for durable medical equipment.

• Health Care Financing Administration
Contractors Information Collection—Claims Develpment ' Data Provided by Chiropractors
HCFA–9032
On occasion
Businesses or other institutions
Chriopractors participating in the medicare program
SIC: 804
Small businesses or organizations
Health: 200,000 responses; 33,333 hours; $0 Federal cost; 1 form; $333,330 public cost; not applicable under 3504(h)
Richard Eisinger; 202–395–6880

These carrier forms request clinical records and X-rays from chiropractors.

• Departmental Management
Long-Term Care Survey (Survey of Impaired Individuals in Households)
OS–25–81
Nonrecurring
Individuals or households
Persons age 65 and over
Public assistance and other income supplements: 57,500 responses; 10,383 hours; $2,266,869 Federal cost; 2 forms; not applicable under 3504(h)
Gwendolyn Pla, 202–395–6880

Sample of impaired persons will be interviewed concerning their ability to perform activities of daily living, the formal and informal service they use, and their income and assets.

• Health Care Financing Administration
Freestanding Federally-Funded Health Center Cost Report
HCFA–242
Semiannually, annually
Businesses or other institutions
Freestanding federally-funded health centers
SIC: 808
Small businesses or organizations

Health: 432 responses; 9,504 hours; $122,232 Federal cost; 1 form; $95,040 public cost; not applicable under 3504(h)
Richard Eisinger; 202–395–6880

The cost report allows freestanding federally-funded health centers (FFHC) to report both projected and actual costs. HCFA uses this data to determine the prospective reimbursement rates.

• Health Care Financing Administration
Independent Renal Dialysis Facility Cost Report
HCFA–265
Annually
Businesses or other institutions
Freestanding ESRD facilities in the medicare program
SIC: 808
Health: 405 responses; 79,380 hours; $1,866,500 Federal cost; 1 form; $793,800 public cost; not applicable under 3504(h)
Richard Eisinger; 202–395–6880

This cost report identifies specific items of cost and statistical information pertaining to the freestanding ESRD facility's operations. The information collected will be used for ratesetting purposes for incentive rate reimbursement for these facilities.

• Health Care Financing Administration
Contractors Information Collection—Organ Procurement [1] Agency and Histocompatibility Laboratory Forms
HCFA–9025, 216
Semiannually, annually
Businesses or other institutions
Organ procurment agencies-histocompatibility labs
SIC: 807, 809
Small businesses or organizations
Health: 52 responses; 3,016 hours; $0 Federal cost; 1 form; $30,160 public cost; not applicable under 3504(h)
Richard Eisinger; 202–395–6880

These forms are used by Aetna, the sole intermediary for OPAs and histocompatibility labs. They gather data on facility's background, donor hospitals, costs for interim rates, and administrators compensation.

• Health Care Financing Administration
Delivery of Medical and Social Services to the Homebound Elderly, New York City—Billing Forms
HCFA–245D, HCFA–246D
On occasion
Businesses or other institutions
Hospitals, social service agencies
SIC: 806
Small businesses or organizations
Health: 5,000 responses; 667 hours; $18,650 Federal cost; 2 forms; $6,670 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

Billing forms to reimburse participating provider for an array of services being demonstrated under the New York City demonstration.

• Health Care Financing Administration
Uniform billing form for the State of New York, FR. UBF–1, "Medicare" Other—See SF83
Businesses or other institutions
All acute care hospitals in New York State
SIC: 806
Small businesses or organizations
Health: 1,108,800 responses; 200,000 hours; $2,326,400 Federal cost; 1 form; $2,000,000 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

The UBF–1 is part of an overall uniform reporting system, compliance with which is regulated by the State of New York. The "medicare" portion is completed by hospitals and used by the medicare intermediary in New York State to pay claims and keep statistics.

• Health Care Financing Administration
Long-Term Care Project of North San Diego County
Billing form
HCFA–1487D
On occasion
Businesses or other institutions
Hospitals, social service agencies
SIC: 806
Small businesses or organizations
Health: 5,000 responses; 417 hours; $22,546 Federal cost; 1 form; $4,170 public cost; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

This is a variation of the HCFA–1487 billing form. It has been altered to reimburse participating providers for an array of services being demonstrated under the North San Diego demonstration.

• National Institutes of Health
NHANES I Epidemiologic Followup Survey
Nonrecurring
Individuals or households/businesses or other institutions
Nat'l sample examined in NHANES I (1971–1975), etc.
SIC: 806, 839
Small businesses or organizations
Health: 14,365 responses; 15,105 hours; $3,655,439 Federal cost; 5 forms; $79,015 public cost; not applicable under 3504(h)
Gwendolyn Pla, 202–395–6880

The NHANES I epidemiologic followup survey will reinterview adult examinees from the national health and nutrition examination survey conducted 1971–75. Respondents will be asked about their health status, health habits, and health conditions that have developed since the earlier survey. Blood pressure and weight will be measured in the household. Illness outcomes will be verified using hospital records and death certificates.

• Social Security Administration
State Plan for Refugee Resettlement
OS–9–81
On occasion
State or local governments
State refugee resettlement programs
SIC: 944
Public assistance and other income supplements: 50 responses; 2,400 hours; $2,000 Federal cost; 1 form; not applicable under 3504(h)
Robert Neal, 202–395–6880

As a condition for receipt of funds under the refugee resettlement program, a State must submit a plan which satisfies the requirements in section 4128(a)(6) of the Immigration and Nationality Act.

Revisions

• Health Services Administration
Bureau of Community Health Services Common Reporting Requirements
HSA–350
Semiannually
State or local governments/businesses or other institutions
Federally-supported ambulatory health care centers
SIC: 808, 943
Health care services: 2,200 responses; 52,800 hours; $264,000 Federal cost; 12 forms; $528,400 public cost; not applicable under 3504(h)
Gwendolyn Pla, 202–395–6880

This reporting form is used by the Bureau of Community Health Centers to provide performance information on all operating health centers.

• Health Care Financing Administration
Program integrity activity report (Revision of HCFA–52 Formerly Called CPI Postpayment Review Summary-Medicaid)
HCFA–52
Quarterly
State or local governments
State agencies
SIC: 919
Health: 212 responses; 106 hours; 31,607 Federal cost; 1 form; not applicable under 3504(h)
Richard Eisinger, 202–395–6880

The data collected through the program integrity activity report is necessary as a recordkeeping device for both individual case control and overall program statistics. HCFA will use the

data for analysis of patterns and trends of abuse of the medicare and medicaid programs.

• Social Security Administration
Disability Report and Vocational Report
SSA-3368, SSA-3369
On occasion
Individuals or households
Claimants who have filed title II disabil & title XVI, etc.
General retirement and disability insurance: 1,500,000 responses; 705,000 hours; $2,122,583 Federal cost; 2 forms; not applicable under 3504(h)
Robert Neal, 202-395-6880

The information requested on form SSA-3368 is needed in order to make a determination for a disability claim. Form SSA-3369 supplements the SSA-3368 regarding additional information about past work experience. The information will be used to further document a claim. These forms are essential to case development and adjudication.

• Health Care Financing Administration
Contractors Information Collections—State Survey Agency [1]
Interim forms to survey intermediate care facility
Residents rights
HCFA-9036, 3070, 3070A-D
Annually
Businesses or other institutions
Intermediate care facilities participating in medicaid
SIC: 805
Small businesses or organizations
Health: 14,156 responses; 130,235 hours; $0 Federal cost; 5 forms; $1,302,350 public cost; not applicable under 3504(h)
Richard Eisinger, 202-395-6880

These forms are completed annually by intermediate care facilities that participate in medicaid. They are forwarded to the State survey agency. They document compliance with regulations on residents' rights.

• Health Care Financing Administration
Contractors Information Collections—State Survey [1] Agency Hospital Staffing Pattern Forms
HCFA-9035, 1537
Annually
Businesses or other institutions
Hospitals not having accreditation
SIC: 806
Small businesses or organizations
Health: 1,710 responses; 108,330 hours; $0 Federal cost; 2 forms; $1,083,300 public cost; not applicable under 3504(h)
Richard Eisinger, 202-395-6880

These forms are used by State survey agencies to gather information on hospitals' departmental staffing patterns. The data supplements the hospital survey form (HCFA-1537). Respondents are hospitals which are not accredited by the joint commission on hospital accreditation.

• Health Care Financing Administration
Contractors Information Collections—State Survey Agency [1] Correction of Deficiency Forms
HCFA-9034, 2567B
Annually
Businesses or other institutions
Institutions participating in medicare/medicaid
SIC: 805, 806, 807, 808
Small businesses or organizations
Health: 17,500 responses; 26,250 hours; $0 Federal cost; $262,500 public cost; 2 forms; not applicable under 3504(h)
Richard Eisinger, 202-395-6880

These forms are used by some State survey agencies to allow facilities participating in medicare/medicaid to report on their progress in correcting deficiencies found during a prior survey. The forms collect information which State survey agencies would have recorded during an on-site follow-up visit on HCFA-2567B and HCFA-2567E forms.

• Social Security Administration
Statement of Death and Burial Expenses by Funeral Director
SSA-2872
On occasion
Businesses or other institutions
Funeral directors having knowledge of death and burial, etc.
SIC: 726
Small businesses or organizations
General retirement and disability insurance: 1,000,000 responses; 66,666 hours; $203,689 Federal cost; 1 form; not applicable under 3504(h)
Robert Neal, 202-395-6880

This form is used as supporting evidence regarding entitlement to lump-sum death payments and reimbursement for total burial expenses.

• Health Care Financing Administration
Hospital, Skilled Nursing Facility & Health Care Complex Cost Report
HCFA 2552, 2552.L
Annually
Businesses or other institutions
Hospitals, skilled nursing facilities
SIC: 806, 805, 808, 809
Small businesses or organizations
Health: 10,800 responses; 35,391,600 hours; $43,126,900 Federal cost; $353,916,000 public cost; 9 forms; not applicable under 3504(h)
Richard Eisinger, 202-395-6880

Providers participating in the medicare program are required to submit this annual cost report to effect final settlement of costs for providing health care services to medicare beneficiaries. This form will be used by hospitals, skilled nursing facilities & health care complexes.

Extensions (Burden Change)

• Social Security Administration
Vocational Survey Form—Disability Insurance Program
HA-625
On occasion
Businesses or other institutions
Employers in labor mkts related to reconsideration of claims
SIC: All
Small businesses or organizations
General retirement and disability insurance: 260 responses; 520 hours; $5,556 Federal cost; 1 form; not applicable under 3504(h)
Robert Neal, 202-395-6880

In sustaining the denial or cessation of claims for disability insurance benefits based on evidence which indicates that the applicant can engage in substantial gainful activity SSA must be able to show conclusive information about the existence of appropriate jobs, their numbers, and their general locations. This survey is used to give the vocational expert specific factual information to supplement his own personal knowledge.

• Food and Drug Administration
Product License Application for the Manufacture of Blood Grouping Serum
FDA 3066
On occasion
Businesses or other institutions
Respondents of manufacturers of blood grouping serum
SIC: 999
Small businesses or organizations
Consumer and occupational health and safety: 10 responses; 30 hours; $1,735 Federal cost; $1,735 public cost; 1 form; not applicable under 3504(h)
Gwendolyn Pla, 202-395-6880

Section 351 of the Public Health Service Act and 21 CFR 601.2 requires manufacturers of biological products to submit applications for review and approval to the Bureau of Biologics prior to marketing product. Form FD 3066 is used by all manufacturers of Blood grouping sera when applying for a license for a new product or when updating information (changes in manufacturing procedures, labeling, etc.) on an already licensed product.

• Food and Drug Administration
Problem Reporting Program for Drugs and Radiopharmaceuticals
FD 2519, 2519A, 2822
On occasion

Individuals or households/businesses or other institutions
Pharmacists, physicians, dentists, nurses
SIC: 999
Consumer and occupational health and safety: 6,120 responses; 1,020 hours; $229,003 Federal cost; 3 forms; not applicable under 3504(h)
Gwendolyn, Pla, 202–395–6880

Cosponsored by 47 State pharmaceutical associations, 3 regional associations, and several national pharmaceutical organizations, this program solicits the voluntary participation of health professionals nationwide in improving the quality of drug products distributed in the USA.

Reinstatements

• Human Development Services
Program Performance Report for Title III of the Older Americans Act and Financial Status Report
059–75
Quarterly
State or local governments
State agencies on aging are single purpose agencies, etc.
SIC: 835
Education, training, employment, and social services: 228 responses; 7,140 hours; $112,000 Federal cost; $71,400 public cost; 2 forms; not applicable under 3504(h)
Gwendolyn, Pla, 202–395–6880

Program performance report will facilitate AOA with a data base on programmatic operations of State agencies and the financial status report is in accord with HHS's financial reporting requirements for reporting the status of funds for all nonconstruction grants.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Agency Clearance Officer—Robert G. Masarsky—202–755–5184

New

• Housing Programs
Negotiated FHA Interest Rate Program
HUD–9722, HUD–9723
Nonrecurring
Businesses or other institutions
Mortgage lenders
SIC: 616, 612, 602, 603
Small businesses or organizations
Mortgage credit and thrift insurance: 100,000 responses; 25,000 hours; $100,000 Federal cost; 2 forms; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202–426–5030

To carry out new programs and to compile information in order to respond to congressionally mandated study, prescribed by section 332(2)(d) of the Housing and Community Development Act of 1980, Public Law 96–399.

DEPARTMENT OF THE INTERIOR

Agency Clearance Officer—Vivian A. Keado—202–343–6191

New

• Office of Surface Mining Reclamation and Enforcement
Quantitative Program Management Information (Soap Program)
OSM–51C
Semiannually, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 90 responses; $1,620 Federal cost; 1 form; 135 hours; not applicable under 3504(h)
Robert Shelton, 202–395–7340

OSM–51C—this form is to be used to report the program. The quantitative data for monitoring and reporting program performance for the small operators assistance program.

• Office of Surface Mining Reclamation and Enforcement
Budget Information—Construction
OSM–48
Nonrecurring, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 715 responses; 11,440 hours; $8,580 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340

The OSM–48, budget information-construction form is to be used as the standard form for an applicant to submit a construction budget.

• Office of Surface Mining Reclamation and Enforcement
Check List for Grant and Cooperative Agreement Closeout
OSM–61
Annually
State or local governments
25 State agencies and 31 institutions of higher learning
SIC: 951
Conservation and land management: 300 responses; 300 hours; $3,600 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340.

Form OSM–61 is to be used by OSM staff as the check list for closing out OSM grants or cooperative agreements.

• Office of Surface Mining Reclamation and Enforcement
Program narrative statement and performance report
OSM–51
On occasion, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 5,260 responses; 42,080 hours; $253,680 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340.

Form OSM–51, program narrative statement and performance report will be used as part IV of an application and to report the performance of an OSM grant or cooperative agreement.

• Office of Surface Mining Reclamation and Enforcement
Outlay report and request for reimbursement for construction programs
SF 271
On occasion, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 4,120 responses; 32,960 hours; $49,440 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340.

SF–271 is to be used as the standardized format to be used to report the status of funds for OSM construction projects.

• Office of Surface Mining Reclamation and Enforcement
Quantitative program management information
OSM–51A
Semiannually, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 90 responses; 135 hours; $1,620 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340.

Form OSM–51A is to be prepared by a recipient and report the quantitative data for monitoring and reporting of program performance for the State and Federal programs.

• Office of Surface Mining Reclamation and Enforcement
Quantitative Program Management Information, Part 2
OSM–51B
Semiannually, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 90 responses; 135 hours; $1,620 Federal

cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340.

Form OSM–51B is to be prepared by a recipient and report the quantitative data for monitoring and reporting of program performance for the State and Federal program.

• Office of Surface Mining Reclamation and Enforcement
Recipient's release
OSM–62
Annually
State or local governments
25 State agencies and 31 institutions of higher learning
SIC: 951
Conservation and land management: 300 responses; 300 hours; $3,600 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340.

Form OSM–62 will be used by a recipient of an OSM grant or cooperative agreement to release OSM from liabilities under the agreement.

• Office of Surface Mining Reclamation and Enforcement
Section B project approved information report
OSM–50B
On occasion, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 145 responses; 73 hours; $870 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340.

Form OSM–50B, section B of the project approved information is to be used as part of an application for Federal assistance for a construction grant or cooperative agreements.

• Office of Surface Mining Reclamation and Enforcement
Section A—project approved information report
OSM–50A
On occasion, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 300 responses; 150 hours; $1,800 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340

Form OSM–50A, project aproval information—section A is to be part II of an application for Federal assistance for a construction or non-construction grants or cooperative agreements.

• Geological Survey
Notice of Processing of Geophysical and Geological Information—30 CFR 251.11, 251.12
On occasion
Businesses or other institutions
OCS Federal mineral permittees
SIC: 131, 132, 138
Other natural resources: 2,000 responses; 400,000 hours; $13,500 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340

In order to properly evaluate Federal OCS resources, it is necessary to have permittees submit data, processed and analyzed information and interpretations.

• Bureau of Mines
Equipment Use Data Base
PI–16
Other—see SF83
Businesses or other institutions
Mining companies
SIC: 101, 102, 104, 106, 109, 145, 147, 149, 141, 142
Small business or organizations
Other natural resources: 8,527 responses; 4,025 hours; $367,410 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340

Through acquiring survey data on metal and nonmetal mining machines and associated operators and analyzing the information, essential parameters for the machine and operators will be determined. These parameters will help the Bureau and Mine Safety and Health Administration focus on more specific equipment safety needs.

Revisions

• Office of Surface Mining Reclamation and Enforcement
Financial Status Report
SF–269
On occasion, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 1,090 responses; 8,720 hours; $13,080 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340

SF–269 is to be used to report the financial status of funds awarded to a State agency with an OSM grant or cooperative agreement.

• Office of Surface Mining Reclamation and Enforcement
OSM Budget Information Report
OSM–47
On occasion, annually
State or local governments
25 State agencies
SIC: 951
Conservation and land management: 210 responses; 1,680 hours; $2,520 Federal cost; 1 form; not applicable under 3504(h)
Robert Shelton, 202–395–7340

This form is designed so that budgets can be made for non-construction funds and establish budgets for functions or activities.

DEPARTMENT OF LABOR

Agency Clearance Office—Paul E. Larson—202–523–6331

New

• Employment and Training Administration
Unemployment Compensation for Ex-Service Persons (UCX) Handbook
On occasion, other—see SF83
Individuals or households/State or local governments
Individuals filing claims for UCX benefit entitlement, etc.
SIC: 944
Unemployment compensation: 287,000 responses; 384,580 hours; $4,800 Federal cost; 3 forms; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Federal law (5 U.S.C. 8521 et seq.) provides unemployment insurance protection to former members of the armed forces (ex-service persons) and is referred to in abbreviated form as "UCX." The forms in chapter V through VIII of the UCX handbook are used in connection wih the provision of this benefit assistance.

• Departmental Management
Qualifications Inquiry, DI–166
PERS–6
Nonrecurring
Individuals or Households
Applicants
Other labor service: 11,900 responses; 1,983 hours; $23,000 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

This form is required under the Department of Labor's negotiated merit staffing plan for positions outside the union bargaining unit's national council of field labor locals, and the National union of compliance officers to solicit information by personnel offices from the applicant's supervisor. The information will be used by raters to evaluate outside applicants against the requirements of the vacancy to be filled

• Mine Safety and Health Administration
Mine Operator Dust Data Card
MSHA–218
Other—See SF83
Businesses or other institutions
All Surface and underground coal mine operators
SIC: 999
Small Businesses or organizations

Consumer and occupational Health and Safety: 300,000 responses; 4,800 hours; $80,000 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Coal mine operators are required to collect and submit respirable dust samples to the Secretary of Labor for analysis. Pertinent information associated with identifying and analyzing these samples is submitted with the samples. Authority established by Pub. L. 95–164

• Mine Safety and Health Administration
Main Fan Maintenance Records
MSHA–421R
Monthly
Business or other institutions
Underground metal/nonmetal mines
SIC: 999
Small Businesses or organizations
Consumer and occupational Health and Safety: 900 responses; 900 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Requires regular maintenance of the main life support system to the mine. The required record establishes documenttation of maintenance program. This documentation may serve as a warning for possible ventilation problems before they occur.

• Mine Safety and Health Administration
Inspection of Firefighting Equipment
MSHA–419R
On occasion
Businesses or other institutions
Metal/nonmetal mining industry
SIC: Multiple
Small Businesses or organizations
Consumer and occupational Health and Safety: 14,900 responses; 715,200 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Firefighting equipment inspection needs vary with the type of equipment, use, environmental exposure, and manufacturers recommendations. Inspections are necessary to assure protection intended when the need arises. The equipment involved includes fire fighting trucks, hoses, hydrants, fittings, extinguishers, sprinklers, etc.

• Mine Safety and Health Administration
Hazardous Conditions Complaints
MSHA–707
Other—See SF83
Businesses or other institutions
Representative of miners, or an individual miner
SIC: 999
Small Businesses or organizations
Consumer and occupational Health and Safety: 500 responses; 100 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Complaints about hazardous conditions must be made in writing to the Secretary or an authorized representative. Authority established by Pub.L. 95–164.

• Mine Safety and Health Administration
Annual Status Report and Certification on Impoundments and Refuse Piles
MSHA–211
Annually
Businesses or other institutions
Active coal mines
SIC: 111,121
Small Business or organizations
Consumer and occupational Health and Safety: 105 responses; 210 hours; $1,880 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Requires each operator to submit an annual status report and certification of impoundments and refuse piles. The information is used as an enforcement and administrative tool. Authority established by Pub.L. 95–164.

• Mine Safety and Health Administration
Mine Ventilation System Plan
MSHA–401
Annually
Businesses or other Institutions
Underground metal/nonmetal mines
SIC: Multiple
Small businesses or organizations
Consumer and occupational health and safety: 900 responses; 21,600 hours; $108,000 Federal cost; 1 form; not applicable under 3504(h)
LaVerne V. Collins, 202–395–6880

Ventilation plan submission and update assures a continuing understanding of potentially hazardous areas of an underground mine to the district manager of MSHA. The district personnel will, therefore, be able to recommend alterations to the system in recognition of a hazard, and will be better able to respond to an emergency at the mine.

• Mine Safety and Health Administration
Hearing Conservation Plan
MSHA–210
Nonrecurring
Businesses or other institutions
Nation's active coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 200 responses; 100 hours; $300 Federal cost; 1 form; not applicable under 3504(h)
LaVerne V. Collins, 202–395–6880

The plan describes the mine operators hearing conservation program. It is required to be submitted only if excessive noise exposure has been found. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Applications for Approval of Sanitary Toilet Facilities
30 CFR 75.1712–6
MSHA–209
Noncurring
Businesses or other institutions
Coal mine operators
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 2,601 responses; 1,300 hours; $3,902 Federal cost; 1 form; not applicable under 3504(h)
LaVerne V. Collins, 202–395–6880

Sanitary toilet facilities are required underground to insure a healthier environment for the employees. Approval of all facilities is required to insure compliance. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Submission and Approval of Slope/Shaft Sinking Plans
MSHA–208
On occasion
Businesses or other institutions
Nation's active coal mines
SIC: Multiple
Small Businesses or organizations
Consumer and occupational health and safety: 40 responses; 1,600 hours; $12,000 Federal cost; 1 form; not applicable under 3504(h)
LaVerne V. Collins, 202–395–6880

Require that slope and shaft plans be submitted for approval. Information used to ensure that specific safety requirements are included in a slope/shaft sinking plan via MSHA personnel. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Operations Under Water
MSHA–207
On occasion
Businesses or other institutions
Underground coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 30 responses; 480 hours; $7,200 Federal cost; 1 form; not applicable under 3504(h)

LaVerne V. Collins, 202–395–6880

The underground coal mine operators are required to submit information and get a permit to mine under bodies of water in order to protect miners from cave-ins and inundations. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Application for grants
MSHA–100
Quarterly, other–see SF83
State or local governments
State government agencies
SIC: 999
Small businesses or organizations
Consumer and occupational health and safety: 37 responses; 4,144 hours; $62,160 Federal cost; 1 form; not applicable under 3504(h)
LaVerne V. Collins, 202–395–6880

OMB circular A102 states the reporting requirements for MSHA's Federal assistance programs. The SF424 is the grants application for a new grant or for a modification to an existing grant. Authority established by the Federal Mine Safety and Health Act of 1977, Pub. L. 95–164.

• Mine Safety and Health Administration
Monthly Tests of Mine Rescue Apparatus
MSHA–411R
Monthly
Businesses or other institutions
Underground metal/nonmetal mines
SIC: Multiple
Small businesses or organizations
Consumer and occupational health and safety: 7,200 responses; 57,600 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
LaVerne V. Collins, 202–395–6880

Mine rescue apparatus is used as a life support system in deadly atmospheres by trained personnel in the act of rescue work. Failure of the apparatus under rescue conditions could jeopardize the life of the individual wearer and the entire team. The testing and recording procedure will minimize the possibilities of a failure.

• Mine Safety and Health Administration
Fire Door Location Plans for Underground Mines at Level Landings
MSHA–410
On occasion
Businesses or other institutions
Underground metal/nonmetal mines
SIC: Multiple
Small businesses or organizations
Consumer and occupational health and safety: 300 responses; 24,000 hours; $36,000 Federal cost; 1 form; not applicable under 3504(h)
LaVerne V. Collins, 202–395–6880

Fire doors at level landings are needed to prevent the spread of smoke and toxic gases in the event of an undergroud mine fire. They afford protection of a safe refuge for the miners while awaiting a shaft conveyance to escape the mine. Ventilation changes which may occur as a mine is developed may necessitate the relocation of some doors.

• Mine Safety and Health Administration
Application For Waiver of Surface Facilities Requirement
MSHA–212
Annually
Businesses or other institutions
Nation's active coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 1,800 responses; 900 hours; $2,700 Federal cost; 1 form; not applicable under 3504(h)
LaVerne V. Collins, 202–395–6880

If the operator desires to request a waiver of the Federal regulations requiring surface facilities, the coal mine operator files this application to show the grounds upon which the request is based. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Application for approval for the use of non-permissible
Explosives and shot firing units
MSHA–203
On occasion
Businesses or other institutions
Active coal miners
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 50 responses; 50 hours; $750 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

MSHA requires the mine operator to set forth the safeguards to be employed to protect the health and safety of miners that would be exposed to the use of non-permissible shot firing units.

• Mine Safety and Health Administration
Ground Control Plan
MSHA–202
Nonrecurring
Businesses or other institutions
New surface coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 760 responses; 30,400 hours; $1,140 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

The ground control plan is used as an enforcement tool to insure that surface coal mine operators' methods of controlling highwalls, pits and spoil banks are consistent with prudent engineering design and will insure safe working conditions. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Annual Functional Test and Weekly Inspection of Fire Sensor and Warning Device Systems
MSHA–231R
Weekly
Businesses or other institutions
Nation's active coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 244,800 responses; 24,480 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires that a record be kept of annual functional test and weekly inspections of automatic fire sensor and warning devices. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Record of Examination of Hazardous Conditions
MSHA–233R
Other—See SF83
Businesses or other institutions
Surface coal mines, surface facilities, and independent, etc.
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 1,216,380 responses; 608,190 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires reports of daily inspection of hazardous conditions in coal mines. The information is used as an enforcement tool to insure that mine operators are conducting examinations for hazardous conditions. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Hoist and Shaft Inspection Records
MSHA–414R
Quarterly/other—see SF83
Businesses or other institutions
Metal/nonmetal mining industry
SIC: Multiple
Small businesses or organizations
Consumer and occupational health and safety: 1,000 responses; 16,000 hours;

$0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Systematic inspections of shafts and hoists are required at varying intervals. Records must be maintained for 3 years.

• Mine Safety and Health Administration
Main Fan Inspection Logs—Gassy Mines
MSHA–415R
Other—see SF 83
Businesses or other institutions
Gassy mines—metal/nonmetal mining industry
SIC: 999
Small businesses or organizations
Consumer and occupational health and safety: 18 responses; 3,600 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Standard applies only to gassy mines. Potentially gassy (explosive) conditions underground are largely controlled by the main fans. Fans must be inspected daily and logs kept.

• Mine Safety and Health Administration
Air Quality Measurements in Gassy Mines
MSHA–416R
Weekly
Businesses or other institutions
Gassy Mines, Metal/Nonmetal Mining Industry.
SIC: 999
Small businesses or organizations
Consumer and occupational health and safety: 18 responses; 7,200 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

The adequacy of the ventilation system for a gassy mine must be checked weekly to maintain a safe working environment. Quantitative measurements help assure dilution of gasses and preclude the pressure of explosive atmospheres.

• Mine Safety and Health Administration
Daily Inspection of Hoists Record
MSHA–240R
Other—See SF83
Businesses or other institutions
Nation's active coal mines
SIC: multiple
Small businesses or organizations
Consumer and occupational health and safety: 8,800 responses; 4,400 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires record of preshift plus coshift inspection of hoist equipment. Information is used as an enforcement tool to insure that hoists used in shaft/slope sinking operations are inspected daily. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Record of Preshift and Onshift Inspections
MSHA–241R
Other—See SF83
Businesses or other institutions
Shaft/slope sinking independent contractors
SIC: 111,121
Small businesses or organizations
Consumer and occupational health and safety: 8,800 responses; 4,400 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Require record of preshift and onshift inspections. Information is used as an enforcement tool to ensure that adequate examinations of the shaft/slope and associated equipment are made. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Record of Results of Examinations of Hoisting Equipment
MSHA–242R
Other—See SF83
Businesses or other institutions
Surface and underground coal mines
SIC: 121, 111
Small businesses or organizations
Consumer and occupational health and safety: 159,280 responses; 27,078 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires operator to maintain a record of the daily examination of hoisting equipment. The information is used to insure all man hoists are inspected daily. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Rock Bolt Test Procedures and Rock Bolt Anchorage Capacity Tests
MSHA–418R
On occasion
Businesses or other institutions
Metal/nonmetal mining industry
SIC: Multiple
Small businesses or organizations
Consumer and occupational health and safety: 450 responses; 7,200 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Rock bolting is an acceptable method of ground support in a majority of the strata encountered in underground mines. The anchorage method varies with the strata and individual methods may vary within a single mine. Each anchorage method must be tested to assure the ultimate competence of the ground and to prevent ground fails.

• Mine Safety and Health Administration
Report of Emergency Medical Assistance and Transportation of Injured Persons
MSHA–206
Quarterly
Businesses or other institutions
Nation's active underground and surface coal mines, etc.
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 1,827 responses; 457 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires each operator to report to MSHA their arrangements for emergency medical assistance and transportation for persons injured at the mine. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Noise Data Report Form
MSHA–214
Semiannually
Businesses or other institutions
Nation's active coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 350,000 responses; 24,500 hours; $184,000 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

This form is used to record each noise survey made by coal mine operators. It identifies the survey and the mine environment where the survey was taken. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
First Aid Training Supervisory Employees
30 CFR Section 75.1713–3
MSHA–219
Annually
Businesses or other institutions
Underground and surface coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 5,419 responses; 2,710 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Used in training new employees in the fundamentals of first aid and to practice such in the event of a mine accident to prevent further injury to a miner.

• Mine Safety and Health Administration
Gamma Radiation Exposure Records
MSHA–405R
Annually
Businesses or other institutions
Underground mines where radioactive ores are mined
SIC: 999
Small businesses or organizations
Consumer and occupational health and safety: 250 responses; 2,000 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires records to be kept of accumulative individual gamma radiation exposure to insure that annual exposure does not exceed 5 rems per year. It is intended to protect the health of workers.

• Mine Safety and Health Administration
Maintenance of Independent Contractor Register
MSHA–244
On occasion, quarterly, semiannually
Businesses or other institutions
Mine production operators
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 158,000 responses; 39,500 hours; $3,000 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires mine operators to maintain registration of independent contractors and to make the information available. The information is used as an enforcement and administrative tool. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
A program to prevent smoking in hazardous areas
MSHA–201
On occasion
Businesses or other institutions
Nations active underground mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 540 responses; 270 hours; $8,100 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

No one is permitted to carry smoking materials underground or smoke around hazardous areas. The information collected is used to monitor compliance. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Representative of Miners
MSHA–700
Other-see SF83
Businesses or other institutions
Each miner's representative of every mine
SIC: 999
Consumer and occupational health and safety: 400 responses; 400 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires a document evidencing designation as miner's representative and a statement of authority to be filed with MSHA and sent to the mine operator for posting, and when appropriate, a letter terminating the designation. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
30 CFR Part 45—Independent Contractors
MSHA–719R
On occasion
Businesses or other institutions
Any individ or business contracting with a mine oper, etc.
SIC: 999
Consumer and occupational health and safety: 90,000 responses; 22,500 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires independent contractors to provide information in writing to mine operators and the mine operators to make the information available for inspection to authorized representatives of the Secretary of Labor. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Record of Results of Examination of Self-Rescuers
MSHA–243R
Quarterly
Businesses or other institutions
Nation's active underground coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 10,404 responses; 4,473 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires operators to record and make available results of examinations of self-rescuers. The information is used to insure that the self-rescuers are in a safe, usable condition. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Check-In, Check-Out System for Underground Personnel
MSHA–412R
Nonrecurring
Businesses or other institutions
Underground metal/nonmetal mines
SIC: Multiple
Small businesses or organizations
Consumer and occupational health and safety: 900 responses; 7,200 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

The records implied in this standard simply mean an effective, on-going program of check-in, check-out which will inable mine operators and MSHA officials to determine who is underground in event of an emergency. Rescue efforts are enhanced with this knowledge.

• Mine Safety and Health Administration
Detailed Escape and Evacuation Plan
MSHA–400
Semiannually
Businesses or other institutions
Underground metal/nonmetal mining industry
SIC: Multiple
Small businesses or organizations
Consumer and occupational health and safety: 900 responses; 21,600 hours; $27,000 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Detailed escape and evacuation plans containing the requirements of this standard will help assure an orderly, rapid, and possibly life saving exit from the mine.

• Mine Safety and Health Administration
Medical Examinations for Man Hoist Operators
MSHA–409R
Annually
Businesses or other institutions
Metal/nonmetal mining industry
SIC: Multiple
Small Businesses or organizations
Consumer and occupational health and safety: 1,000 responses; 8,000 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

The safety of all miners riding hoist conveyances is at the mercy of the hoist conveyance operators. The standard requires annual medical examinations for hoist operators. Physical certification must be available at the mine.

• Mine Safety and Health Administration
Respirator Program Records

MSHA–404R
Nonrecurring
Businesses or other institutions
Metal/nonmetal mining industry
SIC: Multiple
Small businesses or organizations
Consumer and occupational health and safety: 7,000 responses; 14,000 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires an operator to establish a respirator program consistent with the requirements of ANSI–Z88.2 1969. The program is to consist of written standard operating procedures governing the selection, use, and care of respirators. The standard is intended to provide guidance that will assist respirator users in safeguarding health and life through proper selection and use of respirators.

• Mine Safety and Health Administration
Record of all Certified and Qualified Persons
MSHA–221R
On occasion, quarterly
Businesses or other institutions
Nation's active underground coal mines
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 26,272 responses; 3,153 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

Requires coal mine operators to maintain records of certified and qualified persons designated to perform mandatory safety duties. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Semi-Annual Inspection of Fire Extinguishers
MSHA–229R
Semiannually
Businesses or other institutions
Nation's active coal mines
SIC: 111, 121
Small Businesses or organizations
Consumer and Occupational Health and Safety: 84,540 responses; 8,454 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Fire extinguishers require regular examinations because the extinguishing agent becomes caked, the expellant agent loses pressure and sheels are damaged in the mining environment. Record is to show that required safety equipment is inspected on a regular basis. Authority established by Pub. L. 95–164.

• Mine Safety and Health Administration
Escape and Evacuation Plan
MSHA–232R
On occasion
Businesses or other institutions
Surface coal mines
SIC: 111, 121
Small Businesses or organizations
Consumer and Occupational Health and Safety: 840 responses; 3,360 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Requires the development of escapeway plans. The information is used as an enforcement tool to insure that all surface coal mine operators have established and keep current an escape and evacuation plan. Authority established by Pub. L. 95–164.

• Bureau of Labor Statistics
Hours at Work Survey
BLS 2000, M 2000, P 2000, S 2000 R
Annually
Businesses or other institutions
Nonagricultural establishments—except gov'ts
SIC: Multiple
Small Businesses or organizations
Other labor services: 3,300 responses; 900 hours; $167,000 Federal cost; 4 forms; not applicable under 3504(h)
Statistical Policy Branch, 202–395–7313.

Hours at work information are needed in order to correctly measure the labor input for productivity measures. Presently, labor input is measured using hours paid. The information on hours at work will be collected beginning March 1982. This information will be collected annually. Ratios of hours at work to hours paid will be calculated to adjust present measures of labor input.

• Occupational Safety and Health Administration
Report of Injuries to Employees Operating Mechnical Power Presses. 29 CFR Part 1910, 1910.217G
OSHA–180
On occasion
Businesses or other institutions
General industry workplaces
SIC: Multiple
Small Businesses or organizations
Consumer and Occupational Health and Safety: 400 responses; 120 hours; $0 Federal cost; 1 form; $600 public cost; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

This report is necessary in order that OSHA may conduct an on-going analysis of mechanical power press injuries. The report is used to record and evaluate the causal factors of such injuries and thus monitor the effectiveness of the standard for continued use or revision when found appropriate.

• Employment Standards Administration
Maintenance of Cancelled Checks Record Keeping Requirement
ESA–200 CM
On occasion
Businesses or other institutions
Coal mine operators, stock/mutual cos. or assocs.
SIC: 121, 111, 633
Small Businesses or organizations
General retirement and disability insurance: 1 response; 0 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Insurance carriers, who insure coal mine operators for the payment of black lung benefits, and self-insured coal mine operators are required to maintain cancelled checks for five years in order to verify payment of black lung benefits.

• Employment Standards Administration
Conformance Record Service Contract Act
ESA–WH–601
On occasion
Businesses or other institutions
Private contractors/subcontractors on Federal contracts
SIC: multiple
Small Businesses or organizations
Other labor services: 9,000 responses; 4,500 hours; $33,683 Federal cost; 1 form; $22,500 public cost; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Service Contract Act recordkeeping requirements for contractors to maintain copy of classification/wage rate conformance agreement. Becomes part of wage determination.

• Employment and Training Administration
Unemployment Compensation for Federal Civilian Employees (UCFE) Handbook
ETA 836, 835, 848, 833, 935, 834, 832, 831
On occasion, other—see SF83
Individual or households/State or local governments
Individuals filing claims for UCFE benefit entitlement, etc.
SIC: 944
Unemployment compensation: 241,000 responses; 549,480 hours; $4,800 Federal cost; 8 forms; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880.

Federal law (5 U.S.C. 8501–8508 et seq.) provides unemployment insurance protection to former (or partially unemployed) Federal civilian employees. It is referred to, in abbreviated form, as "UCFE." The forms

contained throughout the UCFE handbook are used in connection with the provision of this benefit assistance.

• Employment Standards Administration
Service Contract Act Senority List
ESA-WH-000
Annually
Businesses or other institutions
Private contractors/subcontractors on Fed'l contracts
SIC: multiple
Small Business or organizations
Other labor services: 9,000 responses; 9,000 hours; $0 Federal cost; 1 form; $45,000 public cost; not applicable under 3504(h)
Laverne V. Collins, 202-395-6880.

SCA contractors to submit copy of seniority list to procurement offices. Use is to inform successor contractor of vacation fringe benefit liabilities regarding wage determinations containing such provisions.

• Employment Standards Administration
29 CFR 40.51, 40.52 and 40.53
This is both recorkeeping and reporting
ESA-WH-500
On occasion, annually
Individuals or households/farms/businesses or other institutions
Workers for agricultural employment
SIC: Multiple
Small business or organizations
Other labor services: 1,356 responses; 339 hours; $62,115 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202-395-6880

Wage and Hour Division recordkeeping requirement to maintain payroll records as prescribed by FLCRA. Deemed to be maintained in any event by a prudent manager. FLCRA requirement for all persons engaged in farm labor contracting activities to register as either a farm labor contractor or a farm labor contractor employee.

• Departmental Management
29 CFR Part 16—Equal Access to Justice Act
On occasion
Individuals or households/farms/businesses or other institutions
Parties prevailing in adversarial proceedings
SIC: Multiple
Small businesses or organizations
Other labor services: 300 responses; 300 hours; $5,000 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202-395-6880

Provides for the payment of fees and expenses to eligible parties who prevail in an adversarial proceeding against an agency of the Government. These rules constitute the Labor Department's rules for implementing the act.

• Occupational Safety and Health Administration
Hazard Communication
OSHA 239
On occasion
Businesses or other institutions
Chemical manufacturers and all manuf having facilities, etc.
SIC: multiple
Small businesses or organizations
Consumer and occupational health and safety: 328,000 responses; 656,000 hours; $0 Federal cost; 1 form; $14,168,000 public cost; not applicable under 3504(h)
Laverne V. Collins, 202-395-6880

This standard is necessary because many employers and employees are not aware of the presence or hazardous chemicals in their workplaces. Compliance with the standard should serve to alleviate this lack of awareness and provide an impetus for employees and employers to devise better means of protection from these hazards.

Revisions

• Employment and Training Administration
Application Card; Applicant/Job Order Transaction
ETA 511, 511C, ETA 516
On occasion
Individuals of households/State or local governments
Job seekers applying at State ES and WIN offices
SIC: 999
Training and employment: 13,889,200 responses; 3,549,227 hours; $3,000 Federal cost; 2 forms; not applicable under 3504(h)
Laverne V. Collins, 202-395-6880

The application card is the basic operating document used in Uses and WIN local offices for new and partial applications for individuals seeking assistance in finding employment or seeking employability development services. The ETA 516 is the automated transmitted form for the ETA-511 record of service section.

• Employment and Training Administration
Job Order Form
ETA 514
On occasion
Businesses or other institutions
Government and private employers seeking to hire employees
SIC: 999
Training and employment: 4,854,000 responses; 463,400 hours; $3,000 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202-395-6880

The job order form is used to record basic job information to provide assistance to employers and job seekers in filling job openings. The information is used to define and describe job requirements for job seekers. Information is used for statistical purposes and for program operation to target labor market penetration efforts.

• Mine Safety and Health Administration
Minimum Roof Control Plan
2000-52
Semiannually
Businesses or other institutions
Underground coal operators
SIC: 111, 121
Small businesses or organizations
Consumer and occupational health and safety: 3,141 responses; 4,209 hours; $565,380 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202-395-6880

Requires underground coal mine operators to submit roof control plans for all underground passageways. The plans are required to improve the roof control systems of each underground coal mine. The plans are used by the underground coal operators, miners and inspectors to see that supports are set.

Extensions (Burden Change)

• Mine Safety and Health Administration
Notification of Legal Identity
2000-7
On occasion
Businesses or other institutions and if and when change
SIC: 999
Small businesses or organizations
Consumer and occupational health and safety: 10,400 responses; 10,400 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Laverne V. Collins, 202-395-6880

Requires each operator of a coal mine to file with the secretary the name and address of such mine and any revisions in such name and address. The information collection is used to monitor compliance.

Reinstatements

• Bureau of Labor Statistics
Information for the Producer Price Index
ELS 473C
Monthly
Businesses or other institutions
Petroleum refiners
SIC: 291
Small businesses or organizations
Other labor services: 336 responses; 111 hours; $75,000 Federal cost; 1 form; not applicable under 3504(h)

Statistical Policy Branch, 202–395–7313

The data are used in the compilation of the producer price index for refined petroleum products.

• Employment Standards Administration
Responses by Contractors and Subcontractors to Compliance Reviews by OFCCP, Excluding Construction
CC–60–2
On occasion
Businesses or other institutions
FED contractors and subcontract whose compliance is, etc.
SIC: All
Small businesses or organizations
Other labor services: 2,695 responses; 512,050 hours; $35,900,000 Federal cost; 1 form; $3,502,400 public cost; not applicable under 3504(h)
Laverne V. Collins, 202–395–6880

These responses both direct and in writing represent varied forms of cooperation with OFCCP desk audits, on-site reviews, and off-sit analyses. Compliance reviews, the basic enforcement tool, implement Executive Order 11246 and 41 CFR 60–1, section 503 of the Rehabilitation Act of 1973 and 41 CFR 60–741, and section 402 of the Vietnam Era Veterans Readjustment Act of 1974 CFR 60–250. The compliance review procedures following in the implement of these regs are detailed, etc.

DEPARTMENT OF TRANSPORTATION

Agency Clearance Officer—John Windsor—202–426–1887

New

• Research and Special Programs Administration
Recordkeeping Requirements for LNG Facilities
Other—See SF83
Businesses or other institutions
Liquified natural gas facility operators
SIC: 492
Small businesses or organizations
Other transportation: 48,000 responses; 14,400 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Donald Arbuckle, 202–395–7340

The liquefied natural gas (LNG) safety regulations (49 CFR Part 193) have been established under the Gas Pipeline Safety Act. They establish comprehensive regulations for LNG facilities.

• Research and Special Programs Administration
Recordkeeping Requirements for Gas Pipeline Operators
Other—See SF83
Businesses or other institutions
Gas pipeline operators
SIC: 492, 493
Small businesses or organizations
Other transportation: 7,400,000 responses; 2,960,000 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Donald Arbuckle, 202–395–7340

The gas pipeline safety regulations (49 CFR part 192) require gas pipeline operators to maintain a series of tests, inspection and maintenance records so that compliance with part 192 can be ascertained.

• Federal Aviation Administration
Instruction Manual for the Preparation of the 1983 Estimate of the Cost of Completing the Interstate System
Biennially
State or local governments
State highway agencies
SIC: 962
Ground transportation: 50 responses; 317,000 hours; $4,469,500 Federal cost; 1 form; not applicable under 3504(h)
Donald Arbuckle, 202–395–7340

The collected information is used, as required, by the title 23, U.S.C., to report to the Congress biennially on the cost to complete the system for the purpose of developing apportionment factors for the distribution of Federal-aid interstate construction funds. The information is also used, per 23 U.S.C. 103(E)(4), to determine substitute fund entitlements.

• Coast Guard
Certification of Completion of First Aid and CPR Training Courses
On occasion
Individuals or households
Applicants for original issue license
Water transportation: 600 responses; 48 hours; $1,971 Federal cost; 1 form; not applicable under 3504(h)
Wayne Leiss, 202–395–7340

46 U.S.C. 224A., 390B—This letter is used by the Coast Guard in conjunction with officer license examination, to assure that applicants possess a minimum level of qualifications in first aid and cardiopulmonary resuscitation.

• Research and Special Programs Administration
Material of Construction for Portable Tanks
On occasion
Businesses or other institutions
Manufacturers of portable tanks
SIC: 371
Air transportation: 200 responses; 200 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Donald Arbuckle, 202–395–7340

Used by manufacturers to ascertain to the MTE and purchasers of portable tanks that the material of construction meets the requirements set forth in the regulations.

• Research and Special Programs Administration
Service of Process of Non-Residents of U.S., Requirements
On occasion
Businesses or other institutions
Shippers, carriers and manufacturers of hazardous material
SIC: 401, 421, 541, 281, 283, 374, 443, 471
Other transportation: 2 responses; 5 hours; $125 Federal cost; 1 form; not applicable under 3504(h)
Donald Arbuckle, 202–395–7304

To set forth the procedures for non-residents of the United States to designate a United States agent upon whom service of process may be made on behalf of the non-resident.

• Coast Guard
Plan Approval and Records for Marine Engineering Systems
46 CFR subchapter F
CG–2832
On occasion
Businesses or other institutions
Vessel owners and builders
SIC: 441, 442, 373
Small businesses or organizations
Water transportation: 9,520 responses; 2,380 hours; $691,247 Federal cost; 1 form; $476,000 public cost; act applicable under 3504(h)
Wayne Leiss, 202–395–7340

(46 U.S.C. 369) provides specifications, standards and requirements for strength and adequacy of design, construction, installation, inspection, and choice of materials for machinery, boilers, pressure vessels, safety valves, and piping systems upon which safety of life is dependent.

• Coast Guard
Evidence of U.S. Citizenship or Lawful Alien Status for Workers on the Outer Continental Shelf (OCS)
On occasion
Businesses or other institutions
Companies w/crew Fac. and Ves. engaged in oil and gas extraction
SIC: 131, 138
Water transportation: 665 responses; 1,330 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Wayne Leiss, 202–395–7340

Personnel working on units engaged in oil and gas extraction activities on the OCS are required by 43 U.S.C. 1356 to be citizens or lawfully admitted aliens. Employers would be required to maintain records demonstrating compliance. The information will be used by the Coast Guard for law

enforcement. The effective date will be the effective date of final rule.

DEPARTMENT OF THE TREASURY

Agency Clearance Officer—Ms. Joy Tucker—202-634-5394

New

• Internal Revenue Service
U.S. Treasury IRS
4843/CP 173
On occasion
Farms/ businesses or other institutions
All taxpayers doing business as corporations
SIC: All
Small businesses or organizations
Central fiscal operations: 15,650 responses; 3,913 hours; $13,345 Federal cost; 1 form; not applicable under 3504(h)
Irene Montie, 202-395-6880

As required by 26 U.S.C. 6655 the notice is sent to notify taxpayers when estimated tax payments were untimely, advising of penalty and requesting payment. It also transmits a form 2220 for the corporate taxpayer to fill out if it feels it meets any of the exceptions to the estimated tax penalty.

• Office of the Secretary
Maintain Use Report and Supporting Documentation for Public Inspection
Annually
State or local governments
Indian tribes, Alaskan Nat. Vil.
SIC: Multiple
Central Fiscal Operations: 39,000 responses; 39,000 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Irene Montie, 202-395-6880

To aid the Office of Revenue Sharing in ensuring that the public knows the purpose for which revenue sharing funds are used. Information is to be retained for three-year period.

• Internal Revenue Service
Estimated Tax Penalty Notice
5242/CP30
On occasion
Individuals or households
All individual taxpayers who fail to make est. tax payments, etc.
Central fiscal operations: 31,151 responses; 7,788 hours; $66,280 Federal cost; 1 form; not applicable under 3504(h)
Irene Montie, 202-395-6880

26 U.S.C. 6654 authorizes the IRS to assess an estimated tax penalty against taxpayers who do not make estimated tax payments when required to do so by 26 U.S.C. 6015. Form 5242 advises the taxpayers that the penalty has been assessed and the amount of their overpayment reduced, unless they qualify for one of the exceptions.

CIVIL AERONAUTICS BOARD

Agency Clearance Officer—Clifford M. Rand—202-673-6042

New

• Part 314 of Board's Procedural Regulations—Employee Protection Program
Nonrecurring
Individuals or households/businesses or other institutions
Airline employees and Labor representatives
SIC: 999
Air transportation: 50 responses; 50 hours; $2,000 Federal cost; 1 form; not applicable under 3504(h)
Wayne Leiss, 202-395-7340

Under the employee protection program established by the Airline Deregulation Act, the CAB will identify "Qualifying dislocations" of certificated air carriers, either on its own initiative or upon application by an affected employee. The application form provides basic information that is needed to ensure that CAB proceedings on this subject are undertaken only when there is a reasonable possibility that a qualifying dislocation will actually be found.

Extensions (Burden Change)

• Financial and Operating Report for U.S. and Foreign Indirect Air Carriers of Property
296-R
Annually
Businesses or other institutions
Foreign air freight forwarders
SIC: 471
Small businesses or organizations
Air transportation: 16 responses; 8 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Wayne Leiss, 202-395-7340

Enables the board to monitor the foreign air freight forwarder under the Airline Deregulation Act.

• Application for Foreign Aircraft Permit
272
On occasion
Businesses or other institutions
Foreign air carriers
SIC: 451
Small businesses or organizations
Air transportation: 120 responses; 240 hours; $1,000 Federal cost; 1 form; not applicable under 3504(h)
Wayne Leiss, 202-395-7340

To regulate the admissions to, and navigation in, the United States of foreign civil aircraft other than aircraft operated by holders of foreign aircraft permits.

COMMISSION ON CIVIL RIGHTS

Agency Clearance Officer—Victoria P. Thomas—202-254-6507

New

• Readership Survey of the Report: The Voting Rights Act: Unfilled Promises
Semiannually
Individuals or households/businesses or other insitutions
Individuals and organ interested in civil rights issues
SIC: 881, 913, 823, 938
Federal law enforcement activities: 700 responses; 126 hours; $1,341 Federal cost; 1 form; $1,341 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202-426-5030

This information collection will be used to assess the impact of the problems addressed in the publication.

• Readership Survey of the Report: Indian Tribes—A Continuing Quest for Survival
Semiannually
Individuals of households/businesses of other institutions
Individuals and organizations interested in civil rights issues
SIC: 881, 913, 823, 938
Federal law enforcement activities: 700 responses; 126 hours; $1,341 Federal cost; 1 form; $1,341 public cost; not applicable under 3504(h)
Federal Education Data Acquisition Council, 202-426-5030.

This information collection request will assist the commission in reviewing its programs and projects in preparation for budget submissions.

ENVIRONMENTAL PROTECTION AGENCY

Agency Clearance Officer—Christine Scoby—202-382-2742

New

• Hazardous Waste Industry Studies
Nonrcurring
Businesses or other institutions
Organic chemical industry
SIC: Multiple
Pollution control and abatement: $0 Federal cost; 1 form; not applicable under 3504(h)
Edward H. Clarke, 202-395-7340

Although phase I and II of the hazardous waste regulations under the Resource Conservation and Recovery Act have been promulgated, they constitute only the first major steps toward a comprehensive hazardous waste prog. Phase III of the reg program will involve further expansion and refinement to the list of haz waste and the implementation of mgmt standards

tailored to the degree and type of hazard posed by specific wastes or industries. The haz waste ind studies will form the, etc.

- New Source Review Permit Notification

Nonrecurring
State or local governments
State air pollution control agencies
SIC: 951
Pollution control and abatement: 55 responses; 2,200 hours; $30,000 Federal cost; 1 form; not applicable under 3504(h)
Edward H. Clarke, 202–395–7340

This program requires States to send EPA notices of all construction permits granted pursuant to the State inplementation plans.

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Agency Clearance Officer—Thomas P. Goggin—202–634–6983

Revisions

- Higher Education Staff Information (EEO–6)

EEOC–221
Biennially
State or local governments/businesses or other institutions
Institutions of higher education
SIC: 822, 824, 829
Federal law enforcement activities: 3,000 responses; 12,000 hours; $50,000 Federal cost; 1 form, not applicable under 3504(h)
Federal Education Data Acquistion Council, 202–426–5030

The information collected will be used by EEOC for investigations, decisions and conciliation in its compliance, litigation and voluntary programs activities. It will be shared with other Federal agencies which have a need for it and pledge to abide by its confidentiality restrictions.

FEDERAL COMMUNICATIONS COMMISSION

Agency Clearance Officer—Richard D. Goodfriend—202–632–7513

New

- Amendment of Part 73 of the Commission's Rules Regarding the Subscription TV Service

On occasion
Individuals or households/businesses or other institutions if the proposals are adopted the pub. will be afforded, etc.
SIC: 483
Small businesses or organizations
Other advancement and regulation of commerce: 1 response; 1 hour; $0 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

The further notice eventally proposes the deregulation of the subscription television (for more detail see "Further Notice of Proposed Rule Making", FCC 81–449).

- Reply Form

FCC 793–R
On occasion
Individuals or households/State or local governments/businesses or other institutions
Persons, that are in violation of FCC rules
SIC: Multiple
Small businesses or organizations
Other advancement and regulation of commerce: 2,000 responses; 200 hours; $2,200 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

This form is mailed with monetary forfeiture documents issued pursuant to section 503(b) of the Communications Act. It contains instructions and a tear away reply form.

Revisions

- Annual Financial Report of Networks and Licensees of Broadcast Stations

Form 324
Annually
Businesses or other institutions
Licensees of commercial broadcast stations
SIC: 483
Small businesses or organizations
Other advancement and regulation of commerce: 9,000 responses; 36,000 hours; $53,000 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

The information supplied in FCC form 324 is used in the Commission to develop and overview of the broadcast industry and to supply information pertaining to its economic health and performance, to determine the impact of FCC operational decisions on individual broadcast stations and licensees and to provide input into policy issues and rule making procedures regarding the economic impact of proposed actions.

- Application for Restricted Radiotelephone Operator Permit by an Alien

755
On occasion
Individuals or households
Aliens requesting a restricted radio operator permit
Other advancement and regulation of commerce: 1 response; 134 hours; $5,000 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

Required of non-U.S. citizens to apply for a restricted radiotelephone operators permit. The Communications Act requires FCC to determine the qualifications of radio operators and to license those found qualified. Data is used to make that determination.

- Application for Commercial Radio Operator License (Other Than Restricted Radiotelephone Operator Permit)

FCC form 756
On occasion
Individuals or households
Applicants for a commercial radio operator license
Other advancement and regulation of Commerce: 130,000 responses; 11,667 hours; $700,000 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

Required of license applicant. The Communications Act requires the FCC to determine the qualifications of radio operators and to license those found qualified. This data is used to make the Determination for commercial radio operator applicants.

Extensions (Burden Change)

- Annual Employment Report—Cable Television

FCC Form 395–A
Annually
Businesses or other institutions
Cable employment units
SIC: 489
Small businesses or organizations
Other advancement and regulation of Commerce: 3,500 responses; 1,750 hours; $121,205 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

Provides input to automated EEO file which contains statistical data collected annually from each cable employment unit. Statistics reflect the distribution of employees, including females and minority groups, in designated job categories. Used to generate reports required to review and analyze minority employment trends in cable industry.

Extensions (No Change)

- Application of Alien Amateur Radio License for Permit To Operate in the United States

610–A
On occasion
Individuals or households
Aliens
Other advancement and regulation of Commerce: 3,000 responses; 750 hours; $20,000 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

Filing is required when an alien amateur radio operator is applying for a

permit to operate in the U.S. The data is used to determine an applicant's eligibility.

FEDERAL HOME LOAN BANK BOARD

Agency Clearance Officer—Frank J. Crowne—202–377–6025

Revisions

• Financial Report for Wholly Owned Service Corporations
FHLBB 1015
Annually
Businesses or other institutions
Wholly-owned service corporations of FSLIC
SIC: 612
Mortgage credit and thrift insurance: 2,600 responses; 10,000 hours; $30,782 Federal cost; 1 form; not applicable under 3504(h)
Richard S. Stavneak, 202–395–6880

The information is essential in determining the financial condition and results of operations of wholly owned subsidiaries (service corporations) of insured savings and loan associations and the industry posture of such companies and in determining compliance with and changes to regulations as well as aids to program planning and evaluation. (12 CFR 563.18)

FEDERAL MARITIME COMMISSION

Agency Clearance Officer—Ronald D. Murphy—202–523–5326

Extensions (Burden Change)

• 46 CFR 537—Conference Agreement Provisions Relating to Concerted Activities
G.O. 18
On occasion
Businesses or other institutions
Steamship and terminal conferences in U.S., foreign commerce
SIC: 441, 442
Water transportation: 2,800 responses; 5,600 hours; $10,500 Federal cost; 1 form; not applicable under 3504(h)
William T. Adams, 202–395–4814

The membership of Commission approved rate-fixing agreements having more than two members must file minutes of all meetings within thirty days of the date of the meeting. These minutes are useful in keeping the staff and the Commission informed and aware of the current concerted activities of regulated parties.

FEDERAL RESERVE SYSTEM

Agency Clearance Officer—William Jones—202–452–2983

Extensions (Burden Change)

• Report of Condition for Edge and Agreement Corporations
FR 2886B
Quarterly, semiannually, annually
Businesses or other institutions
All Edge Act and agreement corporations
SIC: 605
General government: 802 responses; 4,215 hours; $50,000 Federal cost; 1 form; $64,725 public cost; not applicable under 3504(h)
Richard S. Stavneak, 202–395–6880

This condition report is used to assess the effect Edge Act and agreement corporations have on flow of funds, bank credit and monetary aggregates for monetary policy purposes and as an aid in evaluating the financial soundness, applications and examinations for supervisory purposes.

Extensions (No Change)

• Written Security Program for State Member Banks as Required by Regulations
On occasion
Businesses or other institutions
State member banks
SIC: 602
Small businesses or organizations
General government: 1,013 responses; 1,013 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Richard S. Stavneak, 202–395–6880

All State member banks are required to have on file a written security program. In accordance with the Bank Protection Act of 1968, the program is to discourage robberies, burglaries, and larcenies and to assist in the identification and apprehension of persons who commit such acts.

GENERAL SERVICES ADMINISTRATION

Agency Clearance Officer—John F. Gilmore—202–566–1164

Reinstatements

• Annual Summary of Records Holdings
SF–136
Annually
Businesses or other institutions
Reports should include stat. data pert. to Fed. rec., etc.
SIC: multiple
General property and records management: 2,500 responses; 1,250 hours; $31,992 Federal cost; 1 form; not applicable under 3504(h)
Franklin S. Reeder, 202–395–3785

This report provides data for the Administrator's annual report to Congress and OMB on records disposition activities of the Federal Government. It also serves as a management tool to monitor agency records management activities and to determine the effectiveness of the agency's records management program.

INTERSTATE COMMERCE COMMISSION

Agency Clearance Officer—Carroll Stearns—202–633–0204

Extensions (Burden Change)

• Application for Motor or Water Carrier Certificate or Permit, Broker License, Freight Forwarder Permit, or Water Carrier Exemption
OP–1
Other—See SF83
Businesses or other institutions
Motor and water carriers, freight forwarders and brokers
SIC: 413, 417, 421, 444
Ground transportation: 20,000 responses; 160,000 hours; $2,075,600 Federal cost; 1 form; not applicable under 3504(h)
Donald Arbuckle, 202–395–7340

Form OP–1 provides information used by the ICC to decide whether applicants should be granted entry into surface transportation (motor carriers, brokers, freight forwarders and water carriers) as required by statute (49 U.S.C. 10922–4).

NATIONAL CREDIT UNION ADMINISTRATION

Agency Clearance Officer—Ms. D. Lynn Gordon—202–357–1202

Extensions (Burden Change)

• 12 CFR 745—Clarification and Definition of Account Insurance Coverage
12 CFR 745
Nonrecurring
Businesses or other institutions
Credit unions
SIC: 614
Small businesses or organizations
Mortgage credit and thrift insurance: 56,525 responses; 820 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Phillip T. Balazs, 202–395–4814

The regulation declares that insurance coverage will depend on individual account records maintained by a credit union. A question and answer booklet on insurance must be mailed to every member having $5,000 or more in shares.

• 12 CFR 724.1 Trustees and Custodians of Pension Plans
12 CFR 724.1
On occasion
Businesses or other institutions
Federal credit unions
SIC: 614
Small Businesses or Organizations
Mortgage credit and thrift insurance: 629,000 responses; 62,900 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Phillip T. Balazs, 202–395–4814.

An FCU acting as trustee or custodian of a Keogh plan or individual retirement

account must maintain individual records for each member/participant showing all transactions in detail.

• IRPS 79-7 Liquidity Reserves
IRPS 79-7
On occasion
Businesses or other institutions
Credit unions
SIC: 614
Small businesses or organizations
Mortgage credit and thrift insurance: 4,274 responses; 600 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Phillip T. Balazs, 202-395-4814

The IRPS requires that notifications by credit unions to NCUA or an appropriate State authority concerning depletions of reserves be in writing. Also, extensions of time to meet required reserves must be requested in writing and be appropriately documented.

• 12 CFR 701.35 Share Draft and Share Certificated Accounts
12 CFR 701.35
On occasion
Businesses or other institutions
Federal credit unions
SIC: 614
Small businesses or organizations
Mortgage credit and thrift insurance: 25,156,000 responses; 1,452,588 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Phillip T. Balazs, 202-395-4814

This regulation requires FCU's to maintain in their files: (1) written disapproval criteria for share draft accounts, (2) written share draft account agreements, (3) retention of copies of photoreproductions of paid share drafts, (4) written operational and program specifications for share draft programs, and (5) various disclosure requirements that must be made to members when accounts are established.

• 12 CFR 701.21-3 Lines of Credit to Members
12 U.S.C. 1761C 12 CFR 701.21-3
XII7
On occasion
Businesses or other institutions
Federal credit unions
SIC: 614
Small businesses or organizations
Mortgage credit and thrift insurance: 10,399,525 responses; 1,039,784 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Phillip T. Balazs, 202-395-4814

This regulation requires a written agreement between the FCU and the members.

• 12 CFR 701.21-8 Purchase Sale and Pledge of Eligible Obligations
12 CFR 701.218
On occasion
Businesses or other institutions
Federal credit unions
SIC: 614
Small businesses or organizations
Mortgage credit and thrift insurance: 4,000 responses; 1,000 hours; $0 Federal cost; 1 form; not applicable under 3504(h)
Phillip T. Balazs, 202-395-4814

This regulation requires a written agreement to be maintained by an FCU on all sales and purchase of eligible obligations. A schedule of the eligible obligations in question must include copies of all original loan documents.

• 12 CFR 70121-1 Lending Policies
12 CFR 701.211
On occasion
Businesses or other institutions
Federal credit unions
SIC: 614
Small businesses or organizations
Mortgage credit and thrift insurance: 100,624,000 responses; 55,198,926 hours; $0 Federal cost; 7 forms; not applicable under 3504(h)
Phillip T. Balazs, 202-395-4814

This regulation requires an FCU to maintain: (1) a loan application for each borrower, and (2) written loan policies. Its purpose is to assure safety and soundness of the institution and assure compliance with statutory mandates.

• 12 CFR 701.31 Nondiscrimination Requirements
12 CFR 701.31
On occasion
Businesses or other institutions
Federal credit unions
SIC: 614
Mortgage credit and thrift insurance: 11,322 responses; 79 hours; $0 Federal costs; 1 form; not applicable under 3504(h)
Phillip T. Balazs, 202-395-4814

This regulation requires an FCU to keep a copy of the property appraisal. This regulation requires that when an FCU uses geographic factors in evaluating real estate loan applications, the FCU must disclose this fact on the appraisal and state its justification. This requirement ensures compliance with the Fair Housing Act antiredlining requirements.

• 12 CFR 701.21-6 Real Estate Lending
12 CFR 701.21-6
On occasion
Businesses or other institutions
Federal credit unions
SIC: 614
Small businesses or organizations
Mortgage credit and thrift insurance: 503,200 responses; 1,006,400 hours; $0 Federal cost; 8 forms; not applicable under 3504(h)
Phillip T. Balazs, 202-395-4814

This regulation requires various documents to be in the FCU files on mortgage loans including loan application, a written appraisal, insurance certificate, a settlement, opinion of title, hazard insurance policy and a note and security agreement.

NATIONAL SCIENCE FOUNDATION

Agency Clearance Officer—Herman Fleming—202-357-7811

Extensions (Burden Change)

• Profile Information Sheet
Nonrecurring
Individuals or households
Scientists who are experts in diff. field of science and eng.
General science and basic research: 500 responses; 125 hours; $4,800 Federal cost; 1 form; $1,250 public cost; not applicable under 3504(h)
Anita T. Ducca, 202-395-7340

Continued use of the "evaluator profile information sheet" will facilitate NSF program planning and management by maintaining a data base of scientists who can be selected to evaluate diverse products and reports supported by NSF.

Extensions (No Change)

• NSF Small Business Innovation Research Program Evaluatio
Nonrecurring
Businesses or other institutions
High technology small business firms
SIC: multiple
Small businesses or organizations
General science and basic research: 75 responses; 150 hours; $13,000 Federal cost; 1 form; not applicable under 3504(h)
Anita T. Ducca, 202-395-7340

This information is needed to investigate the impact of the SBIR program at the NSF on: (a) the awardees, (b) the firms declined awards, and (c) the economy. The information will be processed internally and an internal report will be issued to help guide this program in the future. Starting date: August 28, 1981. Ending date: March 31, 1982.

NUCLEAR REGULATORY COMMISSION

Agency Clearance Officer—Stephen Scott—301-492-8585

New

• Equal Access to Justice, 10 CFR 2
On occasion
Individuals or households/businesses or other institutions

NRC adjudicants
SIC: all
Energy information, policy, and regulation: 6 responses; 150 hours; $18,000 Federal cost; 1 form; not applicable under 3504(h)
Jefferson B. Hill, 202–395–7340

Equal Access to Justice Act (Pub. L. 96–48) requires NRC to obtain information from prevailing parties in NRC advisory adjudications.

SECURITIES AND EXCHANGE COMMISSION

Agency Clearance Officer—George G. Kundahl—202–272–2142

New

- Securities Act of 1933 Proposed Registration Form F–3

SEC 1983
On occasion
Businesses or other institutions
Foreign issuers selling securities in this country
SIC: all
Small businesses or organizations other advancement and regulation of commerce: 25 responses; 8,075 hours; $14,755 Federal cost; 1 form; $475,000 public cost; not applicable under 3504(h)
Robert Veeder, 202–395–4814

To help assure that investors have the necessary information to make security purchases. The Securities Act of 1933 requires the filing of a registration statement on such securities which make publicly available information necessary for informed investing. Proposed form F–3 would be one of several forms prescribed for foreign securities.

- Securities Act of 1933 Proposed Registration Form F–2

SEC 1982
On occasion
Businesses or other institutions
Foreign issuers selling securities in this country
SIC: all
Small businesses or organizations
Other advancement and regulation of commerce: 10 responses; 9,100 hours; $14,755 Federal cost; 1 form; $450,000 public cost; not applicable under 3504(h)
Robert Veeder, 202–395–4814

To help assure that investors have the necessary information to make security purchases. The Securities Act of 1933 requires the filing of a registration statement on such securities which make publicly available information necessary for informed investing. Proposed form F–2 would be one of several forms prescribed for foreign securities.

- Securities Act of 1933 Proposed Registration Form F–1

SEC 1981
On occasion
Businesses or other institutions
Foreign issuers selling their securities in this country
SIC: All
Small businesses or organizations
Other advancement and regulation of commerce: 15 responses; 35,775 hours; $14,755 Federal cost; 1 form; $1,822,500 public cost; not applicable under 3504(h)
Robert Veeder, 202–395–4814

To help assure that investors have the necessary information to make security purchases. The Securities Act of 1933 requires the filing of a registration statement on such securities which make publicly available information necessary for informed investing. Proposed form F–1 would be one of several forms prescribed for foreign securities.

- Notice by Self-Regulatory Organization of Proposed Admission to or Continuance in Membership or Participation

On occasion
Businesses or other institutions
Self-regulatory organizations
SIC: 623
Other advancement and regulation of commerce: 60 responses; 270 hours; $97,230 Federal cost; 1 form; $5,670 public cost; not applicable under 3504(h)
Robert Veeder, 202–395–4814

Rule 19H–1(a), (c) through (e) and (g), adopted on July 8, 1977, prescribes the form and content of notice by SROS of proposed admission to or continuance in membership or participation or association with a member of any person subject to a statutory disqualification and applications to the Commission for relief therefrom.

SMALL BUSINESS ADMINISTRATION

Agency Clearance Officer—Ms. Elizabeth Zaic—202–653–7738

Reinstatements

- Client and Field Interviewer Questionnaires

Nonrecurring
Businesses or other institutions
Small business clients
SIC: Multiple
Small businesses or organizations
Other advancement and regulation of commerce: 4,000 responses; 2,000 hours; $8,000 Federal cost; 1 form; not applicable under 3504(h)
Edward C. Springer, 202–395–4814

Needs to know if small sample taken last year is valid. Also, compliance with IG request for closer evaluation of our programs.

VETERANS ADMINISTRATION

Agency Clearance Officer—R. C. Whitt (004A2)—202–389–2146

New

- POW Medical Follow-up

Nonrecurring
Individuals or households
Former prisoners of war, WW II, Korean Conflict, etc.
Hospital and medical care for veterans: 3,300 responses; 1,100 hours; $150,125 Federal cost; 3 forms; not applicable under 3504(h)
Robert Neal, 202–395–6880

Studies of American former prisoners of war have revealed excess morbidity and mortality during the years following repatriation. This study will investigate for how long and from what causes excess illnesses persist as well as whether chronic diseases are a more serious problem for former POW's.

Revisions

- Certification of Loan Disbursement 26–1876

On occasion
Businesses or other institutions/ individuals or households
Lenders and veterans
SIC: 601, 612, 614, 616, 604
Small businesses or organizations
Veterans housing: 252,000 responses; 126,000 hours; $1,059,052 Federal cost; 1 form; not applicable under 3504(h)
Robert Neal, 202–395–6880

Lender's report of home loan closing required by 38 U.S.C. 1802(c). Provides data on terms and closing for loan examination determinations that 38 U.S.C. chapter 37 requirements have been met, terms of loan and conditions affecting the property are in compliance with VA regulations, and are substantially those on which VA based its prior approval.

Nathaniel Scurry,
Chief, Reports Management.

[FR Doc 81-36106 Filed 12-18-81; 8:45 am]
BILLING CODE 3110-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 12103; 812-4994]

Franklin Life Insurance Co., et al.; Filing of Application for Order for Exemption and Approval of Certain Offers of Exchange

December 14, 1981.

In the matter of the Franklin Life Insurance Co., Franklin Life Money Market Variable Annuity Fund C and Franklin Financial Services Corp., Franklin Square, Springfield, IL 62713.

Notice is hereby given That The Franklin Life Insurance Company ("The Franklin"), Franklin Life Money Market Variable Annuity Fund C ("Fund C") and Franklin Financial Services Corporation ("Franklin Financial") (together, "Applicants") filed an application on October 19, 1981, and amendments thereto on November 25, 1981, December 3, 1981, and December 14, 1981, for an order of the Commission pursuant to section 6(c) of the Investment Company Act of 1940 ("Act") exempting Applicants, to the extent requested, from sections 2(a)(32), 2(a)(35), 17(f)(3), 22(c), 22(d), 22(e), 26(a), 27(c)(1), 27(c)(2), and 27(d) of the Act and Rules 17f-2 and 22c-1 thereunder and, pursuant to Section 11 of the Act, approving certain offers of exchange. The Franklin is a legal reserve stock life insurance company organized under the laws of Illinois. Fund C, a segregated separate account of The Franklin, is registered under the Act as an open-end, diversified management investment company. Franklin Financial, a wholly-owned subsidiary of The Franklin, serves as principal underwriter for certain variable annuity contracts to be issued by The Franklin and designated by it as participating in Fund C (the "Contracts"). All interested persons are referred to the application, as amended, on file with the Commission for a statement of the representations made therein, which are summarized below.

The Contracts are designed and offered for use in connection with qualified and non-qualified employee pension, profit-sharing and annuity plans and individual retirement annuities. There will be no deductions for sales charges made from payments under the Contracts. Rather, the Contracts will provide for a contingent deferred sales charge to cover sales expenses. Upon a total or partial redemption of a periodic stipulated payment contract, a percentage charge will be applied against the lesser of the cash value of the part of the Contract redeemed or the payments made during the immediately preceding 72 months according to the following table:

Contract year in which redemption made	Percentage charge	
	Total redemption (percent)	Partial redemption (percent)
1	8	8
2	8	8
3	8	8
4	6	6
5	4	4
6	2	4
7 and thereafter	0	4

Upon redemption of a single stipulated payment contract, the charges applied against the lessor of the cash value of the part of the Contract redeemed or the payment will be as follows:

Contract year in which redemption made	Percentage charge	
	Total redemption (percent)	Partial redemption (percent)
1	6	6
2	6	6
3	4	4
4	2	4
5 and thereafter	0	4

Contingent deferred sales charges are not applied to partial redemptions of amounts in any contract year up to 10% of cash value, to distributions made upon the death of the variable annuitant or to certain transfers. Partial redemptions must be in amounts no less than $500. Applicants represent that in no event will the total amount of contingent deferred sales charges paid under a Contract exceed 9% of total payments made under such Contract in the first twelve contract years (or such fewer contract years over which payments are made).

In certain instances, Contracts may be redeemed prior to the annuity period and the cash value, less any unpaid administrative expense deductions, may be applied to the purchase of other variable annuities, fixed-dollar annuities or life insurance contracts issued by The Franklin. If a Contract is fully redeemed and its full cash value is immediately applied to the purchase of such other contracts, there is no contingent deferred sales charge for redeeming the Fund C Contract. In addition, any administrative expense deductions of the other contracts will be waived as to the transferred amount. However, any sales deductions of such other contracts may apply to the transferred funds (provided, however, that total sales deductions on the transferred amounts will in no instance exceed 9% of all payments made under the Fund C Contract with respect to the amounts so transferred). Any new periodic payments made under the other contract will be subject to the normal sales and administrative deductions applicable to periodic payments under those contracts. Fund C Contracts also may be purchased with the full proceeds of another totally redeemed variable annuity or fixed-dollar annuity issued by The Franklin prior to annuitization thereunder and subject to the minimum investment limitations of Fund C. The contingent deferred sales charge and administrative deductions will be waived in respect to funds so transferred to the Fund C Contract and amounts representing appreciation thereon. New periodic payments under the Fund C Contract may have a contingent deferred sales charge and administrative deduction applied against them. In calculating the contingent deferred sales charge in such instances, transferred funds (with respect to which such charges are waived) will be considered to have been redeemed first.

In addition to the contingent deferred sales charge, Fund C Contracts provide for a deduction from periodic stipulated payments of $20 per contract year (subject to increase at any time by The Franklin to a maximum of $30 per contract year) and a transaction fee of $1.00 per payment ($.50 per payment if made by a preauthorized bank draft submitted by The Franklin to a contractowner's bank) for administrative expenses and for a one-time deduction from a single stipulated payment of $100 for such administrative expenses. Applicants state that the administrative expense deductions are designed to cover the actual expenses of administering the Contracts and Fund C, and The Franklin does not expect to realize a profit by virtue of these deductions. Any applicable state or local premium taxes on payments made under the Contracts are also deducted from the single or periodic payments. Charges for annuity rate and mortality assurances, expense assurances and investment management services will be made daily against the net asset value of Fund C. These charges consist of .900% for The Franklin's assurances of annuity rates and mortality factors, .725% (subject to increase by The Franklin up to a maximum of .850%) for The Franklin's assurances of expense factors, and .375% (subject to increase by The Franklin up to a maximum of .500%) for investment management services by The Franklin.

Contingent Deferred Sales Charge

Section 2(a)(35) of the Act defines "sales load" as the difference between the price of a security to the public and that portion of the proceeds from its sale which is received and invested, less any

portion of such difference deducted for trustee's or custodian's fees, insurance premiums, issue taxes, or administrative expenses or fees which are not properly chargeable to sales or promotional activities. On the grounds stated in the application, Applicants request an exemption from section 2(a)(35) to permit the imposition of the contingent deferred sales charge.

Section 2(a)(32) of the Act, in substance, defines a redeemable security as a security under the terms of which the holder is entitled to receive approximately his proportionate share of the issuer's current net assets, or the cash equivalent thereof. Section 27(c)(1) of the Act, in pertinent part, makes it unlawful for any registered investment company issuing periodic payment plan certificates, or for any depositor or underwriter of such company, to sell any such certificate unless it is a redeemable security. On the grounds stated in the application, Applicants request an exemption from sections 2(a)(32) and 27(c)(1), to the extent deemed necessary, to permit the imposition of contingent deferred sales charge.

Rule 22c–1, promulgated under section 22(c) of the Act, in pertinent part, prohibits a registered investment company issuing a redeemable security from selling, redeeming or repurchasing any such security except at a price based on the current net asset value of such security. In order to avoid any question regarding complete compliance with the Act, Applicants request an exemption from section 22(c) and Rule 22c–1, to the extent deemed necessary, to permit the deduction of the contingent deferred sales charge from the value of a Contract upon redemption.

Section 27(c)(2) of the Act provides, in substance, that the issuer of a periodic payment plan certificate and a depositor or underwriter for such an issuer are prohibited from selling any such certificates unless, among other things, the proceeds of all payments, other than the sales load, on the certificates are deposited with a trustee or custodian having the qualifications prescribed in section 26(a)(1) and are held by such trustee or custodian under an agreement containing, in substance, the trust indenture provisions required by sections 26(a)(2) and 26(a)(3) of the Act. Section 26(a)(2)(C) of the Act provides that no payment to the depositor of, or principal underwriter for, a registered unit investment trust (or to any affiliated person or agent of such depositor or principal underwriter) shall be allowed the trustee or custodian as an expense except for payment of a fee, not exceeding such reasonable amount as the Commission may prescribe as compensation for performing bookkeeping and other administrative services of a character normally performed by the trustee or custodian. Applicants request an exemption from the provisions of sections 26(a) and 27(c)(2) of the Act, to the extent necessary, in order to permit the offer and sale of the Contracts subject to the contingent deferred sales charge, including the Contract provision for certain redemptions without imposition of the contingent deferred sales charge.

Section 27(d) of the Act, in substance, requires that the holder of a periodic payment plan certificate be able to surrender his certificate within a specified time and receive the value of his account and the return of sales charges in excess of a certain percentage. Applicants request an exemption from section 27(d), to the extent deemed necessary, to permit imposition of the contingent deferred sales charge.

Administrative Expense Deductions

If a Contract is fully redeemed other than on the contract anniversary date, any unpaid administrative expense deductions will be made from the contractowner's redemption proceeds. Thus, the contractowner may be deemed not to have received his proportionate share of the net asset value of Fund C. In order to make such administrative expense deductions, Applicants request an exemption from the provisions of sections 2(a)(32), 22(c), 26(a), 27(c)(1), 27(c)(2) and 27(d) of the Act and Rule 22c–1 thereunder.

Texas Optional Retirement Program

In 1967, the State of Texas directed the governing boards of all Texas institutions of higher education to make available to their faculty members an Optional Retirement Program, codified as Subchapter G of Chapter 51 of the Texas Education Code (the "Program"). The statute provides as the funding media for the Program fixed or variable annuity contracts purchased from any insurance or annuity company qualified to do business in Texs. In 1973, the Texas legislature made two amendments in the Program legislation, which amendments became effective on June 14, 1973. The statutory definition of the Program was amended to provide that the benefits of such annuities are to be available only upon termination of employment in the Texas public institutions of higher education, retirement, death or total disability of the participating faculty members. The other amendment added a new § 51.358 to Subchapter G which also provides that the benefits of such annuities will be available only if the participant dies, terminates his employment due to total disability, accepts retirement, or terminates employment in the Texas public institutions of higher education. Because of uncertainty regarding the effect of these amendments, the University of Texas System (the "System") requested the opinion of the Attorney General of Texas with respect to several questions concerning such amendments. The Attorney General rendered an opinion dated February 18, 1975, in response to the System's letter. The Attorney General interpreted § 51.358 to prohibit provisions for making available the redemption value of any variable annuity contract issued in connection with the Program on or after June 14, 1973 prior to the occurrence of one of the conditions specified in the statute, i.e., termination of employment, retirement, death or total disability. Applicants state that the opinion did not affect the right of a participant to transfer the redemption value of his annuity contract from one carrier to another; accordingly, the granting of the relief requested would not affect such right.

Section 27(c)(1) of the Act makes it unlawful for any registered investment company issuing periodic payment plan certificates, or for any depositor of or underwriter for such company, to sell any such certificate unless such certificate is a redeemable security. Section 2(a)(32) of the Act defines "redeemable security" to mean any security under the terms of which the holder upon its presentation to the issuer or to a person designated by the issuer is entitled to receive approximately his proportionate share of the issuer's current net assets, or the cash equivalent thereof. Section 22(e) of the Act provides that no registered investment company shall suspend the right of redemption or postpone the date of payment or satisfaction upon redemption of any redeemable security in accordance with its terms for more than seven days after the tender of such security to the company or its agent designated to receive such tender except in certain prescribed circumstances. Section 27(d) of the Act makes it unlawful for any registered investment company issuing periodic payment plan certificates, or for any depositor of or underwriter for such company, to sell any such certificate unless the certificate provides that the holder thereof may surrender the certificate at any time within the first eighteen months after the issuance of the

certificate and receive in payment thereof, in cash, the sum of (1) the value of his account, and (2) an amount, from such underwriter or depositor, equal to that part of the excess paid for sales load which is over 15 per centum of the gross payments made by the certificate holder.

Applicants request exemptions from the provisions of sections 2(a)(32), 22(e), 27(c)(1) and 27(d) of the Act to the extent necessary to permit redemption values under Contracts to be issued to participants in the Program to be paid in accordance with the above-mentioned Attorney General's opinion only upon termination of employment in the Texas public institutions of higher education, retirement, death or total disability of the participating faculty member. Applicants represent that if the requested exemptions are granted, Franklin Financial will instruct its sales representatives to inform orally prospective investors in the Program of the redemption restrictions, the prospectus in respect of Fund C filed with the Commission and used to offer and sell the Contracts in connection with the Program will contain appropriate disclosure, by stricker, of the restrictions, and the Contracts which are filed with the Texas insurance authorities will be endorsed with the restrictive language. If any sales literature is prepared for use by sales representatives, Franklin Financial will include, in such literature provided to investors in the Program, appropriate disclosure of these restrictions. (Sales representatives are not permitted to develop or use sales literature of their own.) The Franklin, Fund C and Franklin Financial have consented that a condition be included in any order granting the relief requested that a statement describing the restrictions be placed on the application form signed by a prospective participant at the time he makes application for a Contract and that such statement be in bold face type at least as large as any printing on the form.

Further Exemptions Requested

Section 17(f)(3) and Rule 17f-2

Section 17(f)(3) provides, in pertinent part, that a registered management investment company may maintain its securities and similar investments in its own custody in accordance with the rules, regulations, and orders adopted by the Commission in the interest of investors. Applicants desire that Fund C maintain its securities and similar investments in its own custody pursuant to section 17(f)(3). Rule 17f-2 requires, in part, that, in the event of such self-custodianship, no person shall be authorized or permitted to have access to the securities and similar investments deposited in a bank or otherwise in accordance with paragraph (b) of the rule, except pursuant to a resolution of the board of directors of the investment company. Among the requirements for such resolution is one that it designate no more than five persons who shall be either officers or responsible employees of the investment company and provide that access to such investments shall be had only by two or more such persons jointly at least one of whom shall be an officer.

Applicants request an exemption from the provisions of section 17(f)(3) and Rule 17f-2 to the extent necessary to permit not more than five officers or responsible employees of The Franklin, as designated by the board of managers of Fund C, to have access to the securities and similar investments of Fund C (subject to the provisions of Rules 17f-2 and 17g-1 which shall be applicable to such designated officers and responsible employees of The Franklin to the same extent as if they were officers or responsible employees of Fund C designated as having access to the securities and similar investments of Fund C) and to permit duly authorized representatives of the Illinois Department of Insurance and of the zonal examination committee of the National Association of Insurance Commissioners to have access to the securities and similar investments of Fund C in accordance with the otherwise applicable provisions of Rule 17f-2.

Section 22(c) and Rule 22c-1

Section 22(c) provides, in pertinent part, that the Commission may make rules and regulations applicable to principal underwriters of, and dealers in, redeemable securities of registered investment companies for the purpose of eliminating or reducing so far as reasonably practicable any dilution of the value of other outstanding securities of such company. Rule 22c-1 provides, in pertinent part, that no registered investment company issuing any redeemable security, no person designated in such issuer's prospectus as authorized to consummate transactions in any such security, and no principal underwriter of, or dealer in, any such security shall sell, redeem, or repurchase any such security except at a price based on the current net asset value of such security next computed after receipt of a tender of such security for redemption or of an order to purchase or sell such secutiry. Applicants request an exemption from section 22(c) and Rule 22c-1 so as to permit them to treat as received prior to the close of trading of the New York Stock Exchange any purchase payment, request for redemption or notice of death of an annuitant received after 3:00 p.m. Central Time but before the close of business on the same day. Applicants represent that the requested exemption is sought for ease of administration and that in all instances purchase payments, redemption requests and notices of death will be received by mail; delivery of payments, requests for redemption and notices of death by any means other than the mails will not be permitted or accepted.

Section 22(d)

Section 22(d) provides in relevant part that "[n]o registered investment company shall sell any redeemable security issued by it * * * except * * * at a current public offering price described in the prospectus * * *" Applicants believe that the requirement of section 22(d) is primarily intended to apply to variations in the prices of securities offered by registered investment companies which result from differences in, among other things, front-end sales deductions charged different purchasers. Applicants assert that such requirement does not contemplate and is not applicable to the waiver of the imposition of contingent deferred sales charge and administrative expense deductions in connection with transfers between Fund C and other products of The Franklin. However, to remove any question of compliance with the Act, The Franklin, Fund C and Franklin Financial request an exemption from the provisions of section 22(d), to the extent necessary, to permit The Franklin, Fund C and Franklin Financial to sell Fund C Contracts which contain provisions for such waivers.

Sections 26(a) and 27(c)(2)

Section 27(c)(2) prohibits a registered investment company or a depositor or underwriter for such company from selling periodic payment plan certificates unless the proceeds of all payments, other than the sales load, are deposited with a bank as trustee or custodian having the qualifications prescribed in section 26(a)(1) and held under an indenture or agreement containing, in substance, the provisions required by section 26(a)(2) and (3) for a unit investment trust. Section 26(a)(2) requires that the trustee or custodian segregate and hold in trust all securities and cash of the unit investment trust and places certain restrictions on charges which may be made against the

trust income and corpus. Section 26(a)(3) governs the circumstances which the trustee or custodian may resign. Applicants request an exemption from the requirements of sections 26(a) and 27(c)(2) to permit The Franklin to act as custodian for the proceeds of payments or under the Contracts on a temporary basis until such proceeds are invested in securities and similar instruments, whereupon Fund C will become the custodian of such securities pursuant to section 17(f)(3) of the Act. Applicants assert that the supervision to which The Franklin is subject provides ample assurance against misfeasance and affords the essential protections which a trusteeship under section 26(a)(2) would provide. Furthermore, Applicants assert that the Illinois statutory requirements to which The Franklin is subject provide substantial protections against the hazards at which section 26(a)(3) is aimed.

As pertinent here, section 26(a)(2)(C), provides, in substance, that no payment to the depositor or principal underwriter of a unit investment trust shall be allowed the custodian bank as an expense, except a fee, not exceeding such reasonable amounts as the Commission may prescribe, as compensation for performing bookeeping and other administrative services normally performed by the custodian. Section 27(c)(2) applies the same restrictions to periodic payment plan certificates. Applicants request an exemption from the provisions of sections 26(a) and 27(c)(2), to the extent necessary, to permit the deduction by The Franklin, which will act as custodian of payment proceeds on a temporary basis pursuant to the request for exemptin set forth above, and the payment to the Franklin, of annual administrative expense deductions, as set forth above, and applicable premium taxes paid, a mortality and expense risk charge, and an investment management service charge. Applicants consent to the exemptions requested hereby being made subject to the following conditions: (1) that deductions from purchase payments for administrative services shall not exceed such reasonable amounts as the Commission shall prescribe, jurisdiction being reserved for such purpose, and (2) that the payments of sums and charges out of the assets of Fund C shall not be deemed to be exempted from regulation by the Commission by reason of the requested order, provided that Applicants' consent to this condition shall not be deemed to be a concession to the Commission of authority to regulate the payment of sums and charges out of such assets other than charges for administrative services; and Applicants reserve the right in any proceeding before the Commission or in any suit or action in any court to assert that the Commission has no authority to regulate the payment of such other sums or charges.

Offers of Exchange

Section 11(a) of the Act provides that it shall be unlawful for any registered open-end company or a principal underwriter for such a company to make or cause to be made an offer to the holder of a security of such company or of any other open-end investment company to exchange his security for a security in the same or another such company on any basis other than the relative net asset values of the respective securities to be exchanged, unless the terms of the offer have first been submitted to and approved by the Commission.

As described above, certain transfers to other products of The Franklin may be made by Fund C's contract owners. Fund C Contracts may also be purchased with the full proceeds of another totally redeemed variable annuity or fixed-dollar annuity issued by The Franklin prior to the annuity payment date thereunder and subject to the minimum investment limitations of the Fund C Contract. Without conceding that section 11(a) is applicable to the aforesaid opportunities for transfer with respect to Fund C Contracts, and without conceding that any such transfers are encompassed within the meaning of "exchange" as used in section 11(a), in order to avoid any question of compliance with the Act, Applicants request that the Commission issue an order of approval pursuant to section 11, to the extent deemed necessary to permit the transfers as set forth above.

Section 6(c) authorizes the Commission to exempt any person, security or transaction or any class or classes of persons, sucurities or transactions, from the provisions of the Act and rules promulgated thereunder if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. Applicants contend that the requested exemptions are necessary and appropriate in the public interest and consistent with the protection of investors and purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than January 6, 1982, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the matter accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail upon Applicants at the address stated above. Proof of such service (by affidivit or, in the case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0–5 of the Rules and Regulations promulgated under the Act, an order disposing of the application will be issued, as of course, following January 6, 1982, unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

George A Fitzsimmons,

Secretary.

[FR Doc. 81–36257 Filed 12–18–81; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 12105; 812–4974]

Mellon Financial Co.; Filing of Application To Amend Existing Exemption Order

December 14, 1981.

Notice is hereby given that Mellon Financial Company ("Applicant"), 6400 Steubenville Pike, P.O. Box 15599, Pittsburgh, Pennsylvania 15244, a Pennsylvania corporation, filed an application on September 17, 1981, pursuant to section 6(c) of the Investment Company Act of 1940 ("Act") (with supplementary letters thereto dated November 20 and 24, 1981), for an order of the Commission amending an existing order (Investment Company Act Release No. 11311, August 21, 1980) ("1980 Order"), which had exempted Applicant from all provisions of the Act, to permit Applicant to organize one or more foreign or domestic subsidiaries for the purpose of expanding its financing operations on behalf of its parent, Mellon National

Corporation ("Mellon"). All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below.

Applicant states that Mellon is a one-bank holding company registered under the Bank Holding Company Act of 1956 and incorporated under the laws of Pennsylvania. Applicant further states that as of December 31, 1980, Mellon was the sixteenth largest bank holding company in the United States in terms of assets, the seventeenth largest in terms of deposits, and the thirteenth largest bank holding company in terms of equity capital. It is also stated that Mellon's principal subsidiary, Mellon Bank, N.A. ("Mellon Bank"), a member bank of the Federal Reserve System, was the sixteenth largest commercial bank in the United States at December 31, 1980, measured in terms of total assets and deposits. It is further stated that Mellon Bank, which, with its predecessors has been in business since 1869, engages in domestic and international commercial banking, retail banking and trust services. Applicant also states that Mellon's other subsidiaries engage in mortgage banking, real estate financing, consumer finance and equipment leasing. Applicant represents that Mellon and its subsidiaries, including Mellon Bank and Applicant, are subject to regulation by the Board of Governors of the Federal Reserve System, and that Mellon is required to file with the Federal Reserve Board an annual report and such additional information as the Federal Reserve Board may require. Applicant represents that it and its related companies are and will be strictly supervised by various banking authorities, and that the business of Mellon Bank and that of its affiliates is subject to regulation by various federal and state banking authorities and to examination by the Comptroller of the Currency.

It is further stated that the purpose for which Applicant was organized in 1980 was to consolidate within a single corporate entity Mellon's short-term commercial paper and long-term debt financing activities, with the objective of facilitating the administration, accounting, recordkeeping and tax aspects of such financing activities. It is represented that Applicant's sole purpose is to provide a vehicle through which Mellon can provide financing for its operations and those of its subsidiaries through the issuance of debt securities. Applicant further represents that all such debt securities are issued only upon the unconditional guarantee of Mellon as to payment of interest and repayment of principal, and that such guarantees rank on a parity with other unsecured debt obligations of Mellon's subsidiaries, and that no such guarantees are subordinated in right of payment to other debt issued or guaranteed by Mellon. It is stated that the proceeds of Applicant's debt offerings are applied to the extension of credit to Mellon and its subsidiaries in exchange for notes or other evidences of indebtedness issued by those entities. Applicant states that, as of October 31, 1981, there were $968 million of its commercial paper outstanding, and $25 million outstanding of Applicant's promisory notes issued in private placements.

Applicant states that since the date of the 1980 Order, Mellon has determined that it may be appropriate from time to time to make public offerings and private placements of debt securities to persons who are not residents or nationals of the United States through a foreign corporation directly or indirectly owned by Mellon,[1] in essentially the same manner that Applicant is authorized by the 1980 Order to make debt offerings in the United States. It is further stated that Applicant presently proposes to organize one or more foreign wholly-owned subsidiaries for this purpose. In addition, it is stated that Applicant would hold all of the equity securities of any such foreign financing subsidiary, and that the debt securities of any such subsidiary would be unconditionally guaranteed by Mellon and sold only in offerings made outside the United States to foreign nationals under circumstances designed to prevent any reoffering or resale in the United States, its territories or possessions, or to any citizen or national of, or person resident or normally resident in, the United States, its territories or possessions. Applicant represents that it does not have any present intention of causing any foreign subsidiary of it to offer securities within the United States. If for any reason in the future any foreign subsidiary of Applicant does offer securities within the United States, Applicant states that such subsidiary will be deemed not to be an investment company under section 3 of the Act, or it will first obtain an exemption by appropriate action of the Commission.

Applicant further represent that with regard to any domestic financing subsidiary which it may organize in accordance with the terms of the exemption sought herein, Applicant would hold all of the equity securities of any such subsidiary, and that the conditions made applicable by the 1980 Order to debt securities offered by Applicant, including those pertaining to the unconditional guarantee of payment of principal and interest by Mellon, the leading of the proceeds of the offering of such securities to Mellon and its subsidiaries, and as to compliance with any applicable provisions of the Securities Act of 1933 and the Trust Indenture Act of 1939, would apply in all material respects to debt securities issued by any such domestic subsidiary.

Applicant asserts that its proposal to establish one or more foreign or domestic financing subsidiaries is consistent with the underlying purpose of the 1980 Order, but states that the provision of the 1980 Order restricting Applicant's assets to cash and evidences of indebtedness of Mellon and its subsidiaries technically does not suggest the holding by Applicant of the equity securities of a wholly-owned subsidiary. Therefore, Applicant requests that the 1980 Order be amended to permit Applicant to hold the equity securities of one or more wholly-owned foreign or domestic financing subsidiaries which may make offerings of debt securities under conditions specified in the 1980 Order as hereby amended.

Section 6(c) of the Act provides, in relevant part, that the Commission, by order upon application, may conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities, or transactions, from any provision or provisions of the Act if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than January 8, 1982, at 5:30 p.m., submit to the Commission in writing a request for a hearing on the application accompanied by a statement as to the nature of his interest, the reason for such request, and the issues, if any, of fact or law proposed to be controverted, or he may request that he be notified if the Commission shall order a hearing thereon. Any such communication should be addressed: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by

[1] Applicant has expressed its understanding that any amended order issued on its Application will not provide relief for any entity other than Mellon Financial Company.

mail upon Applicant at the address stated above. Proof of such service (by affidavit or, in the case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0–5 of the rules and regulations promulgated under the Act, and order disposing of the application will be issued as of course following said date unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Persons who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

George A. Fitzsimmons,

Secretary.

[FR Doc. 81-36254 Filed 12-18-81; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 22316;/70-6677]

Middle South Utilities, Inc.; Proposed Issuance and Sale of Common Stock in Accordance With Employees' Savings Plan

December 14, 1981.

Middle South Utilities, Inc., 225 Baronne Street, New Orleans, Louisiana 70112, a registered holding company, has filed an application-declaration with this Commission pursuant to sections 6(a) and 7 of the Public Utility Holding Company Act of 1935 ("Act") and Rule 50(a)(5) promulgated thereunder.

By prior order dated August 25, 1978 (HCAR No. 20685), Middle South was authorized to issue and sell to Hibernia National Bank in New Orleans, as Trustee ("Trustee") for the Middle South System Savings Plan, from time to time through December 31, 1983, up to 1,000,000 shares of Common Stock, $5 par value. Through November 5, 1981, Middle South has issued and sold 827,345 shares of its Common Stock pursuant to the Plan, so that only 172,655 shares remain available for sale, and such stock is expected to be sold by February 1981.

By post-effective amendment, Middle South requests authorization to issue and sell to the Trustee from time to time through December 31, 1984, a maximum of 3,000,000 additional shares of authorized but unissued Common Stock ("Additional Common Stock"), $5 par value. The proceeds will be used to reduce outstanding bank loans and for other corporate purposes.

Any eligible employee ("Participant") of Middle South and any Middle South System Company which has adopted the Plan ("Employer") may contribute from one percent to six percent of his regular earnings to the Plan. Each Employer will contribute to the Plan each month out of its current or accumulated earnings and profits an amount equal to 50% of the contributions made by each of its employee participants for the preceding month. In accordance with the Employee Retirement Income Security Act of 1974, the amount allocated to any Participant's account due to Employer contributions may not exceed the lesser of 25% of his regular earnings or $25,000 (subject to adjustment for cost of living changes) or the maximum amount permitted by Section 415 of the Internal Revenue Code.

Each participant's contribution will be credited to Participant's account and invested by the Trustee, as directed by the participant, in one, or equal portions in any two or all, of the following three funds: (a) A Stock Fund—contributions to which are invested by the Trustee solely in shares of common stock of Middle South; (b) an Equity Fund—contributions to which are invested in common stock or certain other equity securities are held in an investment shall be made in securities issued by Middle South or any System company except to the extent such securities, provided that no investment trust; or (c) the Insured Guaranteed Investment Fund—contributions to which are invested under a contract between the Trustee and the Equitable Life Assurance Society of United States ("Equitable") which guarantees repayment of any amounts paid to Equitable and payment of interest at specified rates. No Participant may direct the Trustee to invest his contributions exclusively in the Middle South Utilities Stock Fund; however, a Participant or former Participant having an interest in any fund may transfer investments from one fund into another at least once each year. The Trustee may purchase Middle South Stock for the Plan in the open market or by private purchase, provided that if a private purchase is made from Middle South no commission shall be paid with respect thereto. The Trustee may purchase Middle South Common Stock directly from Middle South under its Dividend Reinvestment and Stock Purchase Plan or any other similar plan at the purchase price provided in such plan.

A member's contributions, plus earnings thereon, are fully vested at all times. Employer contributions, plus earnings thereon, become vested (a) upon a member's eligibility for retirement from a Middle South System company, disability or death or (b) otherwise in accordance with a schedule which provides for 25% vesting after two full years of service and for increases by 12½% with each year of service thereafter until fully vested. Employer contributions, plus earnings thereon, which are not vested at the time of the termination of employment of a member are forfeited by the member and are used to reduce future contributions to the Plan by his Employer.

A System employee, while employed, may withdraw all or a portion of his contributions subject to certain reinvestment period restrictions. Whether or not employed, a Participant over 59½ years of age who also is 100% vested and who has participated for 5 years may withdraw, subject to approval of the Plan committee, the value of his entire account. Upon termination of employment, the entire vested amount of a member's account is distributed to the member or to the member's designated beneficiaries.

A member may instruct the Trustee as to the voting of shares of Middle South Common Stock held for his account. Any shares of Middle South Common Stock held by the Trustee for which instructions are not received are not voted. The Trustee has the authority to vote all other securities in its discretion.

The Board of Directors of Middle South may amend or terminate the Plan in whole or in part. No amendment may retroactively reduce a member's account or vested portion thereof. Upon termination of the Plan, a member's entire account shall become vested. Any Employer may withdraw from the Plan, whereupon the value of its employee members' entire accounts will be distributed to such members or invested on behalf of such members under insurance contracts or with trustees.

The Plan is administered by a committee consisting of five employees of a Middle South System Company appointed by the Board of Directors of Middle South. The Trustee administers the Trust under a Trust Agreement and is solely responsible for the investment and safekeeping of the Trust. The administrative expenses of the Plan are paid out of forfeitures or, if the forfeitures are insufficient, by the Employers. Direct charges and expenses arising from the purchase or sale of securities for the three funds are paid by the Trustee from the fund or funds involved.

The application-declaration and any amendments thereto are available for public inspection through the

Commission's Office of Public Reference. Interested persons wishing to comment or request a hearing should submit their views in writing by January 7, 1982, to the Secretary, Securities and Exchange Commission, Washington, D.C. 20549, and serve a copy on the applicant-declarant at the address specified above. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) should be filed with the request. Any request for a hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in this matter. After said date, the application-declaration, as filed or as it may be amended, may be granted and permitted to become effective.

For the Commission, by the Division of Corporate Regulation, pursuant to delegated authority.

George A. Fitzsimmons,

Secretary.

[FR Doc. 81-36253 Filed 12-18-81; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 12104; 812-4957]

Trustfunds Liquid Asset Trust; Application for Exemption Order

December 14, 1981.

Notice is hereby given That TrustFunds Liquid Asset Trust ("Applicant"), 28 State Street, Boston, Massachusetts 02109, an open-end, diversified, management investment company registered under the Investment Company Act of 1940 (the "Act"), filed an application on August 17, 1981 and amendments thereto on October 15, 1981 and October 22, 1981, requesting an order of the Commission pursuant to section 6(c) of the Act declaring that Richard F. Blanchard, a trustee of Applicant, shall not be deemed an "interested person", as defined in section 2(a)(19) of the Act, of the Applicant, its manager, SEI Financial Services Company (the "Manager"), or its investment adviser, Wellington Management Company/ Thorndike, Doran, Paine & Lewis (the "Adviser"), by reason of his position as a director of AEA Investors Inc. ("AEA Investors"). All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below.

Applicant states that Mr. Blanchard is a director of and consultant to AEA Investors, and that AEA Securities Inc. ("AEA Securities"), a subsidiary of AEA Investors, is a registered broker-dealer under the Securities Exchange Act of 1934 ("Exchange Act"). In addition, Applicant states that American Express Company ("American Express"), which has three affiliates registered as broker-dealers under the Exchange Act, owns 9% of the voting stock of AEA Investors.

Sections 2(a)(19)(A)(v) and (B)(v) define an "interested person" of an investment company and of an adviser of an investment company to include any broker or dealer registered under the Exchange Act or any affiliated person of such broker or dealer. Section 2(a)(3) of the Act includes in the definition of an "affiliated person" any person directly or indirectly controlling, controlled by or under common control with such other person, and any person directly or indirectly owning, controlling, or holding, with power to vote 5 percent or more of the outstanding voting securities of such other person.

Applicant states that because of Mr. Blanchard's position as a director of AEA Investors, he might be deemed an affiliated person of AEA Securities, and thus, an "interested person", as defined in section 2(a)(19) of the Act, of the Applicant, the Manager, and the Adviser. Applicant also states that, because of the American Express equity interest in AEA Investors, Mr. Blanchard, by reason of his position as a director of AEA Investors, may be deemed to be an "affiliated person" of American Express, of its subsidiary, Shearson Loeb Rhoades Inc. ("Shearson"), a broker-dealer registered under the Exchange Act that was acquired by American Express on June 29, 1981, and of Shearson's two registered broker-dealer subsidiaries.

Section 10(a) of the Act prohibits a registered investment company from having a board of directors more than 60% of whom are interested persons of such investment company. Applicant seeks an exemptive order to permit Mr. Blanchard to serve as a disinterested trustee of the Applicant and to avoid a possible future violation of section 10(a) of the Act. In addition to Mr. Blanchard, Applicant presently has two trustees who may be deemed to be interested persons of the Applicant and the Manager, and two trustees who are not interested persons of the Applicant, the Manager or the Adviser.

Applicant states that AEA Investors is a privately owned acquisition and investment firm, and that AEA Securities performs limited functions, including the negotiation of the terms of the acquisitions, investments and borrowings made by AEA Investors, and the placement of the securities so acquired with the stockholders of AEA Investors and a limited number of other investors who may be invited to participate. AEA Securities also negotiates the terms of any subsequent disposition of such investments on behalf of AEA Investors' stockholders and the otherparticipating investors. Applicant states that it has been informed that AEA Securities does not engage in any trading or underwriting of securities or provide research services or maintain accounts for any customers. Applicant has been advised that AEA Securities does not perform any services or engage in any activities for or on behalf of anyone other than AEA Investors, stockholders of AEA Investors and a limited number of other investors who may be invited to participate in a particular acquisition or investment made by AEA Investors. Applicant states that AEA Securities is not a member of the National Association of Securities Dealers or of any national securities exchange, and that Mr. Blanchard is not a director or officer of, or a consultant to, AEA Securities. Applicant states that, due to the special nature of the types of investments with which AEA Securities is involved, Applicant would not purchase or sell such investments from or through AEA Securities, and that Applicant does not intend to make any such investments. Further, Applicant represents that it will not transact any business with AEA Securities while Mr. Blanchard is a trustee of Applicant.

Applicant states that, because of American Express's approximate 9% equity interest in AEA Investors, AEA Investors may be deemed to be "under common control" with Shearson and its registered broker-dealer subsidiaries pursuant to section 2(a)(3)(C) of the Act. Therefore, AEA Investors may be deemed an "affiliated person" of Shearson and its broker-dealer subsidiaries. Mr. Blanchard, by reason of his directorship of AEA Investors may be deemed an "affiliated person" of an "affiliated person" of a registered broker-dealer and therefore an "interested person" under sections 2(a)(19)(A)(v) and B(v) of the Act.

Applicant submits that it has been informed that there are 47 other shareholders of AEA Investors, and that three other individuals own approximately 17%, 8%, and 8%, respectively, of the voting equity of AEA Investors, none of whom have any affiliation with American Express. Further, Applicant represents that it has been informed that American Express has only one representative on the thirteen-member board of directors of AEA Investors.

Mr. Blanchard, who was an executive vice president of American Express prior to his retirement on June 1, 1981, represents that he does not own an equity interest in AEA Investors. Applicant submits that Mr. Blanchard is not, by virtue of his directorship of AEA Investors, in control of, or directly or indirectly controlled by, Shearson or American Express. However, to remove any doubt, Applicant is seeking this exemption. Applicant represents that Mr. Blanchard no longer performs any services for, or receives any compensation from, American Express, and that he has had no business dealings with Shearson, which was acquired by American Express after the date of his retirement from American Express. Applicant submits that Mr. Blanchard's position as a director of AEA Investors will not affect either Mr. Blanchard's independence or the Applciant's relationship with Shearson. Applicant believes that Mr. Blanchard will in fact be an independent trustee and that it is in the Applicant's best interest that he be deemed a disinterested trustee.

Applicant represents that the amount of any brokerage commissions paid to Shearson by the Applicant will in all likelihood be *de minimis* in relation to Shearson's gross revenues.

Applicant states that under the Investment Advisory Agreement among the Applicant, the Manager, and the Adviser, the Adviser is delegated the authority to select broker-dealers and to place transactions on behalf of the Applicant, subject to the overall review of the Manager and the board of trustees. Applicant states that Mr. Blanchard will not have any part in the selection of broker-dealers or the placement of transaction orders on behalf of the Applicant, and Mr. Blanchard undertakes that he will not participate in the selection of broker-dealers on behalf of the Applicant.

For the foregoing reasons, Applicant submits that, although Mr. Blanchard may be an "affiliated person" of Shearson or of the registered broker-dealer subsidiaries of Shearson for purposes of section 2(a)(3), he should not be deemed to be an "interested person" of the Applicant.

The Applicant agrees that, as a condition to the order requested, Mr. Blanchard will not vote on, or participate in board discussions of, the allocation of any portfolio brokerage by the Applicant, the selection of broker-dealers with which the Applicant effects portfolio transactions, or on matters involving any relationship between the Applicant and Shearson or any of the broker-dealers subsidiaries of Shearson; provided, however, that for the purpose of determining the number of votes of interested as well as disinterested trustees required to take action on any matters referred to above, Mr. Blanchard will be counted as a trustee in determining the total number of trustees and will be counted as a disinterested trustee in counting the number of disinterested trustees, and *provided, further,* that nothing contained above is intended to limit or prohibit Mr. Blanchard from voting and acting upon any matters relating to the approval or continuation of investment advisory contracts.

Section 6(c) of the Act provides that the Commission, by order upon application, may conditionally or unconditionally exempt any person or transaction from any provision of the Act or of any rule or regulation thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person may, not later than January 8, 1982, at 5:30 p.m., submit to the Commission in writing a request for a hearing on this matter accompanied by a statement as to the nature of his/her interest, the reasons for such request, and the issues, if any, of fact or law proposed to be controverted, or he/she may request that he/she be notified if the Commission shall order a hearing thereon. Any such communication should be addressed to: Secretary, Securities and Exchange Commission, Washington, D.C. 20549. A copy of such request shall be served personally or by mail upon the Applicant at the address stated above. Proof of such service (by affidavit, or in case of an attorney-at-law, by certificate) shall be filed contemporaneously with the request. As provided by Rule 0–5 of the rules and regulations promulgated under the Act, an order disposing of the application will be issued as of course following said date, unless the Commission thereafter orders a hearing upon request or upon the Commission's own motion. Person who request a hearing, or advice as to whether a hearing is ordered, will receive any notices and orders issued in this matter, including the date of the hearing (if ordered) and any postponements thereof.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

George A. Fitzsimmons,

Secretary.

[FR Doc. 81-36256 Filed 12-18-81; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

[CGD 81-098]

Loran-C Radionavigation System Blink, Procedure Change

AGENCY: Coast Guard, DOT.

ACTION: Request for Comments.

Purpose: The Coast Guard has received several inquiries from rho-rho, Master-independent, and time users of the Loran-C system requesting a change in blink procedures. Because of these inquiries, the Coast Guard is considering changing the blink procedure of the Secondary stations of a Loran-C chain, when the Master station of the same chain is off-air. This procedural change will not degrade the current level of Loran-C system availability or reliabililty. The change will improve Loran-C signal availability for the expanding rho-rho, Master-independent, and time user community.

Scope: Blink is used to notify users of the Loran-C system that navigational information from the system may be absent or inaccurate. Blink procedures require that each secondary station of a Loran-C chain blinks the first two of its eight pulses on and off during abnormal operations. In the past, one requirement for secondary station blink was when the associated Master station was off-air. The proposed procedural change will not require secondary stations to blink the first two pulses during periods of Master station off-air. In accordance with current practice, blink will still be required to be exhibited by secondary stations when any of the following conditions exist:

(1) Time Difference is out of tolerance.

(2) Envelope-to-cycle difference (ECD) is out of tolerance.

(3) Improper phase code or Group Repetition Interval.

(4) Master or Secondary station transmitting at less than one half of specified output power. (Under the proposed change this will not include Master station off-air).

Comments: The Coast Guard desires comments from users and the manufacturers and distributors of Loran-C equipment concerning the change in

blink procedure discussed in this article. Comments on effects of this change to normal receiver operations are especially desired. Comments should be submitted to Commandant (G-NRN), U.S. Coast Guard, Washington, DC 20593. Persons desiring acknowledgement that their comments have been received should enclose a stamped self-addressed postcard or envelope. Comments are requested by 31 January 1982.

FOR FURTHER INFORMATION CONTACT: LCDR John Weseman, Office of Navigation (G-NRN-3/14), Room 1413, U.S. Coast Guard Headquarters, 2100 Second Street, S.W., Washington, DC 20593, (202) 472-5857.

R. A. Bauman,

Rear Admiral, U.S. Coast Guard, Chief, Office of Navigation.

December 14, 1981.

[FR Doc. 81-36353 Filed 12-18-81; 8:45 am]

BILLING CODE 4910-14-M

Federal Highway Administration

Environmental Impact Statement; Honolulu, Hawaii

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Notice of Intent.

SUMMARY: The FHWA is issuing this notice to advise the public that an environmental impact statement will be prepared for a proposed highway project in Honolulu, Hawaii.

FOR FURTHER INFORMATION CONTACT: Heloshi Kusumoto, Division Administrator, Federal Highway Administration, 300 Ala Moana Boulevard, Box 50206, Honolulu, Hawaii 96850, Telephone: (808) 546-5150.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the State of Hawaii, Department of Transportation, will prepare an environmental impact statement (EIS) on a proposal to improve a section of Nimitz Highway (FAP 92) in Honolulu, Hawaii. The proposed project begins at the Keehi Interchange and terminates in the vicinity of Pier 18 of Honolulu Harbor. This section of highway is located within an important industrial-zoned area and provided a major coastal route for a variety of trip purposes. Peak hour traffic volumes are frequently operating at capacity levels, and within the next 20 years, it is anticipated that demand volumes will increase by 20 percent. Proposed improvements will increase the capacity of Nimitz Highway and expand its operational safety characteristics.

Due to the complexities of the project, several alternatives have been developed which range from simple, inexpensive proposals to more long-range, costly improvements. The alternatives being considered for this project include: (1) Do nothing; (2) improving selected intersections; (3) widening Nimitz Highway; (4) implementing traffic systems management strategies; (5) grade separating cross streets; and (6) constructing a viaduct.

Letters describing the proposed action and soliciting comments will be sent to appropriate Federal, State, and local agencies, and to private organizations and citizens who have previously expressed interest in this proposal. Also, public meetings and a public hearing will be held. A public notice will be published in the local newspaper indicating the time and place for these meetings and the hearing. In addition, the draft EIS will be available for public and agency review and comment. No formal scoping meeting is planned at this time.

To ensure that the full range of issues relating to this proposed action are addressed and all significant issues identified, comments and suggestions are invited from all interested parties. Comments or questions concerning this proposed action and the EIS should be directed to the FHWA at the address provided above.

Issued on December 9, 1981.

Heloshi Kusumoto,

Division Administrator, Honolulu, Hawaii.

[FR Doc. 81-36123 Filed 12-18-81; 8:45 am]

BILLING CODE 4910-22-M

DEPARTMENT OF THE TREASURY

ORDER

[Number 145-16]

Delegation of Authority

Dated: December 9, 1981.

Subject: Delegation of Authority to the Commissioner, Bureau of Government Financial Operations, to Sign Regulations Governing Treasury Checks

By virtue of the authority vested in the Secretary of the Treasury, including the authority in Reorganization Plan No. 26 of 1950, and by virtue of the authority vested in me as Fiscal Assistant Secretary by Treasury Department Order No. 101-5, January 7, 1981, there is hereby delegated to the Commissioner, Bureau of Government Financial Operations (hereafter, "the Commissioner"), the authority of the Secretary of the Treasury to sign regulations governing the rights and duties of the United States on checks drawn against the Treasury of the United States, and on checks drawn against depositaries of public money. The Commissioner shall sign any such regulations under this authority in his or her own capacity and under his or her own title and shall be responsible for referring to the Fiscal Assistant Secretary any matter on which action should appropriately be taken by the Fiscal Assistant Secretary.

To the extent necessary, I hereby ratify and confirm any actions taken by the Commissioner in exercise of the authorities delegated herein.

Paul H. Taylor,

Fiscal Assistant Secretary.

[FR Doc. 81-36344 Filed 12-18-81; 8:45 am]

BILLING CODE 4810-25-M

VETERANS ADMINISTRATION

Cooperative Studies Evaluation Committee; Meeting

The Veterans Administration gives notice under Pub. L. 92-463 that a meeting of the Cooperative Studies Evaluation Committee, authorized by 38 U.S.C. 4101, will be held in Hall of City Conference Room, Miami Marriott Hotel, 1201 NW Le Jeune Rd. (NW 42nd Avenue), Miami, Florida 33136 on February 1 and 2, 1982. The meeting will be for the purpose of reviewing proposed cooperative studies and advising the Veterans Administration on the relevance and feasibility of the studies, the adequacy of the protocols, and the scientific validity and propriety of technical details, including protection of human subjects. The Committee advises the Director, Medical Research Service, through the Chief of the Cooperative Studies Program, on its findings.

The meeting will be open to the public up to the seating capacity of the room from 8 to 8:30 a.m., on February 1 and 2, to discuss the general status of the program. To assure adequate accommodations, those who plan to attend should contact Dr. James A. Hagans, Coordinator, Cooperative Studies Evaluation Committee, Veterans Administration Central Office, Washington, DC (202-389-3702), prior to January 8.

The meeting will be closed from 8:30 a.m. to 7:15 p.m. on February 1, and from 8:30 a.m. to 5:15 p.m. on February 2, for consideration of specific proposals in accordance with provisions set forth in subsection 10(d) of Pub. L. 92-463, as amended by section 5(c) of Pub. L. 94-409, and subsections (c)(6) and (c)(9)(B)

of section 552b, title 5, United States Code. During this portion of the meeting, discussions and decisions will deal with qualifications of personnel conducting the studies and the medical records of patients who are study subjects, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. Additionally, premature disclosure of the Committee's recommendations would likely frustrate implementation of final proposed actions.

Dated: December 11, 1981.

Robert P. Nimmo,

Administrator.

[FR Doc. 81-36260 Filed 12-18-81; 8:45 am]

BILLING CODE 8320-01-M

Sunshine Act Meetings

Federal Register
Vol. 46, No. 244
Monday, December 21, 1981

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).

CONTENTS

	Items
Federal Deposit Insurance Corporation	1
Federal Energy Regulatory Commission	2
Federal Home Loan Bank Board	3
Securities and Exchange Commission	4
Occupational Safety and Health Review Commission	5, 6, 7

1

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Meeting

Pursuant to the provisions of the "Government in the Sunshine Act" (5 U.S.C. 552b), notice is hereby given that at 9:35 a.m. on Thursday, December 17, 1981, the Board of Directors of the Federal Deposit Insurance Corporation met in open session, by telephone conference call, to consider a policy statement regarding capital adequacy.

In calling the meeting, the Board of Directors determined, on motion of Chairman William M. Isaac, seconded by Director Irvine H. Sprague (Appointive), concurred in by Director C. Todd Conover (Comptroller of the Currency), that Corporation business required its consideration of the matter on less than seven days' notice to the public and that no earlier notice of the meeting was practicable.

Dated: December 17, 1981.

Federal Deposit Insurance Corporation.

Hoyle L. Robinson,

Executive Secretary.

[S 1905-81 Filed 12-17-81; 3:22 pm]

BILLING CODE 6714-01-M

2

FEDERAL ENERGY REGULATORY COMMISSION.

Meeting

December 16, 1981.

TIME AND DATE: 10 a.m., December 22, 1981.

PLACE: Room 9306, 825 North Capitol Street, N.E., Washington, D.C. 20426.

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) 357-8400.

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 Division of Public Information.

CAP-1. Project No. 405, Philadelphia Electric Power Co. and Susquenna Power Co.
CAP-2. Project No. 176, Escondido Mutual Water Co.
CAP-3. Project No. 3708-000, Mitchell Energy Co.; Project No. 4720-000, City of Farmington, New Mexico
CAP-4. Project No. 4129-001, Olcese Water Distric; Project No. 3315-000, Fluid Energy System, Inc.; Project No. 4122-000, Kern County Water Agency
CAP-5. Project No. 4732-001, City of Drain, Oregon; Project No. 3379-000, Cascade Water Power Development Corp.; Project No. 4475-000, City of Ashland, Oregon
CAP-6. Project No. 4461, 4463 and 4464, County of Armstrong. Pennsylvania and A. Richard Marcus and Associates
CAP-7. Project No. 5260-000, Cornwall Paper Mills Co.; Project No. 3887-000, American Hydro Power Co.
CAP-8. Project No. 4024-000, Gregory Wilcox; Project No. 4569-000, City of Montrose, Colorado
CAP-9. Docket No. ER82-54-000, Southern Co. Services, Inc.
CAP-10. Docket No. ER82-68-000, Washington Water Power Co.
CAP-11. Docket No. ER81-750-000, Iowa Power & Light Co.
CAP-12. Docket Nos. ER81-448-000, ER81-474-000, ER81-382-000, ER81-386-000 and EL82-1-000, APS-PJM interconnection agreement, et al.
CAP-13. Docket No. ER81-736-000, Central Illinois Public Service Co.
CAP-14. Docket No. ER81-177-000, Southern California Edison Co.
CAP-15. Docket No. ER81-679-000, Pacific Gas & Electric Co.
CAP-16. Docket No. Docket No. ER81-749-000, Montaup Electric Co.
CAP-17. Docket No. ER81-645-001 New England Power Co.
CAP-18. Docket No. ER81-397-000, Commonwealth Edison Co. of Indiana
CAP-19. Docket No. ES82-24, El Paso Electric Co.

Consent Miscellaneous Agenda

CAM-1. Docket No. RM82- , Monthly Power Plant Report
CAM-2. Docket No. GP81-42-000, State of Ohio. Section 107 NGPA determination, Clinton sandstone formation, Cline Oil & Gas Co., Greenless No. 1, J. A. No. 121-2017-3,7, J. D. 81-28638
CAM-3. (a) Docket No. GP81-39, Belco Petroleum Corp.; (b) Docket No. G-19589-004, Belco Petroleum Corp.; (c) Docket No. GP81-38-000, Ashland Exploration, Inc.
CAM-4. Docket No. RA81-52-000 and RA81-53-000, Laketon Asphalt Refining, Inc.
CAM-5. Docket No. RO79-13, Glenn Martin Heller d.b.a. Beacon Hill Gulf
CAM-6. Docket No. RM81-10, Regulations governing applications for license for minor water power projects and major water power projects 5 megawatts or less
CAM-7. Docket No. RM81-15, Revisions to regulations governing applications for preliminary permit and license for water power projects
CAM-8. Docket No. RM80-39, Regulations governing applications for license for major unconstructed projects and major modified projects; applications for license for transmission line only; and applications for amendment to license

Consent Gas Agenda

CAG-1. Docket No. RP82-10-000, Tennessee Gas Pipeline Co.
CAG-2. Docket No. RP82-12-000, Tennessee Gas Pipeline Co.
CAG-3. Omitted
CAG-4. Docket No. RP82-14-000, Mountain Fuel Resources, Inc.
CAG-5. Docket No. RP82-15-000, Grand Bay Co.
CAG-6. Docket No. RP81-52, Northern Natural Gas Co.
CAG-7. Docket No. RM78-23 and RM81-37, Initial Louisiana First use tax Refund Reports; Docket Nos. RP81-101-000, et al., Arkansas Louisiana Gas Co., et al.
CAG-8. Docket No. TA82-1-4 (PGA82-1), Granite State Gas Transmission, Inc.
CAG-9. Docket No. TA82-1-6 (PGA82-1), Sea Robin Pipe Line Co.
CAG-10. Docket No. TA82-1-11 (PGA82-1), United Gas Pipe Line Co.
CAG-11. Docket No. TA82-1-59 (PGA82-1), Northern Natural Gas Co.
CAG-12. Docket No. TA82-1-9 (PGA82-1), Tennessee Gas Pipe Line Co.
CAG-13. Docket No. TA82-1-5 (PGA82-1), Midwestern Gas Transmission Co.
CAG-14. Docket No. TA82-1-2 (PGA82-1), East Tennessee Natural Gas Co.
CAG-15. Docket No. TA82-1-8 (PGA82-1), South Georgia Natural Gas Co.
CAG-16. Docket No. TA82-1-12 (PGA82-1), Distrigas of Massachusetts
CAG-17. Docket No. TA82-1-1 (PGA82-1), Alabama Tennessee Natural Gas Co.
CAG-18. Docket No. TA82-1-10 (PGA82-1), Tennessee Natural Gas Lines Inc.
CAG-19. Docket No. TA82-1-7 (PGA82-1), Southern Natural Gas Co.
CAG-20. Docket No. TA82-1-17, Texas Eastern Transmission Corp.

CAG–21. Docket No. TA82–1–13 (PGA82–1), Gas Gathering Corp.
CAG–22. Docket No. CI81–339, CI81–340, and CI81–346, Southland Royalty Co. (successor to Shenandoah Oil Corp.); Docket No. CI81–499–000, Getty Oil Co.; Docket No. CI81–434–000, Mobil Producing Texas and New Mexico Inc.; Docket No. CI81–483–000, Arco Oil & Gas Co., Division of Atlantic Richfield Co.; Docket No. CI81–490–000, Transco Gas Supply Co.; Docket No. CI75–174–001, Texaco Inc.; Docket Nos. CI67–461–000, CI77–122–002, CI77–517–004, and CI77–47–002, Exxon Corp.; Docket No. CI81–497–000, Arco Oil & Gas Co., Division Atlantic Richfield Co.
CAG–23. Docket No. CI73–639–002 and CI76–586–003, Arco Oil & Gas Co., Division of Atlantic Richfield Co.
CAG–24. Docket No. CI65–584, Amoco Production Co.
CAG–25. Docket No. G–17381–001, Kerr McGee Corp.
CAG–26. Docket Nos. ST80–94–001, ST80–109–001, and ST82–17–000, Big Sandy Gas Corp.
CAG–27. Docket No. TC81–52–000, City of Blounstown, Florida.
CAG–28. Docket No. CP78–124, et al., Alaska Natural Gas Transportation System.
CAG–29. Docket Nos. CP80–93, et al, Border Gas, Inc.
CAG–30. Docket No. CP66–110 (CP66–121), et al., Midwestern Gas Transmission Co.; Docket No. CP66–112 (Docket Nos. CP66–110, et al.); Docket No. CP70–20 (Docket Nos. CP70–19, et al.); Docket Nos. CP71–223 (Docket Nos. CP71–222, et al.); Great Lakes Gas Transmission Co.; Docket No. CP66–110, et al., Great Lakes Gas Transmission Co.; Docket No. CP79–161, Midwestern Gas Transmission Co.; Docket No. CP79–169, Michigan Wisconsin Pipe Line Co.
CAG–31. Docket No. CP81–251–000, Southern Natural Gas Co.
CAG–32. Docket No. CP81–269–000, Transcontinental Gas Pipe Line Corp., United Gas Pipe Line Co., Michigan Wisconsin Pipe Line Co., National Fuel Gas Supply Corp.
CAG–33. Docket No. CP81–342–000, Panhandle Eastern Pipe Line Co.
CAG–34. Docket No. CP81–370–000, El Paso Natural Gas Co.
CAG–35. Docket No. CP81–424–000, Michigan Wisconsin Pipe LIne Co. and Great Lakes Gas Transmission.
CAG–36. Docket No. CP81–500–000, Southwest Gas Corp.
CAG–37. Docket Nos. CP69–222, CP70–185, and CP80–65–007, Tennessee Gas Pipeline Co., a Division of Tenneco Inc.; Docket No. CP80–260–002, Consolidated Gas Supply Corp.; Docket No. CP80–426, Grantite State Gas Transmission, Inc.
CAG–38. Docket No. CP81–331, Tennessee Gas Pipeline Co., a Division of Tenneco Inc.
CAG–39. ICC Docket No. 35895 and ICC Docket No. 35895 (Sub. No. 1), Belle Fourche Pipeline Co., et al.

Power Agenda

I. Licensed Project Matters

P–1. Project No. 2409, Calaveras County Water District.

II. Electric Rate Matters

ER–1. (a) Docket No. ER81–653–000, Northern States Power Co. (Wisconsin); (b) Docket No. ER81–651–000, Northern States Power Co. (Minnesota).
ER–2. Docket No. ER77–277, Pennsylvania Power Co., price squeeze (phase II).
ER–3. Docket No. ER76–530, Arizona Public Service Co.
ER–4. Docket Nos. EL79–8 and E–9558, Central Power Co., et al.
ER–5. Docket No. EC81–15–000, CP National Corp. and Sierra Pacific Power Co.

Miscellaneous Agenda

M–1. Docket No. RM82– , Power system statement.
M–2. Reserved.
M–3. Reserved.
M–4. Docket No. RM80–69, Annual report of gas supply for certain natural gas pipelines: Form No. 15.
M–5. Docket No. RM80–38, High–cost natural gas produced from wells drilled in deep water.
M–6. Docket No. RM82– , High–cost natural gas produced from intermediate depths.
M–7. Docket No. RM80–33, Final rules for part 270, Subpart B, sections 270.201, 270.202 and 270.204.
M–8. Docket Nos. RA79–11 and RA80–121, Jack Halbert.

Regular Gas Agenda

I. Pipeline Rate Matters

RP–1. Docket No. TA81–2–9–000 (PGA81–2, et al.), Tennessee Gas Pipeline Co., a Division of Tenneco Inc.
RP–2. Docket No. TA81–2–17–002, Texas Eastern Transmission Corp.

II. Producer Matters

CI–1. Docket No. RI74–188 and RI75–31, Independent Oil & Gas Association of West Virginia.

III. Pipeline Certificate Matters

CP–1. Docket Nos. RP72–99 and TC79–6 (Compensation), Transcontinental Gas Pipe Line Corp.
CP–2. Docket No. CP81–236–001, Northern Natural Gas Co., Division of Internorth, Inc.
CP–3. Docket No. CP81–433–000, and CP81–433–001, Columbia Gas Transmission Corp.
CP–4. (a) Docket No. CP80–520–003, Natural Gas Pipeline Co. of America; (b) Docket No. CP81–381–000, Northern Natural Gas Co., Division of Internorth, Inc.
CP–5. (a) Docket No. CP81–221, Michigan Wisconsin Pipeline Co.; (b) Docket No. CP81–235–000, Northern Natural Gas Co.; Docket No. CP81–367–000, Transcontinental Gas Pipe Line Corp.
CP–6. Omitted.
CP–7. Docket No. CP82–73–000, Northwest Pipeline Corp.

Kenneth F. Plumb,

Secretary.

[S. 1904–81 Filed 12–17–81; 11:05 am]

BILLING CODE 6450–85–M

3

FEDERAL HOME LOAN BANK BOARD

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: Vol. No. 46, no issue number at this time. No page number at this time. Date published, Friday, December 18, 1981.

PREVIOUSLY ANNOUNCED TIME AND DATE OF MEETING: 10 a.m., Tuesday, December 22, 1981.

PLACE: 1700 G Street, N.W., board room sixth floor, Washington, D.C.

STATUS: Open meeting.

CONTACT PERSON FOR MORE INFORMATION: Mr. Marshall (202–377–6679).

CHANGES IN THE MEETING: The following items have been added to the open portion of the Bank Board meeting.

Branch Office Application—First Federal Savings and Loan Association of Ottawa, Ottawa, Illinois
Proposed Acquisition and Merger—Columbia Savings Association, Emporia, Kansas and Western Savings Association, Pratt, Kansas.

No. 578, December 17, 1981.

[S. 1906–81 Filed 12–17–81; 3:40 pm]

BILLING CODE 6720–01–M

4

SECURITIES AND EXCHANGE COMMISSION

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: To be published.

STATUS: Closed/open meetings.

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

DATE PREVIOUSLY ANNOUNCED: Tuesday, December 8, 1981.

CHANGES IN THE MEETING: Additional items; the following additional item will be considered at a closed meeting scheduled for Wednesday, December 16, 1981, at 2:30 p.m.

Settlement of injunctive action.

The following additional item will be considered at an open meeting scheduled for Thursday, December 17, 1981, at 10:00 a.m.

Consideration of whether to submit to Congress a proposed amendment to the Securities Exchange Act to obtain authority to accept payment or reimbursement from non-federal sources for travel by members and employees under certain circumstances. For further information, please contact Myrna Siegel at (202) 272–2430.

The following additional items will be considered at a closed meeting scheduled for Thursday, December 17, 1981, following the 10:00 a.m. open meeting.

Settlement of administrative proceeding of an enforcement nature.
Settlement of injunctive actions.
Freedom of Information Act appeal.
Investigative matter.

Chairman Shad and Commissioners Loomis, Evans, Thomas, and Longstreth determined by vote that Commission business required consideration of these matters and that no earlier notice thereof was possible.

At times changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: Paul Siegelbaum at (202) 272–2468.

December 16, 1981.

[S-1903-81 Filed 12-16-81; 4:24 pm]

BILLING CODE 8010-01-M

5

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

TIME AND DATE: 10 a.m. on January 7, 1982.

PLACE: Room 1101, 1825 K Street, N.W., Washington, D.C.

STATUS: Because of the subject matter, it is likely that this meeting will be closed.

MATTERS TO BE CONSIDERED: Discussion of specific cases in the Commission adjudicative process.

CONTACT PERSON FOR MORE INFORMATION: Mrs. Patricia Bausell (202) 634–4015.

Dated: December 17, 1981.

[S-1907-81 Filed 12-17-81; 4:13 pm]

BILLING CODE 7600-01-M

6

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION

TIME AND PLACE: 10 a.m. on January 14, 1982

:PLACE: Room 1101, 1825 K Street, N.W., Washington, D.C.

STATUS: Because of the subject matter, it is likely that this meeting will be closed.

MATTERS TO BE CONSIDERED: Discussion of specific cases in the Commission adjudicative process.

CONTACT PERSON FOR MORE INFORMATION: Mrs. Patricia Bausell (202) 634–4015.

Dated: December 17, 1981.

[S. 1908-81 Filed 12-17-81; 4:16 pm]

BILLING CODE 7600-01-M

7

OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION.

TIME AND DATE: 10 a.m. on January 21, 1982.

PLACE: Room 1101, 1825 K Street, N.W., Washington, D.C.

STATUS: Because of the subject matter, it is likely that this meeting will be closed.

MATTERS TO BE CONSIDERED: Discussion of specific cases in the Commission adjudicative process.

CONTACT PERSON FOR MORE INFORMATION: Mrs. Patricia Bausell (202) 634–4015.

Dated: December 17, 1981.

[S-1909-81 Filed 12-17-81; 4:16 pm]

BILLING CODE 7600-01-M

federal register

Monday
December 21, 1981

Part II

Department of Agriculture

Farmers Home Administration

Revision and Redesignation of Section 502, Rural Housing Loan Policies, Procedures and Authorizations

DEPARTMENT OF AGRICULTURE

Farmers Home Administration

7 CFR Ch. XVIII

Revision and Redesignation of Section 502, Rural Housing Loan Policies, Procedures and Authorizations

AGENCY: Farmers Home Administration, USDA.

ACTION: Final rule.

SUMMARY: The Farmers Home Administration redesignates and revises its regulations regarding Section 502, Rural Housing Loan Policies, Procedures, and Authorizations. The action is taken to conform with general administrative restructuring of the Agency's regulations, the Housing and Community Development Amendments of 1979 (Pub. L. 96–153), the Housing and Community Development Act of 1980 (Pub. L. 96–399), and the Omnibus Budget Reconciliation Act of 1981. The action clarifies and updates the regulation, revises income limitations, and will facilitate and improve the administration of services provided by the program.

DATES: Effective date: December 21, 1981. Written comments must be received on or before February 19, 1982.

ADDRESSES: Submit written comments in duplicate to the Chief, Directives Management Branch, Farmers Home Administration, Room 6348, South Agriculture Building, 14th and Independence Avenue SW., Washington, DC 20250. All written comments made pursuant to this notice will be available for public inspection at the above address.

FOR FURTHER INFORMATION CONTACT: Daryl L. Grove, Director, Single Family Housing Loan Division, Farmers Home Administration, USDA, Room 5345, South Agriculture Building, 14th and Independence Avenue, SW., Washington, DC 20250, Telephone: 202–382–1479.

A copy of the final regulatory impact analysis is available upon request from the Office of the Chief, Directives Management Branch, Farmers Home Administration, USDA, Room 6348, South Agriculture Building, 14th and Independence Avenue, S.W., Washington, DC 20250.

SUPPLEMENTARY INFORMATION: This final rule has been reviewed under USDA procedures established in Secretary's Memorandum No. 1512–1 which implements Executive Order 12291 and has been classified as "major". This regulation has been determined "major" due to the economic impact of the statutorily mandated amendment to the income limits. The consequence of this action is that the percentage of the rural population with incomes below the new area limits will be about the same in different areas of the country. It will cause a shift of the program away from the traditionally low-income areas of the country. A further consequence will be eligibility differences near area boundaries. Another reason for this being determined a major rule is the deletion of the previously proposed Moderate Income Interest Credit Program. There will not be any significant adverse effects on competition, employment, investments, productivity, innovation, or on the ability of United States enterprises to compete with foreign-based enterprises in domestic or export markets.

Memorandum of Law

Subject: **Federal Register** document for 7 CFR 1944—Subpart A, Section 502, Rural Housing Loan Policies, Procedures, and Authorizations.

The changes to FmHA regulations proposed by this **Federal Register** document have been reviewed by the Office of the General Counsel and determined to be within the scope of FmHA authority. The provisions in Subpart A of Part 1944 are consistent with FmHA's authority to make and insure loans at 42 U.S.C. 1471 et seq. The Secretary's general rulemaking and delegation authority for Part 1944 is furnished by 42 U.S.C. 1480(j).

A. James Barnes,

General Counsel.

This document has been reviewed in accordance with 7 CFR Part 1901, Subpart G, "Environmental Impact Statements." It is the determination of FmHA that it does not constitute a major Federal action significantly affecting the quality of the human environment and in accordance with the National Environmental Policy Act of 1969, Pub. L. 91–190, an Environmental Impact Statement is not required.

Summary of Final Regulatory Impact Analysis

This action is being taken to facilitate the delivery of FmHA services to applicants, borrowers, and other intended beneficiaries by reducing unnecessary administrative and regulatory burdens on those parties and the Agency. These changes will bring the Section 502 regulation into compliance with the most recent amendments to the Housing Act of 1949.

The two topics discussed in the analysis are:

1. Revision of definition of Low Income for Section 502, 504 and approved 515 borrowers.
2. Interest Credit (subsidy) to Moderate-Income Borrowers.

Low Income Definition

A change to the definition is required by Pub. L. 96–153. The program currently serves an income group which is below the 80 percent of median income which is mandated by the amendments. Additionally, it is required that income limits be designated by area. The analysis discusses various consequences of the proposal and examines alternative approaches to meeting the requirements. Based on a cost-benefit analysis and the requirements of the law, the option incorporated in this regulation was selected.

Moderate Income Interest Credit

The January 19, 1981, publication of Part 1944, Subpart A contained a provision for providing interest credit to moderate-income borrowers. The analysis provides a historical overview of housing costs as they affect the ability of moderate-income borrowers to obtain adequate housing. It was decided not to grant interest credit to moderate-income borrowers because the Agency, by redefining moderate income, increases the income level served to a point where sufficient applicants can afford housing without a subsidy.

There is no impact on proposed budget levels, and funding allocations will not be affected because of this action.

On January 19, 1981, the Farmers Home Administration published a final rule at 46 FR 4681 implementing this regulation which was to be effective March 20, 1981. The January 19, 1981, publication discusses in detail comments received in response to the February 14, 1980, notice of proposed rulemaking (45 FR 10240). This action was suspended for study and evaluation under Executive Order 12291 by notice given at 46 FR 11501 dated February 9, 1981. The study and evaluation are now completed.

This Part 1944, Subpart A is identical to the January 19, 1981, publication from a policy viewpoint with the following exceptions:

(1) The application processing priority system provided for in the January 19, 1981, publication has been eliminated and the Agency has retained the existing application processing method with revision to give priority for refinancing and servicing actions. Other editorial and procedural changes are

made which do not significantly affect applicants, borrowers, Government costs, or firms or persons benefiting from FmHA programs. FmHA has decided not to implement this provision because:

(a) The initial estimate of administrative times involved was seriously underestimated. This is due to the fact that much of the information needed to rate the applicant would be collected by an additional interview or personal inspection of the existing housing condition.

(b) The system would have required the constant shuffling of applications based on the number of points assigned.

(c) Time saving techniques such as loan packaging and conditional commitments would be reduced in effectiveness.

(2) Exhibit C. Maximum adjusted income for Rural Housing programs. The following changes are being made to the income limits set out in the January 19, 1981, publication:

The basic income data source used in both the January 19, 1981, rule and this rule was HUD's decile distribution of income. Since HUD data was updated in June of 1981, the changes in median incomes are reflected in this final rule. Two other changes were made to the rule published in January. First, all income limits were rounded to the next high $500. This rounding was done because the change in any particular limit is relatively insignificant; while the elimination of numerous differing limits lessens the administrative burden. Second, the moderate-income level was changed to a constant dollar amount over low income. In the previous rule moderate income was 110 percent of area median, $4,400 over low income or $15,600, whichever was greatest.

The low- and moderate-income limits as set forth in Exhibit C are:

(a) Low income is 80 percent of area median but not less than 60 percent or greater than 80 percent of the non-metro census regional income with some adjustment for housing cost, and

(b) Moderate income is $5,500 over the low-income level.

(3) Granting of Interest Credits to Moderate-Income Borrowers.

The Agency is withdrawing that part of the regulation that would have granted interest credits to moderate-income applicants. This action is taken because the law mandating the granting of interest credits to moderate-income borrowers was changed to a discretionary provision. The Secretary has determined that interest credits are not necessary to enable moderate-income borrowers to afford adequate housing.

Further, the current under-utilization of the moderate-income program is not an indication that subsidy is needed by this income group, but was caused by an Agency definition of moderate income that included mostly low-income families. Therefore, it is determined that sufficient numbers of moderate-income families can qualify for homeownership under the revised income limits without the providing of interest credits.

This regulation does not directly affect any FmHA programs or projects which are subject to A-95 clearinghouse review.

CFDA No. 10.410—Low to Moderate Income Housing Loans (Rural Housing Loans—Section 502-Insured).

Since all significant changes to the January 19, 1981, publication either result from an updating of data or a change in statutory language or revert to the existing procedure, FmHA is not again publishing this document as a proposed rule.

FmHA is, however, accepting and will consider for future revisions, any comments regarding income limits, the withdrawal of the priority processing of applications and the withdrawal of the interest credit to moderates proposal.

Office of Management and Budget clearance number 0575-0059.

Therefore, Chapter XVIII is amended as follows:

SUBCHAPTER B—LOANS AND GRANTS PRIMARILY FOR REAL ESTATE PURPOSES

PART 1822—RURAL HOUSING LOANS AND GRANTS

Subpart A—Section 502, Rural Housing Loan Policies, Procedures, and Authorizations [Removed]

1. Subpart A of Part 1822 is hereby removed from the Code of Federal Regulations.

Subpart B—Section 502, Rural Housing Weatherization Loans

§ 1822.21 [Amended]

2. In § 1822.21, lines 13, 14, 15, 16, 17, and 18 change the reference from "§ 1822.3 (c), and (d), and § 1822.5 (FmHA Instruction 444.1, paragraphs III C and D and paragraph V). Section 1822.3 (e), (n), (o), and § 1822.4 (FmHA Instruction 444.1, paragraph III E, N, and O, and paragraph IV)" to "§ 1944.2(m), §§ 1944.10 and 1944.26(f) of Part 1944 Subpart A. Sections 1944.8, 1944.9 and 1944.15 of Part 1944, Subpart A".

§ 1822.25 [Amended]

3. In § 1822.25(a), line 10, change the reference from "1822" to "1944". Exhibit A (Amended)

Exhibit A to Subpart B [Amended]

4. In paragraph A.1., line 9, change the reference from "7 CFR 1822.3 (c)" to "7 CFR 1944.10".

5. In paragraph A.2., lines 3 and 4, change the reference from "this part, available in any FmHA office" to "Part 1944."

Subpart G—Rural Housing Site Loan Policies, Procedures, and Authorizations

§ 1822.263 [Amended]

6. In § 1822.263(c), line 2, change the reference from "§ 1822.3(c)" to "§ 1944.10 of Part A".

§ 1822.267 [Amended]

7. In § 1822.267(l)(1), lines 1 and 2, change the reference from "Subpart H of Part 1822" to "§ 1944.45 of Part 1944, Subpart A".

Subpart H—Rural Housing Conditional Commitments [Removed]

8. Part 1822 Subpart H is hereby removed from the Code of Federal Regulations.

SUBCHAPTER F—SECURITY SERVICING AND LIQUIDATIONS

PART 1872—REAL ESTATE SECURITY

Subpart A—Servicing and Liquidation of Real Estate Security for Loans to Individuals and Certain Note-Only Cases

§ 1872.18 [Amended]

9. In § 1872.18(b)(14), line 12, change the reference from "1822 of Subchapter B" to "1944."

§ 1872.23 [Amended]

10. In § 1872.23, line 1, change the reference from "§ 1822.3(e)" to "§ 1944.2(e) of Part 1944 Subpart A".

SUBCHAPTER H—PROGRAM REGULATIONS

PART 1904—LOAN AND GRANT PROGRAMS (INDIVIDUAL)

Subpart G—Section 504, Rural Housing Loans and Grants

§ 1904.301 [Amended]

11. In § 1904.301, lines 10 and 11, change the reference from "Part 1822 of this Chapter (FmHA Instruction 444.1)" to "Part 1944".

§ 1904.304 [Amended]

12. In § 1904.304(a), lines 6 and 7, change the reference from "Part 1822 of this Chapter, (FmHA Instruction 444.1)" to "Part 1944".

13. In § 1904.304(a)(2), lines 8, 9 and 10, change the reference from "§ 1822.4(d) and § 1822.12(d) of this Chapter (Paragraph IV D and XII D of FmHA Instruction 444.1)" to "§§ 1944.8(a)(2)(ii) and 1944.30(b)(7) of Part 1944 Subpart A".

§ 1904.305 [Amended]

14. In § 1904.305(g), lines 2, 3 and 4, change the reference from "§ 1822.6(a)(14) of this Chapter, (Paragraph VI A 14 of FmHA Instruction 444.1.)" to "§1944.3(b) (9) and (10) of Part 1944 Subpart A".

§ 1904.306 [Amended]

15. In § 1904.306(d) lines 3, 4, and 5 change the reference from "§ 1822.12(d) of this Chapter (Paragraph XII D of FmHA Instruction 444.1)" to "1944.30(b)(7) of Part 1944 Subpart A".

PART 1910—GENERAL

Subpart B—Credit Reports (Individual)

§ 1910.53 [Amended]

16. In § 1910.53, lines 9, 10, 11 and 12, change the reference from "§ 1822.12(d), Subpart A, Part 1822, Subchapter B of this Chapter (Paragraph XII D of FmHA Instruction 444.1)" to "§ 1944.30(b)(7) of Part 1944 Subpart A."

PART 1924—CONSTRUCTION AND REPAIR

Subpart A—Planning and Performing Construction and Other Development

§ 1924.5 [Amended]

17. In § 1924.5(i) lines 5, 6, 7, 8 and 22, 23 and 24 change the reference from "FmHA Instruction 444.2 (available in all FmHA offices) and Subpart H of Part 1822 of this Chapter (FmHA Instruction 444.9)" to "Part 1944 Subpart A" and from "Subparts A and D of Part 1822 of this chapter (FmHA Instructions 444.1 and 444.5)" to "Part 1944, Subparts A and E".

§ 1924.6 [Amended]

18. In § 1924.6(c) lines 6 and 7, change the reference from "Exhibit A of FmHA Instruction 444.1 (available in any FmHA office)" to "Exhibit G of Part 1944 Subpart A".

Exhibit B to Subpart A [Amended]

19. In paragraph VI A. 8., lines 9, 10 and 11, change the reference from "FmHA Instruction 444.1, paragraph VII B 1, which is available in all FmHA offices" to "§ 1944.16 of Part 1944 Subpart A".

PART 1930—GENERAL

Subpart C—Management and Supervision of Multiple Family Housing Borrowers and Grant Recipients

Exhibit B to Subpart C [Amended]

20. In paragraph II Q., lines 3, 4, and 5, change the reference from "Exhibit C of Subpart A of Part 1822 (FmHA Instruction 444.1)" to "Part 1944 Subpart A".

21. In paragraph II R, lines 3, 4, and 5, change the reference from "Exhibit D of Subpart A of Part 1822 (FmHA Instruction 444.1)" to "Part 1944 Subpart A".

PART 1933—LOAN AND GRANT PROGRAM (GROUP)

Subpart I—Self-Help Technical Assistance Grants

§ 1933.403 [Amended]

22. In § 1933.403(j), lines 2, 3, and 4, change the reference from "§ 1822.3(c) of this chapter (FmHA Instruction 444.1)." to "§ 1944.10 of Part 1944 Subpart A".

PART 1943—FARM OWNERSHIP, SOIL AND WATER AND RECREATION

Subpart A—Insured Farm Ownership Loan Policies, Procedures, and Authorizations

§ 1943.24 [Amended]

23. In § 1943.24(b)(2) lines 9, 10 and 11, change the reference from "Part 1822 of this Chapter (FmHA Instruction 444.1)" to "Part 1944".

PART 1944—HOUSING

Subpart D—Farm Labor Loan Housing and Grant Policies, Procedures and Authorizations

§ 1944.153 [Amended]

24. In § 1944.153(e), lines 4 and 5, change the reference from "Subpart A of Part 1822 of this Chapter (FmHA Instruction 444.1)" to "Part 1944 Subpart A".

§ 1944.164 [Amended]

25. In § 1944.164(j)(2)(ii) lines 2, 3, 4 and 5, change the reference from "Subpart A of Part 1822 and Subpart D of Part 1804 of this Chapter (FmHA Instruction 444.1 and 424.5)" to "Part 1804 Subpart D (FmHA Instruction 424.5) and Part 1944 Subpart A".

26. In § 1944.164(n), lines 5, 6, 7 and 8, change reference from "§ 1822.7(j) of Subpart A of Part 1822 of this Chapter (FmHA Instruction 444.1, paragraph VII J)" to "§ 1944.18(b)(5) of Part 1944 Subpart A".

§ 1944.168 [Amended]

27. In § 1944.168(c)(1)(ii) lines 3, 4, 5 and 6, change the reference from "Section 1822.10(b)(2) of Subpart A of Part 1822 of this Chapter (paragraph X B 2 of FmHA Instruction 444.1)" to "§ 1944.18(b)(6) of Part 1944 Subpart A".

Subpart E—Rural Rental Housing Loan Policies, Procedures, and Authorizations

§ 1944.205 [Amended]

28. In § 1944.205(d) change the reference from "Exhibits C and D of Subpart A of Part 1822, (Farmers Home Administration (FmHA) Instruction 444.1)" to "Exhibit C of Part 1944 Subpart A".

29. In § 1944.205(l) change the reference from "§ 1822.3(c) of Subpart A to Part 1924 (paragraph III C of FmHA Instruction 444.1)" to "§ 1944.10 of Part 1944 Subpart A".

§ 1944.215 [Amended]

30. In § 1944.215(i)(1) change the reference from "Exhibits C and D of Subpart A to Part 1822, (FmHA Instruction 444.1)" to "Exhibit C of Part 1944 Subpart A".

§ 1944.222 [Amended]

31. In § 1944.222(b) change the reference from "Part 1807 and Subpart A of Part 1822 of this Chapter (FmHA Instructions 427.1 and 444.1, respectively)" to "Subpart A of Part 1944 and Part 1807 of this chapter (FmHA Instruction 427.1)".

Subpart K—Technical and Supervisory Assistance Grants

§ 1944.506 [Amended]

32. In § 1944.506(d), lines 5, 6 and 9, 10 and 11 change the reference from "§ 1822.3(o) of this Chapter (FmHA Instruction 444.1, paragraph III O)" to "§ 1944.2(b) of Part 1944 Subpart A", and from "1822 of this chapter (Exhibit C of FmHA Instruction 444.1)" to "1944."

33. In § 1944.506(f), lines 2, 3 and 4, change the reference from "§ 1822.3(c) of Subpart A of Part 1822 of this Chapter (paragraph III C of FmHA Instruction 444.1)" to "§ 1944.10 of Part 1944 Subpart A".

PART 1945—EMERGENCY

Subpart B—Emergency Loan Policies, Procedures, and Authorizations for Those Applications Associated With Disaster Designations Having a Beginning Incidence Period Date Prior to May 26, 1981

§ 1945.89 [Amended]

34. In § 1945.89(a)(2)(ii), lines 8 and 9, change the reference from "1822 of this Chapter (FmHA Instruction 444.1)" to "1944, Subpart A".

Subpart C—Economic Emergency Loans

§ 1945.129 [Amended]

35. In § 1945.129(b)(2)(i)(D), lines 8 and 9 change the reference from "Part 1822 of this Chapter (FmHA Instruction 444.1)" to "1944".

PART 1945—EMERGENCY

Subpart D—Emergency Loan Policies, Procedures and Authorizations for Applications Associated With FmHA Disaster Designations Having a Beginning Incidence Period Date on or After May 26, 1981

§ 1945.189 [Amended]

36. In § 1945.189, paragraph (a)(2)(ii), change the reference from "Subpart A of Part 1822 of this Chapter (FmHA Instruction 444.1)" to "Part 1944 Subpart A".

PART 1948—RURAL DEVELOPMENT

Subpart B—Section 601—Energy Impacted Area Development Assistance Program

§ 1948.84 [Amended]

37. In § 1948.84(d)(2), lines 8 and 9, change the reference from "Part 1822 Subpart A (FmHA Instruction 444.1)" to "Part 1944 Subpart A".

PART 1951—SERVICING AND COLLECTIONS

Subpart A—Account Servicing Policies

§ 1951.17 [Amended]

38. In § 1951.17(a)(2)(i)(B), lines 4, 5 and 6, change the reference from "§ 1822.3(n) of Subpart A of Part 1822 of this Chapter (paragraph N of FmHA Instruction 444.1)" to "§ 1944.2(c) of Part 1944 Subpart A".

39. In § 1951.17(b)(1)(i), lines 2, 3, 4, change the reference from "§ 1822.11(c) of Subpart A of Part 1822 of this Chapter (Paragraph XI C of FmHA Instruction 444.1)" to "§ 1944.26(c) of Part 1944 Subpart A".

40. In § 1951.17(b)(6), lines 8, 9 and 10, change the reference from "Exhibit E Subpart A of Part 1822 of this Chapter (FmHA Instruction 444.1)" to "§ 1944.34 of Part 1944 Subpart A".

PART 1980—GENERAL

Subpart D—Rural Housing Program Loans

§ 1980.302 [Amended]

41. In § 1980.302(a), lines 5 and 6, change the reference from "Exhibit D to Part 1822, Subpart A (FmHA Instruction 444.1, Exhibit D)" to "Exhibit C of Part 1944 Subpart A".

§ 1980.305 [Amended]

42. In § 1980.305, lines 3, 4, 5 and 6, change the reference from "§ 1822.3(c) of Subpart A of Part 1822 of this Chapter (FmHA Instruction 444.1, paragraph III C)" to "§ 1944.10 of Part 1944 Subpart A".

§ 1980.330 [Amended]

43. In § 1980.330(h)(1), lines 6, 7 and 8, change the reference from "D to Subpart A Part 1822 of this Chapter (FmHA Instruction 444.1, Exhibit D)" to "C to Subpart A, Part 1944 of this chapter."

PART 1944—HOUSING

Subpart A—Section 502, Rural Housing Loan Policies, Procedures and Authorizations

44. As added, Part 1944, Subpart A reads as follows:

Subpart A—Section 502 Rural Housing Loan Policies, Procedures, and Authorizations

Sec.

1944.1 General.
1944.2 Definitions.
1944.3 Loan purposes.
1944.4 Loan restrictions.
1944.5–1944.7 [Reserved]
1944.8 Income eligibility requirements.
1944.9 Other eligibility requirements.
1944.10 Rural area designation.
1944.11 Property requirements.
1944.12–1944.14 [Reserved]
1944.15 Ownership requirements.
1944.16 Building requirements.
1944.17 Maximum loan amounts.
1944.18 Security requirements.
1944.19–1944.21 [Reserved]
1944.22 Refinancing debts.
1944.23 Loans to Farm Ownership (FO), Individual Soil and Water (SW), and Recreation (RL) borrowers.
1944.24 Technical services.
1944.25 Rates, terms, and source of funds.
1944.26 Application processing.
1944.27–1944.29 [Reserved]
1944.30 Preparation of loan docket.
1944.31 Loan approval.
1944.32 Actions subsequent to loan approval.
1944.33 Loan closing.
1944.34 Interest credit.
1944.35–1944.36 [Reserved]
1944.37 Subsequent Section 502 loans.
1944.38 Mutual self-help housing loans.
1944.39 RH loans to FmHA employees and loan closing officials.
1944.40 Rural Housing Disaster (RHD) loans.
1944.41–1944.43 [Reserved]
1944.44 Borrower graduation.
1944.45 Conditional Commitments.
1944.46 Construction financing for builders by private credit sources.
1944.47–1944.50 [Reserved]
Exhibit A—Information required to package applications for Section 502 rural housing loans.
Exhibit B—Addresses for authentication of alien registration cards.
Exhibit C—Maximum adjusted incomes for rural housing programs.
Exhibit D—Rural housing applicant interview.
Exhibit E—Sample letter to applicant when loan funds are depleted and long delays are expected in application processing.
Exhibit F—Interest credit agreement renewal.
Exhibit G—Mutual self-help housing guidelines.
Exhibit G–1—Membership agreement.
Exhibit G–2—Promissory note.

Authority: 42 U.S.C. 1480; 7 CFR 2.23; 7 CFR 2.70.

Subpart A—Section 502 Rural Housing Loan Policies, Procedures, and Authorizations

§ 1944.1 General.

This subpart sets forth the policies and procedures and delegates authority for making Section 502 Rural Housing (RH) loans to individuals under Title V of the Housing Act of 1949, as amended. The objective of Section 502 loans is to provide eligible persons who will live in rural areas an opportunity to obtain adequate but modest, decent, safe, and sanitary dwellings and related facilities. The requirements of Farmers Home Administration (FmHA) Instruction 1901–E will be applied as appropriate. Loans and services provided under this Subpart shall not be denied to any person or applicant based on race, sex, national origin, color, religion, marital status, age, physical or mental handicap (applicant must possess the capacity to enter into a legal contract for services), receipt of income from public assistance, or because the applicant has, in good faith, exercised any right under the Consumer Protection Act.

§ 1944.2 Definitions.

The following definitions apply to this Subpart:

(a) *Above-moderate income.* An adjusted annual income that exceeds the maximum limit for moderate-income households as provided in Exhibit C of this Subpart.

(b) *Adjusted annual income.* Annual income as defined in paragraph (c) of

this section less 5 percent thereof and less an additional $300 for each dependent minor person (excluding the applicant and foster children) who is a member of the household.

(c) *Annual income.* Planned income to be received by the applicant, and all adult members of the household during the next twelve months. Income to be projected for the next 12 months will include wage increases which can reasonably be expected based on known facts or historical data. See § 1944.8(c) for supplemental rules on determining annual income.

(d) *Cosigner.* A party who joins in the execution of a promissory note to guarantee its repayment by the borrower. The cosigner becomes jointly and severally liable to comply with the terms of the note in the event of the borrower's default.

(e) *County Supervisor.* Includes Assistant County Supervisor for all duties and responsibilities which are included in the employee's job description and for authorizations which have been delegated in writing in accordance with FmHA Instruction 2006–F (available in any FmHA office). For the areas of Alaska and the Western Pacific Territories it also includes the Area Supervisor.

(f) *Existing dwelling.* One which is (1) more than 1 year old, or (2) previously occupied as a residence.

(g) *Extended family.* A family unit consisting of parents, children and other relatives who will live together on a permanent basis as a part of the household.

(h) *Farm.* Includes the total acreage of one or more tracts of land which (1) is owned by the applicant, (2) is operated as a single unit, (3) is in agricultural production, and (4) annually will produce agricultural commodities for sale and home use with a gross value of at least $400 based on 1944 prices. To aid in estimating the gross annual value of agricultural commodities produced on a particular farm, a State Supplement will be issued listing the 1944 prices for the principal farm commodities in the State.

(i) *Household.* The applicant and all other persons who will make the applicant's dwelling their primary residence for all or part of the next 12 months.

(j) *Low income.* An adjusted annual income that does not exceed the maximum limit for low-income households as provided in Exhibit C of this Subpart

(k) *Moderate income.* An adjusted annual income that does not exceed the maximum limit for moderate-income households as provided in Exhibit C of this subpart.

(l) *Nonfarm tract.* A parcel of land that is not a farm and is located in a rural area, or a building site that is part of a farm, and which secures an RH loan in accordance with § 1944.18(b)(10).

(m) *Place.* An area containing a concentration of inhabitants within a determinable unincorporated area.

(n) *Rehabilitation.* Major repairs and improvements to existing dwellings such as the installation or completion of bathroom facilities, installation of major items of equipment, additions, or structural changes.

(o) *Senior citizen.* A "senior citizen" is a person who is 62 years of age or older.

(p) *Town.* A "town" means a municipality similar to a city but not a New England-type town which resembles a township or county in most States.

(q) *Urban area.* Either a town, village, city, place or any associated combination thereof, which with the immediately adjacent densely settled areas has a population in excess of the limits prescribed in § 1944.10 (a)(2) (i) and (ii).

§ 1944.3 Loan purposes.

(a) A loan may be made to an eligible applicant for the following purposes:

(1) To buy, build, rehabilitate, improve or relocate a dwelling and provide related facilities for use by the applicant as a permanent residence.

(2) To buy, build, rehabilitate, improve or relocate a dwelling, and provide related facilities for a farm owner to provide housing to be occupied by the farm manager, tenants, sharecroppers or farm laborers.

(3) To refinance secured debts or unsecured debts as provided in § 1944.22.

(b) A loan made under § 1944.3(a) (1) or (2) may be used to:

(1) Purchase, in fee title, a minimum adequate site, as outlined in § 1944.11(c) on which the improvements are or will be located, if the applicant does not own an adequate site.

(2) Pay reasonable acquisition cost for a leasehold interest in a minimum adequate site at the time of making the initial RH loan.

(3) Provide an adequate and safe water supply and/or an adequate sewage disposal facility.

(4) Provide site preparation, including grading, foundation plantings, seeding or sodding of lawns, trees, walks, yard fences and driveways to building sites.

(5) Purchase and install essential equipment in the dwelling including items such as a range, refrigerator, clothes washer or clothes dryer, if these items are normally sold with dwellings in the area and if purchase of these items is not the primary purpose of the loan.

(6) Provide special design features or equipment when necessary because of physical handicap or disability of the applicant or a member of the household.

(7) Purchase and install approved solar systems and approved furnaces and space heaters which use a type of fuel that is commonly used, and is economical and dependably available.

(8) Provide storm cellars, and similar protective structures.

(9) Pay incidental expenses such as fees for credit reports, tax monitoring service, legal, title clearance, loan closing, architectural, surveying and other technical services.

(10) Pay reasonable connection fees for utilities such as water, sewer, electricity or gas, which are required to be paid by the borrower and which cannot be paid from other funds.

(11) Pay the borrower's share of Social Security taxes for labor hired by the borrower in connection with making the planned improvements.

(12) Pay real estate taxes which are due and payable on the building and/or site at the time of closing on an initial loan, if this amount is not a substantial part of the loan.

(13) Establish escrow accounts for the payment of real estate taxes or property insurance premiums in those states where the use of escrow accounts is authorized by the National Office.

(14) Provide living area for all members of the applicant's household, including "extended family," as provided in § 1944.16(a)(5).

(15) Pay part of the cost of constructing, remodeling, repairing or buying a domestic water system or waste disposal system, provided that the following conditions are met, unless exceptions are authorized by the National Office:

(i) The facility must be jointly owned and used by not more than 10 participants.

(ii) The domestic water or waste disposal system cannot be provided with a Community Facilities loan.

(iii) The group must act as individuals and not as a legal entity such as a partnership, corporation or association.

(iv) The facility will be located in a rural area and will be used only for normal home use.

(v) The applicant will give FmHA a mortgage as required in § 1944.18(a), including the applicant's interest in the system if it is practical to mortgage the system. The interest of any co-owners of the jointly owned facility who are not

applicants may be excluded from the mortgage on prior approval by the State Director, as provided in § 1944.18(b)(8).

(vi) The owners have written agreements as to the construction, use, maintenance and repair of the facility and obtain necessary jointly owned easements.

(vii) The facility will cost not more than $50,000 or have a depreciated replacement value that does not exceed $50,000 if such facility is being purchased, enlarged, or improved.

(viii) All funds to be used to finance construction or installation of the joint facility will be deposited in a supervised bank account.

§ 1944.4 Loan restrictions.

(a) Loan funds may not be used to:

(1) Buy or improve income-producing land, or buildings to be used for income-producing purposes or buildings not essential for RH purposes.

(2) Pay fees, charges or commissions such as finders' fees, fees for packaging the application or placement fees for the referral of prospective applicants to FmHA.

(b) A loan will not be made to an applicant whose previous FmHA debts have been settled pursuant to Part 1864 of this Chapter (FmHA Instruction 456.1) or by release from personal liability under Subpart G of Part 1951 of this chapter as reflected by the County Office records, or where settlement under such regulation is contemplated, unless failure to pay the indebtedness was the result of circumstances beyond the applicant's control, or the conditions which necessitated the debt settlement or release, other than weather hazards, disasters, or price fluctuations, have been removed or will be removed by making the loan. Before approving the property or causing such an applicant to incur any expense in connection with the loan the County Supervisor will complete Form FmHA 431–2, "Farm and Home Plan," or Form FmHA 431–3, "Family Budget," and send it with the application, any available case folders, and recommendations to the State Office for a determination as to whether to proceed with the development of the loan docket.

(c) Loans will not be made to a homestead entryman or desert entryman to improve the entry prior to receipt of patent.

§§ 1944.5–1944.7 [Reserved]

§ 1944.8 Income eligibility requirements.

(a) An applicant is eligible for a Section 502 loan only if the following requirements are met:

(1) The adjusted annual income of the applicant's household as defined in § 1944.2(b) does not exceed the applicable income limit in Exhibit C. Exceptions to this requirement may be authorized by the State Director in accordance with §1944.33 (a) or (b), or by the National Office.

(2) Repayment ability as provided in § 1944.26(e), is demonstrated in the following manner:

(i) The applicant has adequate and dependably available income. The determination of income dependability will include consideration of the applicant's past history of annual income and/or the history of the typical annual income of others in the area with similar types of employment. Such income should be sufficient to meet living expenses, pay taxes, insurance and maintenance costs, and to make required payments on all obligations including the Section 502 loan; or

(ii) The applicant obtains a cosigner with dependably available income which will be sufficient to repay the loan. The cosigner must be an individual but may not be a member of the applicant's household.

(b) All adult members of the household whose income must be included to meet the repayment requirements in paragraph (a)(2)(i) of this section will be considered applicants.

(c) Annual income as defined in § 1944.2(c) will be determined as follows:

(1) The income to be expected during the next 12 months for all adults, including the spouse, will be included for either full-time or part-time employment if presently employed. Projected income will include wage increases which can reasonably be expected, based on known facts or historical data. If the spouse or any other adult is not presently employed but there is a recent history of such employment, that person's income will be considered unless the applicant and the person involved sign a statement that the person is not presently employed and does not intend to resume employment in the foreseeable future or, if interest credit is involved, during the term of the Interest Credit Agreement. The statement will be filed in the borrower's case file.

(2) Income from all sources is included except as provided in paragraph (c)(3) of this section. Income sources include, but are not limited to:

(i) Gross income from wages, salaries, and commissions, including that from seasonal type work which can be expected to be repeated.

(ii) All expected overtime and bonus income which can reasonably be considered dependable.

(iii) All net farm and nonfarm business income. Projected farm or nonfarm business losses will be considered as "0" in determining annual income.

(iv) Pensions, Social Security, welfare, and unemployment compensation.

(v) Child support payments and other payments made on behalf of minors.

(vi) The income of an applicant's spouse, unless the spouse has been living apart from the applicant for at least 6 months (for reasons other than military or work assignment), or court proceedings for divorce or legal separation have been commenced.

(vii) GI bill benefits, fellowships, scholarships, and assistantships.

(viii) Alimony, or other spousal support payment.

(ix) Proceeds from the sale of equipment, mineral rights or real estate sold under long-term contract (usually more than 3 years).

(3) The following income will not be included in determining annual adjusted income, although it will be included under §1944.26 (b)(2) and (e)(2) for documenting repayment ability:

(i) Income received by a full time student (*who is not* the applicant or co-applicant) from employment or income from GI Bill benefits, fellowships, scholarships, or assistantships for schooling.

(ii) Proceeds from the sale of equipment, mineral rights, or real estate sold under a short term contract (usually 3 years or less).

(iii) Cash value of food stamps, real estate tax exemptions, or similar types of assistance.

(iv) Payments received for the care of foster children, foster adults or for services rendered as a volunteer on a project sponsored by any of the following programs:

(A) Retired Senior Volunteer Program.

(B) Foster Grandparent and Older American Community Service Programs (as either a foster grandparent, senior health aide or senior companion).

(C) National Volunteer Programs to Assist Small Business and Promote Volunteer Service by Persons With Business Experience

(D) Peace Corps, VISTA, or any other volunteer program sponsored by ACTION.

(v) Allowances, such as training and travel expenses, paid by the Department of Labor to CETA participants. (Wages paid by the employers of CETA workers will be included).

(vi) Any payments received by "live in" aides for members of a senior citizen borrower's household, paid by state or federal programs which specifically exclude the cost of shelter from the amount received.

(4) In determining the applicant's annual income the following deductions are allowed:

(i) A deduction may be made in the same manner as outlined in Internal Revenue Service (IRS) regulations for the exhaustion, wear and tear, and obsolescence of depreciable property used in the applicant's trade, business, or farming operation. The applicant must provide an itemized schedule showing the depreciation claimed. The schedule should be consistent with the amount of depreciation actually claimed for these items for Federal income tax purposes.

(ii) A deduction may be made in the same manner as outlined in IRS regulations for necessary work related expenses actually paid by the employee in excess of the amount reimbursed by the employer. The deduction must be reasonable and, in the judgment of the approving official, should be deducted from an employee's income to reflect annual income on an equal basis with other employed persons. Deductions, however, are not permitted for the following:

(A) Transportation to and from work.

(B) Cost of meals incurred on one day business trips.

(C) Educational expenses except those incurred to meet the minimum requirements for the employee's present position.

(D) Fines and penalties for violation of laws.

(iii) A maximum aggregate deduction of $400 per month may be made for child care or disabled dependent care which is necessary to enable the borrower to be gainfully employed. The deduction will be based only on monies actually paid for care services. Payments for these services may not be made to persons whom the borrower is entitled to claim as dependents for income tax purposes. Full justification for such deduction must be recorded in detail in the applicant's loan docket.

(iv) A maximum aggregate deduction of $400 per month may be made for full time nursing home or institutional type care which cannot be provided in the home, for a member of the household. Such care must be expected to be required for a period of six months or more. The deduction will be limited to expenditures actually paid for such services.

§ 1944.9 Other eligibility requirements.

In addition to the income eligibility requirements of § 1944.8, the applicant must:

(a) Qualify as one of the following:

(1) A person who does not own a dwelling which is structurally sound, functionally adequate, and which is large enough to accommodate the needs of the applicant, or

(2) A farmowner without decent, safe and sanitary housing for the farmowner's own use or for the use of farm tenants, sharecroppers, farm laborers, or farm manager.

(b) Be without sufficient resources to provide the necessary housing or related facilities, and be unable to secure the necessary credit from other sources upon terms and conditions which the applicant could reasonably be expected to fulfill. If the applicant has only an undivided interest in the land to be improved, those co-owners whose execution of the mortgage is required under § 1944.18(b)(8) must also be unable to provide the improvement with their own resources or obtain the necessary credit elsewhere either individually or jointly with the applicant.

(c) Be a natural person (individual) who resides as a citizen in any of the 50 States, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, or the Trust Territory of the Pacific Islands, or a noncitizen who resides in one of the foregoing areas after being legally admitted for permanent residence or on indefinite parole. Permanent residents can verify their status by presentation of Form I–551 "Alien Registration Receipt Card" or any later revision of the form. Those on indefinite parole must present Form I–94 "Arrival/Departure Card" or any later revision of the form. The County Supervisor must further authenticate such information through the Immigration and Naturalization Service if the authenticity of the information provided is in doubt (See Exhibit B).

(d) Possess legal capacity to incur the loan obligation, and have reached the legal age of majority in the State, or have had the disability of minority removed by court action.

(e) Have the potential ability to personally occupy the home on a permanent basis, if the loan is to provide housing for the applicant's own use. To illustrate, because of the probability of their being transferred or moving after graduation, military personnel on active duty and full-time students will not be granted loans unless:

(1) The applicant, if military personnel, will be discharged at an early date (usually within 1 year). The family must continue to occupy the home in case the borrower is transferred to another duty station before discharge, and

(2) The applicant intends to make the home a permanent residence and there are reasonable prospects that employment will be available in the area after graduation or discharge, and

(3) An adult member of the household will be available to make inspections if the home is being constructed and to sign checks for work performed.

(f) Have a credit history which indicates a reasonable ability and willingness to meet obligations as they become due. The following will not indicate an unacceptable credit history:

(1) "No history" of credit transactions by the applicant.

(2) Bankruptcies, foreclosures, satisfied judgments, or delinquent payment records which occurred more than 36 months before the application if no recent similar situations have occurred.

(3) Isolated incidents of delinquent payments which do not represent a general pattern of unsatisfactory or slow payment.

(4) Recent bankruptcy, foreclosure, judgment or delinquent payment when the applicant can satisfactorily demonstrate that:

(i) The circumstances causing any of the above were of a temporary nature, were beyond the applicant's control and have been removed. Examples: loss of job; delay or reduction in government benefits, or other loss of income; increased expenses due to illness, death, etc.

(ii) The adverse action or delinquency was the result of a refusal to make full payment because of defective goods or services or as a result of some other justifiable dispute relating to the goods or services purchased or contracted for.

§ 1944.10 Rural area designation.

(a) For the purposes of this subpart, a rural area is:

(1) Open country which is not part of or associated with an urban area, or

(2) Any town, village, city or place, including the immediately adjacent densely settled area, which is not part of or associated with an urban area and which:

(i) Has a population not in excess of 10,000 if it is rural in character, or

(ii) Has a population in excess of 10,000 but not in excess of 20,000, and

(A) Is not contained within a Standard Metropolitan Statistical Area (SMSA), and

(B) Has a serious lack of mortgage credit for low- and moderate-income households as determined by the Secretary of Agriculture and the Secretary of Housing and Urban Development.

(b) A determination that open country, or any town, village, city, or place is not part of or associated with an urban area must include a finding that any densely populated section of the area in question is separated from the densely populated section of any adjacent urban area by open spaces (which are undeveloped, agricultural, or sparsely settled) other than open spaces due to physical barriers, commercial or industrial developments, public parks and similar open spaces, and areas reserved for recreational purposes. This determination should also consider such other factors as:

(1) The existence of known plans for development within the near future (e.g., 3 to 5 years) of a substantial portion of the interveining land between the area in question and an urban area.

(2) Separate school systems and separate utilities such as water and sewer and solid waste disposal; however, consolidated schools and/or combined facilities do not necessarily indicate being "associated with".

(c) Two or more towns, villages, cities, and places may have contiguous boundaries, and each be considered separately if they are not otherwise associated with each other, as determined after consideration of paragraphs (a) and (b) of this section.

(d) The latest official Bureau of the Census data or more recent official population counts (U.S. Census of Population or other Governmental official counts) will be used in determining population.

(e) The State Director will be responsible for determining boundaries of rural areas and shall issue an appropriate State Supplement to identify such areas by list and maps. Areas in excess of 10,000 population will be identified as "rural areas" in a State Supplement only after written authorization by the National Office and compliance with the requirement of paragraph (a)(2)(ii) of this section.

(f) When a change of designation from rural to nonrural is anticipated, all developers and other interested parties should be notified.

(g) If an area designation is changed from rural to nonrural, loans may be made only in the following instances:

(1) Applications received by FmHA prior to the change of designation may be processed.

(2) New conditional commitments may be issued and existing conditional commitments will be honored only in conjunction with the approval of RH loan applications which were received prior to the date the area was designated non-rural.

(3) Credit sales and transfers with assumptions may be processed in such areas as authorized by § 1955.103(e) of this chapter and § 1872.18(c)(1)(i) of this chapter (FmHA Instruction 465.1 paragraph XVIII C 1 a).

(4) Subsequent loans may be made on property in an area where the designation was changed from rural to nonrural after the initial loan was made:

(i) To make necessary repairs.

(ii) To pay equity in connection with an assumption and transfer of an RH loan.

§ 1944.11 Property requirements.

(a) The property on which the loan is made must be located on a farm, or in a designated rural area as defined in § 1944.10 or in an area the designation of which has been changed as provided in § 1944.10(g). A nonfarm tract to be purchased or improved with loan funds must not include or be closely associated with farm service buildings.

(b) Unless an exception is granted by the National Office (notwithstanding the requirement of § 1804.67(b) of this chapter, FmHA Instruction 424.5 Paragraph VII(B) the property must be contiguous to and have direct access from an:

(1) All-weather street which has been dedicated to and accepted by a public body which shall be responsible for continuous maintenance, or

(2) Extended driveway if:

(i) The driveway has an all-weather surface,

(ii) The driveway does not potentially serve more than two individual dwellings,

(iii) The applicant obtains title or an easement to the driveway and it is included in the security for the loan, and

(iv) The maintenance cost for the driveway is considered in determining the applicant's repayment ability.

(c) If the property is being purchased with loan funds, it may not be larger than a minimum adequate site, which is the smallest area sufficient for the dwelling, related facilities, and a yard. In determining whether the property is a minimum adequate site the following considerations apply:

(1) In case of purchase of a site on which to construct a dwelling, or purchase of a new dwelling and site, the site should be not more than one acre of land unless more than one acre is needed to provide for an adequate water supply or waste disposal system.

(2) When an existing dwelling is being purchased or debts are being refinanced, the site may include more than one acre only under the following conditions:

(i) When an existing dwelling is being purchased, the seller will sell the dwelling only with the entire site on which it is located and the cost of extra land is not a substantial portion of the loan, or

(ii) In a refinancing case, the extra land cannot be sold for a significant amount, or

(iii) More than one acre is needed to provide an adequate water supply or waste disposal system.

(3) In all cases, the buying of a site of more than one acre must be fully justified and the reasons recorded in the loan docket. In no case may more than three acres be purchased unless authorized by the National Office.

(d) Loans made to buy, build, or repair dwellings located in an area having special flood or mudslide hazards are subject to the conditions of Subpart B of Part 1806 of this chapter (FmHA Instruction 426.2).

§§ 1944.12–1944.14 [Reserved]

(a) After the loan is closed, the applicant must have an interest in the property to be purchased, improved, or refinanced, which qualifies as one of the following:

(1) Full marketable title.

(2) The purchaser's interest under a land purchase contract which obligates payment of the purchase price, gives the rights of present possession, control and beneficial use of the property, and entitles the purchaser to a deed upon paying all or a specific part of the purchase price.

(3) An undivided fee interest if the co-owners meet the security requirements imposed by § 1944.18(b)(8).

(4) A life estate interest with rights of present possession, control and beneficial use of the property if the remaindermen meet the security requirements imposed by § 1944.18(b)(9).

(5) Leasehold interest if all of the following conditions are met:

(i) The applicant is unable to obtain fee title to the property and the rent charged for the lease does not exceed the rate being paid for similar leases.

(ii) The lessor owns the fee simple title.

(iii) Neither the leasehold nor the fee simple title is subject to a prior lien, unless the County Supervisor submits complete information to the State

Director for review and authorization prior to approval of the loan. The amount of the RH loan plus any prior liens may not exceed the recommended market value of the leasehold.

(iv) The written lease contains the following provisions:

(A) The lessor's consent to the RH mortgage.

(b) Reasonable security of tenure. The borrower's interest must not be subject to summary forfeiture or cancellation.

(c) The right of FmHA to foreclose the RH mortgage and sell without restrictions that would adversely affect the market value of the securtiy.

(D) The right of FmHA to bid at foreclosure sale or to accept voluntary conveyance of the security in lieu of foreclosure.

(E) The right of FmHA, after acquiring the leasehold through foreclosure or voluntary conveyance in lieu of foreclosure, or in event of abandonment by the borrower, to occupy the property or sublet it, and to sell for cash or credit. In case of a credit sale, FmHA will take a mortgage with rights similar to those under the original RH mortgage.

(F) The right of the borrower, in the event of default or inability to continue with the lease and the RH loan, to transfer the leasehold, subject to the RH mortgage, to an eligible transferee with assumption of the RH debt.

(G) Advance notice of at least 90 days to FmHA of lessor's intention to cancel or terminate the lease. Such advance notice will be long enough to permit FmHA to ascertain the amount of delinquencies, the total amount of the lessor's and any other prior interests, and the market value of the leasehold interest and, if litigation is involved, to refer the case with a report of the facts to the United States Attorney for appropriate action.

(H) Express provisions covering the question of liability of FmHA for unpaid rentals or other charges accrued at the time it acquires possession of the property or title to the leasehold, and those which become due during FmHA's possession or ownership, pending further servicing or liquidation.

(I) Any necessary provisions to assure fair compensation to the lessee for any part of the premises taken by condemnation.

(v) The lease has an unexpired term, from the date of loan approval, of at least 50 years (a lease for 25 years with an option to the lessee to renew for an additional 25 years would be considered a 50 year lease) except where:

(A) A lease is granted for the purpose of permitting a person to obtain an RH loan and the time required to process and approve the loan results in the unexpired term of the lease being not less than 49 years, or

(B) A lease is in existence at least 1 year prior to the date of the loan approval, and the unexpired term of the lease is at least 50 percent longer than the repayment period of the loan. In no case may the unexpired term of the lease be less than 15 years.

(6) Possessory rights on an Indian reservation or State-owned land if the security requirements imposed by § 1944.18(b)(2) are met.

(7) The interest of an Indian in land held in severalty under trust patents or deeds containing restrictions against alienation if the security requirements imposed by § 1944.18(b)(3) are met.

(b) If an applicant's title to any part of the property does not qualify as an ownership interest under paragraph (a) of this section and is therefore defective, an RH loan may nevertheless be made if:

(1) The defect cannot be cured at a reasonable cost, and

(2) No improvements to be constructed or repaired with loan funds will be located on the parcel to which title is defective, and

(3) No security value will be accorded to the parcel to which title is defective.

§ 1944.16 Building requirements.

(a) *New dwellings.* Dwellings to be built or purchased new must provide decent, safe and sanitary housing that is modest in size, design, and cost, and consistent with the market and other dwellings owned or being built in the area by others with similar incomes. The dwelling should be designed to fit the needs of the applicant but may include 3 bedrooms and 1½ bathrooms if such a dwelling is within the applicant's repayment ability.

(1) The dwelling will contain no more than 1,200 square feet of living area. When the size of the household results in an average of more than two persons per bedroom a larger dwelling may be justified to provide adequate sleeping space. The following will be considered in determining living area:

(i) Living area will include all finished areas as well as unfinished areas that are designed for or normally considered as living area. This will include those areas which meet or can be improved to meet the Housing and Urban Development (HUD) Minimum Property Standards (MPS) requirements for habitable area.

(ii) Living area will not include such space as a stairway between living areas, enclosed stairway, enclosed entryway, space necessary for utilities in a home without a basement, general storage area, porch not suited for year-round use, solar greenhouse which provides heat to the living area, garage or carport which is attached, detached or in the basement area; basement or other area not designed for or normally considered living area.

(2) Special design features or equipment may be included when necessary because of physical handicap or disability.

(3) Two-car garages or carports will not be authorized. Single-car garages or carports may be included if customarily included in other homes in the area.

(4) Solar systems will be used only after approval by the State Architect and authorization by the State Director. Fireplaces and other woodburning devices may be authorized only if the loan approval official determines and documents that a dependable and economical wood supply is available. All fireplaces and other woodburning devices must comply with HUD Minimum Property Standards and with Exhibit D of Part 1924, Subpart A. To assure compliance and to remove uncertainties regarding safety and efficiency, fireplaces and other woodburning devices are authorized only after approval by the State Architect and subsequent authorization by the State Director.

(5) A dwelling for an extended family as defined in § 1944.2(g) may include bedroom area with an exterior entrance and an additional bathroom. This area should be designed in a manner that will not adversely affect the home's potential for resale.

(b) *Existing dwellings.* Existing dwellings purchased with RH funds must be structurally sound, functionally adequate, either be in good repair or placed in good repair with loan funds and meet the standards required by § 1924.5(d)(1)(ii) of this chapter. The policies stated in paragraph (a)(1) of this section may be used as a guide in making a determination of adequate but modest existing dwellings, however, the maximum square footage of living area should be flexible to adjust for modest adequate existing homes that may be available.

(c) *Repairs.* Any dwelling repaired with RH funds must be structurally sound, functionally adequate, and be placed in good repair with loan funds. If the loan is not more than $7,500 and is scheduled for repayment in not more than 15 years from the date of the note, the dwelling may lack some equipment or features such as a complete bath, kitchen cabinets, closets, or completely finished interior in some rooms. Such dwellings must meet the basic housing needs of the applicant and provide

decent, safe, and sanitary living conditions when the improvements financed with the loan are completed.

(d) *Improvements.* Improvements financed with loan funds must be on land which, after loan closing, is part of a tract owned by the borrower in accordance with § 1944.15(a), or on an easement appurtenant to such a tract.

§ 1944.17 Maximum loan amounts.

(a) An RH loan to buy or build a dwelling may be made up to the market value of the security less the unpaid principal balance and past-due interest of any other liens against the security property for:

(1) An existing dwelling which is more than a year old or previously occupied as a residence.

(2) A new dwelling when any of the following conditions exist:

(i) A conditional commitment was issued in accordance with § 1944.45.

(ii) The RH loan will be closed prior to the start of construction.

(iii) Construction is financed in accordance with § 1944.46.

(iv) The required construction inspections were made by the Federal Housing Administration (FHA) or Veterans Administration (VA). A complete set of plans and specifications will be submitted together with copies of inspection reports or certification by FHA or VA indicating the dwelling was built in accordance with approved plans and specifications. The builder will also furnish a certification of compliance with FmHA thermal standards for new construction as required by Exhibit D of Supbart A of Part 1924 of this chapter.

(v) The dwelling was constructed under an insured 10-year warranty plan. The builder will provide complete plans and specifications together with a certification that construction was completed in compliance with the plans and specifications, HUD–FHA Minimum Property Standards and FmHA thermal standards for new construction. The cost of the insured warranty will be included in the sale price of the dwelling, if it is to be charged to the borrower. Prior to loan approval the builder must provide evidence that he/she is an approved builder in good standing under a 10-year insured warranty plan.

(b) Except as provided in paragraph (c) of this section a loan will be limited to 90 percent of the market value of the security for any dwelling that does not meet the requirements of paragraph (a) of this section.

(c) A loan which causes the total secured indebtedness to exceed the appraised value of the property securing the loan may be made when the amount exceeding the appraised value is all or part of a lien held by a public body, hospital or welfare institution for advances made for medical bills, welfare payments, or state motor vehicle judgments provided:

(1) The borrower is unable to settle or compromise such lien sufficiently to avoid exceeding the market value, and

(2) The lien securing the excess amount will at all times be inferior to the FmHA mortgage securing the initial loan and any subsequent loan or advances determined by the FmHA to be reasonably necessary to carry out the purpose of the initial loan or to protect the Government's financial interest, and

(3) The existence of the excess lien will not jeopardize the security or servicing so as to preclude the making of a sound RH loan, and

(4) The borrower has the ability to meet any payments on the excess debt as they become due or are likely to become due.

§ 1944.18 Security requirements.

(a) *Adequate security.* To protect the interests of FmHA all loans must be adequately secured. Except as provided in paragraph (b) of this section, a loan is adequately secured only when all of the following requirements are met:

(1) FmHA obtains at closing a mortgage on all ownership interests in the entire tract.

(2) No liens prior to the FmHA mortgage exist at the time of closing, and no junior liens are likely to be taken immediately subsequent to or at the time of closing.

(3) The provisions of Part 1807, of this chapter (FmHA Instruction 427.1) regarding title clearance, and the use of legal services are complied with.

(b) *Exceptions.* Exceptions to the usual security requirements will be made as follows:

(1) *Note only.* A loan of $2,500 or less scheduled for repayment in not more than 10 years from the date of the note may be secured by the borrower's promissory note alone when the County Supervisor determines that:

(i) The applicant has a credit history which indicates an ability and willingness to pay debts when they are due;

(ii) The applicant will have sufficient income to readily meet all obligations; and

(iii) The applicant's equity in the real estate as improved equals or exceeds the amount of the proposed loan.

(2) *Mortgage insurance.* When the applicant is the holder of possessory rights on an Indian reservation or State-owned land, adequate security in the form of mortgage insurance guaranteeing payment from a State agency or Indian tribe will be acceptable. Separate State Supplements covering loan approval, title clearance, closing, appropriate loan documents and a Memorandum of Understanding with the State or Indian tribe insuring agency should be developed and used with the approval of the State Director and the concurrence of the Office of General Counsel (OGC). Approval of such supplements by the National Office is required prior to participation in any such program.

(3) *Indian land.* Indian land in trust or restricted status acquired with an RH loan will remain in trust or restricted status. In these cases mortgages must be approved by the Secretary of the Interior. When a lien is to be taken on trust or restricted property, the local Bureau of Indian Affairs (BIA) representative will be requested to furnish advice and information with respect to the property and each applicant. The FmHA State Director should arrange with the BIA Area Director or other appropriate local BIA official as to how the information will be requested and furnished. A State Supplement will be issued to prescribe the actions to be taken by FmHA personnel to implement the making of loans under such conditions.

(4) *Best mortgage obtainable.* Loans of $7,500 or less scheduled for repayment in not more than 15 years from the date of the note must be secured by a mortgage, except as provided in paragraph (b)(1) of this section, but title clearance and the use of legal services in accordance with Part 1807 of this Chapter (FmHA Instruction 427.1) are not required. The best mortgage obtainable without use of these procedures will be sufficient unless the loan approval official determines that the procedures in Part 1807 of this Chapter (FmHA Instruction 427.1) are necessary to assure repayment or accomplish the objective of the loan. Evidence of ownership must comply with § 1944.24(d)(2).

(5) *Leasehold.* When the applicant owns only a leasehold interest, FmHA may not require a mortgage on the lessor's interest but will treat the lessee's interest like any other type of ownership interest in determining whether a mortgage on the leasehold is required. The lease must meet the requirements of § 1944.15(a)(5) (iv) and (v). In any State in which applicants are likely to own a leasehold interest, the State Director will issue a State Supplement outlining the technical requirements for making such loans.

(6) *Security by junior lien.* FmHA may take a junior mortgage as security for an RH loan if the tract which will secure the FmHA mortgage provides adequate security for the entire prior lien debt and the RH loan, and

(i) The prior mortgage does not contain provisions that may jeopardize FmHA's security position or the borrower's ability to repay the loan, such as provisions for future advances, forfeiture, cancellation, foreclosure without adequate notice to junior lienholders; or

(ii) Such provisions are satisfactorily limited, modified, or waived.

(7) *Liens junior to FmHA lien.* Liens junior to the FmHA lien will be allowed at closing or immediately subsequent to closing only when:

(i) The junior lien will not interfere with the purposes or repayment of the RH loan, and

(ii) The total amount of the RH loan, the junior lien, and any prior liens will not exceed the market value of the security except as provided in § 1944.17(c).

(8) *Undivided interest.* When the applicant owns an undivided interest in the property, the co-owners' interests need not be included in the mortgage in the following cases:

(i) When one or more of the co-owners are not legally competent, or cannot be located, or the ownership rights are divided among such a large number of co-owners that it is not practical for all their interests to be mortgaged, the mortgaging of interests not exceeding 50 percent may be excluded from the security requirements upon prior approval by the State Director. The State Director should review the County Supervisor's recommendation accompanied by a full statement of ownership and conditions which justify the exclusion. All legally competent co-owners using or occupying the property will be required to sign the mortgage. Co-owners will be required to sign the note when necessary for a sound loan or to obtain the required security. The loan may not exceed the percentage of the market value of the property represented by the interests of the owners who sign the mortgage. In determining such value, consideration will be given to any adverse effect which might result from sale of the mortgaged interests separately from the nonmortgaged interests.

(ii) When an applicant owns an undivided interest in part of a farm and seeks a loan to build or improve facilities on another part in which the applicant owns the entire interest, or the applicant owns only an undivided interest in a building site which will be a part of the farm, the interest of the applicant's co-owners may be excluded from the security requirements upon approval by the State Director if:

(A) The loan will be adequately secured by the applicant's equity in the wholly owned tract,

(B) The market value of the jointly owned tract is at least equal to the debts against it, and

(C) The applicant's participation in the joint ownership of part of the farm and its operations has been and is likely to continue to be successful.

(9) *Life estate.* When the applicant owns a life estate interest in the property, the remaindermen's interests need not be included in the mortgage if one or more of the remaindermen are not legally competent or cannot be located or if the remainder rights are divided among such a large number of remaindermen that it is not practicable to obtain the signatures of all the remaindermen. In that case, the mortgaging of remainder interests, not exceeding 50 percent of the total remainder interest may be excluded from the security requirements upon prior approval by the State Director. The State Director should review the County Supervisor's and District Director's recommendations accompained by a memorandum stating complete ownership information and circumstances which justify the exclusion. In such cases, the loan may not exceed the percentage of market value of the property represented by the interests of those remaindermen who sign the mortgage, determined with due regard to all adverse factors involved. Remaindermen will be required to sign the note when necessary for a sound loan or to obtain the required security.

(10) *Farm dwelling.* When the applicant is the owner of a farm, a mortgage may be taken only on the dwelling and dwelling site provided the following conditions can be met:

(i) The tract to be mortgaged must not include or be close to farm service buildings, must be in a good residential location, be otherwise suitable as a residential type of nonfarm tract, provide adequate security for the loan, be contiguous to and have direct access to a public road, or

(ii) The tract to be mortgaged must contain at least enough land to clearly provide adequate security for the loan and to make the tract readily saleable in the area.

(11) *Land purchase contract.* When the ownership interest is by virtue of a land purchase contract a prior lienholder's agreement must be obtained as required by Part 1807 of this chapter (FmHA Instruction 427.1, paragraph II F5.)

(c) *Additional security.* When necessary to supplement the applicant's equity in the farm or nonfarm tract on which the dwelling is located, or to facilitate servicing the loan, FmHA may also take a mortgage on other real estate owned by the applicant.

(d) *Assignment of income from real estate to be mortgaged.* Income to be received by the borrower from royalties, leases, or other existing agreements under which the value of the real estate security will be depreciated will be assigned and disposed of in accordance with § 1872.11 of Part 1872, of this Chapter (FmHA Instruction 465.1, paragraph XI), and the provisions for written consent of any prior lienholder. In small nonfarm tract cases, the State Director may authorize withholding transmittal of assignments to lessees for execution until production begins. The State Director may, in individual cases, waive the requirement of taking an assignment if repayment of the loan is reasonably assured from other sources.

§§ 1944.19–1944.21 [Reserved]

§ 1944.22 Refinancing debts.

(a) Refinancing of FmHA debts is not authorized.

(b) Loan funds may be used for refinancing non-FmHA debts only if the debt was incurred by the applicant prior to the date the application was filed and the following conditions can be met:

(1) The debt was incurred for purposes for which a Section 502 RH loan could be made or is a protective advance by the mortgagee for items covered by the mortgage to be refinanced, such as accrued interest, insurance premium or real estate tax advances or preliminary foreclosure costs.

(2) The debt must be a lien against the property which will be security for the RH loan. The promissory note and security instrument for the debt must represent rates and terms that were typical and customary for long-term residential financing in the area at the time the debt was incurred.

(3) A loan to refinance a qualified secured debt may also include short-term or unsecured debts, if necessary to establish a sound repayment ability, if such short-term or unsecured debts were incurred for authorized Section 502 loan purposes and are not a significant portion of the loan.

(4) Payments on the debt are so seriously delinquent, for reasons beyond the control of the applicant, that the applicant is likely to lose the dwelling at

an early date if the debt is not refinanced. Such deliquency must be due to loss of employment or income, illness, or such other similar events or unforeseen circumstances.

(5) A statement will be obtained for each debt to be refinanced showing the purpose for which the debt was incurred, the date on which it was incurred, the final due date, interest rate, amount and frequency of installments, amount of delinquency, unpaid pricipal and accrued interest.

(c) If a loand of $5,000 or more is necessary for repairs to correct major deficiencies to make the dwelling decent, safe and sanitary, an existing lien which meets the requirements of paragraph (b) (1), (2) and (3) of this section may be refinanced regardless of delinquency, if necessary for the applicant to have repayment ability for the existing loan and the requested loan for repairs.

(d) Debts or costs incurred after the date of application may be refinanced if the costs were incurred for:

(1) Fees for legal, architectural and other techical services, or

(2) Materials, construction or site acquisition.

(3) The County Supervisor may authorize the use of RH funds to pay costs provided for in paragraphs (d) (1) and (2) of this section only when all of the following conditions exist:

(i) The costs were incurred after the applicant filed a written application for a loan but before the loan was closed. In the case of a subsequent loan to complete improvements previously planned, the costs must have been incurred after the initial loan was closed.

(ii) The applicant is unable to pay such costs from personal resources or to obtain credit from other sources and failure to authorize the use of RH funds to pay such costs would jeopardize the applicant's capability of repaying the loan.

(iii) The construction or repair work conforms to that shown on the building plans and specifications or Form FmHA 424–1, "Development Plan," when applicable, and the costs were incurred for authorized Section 502 loan purposes.

§ 1944.23 Loans to Farm Ownership (FO), Individual Soil and Water (SW), and Recreation (RL) borrowers.

A Section 502 loan may be made to an FO, SW, or RL borrower or simultaneously with an FO loan and a loan from another lender if all conditions of this Subpart are met. In these cases, the borrower's current FO, SW, or RL loan may be reamortized in accordance with § 1951.40 of Subpart A of Part of this chapter.

§ 1944.24 Technical services.

(a) *Planning and performing construction work.* Any construction work will be planned and completed in accordance with Subpart A of Part 1924 of this chapter.

(b) *Planning and performing site development work.* Any site development will be planned and completed in accordance with Subpart D of Part 1804 of this chapter (FmHA Instruction 424.5).

(c) *Appraisal.* The value of property securing RH loans will be determined as follows:

(1) When a mortgage will be taken on a nonfarm tract or small farm, or on a leasehold interest in a nonfarm tract or small farm, to secure a total indebtedness of more than $7,500, an appraisal of the security property will be made in accordance with FmHA Instruction 422.3 (available in any FmHA office). A small farm for the purpose of this Subpart is a farm as defined in § 1944.2(h) of this Subpart which has value primarily as a residence rather than for the production of agricultural commodities, and repayment of the RH loan is not dependent on farm income.

(2) When a mortgage will be taken on a farm tract or leasehold interest in a farm tract to secure a total indebtedness of more than $7,500, an appraisal of the security property will be made in accordance with Subpart A of Part 1809, of this chapter (FmHA Instruction 422.1).

(3) When the total indebtedness will be not more than $7,500, an appraisal of the real estate or leasehold interest is not required, unless the County Supervisor or loan approval official is uncertain as to the adequacy of the security. When an appraisal is not completed the County Supervisor will document in the case file the estimated market value of the property.

(4) When a loan is being made to an FmHA real estate borrower and the FmHA appraisal report in the borrower's case folder indicates the value of the security property is adequate to secure the total real estate indebtedness, including the planned loan, an appraisal is not required.

(5) Real estate mortgaged as additional security will be appraised when it represents a substantial portion of the security for the loan or when requested by the loan approving official.

(d) *Title clearance and legal services.* (1) When real estate will be taken as security except on a best mortgage obtainable basis (including a mortgage on a leasehold), title clearance and legal services for making and closing the loan will be provided in accordance with Part 1807 of this chapter (FmHA Instruction 427.1). Title clearance and legal services will not be requested until the loan is approved.

(2) When real estate will not be mortgaged or when the best real estate mortgage obtainable is taken as security without title clearance or use of legal services, each applicant will be required to submit evidence of ownership of the farm or nonfarm tract. This may be the original or a certified or photostatic copy of the deed, purchase contract, or other instrument evidencing ownership. When the County Supervisor is uncertain as to whether or not the applicant is a qualified owner, such action will be taken as the County Supervisor considers necessary, such as requiring the applicant to furnish additional information or obtaining the advice of the OGC regarding the evidence of ownership submitted and any further information or action that may be needed. Proof of ownership need not be as much as that required by Part 1807 of this Chapter (FmHA Instruction 427.1). For example, it may include such evidence as the levy and payment, in the applicant's name, of taxes on the real estate and affidavits by others in the community to the effect that the applicant has occupied the property as the apparent owner for a given length of time and is believed and generally reputed to be the owner. No loan will be made if the County Supervisor has actual knowledge that the applicant does not have a valid title to the property.

§ 1944.25 Rates, terms, and source of funds.

(a) *Source of funds.* Insured loan funds from the Rural Housing Insurance Fund (RHIF) will be used for all Section 502 loans.

(b) *Interest rate per annum on unpaid principal.* Loans will be made at the interest rate(s) specified in FmHA Instruction 440.1, Exhibit B (available in any FmHA office). If only one interest rate is so specified such rate will be the maximum interest rate established for mortgages under section 203(b) of the National Housing Act by the Secretary of Housing, and Urban Development (HUD). If there are two interest rates for Section 502 insured RH loans specified in FmHA Instruction 440.1, Exhibit B, borrowers will pay the HUD rate if the annual payments required for principal and interest on existing Section 502 RH loans, if any, the annual principal and interest payments on the loan for which application is being made (with

payments calculated at the HUD rate), taxes, and insurance are not more than twenty percent (20%) of the borrower's adjusted annual income; in all other cases the borrower will pay the rate specified as the section 502 rate.

(c) *Amortization.* Each loan will be scheduled for repayment over a period not to exceed 33 years from the date of the note or such shorter period as may be necessary to assure that the loan will be adequately secured, taking into account the probability of depreciation of the security. A loan for $2,500 or less not secured by a real estate mortgage will be scheduled for repayment over a period not to exceed 10 years from the date of the note.

(d) *Interest credit.* Borrowers may be eligible for an interest credit subsidy which can reduce the borrower's effective interest rate to as low as 1 percent. The policies and procedures for granting and servicing interest credit on RH loans are set forth in § 1944.34.

§ 1944.26 Application processing.

(a) *Processing priorties.* Applications for section 502 RH loans will ve processed in accordance with § 1910.4(a) of this chapter except that applications for the following types of loans will have processing priority:

(1) Loans to refinance qualified debts in accordance with § 1944.22(b). Cases where the applicant is in immediate danger of losing the dwelling may be funded from National Office reserve funds if allocated funds are not available.

(2) Subsequent loans which are necessary to complete transfers by assumption, complete credit sales, or for essential improvements or repairs.

(b) *Application forms.* (1) Applications for Section 502 RH loans will be made on Form FmHA 410–4, "Application for Rural Housing Loans (Nonfarm Tract)", or Form FmHA 410–1, "Application for FmHA Services", which are available at local County Offices, and processed in accordance with Subpart A of Part 1910 of this chapter.

(2) If Form FmHA 410–4 does not provide sufficient information to clearly determine the applicant's repayment ability, or if the applicant needs credit counseling, Form FmHA 431–3 will be completed by the applicant and County Supervisor. In preparing Form FmHA 431–3 the following will be considered:

(i) Non-cash items (*e.g.*, food stamps, scholarships, free clothing, or transportation which help reduce the applicant's budgeted expenses) will be properly documented, and budgeted expenses will be reduced accordingly.

(ii) Income from all sources not used to determine adjusted annual income, such as earnings from employment of minors or full-time students, foster care payments, and similar income items, will be considered to the extent it is used to offset budgeted expenses even though such income will not be included in "annual income."

(3) An applicant who completes Form FmHA 410–1 will also complete Form FmHA 431–2 as prescribed in Subpart B or Part 1924 of this chapter. In preparing Form 431–2, the provisions of paragraphs (b)(2)(i) and (ii) of this section will apply to allow consideration of all income and non-cash items. When a loan is to be made to a non-operator farmowner, the columns in Tables B and C pertaining to the operator's share will be changed to the owner's share. If an application is being considered early in the crop year for a borrower who has a current Form FmHA 431–2, such form will be revised to show changes in the financial statement and significant changes in the planned operation. However, if the crop year is well advanced or completed, a farm and home plan will be developed for the ensuring year. The applicant will also complete Form FmHA 431–1, "Long-Time Farm and Home Plan", when needed.

(4) When available funds are not adequate to complete the processing of all applications as they are received, a preliminary determination of eligibility will be made in accordance with §1910.6(c) of this chapter. Applicants who appear eligible based on information provided at time of application will be advised of the estimated waiting period and that a final determination of eligibility will be made when loan funds are available for the processing of their applications. Exhibit E should be used as a guide to notify applicants of preliminary eligibility. Applicants on the waiting list will be notified when funds are available and will be advised of information necessary to determine final eligibility for loan approval.

(c) *Applicant interview.* A personal interview will be conducted by FmHA employees with all applicants before approval of the requested loan. During the interview, the applicant will verify information, including any submitted by a packager or others, concerning the applicant's employment and income. The applicant will also verify information concerning persons who will occupy the dwelling and on whose income eligibility for the loan and any interest credit is based. The County Supervisor will inform the applicant, and reach an understanding with the applicant, as to the FmHA loan making and servicing authorities, and the responsibilities of the applicant or borrower. The *discussion* will include an explanation of all options of assistance which may be available to the applicant or borrower. A documentation of the items *discussed* will be placed in each applicant case file and will be dated and signed by both the applicant and County Supervisor. A copy will be provided to the applicant or borrower at the time of the personal interview. Exhibit D of this Subpart sets forth items which must be included and may be used as a guide in preparing the required documentation for this purpose. *No housing loan will be approved without such evidence that a personal interview has been completed.*

(d) *Credit counseling.* During the time of the applicant's initial interview and application processing, consultation will be provided as necessary to assist the applicant in preparing and understanding a meaningful budget, Form FmHA 431–2, or Form FmHA 431–3, which will reasonably reflect the applicant's repayment ability. County Supervisors will work closely with applicants to better understand all sources of income and cash substitutes. Credit and financial counseling will also be provided, as needed, to suggest financial management methods by which the applicant's success as a homeowner may most likely be achieved. When the County Supervisor determines that the applicant does not have sufficient income to repay the requested loan, other alternatives will be considered such as reducing amenities in the dwelling, selecting a less expensive dwelling or site, obtaining a cosigner, reduction of present debt load or when appropriate, building the dwelling by the self-help method.

(e) *Determining eligibility.* (1) The County Committee will determine eligibility of RH applicants who are also applying for or are indebted for a Farmer Program loan. The County Supervisor will determine eligibility for all other RH applicants.

(2) Repayment ability as outlined in § 1944.8(a)(2), will be evaluated on the circumstances surrounding the individual case including possible eligibility for interest credits as provided in § 1944.34. Obvious repayment ability may be determined by use of the short budget on Form FmHA 410–4. Form FmHA 431–3 will be completed by the applicant and the County Supervisor if eligibility cannot be clearly determined from the short budget. Under no condition(s) will arbitrary guidelines or "rules of thumb" be used. If the applicant(s) can verify payment of a

comparable or greater amount for housing costs for the previous 12 months, the applicant will be presumed to have repayment ability for the requested loan unless:

(i) Projected annual income is less than current or past income,

(ii) Planned expenses are proportionally greater than current expenses, when compared to income, or

(iii) The applicant has increased debts, or failed to pay existing debts in order to maintain the present standard of living.

(3) Credit history will be considered to the extent that it is used in evaluating all applicants for similar types and amounts of credit. For instance, credit requirements for a female applicant will not differ from those of a male applicant.

(4) The age of the applicant will not be used as a consideration of eligibility, except as provided in § 1944.9(d).

(5) The County Supervisor must determine whether the applicant could obtain housing credit elsewhere as follows:

(i) In any case in which a County Supervisor determines there is no possibility of the applicant's obtaining adequate housing credit elsewhere and, therefore, does not require the applicant to provide evidence that an effort has been made to obtain such credit, the County Supervisor will record that conclusion and the basis for it in the loan docket.

(ii) In any case where there may be a possibility that credit could be obtained from another source, the County Supervisor will require the applicant to make a diligent effort to obtain other credit.

(A) Applicants will be expected to apply for credit from lenders engaged in extending long-term housing credit in the area.

(B) Applicants should be advised to request lenders to indicate the amount, interest rate, and terms of housing credit they would be willing to extend to the applicant.

(C) When appropriate, the County Supervisor should verify evidence presented by an applicant that adequate credit is not available elsewhere.

(D) Letters from the lenders and any other evidence indicating that the applicant is unable to obtain credit elsewhere will be included in the loan docket.

(E) In no case will a loan be made to an applicant who is able to obtain the credit needed from another source at terms that can reasonably be expected to be within the applicant's repayment ability.

(f) *Veterans preference.* Veterans preference will apply when:

(1) There is a shortage of funds,

(2) Obligating froms are ready to be submitted to the Finance Office, and

(3) There is more than one application having the same date.

(g) *Optioning of real estate.* The County Supervisor should advise the applicant with respect to the size, design, quality, cost and location of the dwellings and dwelling sites suitable for the RH program. If possible this should be done before the applicant selects a property to be purchased. Form FmHA 440–34, "Option to Purchase Real Property", should be used; however, other option forms may be used if their provisions are acceptable.

(h) *Application assistance.* Builders, brokers, contractors, and others including organizations such as those providing self-help assistance, who can provide complete information on the applicant and the house that is to be purchased, may assist in the assembly and processing of loan applications. Form FmHA 1944–12 "Rural Housing Loan Application Package" will be used for this purpose. Builders or sellers who received conditional commitments may also assist applicants in applying for an RH loan to buy a house for which a conditional commitment was issued in accordance with § 1944.45, The County Supervisor will meet with such interested parties to explain:

(1) The eligibility requirements of RH loans,

(2) The size, design, cost and location of homes that can be financed,

(3) The requirements of FmHA Instruction 1901–E,

(4) How applications will be handled, and

(5) The type of information that must be submitted. The information to be submitted is listed in Exhibit A of this Subpart which may be used as a guide.

(i) *Appeal.* If the decision on the applicant's request for assistance is unfavorable and was based on appealable actions, the applicant will be notified of appeal rights as required by § 1910.6(b) and Subpart B of Part 1910 of this chapter.

§§ 1944.27–1944.29 [Reserved]

§ 1944.30 Preparation of loan docket.

(a) Forms and documents will be fastened in the designated filing positions of the case folder as prescribed in Exhibit A of FmHA Instruction 2033–A (available in any FmHA office). Appropriate loan docket forms will be prepared in accordance with the Forms Manual Insert (FMI) for distribution as follows:

Form No.	Name of form	Total No. of copies	No. signed by borrower	Loan docket	Copy for borrower
FmHA 410-1	Application for FmHA Services.	1	1-O	1-O	
FmHA 410-4	Application for Rural Housing Loans (Nonfarm Tract).	1	1-O	1-O	
FmHA1944-t2	Rural Housing Loan Application Package.	1		1-O	
FmHA 410-5	Request for Verification of Employment.	1		1-O	
FmHA 410-7	Notification to Applicant on Use of Financial Information from Financial Institution.	2		1-C	1-O.
FmHA 410-8	Applicant Reference Letter.	1		1-O	
FmHA 410-9	Statement required by the Privacy Act.	2	2-O and C	1-C	1-O.
FmHA 431-2	Farm and Home Plan	1	1-O	1-O	(in record book).
FmHA 431-1	Long-Time Farm and Home Plan.	2	2-O and C	1-C	1-O.
FmHA 431-3	Family Budget	2	2-O and C	1-C	1-O.
FmHA 440-2	County Committee Certification or Recommendation.	1		1-O	
FmHA 427-8	Agreement with Prior Lienholder (or similar form).	***3		1-O	1-C.
FmHA 440-34	Option to Purchase Real Property.	****3	2-O and C	1-O	1-C.
FmHA 424-1	Development Plan (including any plans, specifications, and cost estimates).	**2	1-O	1-O	1-C.
FmHA 422-1	Appraisal Report (Farm Tract) (with attachments).	1		1-O	
FmHA 427-9	Preliminary Title Opinion	2		1-O	1-C (Designated Attorney).
FmHA 1944-6	Interest Credit Agreement (Section 502 RH Loans).	3	1-O	1-O	1-C (Finance). 1-C.
FmHA 1940-1	Request for Obligation of Funds.	4	2-O and C	1-O	1-C.

Form No.	Name of form	Total No. of copies	No. signed by borrower	Loan docket	Copy for borrower
FmHA 444-2	Single Family Housing Fund Analysis.	4		1-C	
FmHA 440-35	Acceptance of Option	2	1-O	1-C	1-O+
FmHA 440-41	Disclosure Statement for Loans Secured by Real Estate.	3	(See FM!)	1-C	1-O.
FmHA 440-42	Credit Sale Disclosure Statement.	3	(See FM!)	1-C	1-O.
FmHA 440-43	Notice of Right to Rescind.	3	(See FM!)	1-C	2-O and C.
FmHA 400-3	Notice to Contractors and Applicants.	3		1-C	1-C. 1-O (contractor).
FmHA 400-6	Compliance Statement	3		1-C	1-O (contractor). 1-C.
FmHA 440-9	Supplementary Payment Agreement.	2	1-O	1-O	1-C.
FmHA 440-45	Nondiscrimination Certificate (Individual Housing).	2	2-O and C	1-O	1-C.

O Original; C—Copy
**When contract method will be used, 3 copies of plans and specifications will be required.
***Copy to lienholder
****Signed copy of option previously delivered to seller.
+ Original to seller

(b) All other documents necessary for approval of the particular loan will be included in the loan docket. This will include the following or others as appropriate:

(1) A copy of Exhibit D, "Rural Housing Applicant Interview", or a similar document executed by the applicant.

(2) Credit report(s) on the applicant(s).

(3) Evidence of ownership such as a certified copy of the applicant's deed, lease, purchase contract, or other evidence specified in § 1944.24 (d), or a statement by the County Supervisor that such documents have been reviewed.

(4) Estimates of the value of any security for which a formal appraisal report is not required.

(5) Agreements from prior lienholders, if any, when necessary to comply with § 1944.18(b)(6) and § 1807.2(f) of this chapter (paragraph II F of FmHA Instruction 427.1).

(6) When the loan is to be secured by a junior real estate mortgage, the docket must include a copy of each prior mortgage and, if available, a copy of each secured note or other obligation, furnished by the applicant at the applicant's own expense. The docket must include a current statement signed by the mortgagee showing the amount of unpaid principal secured by the mortgage; the amount of any accrued interest; the amount of any delinquency, with interest and principal shown separately; and, if a copy of the note is not furnished, its maturity date, payment schedule, interest rate, and a summary of any other provisions of the note.

(7) When the applicant obtains a cosigner, the docket must include that cosigner's current financial statement, income statement, and employment or business history. This will be supplemented by a statement from the County Supervisor as to the cosigner's financial condition and reputation for paying debts, and any other information, such as a credit report, that will be of assistance to the loan approval official.

§ 1944.31 Loan approval.

(a) The State Director, District and Assistant District Directors, County and Assistant County Supervisors are authorized to approve or disapprove loans in accordance with FmHA Instruction 1901–A (available in any FmHA office).

(b) The loan approval official is responsible for reviewing the docket to determine that the proposed loan complies with established policies and all pertinent regulations and that funds are available for the loan.

(c) Prior to loan approval a new verification of employment will be required if more than 90 days have elapsed since the date of the last verification of employment, or if evidence is brought to the attention of the loan approval official that indicates the applicant's financial status has changed significantly.

(d) When a loan is approved, the loan approval official will:

(1) Indicate on all copies of Form FmHA 1940–1 any condition that must be met before the loan is closed. Also, the loan approval official will specify all security requirements that the applicant will need to meet, such as a first real estate lien or a junior lien subject to certain prior liens. If title evidence is required in accordance with Part 1807 of this Chapter (FmHA Instruction 427.1) or in accordance with any special requirements for the loan but is not included in the docket, the loan may be approved subject to the applicant's furnishing the required title evidence. When the applicant furnishes required title evidence, the County Supervisor will proceed with processing the loan. In those cases in which the title evidence does not comply with the conditions specified by the approval official, the docket will be reconsidered by the loan approval official.

(2) Sign the approval certification on the original and one copy of Form FmHA 1940–1 and insert title in the space provided. The remaining copies will be conformed.

(3) If a loan is not approved after the docket has been developed, the reason for such action with date and initial of the approval official will be shown on the original Form FmHA 1940–1; the County Supervisor will notify the applicant in accordance with § 1910.6 (b) of this chapter.

(e) After the loan is approved the docket forms will be distributed as outlined below.

(1) *To the Finance Office.* (i) Form FmHA 1940–1 (first copy); (ii) Form FmHA 444–2 (original).

(2) *To the State Office.* If the loan is approved by the County Supervisor, or the District Director, an unsigned copy of Form FmHA 1940–1 (unless exempted by State Supplement) and a copy of Form FmHA 444–2 will be sent to the State Office. If the loan is approved in the State Office, an unsigned copy of Form FmHA 1940–1 and a copy of Form FmHA 444–2 will be retained in the State Office.

(3) *To the borrower.* A signed copy of Form FmHA 1940–1, the original of Form FmHA 440–1, and if applicable, the original and copy of Form FmHA 440–43.

§ 1944.32 Actions subsequent to loan approval.

(a) *Requesting a loan check.* (1) A loan check may be requested when all approval conditions can be met and necessary curative actions have been taken to provide a satisfactory title to real estate security. Form FmHA 440–57, "Acknowledgment of Obligated Funds/Check Request," will be completed and a copy sent to the Finance Office to request the check.

(2) A loan check may be requested at the time of loan approval by entering the amount of the check requested on Form FmHA 1940–1 when one of the following conditions exist:

(i) The loan will be secured by a promissory note only, or

(ii) Real estate security will be taken and the County Supervisor is reasonably certain that satisfactory title evidence can be obtained and the loan can be closed within 21 days from the date of the check request.

(3) When not more than $4,000 of the loan funds will remain unexpended for more than 15 days after loan closing the

total amount of the loan will be requested in a single advance.

(4) If loan funds cannot be expended within 15 days the County Supervisor will enter in the appropriate "block" of Form FmHA 1940-1 the amount of loan funds to be disbursed at loan closing. Additional loan funds will be requested when, and in amounts, needed by submitting a completed copy of Form FmHA 440-57 to the Finance Office, or by telephone request if the additional funds cannot be received by the date needed using mail service. The County Supervisor should work with borrowers, developers, and others to be sure that funds will be available when needed and to reduce the multiple advances to a reasonable number. Any loan funds not requested by the "amortization effective date" for the loan, will be disbursed by the Finance Office to the County Office by check dated on the amortization effective date. The check will be deposited in the borrower's supervised bank account if it cannot be endorsed directly to a payee within 20 working days from the date of the check.

(b) *Handling loan checks.* (1) When the loan check or borrower's personal funds are to be deposited in the designated loan closing agent's escrow account, this will be done no later than the date of loan closing. If loan funds or borrrower's personal funds are to be deposited in a supervised bank account, this will be done in accordance with § 1902.6 of this chapter no later than the first banking day following the date of loan closing.

(2) If a loan check is received and the loan cannot be closed within 20 working days from the date of the check, the County Supervisor will take appropriate action in accordance with FmHA Instruction 102.1 (available in any FmHA office).

(c) *Cancellation of loan.* Loans may be cancelled before loan closing by the use of Form FmHA 440-10, "Cancellation of Loan or Grant Check and/or Obligation", prepared in accordance with the FMI for that form. Checks received in the County Office will be returned with a copy of Form FmHA 440-10 to the Disbursing Center, U.S. Treasury Department, P.O. Box 3329, Kansas City, Kansas 66103. Interested parties will be notified of the cancellation as provided in § 1807.6 of this Chapter (FmHA Instruction 427.1). If the cancellation is not a voluntary action by the applicant, the applicant will be notified in accordance with § 1910.6(b) of this chapter.

(d) *Increase or decrease in amount of loan.* If it becomes necessary that the amount of the loan be increased or decreased prior to loan closing, the County Supervisor will request that all distributed docket forms be returned to the County Office. The loan docket will be revised accordingly and reprocessed.

(e) *Property insurance.* Buildings on the property which is to be taken as security for the loan will be insured in accordance with Subparts A and B of Part 1806 of this Chapter (FmHA Instructions 426.1 and 426.2) when appropriate.

§ 1944.33 Loan closing.

(a) *Loans approved with interest credit.* If the loan will be closed and Form FmHA 1944-6 or 1944-A6, "Interest Credit Agreement (section 502 RH Loans)", will be executed more than 90 days after the last "Verification of Employment", or if there is evidence to indicate the applicant's financial status has changed significantly, a current "Verification of Employment" will be obtained and the amount of interest credit will be determined on the basis of the applicant's new circumstances. If the adjusted income exceeds the low-income limit set forth in Exhibit C of this Subpart, the loan will not be closed unless authorized by the State Director. Such authorization may be granted if there is documented evidence to clearly indicate other credit is not available. Interest credit will not be granted in any case in which the adjusted income exceeds the moderate-income limit set forth in Exhibit C.

(b) *Loans approved without interest credit.* Further review of the applicant's financial status is not required at the time of closing unless the loan is closed more than 90 days after the date of loan approval, or there is evidence to indicate the financial status has changed significantly. If the adjusted income exceeds the limit for moderate income set forth in Exhibit C of this Subpart, the case will be referred to the State Director. The State Director may authorize closing of the loan if there is documented evidence to clearly indicate other credit is not available.

(c) *Promissory note.* Form FmHA 440-16, "Promissory Note", will be prepared and signed in accordance with Part 1807 of this chapter (FmHA Instruction 427.1), and the FMI for the form.

(1) The payment alternatives of the note will be completed in accordance with the FMI for the form. Payments of principal and interest will be deferred during the period the dwelling is not expected to be suitable for occupancy as a residence because of construction or repairs to be made. In such cases if the loan is closed before any funds are advanced by the Finance Office or loan funds are distributed by multiple advance, accrued interest is added to principal and repaid in regular amortized installments (payment alternative II) after the deferment period.

(2) The payment provision of the note will be completed in accordance with the FMI for the form and the following:

(i) The monthly payment provision will be used for all borrowers who regularly receive monthly income and who can repay the loan in 12 equal monthly payments.

(ii) The annual payment provision will be used only for borrowers who do not regularly receive monthly income throughout the year. If installments are not to be deferred, the following provisions apply:

(A) The amount of the first installment will be determined by the County Supervisor after considering the immediate debt paying ability of the borrower. The amount of the first installment may be less, but not more, than a regular annual installment.

(B) The amount of the first installment may not be less than the amount equal to interest on the loan from the date of loan closing to the next January 1.

(C) Form FmHA 440-9 should be used to supplement this payment provision to facilitate servicing of loans for borrowers who pay more than one time a year.

(d) *Real estate mortgage.* Form FmHA 427-1, "Real Estate Mortgage for *(state)*" will be used for loans to be secured by a real estate mortgage. Any changes made in the text by deletion, substitution, or addition (excluding filling in blanks) will be initialed in the margin by all persons signing the mortgage. Additions will be made on the mortgage in the following cases:

(1) For a loan secured by a mortgage on a leasehold, the following language, or similar language which in the opinion of OGC is legally adequate, will be inserted in the mortgage just before the legal description of the real estate:

All Borrower's right, title, and interest in and to the leasehold estate for a term of years beginning on , 19 , created, executed and established by certain Lease dated , 19 , by as lessor(s), and recorded at Book , Page of the Records of said County and State, and any renewals and extensions thereof, and all Borrower's right, title, and interest in and to said Lease, covering the following real estate:

(2) For a loan secured by a mortgage on a leasehold an additional covenant will be inserted in the mortgage to read as follows:

Borrower will pay when due all rents and any and all other charges required by said Lease, will comply with all other

requirements of said Lease, and will not surrender or relinquish, without the Government's written consent, any of Borrower's right, title or interest in or to said leasehold estate or under said Lease while this instrument remains in effect.

(3) For all initial and subsequent Section 502 RH loans, until the mortgage forms are revised, the following additional covenant will be inserted above the signature line on the mortgage and be initialed at loan closing by all parties signing the mortgage.

This instrument also secures the recapture of any interest credit or subsidy which may be granted to the borrower(s) by the Government pursuant to 42 U.S.C. 1490a.

(e) *Collection of first installment.* If the annual payment provision of the note is used and payments are not deferred, the first installment of a loan closed during December will be collected at the time of loan closing.

(f) *Direct payments.* Direct payment cards for all new borrowers, including transferees, will be retained in the County Office until the borrower has made at least three monthly payments on time. The cards may then be delivered to the borrower and payments made directly to the Finance Office.The County Supervisor may retain the payment cards for a longer period if such action is considered to be necessary to determine that the borrower is able to make timely payments as agreed. Payments made to the County Office will be forwarded to the Finance Office with the appropriate direct payment card in the Finance Office mail. Cash payments, refunds, and extra payments made by borrowers will be handled in accordance with Subpart B of Part 1951 of this chapter.

(g) *Owner's policy of title insurance.* If an owner's policy of title insurance is obtained, it will be delivered to the borrower as soon as it is received from the title insurance company.

(h) *Real estate mortgage after filing.* When the real estate mortgage is returned by the filing official or loan closing official, the original will be filed in the borrower's case folder. If the original is retained by the filing official in the official records, a copy conformed to show the recording data including the date and place of recording and the book and page number will be filed in the borrower's case folder. A copy of the mortgage will be delivered to the borrower.

(i) *Effective date of loan closing.* A loan secured by a real estate mortgage is closed when the mortgage is filed for record. In other cases a loan is closed when the borrower executes the note and any other required instruments.

(j) *Water stock certificate or other such collateral.* When water stock certificates or other such collateral are part of the security, they will be retained in the County Office. A notation will be made on Form FmHA 1905–1, "Management System Card-Individual", or Form FmHA 1905–5, "Management System Card-Individual (RH Only)", as appropriate, showing that such security has been retained.

(k) *Account record and case folder.* The account record and case folder will be established in accordance with FmHA Instructions 2033–A and 1905–A (available at any FmHA office).

§ 1944.34 Interest credit.

(a) *General.* It is the policy of FmHA to grant interest credit on loans to low-income borrowers to assist them in obtaining decent, safe, and sanitary dwellings and related facilities.

(b) *Definitions.* (1) *Annual payment borrowers.* Borrowers who signed promissory notes providing for annual payments, including borrowers converted to monthly payments through the use of Form FmHA 451–34, "Direct Payment Plan Change".

(2) *Monthly payment borrowers.* Borrowers who signed promissory notes providing for monthly payments.

(3) *Review period.* The review period for an annual payment borrower will be the months of August, September, and October. The review period for a monthly payment borrower will be the third, fourth, and fifth months prior to the anniversary date of the borrower's current Interest Credit Agreement.

(4) *Real estate taxes.* Real estate taxes for interest credit purposes means the amount of real estate taxes and assessments that will actually be due and payable on the dwelling and the dwelling site during the interest credit period, reduced by the amount of any tax exemption available to the borrower, regardless of whether such exemption is actually claimed. Tax exemptions may include such things as homestead exemptions, special exemptions for low-income families, senior citizens, veterans and others.

(c) *Approval authority.* Those FmHA officials who are authorized to approve Section 502 loans are also authorized to approve the Interest Credit Agreement.

(d) *Amount of interest credit.* (1) Loans qualified to be considered in the interest credit calculation include only those advanced for authorized Section 502 RH purposes and which are a lien against the FmHA security by virtue of a prior mortgage or a junior mortgage consented to by FmHA. Except as provided in paragraph (d)(2) of this section, the amount of interest credit granted will be the lesser of:

(i) The difference between 20 percent of the borrower's adjusted annual income and the sum of the annual installments due at the note interest rate on qualified loans plus the cost of real estate taxes and insurance, or

(ii) The difference between the annual installment due on the FmHA promissory notes eligible for interest credit and the amount the borrower would pay if the loan(s) were amortized at an interest rate of 1 percent.

(2) For repair and rehabilitation loans which meet the requirements of paragraph (f) (5) of this section, interest credit will be granted in an amount to achieve the following effective interest rates:

(i) For borrowers whose adjusted annual income is not more than $5,000, interest credit will be calculated to reduce the effective interest rate to 1 percent.

(ii) For borrowers whose adjusted annual income is more than $5,000 but not more than $7,000, interest credit will be calculated to reduce the effective interest rate to 2 percent.

(iii) For borrowers whose adjusted annual income is more than $7,000 but not more than $10,000, interest credit will be calculated to reduce the effective interest rate to 3 percent.

(3) Borrowers qualifying for interest credit assistance under both paragraphs (d)(1) and (d)(2) of this section will be granted only the one type of interest credit assistance that is most beneficial to them. Interest credit on initial and subsequent loans will always be the same type. There is no provision for switching from one type of interest credit to the other.

(e) *Recapture.* At the applicant interview, the County Supervisor will advise all section 502 RH applicants that interest credit is subject to recapture. Applicants who receive interest credit will be required to sign a "Subsidy Repayment Agreement" (Subpart I of Part 1951, Exhibit A of this chapter) at the time the initial interest credit agreement is signed.

(f) *Eligibility.* To be eligible for interest credit, a borrower must qualify for a Section 502 loan, must personally occupy the dwelling, and must meet the following additional requirements:

(1) *Initial loans.* Interest credit may be granted at loan closing if:

(i) The borrower's adjusted annual income does not exceed the applicable low-income limit in Exhibit C.

(ii) The borrower's net worth does not exceed $7,500 (a maximum net worth of $10,000 will be allowed for senior

citizens) unless an exception is authorized. The calculation of net worth will exclude the value of the dwelling and dwelling site, cash on hand which will be used to reduce the amount of the loan, and household goods and the debts against them. For the purpose of determining whether an exception is justified, consideration will be given to the nature of the assets, particularly whether they are assets upon which a borrower is currently dependent for a livelihood or which could be used to reduce or eliminate the need for interest credit. The District Director may authorize exceptions of the net worth limitation up to $20,000. Cases recommended by the State Director for which the net worth exceeds $20,000 will be submitted to the National Office for authorization to grant interest credit.

(iii) The term of the loan is for 33 years, unless authorized otherwise by the State Director, based on complete documentation of the justifiable reasons on an individual case basis. Interest credit will not be granted on loans with a term of less than 25 years, except as provided in paragraph (f)(5) of this section.

(iv) The loan was approved on or after August 1, 1968.

(v) The amount of interest credit will be $5 or more per month or $60 or more annually.

(2) *Subsequent loans.* Interest credit may be granted on subsequent loans which meet the requirements of paragraph (f)(1) of this section or the following conditions:

(i) Interest credit is presently being or will be granted on the initial loan and the borrower's adjusted income does not exceed the moderate-income limit for the State as shown in Exhibit C, and

(ii) The sum of interest credit being granted on the initial and subsequent loans will be $5 or more per month or $60 or more per year.

(3) *Reamortization, transfers and credit sales.* Interest credit may be granted to a borrower buying an inventory dwelling or assuming an RH loan, or when a loan approved after August 1, 1968, is being reamortized provided:

(i) The requirements of paragraph (f)(1) of this section are met except that if the loan being assumed was initially approved before August 1, 1968, the assumption must be on new terms.

(ii) The loan will be reamortized for a term of 25 years or more except as provided in paragraph (f)(5) of this section.

(iii) The note being assumed is not an above-moderate loan.

(4) *Existing loans.* Interest credit may be granted at any time after loan closing if:

(i) The requirements of paragraph (f)(1) of this section are met.

(ii) The loan was approved as a "low or moderate" section 502 loan on or after August 1, 1968.

(iii) The borrower requests interest credit, or the County Supervisor determines that interest credit is needed to enable the borrower to repay the loan. In the case of married borrowers, when one spouse has left the dwelling due to marital discord, interest credit based on the remaining spouse's income may be extended to the remaining spouse if:

(A) The remaining spouse is occupying the dwelling, owns a legal interest in the property, and is liable for the debt;

(B) The FmHA loan account is put in the remaining spouse's name;

(C) Legal papers have been filed with the appropriate court to commence divorce or legal separation proceedings, or one spouse has not been living in the dwelling for at least six months. Interest credit will not be granted if separation is due only to work assignment or military order; and

(D) The remaining spouse is informed and agrees that should the spouse begin to live in the dwelling, that spouse's income will then be counted toward annual income and interest credit may be reduced or cancelled.

(5) *Repair and rehabilitation loans.* Interest credit may be granted on section 502 RH loans made to repair or rehabilitate a dwelling already owned by the applicant provided the following conditions are met:

(i) The initial interest credit will be granted at the time of loan closing;

(ii) The dwelling is, or will be, occupied by an eligible borrower after the loan is made;

(iii) The amount of the loan will not exceed $10,000, or be amortized for not more than 25 years;

(iv) The applicant's adjusted annual income does not exceed $10,000;

(v) The repairs will be made to bring a substandard dwelling up to the standards outlined in § 1944.16(c); and

(vi) The net worth requirements in paragraph (f)(1)(ii) of this section are met.

(g) *Processing interest credit.* (1) *General.* The amount of interest credit for which a borrower may be eligible will be determined by use of Form FmHA 1944–6 or Form FmHA 1944–A6 as outlined in paragraph (d) of this section.

(i) *Determination of income.* The County Supervisor is responsible for determining the borrower's adjusted annual and annual income as defined in § 1944.2, paragraphs (b) and (c) respectively, of this Subpart. A borrower interview will be conducted in all cases for granting initial interest credit. Form FmHA 410–5 will be used to verify the earnings from employment of all persons whose income is included in "Annual Income".

(ii) *Effective period.* Interest Credit Agreements on loans made to monthly payment borrowers will be effective for a two-year period. For annual payment borrowers the agreement will be in effect until the second December 31 after the effective date. The effective date will be as indicated on the FMI for Form FmHA 1944–6.

(iii) *Partial year interest credit.* For an annual payment borrower with an initial installment less than a regular installment, and who will receive less than a full year of interest credit assistance, the interest credit granted will be a pro rata portion calculated on the number of months left in the current calendar year, including the month in which the loan is closed.

(iv) *Advance from the insurance fund.* The repayment schedule for advances made from the Rural Housing Insurance Fund will be computed at the interest rate shown on the promissory note. However, interest will accure and payments will be applied on the amount advanced at the reduced interest rate in effect at the time of payment.

(v) *Preparation of the transaction record.* For borrowers receiving interest credit, the following changes will be shown on Form FmHA 451–26, "Transaction Record", when prepared by the Finance Office:

(A) *Interest rate field.* The interest rate field of the form will continue to show the interest rate on the note. The Finance Office will compute the effective interest rate charged the borrower based on the amount of interest credit granted. The computed rate, rounded to the nearest ⅛ of a percent, will be shown as a footnote on the form as "Interest Rate reduced to ——%". Subsequent transactions will be applied to the loan by the Finance Office at the reduced interest rate until such time as renewal, change, or cancellation occurs.

(B) *Daily interest accrual field.* The daily interest accrual will be shown at the reduced interest rate and the interest will accrue at the same interest rate until such time as the interest credit is renewed, changed, or cancelled.

(C) *Application of credit field.* The initial transaction record form will not have an entry in the "Application of

Credit" field. The Interest Credit Transaction Code for this method of processing interest credit will be 4 Z.

(D) *Payment status field.* The payment status field will not reflect the dollar amount of the interest credit granted. No entry will be made for monthly payment borrowers.

(E) *Minimum amount due by date shown field.* For annual payment borrowers, the amount of the installment, reduced by the amount of interest credit granted, will be shown. For monthly payment borrowers the word "monthly" will be entered in the space provided.

(2) *Initial and subsequent loans.*—(i) *County office action.* The County Supervisor will:

(A) Determine the borrower's adjusted annual income and document the calculations in the case file running record.

(B) Enter on Form FmHA 1940–1, the adjusted annual income, the estimated real estate taxes that will become due and payable during the first and second years of the agreement, and the amount of the annual property insurance premium for the dwelling.

(C) For initial loans approved with interest credit and closed under the multiple advance feature of the loan disbursement system outlined in Subpart A of Part 1902 of this chapter, further review of the borrower's financial status is not required unless the Interest Credit Agreement will be approved more than 90 days after the last "Verification of Employment", or there is evidence which indicates the borrower's financial status has changed significantly. If prior to approval of the Interest Credit Agreement the County Supervisor finds that the adjusted income has increased, interest credit will be granted on the basis of the borrower's new circumstances. Interest credit will not be granted if the borrower's adjusted income exceeds the moderate-income limit indicated in Exhibit C of this subpart.

(D) Complete and submit a corrected Interest Credit Agreement to the Finance Office when the loan is closed, or at the amortization effective date, if the borrower's circumstances have changed so that the amount of interest credit would be increased or decreased by at least $5 monthly or $60 annually.

(ii) *Finance office actions.* The Finance office will:

(A) Enter the information concerning adjusted annual income, the estimated real estate taxes, and the insurance premium on Form FmHA 440–57.

(B) Calculate the amount of interest credit to be granted to the borrower. The amount of interest credit will be determined from the information initially shown on Form FmHA 1940–1.

(C) Prepare and mail Form FmHA 1944–A6 to the County Office when the final loan check is issued. Upon receipt, the form will be completed and a copy returned to the Finance Office only when indicated on the form.

(D) Prepare and issue payment cards to the County Office.

(3) *Reamortization, credit sales and transfers.* Interest credit to a borrower whose loan is being reamortized, or a borrower who assumes an RH loan or purchases property from inventory will be calculated by the County Office on Form FmHA 1944–6. A copy of Form FmHA 1944–6 will be forwarded to the Finance Office along with the copy of the Reamortization Agreement, Advice of Mortgaged Real Estate Sold, or Assumption Agreement. The Finance Office will issue payment cards to the County Office.

(4) *Existing loans.* Interest credit granted in accordance with paragraph (f)(4) of this section can be processed at any time in the same manner as interest credit on initial loans, except that the County Office will complete Form FmHA 1944–6 and calculate the amount of interest credit assistance the borrower will receive. A copy of Form FmHA 1944–6 will be used to send interest credit information to the Finance Office. The daily interest accrual will be reduced as of the effective date entered on the form or as of the date the last cash credit was made to the account, whichever is later.

(h) *Interest credit modification.* (1) *Before expiration.* When approving a change in interest credit assistance before the expiration of a current Interest Credit Agreement in accordance with paragraph (i)(3) of this section, the County Supervisor will again interview the borrower, determine the borrower's adjusted annual income and document the findings in the case file running record. A Form FmHA 1944–6 will be completed in accordance with the FMI and a copy of the form will be forwarded to the Finance Office. The Finance Office will adjust the daily interest accrual as of the date entered on the form or as of the date of the last cash credit made to the account, whichever is later.

(2) *Correction of Interest Credit Agreements.* A corrected Interest Credit Agreement will be prepared if the borrower is still eligible to receive interest credit. The corrected agreement will be submitted to the Finance Office only after the borrower's appeal right has expired or, if the borrower has filed an appeal, after a final decision has been made. In such cases, a Form FmHA 1944–6 showing the proper amount of interest credit which the borrower is entitled to receive will be submitted to the Finance Office to replace the incorrect agreement. The notation "Corrected in accordance with § 1944.34" will be entered on the face of the form. The Finance Office will cancel the incorrect Interest Credit Agreement as of its effective date. Payments made under the previous agreement will be reversed and reapplied at the adjusted interest rate of the new Interest Credit Agreement.

(3) *Interest credit renewal.*—(i) *Initiation of renewal action.* At the beginning of the review period, the Finance Office will mail to the County Office a list of borrowers whose Interest Credit Agreements are expiring, together with a package to be mailed by the County Supervisor to each borrower. The package will contain the following:

(A) A letter of explanation and the instructions for completing the Interest Credit Agreement (Exhibit F of this subpart).

(B) Form FmHA 1944–A6 (3 parts with carbon interleaved).

(C) Two Forms FmHA 410–A5, "Request for Verification of Employment". The County Office name and address will be preprinted in the space provided.

(D) Two window envelopes to be used by the employer(s) to mail the Verification of Employment form(s) to the County Office.

(ii) *Borrower responsibility.* Upon receipt of the package, the borrower will give one copy of the Verification of Employment form to the employer or employers of each member of the household who has income to be considered. A window envelope will be provided each employer to facilitate the mailing of the Verification of Employment form directly to the County Office. The borrower will also complete part II of the Interest Credit Agreement form (leaving carbon intact), sign the original form and bring the original and all copies to the County Office.

(iii) *County office actions.* The County Supervisor, or designee, will:

(A) Maintain the list of borrowers as a record of Interest Credit Agreements processed and sent to the Finance Office.

(B) Conduct an interview with the borrower to review the information on Forms FmHA 1944–A6 and 410–A5 for completeness and accuracy. The interview should, whenever possible, be a personal contact.

(c) Determine the adjusted annual income and document the calculations in the case file running record.

(D) Complete the Interest Credit Agreement and send a copy of the agreement to the Finance Office. If an annual note installment borrower is not eligible for interest credit, enter "0" in the blocks which indicate the amount of interest credit and send a copy of the agreement to the Finance Office. For monthly note installment borrowers not eligible for interest credit a copy of the agreement need not be sent to the Finance Office.

(E) If the Form FmHA 1944–A6 is mutilated or unusable, transfer *all* information preprinted on the form to a new Form FmHA 1944–6 to be signed by the borrower and submit the completed form to the Finance Office.

(F) Retain the original of the Interest Credit Agreement and return the other copy to the borrower.

(G) Notify by letter borrowers not eligible for continued interest credit and those whose interest credit has been reduced of the amount of their revised payments. The letter must notify the borrower of the right to appeal as outlined in § 1944.34(1). A new Form FmHA 440–9 will be obtained when needed.

(iv) *Finance Office actions.* The Finance Office will:

(A) Upon receipt of Form FmHA 1944–A6 from the County Office, send the borrower or the County Office a new set of payment cards.

(B) Before the end of the review period, send the County Office a list of borrowers for whom a renewal Interest Credit Agreement has not been received. The County Office staff will place a checkmark in the appropriate column of the list to indicate those borrowers who are no longer eligible for interest credit or whose agreements will not be renewed. The original of the completed list will be retained in the County Office and a copy returned to the Finance Office.

(v) *Processing interest credit renewals not received during the review period.* The County Supervisor may approve interest credit renewals not completed during the review period. They will be handled as follows:

(A) The amount of interest credit assistance granted will be based on the borrower's planned annual income during the first year of the agreement. The effective date of the Interest Credit Agreement will be as indicated on the FMI for Form FmHA 1944–6.

(B) Payments made by the borrower after the expiration date of the previous Interest Credit Agreement will be applied at the note interest rate until the Finance Office receives a new Form FmHA 1944–6.

(C) Upon receipt of Form FmHA 1944–6, the Finance Office will reduce the daily interest accrued in accordance with the following conditions and limitations:

(*1*) If failure to renew was due to error or oversight by FmHA, the State Director will authorize the Finance Office to reduce the interest accrual as of the effective date entered on the form and reverse and reapply payments processed after the effective date. Such authorization must be in writing.

(*2*) In all other cases the Finance Office will reduce the daily interest accrual as of the effective date entered on the form or as of the date of the last cash credit made to the account, whichever is later.

(i) *Eligibility Review.* The eligibility of those borrowers currently receiving interest credit will be reviewed as follows:

(1) *Biennial review.* The eligibility of all borrowers will be redetermined biennially during the review period.

(i) If the borrower's net worth increases above the applicable eligibility limit, interest credit may nevertheless be renewed unless the increase is sufficient to enable the borrower to graduate to another source of credit.

(ii) Interest credit will not be renewed if:

(A) The amount of interest credit for which the borrower qualifies is less than $5 monthly or $60 annually, or

(B) The borrower's adjusted annual income exceeds the moderate-income limit set forth in Exhibit C of this subpart.

(iii) Interest credit will not be renewed if the borrower has enlarged or improved the dwelling or added related facilities so that the housing exceeds modest standards for size, design, and cost for previously occupied homes as compared to other housing in the locality for low- and moderate-income families.

(2) *Renewals not completed during the review period.* When the borrower's renewal Interest Credit Agreement is not completed during the review period, it will be processed in accordance with § 1944.34(h)(3)(v).

(3) *Change in borrower's circumstances.* The County Supervisor is not responsible for monitoring whether a borrower's income, family size, real estate taxes, or insurance costs have changed after an Interest Credit Agreement is approved. If, however, it becomes known that the borrower's circumstances have changed so that the amount of interest credit assistance the borrower is eligible to receive has increased or decreased, the County Supervisor will take action in accordance with the following:

(i) *Increased adjusted income.* If the County Supervisor determines that the borrower's income exceeds the applicable moderate-income limit in Exhibit C, or that the amount of interest credit for which the borrower qualifies is less than $5 per month or less than $60 per year, interest credit will be cancelled in accordance with § 1944.34(k) effective the date the County Supervisor becomes aware of the situation. If the interest credit will be decreased by $15 or more per month or $180 or more per year a revised interest credit agreement will be submitted to the Finance Office. In the latter case if the term of the agreement has less than five months remaining, no action will be taken until the review period and the change will be effective at the expiration of the current agreement.

(ii) *Decreased adjusted income.* Changes in interest credit may be approved at any time if the amount of interest credit the borrower is eligible to receive is increased by at least $15 per month or $180 per year. Such changes noted during the review period will not be effective until the expiration of the current agreement. Cases involving marital separation must meet the requirements of paragraph (f)(4)(iii) of this section before existing interest credit can be increased.

(j) *Improper interest credit.* (1) *When to take action.* Servicing under this section will be taken when, at the time of interest credit approval, incorrect information was provided by a borrower or any other person or an error by any FmHA employee results in the borrower receiving improper interest credit of $5 or more per month or $60 or more annually.

(2) *Determining improper interest credit.* Whenever there is a reason to believe a borrower was granted improper interest credit the County Supervisor will immediately reverify the information on which the interest credit was based. The County Supervisor will determine if improper interest credit was granted. If there is reason to believe there may be fraud or fiscal irregularities the complete case file together with all facts will be submitted to the State Director. If the State Director believes there is indication of fraud or fiscal irregularity, further investigation will be considered as provided in FmHA Instruction 2012–B (available in any FmHA office). If there is no indication of fraud or fiscal irregularity the case will be returned to the County Supervisor for appropriate corrective action.

(3) *Falsification or error by borrower.* The following actions will be taken when it is determined that excessive interest credit was granted because the borrower intentionally or otherwise provided incorrect information.

(i) The County Supervisor will inform the borrower by certified mail (return receipt requested) of the intent to cancel the Interest Credit Agreement and the effective date of such cancellation. The notice to the borrower will include the right to appeal as provided in § 1900.56 of this chapter. The borrower will also be informed of the amount of monthly payment required after proper corrections are made. A corrected Interest Credit Agreement will be prepared if the borrower remains eligible for a reduced amount of interest credit. The corrected agreement or cancellation will be submitted to the Finance Office only after the borrower's appeal right has expired or if the borrower has filed an appeal and a final decision has been made.

(ii) If the borrower does not appeal, or it is determined that the appeal is not valid, the case will be handled by one of the following methods:

(A) The State Director will request the Finance Office to cancel the Interest Credit Agreement as of the effective date of the current Form FmHA 1944–6 or earlier Form FmHA 1944–6 involved in the period of review or investigation. The Finance Office will then reapply any payment to the account at the note rate of interest or at the rate of the corrected Interest Credit Agreement and will notify the County Supervisor and borrower of any adjustment made in the account.

(B) If the borrower's action appears to have been deliberate and a major error occurred, liquidation may be warranted. For example, such actions may be taken if the information obtained indicates that the borrower was not eligible for an RH loan. Such a borrower will be asked to repay the RH loan by refinancing or otherwise satisfying the account. In other cases, the borrower may already be in default and the fact that the borrower had not correctly reported income may justify liquidation of the loan. The State Director may authorize the account to be repaid under an acceleration agreement if the conditions of § 1872.17(g) of this chapter (FmHA Instruction 465.1 paragraph XVII G) are met.

(C) When falsified information is provided to FmHA in order to qualify the borrower for interest credit (for example, a packager provides information for a borrower), but there is evidence that the borrower is not at fault or definitely did not intend to provide false information, the borrower will be requested to pay the loan in full, including any improper and excessive interest credit that may have been granted. If, however, the borrower is unable to satisfy the account and the State Director determines that the Government's financial interest would not be jeopardized by leaving the loan outstanding, and that it would be inequitable to call it, the loan may be continued.

(D) In cases for which immediate liquidation is not warranted and the State Director determines the loan may be continued, the County Supervisor will make a diligent effort to obtain a lump sum restitution of the improperly advanced interest credit. If the borrower is unable to pay by lump sum payment Form FmHA 451–37 will be used to establish a new repayment schedule. The borrower will be charged interest on the improperly advanced interest credit at the same rate charged on the principal indebtedness.

(4) *Error by FmHA employee.* (i) When the borrower presented correct information and an FmHA employee erroneously granted excessive credit, the following action will be taken:

(A) The County Supervisor will inform the borrower by letter of the action to be taken and of the right to appeal as provided in paragraph (1) of this section.

(B) A cancellation of interest credit or a corrected interest credit agreement will be submitted to the Finance Office only after the borrower's appeal right has expired or if the borrower has filed an appeal and a final decision has been made. The State Director will authorize the Finance Office in writing to reverse and reapply payments made since the effective date of the cancellation or the corrected agreement. The Finance Office will then reapply any payments made on the account during the period in which incorrect interest credit was granted. Interest will be charged at the note rate or at the corrected interest credit rate as provided in paragraph (h)(2) of this section. The amount of improper interest credit will be charged to the borrower's account and become immediately due and payable. The County Supervisor and borrower will be notified of adjustments made in the account.

(C) If the Interest Credit Agreement is cancelled, the County Supervisor will make a diligent effort to obtain a lump sum restitution of the improperly advanced interest credit from the borrower. If this cannot be done, the County Supervisor will take one of the following courses of action:

(*1*) If the borrower can repay the improperly advanced interest credit over a reasonable period of time, the County Supervisor will use Form FmHA 451–37 to establish a new repayment schedule. The borrower will be charged interest on the improperly advanced interest credit at the same rate charged on the principal indebtedness.

(*2*) If the County Supervisor determines that the borrower is unable to repay the improperly granted interest credit, that fact should be documented and the case forwarded to the State Director for review. If the State Director concurs with the findings of the County Supervisor, the case will be forwarded to the National Office with recommendations that the improperly advanced interest credit be forgiven.

(ii) When an error by an FmHA employee results in too little interest credit being granted a corrected agreement will be prepared effective the date of the error, if the error is $5 or more per month or $60 or more per year.

(k) *Cancellation of interest credit agreements.*—(1) *Reasons for cancellation.* An existing Interest Credit Agreement will be cancelled whenever:

(i) The borrower has never occupied the dwelling and FmHA will not continue with the loan.

(ii) The borrower ceases to occupy the dwelling.

(iii) The borrower sells or conveys the title to the property.

(iv) The borrower has received improper interest credit as outlined in § 1944.34(j) and a corrected Interest Credit Agreement will not be submitted.

(v) The borrower has an increase in income as outlined in § 1944.34(i)(3)(i) and is no longer eligible for interest credit.

(vi) The borrower has enlarged or improved the dwelling or added related facilities so that the housing exceeds modest standards for size, design and cost for previously occupied homes compared to other housing in the locality for low- and moderate-income families.

(2) *Effective date of cancellation.* The effective date of cancellation for paragraph (k)(1)(i) of this section will be date of loan closing. The effective date of cancellation for paragraphs (k)(1) (ii), (iii) and (iv) of this section will be the date on which the earliest action occurs which causes the cancellation. If the date cannot be determined, the date on which the County Supervisor became aware of the situation will be used. The effective date of cancellation for paragraph (k)(1) (v) and (vi) of this section will be the date on which the County Supervisor became aware of the situation. When an account has been accelerated and none of the conditions outlined in paragraph (k)(1) of this

section exist, the Interest Credit Agreement will remain in effect until the final foreclosure action is completed. However, if the existing agreement expires before the foreclosure action is completed an interest credit renewal agreement will not be prepared. If foreclosure action is dismissed, withdrawn or terminates without sale of the property or payment of the loan in full a renewal agreement will be prepared with an effective date as of the expiration of the previous agreement.

(3) *Notification to the Finance Office.* The County Supervisor will determine the date of cancellation and notify the Finance Office on Form FmHA 1944–15, "Interest Credit Agreement Cancellation (section 502 RH Loans)." The Finance Office will process the cancellation and will accrue interest from the date of cancellation at the rate of interest shown on the promissory note. Prompt notification to the Finance Office, using Form 1944–15, is extremely important, as any transaction affecting the borrower's account subsequent to cancellation will be incorrect if cancellation action has not been completed by the Finance Office.

(l) *Applicant or borrower notice of right to appeal.* All applicants or borrowers who request and are denied interest credit or whose interest credits are reduced, cancelled, or not renewed, will be notified of their appeal rights as required by § 1900.56 of this chapter except when:

(1) Interest credit is denied and the borrower acknowledges income is above published limits, or

(2) Interest credit is reduced because of income increases which the borrower acknowledges.

(m) *Submission to National Office.* The State Director may submit to the National Office for determination by the Administrator or a delegate any proposed transaction in which the conditions prescribed in the foregoing paragraphs of this section cannot be met, and it is determined that interest credit is necessary to avoid extreme hardship to the family or prevent foreclosure action. This paragraph is primarily intended to be used for those cases in which the granting of interest credit is necessary for the borrower to retain a dwelling for the borrower's own use, and there are no other means to do so. The State Director will submit to the National Office the County Office files together with full facts, justification, and recommendation.

§§ 1944.35–1944.36 [Reserved]

§ 1944.37 Subsequent Section 502 loans.

Subsequent Section 502 loans may be made to present borrowers for the same purpose and under the same conditions and limitations as initial loans, except as provided in this section.

(a) The subsequent loan will be processed in the same manner as initial loans, except that a new appraisal report will be required in accordance with § 1944.24 only when real estate will be taken as security and at least one of the following conditions exists:

(1) The property was not appraised in connection with the initial loan.

(2) The latest appraisal report of the real estate is over two years old.

(3) The physical characteristics of the property have changed significantly.

(4) The County Supervisor or loan approval official is uncertain of the adequacy of the security and request a new appraisal report.

(b) A subsequent RH loan may be made on a note-only basis, provided the amount of the subsequent loan plus the unpaid principal balance of any prior note-only RH loan or loans does not exceed $2,500. Applicants for such loans must meet the requirements of § 1944.18(b)(1).

(c) When a real estate mortgage is required in connection with a subsequent RH loan, any outstanding RH notes will be described in the mortgage unless an exception can be made in accordance with Exhibit A, paragraph II F of FmHA Instruction 427.1 (available in any FmHA office).

(d) The subsequent loan will bear interest at a rate determined in accordance with Exhibit B of FmHA Instruction 440.1 (available in any FmHA office).

(e) When necessary to settle a divorce action, a subsequent loan may be made to permit the remaining borrower, if eligible, to purchase the equity of the departing spouse.

(f) When an area designation has been changed from rural to non-rural, subsequent RH loans may be made only in accordance with the provisions of § 1944.10(g)(4).

(g) The initial RH loan may be reamortized with the prior authorization of the District Director. Authority to reamortize an account will be granted in those cases in which it is determined that the borrower cannot reasonably be expected to meet installments due unless the account is reamortized. It will be processed in accordance with § 1951.314 or § 1951.40 of this chapter.

§ 1944.38 Mutual self-help housing loans.

Applicants who are unable to build modest dwellings by customary methods, because of limited income and repayment ability, may build their homes by participating in a mutual self-help housing project. The County Supervisor will not approve RH loans or proceed in the development of a self-help project without prior authorization of the State Director. If an organization applies for a Technical Assistance (TA) grant, the District Director will submit Form AD–625, "Application for Federal Assistance (Short Form)", and all related information concerning the technical assistance grant to the State Director. If it is determined that the technical assistance grant has been approved for funding, the State Director may issue written authorization for the County Supervisor to approve Mutual Self-Help Housing loans. Exhibit G, "Mutual Self-Help Housing Guidelines", will be used as a guide for developing self-help projects and counseling with participating families. The County Supervisor, in counseling with families participating in self-help housing projects, will determine the anticipated time required for construction.

§ 1944.39 RH loans to FmHA employees and loan closing officials.

FmHA employees, County Committee members, and loan-closing officials, or their spouses may receive a Section 502 RH loan subject to the provisions of this Subpart and the following conditions:

(a) The application will be submitted to the County Office in the usual manner. Written evidence indicating the applicant's inability to obtain the needed credit will be included. The County Office will obtain the verification of employment and credit report and submit the application and related information to the District Director for review. The District Director will forward the applicant's docket, along with written recommendation concerning the applicant's eligibility, to the State Director for eligibility determination.

(b) The State Director will determine the eligibility of the applicant. If eligible, the docket will be returned to the District Director for processing. If the applicant is determined ineligible, the State Director will notify the applicant in writing and will provide the applicant all information required by § 1910.6(b) of this chapter.

(c) The application will be retained in the County Office and will be processed in the same order as other applications. The District Director will be notified when the application is in order for

processing and will be responsible for the complete loan processing.

(d) If the loan applicant works outside the county in which the application is filed, the District Director may permit authorized County Office staff to perform the appraisal function. In all other cases the District Director will appraise the property or have it appraised by a qualified FmHA appraiser from outside the County Office area in which the loan is to be made. The completed loan docket together with the District Director's written recommendation will be submitted to the State Director for consideration of approval.

(e) If the applicant is an employee in the District Office, the State Director will designate another District Director to process the application.

(f) The State Director must, before approving the loan, determine that the applicant has not been and will not be given any advantage because of the FmHA relationship and the making of a loan will not result in a conflict of interest under FmHA Instruction 2045–BB (available in any FmHA office). The dwelling may not exceed the needs of the applicant or be excessive in size, design, or cost when compared to other FmHA financed dwellings in the area.

(g) If the loan is approved, the borrower's case file will not be maintained or serviced in the office where the borrower is or will be employed. If the property is in the area serviced by the office of employment the State Director will designate another District or County Office to service the loan.

(h) If the loan involves any type of construction, the inspections for FmHA will be made by the District Director or another member of the District Director's staff as designated by the District Director. Under no circumstances will the employee receiving the loan make the inspections for FmHA.

(i) Loans, credit sales, or assumption agreements *will not* be approved under this authority for any of the following purposes:

(1) Purchase of inventory property.

(2) Purchase of a dwelling from a RH borrower.

(3) Purchase of FmHA security property being sold at foreclosure sale.

§ 1944.40 Rural housing disaster (RHD) loans.

RHD loans may be made to repair or replace dwellings which were damaged or destroyed by a natural disaster such as earthquake, flood, forest fire, severe windstorm, or lightning.

(a) *Eligibility requirements.* (1) The applicant must meet the requirements of § 1944.8 and § 1944.9.

(2) Nonfarm applicants must have occupied the dwelling as their permanent residence.

(3) The loss by a nonfarm applicant was not the result of a major disaster designated by the President or a natural disaster designated by the Administrator of the Small Business Administration.

(4) The loss by a farmer was not the result of a major disaster designated by the President or a natural disaster designated by the Secretary of Agriculture.

(5) The loan application must be filed within 12 months after the date the loss occurred.

(6) The applicant must use available assets, including insurance loss payments, and other assistance, to the extent available, to repair or replace the damaged or destroyed buildings.

(b) *Repair or replacement of buildings.* Repair or replacement of any damaged or destroyed building must be consistent with the basic section 502 loan policies. Changes may be made in the building, but in any case the repaired or replaced building should not be significantly larger or more costly than the original building except as necessary to provide a building which is adequate but modest. Any new dwelling constructed must meet the limitations established by § 1944.16.

(c) *Interest rate and source of funds.* (1) RHD loans will be made at an interest rate of 5 percent. Interest credit will not be granted for RHD loans.

(2) Insured loan funds will be used for RHD loans.

(d) *Approval authorization.* The State Director, County and Assistant County Supervisors are authorized to approve RHD loans in accordance with FmHA Instruction 1901–A (available in any FmHA office) for Section 502 RH loans.

(e) *Deferred payments.* The initial payments of principal and interest, or principal only, may be deferred so as not to become due until as late as the third January 1 for annual payment notes, or the third anniversary date of the note for monthly payment notes, subject to all of the following conditions:

(1) The applicant, as a result of the loss suffered from the disaster, has had a substantial loss of income; or debts, including the proposed RHD loan, have increased substantially as a result of the disaster.

(2) The income loss or increase in debts must be sufficiently great so that the applicant will not likely be able to pay in full the installments that ordinarily would be due during the proposed deferment period and also meet other obligations.

(3) The applicant's other debts must be adjusted by reduction, reamortization, extension, or other means to the extent possible by negotiation with other creditors.

(4) The applicant's income will be sufficient after the deferment period to enable the applicant to meet the payments on the RHD loan and all other obligations.

(f) *Form FmHA 1940–1.* The appropriate assistance code number will be entered in the space provided to indicate the nature of the loss.

§§ 1944.41–1944.43 [Reserved]

§ 1944.44 Borrower graduation.

Borrowers will be requested to apply for refinancing of RH loans if credit may be available from another source at rates and terms prevailing in the area for homeownership loans. The borrower must apply for and, if approved by the lender, accept the refinancing loan. Graduation reviews will be conducted in accordance with Part 1865 of this chapter (FmHA Instruction 451.6).

§ 1944.45 Conditional commitments.

(a) *General.* A conditional commitment is assurance from FmHA to a qualified builder or seller that dwellings to be built or rehabilitated and offered for sale, will be acceptable for purchase by qualified RH loan applicants if built in accordance with FmHA approved plans and specifications and priced at not more than a specified maximum amount. The conditional commitment does not reserve funds for a loan nor does it assure that a loan applicant will be available to buy the dwelling.

(b) *Eligibilty:* To be eligible for conditional commitments, the builder or seller must:

(1) Be the owner as defined in § 1944.15, before construction is started, of the site on which the dwelling is located or to be built, except as indicated in Subpart G of Part 1822 of this chapter (paragraph VII L of FmHA Instruction 444.8).

(2) Have the experience and ability to complete the type of proposed work in a competent and workmanlike manner.

(3) Be financially responsible and have the ability to finance or obtain financing for the proposed housing or rehabilitation.

(4) Comply with the requirements of Subpart E of Part 1901 of this chapter and the Equal Credit Opportunity Act as required by § 1910.2 of this chapter.

(5) Plan to build or rehabilitate dwellings which will qualify for

purchase by RH applicants and which will be in compliance with all applicable laws, ordinances, and codes.

(6) Have the legal capacity to enter into the required agreements and the actual capacity to carry them out.

(c) *Limitations:* (1) Conditional commitments will be issued only in cases where the commitment applicant's selling price does not exceed the commitment price, which will never be more than the appraised value minus customary closing costs.

(2) Conditional commitments will be issued by FmHA only for new homes to be constructed or existing homes to be rehabilitated.

(3) Conditional commitments will not be issued after construction has started.

(4) Number of conditional commitments.

(i) The total number of commitments issued in any locality will not exceed the number of homes for which there is an immediate and ready market in that locality.

(ii) The number of houses on which conditional commitments will be outstanding to a commitment applicant at any time will not exceed 15 in any one county unless authorized by the State Director after the State Director:

(A) Determines that a larger number of commitments must be made to meet the immediate housing needs in the area;

(B) Determines that authorizing more than 15 commitments to one commitment applicant will not reduce the participation of small volume builders in the Rural Housing program; and

(C) Provides guidelines to the County Supervisor to assure that all builders active in the area have equal opportunity to obtain more than 15 conditional commitments.

(iii) The total number of conditional commitments outstanding in the area served by a County Office will not exceed the number on which the County Supervisor can reasonably expect to be able to approve RH loans within 3 months after the houses covered by the commitments are completed, considering the availability of loan funds and the number of applications in the County Office.

(5) The period of the conditional commitment will be for 12 months from the date of issue. The commitment may be extended for an additional 6 months if justified because of (1) unexpected delays in construction caused by such factors as bad weather or materials shortages, or (2) marketing difficulties.

(6) When five or more conditional commitments have been issued during a 12 month period an affirmative marketing plan will be submitted in accordance with § 1901.203 (c) of Subpart E of Part 1901 of this chapter.

(d) *Conditional commitments involving packaging of applications:* A conditional commitment may be made to a builder who packages a Rural Housing application for an applicant to buy the property. In cases when the dwelling is presold and is to be constructed for sale only to a specific applicant and the information on the house and the loan applicant is submitted at the same time, all of the following conditions must be met to avoid misunderstanding of FmHA's obligation to either the RH applicant or the conditional commitment applicant:

(1) The conditional commitment will not be approved until the RH loan has been approved.

(2) Construction will not begin until the County Office has received notice from the Finance Office that funds are obligated for the RH loan.

(3) The RH loan will be closed only after the dwelling is constructed or the rehabilitation completed and final inspection has been made.

(e) *Fees:* Each commitment applicant will pay an application fee at the time an application is submitted for a conditional commitment. The fee for each dwelling will be:

(1) For proposed construction of new dwellings—$65.

(2) For existing dwellings to be rehabilitated—$50.

(f) *Processing applications.* (1) Applications for conditional commitments will be submitted on Form FmHA 1944–36 "Application for Conditional Commitment". Attachments as outlined on the form will be included for each individual dwelling for which a conditional commitment is requested.

(2) *Transmittal of fees.* The County Supervisor will transmit application fees on Form FmHA 451–2, "Schedule of Remittances". The payment will be handled with all other payments for the day in accordance with Subpart B of Part 1951 of this chapter and the FMI for Form FmHA 451–2.

(3) *Evaluation of applications.* The County Supervisor will take the following actions in the order specified:

(i) Determine whether the commitment applicant meets the requirements of paragraph (b) and (c) of this section.

(ii) Determine whether the dwelling and site meet the requirements of this Subpart and Subpart A of Part 1924 of this chapter and will comply with all local codes and ordinances. The property must meet the requirements of Subpart D of Part 1804 of this chapter (FmHA Instruction 424.5).

(iii) If the commitment applicant and the dwelling and site have qualified, an appraisal will be made in accordance with FmHA Instruction 422.3 (available in any FmHA office).

(4) *Failure of applicant or dwelling to qualify.* In case any commitment applicant or dwelling does not qualify for a conditional commitment, the documents attached to the application will be returned to the commitment applicant with a letter explaining why the application was not approved. If the application is denied for failure to meet the requirements of paragraph (b)(2) or (3) of this section, notice of appeal rights will be given as required by § 1900.56 of this chapter.

(i) The application fee will be refuned if for any reason preliminary inspection of the property or investigation of the commitment applicant indicates that a conditional commitment cannot be issued. For example, the property might be located in a nonrural area or the dwellings may not be of a type that the FmHA can appropriately finance. If a refund is required, a memorandum should be sent to the Finance Office indicating the commitment applicant's name together with the date and amount of fees paid. The memorandum should also indicate the number of commitments being denied and amount of fees to be refunded.

(ii) Application fees will not be refunded for any property on which the appraisal has been made.

(5) *Conditional commitment approval.* The State Director, District Director, County and Assistant County Supervisors are authorized to approve conditional commitments provided the commitment price does not exceed the loan approval authority for Section 502 RH loans as outlined in Subpart A of Part 1901 of this chapter (available in any FmHA office). If the application is approved, the County Supervisor will complete and sign Form FmHA 444–11 "Conditional Commitment". When a qualified applicant applies for a loan to buy a dwelling on which a conditional commitment has been issued, the RH loan docket will be transferred to the conditional commitment folder.

(g) *Inspections.* Inspections of work to be done will be performed in accordance with Subpart A of Part 1924 of this chapter. Failure to correct any deficiencies or to complete the work in accordance with plans and specifications approved by FmHA will be a basis for cancelling the conditional commitment.

(h) *Changes in plans, specifications, and/or commitment price.* The County Supervisor is authorized to approve

changes in plans and specifications that are consistent with HUD MPS and Exhibit D of Subpart A of Part 1924 of this chapter. If the changes are requested after an option has been executed by a rural housing applicant, the change will be approved only after the applicant and the commitment holder submit a written request for approval. If a change will reduce or increase the appraised value of the property, the County Supervisor will revise the commitment price and inform the commitment holder. Also, in cases when the holder of a commitment reports to the County Supervisor that costs associated with the construction or repair of a dwelling have increased, the approval official may increase the commitment price provided the property has not been optioned by an RH applicant, and the County Supervisor determines that the increase is clearly justified, the circumstances causing the price increase were beyond the commitment holder's control, and the value of the property is adequate to permit the increased commitment price. A revised appraisal report will be prepared. The conditional commitment will be revised, initialed, and dated by the person authorizing the change.

(i) *Cancellation of outstanding conditional commitments.* (1) Conditional commitments may be cancelled when construction of the dwelling is not begun within 60 days after the commitment is issued.

(2) Conditional commitments will be cancelled when construction is not in accordance with all FmHA requirements, approved plans, specifications, or MPS, and the builder refuses to make corrections necessary for compliance.

(j) *Folder maintenance.* Documents prescribed in this Subpart will be filed in accordance with FmHA Instruction 2033–A (available in any FmHA office.).

(k) *Builder's warranty.* The builder or seller, as appropriate, will execute Form FmHA 424–19, "Builder's Warranty", or provided a 10-year insured warranty when the loan to buy the dwelling is closed.

§ 1944.46 Construction financing for builders by private credit sources.

(a) The purpose of this section is to provide a method by which a builder may be able to obtain construction credit from commercial sources of credit. It may eliminate the need to use a supervised bank account and also eliminate the need for the borrower to make payments on the loan during construction.

(b) This method may be used under the following conditions:

(1) A conditional commitment has been or will be issued, an RH loan approved, and funds obligated for the applicant in accordance with § 1944.45, or

(2) The applicant owns a building site and will contract the construction or improvement of the building or buildings. In such a case:

(i) The applicant will retain ownership of the site and not convey title to the builder, and

(ii) The lender providing the construction financing will not take a mortgage on the site owned by the applicant or otherwise require the applicant to secure the construction loan.

(c) This method may not be used if the RH loan is made in participation with an FO or an individual SW loan.

(d) Loan docket forms will be prepared in accordance with § 1944.30 of this Subpart. Applicants who own the building site will be required to obtain and submit to the County Supervisor preliminary title evidence in accordance with Part 1807 of this chapter (FmHA Instruction 427.1). Satisfactory title or leasehold interest in the property must be confirmed before execution of Form FmHA 424–6, "Construction Contract," and Form FmHA 444–16, "Notice of Loan Approval".

(e) When Form FmHA 440–57 is received from the Finance Office, the County Supervisor will complete and sign an original and one copy of Form FmHA 444–16. The original of Form FmHA 444–16 will be given to the builder and a copy will be retained in the loan docket.

(f) The builder may present Form FmHA 444–16, Form FmHA 444–11, Form FmHA 440–34, or Form FmHA 424–6, as appropriate, to a commercial lender to obtain construction financing. The County Supervisor will make no commitments to the lender except as indicated on the above forms.

(g) The required inspections will be made by FmHA or a firm or company that will provide a 10 year insured warranty. In all cases the final inspection will be made by FmHA. Copies of Form FmHA 424–12, "Inspection Report," will be provided to the builder and, if requested, to the commercial lender.

(h) The lender is responsible for determining the amount that will be advanced to the builder under the construction financing arrangement, and for determining any measures necessary to protect its interest.

(i) When construction is completed, the loan will be closed in accordance with Subpart A of Part 1807 of this Chapter (FmHA Instruction 427.1), usually within 10 days after satisfactory completion of construction.

§§ 1944.47–1944.50 [Reserved]

Exhibit A—Information Required To Package Applications for Section 502 Rural Housing Loans

I *General Information:* Persons or organizations that want to assist applicants in submitting applications to the Farmers Home Administration FmHA) should first meet with the County Supervisor. If these discussions indicate that the person or organization is capable of satisfactorily delivering complete information about applicants and houses that are likely to qualify for Rural Housing (RH) loans, the County Supervisor will review in detail the information that is needed and the processing steps required in completing an RH loan. The County Supervisor will provide assistance and guidance to all packagers in obtaining the required information. The following FmHA forms and this exhibit may be provided to prospective packagers as needed:

A Form FmHA 1944–12, "Rural Housing Loan Application Package."

B Form FmHA 410–4, "Application for Rural Housing Loans (Nonfarm Tract)."

C Form FmHA 410–1, "Application for FmHA Services."

D Form FmHA 410–5, "Request for Verification of Employment."

E Form FmHA 424–2, "Description of Materials."

F Form FmHA 440–34, "Option to Purchase Real Property."

II *Information Packager or Applicant Must Provide.*—A *Information to be submitted for all applicants.*

1 The applicant should complete the appropriate application form (Form FmHA 410–1 or 410–4).

a All information must be complete and accurate.

b If the applicant has business income, the current operating statement must be attached.

c The applicant must date and sign the application form.

2 Form FmHA 410–5 is used to check employment and income of applicants. The form should be mailed to the employer to be completed and returned directly to the County Office. FmHA will not provide franked envelopes to a packager for this purpose.

3 In cases where it appears that the applicant has sufficient income or assets to qualify for housing credit from another source, a diligent effort must be made to obtain such credit from at least two lenders who customarily make long-term housing loans in the area. If such lenders are unable to provide the credit needed, their written response stating why they cannot assist the applicant should be included in the loan package.

4 The information specified in paragraphs II B or II C of this Exhibit, whichever is applicable, will be submitted. In case FmHA has issued a conditional commitment on the property, information on the house will be on

file in the County Office and need not be resubmitted.

5 If a house to be purchased is under construction, the loan will not be closed until construction is completed. In such a case the information in paragraph II C of this Exhibit will be submitted.

B *Information needed for loans to purchase new homes or to build or rehabilitate homes.* The information requested on the front page of Form FmHA 1944-36 will be submitted along with the completed form. This applies regardless of whether a conditional commitment is being requested in connection with the package.

C *Information to be submitted for loans to buy existing homes.* 1 Form FmHA 1944-12 "Rural Housing Loan Application Package."

2 A signed or certified copy of an option on the property. The option must provide that any payments made by the applicant will be refunded if the loan cannot be made. Form FmHA 440-34, may be used for this purpose.

3 A termite certification whenever required.

4 In case major improvements are involved, submit three sets of complete drawings and specifications of the work that must be done, and a contractor's bid or a reliable cost estimate.

5 If the house qualifies as an existing home, is less than a year old, and an individual water or sewage system is involved, include a certification by the builder that the house and any water and waste disposal system have been or will be built or installed in accordance with the local building codes and plans and specifications. Such plans and specifications will also be submitted. Evidence of approval by health authorities having jurisdiction in the area also will be included. If the house is a year or more old, the County Supervisor will determine that the water and/or sewage system is functionally adequate and that the house meets FmHA requirements.

6 Direction map to the property.

7 Plot plan drawn to scale showing house location and related facilities.

III *Review and Acceptance of Completed Package:* During the initial discussions with packagers, the packager should understand the necessity for, and agree that, the loan packages will be assembled in the order shown on Form FmHA 1944-12 before they are delivered to the County Office. Form FmHA 1944-12 must be signed by the packager and be included with the materials submitted; otherwise, the packaged application will not be accepted. The County Supervisor will review each loan package when it is received and request any additional information needed. An affirmative fair housing plan will be submitted in accordance with § 1901.203 (c) of Subpart E of Part 1901 of this chapter. The County Supervisor will determine eligibility according to Subpart A of Part 1910 of this chapter but will not proceed with the processing of the loan until the applicant has been interviewed. A personal interview will be conducted by an FmHA employee with all applicants before approval of the requested loan in accordance with § 1944.26(c).

A If the applicant appears to be qualified and all needed material is available, the County Supervisor will process the application in accordance with the regulations.

B If a loan can be approved, the County Supervisor will notify the applicant including any requirements that must be met prior to closing the loan. If for any reason a loan cannot be made, the County Supervisor will notify the applicant and the packager. If the loan is denied because the applicant is determined ineligible the applicant will be notified in accordance with § 1910.6 of this chapter.

IV *Packagers' Responsibilities:* Packagers should fully understand their responsibilities in helping applicants to assemble their RH loan applications and that no fees may be charged for providing this service. Packagers must also comply with the requirements of Subpart E, Part 1901 of this chapter, "Civil Rights Compliance Requirements", and the Equal Credit Opportunity Act as provided in § 1910.2 of this chapter.

V *District Directors' Review of Loans Originated by Application Packagers:* District Directors are responsible for reviewing the file of a representative number of borrowers whose RH applications were submitted to the County Office by a packager. At least 5 percent of the cases packaged by each packager working in the county will be reviewed. The folders reviewed will be randomly selected and reviewed at scheduled office visits throughout the year in accordance with §§ 2006.604(c) and 2006.605(a)(1) of FmHA Instruction 2006-M (available in any FmHA office). The review will be made to determine whether: The applicant's income was properly verified; any credit report received was mailed from the Credit Reporting firm directly to the County Supervisor; the County Supervisor interviewed and counseled with the applicant prior to loan approval; the applicant was eligible for the RH assistance granted; and the loan was in accordance with FmHA procedures. Any incidence of unethical activity by a packager or the approval of improper loans by a County Supervisor will be reported promptly to the State Director for appropriate handling.

Exhibit B—Addresses for Authentication of Alien Registration Cards

This Exhibit lists the addresses of the Immigration and Naturalization Service district offices. To comply with § 1944.9(c) of this Subpart, County Supervisors will request verification of the validity of alien registration cards by writing to the nearest office. Following the list of offices is a sample letter that may be used for authenticating the Alien Registration cards.

A list of these offices follows:

Albany, New York 12207, Post Office and Courthouse, Room 220, 445 Broadway
Anchorage, Alaska 99501, U.S. Post Office and Courthouse Building, Room 401, 632 W. 6th Avenue.
Atlanta, Georgia 30309, 1430 West Peachtree Street, NW.
Baltimore, Maryland 21201, E. A. Garmatz Federal Building, 100 S. Hanover St.
Boston, Massachusetts 02203, John Fitzgerald Kennedy Federal Building, Government Center
Buffalo, New York 14202, 68 Court Street
Chicago, Illinois 60604, Dirksen Federal Office Building, 219 South Dearborn Street
Cincinnati, Ohio 45201, U.S. Post Office and Courthouse, 5th and Walnut Streets, Post Office Box 537
Cleveland, Ohio 44199, Anthony J. Clebrezze, Room 1917, Federal Building, 1240 East 9th Street
Dallas, Texas 75202, Room 1C13, Federal Building, 1100 Commerce Street
Denver, Colorado 80202, 17027 Federal Office Building
Detroit, Michigan 48207, Federal Building, 333 Mount Elliott Street
El Paso, Texas 79984, 343 U.S. Courthouse, Post Office Box 9398
Hammond, Indiana 46320, 102 Federal Building, 507 State Street
Hartford, Connecticut 06105, 900 Asylum Avenue
Helena, Montana 59601, Federal Building, Post Office Box 1724
Honolulu, Hawaii 96809, 595 Ala Moana Boulevard, Post Office Box 461
Houston, Texas 77208, Federal Building, U.S. Courthouse, 515 Rusk Avenue, Post Office Box 61630
Kansas City, Missouri 64106, Suite 1100, 324 E Eleventh Street
Los Angeles, California 90012, 300 North Los Angeles Street
Los Fresnos, Texas 78566, Route 3, Box 341
Memphis, Tennessee 38104, 814 Federal Building, 167 North Main Street
Miami, Florida 33130, Room 1324, Federal Building, 51 Southwest First Avenue
Milwaukee, Wisconsin 53202, Room 186 Federal Building, 517 East Wisconsin Avenue
Newark, New Jersey 07102, Federal Building, 970 Broad Street
New Orleans, Louisiana 70113, Postal Services Building, 701 Loyola Avenue
New York, New York 10007, 26 Federal Plaza
Norfolk, Virginia 23502, Room 207, Bank of Virginia Building, 870 North Military Highway
Omaha, Nebraska 68102, Room 1008, Federal Office Building, 106 South 15th Street
Philadelphia, Pennsylvania 19106, Room 1321 U.S. Courthouse, Independence Mall West, 601 Market Street
Phoenix, Arizona 85025, Federal Building, 230 North First Avenue
Pittsburgh, Pennsylvania 15222, 2130 Federal Building, 1000 Liberty Avenue
Port Isabel, Texas 78566, Rural Route 3
Portland, Maine 04112, 76 Pearl Street
Portland, Oregon 97209, Federal Office Building, 511 N.W. Broadway
Providence, Rhode Island 02903, Federal Building, U.S. Post Office, Exchange Terrace
Reno, Nevada 89502, Suite 150, 350 South Center Street
Saint Albans, Vermont 05478, Federal Building, Post Office Box 591
Saint Louis, Missouri 63101, Room 423, U.S. Courthouse and Customhouse, 1114 Market Street
Saint Paul, Minnesota 55111, 180 East Kellogg Blvd.
Salt Lake City, Utah 84138, Room 4103, New Federal Building, 125 South State Street

San Antonio, Texas 78206, Suite A301, U.S. Federal Building, 727 East Durango
San Diego, California 92188, 880 Front Street
San Francisco, California 94111, Appraisers Building, 630 Sansome Street
San Juan, Puerto Rico 00936, U.S. Immigration and Naturalization Service, GPO Box 5068, Hato Rey, Puerto Rico
Seattle, Washington 98134, 815 Airport Way, South
Spokane, Washington 99201, 691 U.S. Courthouse Building
Washington, D.C. 20538, 1025 Vermont Avenue NW.

Sample Letter for Authenticating Alien Registration Cards

To: Immigration and Naturalization Officer

Subject: (Mr.) (and Mrs.) _____

(Passport or Alien Registration Number) (Address) _____

(Mr.) (and Mrs.) (Ms.) _____ (has) applied for a Rural Housing loan from the Farmers Home Administration (FmHA). One condition for eligibility of noncitizens is that the applicant has been admitted to the United States for permanent residency or on indefinite parole.

Please advise whether the identified alien registration card is valid and entitles the holder to remain in the United States for permanent residency or on indefinite parole by completing the last paragraph of this letter and signing in the space provided. Attached is a self-addressed franked envelope for returning the information to this office.

Sincerely,

County Supervisor, FmHA

County Office Address

Privacy Act Consent

I have stated to FmHA personnel that I have been admitted to the U.S. (for permanent residency) (on indefinite parole). My signature below authorizes verification of the requested information.

Applicant _____

Alien Registration Card No. _____ (is) (is not) valid and (does) (does not) entitle the holder to remain in the U.S. (for permanent residency) (on indefinite parole).

Signature _____

Title _____

Immigration and Naturalization Service

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS

Area/county	Very low 50% median	Low income	Moderate income
Maximum adjusted incomes for rural housing programs in Alabama			
Northwest:			
Colbert, Franklin, Lauderdale, Marion, Winston	$8,700	$14,000	$19,500
West:			
Bibb, Fayette, Greene, Hale, Lamar, Pickens, Tuscaloosa	7,000	11,500	17,000
Birmingham:			
Blount, Chilton, Jefferson, Shelby, St. Clair, Walker	9,900	15,000	20,500
East:			
Calhoun, Chambers, Cherokee, Clay, Cleburne, Coosa, Etowah, Randolph, Talladega, Tallapoosa	8,500	14,000	19,500
South Central:			
Bullock, Butler, Crenshaw, Lowndes, Macon, Pike	6,200	11,500	17,000
Tombigbee:			
Choctaw, Clarke, Conecuh, Dallas, Marengo, Monroe, Perry, Sumter, Washington, Wilcox	6,600	11,500	17,000
Southeast:			
Barbour, Coffee, Covington, Dale, Geneva, Henry, Houston	8,000	13,000	18,500
South:			
Baldwin, Escambia, Mobile	9,200	15,000	20,500
Central:			
Autauga, Elmore, Montgomery	10,300	15,000	20,500
Lee County:			
Lee, Russell	9,900	15,000	20,500
North Central:			
Cullman, Lawrence, Morgan	8,200	13,500	19,000
Top of Alabama:			
De Kalb, Jackson, Limestone, Madison, Marshall	8,600	14,000	19,500
Maximum adjusted incomes for rural housing programs in Arizona			
Maricopa:			
Mesa, Peoria, Buckeye, Avondale	12,200	18,000	23,500
Tucson:			
Tucson	11,000	18,000	23,500
District III:			
Prescott, Cottonwood, Flagstaff, Holbrook, Snowflake, Springerville, Winlow Rock	8,500	14,000	19,500
District IV:			
Kingman, Lake Havasu, Parker, Yuma	10,600	17,000	22,500
District V:			
Sacaton, Florence, Eloy, Casa Grande, Globe	9,900	16,000	21,500
District VI:			
Wilcox, Benson, Douglas, Nogales, Safford	10,100	16,500	22,000
Maximum adjusted incomes for rural housing programs in Arkansas			
West Central:			
Clark, Conway, Garland, Hot Springs, Johnson, Montgomery, Perry, Pike, Pope, Yell	7,500	12,500	18,000
Southwest:			
Calhoun, Columbia, Dallas, Hempstead, Howard, Lafayette, Little River, Miller, Nevada, Ouachita, Sevier, Union	7,700	12,500	18,000
Southeast:			
Arkansas, Ashley, Bradley, Chicot, Cleveland, Desha, Drew, Grant, Jefferson, Lincoln	7,000	11,500	17,000
Northwest:			
Baxter, Benton, Boone, Carroll, Madison, Marion, Newton, Searcy, Washington	7,300	12,000	17,500
East:			
Clay, Craighead, Crittenden, Cross, Greene, Lawrence, Lee, Mississippi, Phillips, Poinsett, Randolph, St. Francis	7,100	11,500	17,000
White River:			
Cleburne, Fulton, Independence, Izard, Jackson, Sharp, Stone, Van Buren, White, Woodruff	6,300	11,500	17,000
Central:			
Faulkner, Lonoke, Monroe, Prairie, Pulaski, Saline	9,400	15,000	20,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Western:			
Crawford, Franklin, Logan, Polk, Scott, Sebastian	7,400	12,000	17,500
Maximum adjusted incomes for rural housing programs in California			
District 1:			
Colusa, Del Norte, Glenn, Humboldt, Lassen, Modoc, Shasta, Siskiyou, Tehama, Trinity	10,300	16,500	22,000
District 2:			
Butte, El Dorado, Nevada, Placer, Plumas, Sacramento, Sierra, Sutter, Yolo, Yuba	11,800	18,000	23,500
District 3:			
Alpine, Amador, Calavaras, Madera, Mariposa, Merced, San Joaquin, Stanislaus, Tuolumne	11,400	18,000	23,500
District 4:			
Alameda, Conta Costa, Lake, Marin, Mendocino, Monterey, Napa, San Benito, San Francisco, San Luis Obispo, Santa Cruz, Santa Barbara, Solano, Sonoma, Ventura, San Mateo, Santa Clara	12,900	18,000	23,500
District 5:			
Fresno, Kings, Tulare	10,100	16,500	22,000
District 6:			
Imperial, Inyo, Kern, Orange, Riverside, San Bernardino, San Diego, Los Angeles, Mono	11,800	18,000	23,500
Maximum adjusted incomes for rural housing programs in Colorado			
Region 1:			
Morgan, Washington, Logan, Sedgwick, Yuma, Philips	10,000	16,500	22,000
Region 2:			
Wild, Larimer	11,800	18,000	23,500
Region 3:			
Boulder, Gilpin, Clear Creek, Jefferson, Adams, Arapahoe, Douglas	14,100	18,000	23,500
Region 4:			
Park, Teller, El Paso	11,400	18,000	23,500
Region 5:			
Elbert, Lincoln, Cheyenne, Kit Carson	9,600	15,500	21,000
Region 6:			
Baca, Bent, Prowers, Kiowa, Otero, Crowley	8,700	14,000	19,500
Region 7:			
Pueblo	12,100	18,000	23,500
Region 7B:			
Las Animas, Huerfano	7,800	13,500	19,000
Region 8:			
Saguache, Mineral, Rio Grande, Alamosa, Conejos, Costilla	9,000	14,500	20,000
Region 9:			
Dolores, Montezuma, San Juan, La Plata, Archuleta	9,500	15,500	21,000
Region 10:			
Gunnison, Hinsdale, Ouray, San Miguel, Montrose, Delta	8,800	14,500	20,000
Region 11:			
Mesa, Garfield, Rio Blanco, Moffat	10,300	16,500	22,000
Region 12:			
Routt, Jackson, Grand, Summit, Eagle	12,000	18,000	23,500
Region 13:			
Lake, Chaffee, Fremont, Custer, Pitkin	9,800	16,000	21,500
Maximum adjusted incomes for rural housing programs in Connecticut			
Hartford	14,600	18,000	23,500
Litchfield	14,000	18,000	23,500
Middlesex	14,800	18,000	23,500
New Haven	13,800	18,000	23,500
New London (E)	13,900	18,000	23,500
New London (W)	13,900	18,000	23,500
Windham (E)	12,200	18,000	23,500
Windham (W)	12,200	18,000	23,500
Tolland	16,100	18,000	23,500
Fairfield	21,800	18,000	23,500
Maximum adjusted incomes for rural housing programs in Delaware			
Kent	10,400	15,000	20,500
New Castle	13,800	15,000	20,500
Sussex	10,100	15,000	20,500
Maximum adjusted incomes for rural housing programs in Florida			
District 1:			
Escambia, Okaloosa, Santa Rosa	9,300	15,000	20,500
District 2:			
Bay, Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Leon, Liberty, Wakulla, Walton, Washington	7,800	13,000	18,500
District 3:			
Alachua, Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Suwannee, Madison, Taylor, Union	8,600	14,000	19,500
District 4:			
Baker, Clay, Duval, Flagler, Nassau, Putnam, St. John	10,300	15,000	20,500
District 5:			
Citrus, Hernando, Levy, Marion, Sumter,	7,400	12,000	17,500
District 6:			
Brevard, Lake, Seminole, Orange, Osceola, Volusia	9,400	15,000	20,500
District 7:			
De Soto, Hardee, Highlands, Okeechobee, Polk	8,900	14,500	20,000

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
District 8:			
Hillsborough, Manatee, Pasco, Pinellas	9,500	15,000	20,500
District 9:			
Charlotte, Collier, Glades, Hendry, Sarasota, Lee	9,500	15,000	20,500
District 10:			
Indian River, Martin, Palm Beach, St. Lucie	9,500	15,000	20,500
District 11:			
Broward, Dade, Monroe	11,600	15,000	20,500
Maximum adjusted incomes for rural housing programs in Georgia			
Coastal APDC:			
Liberty, Long, McIntosh, Glynn, Camden, Effingham, Bryan, Chatham	9,800	15,000	20,500
Northeast:			
Jackson, Barrow, Madison, Elbert, Clarke, Oglethorpe, Oconee, Walton, Morgan, Greene	11,000	15,000	20,500
Central Savannah River:			
Lincoln, Walker, Taliaferro, Warren, McDuffie, Glascock, Jefferson, Emanuel Screven, Jenkins, Columbia, Burke, Richmond	8,400	13,500	19,000
Altamaha South:			
Appling, Candler, Bulloch, Evans, Jeff Davis, Tattnall, Toombs, Wayne	7,700	12,500	18,000
Atlanta Reg:			
Cobb, Douglas, Fulton, Clayton, De Kalb, Rockdale, Gwinnett	12,800	15,000	20,500
Middle:			
Monroe, Jones, Crawford, Bibb, Twiggs, Peach, Houston	10,100	15,000	20,500
South:			
Turner, Ben Hill, Irwin, Tift, Cook, Berrien, Brooks, Lowndes, Lanier, Echols	7,900	13,000	18,500
Middle Flint:			
Webster, Taylor, Macon, Marion, Schley, Dooly, Crisp, Sumpter	7,600	12,500	18,000
Lower Chattaho:			
Clay, Columbus, Harris, Talbot, Chattahoochee, Stewart, Quitman, Randolph	7,400	12,000	17,500
Oconee area:			
Jasper, Putnam, Hancock, Baldwin, Washington, Wilkinson, Johnson	8,100	13,000	18,500
Coosa region:			
Dade, Haralson, Walker, Catoosa, Chattooga, Gordon, Floyd, Bartow, Polk, Paulding	10,100	15,000	20,500
Southeast:			
Coffee, Bacon, Atkinson, Ware, Pierce, Brantley, Clinch, Charlton	7,500	12,000	17,500
Chattaho-Flint:			
Carroll, Heard, Coweta, Troup, Meriwether	9,200	15,000	20,500
McIntosh Trail:			
Henry, Fayette, Spalding, Newton, Butts, Pike, Lamar, Upson	11,300	15,000	20,500
Southwest:			
Terrell, Lee, Calhoun, Dougherty, Worth, Early, Baker, Mitchell, Colquitt, Miller, Seminole, Decatur, Grady, Thomas	7,600	12,500	18,000
North:			
Whitfield, Murray, Fannin, Gilmer, Pickens, Cherokee	10,300	15,000	20,500
Heart of Georgia:			
Laurens, Treutlen, Bleckley, Pulaski, Dodge, Wilcox, Wheeler, Telfair, Montgomery	7,200	11,500	17,000
Georgia Mountains:			
Towns, Rabun, Union, Lumpkin, White, Habersham, Dawson, Forsyth, Hall, Banks, Franklin, Hart, Stephens	9,000	14,500	20,000
Maximum adjusted incomes for rural housing programs in Idaho			
District I:			
Boundary, Benewah, Kootenai, Shoshone, Bonner	10,400	17,000	22,500
District II:			
Idaho, Lewis, Clearwater, Nez Perce, Latah	11,200	18,000	23,500
District III:			
Canyon, Boise, Gem, Valley, Owyhee, Ada, Elmore, Payett, Adams, Washington	10,900	17,500	23,000
District IV:			
Cassia, Camas, Gooding, Blaine, Jerome, Minidoka, Lincoln, Twin Falls	9,300	15,000	20,500
District V:			
Bingham, Oneida, Bear Lake, Bannock, Power, Franklin, Caribou	10,400	17,000	22,500
District VI:			
Butte, Custer, Bonneville, Clark, Fremont, Madison, Teton, Jefferson, Lemhi	10,100	16,500	22,000
Maximum adjusted incomes for rural housing programs in Illinois			
District I:			
Jo Davies, Stephenson, Ogle, Bureau, Stark, Marshall, Putnam	11,400	18,000	23,500
Northwest:			
Carroll, Lee, Whiteside	11,700	18,000	23,500
District II:			
De Kalb, La Salle, Kendall, Grundy, Kankakee, Iroquois	12,100	18,000	23,500
Rock Valley M:			
Winnebago, Boone	13,700	18,000	23,500
Northeastern:			
Cook, Du Page, Kane, McHenry, Will, Lake	14,800	18,000	23,500
District III (Part):			
Knox, Livingston, McLean	12,000	18,000	23,500
Bi-State Metro:			
Mercer, Henry, Rock Island	13,200	18,000	23,500
District IV (Part):			
Macon, Sangamon, Cass, Morgan, Scott	11,900	18,000	23,500
Western:			
Fulton, Hancock, Henderson, McDonough, Warren	10,500	17,000	22,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
District V:			
Ford, Mason, Menard, Logan, De Witt, Piatt, Champaign, Vermilion, Shelby, Moultrie, Douglas, Coles, Edgar	11,000	18,000	23,500
Tri-County:			
Peoria, Woodford, Tazewell	14,000	18,000	23,500
District VI (Part):			
Clark, Cumberland	9,300	15,000	20,500
Two River:			
Adams, Schuyler, Brown, Pike	9,700	16,000	21,500
West Central V:			
Calhoun, Greene, Jersey, Macoupin, Montgomery, Christian	10,000	16,000	21,500
Southwestern Me:			
Madison, Bond, St. Clair, Monroe, Clinton, Washington, Randolph	12,400	18,000	23,500
South Central:			
Effingham, Fayette, Marion	9,500	15,500	21,000
Greater Egypt:			
Jefferson, Franklin, Perry, Jackson, Williamson	8,200	13,500	19,000
Southern Five:			
Union, Johnson, Alexander, Pulaski, Massac	8,000	13,500	19,000
Embarras:			
Jasper, Crawford, Clay, Lawrence, Richland	9,400	15,500	21,000
Greater Wabash:			
Wayne, Edwards, Wabash, White	8,000	13,500	20,000
Southeastern:			
Hamilton, Saline, Gallatin, Pope, Hardin	9,000	14,500	19,000
Maximum adjusted incomes for rural housing programs in Indiana			
District 1A:			
Lake, Porter	14,200	18,000	23,500
District 1B:			
Newton, Jasper, Starke, Pulaski	10,000	16,000	21,500
District 2:			
La Porte, St. Joseph, Elkhart, Marshall, Kosciusko	12,100	16,000	23,500
District 3A:			
Whitley, Noble, Lagrange, Huntington, Steuben	11,300	16,000	23,500
District 3B:			
De Kalb, Allen, Wells, Adams	12,800	16,000	23,500
District 4:			
Benton, White, Warren, Fountain, Tippecanoe, Carroll, Montgomery, Clinton	11,100	18,000	23,500
District 5:			
Fulton, Cass, Miami, Wabash, Howard, Tipton	11,500	18,000	23,500
District 6:			
Grant, Blackford, Jay, Madison, Delaware, Randolph, Henry	11,000	18,000	23,500
District 7:			
Putnam, Parke, Vigo, Vermillion, Clay, Sullivan	10,200	16,500	22,000
District 8:			
Boone, Hamilton, Hendricks, Marion, Hancock, Morgan, Johnson, Shelby	12,900	18,000	23,500
District 9:			
Wayne, Rush, Fayette, Union, Franklin	10,700	17,500	23,000
District 10:			
Owen, Monroe	10,700	17,500	23,000
District 11:			
Brown, Bartholomew, Decatur, Jackson, Jennings	11,100	18,000	23,500
District 12:			
Ripley, Dearborn, Ohio, Jefferson, Switzerland	10,800	17,500	23,000
District 13A:			
Greene, Lawrence, Martin, Daviess, Knox	10,000	16,000	21,500
District 13B:			
Gibson, Pike, Vanderburgh, Posey, Warrick	10,700	17,500	23,000
District 14:			
Washington, Scott, Clark, Harrison, Floyd	10,700	17,500	23,000
District 15:			
Orange, Dubois, Crawford, Spencer, Perry	9,700	16,000	21,500
Maximum adjusted incomes for rural housing programs in Iowa			
District 1:			
Allamakee, Clayton, Fayette, Howard, Winneshiek	9,300	15,000	20,500
District 2:			
Cerro Gordo, Floyd, Franklin, Hancock, Kossuth, Mitchell, Winnebago, Worth	10,100	16,500	22,000
District 3:			
Buena Vista, Clay, Dickinson, Emmet, Lyon, O'Brien, Osceola, Palo Alto, Sioux	9,800	16,000	21,500
District 4:			
Cherokee, Ida, Monona, Plymouth, Woodbury	10,800	17,500	23,000
District 5:			
Calhoun, Hamilton, Humboldt, Pocahontas, Webster, Wright	10,300	17,000	22,500
District 6:			
Hardin, Marshall, Poweshiek, Tama	10,600	17,000	22,500
District 7:			
Black Hawk, Bremer, Buchanan, Butler, Chickosaw, Grundy	10,900	18,000	23,500
District 8:			
Cedar, Clinton, Delaware, Dubuque, Jackson	11,600	18,000	23,500
District 9:			
Muscatine, Scott	13,500	16,000	23,500
District 10:			
Benton, Iowa, Johnson, Jones, Linn, Washington	11,500	18,000	23,500
District 11:			
Boone, Dallas, Jasper, Madison, Marion, Polk, Story, Warren	11,800	18,000	23,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
District 12: Audubon, Carroll, Crawford, Greene, Guthrie, Sac	9,800	16,000	21,500
District 13: Cass, Fremont, Harrison, Mills, Montgomery, Page, Pottawattamie, Shelby	10,500	17,000	22,500
District 14: Adair, Adams, Clarke, Decatur, Ringgold, Taylor, Union	8,300	13,500	19,000
District 15: Appanoose, Davis, Jefferson, Keokuk, Lucas, Mahaska, Monroe, Van Buren, Wapello, Wayne	9,000	14,500	20,000
District 16: Des Moines, Henry, Lee, Louisa	11,400	18,000	23,500
Maximum adjusted incomes for rural housing programs in Kansas			
Northwest: Cheyenne, Rawlins, Decatur, Norton, Phillips, Smith, Sherman, Thomas, Sheridan, Graham, Rooks, Osborne, Wallace, Logan, Gove, Trego, Ellis, Russell	9,100	15,000	20,500
Gr. Southwest: Greeley, Wichita, Scott, Lane, Ness, Hamilton, Kearny, Finney, Hodgeman, Stanton, Grant, Haskell, Gray, Ford, Morton, Stevens, Seward, Meade, Clark	10,400	17,000	22,500
North Central: Jewell, Republic, Mitchell, Cloud, Lincoln, Ottawa, Ellsworth, Saline	8,700	14,000	19,500
Golden Belt: Rush, Barton, Pawnee, Stafford, Edwards	10,100	16,500	22,000
Indian Hill: Kiowa, Pratt, Comanche, Barber	10,100	16,500	22,000
Mid-State: Rice, McPherson, Reno	10,100	16,500	22,000
Chikaskia: Kingman, Harper, Sumner	9,200	15,000	20,500
Blue Stem: Greenwood, Elk, Chautauqua, Cowley	8,600	14,000	19,500
Central Plain: Harvey, Sedgwick, Butler	11,300	18,000	23,500
Flint Hills: Dickinson, Morris, Marion, Chase, Lyons	9,000	14,500	20,000
Big Lake: Clay, Riley, Pottawatomie, Geary	9,200	15,000	20,500
Mo-Kan: Doniphan, Atchison	9,400	15,500	21,000
Marc: Leavenworth, Wyandotte, Johnson	12,300	18,000	23,500
Southeast: Woodson, Allen, Bourbon, Wilson, Neosho, Crawford, Montgomery, Labette, Cherokee	8,400	13,500	19,000
In process: Jefferson, Shawnee, Douglas, Osage, Franklin, Miami, Coffey, Anderson, Linn	10,500	17,000	22,500
Unorganized: Washington, Marshall, Nemaha, Brown, Jackson, Wabaunsee	8,500	14,000	19,500
Maximum adjusted incomes for rural housing programs in Kentucky			
Barron River: Allen, Barren, Butler, Edmonson, Hart, Logan, Metcalfe, Monroe, Simpson, Warren	7,300	12,000	17,500
Big Sandy: Floyd, Johnson, Magoffin, Martin, Pike	5,800	11,500	17,000
Bluegrass: Anderson, Bourbon, Boyle, Clark, Estill, Fayette, Franklin, Garrard, Harrison, Jessamine, Lincoln, Madison, Mercer, Nicholas, Powell, Scott, Woodford	9,600	15,000	20,500
Buffalo Trace: Bracken, Fleming, Lewis, Mason, Robertson	7,400	12,000	17,500
Cumberland V: Bell, Clay, Harlan, Jackson, Knox, Laurel, Rockcastle, Whitley	5,400	11,500	17,000
Fivco: Boyd, Carter, Elliott, Greenup, Lawrence	7,900	13,000	18,500
Gateway: Bath, Menifee, Montgomery, Morgan, Rowan	6,700	11,500	17,000
Green River: Daviess, Hancock, Henderson, McLean, Ohio, Union, Webster	9,400	15,000	20,500
Kentuckiana: Bullitt, Henry, Jefferson, Oldham, Shelby, Spencer, Trimble	10,300	15,000	20,500
Kentucky River: Breathitt, Knott, Lee, Leslie, Letcher, Owsley, Perry, Wolfe	5,000	11,500	17,000
Lake Cumberland: Adair, Casey, Clinton, Cumberland, Green, McCreary, Pulaski, Russell, Taylor, Wayne	6,200	11,500	17,000
Lincoln Trail: Breckinridge, Grayson, Hardin, Larue, Marion, Meade, Nelson, Washington	7,900	13,000	18,500
Northern: Boone, Campbell, Carroll, Gallatin, Grant, Kenton, Owen, Pendleton	10,800	15,000	20,500
Pennyrile: Caldwell, Christian, Crittenden, Hopkins, Livingston, Lyon, Muhlenberg, Todd, Trigg	8,200	13,500	19,000
Purchase: Ballard, Calloway, Carlisle, Fulton, Graves, Hickman, Marshall, McCracken	8,800	14,500	20,000
Maximum adjusted incomes for rural housing programs in Louisiana			
Acadiana: Acadia, Evangeline, Iberia, Lafayette, St. Landry, St. Martin, St. Mary, Vermillion	7,800	13,000	18,500
Central Reg: Avoyelles, Catahoula, Concordia, Grant, La Salle, Rapides, Vernon, Winn	7,200	11,500	17,000

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Florida:			
Ascension, E. Baton Rouge, E. Feliciana, Iberville, Livingston, Pointe Coupee, St. Helena, Tangipahoa, Washington, W. Baton Rouge, W. Feliciana	8,900	14,500	20,000
Northeast:			
Caldwell, E. Carroll, Franklin, Jackson, Madison, Morehouse, Ouachita, Richland, Tensas, Union, W. Carroll	6,700	11,500	17,000
Northwest:			
Bienville, Bossier, Caddo, Claiborne, De Soto, Lincoln, Natchiloches, Red River, Sabine, Webster	7,800	12,500	18,000
Imperial Cal:			
Allen, Beauregard, Calcasieu, Cameron, Jeff Davis	8,700	14,000	19,500
Teche:			
Assumption, Lafourche, St. Charles, St. James, St. John Baptist, Terrebonne	9,700	15,000	20,500
Metro-Reg:			
Jefferson, Orleans, Plaquemines, St. Bernard, St. Tammany	10,500	15,000	20,500
Maximum adjusted incomes for rural housing programs in Maine			
Androscoggin	10,500	17,000	22,500
Aroostook	9,000	14,500	20,000
Cumberland	10,700	17,500	23,000
Franklin	10,300	16,500	22,000
Hancock	9,800	16,000	21,500
Kennebec	11,400	18,000	23,500
Knox	9,500	15,500	21,000
Lincoln	10,100	16,500	22,000
Oxford	10,400	17,000	22,500
Piscataquis	9,300	15,000	20,500
Sagadahoc	10,400	17,000	22,500
Somerset	9,700	15,500	21,200
Waldo	9,700	16,000	21,500
Washington	7,900	13,500	19,000
York	11,000	18,000	23,500
Penobscot	10,700	17,500	23,000
Maximum adjusted incomes for rural housing programs in Maryland			
Lower Eastern S:			
Dorchester, Wicomico, Worcester, Somerset	9,400	15,000	20,500
Upper East S:			
Kent, Queen Annes, Caroline, Talbot	9,600	15,500	21,000
Wilmapco:			
Cecil	13,800	18,000	23,500
Tri-Cty South:			
Charles, Calvert, St. Marys	12,900	18,000	23,500
Washington:			
Montgomery, Prince Georges	16,200	18,000	23,500
Baltimore-NP:			
Baltimore, Harford, Carroll, Howard; Anne Arundel	13,500	18,000	23,500
Frederick:			
Frederick	11,700	18,000	23,500
Tri-County-W:			
Garrett, Allegany Washington	9,000	14,500	20,000
Maximum adjusted incomes for rural housing programs in Massachusetts			
District 1:			
Berkshire, Franklin, Hampshire, Hampden, Worcester	12,700	18,000	23,500
District 2:			
Middlesex, Essex, Suffolk, Norfolk, Bristol, Plymouth, Barnstable, Dukes, Nantucket	12,800	18,000	23,500
Maximum adjusted incomes for rural housing programs in Michigan			
Region 1:			
Livingston, Macomb, Monroe, Oakland, St. Clair, Washtenaw, Wayne	14,900	18,000	23,500
Region 2:			
Hillsdale, Jackson, Lenawee	12,800	18,000	23,500
Region 3:			
Barry, Branch, Calhoun, Kalamazoo, St. Joseph	12,400	18,000	23,500
Region 4:			
Berrien, Cass, Van Buren	12,200	18,000	23,500
Region 5:			
Genesee, Lapeer, Shiawassee	14,000	18,000	23,500
Region 6:			
Clinton, Eaton, Ingham	12,900	18,000	23,500
Region 7:			
Arenac, Bay, Clare, Gladwin, Gratiot, Huron, Iosco, Isabella, Midland, Ogemaw, Roscommon, Saginaw, Sanilac, Tuscola	10,900	17,500	23,000
Region 8:			
Allegan, Ionia, Kent, Lake, Mason, Mecosta, Montcalm, Newaygo, Osceola	11,600	18,000	23,500
Region 9:			
Alcona, Alpena, Cheboygan, Crawford, Montmorency, Oscoda, Otsego, Presque Isle	9,200	15,000	20,500
Region 10:			
Antrim, Benzie, Charlevoix, Emmet, Grand Traverse, Kalkaska, Leelanau, Manistee, Missaukee, Wexford	9,800	16,000	21,500
Region 11:			
Chippewa, Luce, Mackinac	8,500	14,000	19,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Region 12: Alger, Delta, Dickinson, Marquette, Menominee, Schoolcraft	10,200	16,500	22,000
Region 13: Baraga, Gogebic, Houghton, Iron, Keeweenaw, Ontonagon	8,500	14,000	19,500
Region 14: Muskegon, Oceana, Ottawa	11,800	18,000	23,500
Maximum adjusted incomes for rural housing programs in Minnesota			
RDC I: Kittson, Marshall, Norman, Pennington, Polk, Redlake, Roseau	9,100	15,000	20,500
RDC II: Beltrami, Clearwater, Hubbard, Lk of Woods, Mahnomen	7,800	13,500	19,000
RDC III: Aitkin, Carlton, Cook, Itasca, Koochiching, Lake, St. Louis	10,400	17,000	22,500
RDC IV: Becker, Clay, Douglas, Grant, Otter Tail, Pope, Stevens, Traverse, Wilkin	8,800	14,500	20,000
RDC V: Cass, Crow Wing, Morrison, Todd, Wadena	8,100	13,500	19,000
RDC VI-E: Kandiyohi, McLeod, Meeker, Renville	9,400	15,000	20,500
RDC VI-W: Big Stone, Chippewa, Lac qui Parle, Swift, Yellow Medicine	8,200	13,500	19,000
RDC VII-E: Chisago, Isanti, Kanabec, Mille Lacs, Pine	10,600	17,000	22,500
RDC VII-W: Benton, Sherburne, Stearns, Wright	11,800	18,000	23,500
RDC VIII: Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood, Rock	9,000	14,500	20,000
RDC IX: Blue Earth, Brown, Faribault, Le Sueur, Martin, Nicollet, Sibley, Waseca, Watonwan	10,000	16,500	22,000
RDC X: Dodge, Fillmore, Freeborn, Goodhue, Houston, Mower, Olmsted, Rice, Steele, Wabasha, Winona	10,700	17,500	23,000
RDC XI: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington	14,300	18,000	23,500
Maximum adjusted incomes for rural housing programs in Mississippi			
Southwest: Claiborne, Jefferson, Adams, Franklin, Wilkinson, Amite, Pike, Walthall, Lincoln, Lawrence	6,200	11,500	17,000
Central: Yazoo, Madison, Warren, Hinds, Copiah, Rankin, Simpson	7,900	13,000	18,500
North Central: Yalobusha, Grenada, Leflore, Carroll, Montgomery, Holmes, Attala	5,800	11,500	17,000
South Delta: Bolivar, Humphreys, Sharkey, Issaquena, Washington, Sunflower	5,300	11,500	17,000
North Delta: Coahoma, De Soto, Quitman, Panola, Tallahatchie, Tate, Tunica	6,300	11,500	17,000
North East: Alcorn, Benton, Marshall, Prentiss, Tippah, Tishomingo	7,000	11,500	17,000
Three River: Calhoun, Chickasaw, Itawamba, Lafayette, Lee, Pontotoc, Monroe, Union	7,300	12,000	17,500
Golden Tri: Clay, Lowndes, Choctaw, Oktibbeha, Noxubee, Webster, Winston	7,100	11,500	17,000
East Central: Clarke, Jasper, Leake, Kemper, Lauderdale, Newton, Neshoba, Smith, Scott	6,500	11,500	17,000
Southern: Covington, Jones, Wayne, Jeff Davis, Marion, Lamar, Forrest, Perry, Greene, George, Stone, Pearl River, Jackson, Harrison, Hancock	8,100	13,000	18,500
Maximum adjusted incomes for rural housing programs in Missouri			
Lake of Ozarks: Camden, Laclede, Miller, Morgan, Pulaski	7,300	13,500	19,000
Mark Twain: Lewis, Macon, Marion, Monroe, Pike, Ralls, Randolph, Shelby	8,700	14,000	19,500
Ozark Foothills: Butler, Carter, Reynolds, Ripley, Wayne	6,200	13,500	19,000
Ozark Gateway: Barton, Jasper, McDonald, Newton	7,700	13,500	19,000
Show-Me: Johnson, Lafayette, Pettis	9,100	15,000	20,500
So. Cent. Ozark: Douglas, Howell, Oregon, Ozark, Shannon, Texas, Wright	5,800	13,500	19,000
Southeast: Bollinger, Cape Girardeau, Iron, Madison, Perry, St Francois, Ste Genevieve	8,300	13,500	19,000
Southwest: Barry, Christian, Dade, Dallas, Greene, Lawrence, Polk, Stone, Taney, Webster	7,700	13,500	19,000
Kaysinger B: Bates, Benton, Cedar, Henry, Hickory, St Clair, Vernon	7,000	13,500	19,000
Green Hills: Caldwell, Daviess, Grundy, Harrison, Linn, Livingston, Mercer, Putnam, Sullivan	7,300	13,500	19,000
Bootheel: Dunklin, Mississippi, New Madrid, Pemiscot, Scott, Stoddard	6,900	13,500	19,000
Northwest: Atchison, Gentry, Holt, Nodaway, Worth	7,900	13,500	19,000

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Northeast:			
Adair, Clark, Knox, Schuyler, Scotland	7,500	13,500	19,000
Mo-Kan:			
Andrew, Buchanan, Clinton, De Kalb	9,400	15,500	21,000
Valley-Region:			
Carroll, Charlton, Saline	8,400	13,500	19,000
Mid-Missouri:			
Audrain, Boone, Callaway, Cole, Cooper, Howard, Moniteau, Osage	10,100	16,500	22,000
Meramec:			
Crawford, Dent, Gasconade, Maries, Phelps, Washington	7,800	13,500	19,000
E-W Gateway:			
St Louis City, Jefferson, St Charles, St Louis, Franklin	13,000	18,000	23,500
Mid-America:			
Cass, Clay, Jackson, Platte, Ray	13,000	18,000	23,500
Boonslick:			
Montgomery, Lincoln, Warren	9,000	14,500	20,000
Maximum adjusted incomes for rural housing programs in Montana			
District 1:			
Daniels, Phillips, Roosevelt, Sheridan, Valley	10,200	16,500	22,000
District 2:			
Dawson, Garfield, McCone, Prairie, Richland, Wibaux	10,400	17,000	22,500
District 3:			
Carter, Custer, Fallon, Powder River, Rosebud, Treasure	9,800	15,500	21,000
District 4:			
Blaine, Hill, Liberty	10,200	16,500	22,000
District 5:			
Cascade, Chouteau, Glacier, Pondera, Teton, Toole	10,000	16,000	21,500
District 6:			
Fergus, Golden Valley, Judith Basin, Petroleum, Wheatland, Musselshell	9,500	15,500	21,000
District 7:			
Big Horn, Carbon, Stillwater, Sweet Grass, Yellowstone	9,700	16,000	21,500
District 8:			
Broadwater, Jefferson, Lewis & Clark	11,400	18,000	23,500
District 9:			
Gallatin, Meagher, Park	10,000	16,000	21,500
District 10:			
Flathead, Lake, Lincoln, Sanders	10,700	17,500	23,000
District 11:			
Mineral, Missoula, Ravalli	10,700	17,500	23,000
District 12:			
Beaverhead, Deer Lodge, Granite, Madison, Powell, Silver Bow	10,400	17,000	22,500
Maximum adjusted incomes for rural housing programs in Nebraska			
Scottsbluff:			
Sioux, Dawes, Sheridan, Box Butte, Scotts Bluff, Morrill, Garden, Banner, Cheyenne, Deuel, Kimball	9,700	16,000	21,500
Ainsworth:			
Cherry, Keya Paha, Boyd, Brown, Rock, Holt, Blaine, Loup, Garfield, Wheeler, Custer, Valley, Greeley, Sherman	7,700	13,500	19,000
North Platte:			
Grant, Hooker, Thomas, Arthur, McPherson, Logan, Keith, Lincoln, Perkins, Chase, Hayes, Frontier, Gosper, Dundy, Hitchcock, Red Willow, Dawson	9,400	15,500	21,000
Kearney:			
Howard, Merrick, Buffalo, Hall, Hamilton, Phelps, Kearney, Adams, Clay, Furnas, Harlan, Franklin, Webster, Nuckolls	9,400	15,500	21,000
Norfolk:			
Knox, Cedar, Dixon, Dakota, Thurston, Cuming, Burt, Antelope, Pierce, Wayne, Boone, Madison, Platte, Colfax, Nance, Stanton	9,100	15,000	20,500
Omaha:			
Dodge, Washington, Douglas, Sanders, Sarpy, Cass, Otoe	11,100	18,000	23,500
Lincoln:			
Butler, Polk, York, Seward, Fillmore, Lancaster, Saline, Thayer, Jefferson, Gage, Johnson, Pawnee, Richardson, Nemaha	9,700	15,500	21,000
Maximum adjusted incomes for rural housing programs in Nevada			
District 6:			
Humboldt, Pershing, Lander, Elko, Eureka, White Pine, Nye	10,600	17,500	23,000
District 7:			
Washoe, Storey, Carson City, Douglas, Lyon, Churchill, Mineral, Esmeralda, Clark, Lincoln	12,500	18,000	23,500
Maximum adjusted incomes for rural housing programs in New Hampshire			
District III VE:			
Coos, Carroll, Grafton, Belknap, Sullivan	10,700	17,500	23,000
District IV VER:			
Cheshire, Hillsboro, Merrimack, Rockingham, Strafford	12,200	18,000	23,500
Maximum adjusted incomes for rural housing programs in New Jersey			
District I:			
Bergen, Essex, Hudson, Hunterdon, Mercer, Middlesex, Morris, Passaic, Somerset, Sussex, Union, Warren	14,900	18,000	23,500
District II:			
Atlantic, Burlington, Cape May, Monmouth, Ocean	13,300	18,000	23,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
District III: Camden, Cumberland, Gloucester, Salem	13,900	18,000	23,500
Maximum adjusted incomes for rural housing programs in New Mexico			
San Juan: San Juan, McKinley	9,500	15,500	21,000
North Central: Colfax, Mora, Rio Arriba, San Miguel, Santa Fe, Taos	7,400	13,500	19,000
Mid Rio Grande: Bernalillo, Los Almos, Sandoval, Torrance, Valencia	11,900	18,000	23,500
Eastern PLS: Curry, De Baca, Guadalupe, Harding, Quay, Roosevelt, Union	8,000	13,500	19,000
South West: Catron, Grant, Hidalgo, Luna	8,900	14,500	20,000
Southeastern: Chaves, Eddy, Lea, Lincoln, Otero	9,600	15,500	21,000
South Rio Grand: Dona Ana, Sierra, Socorro	7,800	13,500	19,000
Maximum adjusted incomes for rural housing programs in New York			
District 1: Allegany, Cattaraugus, Chautauqua, Erie, Niagara	12,200	18,000	23,500
District 2: Genesse, Livingston, Monroe, Ontario, Orleans, Seneca, Wayne, Wyoming, Yates	14,200	18,000	23,500
District 3: Broome, Chemung, Chenango, Delaware, Otsego, Schuyler, Steuben, Tioga, Tompkins	11,200	18,000	23,500
District 4: Cayuga, Cortland, Madison, Oneida, Onondaga, Oswego, Herkimer	12,600	18,000	23,500
District 5: Franklin, Jefferson, Lewis, St Lawrence	10,700	17,500	23,000
District 6: Clinton, Essex, Hamilton, Warren, Washington	12,100	18,000	23,500
District 7: Albany, Columbia, Fulton, Greene, Montgomery, Rensselaer, Saratoga, Schenectady, Schoharie	11,400	18,000	23,500
District 8: Dutchess, Nassau, Orange, Putnam, Rockland, Suffolk, Sullivan, Ulster, Westchester	14,600	18,000	23,500
Maximum adjusted incomes for rural housing programs in North Carolina			
District A: Macon, Swain, Clay, Cherokee, Graham, Jackson, Haywood	7,800	12,500	18,000
District B: Buncombe, Transylvania, Henderson, Madison	9,500	15,000	20,500
District C: McDowell, Polk, Rutherford, Cleveland	9,400	15,000	20,500
District D: Yancey, Ashe, Alleghany, Avery, Mitchell, Watauga, Wilkes	7,400	12,000	17,500
District E: Alexander, Caldwell, Burke, Catawba	10,400	15,000	20,500
District F: Stanly, Mecklenburg, Cabarrus, Gaston, Lincoln, Union, Rowan, Iredell	11,400	15,000	20,500
District G: Alamance, Guilford, Randolph, Davidson, Rockingham, Caswell	11,100	15,000	20,500
District H: Moore, Richmond, Montgomery, Anson	8,300	13,500	19,000
District I: Stokes, Surry, Forsyth, Davie, Yadkin	10,700	15,000	20,500
District J: Durham, Orange, Chatham, Wake, Lee, Johnston	10,300	15,000	20,500
District K: Vance, Franklin, Granville, Person, Warren	8,100	13,500	19,000
District L: Halifax, Northampton, Nash, Edgecombe, Wilson	7,800	13,000	18,500
District M: Sampson, Cumberland, Harnett	8,400	13,500	19,000
District N: Bladen, Scotland, Robeson, Hoke	7,600	12,500	18,000
District O: Brunswick, Pender, New Hanover, Columbus	9,100	15,000	20,500
District P: Carteret, Wayne, Onslow, Duplin, Lenoir, Craven, Pamlico, Greene, Jones	8,100	13,500	19,000
District Q: Pitt, Beaufort, Martin, Bertie, Hertford	7,500	12,000	17,500
District R: Tyrrell, Camden, Currituck, Pasquotank, Chowan, Gates, Perquimans, Washington, Hyde, Dare	8,200	13,500	19,000
Maximum adjusted incomes for rural housing programs in North Dakota			
District 1: Divide, McKenzie, Williams	10,200	16,500	22,000
District 2: Burke, Mountrail, Renville, Bottineau, Ward, McHenry, Pierce	9,600	15,500	21,000
District 3: Rolette, Towner, Cavalier, Benson, Ramsey, Eddy	8,700	14,000	19,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
District 4:			
Pembina, Walsh, Nelson, Grand Forks	9,700	15,500	21,000
District 5:			
Steele, Traill, Cass, Ransom, Sargent, Richland	9,600	15,500	21,000
District 6:			
Wells, Foster, Griggs, Stutsman, Barnes, Logan, La Moure, McIntosh, Dickey	9,200	15,000	20,500
District 7:			
McLean, Sheridan, Mercer, Oliver, Burleigh, Morton, Grant, Emmons, Sioux, Kidder	9,200	15,000	20,500
District 8:			
Adams, Billings, Golden Valley, Bowman, Slope, Dunn, Hettinger, Stark	9,100	15,000	20,500
Maximum adjusted incomes for rural housing programs in Ohio			
District 1:			
Williams, Fulton, Lucas, Ottawa, Sandusky, Seneca, Hancock, Wyandot, Hardin, Putnam, Henry, Defiance, Paulding, Van Wert, Allen, Auglaize, Mercer, Shelby, Darke, Miami, Wood	11,900	18,000	23,500
District 11:			
Preble, Montgomery, Greene, Fayette, Butler, Warren, Clinton, Hamilton, Clermont, Brown, Highland, Pike, Adams, Scioto	11,700	18,000	23,500
District 8:			
Ashtabula, Lake, Geauga, Cuyahoga, Lorzine, Erie, Huron, Medina, Summit, Portage, Trumbull, Mahoning, Columbiana, Carroll, Jefferson, Stark, Wayne, Holmes, Ashland, Richland, Crawford	12,600	18,000	23,500
District 4:			
Tuscarawas, Harrison, Guernsey, Belmont, Muskingum, Noble, Monroe, Morgan, Washington, Athens, Vinton, Jackson, Meigs, Gallia, Lawrence	9,400	15,000	20,500
District 5			
Logan, Union, Marion, Morrow, Knox, Cushocton, Licking, Delaware, Champaign, Clark, Madison, Franklin, Pickaway, Fairfield, Perry, Hocking, Ross	11,000	16,000	23,500
Maximum adjusted incomes for rural housing programs in Oklahoma			
KEDDO:			
Pittsburg, Haskell, Le Flore, Latimer, Pushmataha, Choctaw, McCurtain	7,000	11,500	17,000
SODA:			
Garvin, Pontotoc, Coal, Carter, Murray, Johnston, Atoka, Love, Marshall, Bryan	7,500	12,000	17,500
OEDA:			
Cimarron, Texas, Beaver, Harper, Ellis, Woods, Woodward, Dewey	9,300	15,000	20,500
NODA:			
Alfalfa, Grant, Kay, Major, Garfield, Noble, Blaine, Kingfisher	9,200	15,000	20,500
AGOC:			
Canadian, Logan, Oklahoma, Cleveland	11,400	15,000	20,500
ASCOG:			
Caddo, Grady, McClain, Comanche, Stephens, Tillman, Cotton, Jefferson	8,600	14,000	19,500
EODD:			
Okmulgee, McIntosh, Wagoner, Muskogee, Cherokee, Adair, Sequoyah	7,800	12,500	18,000
COEDD:			
Pawnee, Payne, Lincoln, Pottawatomie, Seminole, Okfuskee, Hughes	8,300	13,500	19,000
SWODA:			
Roger Mills, Custer, Beckhman, Washita, Harmon, Greer, Kiowa, Jackson	7,900	13,000	18,500
INCOG:			
Creek, Tulsa, Osage	10,900	15,000	20,500
NECO:			
Washington, Nowata, Craig, Ottawa, Rogers, Mayes, Delaware	9,400	15,000	20,500
Maximum adjusted incomes for rural housing programs in Oregon			
District 1:			
Clatsop, Tillamook	11,400	18,000	23,500
District 2:			
Clackamas Columbia, Multnomah, Washington	13,300	18,000	23,500
District 3:			
Marion, Polk, Yamhill	11,300	18,000	23,500
District 4:			
Benton, Lincoln, Linn	11,300	18,000	23,500
District 5:			
Lane	12,100	18,000	23,500
District 6:			
Douglas	11,100	18,000	23,500
District 7:			
Coos, Curry	11,500	18,000	23,500
District 8:			
Jackson, Josephine	10,100	16,500	22,000
District 9:			
Hood River, Sherman, Wasco	12,300	18,000	23,500
District 10:			
Crook, Deschutes, Jefferson	11,300	18,000	23,500
District 11:			
Klamath, Lake	11,000	18,000	23,500
District 12:			
Gilliam, Grant, Morrow, Umatilla, Wheeler	10,900	17,500	23,000
District 13:			
Baker, Union, Wallowa	10,400	17,000	22,500
District 14:			
Harney, Malheur	10,600	17,000	22,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Maximum adjusted incomes for rural housing programs in Pennsylvania			
Northwestern: Clarion, Crawford, Erie, Forest, Lawrence, Mercer, Venango, Warren	11,400	18,000	23,500
Southwestern: Allegheny, Armstrong, Beaver, Butler, Fayette, Greene, Indiana, Washington, Westmoreland	11,800	18,000	23,500
North Central: Cameron, Clearfield, Elk, Jefferson, McKean, Potter	10,000	16,000	21,500
South Alleghenies: Bedford, Blair, Cambria, Fulton, Huntingdon, Somerset	10,900	17,500	23,000
Sed-Cog: Centre, Clinton, Columbia, Juniata, Lycoming, Mifflin, Northumberland, Montour, Snyder, Union	10,600	17,000	22,500
Northern tier: Bradford, Sullivan, Susquehanna, Tioga, Wyoming	10,500	17,000	22,500
Northeastern: Carbon, Lackawanna, Luzerne, Monroe, Pike, Schuylkill, Wayne	10,700	17,500	23,000
Del Valley: Bucks, Berks, Chester, Delaware, Lehigh, Montgomery, Northampton, Philadelphia	13,200	18,000	23,500
Capital Reg: Adams, Cumberland, Dauphin, Franklin, Lancaster, Lebanon, Perry, York	13,100	18,000	23,500
Maximum adjusted incomes for rural housing programs in Rhode Island			
Entire State: Bristol, Kent, Newport, Providence, Washington	11,800	18,000	23,500
Maximum adjusted incomes for rural housing programs in South Carolina			
Appalachian: Anderson, Cherokee, Greenville, Oconee, Pickens, Spartanburg	10,900	15,000	20,500
Ber-Cha-Dor: Berkeley, Charleston, Dorchester	9,700	15,000	20,500
Low Country: Beaufort, Colleton, Hampton, Jasper	7,900	13,000	18,500
Lower Savannah: Aiken, Allendale, Bamberg, Barnwell, Calhoun, Orangeburg	8,500	14,000	19,500
Waccamaw: Georgetown, Horry, Williamsburg	7,400	12,000	17,500
Pee Dee: Chesterfield, Darlington, Dillon, Florence, Marion, Marlboro	8,500	14,000	19,500
Santee Wateree: Clarendon, Kershaw, Lee, Sumter	7,800	12,500	18,000
Central Midland: Fairfield, Lexington, Richland, Newberry	9,500	15,000	20,500
Catawba: Chester, Lancaster, Union, York	10,100	15,000	20,500
Upper Savannah: Abbeville, Edgefield, Greenwood, Laurens, McCormick, Saluda	9,400	15,000	20,500
Maximum adjusted incomes for rural housing programs in South Dakota			
District 1: Grant, Clark, Codington, Deuel, Hamlin, Kingsbury, Brookings, Miner, Lake, Moody	8,500	14,000	19,500
District 2: McCook, Minnehaha, Turner, Lincoln, Clay, Union	9,300	15,000	20,500
District 3: Jerauld, Sanborn, Brule, Aurora, Davison, Hanson, Gregory, Charles Mix, Douglas, Hutchinson, Bon Homme, Yankton	8,200	13,500	19,000
District 4: Hand, Faulk, Edmunds, McPherson, Brown, Spink, Beadle, Marshall, Day, Roberts	8,500	14,000	19,500
District 5: Perkins, Corson, Campbell, Ziebach, Dewey, Walworth, Haakon, Stanley, Potter, Sully, Hyde, Hughes, Jones, Lyman, Buffalo, Mellette, Todd, Tripp	8,900	14,500	20,000
District 6: Harding, Butte, Meade, Lawrence, Pennington, Jackson, Custer, Shannon, Washabaugh, Fall River, Bennett	9,400	15,000	20,500
Maximum adjusted incomes for rural housing programs in Tennessee			
First Tennessee: Carter, Greene, Hancock, Hawkins, Johnson, Sullivan, Washington, Unicoi	8,300	13,500	19,000
East: Anderson, Campbell, Claiborne, Cocke, Hamblen, Grainger, Union, Jefferson, Blount, Knox, Sevier Loudon, Monroe, Morgan, Roane, Scott	8,400	13,500	19,000
Southeast: Bradley, Polk, Grundy, McMinn, Meigs, Marion, Rhea, Hamilton, Sequatchie, Bledsoe	8,900	14,500	20,000
Upper Cumberland: Cannon, Cumberland, De Kalb, Van Buren, Warren, White, Clay, Fentress, Jackson, Macon, Overton, Pickett, Putnam, Smith	6,900	11,500	17,000
Mid-Cumberland: Cheatham, Montgomery, Robertson, Davidson, Stewart, Houston, Sumner, Dickson, Humphreys, Rutherford, Trousdale, Williamson, Wilson	10,900	15,000	20,500
South Central: Bedford, Coffee, Franklin, Moore, Lincoln, Marshall, Giles, Hickman, Lewis, Lawrence, Maury, Wayne, Perry	7,900	13,000	18,500
Northwest: Benton, Carroll, Crockett, Dyer, Gibson, Henry, Obion, Lake, Weakley	8,100	13,000	18,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Southwest:			
Chester, Decatur, Hardeman, Hardin, Haywood, Henderson, McNairy, Madison	7,200	12,000	17,500
Memphis-Delta:			
Fayette, Lauderdale, Shelby, Tipton	8,800	14,500	20,000
Maximum adjusted incomes for rural housing programs in Texas			
Panhandle:			
Dallam, Sherman, Hansford, Ochiltree, Lipscomb, Hartley, Moore, Hutchison, Roberts, Hemphill, Oldham, Potter, Carson, Gray, Wheeler, Deaf Smith, Randall, Armstrong, Donley, Collingsworth, Parmer, Castro, Swisher, Briscoe, Hall	10,000	15,000	20,500
South Plains:			
Bailey, Lamb, Hale, Floyd, Motley, Cochran, Hockley, Lubbock, Crosby, Dickens, King, Yoakum, Terry, Lynn, Garza	9,000	14,500	20,000
Nortex:			
Childress, Hardeman, Cottle, Foard, Wilbarger, Baylor, Wichita, Archer, Young, Clay, Jack, Montague	8,700	14,000	19,500
North Central:			
Wise, Denton, Collin, Hunt, Palo Pinto, Parker, Tarrant, Dallas, Rockwall, Erata, Hood, Johnson, Ellis, Somervell, Nayarro, Kaufman	11,500	15,000	20,500
Texoma:			
Cooke, Grayson, Fannin	9,400	15,000	20,500
Ark-Tex:			
Lamar, Red River, Bowie, Delta, Hopkins, Franklin, Titus, Morris, Cass	8,200	13,500	19,000
West Texas:			
El Paso, Hudspeth, Culberson, Jeff Davis, Presidio, Brewster	8,500	14,000	19,500
Permiam:			
Gaines, Dawson, Borden, Andrews, Martin, Howard, Loving, Winkler, Ector, Midland, Glasscock, Reeves, Ward, Crane, Upton, Pecos, Terrell	10,400	15,000	20,500
West Central:			
Knox, Kent, Stonewall, Haskell, Throckmorton, Scurry, Fisher, Jones, Shackelford, Stephens, Mitchell, Nolan, Taylor, Callahan, Eastland, Runnels, Coleman, Brown, Comanche	8,100	13,000	18,500
Concho Valley:			
Sterling, Coke, Reagan, Irion, Tom Green, Concho, Crockett, Schleicher, Menard, McCulloch, Mason, Sutton, Kimble	8,200	13,500	19,000
Mid Rio Grande:			
Valverde, Edwards, Real, Kinney, Uvalde, Maverick, Zavala, Dimmit, La Salle	6,100	11,500	17,000
Central Texas:			
Mills, Hamilton, San Saba, Lampasas, Coryell, Bell, Milam	7,600	12,500	18,000
Heart of Texas:			
Bosque, Hill, McLennan, Limestone, Freestone, Falls	7,500	12,000	17,500
East Texas:			
Rains, Wood, Camp, Upshur, Marion, Vanzandt, Smith, Gregg, Harrison, Henderson, Rusk, Panola, Anderson, Cherokee	8,200	13,500	19,000
Alamo:			
Gillespie, Kerr, Kendall, Bandera, Comal, Bexar, Medina, Guadalupe, Frio, Atascosa, Karnes	9,000	14,500	20,000
Capital area:			
Llano, Burnet, Williamson, Blanco, Travis, Lee, Bastrop, Hayes, Caldwell, Fayette	9,300	15,000	20,500
Brazos:			
Leon, Robertson, Brazos, Madison, Burleson, Grimes, Washington	7,000	11,500	17,000
Deep East Texas:			
Shelby, Nacogdoches, Houston, Trinity, Polk, San Jacinto, Tyler, Jasper, Newton, San Augustine, Sabine, Angelina	6,900	11,500	17,000
Southeast Texas:			
Hardin, Orange, Jefferson	11,700	15,000	20,500
Lower Rio Grande:			
Hidalgo, Willacy, Cameron	6,600	11,500	17,000
South Texas:			
Webb, Zapata, Jim Hogg, Starr	4,700	11,500	17,000
Coastal Bend:			
McMullen, Live Oak, Bee, Refugio, Duval, Jim Wells, Nueces, San Patricio, Aransas, Kleberg, Brooks, Kenedy	8,700	14,000	19,500
Golden Crescent:			
Gonzales, Lavaca, De Witt, Jackson, Victoria, Goliad, Calhoun	8,100	13,000	18,500
Houston Galveston:			
Walker, Montgomery, Austin, Waller, Harris, Liberty, Colorado, Ft. Bend, Chambers, Matagorda, Brazoria, Galveston, Wharton	11,700	15,000	20,500
Maximum adjusted incomes for rural housing programs in Utah			
District I:			
Box Elder, Cache, Rich	10,800	17,500	23,000
District II:			
Tooele, Weber, Davis, Morgan, Salt Lake	12,800	18,000	23,500
District III:			
Utah, Wasatch, Summit	10,300	16,500	22,000
District IV:			
Juab, Millard, Sanpete, Sevier, Piute, Wayne	8,800	14,500	20,000
District V:			
Beaver, Iron, Washington, Garfield, Kane	8,400	13,500	19,000
District VI:			
Duchesne, Uintah, Daggett	10,000	16,000	21,500
District VII:			
Carbon, Emery, Grand, San Juan	9,700	16,000	21,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Maximum adjusted incomes for rural housing programs in Vermont			
District I: Caledonia, Essex, Orleans, Chittenden, Franklin, Grand Isle, Lamoille, Washington, Orange	10,500	17,000	22,500
District II: Addison, Bennington, Rutland, Windham, Windsor	10,600	17,500	23,000
Maximum adjusted incomes for rural housing programs in Virginia			
District 1: Lee, Wise, Scott	7,100	11,500	17,000
District 2: Dickenson, Russell, Buchanan, Tazewell	7,600	12,500	18,000
District 3: Washington, Smyth, Bland, Wythe, Grayson, Carroll	8,300	13,500	19,000
District 4: Giles, Pulaski, Montgomery, Floyd	10,300	15,000	20,500
District 5: Craig, Alleghany, Botetourt, Roanoke	11,000	15,000	20,500
District 6: Bath, Rockbridge, Highland, Augusta, Rockingham	9,800	15,000	20,500
District 7: Shenandoah, Page, Warren, Frederick, Clarke	9,300	15,000	20,500
District 8: Loudoun, Prince William, Fairfax, Arlington	16,200	15,000	20,500
District 9: Culpepper, Madison, Orange, Rappahannock, Fauquier	9,000	14,500	20,000
District 10: Albemarle, Fluvanna, Greene, Louisa, Nelson	9,700	15,000	20,500
District 11: Amherst, Appomattox, Bedford, Campbell	10,600	15,000	20,500
District 12: Franklin, Henry, Patrick, Pittsylvania	9,900	15,000	20,500
District 13: Brunswick, Halifax, Mecklenburg	7,800	13,000	18,500
District 14: Amelia, Buckingham, Charlotte, Cumberland, Lunenburg, Nottoway, Prince Edward	7,700	12,500	18,000
District 15: Charles City, Chesterfield, Goochland, Hanover, Henrico, New Kent, Powhatan	12,700	15,000	20,500
District 16: Caroline, King George, Spotsylvania, Stafford	10,200	15,000	20,500
District 17: Lancaster, Northumberland, Richmond, Westmoreland	7,500	12,000	17,500
District 18: Essex, Gloucester, King and Queen, King William, Mathews, Middlesex	9,500	15,000	20,500
District 19: Dinwiddie, Greensville, Prince George, Surry, Sussex	10,100	15,000	20,500
District 20: City of Suffolk City, Isle of Wight, Southampton, Virginia Beach	10,200	15,000	20,500
District 21: James City, York	11,500	15,000	20,500
District 22: Accomack, Northampton	6,500	11,500	17,000
Maximum adjusted incomes for rural housing programs in Washington			
District I: King, Kitsap, Pierce, Snohomish	14,900	18,000	23,500
District II: Clallam, Island, Jefferson, San Juan, Skagit, Whatcom	12,300	18,000	23,500
District III: Clark, Cowlitz, Grays Harbor, Klickitat, Lewis, Mason, Pacific, Skamania, Thurston, Wahkiakum	12,300	18,000	23,500
District IV: Chelan, Douglas, Kittitas, Okanogan, Yakima	10,700	17,500	23,000
District V: Adams, Asotin, Benton, Columbia, Ferry, Franklin, Garfield, Grant, Lincoln, Pend Oreille, Spokane, Stevens, Walla Walla, Whitman	11,500	18,000	23,500
Maximum adjusted incomes for rural housing programs in West Virginia			
Region I: McDowell, Mercer, Monroe, Raleigh, Summers, Wyoming	8,000	13,000	18,500
Region II: Cabell, Lincoln, Logan, Mason, Mingo, Wayne	8,400	13,500	19,000
Region III: Boone, Clay, Kanawha, Putnam	9,700	15,000	20,500
Region IV: Fayette, Greenbrier, Nicholas, Pocahantas, Webster	7,200	12,000	17,500
Region V: Calhoun, Jackson, Pleasants, Richie, Roane, Tyler, Wirt, Wood	9,200	15,000	20,500
Region VI: Doddridge, Harrison, Marion, Monongalia, Preston, Taylor	8,300	13,500	19,000
Region VII: Barbour, Braxton, Gilmor, Lewis, Randolph, Tucker, Upshur	6,400	11,500	17,000
Region VIII: Grant, Hampshire, Hardy, Mineral, Pendleton	7,900	13,000	18,500

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Region IX:			
Berkeley, Jefferson, Morgan	9,500	15,000	20,500
Region X:			
Marshall, Ohio, Wetzel	9,400	15,000	20,500
Region XI:			
Brooke, Hancock	9,500	15,000	20,500
Maximum adjusted incomes for rural housing programs in Wisconsin			
Southwest:			
Grant, Iowa, Lafayette, Green, Richland, Sauk, Columbia, Dodge, Jefferson	11,100	18,000	23,500
Dane:			
Dane	13,600	18,000	23,500
Rock Valley:			
Rock	12,700	18,000	23,500
Southeastern:			
Kenosha, Racine, Walworth, Waukesha, Milwaukee, Ozaukee, Washington	13,100	18,000	23,5000
Bay Lake:			
Sheboygan, Manitowoc, Brown, Kewaunee, Door, Oconto, Marinette, Florence	11,100	18,000	23,500
East Central:			
Fond du Lac, Green Lake, Marquette, Waushara, Winnebago, Calumet, Outagamie, Waupaca, Shawano, Menominee	10,800	17,500	23,000
North Central:			
Vilas, Forest, Oneida, Lincoln, Langlade, Marathon, Wood, Portage, Juneau, Adams	10,400	17,000	22,500
Northwestern:			
Douglas, Bayfield, Ashland, Iron, Burnett, Washburn, Sawyer, Price, Rusk, Taylor	8,400	13,500	19,000
West Central:			
Polk, Barron, St. Croix, Dunn, Chippewa, Eau Claire, Clark	10,400	17,000	22,500
Mississippi:			
Pierce, Pepin, Buffalo, Trempealeau, Jackson, Monroe, La Crosse, Vernon, Crawford	9,300	15,000	20,500
Maximum adjusted incomes for rural housing programs in Wyoming			
District 1:			
Park, Big Horn, Sheridan, Johnson, Washakie, Hot Springs, Fremont	11,200	18,000	23,500
District 2:			
Campbell, Crook, Weston, Converse, Niobrara, Albany, Natrona, Platte, Goshen, Laramie	12,400	18,000	23,500
District 3:			
Teton, Sublette, Lincoln, Sweetwater, Uinta, Carbon	11,300	18,000	23,500
Maximum adjusted incomes for rural housing programs in Alaska			
Soldotna	14,500	23,500	29,000
Palmer	15,700	25,500	31,000
Fairbanks	12,700	20,500	26,000
Juneau	17,100	27,500	33,000
Maximum adjusted incomes for rural housing programs in Hawaii			
Honolulu	14,900	18,000	23,500
Kauai	13,700	18,000	23,500
Maui	13,200	18,000	23,500
Hawaii	13,400	18,000	23,500
Maximum adjusted incomes for rural housing programs in Guam			
Entire	6,100	13,500	19,000
Maximum adjusted incomes for rural housing programs in Puerto Rico			
Aguadilla:			
Aquada, Aquadilla, Isabela, Moca, Rincon, San Sebastian	1,800	11,500	17,000
Arecibo:			
Arecibo, Barceloneta, Camuy, Florida, Ciales, Hatillo, Lares, Manati, Quebradillas, Utuado	1,900	11,500	17,000
Bayamon:			
Bayamon, Barranquitas, Catano, Comerio, Corozal, Dorado, Naranjito, Toa Baja, Toa Alta, Vega Alta, Vega Baja	2,200	11,500	17,000
Caguas:			
Aibonito, Aguas Buenas, Cayey, Cidra, Gurabo, Juncos, San Lorenzo, Caguas	2,600	11,500	17,000
Guayama:			
Guayama, Arroyo, Maunabo, Patillas, Salinas	2,400	11,500	17,000
Humacao:			
Humacao, Ceiba, Las Piedras, Naguabo, Yabucoa	2,300	11,500	17,000
Mayaguez:			
Mayaguez, Anasco, Cabo, Hormigneros, Lajas, Las Marias, Maricao, Sabana Grande, San German	2,200	11,500	17,000
Ponce:			
Ponce, Adjuntas, Coamo, Guanica, Jayuya, Juana Diaz, Orocovis, Penuelas, Santa Isabel, Villalba, Yauco, Guayanilla	1,800	11,500	17,000
San Juan:			
San Juan, Carolina, Canovanas, Culebras, Fajardo, Gurynabo, Loiza, Luquillo, Rio Grande, Trujillo Alto, Vieques	3,100	11,500	17,000

EXHIBIT C.—MAXIMUM ADJUSTED INCOMES FOR RURAL HOUSING PROGRAMS—Continued

Area/county	Very low 50% median	Low income	Moderate income
Maximum adjusted incomes for rural housing programs in Virgin Islands			
Entire area: St. Croix, St. Thomas, St. John	7,200	13,500	19,000
Maximum adjusted incomes for rural housing programs in North Marianas			
Entire area	1,700	13,500	19,000
Maximum adjusted incomes for rural housing programs in Trust Territory			
Entire: Palau, Ponape, Truk, Yap	1,200	13,500	19,000
Maximum adjusted incomes for rural housing programs in American Samoa			
Entire:	2,000	13,500	19,000

Exhibit D—Rural Housing Applicant Interview

The following items will be reviewed in detail during a personal interview between the rural housing loan applicant and County Supervisor to assure an understanding of Farmers Home Administration loan making and loan servicing authorities, and the responsibilities of the applicant/borrower. *No loan will be closed without signed evidence that this interview has been held.*

1. *Equal Credit Opportunity*: FmHA assistance and services shall not be denied to any person or applicant as a result of race, sex, national origin, color, religion, marital status, age, physical or mental handicap (applicant must possess the capacity to enter into a legal contract for services), receipt of income from public assistance, or because the applicant has, in good faith, exercised any right under the Consumer Credit Protection Act.

2. *Income*: Eligibility is limited to those applicants with low or moderate income who are creditworthy and have repayment ability for the loan requested. The planned income to be received by the applicant and all other adults who live or propose to live in the dwelling during the next 12 months must be included.

3. *Adjusted Income*: Qualification for low or moderate income is based on adjusted income. This is the total annual income less 5 percent thereof and less $300 for each minor person who is a member of the immediate household and lives in the home. Other deductions are contained in the regulations.

4. *Eligibility*: A determination of applicant eligibility is not an assurance that a loan will be approved. Loan approval will depend on an inspection and appraisal of the dwelling the applicant wishes to purchase and the applicant's repayment ability for the amount of loan needed to purchase the dwelling.

5. *Counseling*: Credit counseling is available at the local County Office for any applicant or borrower who needs or desires such assistance. This will include assistance in budgeting and the use and management of household income.

6. *Energy Conservation*: The local county office will provide suggested ways homeowners may conserve on the use of energy in the home. They can also provide local sources of information such as utility companies and county extension offices, which may suggest methods of conservation.

7. *Cosigner*: An applicant who does not have repayment ability may furnish a cosigner who will guarantee repayment of the loan. Such cosigner must be approved by Farmers Home Administration.

8. *Legal Fees*: The applicant must pay necessary legal fees for title examination and loan closing. Escrow Agents or Designated Attorneys will be employed for this service. In some cases the fees may be included in the loan.

9. *Interest Credit*: Interest credit is available to qualified applicants whereby the interest rate on the loan may be reduced to a minimum of 1 percent. The amount of interest credit granted depends on the borrower's income which will be reviewed at least every 2 years.

10. *Improper Interest Credit*: Interest Credit or other subsidy assistance granted improperly either as a result of false information or through error, will be repaid by the borrower.

11. *Recapture of Interest Credit*: Interest credit received by a borrower will be subject to repayment to the Government when the mortgage is released, when the loan is assumed by another person(s), when the property is sold, or when it is no longer occupied by the borrower.

12. *Monthly Payments*: Regular payments must be made on or before the due date. Payments will be applied first to unpaid interest and the balance to principal. If for any reason a payment cannot be made on time the borrower should immediately contact the local county office.

13. *Insurance*: Every borrower will be required to obtain property insurance in a minimum amount specified by FmHA. The cost must be paid by the borrower and is not included in the regular monthly payment.

14. *Taxes*: All real estate taxes must be paid by the borrower directly to the local taxing office. They are not included in the regular monthly payment. Nonpayment of taxes can result in public sale of the property by the local tax authority or foreclosure by the Farmers Home Administration.

15. *Graduation*: FmHA is a supplemental source of credit and does not replace conventional lenders. When it appears another source of credit may be available, the borrower will be so advised and will be expected to make application for such credit and, if available, pay the FmHA loan in full.

16. *Inspection of Property:* The borrower will be responsible for making inspections necessary to protect the borrower's interest. The FmHA inspections create or imply no duty or obligation to the particular borrower but are, rather, for the dual purpose of determining that FmHA has adequate security for its loan and to enable FmHA to determine that the agency is working toward achieving the statutory goal of providing adequate housing.

17. *Compensation for Construction Defects:* For newly built dwellings the government may in some cases pay for major defects in dwelling construction which are not repaired by the builder. To be eligible, a claim must be filed at the FmHA County Office within 18 months after financial assistance is granted.

18. *Moratorium:* Borrowers may apply for a postponement of payments if due to circumstances beyond their control they are unable to continue making scheduled payments on the loan without unduly impairing their standard of living. Some of these circumstances are: Loss of job or sudden reduction of income from other sources; a loss of income or a substantial increase in expenses due to injury, illness, or death in the family.

19. *Occupancy:* Borrowers must personally occupy the dwelling. Failure to do so may result in the loan being declared due and payable in full. If for reasons beyond their control it becomes necessary to rent the dwelling temporarily, permission may be granted by the County Supervisor.

20. *Home improvements or additions:* If a borrower's home is enlarged or improved so that it exceeds modest standards for size, design and cost, the borrower may no longer be eligible to receive interest credit.

21. *Appeal:* Applicants or borrowers may appeal any FmHA program administrative action by which they are directly or adversely affected. This includes having a request for FmHA assistance denied or having FmHA assistance reduced, cancelled, or not renewed. The County Supervisor will provide information on appeal procedures.

The above items were discussed on _____ and we acknowledge receipt of a copy of the discussion outline.

_____
County Supervisor.

_____
Applicant.

_____
Co-Applicant.

Original to Borrower case file.
Copy to Borrower.

Exhibit E—Sample Letter to Applicant When Loan Funds Are Depleted and Long Delays are Expected in Application Processing

Dear _____:

As will be explained in this letter, we cannot complete processing of your loan application at this time. However, based on the information you presented, it appears that you may be eligible for a rural housing loan from this Agency.

although applicants may be considered eligible, all loans are approved subject to the availability of funds. Presently, there are no housing loan funds available. We are continuing to take applications; however, we estimate it may be —— months before funds are available for your loan. Therefore, this is not a final determination of your eligibility.

When funds become available for the processing of your application it will then be necessary to make a final determination of eligibility before a loan can be approved. To avoid duplication of work, we will not order a credit report or verify your income until closer to the time when your loan can be processed to conclusion. We will notify you at that time and request to be informed of any changes in your debt structure or employment. In the meantime, it is important that you not jeopardize your position by anticipating that a loan will be made and thereby incur debts for things such as a building site, or the repair, purchase or construction of a home. These can be no assurance that such debts could be refinanced.

The Federal Equal Credit Opportunity Act prohibits creditors from discriminating against credit applicants on the basis of race, color, religion, national origin, sex, marital status, age (provided that the applicant has the capacity to enter into a binding contract), because all or part of the applicant's income derives from any public assistance program; or because the applicant has in good faith exercised any right under the Consumer Credit Protection Act. The Federal agency that administers compliance with this law is the Federal Trade Commission, Equal Credit Opportunity, Washington, D.C. 20580.

We regret that you must be inconvenienced by this unavoidable delay. You can be sure that every effort is being made to assist you to obtain the financing you need. Your cooperation and understanding is appreciated. If you have any questions concerning the status of your application, please feel free to contact our office at any time.

Sincerely,

County Supervisor.

Exhibit F—Interest Credit Agreement Renewal

Dear (FmHA Borrower):

The Interest Credit Agreement you signed, reducing the effective interest rate on your Rural Housing loan, expires soon. To determine whether you are eligible to continue to receive a reduction in your housing loan payment, we will need information about:

1. Your income and the incomes of all other adults who live or propose to live in the dwelling during the next 12 months. You should report *all* income to be received from employment, including overtime pay, bonuses, commissions, tips, etc. You should also include *all* income to be received from other sources such as unemployment benefits, workman's compensation, disability income, pensions, veteran's benefits, social security, child support, alimony, welfare payments, and any other source.

2. Information that will justify income deductions or exemptions to which you may be entitled. This may include items such as: (1) income received for the care of foster children, (2) income for services rendered as a volunteer in organizations such as VISTA, Peace Corps, Foster Grandparent and Retired Senior Volunteer, (3) payment received for training or travel expenses paid by the Department of Labor to CETA participants, (4) depreciation of essential business or farm property, (5) qualified work related expenses, (6) qualified payment for child care or disabled dependent care, and (7) qualified payments for nursing home or institutional type care.

3. The number of dependent minor children (not including foster children) residing in the dwelling.

4. The amount of real estate taxes paid by you on your dwelling last year reduced by any tax exemptions available but not taken.

5. The amount you pay each year for fire or hazard insurance on your dwelling.

This information must be provided promptly to the Farmers Home Administration (FmHA) by completing the enclosed Interest Credit Agreement in Section II. When applicable, the enclosed Request for Verification of Employment should also be completed. If you are self-employed or a farmer, contact the County Office so we may assist you in providing the required information.

1. Interest Credit Agreement—Complete section II of the agreement, sign the form in the space provided, and bring all copies of the form to the FmHA County Office.

2. Request for Verification of Employment—You and each of the employed adult members of your household must complete one of the forms for each source of employment income. Items 1, 2, and 3 must be completed and the form signed in block 4. The form and one of the enclosed envelopes should be sent or given to each employer. You should request the employer to complete and send the form to the FmHA County Office within 10 days. To ensure that the form is returned you should place a stamp on the envelope before giving it to the employer. If additional copies of the form are needed they may obtain from the FmHA County Office.

An interview with you is required to make certain that all information is complete and accurate. You are scheduled for an interview at our office on (*date*) at (*time*). A copy of the completed Interest Credit Agreement will be returned to you showing the amount of interest credit, if any, that will be credited to your loan account.

The enclosed Interest Credit Agreement and Verification of Employment must be completed and returned to your local County Supervisor by (*expiration date of current agreement*). Failure to return the forms with information completed as requested will result in loss of interest credit which you may otherwise be eligible to receive and your loan payments will be increased to $—— beginning with your (*date*) payment. Please bring *all* papers with you as all income must be considered to compute Interest Credit. If you have any questions you should contact the local County Office immediately at (*phone number*).

Sincerely,

County Supervisor.

Exhibit G—Mutual Self-Help Housing Guidelines

Table of Contents

Introduction.
Leadship and Supervision.
Basic Requirements.
Organization and Agreements.
Preconstruction Meetings.
Construction.

Exhibit G—Mutual Self-Help Housing Guidelines

How to give low-income rural people an opportunity to have a decent home of their own is a major challenge in rural America. To help such persons have an adequate home at a cost they can afford, the Farmers Home Administration (FmHA) makes Rural Housing (RH) loans to individual persons to enable them to participate in a mutual self-help housing project. This program is specifically designed to help those who do not have enough income to build modest homes by customary methods, to work together to build modest homes of their own.

Participating applicants who are approved by FmHA may obtain rural housing loans to buy materials, to pay for any skilled labor and contract costs required for work on their own homes and if necessary buy a building site. Basic construction labor will be performed by families mutually helping each other, after forming an unincorporated or incorporated association for this purpose.

This exchange of labor, without a cash cost to the families, is the key to the mutual self-help housing program. In this way the houses can be built for considerably less cash cost than by customary methods.

There also may be savings in the cost of materials purchased. All members of the group may buy their materials from suppliers who offer the most favorable prices. Material suppliers may offer discounts to those participating in mutual self-help housing if they know they will have a large volume of sales to members of the group.

Families have been able to build modest homes suited to their needs at savings of several thousand dollars. This substitution of labor equity for cash can reduce the cost of homes enough to bring the price of a modest home within reach of low-income rural families.

Persons interested in working with other families on an organized basis to build their own homes should contact the FmHA County Supervisor serving the area in which the housing will be located.

The County Supervisor will obtain the prior approval of the State Director for committing the FmHA to participate in each mutual self-help project.

Leadership and Supervision

FmHA will provide the overall leadership and supervision and determine the eligibility of the participating applicants to receive Rural Housing loans. A special construction supervisor may, with prior authorization of the National Office, be hired by the State Director to help the applicants with their

home building. In some cases construction supervision assistance may be offered by another agency or organization. FmHA will consider such offers under the following conditions:

1. The agency or organization must have the legal, financial and actual capacity and resources to provide the construction supervision assistance under the direction of the FmHA County Supervisor.

2. The respective responsibilities of all parties should be clearly defined and stated in a written agreement to be signed by the participating agencies.

3. The proposal must be compatible with the FmHA borrower method of operation, more specifically:

a. FmHA will make Rural Housing loans to applicants based on the need and qualifications of each.

b. FmHA will determine the eligibility of each applicant, approve the house plans, inspect the construction, and disburse loan funds as needed on an individual-case basis. Loan funds will *not* be pooled.

c. No advance commitments of loan funds will be made for any project. A commitment of funds will be made for each loan when it is approved subject to the conditions stated in each loan approval.

d. No loan funds may be used to pay for construction supervision or to pay borrowers for working on their homes or on the homes of others who are participating.

e. The construction will involve as much on-site work as practicable, to obtain maximum savings to those participating.

f. Basic plans and construction methods should be standardized to the extent practicable.

Basic Requirements

Rural housing loans will be made by FmHA to those who participate in a self-help housing group and who:

1. Do not have sufficient income to build a modest home by customary methods.

2. Are creditworthy by FmHA standards and can comply with all other eligibility requirements for rural housing loans.

3. Desire to build a home of their own that is simple in design, structurally sound, and low in cost.

The following basic conditions are essential to the success of a self-help housing venture:

1. A sincere spirit of cooperation on the part of all participants.

2. Competent leadership and technical supervision.

3. A complete understanding by each person of the responsibilities involved.

4. Adequate time available to participants to do the work.

5. Sufficient skills among the members of the group to do at least the basic construction work.

6. All the building sites must be close enough together to permit convenient exchange of work.

7. Ordinarily from 6 to 10 families can work together satisfactorily.

Organization and Agreements

An understanding should be reached on important items such as when the individuals in the group will be available to work, the amount of work to be performed, the number to be involved in the various work groups and the amount of time each will spend working on the homes. The group will develop a written agreement drawn so as to be binding upon all members signing it. Attached as Exhibit G is a suggested form of such an agreement called a Membership Agreement. All participating members will sign the Membership Agreement and each applicant will be given a copy. Any such document used will be given prior review and approval by the FmHA to be sure that it is legally adequate and does not conflict with applicable State laws or FmHA regulations. This should be done with the assistance of the Office of the General Counsel.

Each applicant will execute a promissory note for an amount equal to the value of the services they agree to perform for the association to build the houses. See Exhibit G–2. Such a note should not be secured by a lien against the property.

Preconstruction Meetings

The successful conduct of a mutual self-help housing program requires a series of meetings with those participating. These meetings should be held to discuss fully all of the planning, construction, and maintenance of a home, the responsibilities of home ownership, and the requirements for an FmHA rural housing loan. These meetings also will familiarize the applicants with the self-help approach, develop mutual confidences among participants and develop the interest of community leaders in the project. During the group meetings the FmHA County Supervisor and those who will be responsible for the supervision of the construction should be able to learn about the capabilities of the individuals and determine the extent to which construction can be carried out under the self-help method.

The actual number of meetings held will depend on the rate at which the group progresses toward reaching a full understanding of the responsibilities involved. Experience indicates that from 8 to 10 meetings usually will be adequate. Local people should be used, where practical, to discuss appropriate subjects in the meetings. This will help in making the local community aware of the self-help program, and also help obtain local acceptance and support for the project. The following is a recommended sequence of meetings and a suggested list of subjects to be discussed:

The first meeting should be explanatory in nature. The FmHA County Supervisor should discuss the basic principles involved in mutual self-help housing, together with a brief explanation of the purposes and limitations of and the requirements for rural housing loans. The County Supervisor should also discuss obligations of home ownership such as loan payments, taxes, insurance and maintenance. At the first meeting, time should be allowed for the individuals to become acquainted with one another. In closing the first meeting, the group should be informed of the duties and responsibilities of the officers and committees needed to carry out a mutual self-help program. The members of the group should be considering a name for the organization and the persons best suited for the various positions in order that the officers and committees can be selected at the next meeting.

At the second meeting an association should be formed and the officers and committees selected. They might include the following:

1. President.
2. Vice President.
3. Secretary-Treasurer.
4. Labor Manager.
5. Purchasing Committee.
6. Program Committee.

Additional meetings are essential, but the order in which the subjects are presented or the number of subjects included in any meeting may vary. The following topics are suggested for a series of meetings:

1. *Site Planning and Building Codes.* An architect, FmHA engineer, or a good builder who also does home designing could be invited to discuss factors in selecting house size. The local building inspector could be asked to speak on building and health code requirements.

2. *Home Planning.* An architect or home economist may be invited to discuss home kitchen layouts, traffic patterns, window placement, economical construction, and other considerations in the selection of a good house plan.

3. *Plans and Specifications.* The group will probably have questions and need individual help in making decisions concerning plans and specifications for their homes. The County Supervisor and the construction supervisor should help each applicant develop suitable specifications.

4. *Cost of Materials.* The purchasing committee will obtain and review prices of materials and contract work. At one of the last meetings to be held before the construction starts, the purchasing committee should report on its recommendations for buying materials and awarding contracts.

5. *Taxes.* A discussion of the method of tax appraising could be given by the local tax assessor. Based on plans and locations a rough estimate should be made of expected taxes.

6. *Insurance.* A local insurance agent may be asked to speak on insurance for fire and extended coverage, household policies, and other coverages of interest to the group such as liability insurance. The FmHA County Supervisor should discuss fire, windstorm and other hazard insurance requirements of RH loans.

7. *Mortgage Requirements.* The FmHA County Supervisor might discuss the FmHA mortgage and related requirements. A local attorney might be asked to discuss other legal aspects of the program.

8. *Maintenance Costs.* The County Supervisor, the construction supervisor or a local real estate agent might discuss the importance of proper maintenance for a home. They should emphasize how money spent for maintenance improves appearance, helps maintain value and saves money in the long run.

9. *Money Management.* The FmHA County Supervisor should impress upon the group the

necessity of following the basic principles of money management such as keeping records, following a budget, and not overspending on non-essentials.

10. *Labor Sharing Arrangement.* The group should discuss and reach decisions as to how the members will share the labor, how records will be kept of time worked, how to make sure that labor will be exchanged on a basis that is fair to all members and how to evidence and record these decisions.

11. *Use of Tools.* One or more of the meetings should include demonstrations and training by the construction supervisor of the safe and proper use of tools. Special attention should be given to the use of basic tools such as level, square, rule, saw, and any power tools that might be used in the construction.

12. *Construction and Work Procedures.* The authority and duties of the construction supervisor will be discussed in detail. The procedures for actual construction will be discussed including labor sharing, work programs, order of development, function of committees, time reporting for work completed and future hours available.

13. *Ground Breaking Plans.* The final preconstruction meeting should be more of a social get-together than a business meeting. This is also the logical time to plan a ground breaking ceremony for the day the loans are closed.

Construction

The basic work is performed, largely on a labor exchange basis, by the participating families under the guidance of the construction supervisor.

The group may, depending on the skills of the individuals, plan to do all the work or plan to contract for work which they cannot do readily, such as installation of wiring, plumbing and kitchen cabinets and equipment, excavating for basements and dry-wall finishing. Highly skilled or specialized jobs will be contracted when such services are not available in the group.

There may be an inclination on the part of some participants to want to concentrate on their own homes, particularly after the framing is in place. Therefore, a prior understanding should be reached regarding the specific responsibilities of each family. Rather than completing or nearly completing each house one at a time, work should start on all houses and each stage of construction be finished on all before starting the next stage of construction on any house, to the extent consistent with good construction practices.

To effect savings, materials for all the houses may be purchased from the one or several suppliers who offer the lowest prices. Also, all contracts for members of the group may be awarded to the same contractors. To illustrate, the plumbing contractor offering the lowest price ordinarily should perform the plumbing for all of the dwellings.

Each borrower will pay the material supplier for materials used, and the contractor for work done, on its own home. All deliveries of materials will be itemized separately for each home. The Association as a whole, after considering the suggestions of the purchasing committee will recommend the suppliers from whom materials will be purchased and the contractors to whom the contracts will be awarded.

The construction supervisor with the advice of the president of the association should divide the group into work teams. Work teams should be organized on the basis of skills, compatability, and availability. For example, one team could lay out and pour footings and another team could lay bricks. The third team could begin framing as soon as the foundation is ready.

A firm understanding will be reached that no changes in construction from the approved plans and specifications may be made without furnishing the County Supervisor with full cost figures and obtaining approval in advance. If any change results in a need for additional funds, they must be furnished by the borrower before approval. All homes should be finished at or about the same time and none should be occupied prior to completion of them all.

The Association should have brief meetings, at least once a week, to:

1. Report on performance and hours of work performed.
2. Settle any disagreements.
3. Plan work schedule and purchases for the coming week.

Exhibit G–1—Membership Agreement

———— Association

Membership Agreement

We understand that by signing this agreement we will become members in the ———— Association when we receive adequate credit to finance the home we intend to build. We have read the agreement or have had it read to us and agree to comply with all its provisions. Each applicant has been given a copy to keep.

Purpose

The purpose of this Association is to provide a way whereby each member can help itself and every other member to build its own home.

Membership

Membership will be limited to those persons who:

1. Do not have an adequate home;
2. Are willing to work with the other members of the Association in building their homes;
3. Have a commitment to obtain financing for the cash cost of their home; and
4. Sign the Membership Agreement.

Applicants and co-applicants may both sign the Membership Agreement. As used in this agreement the term "Applicant" means either applicant or co-applicant when both sign the agreement, or the person signing when only one signs.

Voting Rights

Each member will have one vote in the election of officers and all other matters involving a decision by the membership.

Officers

The officers of the Association will be a President, Vice-President and a Secretary-Treasurer. Each will be elected, at a meeting, by a majority vote of all the members and will continue to hold office unless the officer resigns, dies, is incapacitated, or is removed by vote of two-thirds of all the members at a called meeting for the purpose of considering such removal. The duties of the officers will be as follows:

The President will:

1. Call membership meetings and officers' meetings;
2. Preside over all meetings;
3. Work closely with the construction supervisor; and
4. See that committees and members carry out their responsibilities in connection with mutual self-help project.

The Vice-President will:

1. Act for the President in the President's absence, and
2. Be chairman of the Program Committee.

The Secretary-Treasurer will:

1. Keep the minutes of each meeting.
2. Handle correspondence of the Association.
3. Collect and handle through a checking account in the Association's name, funds the organization may need. These may include items such as stationery, stamps and record book.
4. Maintain other records of the Association at the direction of the President.

Appointed Committees and Positions

The officers by majority vote will appoint the following from the membership:

1. A Labor Manager who will keep records of the hours worked by each member and notify the construction supervisor as to the availability of members for work on the housing.
2. A Purchasing Committee of three members of the Association that will obtain and review prices and cost estimates for the houses to be built and recommend contractors and suppliers to be used by the members.
3. Two of the three members of the Program Committee. The third member will be the Vice-President, who will be chairperson. This committee will help plan meetings and assist in obtaining outside speakers.

Meetings

Meetings of officers and meetings of members will be held as often as necessary to successfully complete the mutual self-help housing. Meetings may be called by the President when considered advisable and will be called by the President at the written request of not less than ——— members, or at the request of the Farmers Home Administration County Supervisor or other authorized Farmers Home Administration employee. Each officer or member will be notified at least three days before the meeting as to the time, date and place of each meeting by mail, telephone or by announcement at the preceding meeting.

Labor Exchange Agreement

Each member agrees to furnish 700 hours of labor for the construction of houses of the other members of this Association in return for 700 hours of labor from other members in the actual construction of its house. We understand that if more than 700 hours labor is required from each member to complete all houses, each member will furnish its share of

additional labor needed. In case less than 700 hours labor is required from each to complete all the houses, each family's obligation under this agreement will be satisfied when it has contributed the number of hours labor actually required.

The number of hours worked by each member or by any other person for any applicant credit will be verified by the Labor Manager. Each member will sign a promissory note to the Association in the amount of $———. It is understood the amount of $——— for each approved hour of labor performed will be credited on the note and that the note will be satisfied when the number of hours required of each member has been worked. However, if any member because of death, illness, or injury is unable to make its full labor contribution personally or from other sources as required, that member will be excused to that extent from performing its labor agreement, and all the other members will assist such a member in completing its house and will contribute the additional amount of labor for all the houses which otherwise the stricken member would have furnished.

We agree to exchange labor on the following basis:

1. Equal time will be allowed for labor performed by members in the actual construction of the homes regardless of the type of work involved.

2. Rates for time allowances for labor performed by persons other than members, will be determined by the Officers with the approval of the Labor Manager and the construction supervisor.

3. A member may not work alone on the member's own house unless the job can be done alone and the consent of the construction supervisor has been obtained.

4. The hours worked will be reported by each worker to the construction supervisor each day. The construction supervisor will promptly turn in a work sheet for each worker to the Labor Manager, who will credit the hours worked to that member's account. In case of a dispute as to the number of hours to be credited, the question will be resolved by a majority vote of the officers of the Association.

General Agreements

We agree that:

The Association, by majority vote, will determine and recommend the best way to buy materials and recommend contractors for any skilled work. Each member shall make its own decision in selecting the type of building materials and in selecting a contractor from those recommended by the Association. Each member shall pay the cost of materials and the contractor in connection with its own home.

2. The Association will collect cost of operation of the Association from members, not to exceed $——— from each member.

The Association will collect, by any means available, payment for failing to provide the amount of labor agreed.

4. The Association will act for the group in other matters related to the project when authorized by a majority of the members.

5. Property insurance will be obtained by the members as required by the Farmers Home Administration. Members also will obtain workmen's compensation insurance as required by State law or public liability insurance against claims of others when required by the Farmers Home Administration.

Dissolution

After a determination is made by the officers that the last house is completed and that there are no obligations of or to the Association, upon majority vote of the members and with the consent of the Farmers Home Administration the Association shall terminate.

Amendments

Amendments to this agreement may be made by a majority vote of the members, at a meeting called for the announced purpose of considering amendments, to take effect upon approval by the Farmers Home Administration County Supervisor; but no amendments may decrease the rights or increase the liability of any member without such member's consent.

Date ——— Signed Applicant ———
Date ——— Signed Co-applicant
———

Date ——— Signed Applicant ———
Date ——— Signed Co-applicant
———

Date ——— Signed Applicant ———
Date ——— Signed Co-applicant
———

Exhibit G–2—Promissory Note

Date ———

Eighteen months after date for value received, we promise to pay to the ——— Association or order the sum of ——— ($). We have agreed to furnish said Association 700 hours of our own labor or the labor of other persons as approved by the officers and Labor Manager of the Association and the construction supervisor in accordance with the Membership Agreement of the Association. Credits will be made on this note at the rate of $——— for each hour worked by either of the undersigned, and at a rate determined in accordance with the Membership Agreement for each hour worked by any other person for the account of the undersigned, in the next eighteen months. This note will be satisfied when the undersigned have furnished the actually required number of hours labor. All time worked must be approved by the Labor Manager of the Association. This note is subject to all provisions of the Membership Agreement.

Applicant ———
Witness ———
Co-applicant ———
Address ———

(42 U.S.C. 1480; 7 CFR 2.23; 7 CFR 2.70)

Dated: November 6, 1981.

Frank W. Naylor, Jr.,

Under Secretary for Small Community and Rural Development.

[FR Doc. 81-35827 Filed 12-18-81; 8:45 am]

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federal register

Monday
December 21, 1981

Part III

Department of the Interior

Office of Surface Mining Reclamation and Enforcement

Issuance of Technical Memorandum

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

Issuance of Technical Memorandum

AGENCY: Office of Surface Mining Reclamation and Enforcement, Department of the Interior.

ACTION: Notice of Issuance of Technical Memorandum.

SUMMARY: The Office of Surface Mining (OSM) is issuing Technical Memoransum #1 which deals with the issue of drainage or road structures on backfilled materials in steep slope areas.

DATES: This Technical Memoransum will become final on publication of this notice.

ADDRESSES: Additional copies of Technical Memorandum #1 are available at the following location: OSM Headquarters, Department of the Interior, South Building, Room 153; 1951 Constitution Avenue NW., Washington, D.C. 20240; 202–343–4728.

FOR FURTHER INFORMATION CONTACT: Raymond E. Aufmuth, Physical Scientist, Engineering Analysis Division, 1951 Constitution Avenue, NW, Washington, D.C. 20240, 202–343–5244.

SUPPLEMENTARY INFORMATION: The OSM is issuing a Technical Memorandum which was developed by the Directorate of Technical Standards and Research for the purpose of assisting the public in complying with and understanding statutory and regulatory requirements in various technical areas. Technical Memorandum #1 (Appendix 1) discusses methods of constructing drainage or road structures on backfilled material in steep slope surface coal mining operations. Technical Memoranda are issued by OSM to provide operators, regulatory authorities and the public with guidance in how to cope with specific technical or practical problems.

OSM's technical staff continuously evaluates the specific problems in light of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 *et seq.*), permanent program regulations, technical literature and on-the-ground experience. Technical Memoranda are then developed which suggest methods, designs or tests which OSM believes present solutions to the problems. These memoranda merely formalize and make publicly available the results of OSM's ongoing evaluations of ways to resolve specific mining or reclamation problems. OSM emphasizes that the operator must still comply with applicable requirements of an approved State program, the Act, and Federal regulations. Compliance with a Technical Memorandum may not be relied upon as a defense for failure to comply with the Act or applicable State or Federal program nor may an operator be cited for failure to comply with a Technical Memorandum.

Technical Memoranda may relate to any technical problem which requires an explanation or technical discussion. Their necessity will be determined by the Assistant Director, Technical Standards and Research.

Technical Memorandum #1 (Appendix 1) "Drainage or Road Structures on Backfilled Materials in Steep Slope Areas" is being issued today.

Dated: December 15, 1981.

J. R. Harris,

Director, Office of Surface Mining.

APPENDIX 1

Technical Memorandum 1: [1]

Subject: Drainage or Road Structures on Backfilled Material in Steep Slope Areas.

This Technical Memorandum (TM) discusses methods of constructing drainage or road structures on backfilled material in steep slope surface coal mining operations. Technical memoranda are issued by the Office of Surface Mining (OSM) to provide operators, regulatory authorities and the public with guidance in how to cope with specific technical or practical problems. OSM's technical staff continuously evaluates the specifc problems in light of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1201 *et seq.*), permanent program regulations, technical literature and on-the-ground experience. Technical memoranda are then developed which suggest methods, designs or tests which OSM believes present solutions to the problems. These memoranda merely formalize and make publicly available the results of OSM's ongoing evaluations of ways to resolve specific mining or reclamation problems. Compliance with these technical memoranda may not be relied upon as a defense for failure to comply with the Act or the applicable State or Federal program nor may an operator be cited for failure to comply with any technical memoranda.

Under certain conditions both drainage and road structures may be permitted on backfilled material in steep slope areas provided the structure is consistent with the long term stability of the backfilled area and is in accordance with the approved post mining land use. The constructed facility should include the following:

(a) Elimination of the highwall resulting from construction of the structure by backfilling or shaving soft unconsolidated material (shale, soil) in a manner which blends into the natural ground and complements existing drainage patterns. No vertical rise of the highwall may be retained. However, an occasional short segment of hard or consolidated rock (sandstone, limestone) which cannot be reduced mechanically is acceptable;

(b) The structure should be riprapped, vegetated, or otherwise protected by erosion-resistent material;

(c) Sufficient gradient should be maintained so as to eliminate any potential for the ponding of water on top of the backfill, unless otherwise approved by the regulatory authority; and

(d) Water should not be discharged over the outslope of the backfill in areas other than those protected by proper erosion control areas which constitute an extension of a natural drainage course.

Background

30 CFR Section 715.17, 816.43, and 817.43 provide the performance standards with respect to diversions for conveyance of overland flow, specifically with respect to diverting this type of flow from disturbed areas by means of temporary or permanent diversions. On September 28, 1978, the Director, Office of Surface Mining, wrote to Mr. David Callaghan, the Director, Department of Natural Resources of the State of West Virginia, answering several issues that had been raised. One of those issues related to drainage structures at the top of backfilled highwalls. The Director of OSM indicated that the requirement to restore to approximate original contour would not be violated if a drainage structure were placed on backfilled material. This guidance was accepted by the State of West Virginia and disseminated to the surface coal mining operators in that State.

A similar issue was raised by the Commonwealth of Virginia in their alternatives section of the State program submission. This issue dealt with road and drainage structures "* * * located * * * in the upper portion of backfilled areas* * *"

Subsequently, OSM became aware that some operators were not backfilling the highwall completely, but were leaving the upper portion of the highwall as part of the road or drainage structure. In some cases, the height of these remaining highwalls was as much as 15 feet of greater. This practice could be in conflict with the Director's September 28, 1978, letter and the statute. Consequently, a second letter was issued on May 15, 1980, advising that while OSM could allow top of fill drainagte control, the statute did not intend that large portions of the highwall would be left that were not properly backfilled. Rather, an engineered channel designed to handle anticipated flows or a properly designed road would have to be constructed and blended into a shaved highwall with little or no vertical component of the highwall remaining.

A recent decision by the Interior Board of Surface Mining and Reclamation Appeals provides some guidance as to the dimensions of remaining vertical rock faces which will be

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[1] This Technical Memorandum was prepared by OSM to assist the public in complying with or understanding statutory requirements. It is not legal authority for any action or sanction associated with official OSM programs. It is available from Office of Surface Mining, 1951 Constitution Ave., N.W., Washington, D.C. 20240

considered by the Board to be unreclaimed highwall in violation of the Act and regulations. In *Grafton Co., Inc.*, 3 IBSMA 175 (1981), the Board held that leaving a 525 foot long section of vertical rock face 3 to 12 feet in height constituted a violation of 30 CFR 715.14. 3 IBSMA 179. The permanent program rule [30 CFR 816.101(b)(1)] requiring elimination of all highwalls is essentially identical to the interim program rule construed in *Grafton*. Both rules implement section 515(b)(3) and (d)(2) which require backfilling to eliminate or cover completely all highwalls. This Technical Memorandum is intended to help provide technical guidance to the States and the public with respect to this issue.

Definitions: N/A

References: 30 CFR 715.14, .17; 30 CFR 816.43, .101, .151, .161, and .171; 30 CFR 817.43, .101, .151, .161, .171

Contact: Assistant Director, Technical Standards and Research (202) 343-4264.

OSM File #TSR 23-1.1, 23-3.1.

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Part IV

Department of the Interior

Bureau of Land Management

National Park Service

Oil and Gas Leasing and Leasing of Minerals Other Than Oil and Gas and Noncompetitive Leases

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

National Park Service

43 CFR Parts 3100, 3110 and 3500

Oil and Gas Leasing and Leasing of Minerals Other Than Oil and Gas; Special Acts; Non-Competitive Leases

AGENCY: Bureau of Land Management and National Park Service, Interior.

ACTION: Final rulemaking.

SUMMARY: On December 22, 1980 the Bureau of Land Management and the National Park Service published in the Federal Register (45 FR 84390) as proposed rules, regulations to amend sections of the mineral leasing procedures contained in 43 CFR Groups 3100 and 3500 which pertain to units of the National Park System. The intent was to provide a uniform set of regulations to govern mineral leasing in units of the National Park System where such activity is authorized. The proposed regulations adopted the Bureau of Land Managment's general leasing procedures contained in Subchapter C, Title 43 of the Code of Federal Regulations and provided the National Park Service with consent authority for leases on lands administered by them, along with the ability to require special lease stipulations for protection of the environment and to designate certain areas in these units as excepted from mineral leasing. The proposal also defined which minerals would be subject to leasing in units of the National Park System and opened an additional 402,800 acres of National Park lands for mineral leasing.

The National Park Service is therefore adopting the proposed rules as final. Based on the public comments received, these final regulations have been modified to allow the leasing of all minerals in the recreation areas, which are leasable under 43 CFR Parts 3100 and 3500.

EFFECTIVE DATE: January 20, 1982.

FOR FURTHER INFORMATION CONTACT: Keith Miller, Chief, Division of Mining and Minerals, Rocky Mountain Regional Office, National Park Service, 655 Parfet Street, P.O. Box 25287, Denver, Colorado 80225 or telephone (303) 234–2125.

SUPPLEMENTARY INFORMATION:

Drafting Information

The following persons participated in the writing of these regulations: Norman J. Reigle, Dennis L. Schramm, Charles W. Wood, James S. Holland, National Park Service, Denver, Colorado; William Burke, Resource Management Specialist and David J. McClean, Assistant Chief Ranger, Lake Mead National Recreation Area, Arizona-Nevada; William R. Supernaugh, Resource Management Specialist, National Park Service, Washington, D.C.; Ray C. Foust, Superintendent, Whiskeytown Unit of Whiskeytown-Shasta-Trinity National Recreation Area, California; Keith E. Miller, Superintendent and Alan D. Eliason, Management Assistant, North Cascades Complex, Washington; David Jones, former Chief, National Park Service, Division of Mining and Minerals, San Francisco, California; C. Keith Miller, Chief, National Park Service, Division of Mining and Minerals, Rocky Mountain Region, Denver, Colorado; Harold A. Ellingson, Mining Engineer Technician, National Park Service Utah Mining Office, Salt Lake City, Utah; John H. Kelly, Office of the Regional Solicitor, Salt Lake City, Utah; Barbara Levin, Office of Solicitor, Division of Conservation and Wildlife; William R. Murray, Jr., Office of the Solicitor, Division of Energy and Resources, Washington, D.C.; James V. Piani, Bureau of Land Management, Division of Resources, Salt Lake City, Utah; Jeff Zabler and Doris Koivula, Bureau of Land Management, Division of Onshore Energy Resources, Washington, D.C. and David M. Carty, Bureau of Land Mangement, Division of Mineral Resources, Washington, D.C.

Analysis of Public Comments

As of March 2, 1981 a total of 37 written replies were received, including 26 from Federal, state and county agencies, seven from petroleum and mineral industry representatives, three from conservation interest group representatives, and one from an individual.

Fourteen of the state responses indicated they had no comment on the proposal and five supported the regulations as written. The comments of support included specific mention of the value of a unified set of regulations for mineral leasing in the National Park Service and the value of NPS consent prior to leasing. One state comment indicated that no regulations are needed and the methods of mining and restoring lands are already strong enough. One comment supported maximum protection of recreation due to its impact on the economy of Nevada. One comment stated that mineral development should be allowed only when it would not interfere with public recreation or unnecessarily alter the natural scene and there should be no leasing without adequate reclamation.

Two comments were received supporting multiple use in the recreation areas and are hereby acknowledged as supporting the regulations. Although multiple use is not normal Park Service policy, the situation in the recreation areas involved lends itself to a limited application of this doctrine.

The remaining responses contained specific recommendations. The majority of comments concerned minerals subject to leasing, consent of the NPS, excepted areas, lease stipulations and appeals.

An attempt was made to utilize as many of the comments and recommendations received as was appropriate in carrying out the statutory and policy responsibilities of the National Park Service during preparation of final regulations.

These comments are addressed below:

One comment received suggested the exchange of state trust lands located within certain national recreation areas for lands outside the national recreation areas. The purpose of the exchange would be to insure use of the state trust land without restrictions related to mineral development. This suggestion is noted but is outside the scope of these regulations.

One recommendation stated that the National Park Service should continue to strictly adhere to its established 1978 Management Policy for mineral disposition. That policy guideline states in part that: mineral exploration, leasing, and mining are not permitted, except where expressly authorized by law and such utilization is authorized only when it will promote, or is compatible with and does not significantly impair, public recreation and conservation of scenic, scientific, historic, or other values contributing to public enjoyment. Further, the Service's management goal for the areas where resource use is authorized by legislation is to "avoid interference with public recreation, unnecessary alteration of the natural scene or interference with natural processes when developing these resources." These regulations have been developed to conform with NPS management policies and the above comment is acknowledged.

One comment encouraged the Park Service to actively participate at each phase of the leasing procedure in compliance with the 1978 NPS Management Policies and the National Environmental Policy Act of 1969 (NEPA). It was further felt that the Service, as the surface management agency, should review each phase of leasing operations including: the preliminary field examination,

exploration, development, production, and reclamation. This procedure is built into the existing leasing system and the final regulations. The original decision by the Regional Director concerning leasing or not leasing will be based on NEPA documentation. In addition, all operations on a lease require a permit, and this permit also requires the concurrence of the Regional Director (this has been clarified in the regulations in §§ 3109.5–2(e) and 3566.3). For all minerals, including oil and gas, activities on a lease require submission and approval of a plan before any activities begin. For minerals other than oil and gas, the contents of the exploration plan are governed by 43 CFR 23.7(c) and 30 CFR 231.10(b) while the mining plan is governed by 43 CFR 23.8(b) and 30 CFR 231.10(c). For oil and gas, activities must be detailed in a Multi-Point Surface Use Plan pursuant to NTL–6 (Notice to Lessees No. 6—USGS). The regulations contained in 30 CFR 221 also detail specific oil and gas operating regulations. NTL–6 is, however, the key document which the USGS uses to ensure that oil and gas operations are conducted with due regard for protection of the environment. NTL–6 Part III details the requirements of the surface use plan and lists the responsibilities of each agency in review of that plan. Part IV of that Notice details the NEPA compliance procedures to be followed.

For minerals other than oil and gas, surface exploration, mining and reclamation are governed by regulations contained in 43 CFR Part 23 and 30 CFR 231. Where conflicts between these regulations occur, 43 CFR Part 23 takes precedence (30 CFR 231.1(c)). Pursuant to 43 CFR 23.5, the BLM is required to conduct "a technical examination of the prospective effects of the proposed exploration or surface mining operations on the environment." Also, according to 43 CFR 23.5(c), the BLM is required to consult representatives of the surface management agency, if other than BLM, in the preparation of the technical examination.

The environmental assessment which was made available concurrent with release of the draft rulemaking (45 CFR 84390) gives a more detailed discussion on pages 3–5 of the steps that are taken by each agency when a lease application is received and when a lessee expresses interest in conducting operations on a lease.

The Bureau of Reclamation (BUREC) recommended a provision in the regulations which would require consultation with the Bureau whenever a lease application is received on reclamation withdrawn lands in the applicable recreation areas. This would provide the Bureau of Reclamation with the opportunity to recommend lease stipulations to protect facilities and avoid conflicts of resource use. This would be applicable only at Lake Mead, Glen Canyon and Whiskeytown. Such a provision has been added to §§ 3109.5–2(e) and 3566.3.

One comment was received that questioned whether the standard for NPS consent in the regulations is in accordance with the statutory standard as set forth in the Glen Canyon enabling legislation in 16 USC 460dd–2. This section does not specifically mention "resources;" however, it does refer to Sections 460dd to 460dd–9. Since the administration of the area in the sections cited above requires the protection of the "scenic, scientific, and historic resources contributing to public enjoyment of the area," the references to "resources" in the regulations is considered appropriate. The same administrative criteria occur in the other areas. To meet the commenter's concern for consistency; however, Section 3566.3 as well as § 3109.5–2(e) has been modified by adding the language "pursuant to the authorizing legislation of the area."

Another comment suggested that more information be made available to explain the procedural aspects of considering areas for leasing. It was felt that there is a need to expand upon the evaluation process, particularly the criteria to be employed in determining land suitability for mineral leasing. The excepted areas identified in the draft regulations constitute the majority of the lands in the recreation areas where mineral leasing will not be allowed. The justification for establishment of these areas is elaborated on in the draft rulemaking under "Excepted Areas" (45 FR 84392) and in this final rulemaking under "Excepted Areas." Lease applications will be accepted for all other areas and reviewed on a case-by-case basis. It is assumed that the majority of these leases will be allowed, with stipulations specific to each lease. The stipulations will be developed jointly by the NPS, BLM, USGS, BUREC (where applicable) and the lessee after joint field examination of the site. In the rare instance where a lease application is denied, the justification for denial will accompany the rejected application. Appeal of that decision will follow standard BLM procedures.

One comment stated that opportunity should be provided for public review and input at every phase of the operations. To solicit public comment at each phase of the lease program would create unwarranted delay.

Another comment urged the National Park Service to strongly enforce the operation plans and to provide for Service initiated suits requesting monetary damages and/or penalties in a court of law and for private citizens' ability to file administrative appeals. Enforcement provisions are already provided in 43 CFR Part 23 and 30 CFR Parts 221 and 231 which provide for enforcement by BLM and USGS. The National Park Service also has general enforcement authority on lands administered by them. Providing for citizens' appeals is beyond the scope of these regulations.

An additional comment asked for changes in the wording of the sections dealing with the authority of the Secretary to permit mineral leasing on park lands. The concern expressed was over the use of the phrase "would not impair" the resources of the area. It was felt that this language was too absolute and if taken in its strictest sense would prevent all mining. Changes were made in the regulations which reflect this concern. Language was taken from enabling legislation which relates to the Secretary's mandate to preserve the scenic, scientific, and historic resources.

One comment expressed concern over any future amendments to excepted areas. The comment received was in reference to Glen Canyon's excepted areas which are identified in their Mineral Management Plan (March 1980). It was felt that future amendments to this plan would constitute an amendment to this "rulemaking" and thus could only be carried out by publication in the **Federal Register**. The Park Service concurs with this observation.

In two of the comments received there was some confusion as to whether coal is leasable in these national recreation areas. The environmental assessment stated that coal is not leasable, while in the draft rulemaking, the alternative to allow only leasing of normally leasable minerals (45 FR 84396) apparently contradicted this by citing a definition which included coal. This was an oversight in the drafting of that alternative. Coal and geothermal resources are not leasable in any unit of the National Park System or any national recreation area designated by law (43 CFR 3201.6(a)(b) and 3400.2(a)(1) and (8)). This will be clarified in the regulations by simplifying the definition of "Minerals Subject to Leasing" (43 CFR 3500.1–3(f)).

Consent

Six comments dealt with the consent authority of the NPS Regional Director. These comments all supported NPS consent on issuing leases. One comment further stated that NPS consent should be based on certain parameters as follows:

1. *Suitability:* The determination regarding significant adverse effects on the administration of the recreation areas should include an analysis of whether the land is suitable for the proposed operation. The existence of a resource should not guarantee the right to extract the material without balancing the adverse effects of the activity. The suitability criteria should address general issues and concerns (such as effects on air and water quality, scenic impacts, noise, and solid waste) that would be affected by lease operations, especially the preservation of a wilderness option. Consideration of suitability should be required at each stage, but it is particularly important that an area's suitability be determined before allowing initial lease issuance.

2. *Reclamation and Bonding:* The terms of reclamation stipulations should attempt to rectify any short and/or long term effects on ecosystems, wildlife, unique geological features and other natural characteristics. The amount of bond set should be commensurate with the level of environmental disturbance so it will be sufficient to ensure complete reclamation in the event the operator proves incapable of performing the task. In no event should the bonding amount be mitigated once the proposed activity commences.

3. *Access:* The Service is authorized to control access to leased areas over parklands through special use permit procedures. Due to the unique characteristics of national recreation areas, it was felt that the Service should exercise more restrictive access requirements than those adopted by the BLM.

4. *Recreation:* In accordance with the purpose of the national recreation areas, visitor use should be taken into consideration when assessing the impact of any activity within the NRA. The leasing activities should not inflict a significant adverse effect on the administration of the recreation area. The activities also should not impair the scenic, scientific, and historic features contributing to public enjoyment of the area.

5. *Surface Occupancy:* No surface occupancy should be permitted for as much of the lease as practical.

These comments are acknowledged and during the preparation of the NEPA document for the consent decision the above parameters along with others will be considered.

One comment suggested that consent authority be vested in the Superintendent of the affected recreation area and not the Regional Director. Currently, the authority for all mineral matters rests with the Regional Director and his/her decision traditionally considers the recommendation of the Area Superintendent. For the sake of consistency, this line of authority was maintained for mineral leasing. The Regional Director may, however, delegate this authority to the Area Superintendent.

The consent sections have been modified in one regard. Site specific approval of operations on a lease no longer requires a finding of no significant impact, but requires only the concurrence of the Regional Director. This change was made to remove the implication that development of a resource could be substantially curtailed after discovery under a lease or prospecting permit. Questions of incompatible development should be addressed at the time of lease or permit application, and stipulations in the lease or permit should establish major limitations on development at the outset.

Lease Stipulations

Five comments were received that objected to the preparation of standard lease stipulations for all NPS areas and favored stipulations on a case-by-case basis that are tailored to the site and resource.

These suggestions are accepted and standard lease stipulations will not be prepared. Rather, each affected recreation area will be provided with a list of suggested stipulations which can serve as a basis for drafting site-specific stipulations. These can be inserted on a case-by-case basis as appropriate.

Appeals

Two comments received expressed concern over the provisions for administrative appeals in the proposed regulations. Currently, all adverse decisions are subject to review by the Interior Board of Land Appeals (IBLA).

Sections 3109.5–2(e) and 3566.3 proposed changing this procedure to place the right of review under the NPS Regional Director where the decision appealed from was NPS consent or lease stipulations. It was pointed out that this provision would be a significant departure from existing Departmental policy and is contrary to the polices which the public and Congress expect the Department to follow. It was noted that the Public Land Commission and the Congress clearly felt that the balanced perspective needed for objective administrative review could best be assured by placing review authority in a secretarial office outside of the Department's bureaus. The Office of Hearings and Appeals and the Interior Board of Land Appeals were thus established in 1970 in response to almost a decade of criticism from the public about the Department's administrative appeal procedures. It was felt that those seeking to use land administered by the Department of the Interior should be entitled to the same administrative review procedures regardless of the bureau administering the land.

One comment pointed out that the enabling legislation for Glen Canyon National Recreation Area requires under Section 6 that "the same policies followed by the Bureau of Land Management in issuing and administering mineral and grazing leases on other lands under its jurisdiction shall be followed in regard to the lands within the boundaries of the recreation area, subject to the provisions of Sections 3(a) and 4 of this act."

In light of these concerns, the sections concerning appeals through the Regional Director were removed. Appeals will be through the IBLA.

Minerals Subject to Leasing

Several comments raised legal and policy questions regarding the proposal to lease energy related minerals, including normally locatable minerals.

Two comments were received which questioned the legal authority of the National Park Service to allow leasing of uranium and thorium, minerals which are normally subject to location under the general mining laws of 1872. Specifically questioned was that leasing of locatables was "clearly" the intent of Congress. One comment suggested that removing all locatable minerals (except uranium and thorium) from leasing at Whiskeytown and Lake Mead constituted a withdrawal under the Federal Land Policy and Management Act of 1976. There was also concern about the potential conflicts which may arise between those who claim a lease and those who claim a mining claim for the same mineral.

The authority for leasing locatable minerals is reflected in both the enabling legislation and the legislative history for each of the recreation areas. A discussion of this authority is contained in the preamble to the

proposed rulemaking (45 FR 84394) under "Leasing of Locatable Minerals."

The relevance of the Federal Land Policy and Management Act of 1976 is contained under the discussion of excepted areas. The potential for conflicts resulting from leasing and location of the same mineral is extremely small since all National Park Service areas are now closed to mineral entry under the general mining laws. Very few patented or valid unpatented mining claims exist in these units and if a lease were approved which overlaid a valid mining claim, the claim would have the prior rights to the mineral and the lease would be void.

While several comments were received which urged leasing of no locatable minerals, others argued that all minerals (or all locatable minerals) be subject to leasing. Two comments pointed out that our nation is not only dependent upon foreign sources for petroleum, but is equally dependent upon foreign sources for numerous hardrock minerals essential to the national economy and its defense needs. Two comments pointed out that environmental safeguards in the regulations would adequately protect the recreation areas from adverse consequences of leasing all minerals. One comment pointed out that evolving technologies and market conditions could render some deposits not previously of economic interest to become so.

We concur with these points. The regulations have therefore been modified to allow the leasing of all minerals in the recreation areas which are leasable under 43 CFR Parts 3100 and 3500.

Excepted Areas

Several comments were received regarding the concept of excepting areas from mineral leasing. Two of these comments supported the concept for all the areas and further suggested that additional excepted areas be established in Lake Mead where lands have been identified as having wilderness potential. Also, opposition was expressed to the practice of reviewing each lease application on proposed wilderness lands on a case-by-case basis. Another comment on Lake Mead's excepted areas suggested that the buffer zone around the lakeshores be extended from the current 300 feet to a distance of one mile, as it is for Whiskeytown. As stated in the draft rulemaking, however, it would be premature to establish additional excepted areas in Lake Mead at this time since there currently is not a General Management Plan or a Mineral Management Plan for that area and the wilderness proposal is only under consideration. A revised excepted areas' map will be completed at an appropriate time in the planning sequence.

We hereby acknowledge and concur with another comment which suggested that preparation of a General Management Plan and a Mineral Management Plan for Lake Mead should be moved up in priority and completed as soon as possible and in the meantime, lease applications should be reviewed very cautiously.

Another comment received suggested that Glen Canyon is the only national recreation area which Congress "clearly" intended to remain open to mineral leasing after its designation, based on the use of the word "shall" in the enabling legislation. In all the other enabling acts the language used states the Secretary "may" permit mineral leasing. The NPS agrees with the above verbiage but felt that it would be appropriate at this time to exercise the Secretary's discretion to allow mineral leasing in all the areas, but only in locations where resource values would not be compromised.

The comments objecting to establishing excepted areas in any of the recreation areas centered on two issues. First, it was felt that insufficient exploration has been conducted on the excepted areas to determine the mineral potential and secondly, it was suggested that the excepted areas constitute a withdrawal under section 204 of the Federal Land Policy and Management Act of 1976 (FLPMA).

In regard to the first issue, considerable exploration and prospecting has been conducted in these areas for many years, both before and after becoming National Park Service areas. The section on "Mineral Activity in the National Recreation Areas" in the proposed rulemaking (45 FR 84394) addressed the concern of past activity. The areas which have been identified through these and other efforts as having resource potential have not been included in the excepted areas and remain open to leasing.

Despite these efforts to allow for identification and removal of known mineral deposits, mineral leasing in the National Park System is still subject to the primary purposes for which the areas were established. In each enabling act for a recreation area where mineral leasing is authorized, it can only be permitted to the extent that such activity would not adversely affect the primary purposes for which the area was established or the administration of the area. The mandate in the legislation does not base this requirement upon knowledge of mineral resources. The National Park Service, through its planning efforts, has classified the lands in these recreation areas and has identified public recreation areas, outstanding or sensitive natural and cultural resources, and development areas where mineral leasing would categorically interfere with protection of resources and/or administration of the areas. By excepting these areas from leasing in the regulations, the NPS is providing notice to all prospective lessees of those areas where mineral leasing will not be authorized. The establishment of excepted areas is expected to save industry and the government considerable time and paperwork, since all lease applications for these areas would have to be denied upon receipt regardless of whether or not the concept of excepted areas were adopted.

The second issue brought forward in the comments dealt with the concern that the National Park Service did not comply with section 204 of the Federal Land Policy and Management Act of 1976 (FLPMA) in excepting areas from mineral leasing. The National Park Service contends that exercising the Secretary's discretion granted by Congress in the enabling legislation not to allow mineral leasing in certain areas in order to protect resource values does not constitute a withdrawal under FLPMA. Section 204 requires the Secretary to comply with certain procedures whenever Federal lands are withdrawn from "settlement, sale, location, or entry under some or all of the general land laws, for the purpose of limiting activities under those laws in order to maintain other public values in the area or reserving the area for a particular public purpose or program." (Section 103(j) of FLPMA, 43 U.S.C. 1702(j)). The NPS contends that the "excepted areas" do not constitute "withdrawals" as that term is defined in section 103(j) because each recreation area has already been withdrawn by Congress in its entirety. The enabling legislation for each of these areas removed them from settlement, sale, location, and entry under the general land laws. The authority to lease minerals derives from the enabling legislation of the areas, providing the Secretary could make necessary findings of compatibility between mineral activity and the primary purposes for which the recreation areas were established. The excepted areas are those areas in which it has been determined that mineral activity would be incompatible with the primary purposes for which these recreation

areas were established. Because these determinations do not constitute withdrawals as that term is defined in section 103(j) of FLPMA, compliance with section 204 is not required.

In partial response to the comments received, the NPS will re-examine the excepted areas in the months to come to determine if mineral development in any of these areas would be compatible with the primary purposes for which the recreation areas were established. Should the NPS find that mineral development is compatible, the excepted areas will be modified accordingly, after notice and an opportunity for public comment.

Compliance With Other Laws

The National Park Service has prepared an environmental assessment on the proposed regulations. Based on the assessment and the analysis of public comments received, it has been determined that the proposed rulemaking does not constitute a major Federal action significantly affecting the human environment, and therefore, an environmental statement pursuant to Section 102(c) of the National Environmental Policy Act is not required prior to promulgation of final comprehensive regulations.

The National Park Service has determined that this document is not a "major rule" within the meaning of E.O. 12291 ((46 FR 13193); February 19, 1981). Since this regulation was proposed in 1980 (45 FR 84390), it is not subject to the requirements of the Regulatory Flexibility Act (Pub. L. 96–354) which became effective January 1, 1981.

This rulemaking contains no provisions that would entail the collection of information or require compliance with the Paperwork Reduction Act of 1980 (Pub. L. 96–511).

Authority: The Mineral Leasing Act of February 25, 1920 (30 U.S.C. 181 *et seq.*), as amended, the Acquired Lands Mineral Leasing Act of August 7, 1947 (30 U.S.C. 351 *et seq.*), as amended, sec. 10 of the Reclamation Act of August 4, 1939 (43 U.S.C. 387), Pub. L. 88–639 (16 U.S.C. 460n), Pub. L. 89–336 (16 U.S.C. 460q), Pub. L. 90–544 (16 U.S.C. 90), Pub. L. 92–593 (16 U.S.C. 460dd)

Russell E. Dickenson,

Director, National Park Service.

In consideration of the foregoing, the following sections of Title 43 of the Code of Federal Regulations, Group 3100, are hereby amended: Sections 3100.0–3(d)(5) and (7), 3101.4–5, 3101.4–7, 3109.5–2(e) and (g), and 3111.1–3 (e) and (g); and in Group 3500, §§ 3500.0–3(c) (7) and (9), 3500.1–3 (f) and (h), 3504.1–2 (f) and (h), and Subparts 3566 and 3568, as follows:

PART 3100—OIL AND GAS LEASING

1. Section 3100.0–3 is amended by revising paragraph (d)(5) as follows:

§ 3100.0–3 Authority.

* * * * *

(d) *Special Acts*—

* * * * *

(5) *National Park Service Areas.* The Secretary is authorized to permit mineral leasing in the following areas if he finds that such disposition would not have significant adverse effects on the administration of the area and if it can be conducted in a manner that will preserve the scenic, scentific, and historic features contributing to public enjoyment of the area, pursuant to the following authorities:

(i) *Lake Mead National Recreation Area*—The act of October 8, 1964 (78 Stat. 1039; 16 U.S.C. 460n *et seq.*).

(ii) *Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area*—The act of November 8, 1965 (79 Stat. 1295; 16 U.S.C. 460q *et seq.).*

(iii) *Ross Lake and Lake Chelan National Recreation Areas*—The act of October 2, 1968 (82 Stat. 926; 16 U.S.C. 90 *et seq.*).

(iv) *Glen Canyon National Recreation Area*—The act of October 27, 1972 (86 Stat. 1311; 16 U.S.C. 460dd *et seq.*).

2. Section 3100.0–3 is further changed by amending paragraph (d)(7) as follows:

Remove "under his jurisdiction within the Whiskeytown-Shasta-Trinity National Recreation Area in the manner prescribed by section 10 of the Act of August 4, 1939, as amended (53 Stat. 1196 (43 U.S.C. 387)), and from those".

3. Section 3101.4 is amended by revising § 3101.4–5 as follows and by revising the title of § 3101.4–7 as follows:

§ 3101.4 Special leasing acts (areas).

* * * * *

§ 3101.4–5 National Park Service areas.

(a) *Boundary Maps.* The areas subject to the regulations in this part are those areas of land and water which are shown on the following maps on file and available for public inspection in the office of the Director of the National Park Service and in the Superintendent's Office of each area. The boundaries of these areas may be revised by the Secretary as authorized in the acts.

(1) *Lake Mead National Recreation Area*—The map identified as "boundary map, 8360–80013A, revised December 1979."

(2) *Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area*—The map identified as "Proposed Whiskeytown-Shasta-Trinity National Recreation Area," numbered BOR–WST 1004, dated July 1963.

(3) *Ross Lake and Lake Chelan National Recreation Areas*—The map identified as "Proposed Management Units, North Cascades, Washington," numbered NP–CAS–7002, dated October 1967.

(4) *Glen Canyon National Recreation Area*—The map identified as "boundary map, Glen Canyon National Recreation Area," numbered GLC–91,006, dated August 1972.

(b) *Excepted Areas.* The following areas shall not be open to mineral leasing:

(1) *Lake Mead National Recreation Area.* (i) All waters of Lakes Mead and Mohave and all lands within 300 feet of those lakes measured horizontally from the shoreline at maximum surface elevation.

(ii) All lands within the area of supervision of the Water and Power Resources Service around Hoover and Davis Dams and all land within any developed and/or concentrated public use area or other area of outstanding recreational significance as designated by the Superintendent on the map (NRA–L.M. 2291A, dated July 1966) of Lake Mead National Recreation Area which is available for inspection in the Office of the Superintendent.

(2) *Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area.* (i) All waters of Whiskeytown Lake and all lands within one mile of that lake measured from the shoreline at maximum surface elevation.

(ii) All lands classified as high density recreation, general outdoor recreation, outstanding natural, and historic, as shown on the map numbered 611–20,004B, dated April 1976, entitled "Land Classification, Whiskeytown Unit, Whiskeytown-Shasta-Trinity National Recreation Area." This map is available for public inspection in the Office of the Superintendent.

(iii) All lands within section 34 of Township 33 north, Range 7 west, Mt. Diablo Meridian.

(3) *Ross Lake and Lake Chelan National Recreation Areas.* (i) All of Lake Chelan NRA.

(ii) All lands within ½ mile of Gorge, Diablo and Ross Lakes measured from the shoreline at maximum surface elevation.

(iii) All lands proposed for or designated as wilderness.

(iv) All lands within ½ mile of State Highway 20.

(v) Pyramid Lake Research Natural Area and all lands within ½ mile of its boundaries.

(4) *Glen Canyon National Recreation Area.* Those areas closed to mineral disposition within the natural zone, development zone, cultural zone and portions of the recreation and resource utilization zone as shown on the map numbered 80.022A dated March 1980, entitled "Mineral Management Plan—Glen Canyon National Recreation Area." This map is available for public inspection in the Office of the Superintendent and the offices of the State Directors, Bureau of Land Management, Arizona and Utah.

§ 3101.4–7 Shasta and Trinity units of the Whiskeytown-Shasta-Trinity National Recreation Area.

4. Section 3109.5–2 is amended by revising paragraph (e) as follows and by revising the title of paragraph (g) as follows:

§ 3109.5–2 Special stipulations.

* * * * *

(e) *National Park Service Areas.* Any lease or permit respecting minerals shall be issued or renewed only with the consent of the Regional Director, National Park Service. Such consent shall only be granted upon a determination by the Regional Director that the activity permitted under the lease or permit will not have significant adverse effect upon the resources or administration of the area pursuant to the authorizing legislation of the area. Any lease or permit issued will be subject to such conditions as may be prescribed by the Regional Director to protect the surface and significant resources of the area, to preserve their use for public recreation, and to the condition that site specific approval of any activity on the lease will only be given upon concurrence by the Regional Director. All lease applications received for reclamation withdrawn lands shall also be submitted to the Bureau of Reclamation for review.

* * * * *

(g) *Shasta and Trinity Units of the Whiskeytown-Shasta-Trinity National Recreation Area.*

* * * * *

PART 3110—NONCOMPETITIVE LEASES

5. Section 3111.1–3 is amended by revising paragraph (e) as follows and by revising the title of paragraph (g) as follows:

Subpart 3111—Regular Offers

§ 3111.1–3 Special acts.

* * * * *

(e) *National Park Service Areas. Regulations Applicable*—Oil and gas leasing shall be governed by 43 CFR Group 3100. All operations conducted on a lease or permit shall be governed by 30 CFR 221 and 226.

* * * * *

(g) *Shasta and Trinity Units of the Whiskeytown-Shasta-Trinity National Recreation Area.*

* * * * *

6. Section 3500.0–3 is amended by revising paragraph (c)(7) as follows:

§ 3500.0–3 Authorities.

* * * * *

(c) Special Acts.

* * * * *

(7) *National Park Service Areas.* The Secretary is authorized to permit mineral leasing in the following areas if he finds that such disposition would not have significant adverse effects on the administration of the area and if it can be conducted in a manner that will preserve the scenic, scientific, and historic features contributing to public enjoyment of the area, pursuant to the following authorities;

(i) *Lake Mead National Recreation Area*—The act of October 8, 1964 (78 Stat. 1039; 16 U.S.C. 460n *et seq.*).

(ii) *Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area*—The act of November 8, 1965 (79 Stat. 1295; 16 U.S.C. 460q *et seq.*).

(iii) *Ross Lake and Lake Chelan National Recreation Areas*—The act of October 2, 1968 (82 Stat. 926; 16 U.S.C. 90 *et seq.*).

(iv) *Glen Canyon National Recreation Area*—The act of October 27, 1972 (86 Stat. 1311; 16 U.S.C. 460dd *et seq.*).

* * * * *

7. Section 3500.0–3 is further changed by amending paragraph (c)(9) as follows:

Remove "(a) section 10 of the act of August 4, 1939 as amended (53 Stat. 1196; 43 U.S.C. 387). (b)"

8. Section 3500.1–3 is amended by revising paragraph (f) as follows and by revising the title of paragraph (h) as follows:

§ 3500.1 Minerals subject to leasing.

* * * * *

§ 3500.1–3 Special acts.

* * * * *

(f) *National Park Service Areas.* Minerals subject to leasing are: all minerals identified in § 3500.1–1.

* * * * *

(h) *Shasta and Trinity Units of the Whiskeytown-Shasta-Trinity National Recreation Area.*

* * * * *

9. Section 3504.1–2 is amended by revising paragraph (f) as follows and by revising the title of paragraph (h) as follows:

Subpart 3504—Bonds

§ 3504.1–2 Special Acts.

* * * * *

(f) *National Park Service Areas.* A bond must be filed in compliance with 43 CFR 3504.2–1.

* * * * *

(h) *Shasta and Trinity Units of the Whiskeytown-Shasta-Trinity National Recreation Area.*

* * * * *

10. Part 3560 is amended by revising Subpart 3566 to read as follows:

PART 3560—SPECIAL LEASING ACTS

Subpart 3566—National Park Service Areas

Sec.

3566.1 Regulations applicable.
3566.2 Lands to which applicable.
3566.2–1 Boundary maps.
3566.2–2 Excepted areas.
3566.3 Consent and consultation.
3566.4 Procedures for leasing locatable minerals.

Subpart 3566—National Park Service Areas

§ 3566.1 Regulations applicable.

Mineral leasing, except as otherwise specifically provided for in this subpart, shall be governed by 43 CFR Group 3500. All operations conducted on a lease or permit shall be governed by 43 CFR Part 23 and 30 CFR 231.

§ 3566.2 Lands to which applicable.

§ 3566.2–1 Boundary maps.

The area subject to the regulations in this subpart are those areas of land and water which are shown on the following maps on file and available for public inspection in the Office of the Director of the National Park Service and in the Superintendent's Office of each area. The boundaries of these areas may be revised by the Secretary as authorized in the acts.

(a) *Lake Mead National Recreation Area*—The map identified as "boundary map, 8360–80013A, revised December 1979."

(b) *Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area*—The map identified as "Proposed Whiskeytown-Shasta-Trinity National Recreation Area," numbered BOR–WST 1004, dated July 1963.

(c) *Ross Lake and Lake Chelan National Recreation Areas*—The map identified as "Proposed Management Units, North Cascades, Washington,"

numbered NP-CAS-7002, dated October 1967.

(d) *Glen Canyon National Recreation Area*—The map identified as "Boundary Map, Glen Canyon National Recreation Area," numbered GLC-91,006, dated August 1972.

§ 3566.2-2 Excepted areas.

The following areas shall not be open to mineral leasing.

(a) *Lake Mead National Recreation Area.* (1) All waters of Lakes Mead and Mohave and all lands within 300 feet of those lakes measured horizontally from the shoreline at maximum water surface elevations.

(2) All lands within the area of supervision of the Water and Power Resources Service around Hoover and Davis Dams and all land within any developed and/or concentrated public use area or other area of outstanding recreational significance as designated by the Superintendent on the map (NRA-L.M. 2291A, dated July 1966) of Lake Mead National Recreation Area which is available for inspection in the Office of the Superintendent.

(b) *Whiskeytown Unit of the Whiskeytown-Shasta-Trinity National Recreation Area.* (1) All waters of Whiskeytown Lake and all lands within one mile of that lake measured from the shoreline at maximum surface elevation.

(2) All lands classified as high density recreation, general outdoor recreation, outstanding natural, and historic, as shown on the map numbered 611-20, 004B, dated April 1976, entitled "Land Classification, Whiskeytown Unit, Whiskeytown-Shasta-Trinity National Recreation Area." This map is available for public inspection in the Office of the Superintendent.

(3) All lands within Section 34 of Township 33 north, Range 7 west, Mt. Diablo Meridian.

(c) *Ross Lake and Lake Chelan National Recreation Areas.* (1) All of Lake Chelan NRA.

(2) All lands within ½ mile of Gorge, Diablo and Ross Lakes measured from the shoreline at maximum surface elevation.

(3) All lands proposed for or designated as wilderness.

(4) All lands within ½ mile of State Highway 20.

(5) Pyramid Lake Research Natural Area and all land within ½ mile of its boundaries.

(d) *Glen Canyon National Recreation Area.* Those areas closed to mineral disposition within the natural zone, development zone, cultural zone and portions of the recreation and resource utilization zone as shown on the map numbered 80,022A, dated March 1980, entitled "Mineral Management Plan—Glen Canyon National Recreation Area." This map is available for public inspection in the Office of the Superintendent and the Offices of the State Directors, Bureau of Land Management, Arizona and Utah.

§ 3566.3 Consent and consultation.

Any lease or permit respecting minerals shall be issued or renewed only with the consent of the Regional Director, National Park Service. Such consent shall only be granted upon a determination by the Regional Director that the activity permitted under the lease or permit will not have significant adverse effect upon the resources or administration of the area pursuant to the authorizing legislation of the area. Any lease or permit issued shall be subject to such conditions as may be prescribed by the Regional Director to protect the surface and significant resources of the area, to preserve their use for public recreation, and subject to the condition that site specific approval of any activity on the lease will only be given upon a concurrence by the Regional Director. All lease applications received for reclamation withdrawn lands shall also be submitted to the Bureau of Reclamation for review.

§ 3566.4 Special procedures for noncompetitive leasing of locatable minerals.

When a prospecting permit for locatable minerals is issued in accordance with the procedures in Part 3510 and § 3566.3 of this title, a lease will be granted to the holder of the prospecting permit upon demonstration of a discovery of a valuable deposit in accordance with the provisions of Part 3520 of this title, and subject to the provisions of § 3566.3 of this title.

11. Part 3560 is further changed by amending § 3568.0-3 as follows:

Subpart 3568—Shasta and Trinity Units of the Whiskeytown-Shasta-Trinity National Recreation Area

§ 3568.0-3 Authority.

Remove the words "under his jurisdiction within the Whiskeytown-Shasta-Trinity National Recreation Area in the manner prescribed by section 10 of the Act of August 4, 1939, as amended (53 Stat. 1196; 43 U.S.C. 387), and from those".

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Reader Aids

Federal Register

Vol. 46, No. 244

Monday, December 21, 1981

INFORMATION AND ASSISTANCE

PUBLICATIONS

Code of Federal Regulations

CFR Unit	202-523-3419
	523-3517
General information, index, and finding aids	523-5227
Incorporation by reference	523-4534
Printing schedules and pricing information	523-3419

Federal Register

Corrections	523-5237
Daily Issue Unit	523-5237
General information, index, and finding aids	523-5227
Public Inspection Desk	523-4986
Scheduling of documents	523-3187

Laws

Indexes	523-5282
Law numbers and dates	523-5282
	523-5266
Slip law orders (GPO)	275-3030

Presidential Documents

Executive orders and proclamations	523-5233
Public Papers of the President	523-5235
Weekly Compilation of Presidential Documents	523-5235

Privacy Act Compilation 523-3517

United States Government Manual 523-5230

SERVICES

Agency services	523-3408
Automation	523-3408
Dial-a-Reg	
Chicago, Ill.	312-663-0884
Los Angeles, Calif.	213-688-6694
Washington, D.C.	202-523-5022
Magnetic tapes of FR issues and CFR volumes (GPO)	275-2867
Public Inspection Desk	523-4986
Regulations Writing Seminar	523-5240
Special Projects	523-4534
Subscription orders (GPO)	783-3238
Subscription problems (GPO)	275-3054
TTY for the deaf	523-5229

FEDERAL REGISTER PAGES AND DATES, DECEMBER

58271-58480	1
58481-58638	2
58639-59226	3
59227-59526	4
59527-59940	7
59941-60172	8
60173-60410	9
60411-60564	10
60565-60798	11
60799-61064	14
61065-61244	15
61245-61440	16
61441-61632	17
61633-61832	18
61833-62044	21

CFR PARTS AFFECTED DURING DECEMBER

At the end of each month, the Office of the Federal Register publishes separately a list of CFR Sections Affected (LSA), which lists parts and sections affected by documents published since the revision date of each title.

3 CFR

Administrative Orders:

Presidential Determinations:

No. 73-10 of January 2, 1973 (Amended by Presidential Determination No. 82-2 of November 23, 1981)	58481
No. 82-2 of November, 23 1981	58481

Proclamations:

4885	60173
4886	61245

Executive Orders:

12335	61633
May 27, 1913 (Revoked by PLO 6094)	59974
February 7, 1933 (Revoked in part by PLO 6093)	58491
12036 (Revoked by EO 12333)	59941
12333	59941
12334	59955

5 CFR

213	58271
316	61065
550	58271
890	59227, 61066

Proposed Rules:

213	60590
890	61132
891	61132
1252	60591
1253	60591

7 CFR

Ch. XVIII	61988
2	59227
201	59527
271	60160
272	60160
273	60160
274	60160
278	60160
301	60799, 61066, 61833
800	58277, 60411
904	61833
905	58483, 60170, 60411, 61441
907	58278, 58639, 60412, 61442
910	59228, 60565, 61635
912	61833
913	61833
928	58639, 59228, 61833
944	60170
959	59228
966	60175, 61833
971	61833
984	59228, 59229
987	59228
989	58640, 59228
991	60177
993	61635
1001	58641
1030	58278
1032	59230
1065	60800
1133	60412
1403	61442
1421	59957, 61247, 61833
1427	61834
1443	61248
1446	61637
1701	61639, 61640
1822	60179
1863	60179
1872	60179
1910	60801
1924	60179, 60801
1927	60179
1941	60801
1943	60801
1951	60179
1955	60179
1960	61640
2856	58643

Proposed Rules:

102	59930
225	60592
272	60614
442	58492
701	60616
959	61664
1004	58337
1135	61480
1427	60210
1904	61291
1924	58497
1944	58497, 61291

9 CFR

51	60565, 61641
71	59527
83	59527
91	59959
92	60806
201	60414
202	60414
203	60414
204	60414

10 CFR

2	58279
11	58281
19	58281
20	58281
21	58281

25 ... 58281
50 ... 58484
72 ... 58281
75 ... 58281
95 ... 58281
170 ... 58281
500 ... 59872
501 ... 59872
503 ... 59872
504 ... 59872
505 ... 59872
1504 ... 61222

Proposed Rules:
Ch. I ... 58340
20 ... 60005
50 ... 61132-61136, 61484, 61894
70 ... 61136
73 ... 61136
430 ... 61485
456 ... 58340, 58341
478 ... 58500
500 ... 59924
501 ... 59924
503 ... 59924

12 CFR

5 ... 59232
201 ... 60189, 61249
205 ... 60190
226 ... 58644, 60190, 61067
329 ... 61067
335 ... 61641
338 ... 61641
523 ... 59234
563f ... 61249
614 ... 58284, 59959, 59960
615 ... 59960
1204 ... 58285

Proposed Rules:
Ch. VII ... 61136
225 ... 61297
309 ... 60827
543 ... 60005
544 ... 60005
545 ... 58341, 59256, 60005
552 ... 60005
577 ... 60005
614 ... 61485

13 CFR

123 ... 61642

Proposed Rules:
122 ... 58701

14 CFR

25 ... 59528
39 ... 58285, 58644-58647, 59529, 60417-60419, 60807, 60808, 61443-61447, 61835-61837
71 ... 59529-59530, 60810-60812, 61448, 61449, 61838
73 ... 58649
93 ... 60420
97 ... 58650, 60808
121 ... 58651, 61450
127 ... 58651
135 ... 58651
145 ... 58651
171 ... 61560
250 ... 61068

Proposed Rules:
1 ... 60461
21 ... 60461, 61486
25 ... 58702
36 ... 61486
39 ... 60828
43 ... 60461
45 ... 60461
47 ... 60461
61 ... 60461
63 ... 60461
65 ... 60461
71 ... 59547, 60462-60464, 60829, 61487-61489
73 ... 60465
75 ... 60466
91 ... 60461
93 ... 60461
99 ... 60461
121 ... 60461, 61489
123 ... 60461
125 ... 60461
127 ... 60461
133 ... 60461
135 ... 60461
137 ... 60461
141 ... 60461
373 ... 58501

15 CFR

399 ... 58286
806 ... 60191
904 ... 61643
922 ... 61643
970 ... 61643
981 ... 61643

Proposed Rules:
2009 ... 59547

16 CFR

13 ... 58652-58654, 59532
1201 ... 60812

Proposed Rules:
13 ... 59258, 60211
1145 ... 58702, 59548
1201 ... 60830

17 CFR

15 ... 59960
16 ... 59960, 61250
17 ... 59960
18 ... 59960
21 ... 59960
200 ... 59532, 60192
230 ... 58287
231 ... 60421
240 ... 58291, 58654, 60193, 61454
241 ... 60421
271 ... 60421

Proposed Rules:
1 ... 61140
12 ... 60834
180 ... 60834
190 ... 60007
210 ... 58505-58511
229 ... 58507, 58511
230 ... 58511
239 ... 58511
240 ... 58511
249 ... 58511
260 ... 58511

18 CFR

34 ... 60420
154 ... 58292, 60429
157 ... 60429
250 ... 60429
260 ... 60429
271 ... 58293-58295, 59533, 60193
282 ... 58296
300 ... 60813

Proposed Rules:
Ch. X ... 60406
2 ... 60466
141 ... 60214
271 ... 60467, 60468
357 ... 60617

19 CFR

Proposed Rules:
12 ... 61142

20 CFR

214 ... 61251
218 ... 61251
232 ... 61251
237 ... 61251
416 ... 58664

Proposed Rules:
416 ... 60470

21 CFR

5 ... 59234
81 ... 59235
172 ... 58297, 59968
173 ... 59235
175 ... 60566
177 ... 58297
178 ... 59235, 60566
193 ... 58486
312 ... 59968
430 ... 58297, 61068, 61071
431 ... 60567, 61071
436 ... 58297, 60567, 61068, 61071
440 ... 58297, 61071
444 ... 60567, 61071
446 ... 60567
448 ... 60567, 61071
450 ... 60567
452 ... 61071
453 ... 60567
455 ... 60567, 61068
460 ... 60569
510 ... 60569
520 ... 60569, 60570, 61653
522 ... 60569, 61072
526 ... 60569
540 ... 60567
544 ... 60567
546 ... 60567
548 ... 60571
555 ... 59969
558 ... 58300, 61073
561 ... 58487, 51533
808 ... 59236
1308 ... 59969, 60572

Proposed Rules:
50 ... 61666
135 ... 60007
148 ... 58343
168 ... 60625-60628
193 ... 58343
1308 ... 60008

22 CFR

22 ... 60572
124 ... 60820
126 ... 60820
134 ... 58301
213 ... 58488

Proposed Rules:
22 ... 61298
203 ... 60009

23 CFR

511 ... 59533
520 ... 59533
522 ... 59533
524 ... 59533
530 ... 59533
542 ... 59533
544 ... 59533
560 ... 59533

Proposed Rules:
772 ... 59550

24 CFR

200 ... 61839
235 ... 61455
420 ... 59971

26 CFR

14a ... 61839
301 ... 60435

Proposed Rules:
1 ... 61144
31 ... 61144

27 CFR

9 ... 59237-59241

Proposed Rules:
9 ... 59273-59276

28 CFR

16 ... 61455
503 ... 59506
522 ... 59506
527 ... 59506
543 ... 59506
551 ... 59506

Proposed Rules:
571 ... 59510

29 CFR

1910 ... 60758
2204 ... 59243
2520 ... 61074
2530 ... 59243, 60572
2619 ... 61084

Proposed Rules:
1910 ... 61673

30 CFR

221 ... 58304
602 ... 60435
801 ... 59934
806 ... 59934
946 ... 61085, 61088

Proposed Rules:
211 ... 61424
221 ... 61298
730 ... 59482
731 ... 59482
732 ... 59482
733 ... 59482
736 ... 59482
840 ... 58464, 61676
842 ... 58464, 61676
843 ... 58464, 61676
845 ... 58464, 61676
870 ... 60778
872 ... 60778
874 ... 60778
875 ... 60778

877.....60778
879.....60778
882.....60778
884.....60778
886.....60778
888.....60778
920.....61145
946.....60216
948.....61897

31 CFR

341.....60572
346.....60577
535.....59939

32 CFR

166.....60621
210.....58306
288.....61254
504.....60194
505.....61115
701.....60445
1287.....61116
1289.....61116

Proposed Rules:

199.....61299

33 CFR

82.....61456
85.....61845
86.....61845
110.....61457
117.....58665, 60445, 61458, 61459
207.....61116

Proposed Rules:

87.....59533
117.....59534, 60477

34 CFR

Proposed Rules:

642.....61060
643.....61060
644.....61060
645.....61060
646.....61060
776.....59555

35 CFR

Proposed Rules:

10.....60216
103.....60013

37 CFR

201.....58307
202.....58671

38 CFR

3.....59971
21.....59246

39 CFR

111.....59247, 60200, 60201, 61460
601.....61117

Proposed Rules:

111.....61897

40 CFR

51.....61612
52.....58673, 59536, 59971–59973, 60202, 60204, 61117–61124, 61254–61270, 61612, 61653, 61849
60.....61125
81.....59974, 61126, 61271, 61655
122.....60446
123.....58488
136.....58489
180.....58314, 58490, 59248, 61272
260.....59537
261.....61272
262.....60446

Proposed Rules:

51.....61613
52.....60015–60017, 60217, 61490, 61491, 61613
65.....61676
81.....60017
122.....61145
123.....60477, 61145
141.....58345
180.....60020, 60217
264.....61145
267.....61145

41 CFR

Ch. 1.....61852
Ch. 101.....60204
1–3.....61127
1–15.....61127
8–1.....60823
8–74.....60823
14.....61462
101–7.....58315
101–11.....60204

42 CFR

52.....58674
55.....58675
86.....58675
87.....58675
100.....61287
401.....59249
447.....58677

Proposed Rules:

52d.....58706
86.....58706

43 CFR

7.....58420
20.....58420
1820.....58316
3110.....62038
3200.....62038
3500.....62038

Public Land Orders:

5173 (Amended by PLO 6098).....61472
5180 (Amended by PLO 6098).....61472
5184 (Amended by PLO 6098).....61472
6090.....59542
6093.....58491
6094.....59974
6098.....61472

Proposed Rules:

Subtitle A.....58346, 60022
3400.....61390
3410.....61390
3420.....61390
3430.....61390
3440.....61390
3450.....61390
3460.....61390
3470.....61390
8350.....61677

44 CFR

64.....60448–60451
65.....58316, 60453
67.....58319, 60206, 60581, 61871
70.....60207, 61873–61878

Proposed Rules:

67.....59278, 60218–60220, 61893–61907
68.....61299
80.....61146
81.....61146
82.....61146
83.....61146
84.....61146

45 CFR

Proposed Rules:

74.....58706
400.....60629
401.....60629
1336.....58706

47 CFR

0.....58681, 59975
1.....58681, 60402, 60403
22.....60403
63.....58682, 59976
64.....59976
73.....58688–58691, 59542–59544, 60454–60456, 61288, 61289, 61658
81.....60457, 61879
83.....61879
90.....58691, 59996

Proposed Rules:

1.....60022
2.....60221, 60633
22.....60022
64.....60839
73.....58710–58727, 59555–59563, 60023, 60478, 60480, 60851, 61301–61305, 61677, 61679
74.....60024, 60222
81.....58347, 60022, 60633
83.....60022, 60633
90.....58728, 59564, 60031
97.....60033, 60859

48 CFR

Proposed Rules:

7.....60634
22.....60634
34.....60634

49 CFR

23.....60458
172.....58693
173.....58693
175.....58693
176.....58693
178.....58693
571.....61473, 61887
1016.....61659
1033.....58491, 58697, 59996
1201.....59249
1206.....59545
1207.....59545
1241.....59249
1310.....60208

Proposed Rules:

172.....61908
173.....61908
175.....61908
571.....60481
580.....60482
1207.....60035
1240.....60035

50 CFR

20.....58335
23.....60589
32.....60825
33.....60825
216.....61643
218.....61643
246.....61643
258.....58804
285.....61643
296.....59998
611.....58336, 58698, 60002, 60209
621.....61643
652.....60826
671.....58699

Proposed Rules:

Ch. VI.....60483
16.....58348
611.....59278, 59565, 61911
657.....61911
672.....59565

AGENCY PUBLICATION ON ASSIGNED DAYS OF THE WEEK

The following agencies have agreed to publish all documents on two assigned days of the week (Monday/Thursday or Tuesday/Friday). This is a voluntary program. (See OFR NOTICE 41 FR 32914, August 6, 1976.)

Monday	Tuesday	Wednesday	Thursday	Friday
DOT/SECRETARY	USDA/ASCS		DOT/SECRETARY	USDA/ASCS
DOT/COAST GUARD	USDA/FNS		DOT/COAST GUARD	USDA/FNS
DOT/FAA	USDA/REA		DOT/FAA	USDA/REA
DOT/FHWA	USDA/SCS		DOT/FHWA	USDA/SCS
DOT/FRA	MSPB/OPM		DOT/FRA	MSPB/OPM
DOT/MA	LABOR		DOT/MA	LABOR
DOT/NHTSA	HHS/FDA		DOT/NHTSA	HHS/FDA
DOT/RSPA			DOT/RSPA	
DOT/SLSDC			DOT/SLSDC	
DOT/UMTA			DOT/UMTA	

Documents normally scheduled for publication on a day that will be a Federal holiday will be published the next work day following the holiday. Comments on this program are still invited.

Comments should be submitted to the Day-of-the-Week Program Coordinator, Office of the Federal Register, National Archives and Records Service, General Services Administration, Washington, D.C. 20408.

List of Public Laws

Note: No public bills which have become law were received by the Office of the Federal Register for inclusion in today's **List of Public Laws.**

Last Listing December 8, 1981