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Federal Register

Tuesday
July 15, 1986

Briefings on How To Use the Federal Register—

For information on briefings in Seattle, WA, see announcement on the inside cover of this issue.

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THE FEDERAL REGISTER
WHAT IT IS AND HOW TO USE IT

FOR: Any person who uses the Federal Register and Code of Federal Regulations.

WHO: The Office of the Federal Register.

WHAT: Free public briefings (approximately 2 1/2 hours) to present:

1. The regulatory process, with a focus on the Federal Register system and the public's role in the development of regulations.
2. The relationship between the Federal Register and Code of Federal Regulations.
3. The important elements of typical Federal Register documents.
4. An introduction to the finding aids of the FR/CFR system.

WHY: To provide the public with access to information necessary to research Federal agency regulations which directly affect them. There will be no discussion of specific agency regulations.

SEATTLE, WA

WHEN: July 22; at 1:30 pm.

WHERE: North Auditorium,
Fourth Floor, Federal Building,
915 2nd Avenue, Seattle, WA.

RESERVATIONS: Call the Portland Federal Information Center on the following local numbers:

Seattle	206-442-0570
Tacoma	206-383-5230
Portland	503-221-2222

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 85-NM-73-AD; Amdt. 39-5357]

Airworthiness Directives; DeHavilland Model DHC-7 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This amendment adds a new airworthiness directive (AD) that requires modification of the internal circuitry of the paralleling control box of the 400 Hz AC electrical power system on certain Model DHC-7 airplanes. Reports indicate that failures of the 400 Hz inverters do not activate crew warning lights. This action is necessary to assure proper operation of the crew warning lights and thereby reduce the potential for complete failure.

EFFECTIVE DATE: September 4, 1986.

ADDRESSES: The service bulletin specified in this AD may be obtained upon request to DeHavilland Aircraft of Canada, Ltd., Downsview, Ontario M3K 1Y5, Canada. This information may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or the Seattle Aircraft Certification Office, 9010 East Marginal Way South, Seattle, Washington.

FOR FURTHER INFORMATION CONTACT: Mr. Harold N. Wantiez, Standardization Branch, ANM-113, FAA, Northwest Mountain Region, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168, telephone (206) 431-2977; or Mr. William White, Systems and Equipment Branch, ANE-173, FAA, New York Aircraft Certification Office, 181 South Franklin Avenue, Room 202, Valley Stream, New York 11581, telephone (516) 791-6427.

SUPPLEMENTARY INFORMATION: A proposal to amend Part 39 of the Federal Aviation Regulations to include an airworthiness directive, which requires modification of the 400 Hz AC electrical power system on certain DeHavilland Model DHC-7 airplanes to assure proper operation of the crew warning lights, was published in the **Federal Register** on September 9, 1985 (50 FR 36600).

Interested parties have been afforded an opportunity to participate in the making of this amendment. No comments were received.

After careful review of the available data, the FAA has determined that air safety and the public interest require the adoption of the rule as proposed.

It is estimated that 14 airplanes of U.S. registry will be affected by this AD, that it will take approximately 1 manhour per airplane to accomplish the required actions, and that the average labor cost will be $40 per manhour. Based on these figures, the total cost impact of this AD to U.S. operators is estimated to be $560.

For the reasons discussed above, the FAA has determined that this regulation 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 it is further certified under the criteria of the Regulatory Flexibility Act that this rule will not have a significant economic effect on a substantial number of small entities because of the minimal cost of compliance ($40 per airplane). A final evaluation has been prepared for this regulation and has been placed in the docket.

List of Subjects in 14 CFR Part 39

Aviation safety, Aircraft.

Adoption of the Amendment

PART 39—[AMENDED]

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends § 39.13 of Part 39 of the Federal Aviation Regulations as follows:

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

2. By adding the following new airworthiness directive:

§ 39.13 [Amended]

DeHavilland Aircraft of Canada, Ltd.

Applies to Model DHC-7 airplanes, serial numbers 1 through 14 inclusive, certificated in any category. Compliance is required within 60 days after the effective date of this AD, unless previously accomplished. To assure proper crew warning in the event of the loss of the 400 Hz AC electrical power system, accomplish the following:

1. Modify the 400 Hz AC system in accordance with DeHavilland Service Bulletin 7-24-13, Revision A, dated September 10, 1982.

2. An alternate means of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Standardization Branch, ANM-113, FAA, Northwest Mountain Region.

3. Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base for the accomplishment of inspections and/or modifications required by this AD.

All persons affected by this directive, who have not already received the appropriate service bulletin from the manufacturer, may obtain copies upon request to DeHavilland Aircraft of Canada, Ltd., Downsview, Ontario M3K 1Y5, Canada. This document may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or the Seattle Aircraft Certification Office, 9010 East Marginal Way South, Seattle, Washington.

This amendment becomes effective September 4, 1986.

Issued in Seattle, Washington, on July 8, 1986.

Wayne J. Barlow,
Director, Northwest Mountain Region.

[FR Doc. 86-15817 Filed 7-14-86; 8:45 am]
BILLING CODE 4910-13-M

14 CFR Part 71

[Airspace Docket No. 86-ANM-6]

Alteration of Malmstrom Air Force Base (AFB) Control Zone, Great Falls, MT

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: This action redefines the Malmstrom AFB Control Zone, Great Falls, Montana. The current description contains a reference to the Sand Coulee

VOR which has been decommissioned. In reviewing the description, it has been determined that it requires redefining not only due to the Sand Coulee VOR decommissioning, but to ensure protection of instrument approaches from the southwest.

EFFECTIVE DATE: 0901 UTC, August 29, 1986.

FOR FURTHER INFORMATION CONTACT: Katherine G. Paul, ANM-535, Federal Aviation Administration, Docket No. 86-ANM-6, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168, Telephone: (206) 431-2535.

SUPPLEMENTARY INFORMATION:

History

On April 11, 1986, the FAA proposed to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to redefine the Malmstrom AFB Control Zone, Great Falls, Montana (51 FR 12524). The current description contains a reference to the Sand Coulee VOR which has been decommissioned.

Interested parties were invited to participate in this rulemaking proceeding by submitting written comments on the proposal to the FAA. No comments objecting to the proposal were received. Except for editorial changes, this amendment is the same as that proposed in the notice. Section 71.171 of Part 71 of the Federal Aviation Regulations were republished in Handbook 7400.6B dated January 2, 1986.

The Rule

This amendment to Part 71 of the Federal Aviation Regulations redefines the Malmstrom AFB Control Zone to delete the reference to the Sand Coulee VOR and to ensure protection of instrument approaches from the southwest.

The FAA has determined that this proposed 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 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in CFR Part 71

Aviation safety, Control zones.

Adoption of the Amendment

PART 71—[AMENDED]

Accordingly, pursuant to the authority delegated to me, Part 71 of the Federal Aviation Regulations (14 CFR Part 71) is amended as follows:

1. The authority citation for Part 71 continues to read as follows:

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; Executive Order 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

§ 71.171 [Amended]

2. § 71.171 is amended as follows:

Great Falls, Malmstrom AFB Control Zone (Revised)

Within a 5 mile radius of the Malmstrom AFB airport (lat. 47°30'21.18"N, long. 111°11'02.47"W) within 3 miles each side of the 043° bearing from the airport extending from the 5 mile radius area to 7 miles northeast of the airport; within 2 miles each side of the Malmstrom TACAN (lat. 47°30'15.16"N, long. 111°10'52.18"W) 037° radial extending from the 5 mile radius area to 10 miles northeast of the TACAN; within 5 miles each side of the TACAN 228° radial extending from 17.5 miles southwest of the TACAN to 7.5 miles southwest of the TACAN and 2 miles each side of the TACAN 228° radial extending from 7.5 miles southwest of the TACAN to the 5 mile radius area; and excluding those portions within the Great Falls International Airport control zone.

Issued in Seattle, Washington, on July 8, 1986.

William E. O'Neill,

Acting Manager, Air Traffic Division, Northwest Mountain Region.

[FR Doc. 86-15824 Filed 7-14-86; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF COMMERCE

International Trade Administration

15 CFR Part 399

[Docket No. 60591-6091]

Revision of Validated License Requirement for Computer Flexible Disc Cartridges

AGENCY: Export Administration, International Trade Administration, Commerce.

ACTION: Final rule.

SUMMARY: Export Administration maintains the Commodity Control List (CCL), which lists commodities subject to Department of Commerce export controls. This rule clarifies that validated licenses are not required for exports of certain computer flexible disc cartridges ("floppy" discs) to any destinations except Country Groups S and Z.

ECCN 1572A includes controls on recording media "used in equipment controlled for export by" ECCN 1572A. Certain "floppy" disc drives have been removed from controls and are no longer included within ECCN 1572A. Such drives are now exportable under ECCN 6599G. Therefore, the media that can be used in these decontrolled disc drives are not controlled under ECCN 1572A.

This clarification of controls is supported by an Office of Foreign Availability assessment on the foreign availability of "floppy" discs and the decision, made in consultation with the Defense Department, that the free export of "floppy" discs for decontrolled "floppy" disc drives would not be detrimental to the security interests of the United States.

EFFECTIVE DATE: This rule is effective July 15, 1986.

FOR FURTHER INFORMATION CONTACT: John Black or Patti Muldonian, Office of Technology and Policy Analysis, Export Administration, Telephone: (202) 377-2440.

SUPPLEMENTARY INFORMATION:

Rulemaking Requirements

1. Because this rule concerns a military affairs function of the United States, it is not a rule or regulation within the meaning of section 1(a) of Executive Order 12291, and it is not subject to the requirements of that Order. Accordingly, no preliminary or final Regulatory Impact Analysis has to be or will be prepared.

2. Section 13(a) of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2412(a)), exempts this rule from all requirements of section 553 of the Administrative Procedure Act (APA) (5 U.S.C. 553), including those requiring publication of a notice of proposed rulemaking, an opportunity for public comment, and a delay in effective date. This rule is also exempt from these APA requirements because it involves a military affairs function of the United States. Further, no other law requires that a notice of proposed rulemaking and an opportunity for public comment be given for this rule. Accordingly, it is being issued in final form. However, as with other Department of Commerce rules, comments from the public are always welcome. Comments should be submitted to Betty Ferrell, Office of Technology and Policy Analysis, Export Administration, U.S. Department of

Commerce, P.O. Box 273, Washington, DC 20044.

3. Because a notice of proposed rulemaking and an opportunity for public comment are not required to be given for this rule by section 553 of the Administrative Procedure Act (5 U.S.C. 553) or by any other law, under sections 603(a) and 604(a) of the Regulatory Flexibility Act (5 U.S.C. 603(a) and 604(a)) no initial or final Regulatory Flexibility Analysis has to be or will be prepared.

4. This rule involves a collection of information subject to the requirements of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*). This collection has been approved by the Office of Management and Budget under control number 0625–0001.

List of Subjects in 15 CFR Part 399

Exports, Reporting and recordkeeping requirements.

PART 399—[AMENDED]

Accordingly, Part 399 of the Export Administration Regulations (15 CFR Parts 368–399) is amended as follows:

1. The authority citation for Part 399 continues to read as follows:

Authority: Pub. L. 96–72, 93 Stat. 503, 50 U.S.C. App. 2401 *et seq.*, as amended by Pub. L. 97–145 of December 29, 1981 and by Pub. L. 99–64 of July 12, 1985; E.O. 12525 of July 12, 1985 (50 FR 28757, July 16, 1985); Pub. L. 95–223, 50 U.S.C. 1701 *et seq.*, E.O. 12532 of September 9, 1985 (50 FR 36861, September 10, 1985).

§ 399.1 [Amended]

2. In Supplement No. 1 to § 399.1 (the Commodity Control List), Commodity Group 5 (Electronics and Precision Instruments), ECCN 1572A is amended by adding as the first note a new Note under paragraph (d), reading as follows:

1572A Recording or reproducing equipment, and specially designed components therefore.

* * * * *

(d) * * *

Note.—A validated export license is required only for Country Groups S and Z for exports of computer flexible disc cartridges designed for digital recording and reproduction having a "gross capacity" less than 17 million bits.

(Released from export controls by this Note are:

(1) Single or double side *or* single or double density 8-inch "floppy" diskettes that do not exceed 48 tracks per inch;

(2) Single or double side *or* single or double density 5.25-inch "floppy" diskettes that do not exceed 96 tracks per inch; and

(3) Single or double side *or* single or double density 3.5-inch "floppy" diskettes that do not exceed 135 tracks per inch.)

* * * * *

Dated: July 9, 1986.

Paul Freedenberg,

Assistant Secretary for Trade Administration.

[FR Doc. 86–15814 Filed 7–14–86; 8:45 am]

BILLING CODE 3510–DT–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 433

[Docket No. 84N–0373]

Antibiotic Drug Products for Over-the-Counter Human Use; Exemption From Certification

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the antibiotic drug regulations to specifically exempt from batch certification antibiotic drug products for over-the-counter (OTC) human use that meet all of the conditions in 21 CFR 330.1 and in an applicable final OTC antibiotic drug monograph. Under the exemption, manufacturers are not required to obtain, before marketing, certification of each batch of an OTC antibiotic drug that is generally recognized as safe and effective and not misbranded.

DATES: Effective August 14, 1986; notice of participation and request for hearing by August 14, 1986; data, information, and analyses to justify a hearing by September 15, 1986.

ADDRESS: Written comments to the Dockets Management Branch (HFA–305), Food and Drug Administration, Rm. 4–62, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Robert J. Meyer, Center for Drugs and Biologics (HFN–362), Food and Drug Administration, 5600 Fishers Lane, Rockville, MD 20857, 301–295–8049.

SUPPLEMENTARY INFORMATION:

Background

In the **Federal Register** of July 22, 1985 (50 FR 29702), FDA proposed to amend the antibiotic drug regulations to specifically exempt from batch certification antibiotic drug products for OTC human use that meet all of the conditions in § 330.1 (21 CFR 330.1) and in an applicable final OTC antibiotic drug monograph.

As discussed in the proposal, § 433.1 of the regulations (21 CFR 443.1) provides that antibiotic drugs for human use are exempt from the batch certification requirements of section 507 of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 357) if they are approved for marketing under an appropriate antibiotic application (formerly a Form 5) or an abbreviated antibiotic application (formerly a Form 6) and meet certain other specified conditions. Part 330 of the regulations contains procedures by which classes of OTC human drugs are generally recognized as safe and effective and not misbranded. The agency has determined that an OTC antibiotic drug product that meets the requirements of Part 330 also should be exempted from the batch certification requirements of section 507 of the act. However, such drug products do not meet one of the conditions necessary for exemption under § 433.1, as this section is currently written. Specifically, such drug products are not approved for marketing under an appropriate antibiotic application or an abbreviated antibiotic application, as § 433.1 now requires. FDA did not intend to exclude OTC antibiotic drugs that are generally recognized as safe and effective from the exemption from batch certification. Therefore, the agency proposed that § 433.1 be revised to exempt from the requirements of batch certification all OTC antibiotic drug products that conform to each of the general conditions established in § 330.1 of the regulations and to each of the conditions in an applicable final OTC drug monograph issued under § 330.10. The agency also proposed a conforming technical amendment to § 433.2(b).

Interested persons were given until September 20, 1985, to submit written comments on the proposal and until August 21, 1985, to submit requests for an informal conference. No comments or requests for an informal conference were received in response to the proposal.

In the **Federal Register** of February 22, 1985 (50 FR 7452), FDA revised its regulations governing the approval of new drugs and antibiotic drugs for human use. Under that final rule, FDA amended the antibiotic regulations in § 431.50 (21 CFR 431.50) by removing the terms antibiotic Form 5 and antibiotic Form 6 because they were superseded by the new terms "antibiotic application" and "abbreviated antibiotic application," respectively. In order to update these regulations, conforming amendments have been made in the final rule.

Economic Impact

The agency has considered the economic impact of this final rule and has determined that it does not require a

regulatory flexibility analysis, as defined in the Regulatory Flexibility Act (Pub. L. 96–354). Specifically, the final rule allows OTC antibiotic drugs that are generally recognized as safe and effective to be marketed without obtaining certification of each batch of antibiotic drug, thus eliminating the cost of this certification for the manufacturers of OTC antibiotic drugs that will be marketed under an applicable final OTC drug monograph. Accordingly, the agency certifies that this final rule will not have a significant economic impact on a substantial number of small entities.

Filing Objections

Any person who will be adversely affected by this final rule may file objections to it and request a hearing. Reasonable grounds for the hearing must be shown. Any person who decides to seek a hearing must file: (1) On or before August 14, 1986, a written notice of participation and request for hearing; and (2) on or before September 15, 1986, the data, information, and analyses on which the person relies to justify a hearing, as specified in 21 CFR 314.300. A request for a hearing may not rest upon mere allegations or denials, but must set forth specific facts showing that there is a genuine and substantial issue of fact that requires a hearing. If it conclusively appears from the face of the data, information, and factual analyses in the request for hearing that no genuine and substantial issue of fact precludes the action taken by this order, or if a request for hearing is not made in the required format or with the required analyses, the Commissioner of Food and Drugs will enter summary judgment against the person(s) who request(s) the hearing, making findings and conclusions and denying a hearing. All submissions must be filed in three copies, identified with the docket number appearing in the heading of this order and filed with the Dockets Management Branch.

The procedures and requirements governing this order, a notice of participation and request for hearing, a submission of data, information, and analyses to justify a hearing, other comments, and grant or denial of a hearing are contained in 21 CFR 314.300.

All submissions under this order, except for data and information prohibited from public disclosure under 21 U.S.C. 331(j) or 18 U.S.C. 1905, may be seen in the Dockets Management Branch (address above) between 9 a.m. and 4 p.m., Monday through Friday.

List of Subjects in 21 CFR Part 433

Antibiotics.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs, Part 433 is amended as follows:

PART 433—EXEMPTIONS FROM ANTIBIOTIC CERTIFICATION AND LABELING REQUIREMENTS

1. The authority citations under 21 CFR 433.1 and 433.2 are removed and the authority citation for 21 CFR Part 433 is revised to read as follows:

Authority: Secs. 505, 507, 52 Stat. 1050–1053 as amended, 59 Stat. 463 as amended (21 U.S.C. 355, 357); 21 CFR 5.10.

2. By revising § 433.1 to read as follows:

§ 433.1 Exemption of antibiotic drugs for human use from batch certification requirements.

(a) Antibiotic drugs for human use are exempt from the batch certification requirements of Part 431 of this chapter if the conditions of paragraph (b) of this section are met; or, in the case over-the-counter antibiotic drugs subject to an over-the-counter drug monograph in this chapter, if the conditions of paragraph (c) of this section are met.

(b) The conditions are as follows:

(1) The antibiotic drug is approved for marketing under an appropriate antibiotic application or abbreviated antibiotic application or is the subject of review under the Drug Efficacy Study Implementation Program.

(2) The antibiotic drug is packaged and labeled for dispensing in accordance with the applicable regulation (monograph) in this chapter except where other labeling has been approved in an applicable antibiotic application or abbreviated antibiotic application.

(3) The bulk antibiotic drug used in preparing the antibiotic drug product meets the standards of identity, strength, quality, and purity specified in the applicable regulation (monograph) in this chapter except where other standards have been approved in an applicable antibiotic application or abbreviated antibiotic application.

(4) The antibiotic drug product meets the standards of identity, strength, quality, and purity specified in the applicable regulation (monograph) in this chapter except where other standards have been approved in an applicable antibiotic application or abbreviated antibiotic application.

(c) The over-the-counter antibiotic drug product for human use is required to meet the general conditions established in § 330.1 of this chapter, and the conditions specified in an applicable over-the-counter drug monograph in this chapter.

(d) In accordance with the provisions of section 507(e) of the act, an antibiotic-containing drug for human use exempt from the requirements for batch certification under paragraph (b) of this section is subject following its approval to section 505 of the act and applicable regulations for new drugs, generally Parts 310 through 314 of this chapter. For each antibiotic drug subject to an exemption under paragraph (b) of this section:

(1) An approved antibiotic application is regarded to be an approved application under § 314.50 of this chapter.

(2) An approved abbreviated antibiotic application is regarded to be an approved abbreviated application under § 314.55 of this chapter.

(e) Nothing in this section prevents a manufacturer from applying for batch certification of an antibiotic drug for human use subject to an exemption under this section as provided in section 507(c) of this act.

(f) All exemptions from batch certification requirements for antibiotic drugs for human use under this section are subject to the conditions of effectiveness under § 433.2.

(Approved by the Office of Management and Budget under control number 0910–0001.)

3. By revising § 433.2(b) to read as follows:

§ 433.2 Conditions on the effectiveness of exemptions of antibiotic drugs for human use from batch certification requirements.

* * * * *

(b) If the Commissioner finds that the person granted an exemption from batch certification requirments for an antibiotic drug for human use has failed either to comply with the requirements of section 505 of the act and the regulations promulgated thereunder or to meet the general conditions established in § 330.1 of this chapter and the conditions specified in an applicable over-the-counter drug monograph in this chapter; or if the Commissioner finds that the requirements of § 433.1 have not been met; or if the Commissioner finds that the petition for exemption from batch certification contains any false statements of fact, the Commissioner may revoke the exemption from batch certification requirements immediately and require batch certification of the drug until such person shows adequate cause why the exemption from batch certification requirements should be reinstated.

* * * * *

Dated: July 8, 1986.

James W. Swanson,

Acting Associate Commissioner for Regulatory Affairs.

[FR Doc. 86-15850 Filed 7-14-86; 8:45 am]

BILLING CODE 4160-01-M

DEPARTMENT OF LABOR

Wage and Hour Division, Employment Standards Administration

29 CFR Part 697

Industries in American Samoa; Wage Order

Correction

In FR Doc. 86-14072 beginning on page 22517 in the issue of Friday, June 20, 1986, make the following corrections to § 697.1(h)(1) on page 22518:

§ 697.1 [Corrected]

1. In the fourth line change "July 5, 1986" to read "January 5, 1987".
2. In the fifth line change "July 6, 1986" to read "July 6, 1987".
3. In the sixth line change "July 4, 1988" to read "January 4, 1988".

BILLING CODE 1505-01-M

VETERANS ADMINISTRATION

38 CFR Part 21

Subsistence Allowance for Dependents and Incarcerated Veterans; Correction

AGENCY: Veterans Administration.

ACTION: Final rules; correction.

SUMMARY: The Veterans Administration recently published final rules on the payment of subsistence allowance to incarcerated veterans and for payment of the portion of subsistence allowance payable to the veteran's dependents. These rules were published in the **Federal Register** of June 23, 1986, at pages 22807 and 22808. This document is to correct the text of § 21.324(n)(2).

EFFECTIVE DATE: October 14, 1982.

FOR FURTHER INFORMATION CONTACT: Morris Triestman, Vocational Rehabilitation Policy and Program Development, Department of Veterans Benefits (282), Veterans Administration, 810 Vermont Avenue NW., Washington, DC 20420, (202) 389-2886.

Dated: July 8, 1986.

Marjorie Leandri,

Acting Chief, Directives Management Division.

On page 22808 of the **Federal Register** of June 23, 1986, Volume 51, § 21.324(n)(2) is correctly revised to read as follows:

§ 21.324 Reduction or termination dates of subsistence allowance.

* * * * *

(n) *Incarceration in prison or jail.*

* * *

(2) *Halfway house or work-release program.* The subsistence allowance of a veteran in a halfway house or work release program as a result of conviction of a felony will not be reduced under the provisions of § 21.276 the date on which the Federal Government or a State or local government pays all of the veteran's living expenses. (38 U.S.C. 1508(g).)

* * * * *

[FR Doc. 86-15876 Filed 7-14-86; 8:45 am]

BILLING CODE 8320-01-M

POSTAL SERVICE

39 CFR Part 111

Domestic Mail Manual; Eligibility of Separate Publications to Mail at Second-Class Rates

AGENCY: Postal Service.

ACTION: Interim rule.

SUMMARY: This rule adds a new section to the Domestic Mail Manual (DMM) in respect to § 200.012 of the Domestic Mail Classification Schedule (DMCS), which makes publications primarily designed for advertising purposes or for free circulation ineligible for second-class privileges. So-called "Plus" publications regularly published on the same day as another regular issue of a parent periodical may, in certain circumstances described in § 200.0123 of the DMCS, be ineligible for second-class privileges under the permit of the parent periodical. See 51 FR 19831-33. The new rule makes it explicit that, in appropriate circumstances, "Plus" publications may be considered separate publications even though they are not regularly published on the same day as another regular issue of the parent periodical.

This interim rule is set forth below for comment and suggested revision prior to adoption in final form.

DATES: The interim rule will take effect on July 20, 1986. Comments must be received on or before August 14, 1986.

ADDRESS: Written comments should be directed to the Director, Office of Classification and Rates Administration, U.S. Postal Service, Room 8430, 475 L'Enfant Plaza, SW., Washington, D.C. 20260-5360. Copies of all written comments will be available for inspection and photocopying between 9:00 a.m. and 4:00 p.m., Monday through Friday, in Room 8430 at the above address.

FOR FURTHER INFORMATION CONTACT: Ms. Cheryl Beller, (202) 268-5166.

SUPPLEMENTARY INFORMATION: As noticed in the **Federal Register** on June 3, 1986, new DMM § 425.225 became effective on June 8, 1986, in order to give effect to new Domestic Mail Classification Schedule (DMCS) § 200.0123, which also became effective on that date. 51 FR 19831-33. These new sections described conditions under which a so-called "Plus" issue will be deemed to be a separate publication if published at a regular frequency on the same day as another regular "issue" of the publication.

In its Opinion and Recommended Decision in Docket No. C85-1, however, the Commission stated plainly that the "on the same day" condition was set forth "solely because it is daily newspapers who, because of an improper administrative construction of the DMCS, are being permitted to enter Plus publications as second class even though they are not eligible." Opinion and Recommended Decision, Complaint of Advo-System, Inc., Docket No. C85-1, at 41-42 (January 24, 1986). The Commission emphasized that "[o]ur opinion does *not* authorize non-daily newspapers to mail total market coverage products and such materials akin to Plus publications would not be eligible for second-class." *Id.*, at 39-40 (Emphasis in original).

The Commission noted that the intent of its recommendations would be circumvented if "publications having the characteristics of Plus publications [were] entered as second class on days not used for publishing by newspapers which do not publish on a daily basis." *Id.* at 40. It added, however, that "[i]f this practice should develop, we believe that with the guidelines provided herein the Postal Service could handle it administratively, or if necessary, propose additional clarifying DMCS language." *Id.* It reiterated:

> Furthermore while the language of the proposed amendment is limited to daily newspapers, we assume that this opinion will assist the Postal Service in distinguishing whether printed matter is an issue of a particular publication or a separate publication.

Id. at 42.

The new DMM § 425.226, follows the Commission's guidelines to determine whether an "issue" which is not regularly published on the same day as another "issue" of a publication should

be considered to be a separate publication. The Opinion identifies several criteria for such a determination. These criteria are set forth in the Opinion at pages 27–31, and include differences in editorial content, theme, actual and intended readership, public demand, and mode of distribution. *Id.* at 31.

New DMM 425.226 takes into consideration differences in mode of distribution as well as differences in public demand. Under the new rule, if an "issue" of a publication is published at a regular frequency, if more than 10 percent of its copies are distributed to nonsubscribers, and if the number of its copies distributed by mail exceeds twice the number of copies of any other issue of the publication distributed by mail during the same week, then that "issue" shall be considered a separate publication for purposes of determining second-class eligibility. Thus, if a substantial portion of one "issue" during a week is distributed by mail, while all other issues are distributed almost exclusively by private carriers or at newstands, the difference in mode of distribution, if coupled with a difference in public demand, would require that "issue" to be considered a separate publication. If the number of mailed copies stays relatively constant for all issues throughout the week, however, the new rule will have no effect on eligibility for second-class entry.

Although exempted from the requirements of the Administrative Procedure Act regarding proposed rule making by 39 U.S.C. 410(a), the Postal Service ordinarily publishes in the **Federal Register** proposed additions or changes to its rules, as contemplated by the Act, when it is deemed necessary or appropriate to receive public comment on them. In this case, the Postal Service is making the rule effective upon publication, albeit on an interim basis while public comments are received and evaluated, in order to maintain eligibility for second-class entry in conformance with the expressed intent of the Commission and the Governors of the Postal Service. The Postal Service will carefully consider all comments received and make any changes that are necessary or appropriate before adopting a final rule.

Accordingly, the Postal Service hereby adopts the following interim rule as an amendment to the Domestic Mail Manual, which is incorporated by reference in the Code of Federal Regulations. See 39 CFR 111.1. Interested parties are invited to submit written comments on or before August 14, 1986.

List of Subjects in 39 CFR Part 111

Postal Service.

PART 111—[AMENDED]

1. The authority for 39 CFR Part 111 continues to read as follows:

Authority: 5 U.S.C. 552(a); 39 U.S.C. 101, 401, 404, 407, 408, 3001–3011, 3201–3219, 3403–3405, 3621, 5001; 42 U.S.C. 1973cc–13, 1973cc–14.

PART 4—SECOND-CLASS MAIL

2. Add new § 425.226, as follows:

425.2 Issues and Editions

* * * * *

.226 An "issue" of a newspaper or other periodical shall also be deemed to be a separate publication, for postal purposes, and must independently meet the applicable second-class eligibility qualifications in 421.2 through 421.4 and 422, when the following conditions are met:

a. The issue is published at a regular frequency, such as once each week, *and*

b. more than 10 percent of the total number of copies of the issue are distributed to recipients that do not subscribe to it, *and*

c. the number of copies of the issue distributed through the mails is more than twice the number of copies of any other single issue of the parent publication distributed through the mails during the same week.

A transmittal letter making these changes in the pages of the Domestic Mail Manual will be published and will be transmitted to subscribers automatically. Notice of issuance of the transmittal letter will be published in the **Federal Register** as provided in 39 CFR 111.3.

Fred Eggleston,

Assistant General Counsel, Legislative Division.

[FR Doc. 86–15845 Filed 7–14–86; 8:45 am]

BILLING CODE 7710–12–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of Child Support Enforcement

45 CFR Part 302

Establishing Paternity and Securing Support; Correction

AGENCY: Office of Child Support Enforcement.

ACTION: Final rule.

SUMMARY: This document corrects a final rule that appeared in the **Federal Register** (50 FR 19608) on May 9, 1985, which erroneously deleted 45 CFR 302.31(a)(3) concerning the treatment of assigned support payments received directly and retained by AFDC applicants and recipients. On August 27, 1985 regulations were published in the **Federal Register** (50 FR 34693) which revised the related 45 CFR 303.80, Recovery of direct payments. The latter regulation referenced 45 CFR 302.31(a)(3) but neglected to reinstate it.

EFFECTIVE DATE: July 15, 1986.

FOR FURTHER INFORMATION CONTACT: Carol Jordan, (301) 443–5350.

List of Subjects in 45 CFR Part 302

Child welfare, Grant programs—Social programs.

PART 302—[AMENDED]

Accordingly, 45 CFR Part 302 is amended as set forth below:

1. The authority citation for Part 302 continues to read as follows:

Authority: 42 U.S.C. 652 through 658, 665, 666, 667 and 1302, unless otherwise noted.

2. Section 302.31 is amended by adding paragraph (a)(3) to read as follows:

§ 302.31 Establishing paternity and securing support.

The State plan shall provide that:

(a) The IV–D agency will undertake:

* * * * *

(3) When assigned support payments are received and retained by an AFDC recipient, to proceed as follows:

(i) In States that implement the IV–A State plan requirements to count retained support payments as income under 45 CFR 233.20(a)(3)(v), the IV–D agency shall notify the IV–A agency whenever it discovers that directly received payments are being, or have been, retained; or

(ii) In States that do not implement the IV–A State plan requirements to count retained support payments as income to meet need, the IV–D agency shall recover the retained support payments. This recovery by the IV–D agency shall be carried out in accordance with the standards for program operations provided in § 303.80 of this chapter.

* * * * *

(Catalog of Federal Domestic Assistance Program No. 13679, Child Support Enforcement Program.)

Dated: July 7, 1986.

Wallace O. Keene,

Acting Deputy Assistant Secretary for Management Analysis and Systems.

[FR Doc. 86–15757 Filed 7–14–86; 8:45 am]

BILLING CODE 4190–11–M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 0

[FCC 86-299]

Delegation of Authority to the Managing Director to Establish Federal Advisory Committees With the FCC

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This action amends Part 0, § 0.231 of the Commission's rules by adding a new paragraph (j) to the authority delegated to the Managing Director.

This action is taken by the Commission to delegate authority to the Managing Director, who, serving as Advisory Committee Management Officer (ACMO), may now approve the establishment of FCC Federal Advisory Committees created under the auspices of the Federal Advisory Committee Act. This action will streamline the current process by eliminating the need for formal Commission actions on these routine administrative functions.

EFFECTIVE DATE: August 14, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Claudette E. Pride, MPPEO, Office of the Managing Director, (202) 632-3906.

SUPPLEMENTARY INFORMATION:

Order

In the matter of amendment of Part 0 of the Commission's rules to delegate authority to the Managing Director to establish Federal Advisory Committees within the FCC; FCC 86-299.

Adopted: June 19, 1986.
Released: July 9, 1986.

By the Commission:

1. In this *Order*, the Commission amends § 0.231 of its Rules by adding a new § 0.231(j), delegating to the Managing Director authority to establish FCC Federal Advisory Committees. The Commission now maintains seven Federal Advisory Committees. Currently these committees are established through formal action by the Commission.[1]

2. Section 9(2) of the Federal Advisory Committee Act requires that Federal Advisory Committees be established by the "Head of the Agency" after consultation with the Director of the Office of Management and Budget and timely notice in the **Federal Register** that such establishment is in the public interest.[2]

3. Section 5(a) of the Communications Act of 1934 designates the Chairman as the Chief Executive Officer of the Commission.[3] The Chairman or Commission may delegate administrative and executive functions to the Managing Director.[4]

4. On December 13, 1972, the Commission designated the Executive Director[5] as the Advisory Committee Management Officer (ACMO) for the Commission. The ACMO exercises control and supervision over the establishment, procedures, and accomplishments of advisory committees established by the agency. The ACMO assembles and maintains the reports, records and other papers of any such committee. He also carries out the provisions of 5 U.S.C. 552 with respect to such reports, records, and other papers.[6]

5. Delegation of the section 9(2) FACA committee establishment authority would be consistent with the Managing Director's current duties as ACMO and his delegated authority under § 0.231 of the Rules. This delegation would streamline the current process by eliminating the need for formal Commission consideration on routine administrative actions. The Commission would still act on all underlying decisions that justify the use of an advisory committee as a means of assisting it in examining a particular issue.

6. Because this amendment pertains only to internal agency organization and procedure, compliance with the notice and comment procedure of the Administrative Procedure Act is not required.[7]

7. Since a general notice of proposed rulemaking is not required, the Regulatory Flexibility Act, Pub. L. 93-354, does not apply.

8. In view of the foregoing and pursuant to the Communications Act of 1934, as amended, 47 U.S.C. 154(i), 154(j), 155(c)(1), 155(f), and 303(r) it is Ordered that Part 0 of the Commission's Rules is amended as set forth below, effective 30 days after publication in the **Federal Register.**

List of Subjects in 47 CFR Part 0

Commission organization, Delegation of Authority, Government agencies.

Rule Changes

PART 0—COMMISSION ORGANIZATION

Part 0 of Chapter 1 of Title 47 of the Code of Federal Regulations is hereby amended as indicated below:

1. The authority citation for Part 0 continues to read as follows:

Authority: Sec. 5, 48 Stat. 1068, as amended; 47 U.S.C. 155, unless otherwise noted.

2. Section 0.231(j) of the Commission Rules and Regulations is amended by adding paragraph (j) to read as follows:

§ 0.231 Authority delegated.

* * * * *

(j) The Managing Director, after consultation with the Chairman shall establish, renew, and terminate all federal advisory committees. He shall also exercise all management responsibilities under the Federal Advisory Committee Act as amended (Pub. L. No. 92-463, 5 U.S.C. App.).

Federal Communications Commission.

William J. Tricarico,

Secretary.

[FR Doc. 86-15899 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Part 73

[MM Docket No. 85-257; RM-4913]

Radio Broadcasting Services; Hemet, CA

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This document allots Channel 289A to Hemet, CA, in substitution of Channel 288A, and modifies the license of Station KHYE(FM), as requested by

[1] Advisory Committees provide the Commission with expert advice, ideas, and diverse opinions from members of the private sector. These committees are created by authority of the Federal Advisory Committee Act (FACA), 5 U S.C. App. (Pub. L. 92-463).

[2] Effective November 26, 1977, all responsibilities of OMB for advisory committees were transferred to the General Services Administration (Executive Order 12024, December 1, 1977). Requirements for establishing advisory committees are also set out in the General Services Administration's interim rules, 41 CFR 101-6.1007.

[3] 47 U.S.C. 155(a).

[4] See sections 5(c)(1) and 5(f) of the Communications Act of 1934, as amended, 47 U.S.C. 153(c)(1), 155(f).

[5] The Executive Director was renamed the Managing Director in 1981 by section 5(f) of the Communications Act of 1934, as amended.

[6] Section 8(b) of FACA.

[7] 5 U.S.C. 553(a)(3)(A).

the 2588 Newport Corporation. Supporting comments were filed by petitioner. With this action, this proceeding is terminated.

EFFECTIVE DATE: August 6, 1986.

FOR FURTHER INFORMATION CONTACT: Nancy V. Joyner (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order, MM Docket No. 85–257, adopted June 18, 1986, and released June 30, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

PART 73—[AMENDED]

1. The authority citation for Part 73 continues to read:

Authority: 47 U.S.C. 154, 303.

2. Section 73.202(b) is amended by revising the following entry:

§ 73.202 Table of allotments.

* * * * *

(b) * * *

California	Channel No.
* * * * *	
Hemet	289A
* * * * *	

Mark N. Lipp,

Chief, Allocations Branch Policy and Rules Division Mass Media Bureau.

[FR Doc. 86–15919 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Part 73

[MM Docket No. 85–341; RM–5039, 5297]

Radio Broadcasting Services; Clarendon, VT et al.

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: This document allots Channel 242A to Walpole, New Hampshire, as that community's first local FM service at the request of Brian Dodge. This action further dismisses the petition filed by Timonthy Allen to allot Channel 242A to Clarendon or North Clarendon, Vermont, for lack of continuing interest. A site restriction of 11 kilometers (6.9 miles) northwest of Walpole is required. Concurrence has been received from the Canadian government. With this action, this proceeding is terminated.

DATES: Effective August 11, 1986; The window period for filing applications will open on August 12, 1986, and close on September 10, 1986.

FOR FURTHER INFORMATION CONTACT: Patricia Rawlings (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order MM Docket No. 85–341, adopted June 24, 1986, and released July 3, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

47 CFR Part 73 is amended as follows:

1. The authority citation of Part 73 continues to read:

Authority: 47 U.S.C. 154, 303.

2. Section 73.202(b) is amended by adding the following entry:

§ 73.202 Table of allotments.

* * * * *

(b) * * *

New Hampshire	Channel No.
* * * * *	
Walpole	242A
* * * * *	

Mark N. Lipp,

Chief, Allocations Branch, Mass Media Bureau.

[FR Doc. 86–15924 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 674

[Docket No. 50694–5094]

High Seas Salmon Fishery off Alaska

AGENCY: National Marine Fisheries Service (NMFS), NOAA, Commerce.

ACTION: Notice of closure.

SUMMARY: The Secretary of Commerce (Secretary) closes a small area in the fishery conservation zone (FCZ) off Southeast Alaska for commercial salmon fishing. This action is necessary to conserve the chinook salmon stocks that contribute to the Alaska, British Columbia, Washington, Oregon, and Idaho salmon fisheries. The intent of this action is to ensure that the harvest of chinook salmon does not exceed the limit imposed by the Pacific Salmon Treaty. This action complements similar actions on the commercial troll fishery in waters managed by the State of Alaska.

DATES: This notice is effective from 0001 hours Alaska Daylight Time (ADT) July 9, 1986, until 2400 hours ADT September 20, 1986. Public comments are invited until August 9, 1986.

ADDRESSES: Send comments to Robert W. McVey, Director, Alaska Region, National Marine Fisheries Service, P.O. Box 1668, Juneau, AK 99802. During the 30-day public comment period, the data upon which this notice is based will be available for public inspection during business hours (8:00 a.m. to 4:30 p.m. Monday through Friday) at the NMFS Regional Office, Room 453, Federal Building, 709 West Ninth Street, Juneau, Alaska.

FOR FURTHER INFORMATION CONTACT: Aven M. Andersen (Fishery Management Biologist, NMFS), 907–586–7229.

SUPPLEMENTARY INFORMATION: This notice implements the Pacific Salmon Treaty and the Fishery Management Plan for the High Seas Salmon Fishery off the Coast of Alaska (FMP). The FMP was developed and amended by the North Pacific Fishery Management Council (Council). The regulations (50 CFR Part 674) govern the salmon fisheries in the FCZ off the coast of Alaska east of 175° E. longitude. They were issued under section 7(a) of Pub. L. 99–5, the Pacific Salmon Treaty Act of 1985 (16 U.S.C. 3631 *et seq.*), and section 305 of the Magnuson Fishery

Conservation and Management Act (16 U.S.C. 1801 *et seq.*).

In March 1986, the Pacific Salmon Commission limited the 1986 harvest by all fisheries in southeast Alaska to 254,000 chinook salmon, exclusive of the harvest of chinook salmon resulting from Alaska's new enhancement activities. A final rule to announce that limit and set fishing periods for the 1986 commercial troll fishery in the FCZ will be published shortly.

Section 674.23 of the regulations provides that the Secretary may modify the fishing periods and areas by publishing a notice in the **Federal Register**. Any such modification must be based on a determination by the Director, Alaska Region, NMFS (Regional Director), that (a) the condition of any salmon species is "substantially different from the condition anticipated in the FMP" and (b) this difference requires a modification of the fishing times and areas to adequately conserve any salmon species. The regulations specify the factors the Regional Director may consider. The regulations also specify that the Secretary must consult with the Alaska Department of Fish and Game (ADF&G) before he makes his modifications.

In view of these requirements, the Regional Director (acting on behalf of the Secretary) has consulted with ADF&G. Also, he has reviewed the information on the 1986 salmon fishery to date, has determined that the chinook stocks in 1986 are substantially depressed from the condition anticipated in the FMP, and has determined that this difference in stock condition requires that, in conjunction with area closures made by ADF&G, he should close a small area of the FCZ known as the Fairweather Grounds to all commercial salmon fishing as of 0001 hours on July 9, 1986. This area and those closed by the State of Alaska are areas where adult and juvenile (less than legal length) chinook salmon concentrate. If the areas were left open to commercial salmon fishing, the chinook quota would be reached by July 18 and a large number of sublegal chinook would be caught and have to be released, with a high resulting mortality.

A provision of the Pacific Salmon Treaty requires that each party to the treaty "minimize . . . all sources of induced fishing mortality . . . of chinook salmon" (annex 4, chapter 3, paragraph 1(e)). To achieve this requirement, the Alaska Board of Fisheries (Board), the Council, and NMFS decided to manage the salmon fisheries to slow the rate at which chinook salmon were being harvested so that the quota would not be reached until after July 26. This policy is intended to keep as short as possible any salmon fishing period during which fishermen would have to throw back the chinook salmon they caught while fishing for other salmon species. This policy would reduce or eliminate the number of chinook salmon dying after being hooked, handled, and released during fishing for coho, pink, sockeye, and chum salmon.

Counts, estimates, and forecasts by ADF&G of harvested chinook salmon show that the commercial salmon troll fishery has harvested about 147,000 chinook salmon through July 8, 1986; that number includes 23,000 taken in the winter troll fishery (October 1, 1985, to April 15, 1986). In addition, the commercial net fisheries in Southeast Alaska are expected to harvest about 20,000 chinook and the sport fisheries about 22,000. Combined, these predictions total 189,000 chinook, or 65,000 less than the limit of 254,000 imposed by the Pacific Salmon Commission.

About 600 boats are participating in the commercial troll fishery. The rate of catch this year is somewhat higher than it was last year at this time, probably because of the delayed opening of the fishery. Presently, the overall rate of catch for the entire troll fishery is about 13 chinook salmon per boat per day. In the Northern Outside Area defined by ADF&G, which contains the Fairweather Grounds being closed by this notice and most of the areas being closed by ADF&G, the average rate of catch for the last 10 days has been about 34 chinook salmon per boat per day. By closing these high-catch areas, ADF&G and NMFS predict that the chinook fishery for the trollers can be extended almost until the date adopted by the Board and Council, thereby reducing considerably the number of chinook thrown back.

If the total number of chinook harvested falls considerably short of the limit before the troll season ends, then NMFS might reopen the closed area to allow the troll fishery to harvest the remainder of its quota.

This notice closes to all commercial salmon fishery a roughly rectangular area known as the Fairweather Grounds defined by lines connecting the following points (NOAA chart 16760).

58°56.8′ N. lat., 138°02.7′ W. long.
58°22.5′ N. lat., 139°26.5′ W. long.
57°56.5′ N. lat., 138°17.9′ W. long.
58°25.7′ N. lat., 137°10.4′ W. long.

This area is bounded on the northwest by Loran C line 7960–Y–29700 running seaward from a point on the beach about 9 nautical miles northwest of Cape Fairweather, on the seaward side by Loran C line 7960–X–14440, on the southeast by Loran C line 7960–Y–29200, which runs seaward from a point on the beach about 4 nautical miles northwest of Icy Point, and the shore. We are mentioning these Loran C lines as an aid to the fishermen.

The closure will become effective after this notice has been filed for public inspection with the Office of the Federal Register and the closure has been publicized for 48 hours through procedures of ADF&G, as prescribed under § 674.23(b)(2).

Classification

This action is exempt from sections 4 through 8 of the Administrative Procedure Act, the Regulatory Flexibility Act, and Executive Order 12291 because, as is provided in section 7(a) of Pub. L. 99–5, it involves a foreign affairs function. It contains no requirement for collecting information for purposes of the Paperwork Reduction Act.

Section 674.23(b)(3) requires the Secretary to accept and consider public comments for 30 days after the effective date of notices like this one, which did not provide an opportunity for prior public comment. The aggregated data upon which this closure was based are available for public inspection at the address above. If comments are received, the Secretary will reconsider the necessity of this closure and will publish another notice in the **Federal Register** either confirming this notice's continued effect, modifying it, or rescinding it.

List of Subjects in 50 CFR Part 674

Fisheries, International organizations.

(16 U.S.C. 3621 *et seq.*; 16 U.S.C. *et seq.*)

Dated: July 10, 1986.

Carmen J. Blondin,

Deputy Assistant Administrator For Fisheries Resource Management, National Marine Fisheries Service.

[FR Doc. 86–15934 Filed 7–10–86; 4:50 pm]

BILLING CODE 3510–22–M

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50 CFR Part 675

[Docket No. 51180–5180]

Groundfish of the Bering Sea and Aleutian Islands Area

AGENCY: National Marine Fisheries Service (NMFS), NOAA, Commerce.

ACTION: Notice of inseason adjustments.

SUMMARY: NOAA announces the apportionment of amounts of the Alaska groundfish reserve to supplement domestic annual harvest (DAH) of sablefish and Pacific ocean perch (POP)

under provisions of the fishery management plan (FMP) for the groundfish fishery of the Bering Sea and Aleutian Islands area. NOAA conditions the supplemental amount of the reserve to be used only for bycatch while harvesting other Alaska groundfish species in the Bering Sea subdistrict. The intent of this action is to assure optimum use of all Alaskan groundfish species while conserving sablefish and POP stocks.

EFFECTIVE DATE: July 10, 1986.

ADDRESSES: Send comments to Robert W. McVey, Director, Alaska Region, National Marine Fisheries Service, P.O. Box 1668, Juneau, AK 99802. The aggregate data upon which this adjustment is based will be available for public inspection during business hours at the Alaska Regional Office, NMFS, Federal Building, Room 453, 709 West Ninth Street, Juneau, Alaska.

FOR FURTHER INFORMATION CONTACT: Janet Smoker (Resource Management Specialist, Alaska Region, NMFS), 907–586–7229.

SUPPLEMENTARY INFORMATION:

Background

The total allowable catches (TACs) for various groundfish species are established under the FMP. This FMP was developed by the North Pacific Fishery Management Council under the Magnuson Fishery Conservation and Management Act and is implemented by regulations at § 611.93 and Part 675. The TACs are apportioned initially among DAH, reserve, and total allowable level of foreign fishing (TALFF).

Under §§ 611.93(b) and 675.20(b), the reserve amount is to be apportioned to DAH and/or TALFF during the fishing year. As soon as practicable after April 1, June 1, and August 1, or on other dates as are deemed necessary, the Secretary of Commerce apportions to DAH all or part of the reserve that he finds will be harvested by U.S. vessels during the remainder of the year, and apportions to TALFF the remaining portion of the reserve that will not be apportioned to DAH, except that part or all of the reserve may be withheld if an apportionment would adversely affect the conservation of groundfish resources or prohibited species. When the initial DAH and TALFF for 1986 were established (51 FR 956, January 9, 1986), DAH and TALFF were supplemented with 29,857 metric tons (mt) from the initial 300,000 mt reserve, thereby reducing it to 270,143 mt. In April (51 FR 16058, April 30, 1986), DAH and TALFF were supplemented by an additional 135,072 mt from the reserve, reducing it to 135,071 mt. In May (51 FR 18333, May 19, 1986), the sablefish DAH was supplemented with an additional 500 mt from the reserve, leaving 134,571 mt in reserve.

Apportionments to DAH

In the Bering Sea subdistrict the DAP catch of sablefish and POP through July 2, 1986, has reached 2,524 mt and 744 mt, respectively. The Director, Alaska Region, NMFS, projects that both the sablefish TAC of 2,667 mt and the POP TAC of 825 mt will be taken by July 11, 1986. He has determined that continued directed fishing for sablefish and POP at current levels of catch and effort, if allowed to continue unchecked, could adversely affect the conservation of the sablefish and POP stocks. He has further determined that continued landing of limited amounts of both sablefish and POP as bycatch incidental to the harvest of other groundfish species would not adversely affect the conservation of either species, and that it is appropriate to apportion reserves to DAH at this time.

NOAA, therefore, takes the following two actions. First, effective on July 10, 1986, NOAA apportions 400 mt of sablefish and 250 mt of POP from the reserve to DAH conditioned that it only be used for bycatch in the Bering Sea subdistrict. Second, NOAA prohibits all directed fishing for sablefish and POP in the Bering Sea subdistrict of the Bering Sea and Aleutian Islands management area effective July 11, 1986, when the previous TACs are expected to be reached. Thus, U.S. vessels may continue fishing for other groundfish species provided that their take of either sablefish or POP does not exceed 20 percent of their total take of groundfish as defined at § 675.2.

This action increases the sablefish TAC to 3,067 mt and the POP TAC to 1,075 mt (Table 1). The Regional Director has determined that this apportionment of reserves will not result in overfishing.

TABLE 1.—BERING SEA/ALEUTIANS REAPPORTIONMENTS OF TAC

[Metric tons]

		Current	This action	Revised
Sablefish	TAC	2,667	+400	3,067
(Bering Sea area only).	DAP	2,326	+400	2,726
Equilibrium yeild=3,000.	JVP	246	....	246
	TALFF	95	....	95
Pacific Ocean Perch.	TAC	825	+250	1,075
(Bering Sea area only).	DAP	576	+250	826
Equilibrium yield=1,600.	JVP	194	....	194
	TALFF	55	....	55
Total (TAC = 2,000,000).	DAP	325,599	+650	326,249
	JVP	1,048,383	....	1,048,383
	RES	134,571	−650	133,921
	TALFF	491,447	....	491,447

Comments and Responses

The Assistant Administrator finds for good cause that it is impractical and contrary to the public interest to provide prior notice and public comment. Immediate effectiveness of this notice is necessary to benefit groundfish fishermen who otherwise would have to forego substantial amounts of other groundfish species if all fisheries were closed as a result of achieving previously specified TACs.

In accordance with 50 CFR 611.93(b) and 675.20(b), aggregated reports on U.S. catches of Alaska groundfish and the processing of those groundfish are available for public inspection and interested persons are invited to submit comments in writing to the address above for 15 days after the effective date of this notice.

Classification

This action is taken under § 675.20(b) and it complies with Executive Order 12291.

List of Subjects in 50 CFR Part 675

Fisheries.

(16 U.S.C. 1801 *et seq.*)

Dated: July 10, 1985.

Carmen J. Blondin,

Deputy Assistant Administrator For Fisheries Resource Management, National Marine Fisheries Service.

[FR Doc. 86–15935 Filed 7–10–86; 4:51 pm]

BILLING CODE 3510-22-M

Proposed Rules

Federal Register
Vol. 51, No. 135
Tuesday, July 15, 1986

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.

OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 532

Prevailing Rate Systems

AGENCY: Office of Personnel Management.

ACTION: Proposed rule.

SUMMARY: The Office of Personnel Management (OPM) is proposing regulations to govern the adjustment of the Virgin Islands special schedule and the placement of Virgin Islands wage employees on the overseas schedule. We are proposing to place employees on the overseas schedule because the local industry/employment structure in the Virgin Islands does not meet the test of survey adequacy as a separate regular wage area. In similar situations in Guam, Midway, and American Samoa, where there also is an inadequate survey base, the overseas schedule is used to pay wage employees.

DATE: Comments must be submitted on or before September 15, 1986.

ADDRESS: Send or deliver written comments to: The Office of Personnel Management, Compensation Group, Wage Systems Division, Room 3353, 1900 E Street NW., Washington, DC 20415.

FOR FURTHER INFORMATION CONTACT: Allan Summers, (202) 632-7830.

SUPPLEMENTARY INFORMATION: U.S. citizen wage employees in the Virgin Islands are employed by four agencies—Department of Defense (DOD), Department of the Interior, Department of Agriculture, and the General Services Administration. These employees are paid from a special wage schedule, established the first day of the first pay period beginning on or after June 22, 1986, which replace the separate DOD and Interior agency schedules previously in use in the Virgin Islands.

These regulations propose to place the Virgin Islands wage employees on the overseas schedule on the effective date of the FY 1990 overseas schedule. The overseas schedule was selected from among several possibilities as the most equitable way to pay the Virgin Islands employees. Our study of the area indicates that the Virgin Islands economic community does not possess an industry/employment structure which meets the test of survey adequacy under established wage system regulations. Because a local survey is not possible in the Virgin Islands, it was necessary to consider the use of some other pay standard. In similar situations in the U.S. possessions of Guam, Midway, and American Samoa, where there also was an inadequate survey base, the overseas schedule was adopted as the pay method which would produce generally representative wage rates in order to recruit and retain employees in those locations. The overseas schedule is computed as a simple average of the regular appropriated fund wage schedules in effect in the Federal Wage System and, as such, is felt to serve as a broad representation of the area of recruitment of wage employees in the U.S. possessions and territories.

Using the FY 1986 Virgin Islands schedule as a base, we are proposing in fiscal years 1987, 1988, and 1989 to adjust the rates of pay at each grade by (a) the adjustment made that fiscal year on the overseas schedule (if any); plus (b) one-fourth of the difference between the FY 1986 Virgin Islands schedule and the FY 1986 overseas schedule. The overall adjustment in a given year would, of course, be subject to any applicable pay caps that Congress may enact. DOD will be designated as the lead agency and will issue the Virgin Islands special schedules.

These regulations propose a new § 532.334 which will prescribe the FY 1987, 1988, and 1989 methodology for converting the Virgin Islands wage employees to the overseas schedule. This section will be abolished on the effective date of the FY 1990 overseas schedule at which time the Virgin Islands wage employees will be placed on the overseas schedule.

E.O. 12291, Federal Regulation

I have determined that this is not a major rule as defined under section 1(b) of E.O. 12291, Federal Regulations.

Regulatory Flexibility Act

I certify that these regulations will not have a significant economic impact on a substantial number of small entities because they are changes which will affect only employees of the Federal Government.

List of Subjects in 5 CFR Part 532

Administrative practice and procedure, Government employees, Wages.

U.S. Office of Personnel Management.

Constance Horner,

Director.

Accordingly, OPM is proposing to amend 5 CFR Part 532 as follows:

PART 532—PREVAILING RATE SYSTEMS

1. The authority citation for Part 532 continues to read as follows:

Authority: 5 U.S.C. 5343, 5346.

2. Section 532.233 is amended by revising paragraph (a) to read as follows:

§ 532.233 Regular appropriated fund wage schedules in foreign areas certain U.S. possessions and territories.

(a) The Office of Personnel Management shall issue regular appropriated fund wage schedules for U.S. citizens who are wage employees in foreign areas. The Department of Defense shall issue wage schedules for employees in Guam and Midway and, effective on the date of the fiscal year 1990 adjustment, in the Virgin Islands. The Department of Transportation shall issue wage schedules for employees in American Samoa. These schedules will provide rates of pay for nonsupervisory, leader, supervisory, and production facilitating employees.

* * * * *

3. A new § 532.234 is added to read as follows:

§ 532.234 Virgin Islands special wage schedules.

(a) The Department of Defense shall issue special wage schedules for U.S. citizen wage employees in the Virgin Islands in fiscal years 1987, 1988, and 1989. These schedules will provide rates of pay for nonsupervisory, leader, and supervisory employees.

(b) In each of the three fiscal years, on the effective date of the foreign areas

schedules as prescribed in § 532.233, each grade and the rate of each employee paid under the Virgin Islands special schedules will be increased by—

(1) The same cents per hour as the fiscal year's adjustment in the foreign areas schedules at the corresponding grade; plus

(2) An amount at each grade equal, as nearly as possible, to one-fourth of the difference between the FY 1986 Virgin Islands special schedules and the FY 1986 foreign areas schedules.

(c) The Virgin Islands special schedules will be abolished in FY 1990 on the effective date of the adjustment in the foreign areas schedules, and Virgin Islands wage employees will become subject to the foreign areas schedules as prescribed in § 532.233.

[FR Doc. 86-15880 Filed 7-14-86; 8:45 am]
BILLING CODE 6325-01-M

5 CFR Parts 870, 871, 872, and 873

Federal Employees' Group Life Insurance; Underdeductions of Premiums

AGENCY: Office of Personnel Management.

ACTION: Proposed rulemaking.

SUMMARY: The Office of Personnel Management (OPM) proposes to revise its regulations under the Federal Employees' Group Life Insurance (FEGLI) Program to reinforce the legal provisions that an agency is obligated to submit the appropriate employee and agency contributions to the FEGLI Fund. The regulations would specify that when an agency, through administrative error, withholds less than or none of the required FEGLI premiums, the agency must reimburse the FEGLI Fund for any such underdeductions of employee, annuitant, or compensationer contributions. The paying agency would be required to submit the appropriate employee and agency contributions as soon as possible but no later than 60 calendar days after determining the amount of withholdings due.

DATE: Comments must be received on or before September 15, 1986.

ADDRESS: Written comments may be sent to Reginald M. Jones, Jr., Assistant Director for Pay and Benefits Policy, Retirement and Insurance Group, Office of Personnel Management, P.O. Box 57, Washington, DC 20044, or delivered to OPM, Room 4351, 1900 E Street, NW, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Agatha Gray, (202) 632-0003.

SUPPLEMENTARY INFORMATION: Underdeductions occur when an agency erroneously withholds no premiums or withholds less than the required premiums due and payable from an individual's pay, annuity, or compensation for FEGLI coverage. (The nonpayment of FEGLI premiums to cover a period of nonpay status does not result in an underdeduction.)

Whenever an underdeduction occurs, the FEGLI Fund must receive the employee and agency contributions stipulated by law. thus, an agency that withholds less than or none of the required premiums is not relieved of its obligation to remit such premiums to the FEGLI Fund. These regulations would clearly state that when an underdeduction occurs, the agency must determine the amount due the FEGLI Fund and submit the difference between the required withholdings and the amount of withholdings actually deducted. The deposit to the FEGLI Fund must be made as soon as possible but no later than 60 calendar days after such a determination.

There is only one provision in the law that excuses the employee's share due the Fund. Section 8706(e) of title 5, United States Code, provides that if the life insurance of an employee stops because of a separation which is later found to be erroneous, the employee is deemed to have been insured for the period of separation without having deductions made from any backpay award unless death or accidental dismemberment of the employee occurs during that period. Likewise, the agency's share is not required unless the employee dies or accidentally becomes dismembered during that period. When a determination that a separation was erroneous and that the decreased or dismembered individual was insured during that period is made, the agency must submit the appropriate employee and agency contributions to cover the period of separation as in any other underdeduction case. Thus, an agency's obligation to pay its share to the Fund cannot be waived if the employee's share is due the Fund. These regulations would not limit any authority an agency, the Office of Personnel Management or the Office of Workers' Compensation Programs (OWCP) of the Department of Labor now has to waive overpayments of pay, annuity, or compensation under section 5584, 8346(b), or 8129 of title 5, United States Code. However, a waiver granted to an employee, annuitant, or compensationer does not relieve the agency, OPM, or OWCP of its obligation to pay the full amount (employee and agency contributions) owed to the FEGLI Fund.

Further, these regulations would not relieve an agency of its responsibility to adhere to the provisions of 5 U.S.C. 5514, 5 CFR 550.1101 *et seq.*, and the Federal Claims Collection Standards (Chapter II of Title 4, Code of Federal Regulations) when collecting overpayments of pay, annuity, or compensation. An agency pursuing the collection of an overpayment must give the affected individual due process in accord with the applicable provision.

E.O. 12291, Federal Regulation

I have determined that this is not a major rule as defined under section 1(b) of E.O. 12291, Federal Regulation.

Regulatory Flexibility Act

I certify that, within the scope of the Regulatory Flexibility Act, these regulations will not have a significant economic impact on a substantial number of small entities becuase they would affect only Federal employees and annuitants.

List of Subjects in 5 CFR Parts 870, 871, 872, and 873

Administrative practice and procedure, Government employees, Life insurance, Retirement, Workers' compensation.

U.S. Office of Personnel Management.

Constance Horner,

Director.

Accordingly, OPM proposes to amends Parts 870, 871, 872, and 873 as follows:

1. The authority citation for Parts 870, 871, 872, and 873 continues to read as follows:

Authority: 5 U.S.C. 8716.

PART 870—BASIC LIFE INSURANCE

2. Section 870.103 is amended to alphabetically add the definition of "underreduction" to read as follows:

§ 870.103 Definitions.

* * * * *

"Underreduction" means a failure to withhold the required amount of life insurance deductions from an individual's pay, annuity, or compensation. This definition includes both nondeductions (when none of the required amount was withheld) and partial deduction (when none of the required amount was withheld). Withholdings are not required while an individual is a nonpay status; therefore, the nonpayment of premiums, in this instance, does not result in an underreduction.

3. In § 870.401, paragraph (h) is revised and paragraph (i) is added to read as follows:

§ 870.401 Withholdings and contributions.

* * * * *

(h) When an agency withholds less than or none of the proper amount of basic life insurance deductions from an individual's pay, annuity, or compensation, the agency must submit an amount equal to the sum of the uncollected deductions and any applicable agency contributions required under section 8708 of title 5, United States Code, to OPM for deposit to the Employees' Life Insurance Fund.

(i) The deposit to OPM as described in paragraph (h) of this section must be made as soon as possible but no later than 60 calendar days after the date the employing office determines the amount of the underdeduction that has occurred, regardless of whether or when the underdeduction is recovered by the agency. A subsequent agency determination whether to waive collection of the overpayment of pay shall be made in accordance with 5 U.S.C. 5584 as implemented by 4 CFR Chapter I, Subchapter G, unless the agency involved in excluded from application of 5 U.S.C. 5584, in which case any applicable authority to waive the collection may be used.

PART 871—STANDARD OPTIONAL LIFE INSURANCE

4. In § 871.401, paragraph (g) is revised and paragraph (h) is added to read as follows:

§ 871.401 Withholdings.

* * * * *

(g) When an agency withholds less than or none of the proper cost of optional life insurance from an individual's pay, annuity, or compensation, the agency must submit an amount equal to the uncollected deductions required under section 8714a of title 5, United States Code, to OPM for deposit to the Employees' Life Insurance Fund.

(h) The deposit to OPM as described in paragraph (g) of this section must be made as soon as possible but no later than 60 calendar days after the date the employing office determines the amount of the underdeduction that has occurred, regardless of whether or when the underdeduction is recovered by the agency. A subsequent agency determination whether to waive collection of the overpayment of pay shall be made in accordance with 5 U.S.C. 5584 as implemented by 4 CFR Chapter I, Subchapter G, unless the agency involved is excluded from application of 5 U.S.C. 5584, in which case any applicable authority to waive the collection may be used.

PART 872—ADDITIONAL OPTIONAL LIFE INSURANCE

5. In § 872.401, paragraph (g) is revised and paragraph (h) is added to read as follows:

§ 872.401 Withholdings.

* * * * *

(g) When an agncy withholds less than or none of the proper cost of additional optional life insurance from an individual's pay, annuity, or compensation, the agency must submit an amount equal to the uncollected deductions required under section 8714b of title 5, United States Code, to OPM for deposit to the Employees' Life Insurance Fund.

(h) The deposit to OPM as described in paragraph (g) of this section must be made as soon as possible but no later than 60 calendar days after the date the employing office determines the amount of the underdeduction that occurred, regardless of whether or when the underdeduction is recovered by the agency. A subsequent agency determination whether to waive collection of the overpayment of pay shall be made in accordance with 5 U.S.C. 5584 as implemented by 4 CFR Chapter I, Subchapter G, unless the agency involved is excluded from application of 5 U.S.C. 5584, in which case any applicable authority to waive the collection may be used.

PART 873—FAMILY OPTIONAL LIFE INSURANCE

6. In § 873.401, paragraph (e) is revised and paragraph (f) is added to read as follows:

§ 873.401 Withholdings.

* * * * *

(e) When an agency withholds less than or none of the proper cost of family optional life insurance from an individual's pay, annuity, or compensation, the agency must submit an amount equal to the uncollected deductions required under section 8714c of title 5, United States Code, to OPM for deposit in the Employees' Life Insurance Fund.

(f) A deposit to OPM as described in paragraph (e) of this section must be made as soon as possible but no later than 60 calendar days after the date the employing office determines the amount of the underdeduction that has occurred, regardless of whether or when the underdeduction is recovered by the agency. A subsequent agency determination whether to waiver collection of the overpayment of pay shall be made in accordance with 5 U.S.C. 5584 as implemented by 4 CFR Chapter I, Subchapter G, unless the agency involved is excluded from application of 5 U.S.C. 5584, in which case any applicable authority to waive the collection may be used.

[FR Doc. 86-15882 Filed 7-14-86; 8:45 am]

BILLING CODE 6325-01-M

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5 CFR Part 890

Federal Employees Health Benefits; Underdeductions of Premiums

AGENCY: Office of Personnel Management.

ACTION: Proposed rulemaking.

SUMMARY: The Office of Personnel Management (OPM) proposes to revise its regulations under the Federal Employees Health Benefits (FEHB) Program to clearly state that an agency is obligated to submit the appropriate employee and agency contributions to the FEHB Fund. The regulations would specify that when an agency, through administrative error, withholds less than or none of the required FEHB premiums, the agency is obligated to submit the difference between the required withholdings and the withholdings actually deducted. Thus, whenever an underdeduction occurs, the paying agency must reimburse the FEHB Fund as soon as possible but no later than 60 calendar days determining the amount of withholdings due.

DATE: Comments must be received on or before September 15, 1986.

ADDRESS: Written comments may be sent to Regional M. Jones, Jr., Assistant Director for Pay and Benefits Policy, Retirement and Insurance Group, Office of Personnel Management, P.O. Box 57, Washington, DC 20044, or delivered to OPM, Room 4351, 1900 E Street, NW., Wash., DC.

FOR FURTHER INFORMATION CONTACT: Agatha Gray, (202) 632-0003.

SUPPLEMENTARY INFORMATION: Underdeductions occur when an agency erroneously withholds no premiums or withholds less than the required premiums due and payable from an individual's pay, annuity, or compensation for FEHB coverage. (The nonpayment of FEHB premiums to cover a period of nonpay status does not result in an undereduction.)

By law, the paying agency is obligated to withhold the appropriate employee and agency contributions for health

benefits coverage. Thus, whenever an agency withholds less than or none of the required premiums, the paying agency is not relieved of its responsibility to remit such withholdings to the FEHB Fund. These regulations would clearly state that when an underdeduction occurs, the agency must determine the amount due the FEHB Fund and submit the difference between the required withholdings and the amount of withholdings actually deducted. The deposit to the FEHB Fund must be made as soon as possible but not later than 60 calendar days after such a determination.

These regulations would not limit any authority an agency, the Office of Personnel Management, or the Office of Workers' Compensation Programs (OWCP) of the Department of Labor now has to waive overpayments of pay, annuity, or compensation under section 5584, 8346(b), or 8129 of title 5, United States Code. However, when a waiver is granted to an employee or annuitant, the agency, OPM, or OWCP is not relieved of its obligation to pay the full amount (employee and agency contributions) owed to the Fund within the prescribed 60-day period.

Further, these regulations would not relieve an agency of its responsibility to adhere to the provisions of 5 U.S.C. 5514, 5 CFR 550.1101 *et seq.*, and the Federal Claims Collection Standards (Chapter II of Title 4, Code of Federal Regulations) when collecting overpayments of pay, annuity, or compensation. An agency pursing the collection of such overpayments must give the affected individual due process in accord with the application provision.

E.O. 12291, Federal Regulation

I have determined that this is not a major rule as defined under section 1(b) of E.O. 12291, Federal Regulation.

Regulatory Flexibility Act

I certify that, within the scope of the Regulatory Flexibility Act, these regulations will not have a significant economic impact on a substantial number of small entities because they would affect only Federal employees and annuitants.

List of Subjects in 5 CFR Part 890

Administrative practice and procedure, Claims, Government employees, Health insurance, Retirement.

U.S. Office of Personnel Management.
Constance Horner,
Director.

Accordingly, OPM proposes to amended Part 890 as follows:

PART 890—[AMENDED]

1. The authority citation for Part 890 continues to read as follows:

Authority: 5 U.S.C. 8913; sec 890.102 also issued under 5 U.S.C. 1104 and sec. 3(5) of Pub. L. 95–454, 92 Stat. 1112; sec. 890.301 also issued under 5 U.S.C. 8905(b); sec. 890.302 also issued under 5 U.S.C. 8901(5) and 5 U.S.C. 8901(9); sec. 890.701 also issued under 5 U.S.C. 8902(m)(2); Subpart H also issued under Title I of Pub. L. 89–615, 98 Stat. 3195, and Title II of Pub. L. 99–251.

2a. In § 890.101(a), paragraph designations (2) through (12) are removed.

b. The introductory text in paragraph (a) and paragraph (a)(1) are revised to read as follows:

§ 890.101 Definitions; time computations.

(a) In this part, terms defined by section 8901 of title 5, United States Code, have the following meanings:

* * * * *

c. The paragraph designations for the definition of "foster child" are redesignated as paragraphs (1) and (2).

d. The following definitions are alphabetically added to read as follows:

"Compensation" means compensation under subchapter I of chapter 81 of title 5, United States Code, which is payable because of an on-the-job injury or disease.

"Compensationer" means an employee or former employee who is entitled to compensation and whom the Department of Labor determines is unable to return to duty. A compensationer is also an annuitant as defined by section 8901 of title 5, United States Code.

"OWCP" means the Office of Workers' Compensation Programs, U.S. Department of Labor, which administers subchapter I of chapter 81 of title 5, United States Code.

"Underdeduction" means a failure to withhold the required amount of health benefits premiums from an individual's pay, annuity, or compensation. This definition includes both nondeductions (when none of the required amount was withheld) and partial deductions (when only part of the required amount was withheld). Though FEHB premiums are required to cover a period of nonpay status, the nonpayment of such premiums does not result in an underdeduction.

3. In § 890.502, paragraphs (d) and (e) are added to read as follows:

§ 890.502 Employee Withholdings and contributions.

* * * * *

(d) An agency that withholds less than or none of the proper health benefits premiums from an individual's pay, annuity, or compensation, required under section 8906 of title 5, United States Code, must submit an amount equal to the sum of the uncollected deductions and any applicable agency contributions required under section 8906 of title 5, United States Code, to OPM for deposit in the Employees Health Benefits Fund.

(e) The deposit to OPM as described in paragraph (d) of this section must be made as soon as possible but no later than 60 calendar days after the date the employing office determines the amount of the underdeduction that has occurred, regardless of whether or when the underdeduction is recovered by the agency. A subsequent agency determination whether to waive collection of the overpayment of pay shall be made in accordance with 5 U.S.C. 5584 as implemented by 4 CFR Chapter I, Subchapter G, unless the agency involved is excluded from application of 5 U.S.C. 5584, in which case any applicable authority to waive the collection may be used.

[FR Doc. 86–15881 Filed 7–14–86; 8:45 am]
BILLING CODE 6325–01–M

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

7 CFR Parts 250 and 251

Donation of Foods for Use in the United States, its Territories and Possessions and Areas Under its Jurisdiction; Temporary Emergency Food Assistance Program for Fiscal Years 1986 and 1987

AGENCY: Food and Nutrition Service, USDA.

ACTION: Proposed rule.

SUMMARY: This rulemaking proposes revisions to the regulations governing the Temporary Emergency Food Assistance Program (7 CFR Part 251). These proposed revisions are intended to implement the discretionary provisions of recently enacted Pub. L. 99–198. The adoption of the proposal will implement the procedures to be used in transfers of section 32 commodities among eligible recipient agencies, the standards for commodity loss liability, and the procedures for determining each State's contribution toward meeting the required match of a portion of the Federal funds received under this program. Several technical revisions are proposed to be made to this part and 7 CFR Part 250, Donation of Foods for Use in the United States, its

Territories and Possessions and Areas under its Jurisdiction.

DATE: Comments must be received on or before August 14, 1986.

ADDRESS: Comments may be mailed to Beverly King at the address listed below.

FOR FURTHER INFORMATION CONTACT: Beverly King, Chief, Program Administration Branch, Food Distribution Division, Food and Nutrition Service, Park Office Center, Alexandria, Virginia 22302, Telephone (703) 756-3660.

SUPPLEMENTARY INFORMATION:

Classification

This action has been reviewed under Executive Order 12291 and has not been classified major because it does not meet any of the three criteria identified under the Executive Order. Compliance with the provisions in this rule will not have an annual effect on the economy of more than $100 million or more, nor will it cause a major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions. This action will not have significant adverse effects on competition, employment, investment, productivity, or innovation, or on the ability of United States based enterprises to compete with foreign based enterprises in domestic or export markets.

This action has been reviewed with regard to the Regulatory Flexibility Act (5 U.S.C. 601-612). Robert E. Leard, Administrator of the Food and Nutrition Service (FNS), has certified that this action will not have a significant economic impact on a substantial number of small entities.

In accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. 3501-3520), additional recordkeeping and reporting requirements contained in §§ 250.4(a), 251.4(a), 251.4(j), 251.9(d), and 251.9(e) of this proposed rule are subject to review and approval by the Office of Management and Budget (OMB). Current reporting and recordkeeping requirements for Part 251 were approved by OMB under Control Number 0584-0313.

This program is listed in the Catalog of Federal Domestic Assistance under 10.568 and is subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials. (7 CFR Part 3015, Subpart V and the final rule related notice published at 49 FR 22675, May 31, 1984).

Legislative Background

Title II, of Pub. L. 98-8 was designated as the Temporary Emergency Food Assistance Act of 1983 (7 U.S.C. 612c *note*), hereafter referred to as the "Act". It required the distribution of surplus agricultural commodities acquired through the Commodity Credit Corporation to various outlets for Fiscal Year 1983. It also authorized to be appropriated $50 million for the cost of storage and distribution of commodities in that fiscal year. At least 20 percent of those funds was to be allocated by State agencies to emergency feeding organizations for costs incurred in providing commodities to relieve situations of emergency and distress to needy persons, including low-income and unemployed persons. The remaining funds could be used for States' storage and distribution costs relating to emergency feeding organizations.

The Act was subsequently amended, most recently by Pub. L. 99-198, the Food Security Act of 1985. Pub. L. 99-198 made a number of significant changes to the Act, foremost of which is the extension of the Temporary Emergency Food Assistance Program (TEFAP) through September 30, 1987.

Regulatory Background

Interim regulations governing the TEFAP were published on December 16, 1983, (48 FR 55988-55993). The Department published proposed amendments to the interim rule on July 2, 1984, (49 FR 27159-27160) which were designed to strengthen the accountability and monitoring requirements of Part 251. A 60-day comment period was provided for the interim as well as for the proposed rule.

In order to finalize the provisions of both the interim and proposed rule and to implement the nondiscretionary provisions of Pub. L. 99-198, the Department published a final rule on April 16, 1986, (51 FR 12819). The final rule set forth the TEFAP regulations in their entirety.

This proposed rule is intended to address the discretionary provisions of Pub. L. 99-198. Specifically, this proposed rule outlines procedures for effecting section 32 transfers among recipient agencies, dealing with commodity losses incurred by emergency feeding organizations, determining the amount of funding to be provided to emergency feeding organizations and identifying and monitoring a State's contribution toward the newly required match of a portion of Federal funds received. Commenters are encouraged to address the operational aspects of each proposed revision to TEFAP.

Transfer of Section 32 Commodities

Section 1564(a) of Pub. L. 99-198 authorized the Secretary to use donated commodities made available under section 32 of Pub. L. 74-320 (7 U.S.C. 612c) in the TEFAP. In addition, section 1561 of Pub. L. 99-198 amended section 32 to allow a public or private nonprofit organization that receives agricultural commodities under section 32 to transfer those commodities to another public or private nonprofit organization that agrees to use such commodities to provide without cost or waste, nutrition assistance to individuals in low-income groups.

This rule proposes to add new paragraph (g) to § 251.4 which would allow emergency feeding organizations to transfer section 32 commodities to other emergency feeding organizations or to recipient agencies governed by 7 CFR Part 250. Consistent with provisions for commodity transfers among recipient agencies in Part 250, such transfers may not be made without prior approval of the applicable State and/or distributing agency. State and distributing agencies are strongly encouraged to consider factors such as the packaging size of the commodities to be transferred and the transferee's method of distribution. In recognition of the fact that emergency feeding organizations are governed under Part 251 and recipient agencies are governed under Part 250, transfers between emergency feeding organizations and recipient agencies are required to be documented on the form FNS-155, *Receipt and Distribution of Donated Commodities.* Corresponding changes have been made to Part 250 to allow recipient agencies to transfer section 32 commodities to emergency feeding organizations under Part 251. As under Part 251, such transfers may not be effected without State/distributing agency approval. Further, cross-program transfers must be documented on the form FNS-155.

The prohibition on the sale or other disposal of commodities in commercial channels is proposed to be deleted from § 251.9 *Miscellaneous provisions,* of the existing Part 251 and incorporated into the proposed paragraph (g).

Standards for Commodity Losses Liability

Section 1570 of Pub. L. 99-198 requires the Secretary to "set standards with respect to liability for commodity losses . . . in situations in which there is no evidence of negligence or fraud, and conditions for payment to cover such

losses". Further, the law requires that the special needs and circumstances of emergency feeding organizations be taken into consideration.

In order to implement this provision, a new paragraph (j) has been added to § 251.4. Paragraph (j) outlines USDA policies for recovering commodity losses which are described in greater detail in FNS Instruction 410–1, *Non-Audit Claims-Food Distribution Division*, issued June 4, 1984. State agencies and FNS Regional Offices would be further required, within the scope of the instruction, to take into consideration the special needs and circumstances of emergency feeding organizations where no evidence of fraud or negligence exists.

Under the proposed paragraph (j), a State agency is liable for all commodity losses when the State agency causes the loss through its improper distribution, storage, care or handling of the commodities, as well as when the State agency fails to pursue claims arising in its favor or to provide for the right to pursue such claims from the loss of commodities by an entity contracting with the State agency, such as a warehouse or emergency feeding organization. State agencies are required to immediately take claims action upon the reciept of information concerning the loss of commodities, and to make a claim determination within 30 days of the receipt of the informaton.

When a State agency itself causes the loss of commodities and the value exceeds $250, or when a State agency determines that a claim exists against an emergency feeding organization, warehouseman, carrier or other entity and the value of the lost commodities exceeds $2500, the State agency must immediately transmit the claim determination to the appropriate FNS Regional Office for review. In all other cases, the State agency shall immediately proced to collect the claim.

Notwithstanding the above, State agencies are not required to make claim determinations when the value of the lost commodities is $100 of less, unless there is evidence of fraud or a violation of Federal, State of local criminal law or when program operations would be adversely affected. In further recognition of the special needs and circumstances of emergency feeding organizations, paragraph (j) provides that in making final claim determinations for commodity losses incurred by emergency feeding organizations when there is no evidence of fraud or negligence, State agencies (and FNS Regional Offices when reviewing claim determinations) shall consider the such needs and circumstances and adjust the claim and/or conditions for claim collection as appropriate.

In making such a determination, however, great care should be taken to fully document the special circumstances to be considered. Such circumstances may include the use of volunteers and limited financial resources available to a particular emergency feeding organization or the deleterious effects a claims assessment would have on the organization's ability to meet the food needs of low-income populations.

State agencies are reminded that they are responsible for ensuring program integrity at the emergency feeding organization level. In that regard, if a State agency fails to recover commodity losses, unless otherwise excepted in paragraph (j), FNS may assess a claim against the State agency. Paragraph (j) reflects FNS' authority to do so.

Paragraph (j) also includes clarification of an often misunderstood FNS policy, i.e, funds derived from a claim due to the loss of foods designated as "bonus" items shall be returned to the Department. Since all commodities donated under the TEFAP are bonus items, any collection of claims resulting from the loss of these commodities are to be returned to the Department.

Funding for Distribution of Commodities

In extending the Act through Fiscal Year 1987, Pub. L. 99–198 omitted a statutory requirement that funds given to emergency feeding organizations for payment of storage and distribution costs not exceed 5 percent of the value of commodities distributed by these organizations. This restriction was placed on all previous fiscal year's funding by section 204(b) of the Act. In discussing the deletion of the 5 percent restriction from Part 251 in the preamble of the final rule published on April 16, 1986, 51 FR 12819, the Department indicated that the issue would be further addressed in this proposed rulemaking. In § 251.8 of the rule, the Department proposes to reestablish the 5 percent maximum. The Department believes that such a limitation is desirable to encourage States to allocate these funds in amounts that bear a consistent relationship with the volume of commodities being distributed by emergency feeding organizations and to ensure that individual organizations not receive disproportionate amounts of funds.

State Matching Requirements

Section 1569(a) of Pub. L. 99–198 requires each State to match, in cash or in-kind, each Federal dollar retained by the State and used solely for State level activities. Funds retained by the State to pay for the direct expenses of local distribution are excluded from the matching requirements. While the funds may be allocated to the State before the matching requirements are satisfied, FNS is required to adjust the funding allocation to correct for overpayments and underpayments.

This rule proposes to create a new § 251.9, redesignating old §251.9 as § 251.10. The new § 251.9 is devoted to implementation of the State matching requirements.

Paragraph (a) *State matching requirement*, proposes that effective January 1, 1987, States shall provide in cash or in-kind, a contribution equal to the difference between (1) the amount of funds received under § 251.8 and (2) any part of the amount allocated to the State and paid by the State to emergency feeding organizations or for the storage and distribution costs of such organizations.

Paragraph (b) *Exceptions*, acknowledges the provision in Pub. L. 99–198 which allows those States in which the legislature does not convene in regular session before January 1, 1987 to delay implementation until October 1, 1987. Therefore, the match requirements will not apply until October 1, 1987, in those States in which the legislature does not convene in regular session during the period between the effective date of the final rule and January 1, 1987. Another exception recognizes the provisions of 48 U.S.C. 1469a(d) which exempts American Samoa, Guam, the Virgin Islands and the Northern Mariana Islands from matching requirements (including in-kind contributions) if their respective matching requirements are under $200,000. To date American Samoa and Guam have not participated in TEFAP; however, the Department sets forth the exception to prevent confusion if, at some later date, American Samoa or Guam wish to participate.

In accordance with section 1569(a) of Pub. L. 99–198, paragraph (c) *Applicable contributions*, specifies that a State's contribution toward the matching requirement shall be through cash or in-kind contribution from non-Federal sources. In order for an in-kind contribution to be considered toward the matching requirements, it must meet the requirements set forth in 7 CFR Part 3015, Subpart G. Paragraph (c) also prohibits State agencies from passing on the cost of the matching requirements to emergency feeding organizations. This does not mean that a State may not assess charges equal to its direct costs of storing and transporting the

commodities less any amount the Secretary provides to the State for this purpose (as specifically permitted in section 208 of the Act and 7 CFR 250.6(j)(2)), but that if a State does assess charges for these costs, the State may not count the costs toward the matching requirement.

Paragraphs (d) *Plan requirements* and (e) *Reporting requirements* outline the Department's proposed implementation of the matching requirement. Under paragraph (d), the Department proposes to require State to submit, as part of the Distribution Plan currently required in § 250.6, a plan, for FNS approval, which identifies the estimated amount of Federal funds to be retained at the State level for State level activities, the estimated dollar value of the State's contribution and, if applicable, a description and valuation of the in-kind contribution to be applied to the State's required match. States are encouraged to amend this plan at any time during the fiscal year so that the plan reflects the State's intent. Section 251.6 would also be amended to reflect these additional requirements.

Submission of the expanded distribution plan would continue to be required no later than October 1.

Paragraph (e) requires State agencies to identify the State's contribution toward the matching requirement on the SF–269, *Financial Status Report.*

Paragraph (f) *Failure to match,* identifies how the Department proposes to address a State's failure to meet the required match. If, during the course of the fiscal year, the quarterly SF–269 indicates that the State is or will be unable to meet its matching requirements in whole or in part, the Department will suspend or disallow the appropriate portion of the State's allocation.

If, upon submission of the final SF–269, the Department determines that the State has not met the required match in whole or in part, the unmatched portion of Federal funds will be subject to disallowance by FNS.

Miscellaneous

On August 19, 1985, the Department proposed a revision of 7 CFR Part 250 (50 FR 33470). Among the comments received on this rule were several which questioned the frequency of annual written agreements to be required under the TEFAP.

In response to those questions, the Department is proposing a clarification of § 251.2. Paragraph (c) of this section clarifies that State agencies are required to enter into agreements with emergency feeding organizations. Under the agreement, emergency feeding organizations agree to operate the TEFAP in accordance with 7 CFR Parts 250 and 251. However, in any case in which an emergency feeding organization will be receiving Federal funds, the agreement must be effective for no longer than one year and completed by September 30 of each year. This requirement is necessary since Federal agencies may not obligate funds which have not been appropriated by the Congress, as would happen if such an agreement spanned two fiscal years.

List of Subjects

7 CFR Part 250

Aged, Agricultural commodities, Business and industry, Food assistance programs, Food donations, Food processing, Grant programs—social programs, Infants and children, Price support programs, Reporting and recordkeeping requirements, School breakfast and lunch programs, Surplus agricultural commodities.

7 CFR Part 251

Aged, Agricultural commodities, Business and industry, Food assistance programs, Food donations, Grant programs-social programs, Indians, Infants and children, Price support programs, Reporting and recordkeeping requirements, School breakfast and lunch programs, Surplus agricultural commodities.

Accordingly, 7 CFR Part 250 and 7 CFR Part 251 are proposed to be amended as follows:

PART 250—DONATIONS OF FOOD FOR USE IN THE UNITED STATES, ITS TERRITORIES AND POSSESSIONS AND AREAS UNDER ITS JURISDICTION

1. The authority citation for Part 250 is revised to read as follows:

Authority: Sec. 32, Pub. L. 74–320, 49 Stat. 744 (7 U.S.C. 612c); Pub. L. 75–165, 50 Stat. 323 (15 U.S.C. 713c); secs. 6, 9, 60 Stat. 231, 233, Pub. L. 79–396 (42 U.S.C. 1755, 1758); sec. 416, Pub. L. 81–439, 63 Stat. 1058 (7 U.S.C. 1431); sec. 402, Pub. L. 91–665, 68 Stat. 843 (22 U.S.C. 1922); sec. 210, Pub. L. 84–540, 70 Stat. 202 (7 U.S.C. 1859); sec. 9, Pub. L. 85–931, 72 Stat. 1792 (7 U.S.C. 1431b); Pub. L. 86–756, 74 Stat. 899 (7 U.S.C. 1431 nt); sec. 709, Pub. L. 89–321, 79 Stat. 1212 (7 U.S.C. 1446a–1); sec. 3, Pub. L. 90–302, 82 Stat. 117 (42 U.S.C. 1761); secs. 409, 410, Pub. L. 93–288, 88 Stat. 157 (42 U.S.C. 5179, 5180); sec. 2, Pub. L. 93–326, 88 Stat. 286 (42 U.S.C. 1762a), sec. 16, Pub. L. 94–105, 89 Stat. 522 (42 U.S.C. 1766); sec. 1304a, Pub. L. 95–113, 91 Stat. 980 (7 U.S.C. 612c nt); sec. 311, Pub. L. 95–478, 92 Stat 1533 (42 U.S.C. 3030a); sec. 10, Pub. L. 95–627, 92 Stat. 3623 (42 U.S.C. 1760); sec. 1561, Pub. L. 99–198, 99 Stat. 1589 (7 U.S.C. 612c); 5 U.S.C. 301, unless otherwise noted.

2. Section 250.4, paragraph (a) is revised to read as follows:

§ 250.4 Availability of donated foods.

(a) *Distribution and use of donated foods.* Commodities shall be available only for distribution and use in accordance with the provisions of this part, and with respect to distribution to households on or near an Indian reservation, of Part 283 of this chapter. Donated foods not so distributed or used (for any reasons) shall not be sold, exchanged or otherwise disposed of without the approval of the Department. However, donated foods may be transferred between recipient agencies with the authorization of the distributing agency if determined to be in the best interest of the distribution program. Food donated under section 32 of Pub. L. 74–320 (7 U.S.C. 612c) may also be transferred by recipient agencies to emergency feeding organizations which are distributing donated foods under 7 CFR Part 251. A transfer between recipient agencies and emergency feeding organizations may be made only with the prior approval of the distributing agency and the State agency administering the emergency feeding organization. Transfers of donated foods between emergency feeding organizations and recipient agencies shall be documented on the form FNS–155, *Receipt and Distribution of Donated Commodities.*

* * * * *

PART 251—TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM FOR FISCAL YEARS 1986 and 1987

1. The authority citation for Part 251 continues to read as follows:

Authority: Pub. L. 98–8, as amended; 7 U.S.C. 612c note.

2. Section 251.2, paragraph (c) is revised to read as follows:

§ 251.2 Administration.

* * * * *

(c) Each State agency which has been designated to make distributions of donated food to emergency feeding organizations and to receive payments for storage and distribution costs in accordance with § 251.8 of this part shall perform those functions pursuant to an agreement entered into with the Department. Such State agencies shall enter into a written agreement with eligible emergency feeding organizations. This agreement shall provide that emergency feeding organizations agree to operate the program in accordance with the requirements of this part, and, as

applicable, 7 CFR Part 250. In any case in which an emergency feeding organization will be receiving Federal funds, the agreement with that organization shall be effective no longer than one year and shall expire no later than September 30 of each year.

3. Section 251.4 is amended by redesignating paragraphs (g) and (h) as (h) and (i), respectively. New paragraphs (g) and (j) are added to read as follows:

§ 251.4 Availability of commodities.

(g) *Availability and control of donated commodities.* Donated commodities shall be made available to State agencies only for distribution and use in accordance with this part. Except as otherwise provided in § 251.4(f), donated commodities not so distributed or used for any reason shall not be sold, exchanged, or otherwise disposed of without the approval of the Department. However, donated commodities made available under section 32 of Pub. L. 74–320 (7 U.S.C. 612c) may be transferred by emergency feeding organizations, as defined in § 251.3, or recipient agencies, as defined in § 250.3, to any other emergency feeding organization or recipient agency which agrees to use such donated foods to provide without cost or waste, nutrition assistance to individuals in low-income groups. Such transfers shall be effected only with prior authorization of the State agency and, as applicable, the distributing agency. Transfers of any donated commodities between emergency feeding organizations and recipient agencies shall be documented on the form FNS–155, *Receipt and Distribution of Donated Commodities.*

* * * * *

(j) *Commodity losses.* (1) The State agency shall be responsible for the loss of commodities:

(i) When the loss arises from the State agency's improper distribution or use of any commodities or failure to provide proper storage, care, or handling, and

(ii) When the State agency fails to pursue claims arising in its favor, fails to provide for the rights to assert such claims, or fails to require its emergency feeding organizations to provide for such rights.

Except as provided in paragraph (j)(4), of this section, the State agency shall begin claims action immediately upon receipt of information concerning the improper distribution, loss of or damage to commodities, and shall make a claim determination within 30 days of the receipt of information. The funds received from the collection of claims shall be returned to FNS.

(2) If the State agency itself causes the loss of commodities and the value exceeds $250, the State agency shall immediately transmit the claim determination to the FNS Regional Office, fully documented as to facts and findings. Except as provided in paragraph (j)(4) of this section, if the State agency itself causes the loss of commodities, and the value does not exceed $250, the State agency shall immediately return funds equal to the claim amount to FNS.

(3) If the State agency determines that a claim exists against an emergency feeding organization, warehouseman, carrier or any other entity and the value of the lost commodities exceeds $2500, the State agency shall immediately transmit the claim determination to the appropriate FNS Regional Office, fully documented as to facts and findings. If FNS determines from its review of the claim determination that a claim exists, the State agency shall make demand for restitution upon the entity liable immediately upon receipt of notice from the FNS Regional Office. Except as provided in paragraph (j)(4) of this section, if the State agency determines that a claim exists in favor of the State agency against an emergency feeding organization, warehouseman, carrier or any other entity and the value of the lost commodities does not exceed $2500, the State agency shall immediately proceed to collect the claim.

(4) No claim determination shall be required where the value of the lost commodities is $100 or less. However, no such claim shall be disregarded where:

(i) There is evidence of fraud of a violation of Federal, State or local criminal law or

(ii) Program operations would be adversely affected.

(5) The State agency shall maintain records and substantiating documents on all claims actions and adjustments, including documentation of those cases in which no claim was asserted because of the minimal amount involved.

(6) In making final claim determinations for commodity losses incurred by emergency feeding organizations when there is no evidence of fraud or negligence, State agencies and FNS Regional Offices, as applicable, shall consider the special needs and circumstances of the emergency feeding organizations, and adjust the claim and/or conditions for claim collection as appropriate. These special needs and circumstances include but are not limited to the emergency feeding organization's use of volunteers and limited financial resources and the effect of the claim on the organization's ability to meet the food needs of low-income populations.

4. Section 251.6, paragraph (a) is revised to read as follows:

§ 251.6 Distribution plan.

(a) *Contents of the plan.* The State agency shall submit for approval by the appropriate FNS Regional Office a plan which contains:

(1) A description of the criteria established in accordance with § 251.5(b) for determining that applicant households are in need of food assistance under this part;

(2) The rates for distributing commodities to households in accordance with § 251.4(d)(3);

(3) A description of the program monitoring system including a detailed explanation of any factors which may contribute to the State's requesting approval of exceptions to conducting the minimum number of reviews required by § 251.10(e); and

(4) A description of the State's contribution toward the matching requirements as described under § 251.9(d).

5. Section 251.8 is amended by adding a new paragraph (d)(3) to read as follows:

§ 251.8 Payment of funds for storage and distribution costs.

* * * * *

(d) *Use of funds.* * * *

(3) In no case shall payments to an emergency feeding organization under paragraph (d)(1) of this section exceed 5 percent of the value of commodities distributed under this part in any fiscal year by such emergency feeding organization.

* * * * *

6. Section 251.9 is redesignated as § 251.10. Paragraph (d) of newly redesignated § 251.10 is removed and paragraphs (e), (f), and (g) are redesignated (d), (e), and (f) respectively.

7. New § 251.9 is added to read as follows:

§ 251.9 Matching of funds.

(a) *State matching requirements.* Effective January 1, 1987, unless otherwise excepted in paragraph (b) of this section, States shall provide in cash or in-kind, a contribution equal to the difference between

(1) The amount of funds received under § 251.8 and

(2) Any part of the amount received by the State and paid by the State to emergency feeding organizations or for the storage and distribution costs of such organizations.

(b) *Exceptions.* If the legislature of a State does not convene in regular session before January 1, 1987, paragraph (a) of this section shall apply to such State beginning on October 1, 1987. In accordance with the provisions of 48 U.S.C. 1469a, American Samoa, Guam, the Virgin Islands and the Northern Mariana Islands shall be exempt from the matching requirements of paragraph (a) of this section if their respective matching requirements are under $200,000.

(c) *Applicable contributions.* States shall meet the requirements of paragraph (a) of this section through cash or in-kind contributions from non-Federal sources. Such contributions shall meet the requirements set forth in 7 CFR Part 3015, Subpart G. States shall not pass the cost of the matching requirements on to emergency feeding organizations.

(d) *Plan requirements.* As a part of the State's Distribution Plan required under § 251.6, State agencies shall submit for FNS Regional office approval, the State's plan for meeting the match required under paragraph (a) of this section. Such plan shall identify the estimated amount of Federal funds to be retained at the State level for State level activities, the estimated dollar value of the State's contribution, and, if applicable, a description and valuation of in-kind contributions to be applied to the State's required match. This plan may be amended at any time during the fiscal year.

(e) *Reporting requirements.* State agencies shall identify their matching contribution on the SF–269, *Financial Status Report in* accordance with § 251.10(e).

(f) *Failure to match.* If, during the course of the fiscal year, the quarterly SF–269 indicates that the State is or will be unable to meet the matching requirements in whole or in part, the Department shall suspend or disallow the unmatched portion of Federal funds subject to the provisions of paragraph (a) of this section. If, upon submission of the final SF–269 for the fiscal year, the Department determines that the State has not met the requirements of paragraph (a) of this section in whole or in part, the unmatched portion of Federal funds subject to the requirements of paragraph (a) of this section shall be subject to disallowance by FNS.

Dated: July 9, 1986.

Robert E. Leard,

Administrator.

[FR Doc. 86–15847 Filed 7–14–86; 8:45 am]

BILLING CODE 3410–74–M

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Parts 1064, 1102, 1106, 1108, 1126, 1138

[Docket Nos. AO–231–A54 et al.]

Milk in the Texas and Certain Other Marketing Areas; Tentative Decision on Proposed Amendments and Opportunity To File Written Exceptions to Tentative Marketing Agreements and to Orders

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rules.

7 CFR Parts	Marketing Areas	Docket Nos.
1126	Texas	AO–231–A54
1164	Greater Kansas City	AO–23–A57
1102	Fort Smith, Arkansas	AO–237–A34–RO1
1106	Southwest Plains	AO–210–A45–RO1
1108	Central Arkansas	AO–243–A39
1138	Rio Grande Valley	AO–335–A32

SUMMARY: This tentative decision proposes to modify the plant location adjustments to prices under the Texas, Greater Kansas City, Southwest Plains, and Central Arkansas Federal milk marketing orders. The location adjustment changes are necessary to align prices among Federal order markets to conform with the Class I differentials mandated by the Food Security Act of 1985 that were implemented on May 1, 1986. The Class I differentials also changed the price relationships among Federal order markets and require changes to the location adjustment provisions to align prices at competing plants on an intra- and inter-order basis. The changes are necessary to promote the orderly marketing of milk in the affected markets. The location adjustment amendments are based on proposals by cooperative associations and proprietary handlers that were considered at a public hearing held March 4–7, 1986, in Irving, Texas.

DATE: Comments are due on or before July 30, 1986.

ADDRESS: Comments (seven copies) should be filed with the Hearing Clerk, Room 1079, South Building, U.S. Department of Agriculture, Washington, DC 20250.

FOR FURTHER INFORMATION CONTACT: John F. Borovies, Marketing Specialist, Dairy Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, D.C. 20250, (202) 447–2089.

SUPPLEMENTARY INFORMATION: This administrative action is governed by the provisions of sections 556 and 557 of Title 5 of the United States Code and, therefore, is excluded from the requirements of Executive Order 12291.

The Regulatory Flexibility Act (5 U.S.C. 601–612) requires the Agency to examine the impact of a proposed rule on small entities. Pursuant to 5 U.S.C. 605(b), the Administrator of the Agricultural Marketing Service has certified that this action will not have a significant economic impact on a substantial number of small entities. The proposed amendments modify the transportation allowances provided under the four orders to make them conform more closely to the economic conditions that currently exist in the marketplace. The main economic condition involved is the Class I differentials that became effective May 1, 1986, as mandated by the Food Security Act of 1985, and the costs of transporting milk as reflected in such Class I differentials. Reflection of the changed marketing conditions through amendments to plant location adjustments to order prices will not result in a significant added price impact on regulated handlers.

Prior documents in this proceeding:

Notice of Hearing: Issued February 14, 1986; published February 21, 1986 (51 FR 6250).

Emergency Final Decision: Issued May 8, 1986; published May 16, 1986 (51 FR 17982).

Final Order: Issued June 4, 1986; published June 10, 1986 (51 FR 20955).

Preliminary Statement

Notice is hereby given of the filing with the Hearing Clerk of this interim decision with respect to proposed amendments to the tentative marketing agreements and orders regulating the handling of milk in the Texas and certain other marketing areas. This notice is issued pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 *et seq.*), and the applicable rules of practice and procedure governing the formulation of marketing agreements and marketing orders (7 CFR Part 900).

Interested parties may file written exceptions to this interim final decision with the Hearing Clerk, United States Department of Agriculture, Washington, DC 20250, by the 15th day after publication of this decision in the **Federal Register.** Seven copies of the exceptions should be filed. All written submissions made pursuant to this notice will be made available for public inspection at the office of the Hearing Clerk during regular business hours (7 CFR 1.27(b)). It is found that it is impractical and contrary to the public

interest to have a comment period which is longer than 15 days because, for purposes of orderly marketing in the affected areas, there is a need to resolve them issues of the proposed location adjustment amendments as soon as possible.

The hearing notice specifically invited interested persons to present evidence concerning the probable regulatory and informational impact of the proposals on small businesses. To the extent that this issue was raised, it is considered in the following findings and conclusions.

The findings and conclusions set forth below are based on the record of a public hearing held in Irving, Texas, on March 4–7, 1986, pursuant to a notice of hearing issued February 14, 1986 (51 FR 6250).

The material issues on the record of hearing relate to:

1. Plant location adjustments to handlers regulated under the orders regulating the handling of milk in the:

a. Greater Kansas City marketing area;

b. Southwest Plains and Fort Smith, Arkansas marketing areas;

c. Central Arkansas marketing area; and

d. Texas and Rio Grande Valley marketing areas.

2. Whether emergency marketing conditions exist with respect to issue number 1.

An additional material issue involved proposed changes to the location adjustment provisions of the Memphis, Tennessee milk order. However, this issue has been resolved by the issuance of a separate, emergency final decision and order amending the Memphis, Tennessee order.

Findings and Conclusions

The following findings and conclusions on the material issues are based on evidence presented at the hearing and the record thereof:

Background for Material Issue No. 1

The purpose of the hearing was to receive evidence on the economic and marketing conditions that relate to proposed amendments to the location adjustment provisions of the Federal milk order markets involved in this proceeding. The proposed location adjustment changes by dairy industry participants were filed in response to increases in Class I differentials under 35 of 44 Federal milk marketing orders mandated by the Food Security Act of 1985. The Acting Assistant Secretary's final decision to implement to implement the mandated differentials (of which official notice is taken) was issued subsequent to the hearing on March 14, 1986; and published March 20, 1986 (51 FR 9669). The mandated differentials were implemented on May 1, 1986. Basically, the location adjustment changes were proposed to conform with the mandated differentials which also changed the alignment of prices for milk in fluid uses among Federal order markets.

Federal orders classify milk in accordance with the form in which or the purpose for which it is used and establish minimum prices for each such use classification, which all handlers shall pay. Such prices are to be uniform as to all handlers, subject to certain permissible adjustments, including the locations at which delivery of such milk is made to handlers.

Milk used for fluid purposes (Class I) is priced at a higher level than milk in other uses. The minimum Class I price under each Federal order is determined by adding the Class I differential specified in the order to the basic formula price for the second preceding month. Since the basic formula price for any month is the same for all milk order markets, minimum Class I prices vary among markets to the extent that Class I differentials vary among markets.

The Class I differential in each Federal order market represents the additional minimum value necessary to attract a sufficient supply of milk for fluid use for each market. Historically, each Class I differential includes a factor to cover the additional costs incurred in producing milk under the rigid sanitary standards that apply to Grade A milk. The Class I differential for each market accounts for other special economic conditions relevant to each market, particularly transportation costs, which influence prices for milk in city markets. In total, the minimum price for milk in Class I uses, as well as the prices for milk in other uses, is intended to recognize the economic conditions affecting the production and marketing of milk in each market so as to bring forth a sufficient supply of milk to meet the demand for milk and dairy products in each regulated market.

An additional factor relevant to the determination of the appropriate Class I price level in each market is the relationship, or alignment, of such price with prices in other markets to recognize the cost of obtaining alternative or supplemental supplies of milk from lower cost areas. Generally, Class I prices increase from north to south in recognition of alternative sources of milk from northern, heavy supply areas. Prior to May 1, 1986, Class I prices in Federal order markets east of the Rocky Mountains generally reflected an alignment of Class I prices from the north (Eau Claire, Wisconsin) to principal cities in Federal order markets to the south at a rate approximating a cost for hauling bulk milk of 1.5 cents per hundredweight per 10 miles.

The Class I differentials in these markets were not precisely aligned on a 1.5-cent rate for Eau Claire since recognition of local marketing conditions is an essential element in the determination of the appropriate Class I price level in each market. However, Class I prices tend to reflect an alignment from north to sough since the Class I price level in any market is constrained by the cost of milk in alternative markets plus the cost of hauling bulk milk from such alternative source of supply. In effect, a regulated minimum price level in each market, in the long run, cannot significantly exceed the cost of milk from an alternative, lower cost production area. Such an alignment recognizes economic alternatives and results in the lowest cost area being a basing point from which price constraints in other markets are established. Eau Claire, Wisconsin, is generally recognized as the basing point for a large number of Federal order markets since it is the lowest cost area, in terms of Federal order pricing, and is in a heavy milk producing region that represents an actual and potential source of supply for markets to the south.

Effective may 1, 1986, the Class I differentials were increased by varying amounts in 35 of 44 Federal order markets as required by the Food Security Act of 1985. Such differentials were increased, at least in part, because of increases in the cost of hauling bulk milk that were not reflected in the minimum order Class I differentials effective prior to May 1, 1986. The extent to which the differentials were increased for the Federal order markets involved in the proceeding are indicated in the following table. In addition, the change in the differentials in other markets that regulate plants that have fluid milk sales in one or more of the markets involved in this proceeding, is also included in the table. The Class I differential changes in these other markets is an important consideration affecting the location adjustment changes necessary in the six remaining markets involved in this proceeding because of the need to maintain some alignment of pricing among markets for the economic reasons previously set forth.

[Dollars per hundred weight]

Marketing order	Class I differentials		
	Prior to May 1	Effective May 1	Increase
Georgia	2.30	3.08	.78
Southern Illinois	1.53	1.92	.39
Greater Kansas City	1.74	1.92	.18
Nebraska-Western Iowa	1.60	1.75	.15
Iowa	1.40	1.55	.15
New Orleans-Mississippi	2.85	3.85	1.00
Greater Louisiana	2.47	3.28	.81
Memphis, Tennessee	1.94	2.77	.83
Nashville, Tennessee	1.85	2.52	.67
Paducah, Kentucky	1.70	2.39	.69
Fort Smith, Arkansas	1.95	2.77	.82
Southwest Plains	1.98	2.77	.79
Central Arkansas	1.94	2.77	.83
Lubbock-Plainview, TX	2.42	2.49	.07
Texas	2.32	3.28	.96
Central Arizona	2.52	2.52	0
Texas Panhandle	2.25	2.49	.24
Western Colorado	2.00	2.00	0
Eastern Colorado	2.30	2.73	.43
Rio Grande Valley	2.35	2.35	0

The varying increases in the Class I differentials resulted in a change in the Class I price relationships among markets. It is noted that the Class I differentials increased the most in southern areas and increased the least in northern and western areas. As a result, the price surface is the steepest among markets on a straight north-south axis and flattens out as the alignment to the south is measured from a northwest or northeast direction. In fact, on a straight east-west direction, an equal price line ($2.77 Class I differential as of May 1, 1986) has been established from Chattanooga, Tennessee, to Oklahoma City, Oklahoma, a distance of 774 miles. It is also noted that in the southwest a new price alignment has been established between Texas and New Mexico where the Class I differential now increases from west to east.

The Class I differentials that were effective on May 1, as well as those that were previously effective, apply to a specific location (or so-called base zone) prescribed by each of the orders involved in this proceeding. The base zone is a principal city, and thus a major consumption center for fluid milk products that is included within the marketing area of each order. Each of the orders also provides for adjustments to Class I and blend prices payable to producers to reflect the various locations, other than the base zone, at which milk may be received from producers. Some of the orders provide for only reductions to the base zone prices while others provide for both plus and minus adjustments. Also, some of the orders provide for location adjustments based on the actual distance between a specific city and actual plant locations, while others provide for price zones (both inside and outside the marketing area) that relate to distances between principal cities. The specific pricing structure for each of the orders, as well as the marketing structure that provides the basis for the particular pricing arrangement, is set forth hereafter for each of the markets.

Regardless of the pricing structure employed, the purpose of location adjustments is to reflect the cost of hauling milk from where it is produced to where it is needed for use in fluid milk products. The Class I and blend prices at major-city, base zone locations are intended to attract a sufficient supply of milk to such location. To the extent that plants are located some distance from the base zone, and closer to the major supply areas for the market, Class I and blend prices are reduced to reflect the lessor hauling costs that are incurred in supplying such plants relative to plants located in the base zone. Also, in two of the markets, Class I and blend prices are increased at pricing zones that are located further from the major production areas than plants in the base zone. Thus, adjustments to Class I and blend prices reflect the cost of the economic service provided by producers to handlers at varying locations. The value of the service provided varies in terms of both distance and the cost of hauling bulk milk. The extent to which there is adequate compensation for the value of services provided raises an issue of equity, both among producers and among handlers.

Since the Food Security Act of 1985 mandated changes in the Class I pricing structure among Federal order markets, application of current location adjustments in individual markets could result in substantial price differences among plants regulated under the same or different orders. Substantial price differences at plants near to each other, or even at plants that are relatively distant from each other, because of the application of current location adjustments could affect the ability of certain plants to obtain milk supplies from current production areas. Although location adjustments reflect the cost of hauling milk from where it is produced to where it is needed, thereby providing a price incentive for milk movements, handlers operating fluid milk plants also expressed a primary concern over their ability to continue to compete with other handlers in selling fluid milk products because of substantial changes in Class I prices among competing plant locations. As a result, this hearing and three other regional hearings were held to consider proposals to amend location adjustment provisions. Official notice is taken of the Notices of Hearing for such other proceedings: Milk in the Georgia and Certain Other Marketing Areas, issued Feburary 7, 1986, published February 13, 1986 (51 FR 5363); Milk in the Chicago Regional and Certain Other Marketing Areas, issued February 14, 1986, published February 21, 1986 (51 FR 6241); and Milk in the Upper Midwest, Nebraska-Western Iowa, and Iowa Marketing Areas, issued February 25, 1986, published March 3, 1986 (51 FR 7280). It is obviously noted that each of the hearings were held prior to the effective date of implementation of the mandated Class I differentials. Consequently, all hearing participants could only testify with respect to potential disorderly marketing conditions that would result because of the changes in inter-market price relationships and application of current location adjustments.

As a matter of procedure, it is noted that changes in the location adjustments in one market could affect the extent to which changes can or should be made in location adjustment provisions in other markets. Although the proposed location adjustment changes were set forth for individual markets in the Notice of Hearing, the testimony and evidence centered on certain price relationships among markets. Consequently, the material issues for this decision begin with the northern-most market and progress to the south. In this way, the decision can best accommodate a discussion of individual market circumstances as well as the inter-market price relationships.

As a further preliminary point, the Memphis, Tennessee milk order is a part of this regional proceeding. However, a separate, emergency final decision pertaining only to that market was issued. Official notice is taken of that decision issued by the Deputy Assistant Secretary on May 8, 1986, published May 16, 1986 (51 FR 17982). It is also noted that this proceeding on location adjustment changes was a reopening of a hearing for the Southwest Plains and Fort Smith, Arkansas orders. The prior hearing for these markets was held on November 6, 1985, at Tulsa, Oklahoma, to consider proposals to merge the marketing areas of the two orders and further expand the Southwest Plains marketing area to include additional territory in southwest Missouri and northwest Arkansas. This decision deals only with the location adjustment issues while another decision will follow on the marketing area expansion issue.

1a. Plant Location Adjustments for Handlers Under the Order Regulating the Handling of Milk in the Greater Kansas City Marketing Area

The Greater Kansas City order should be amended to increase the rate (from 1.5 cents to 1.7 cents) for establishing location adjustments at plants located outside the marketing area. The higher rate should apply to out-of-area plants that are more than 70 miles from the nearer of Kansas City, Missouri or Topeka, Kansas. The location adjustment would be minus 1.7 cents for each 10 miles, or fraction thereof, between the plant and the nearer of the two basing points.

The current order pricing structure provides for no location adjustments within the marketing area. The Class I and blend prices are reduced at all plants outside the marketing area that are also more than 50 miles from the near of Kansas City, Missouri or Topeka, Kansas. Such prices are reduced by 10 cents per hundredweight for plants that are between 50 and 70 miles from the nearer basing point and by an additional 1.5 cents per hundredweight for each 10 miles beyond 70 miles from the nearer basing point. Consequently, the location adjustments reflect the classical pricing structure whereby marketing area prices are reduced in all directions to reflect the lower value associated with milk at distant locations relative to prices that are necessary to attract supplies of milk to major population centers in the marketing area.

The marketing area, within which no location adjustments apply, consists of 26 counties in Kansas and 20 counties in Missouri and has a population of about 2.3 million. The primary population centers are Kansas City, Missouri and Kansas City and Topeka, Kansas. Of the 46 counties, there are only five that have populations in excess of 100,000. Four of these counties (Johnson and Wyandotte in Kansas and Clay and Jackson in Missouri) represent the Kansas City area while the fifth county (Shawnee) represents Topeka, Kansas. These counties represent about 60 percent of the total marketing area population.

There are seven distributing plants regulated under the order, all of which are located in the marketing area. Six are located in Kansas while one is located in Missouri. Four of the plants are located in the Kansas City area while the other three are located to the west at Lawrence, Topeka, and Junction City, Kansas.

There are also four supply plants regulated under the order that are located in outlying production areas surrounding the major population centers. Two of these plants are located in Kansas, one in Missouri and one in Iowa. One of the Kansas supply plants is located in the marketing area at Sabetha (Nemaha County) which is north of Kansas City and Topeka. The other Kansas plant is located at Ottawa (Franklin County) which is adjacent to the marketing area and south of Kansas City and Topeka. Currently a minus 10-cent location adjustment applies at such location. The Missouri supply plant is at Chillicothe (Livingston County) which is adjacent to the marketing area and northeast of Kansas City. Currently, a minus 13-cent location adjustment applies at such location. The Iowa supply plant is located at Fredericksburg (Chickasaw County) which is 340 miles from Kansas City, Missouri. Currently a minus 50.5-cent location adjustment applies at this distant procurement area.

There are more than ample supplies of milk associated with the market to meet fluid milk requirement. During 1985, a monthly average of 74.3 million pounds of milk was pooled on the market while producer milk in Class I uses averaged about 36.4 million pounds. For the year, Class I utilization of producer milk was 48.9 percent, ranging from a high of 58 percent in January to a low of 41 percent in June.

The source of the producer milk supply for the market originates on farms located in the states of Kansas, Missouri, Iowa, and Nebraska. Kansas and Missouri represent the major sources of supply, representing 49 percent and 36 percent, respectively, of the total market supply during November 1985. During the same month, Iowa represented 10 percent of the producer milk associated with the market and Nebraska 5 percent. During November of the two previous years, Kansas and Missouri producers combined represented about 87 percent and 88 percent of milk supplies during 1984 and 1983, respectively, while Iowa and Nebraska sources represented less of total supplies than they represented in 1985. Of the Kansas and Missouri supplies, most is situated relatively near to the major population centers. For example, during 1985, milk was produced in 44 of the 46 counties that comprise the marketing area and represented about two-thirds of the market's total supply of milk.

Fluid milk requirements of the market are also supplied by distributing plants that are regulated under other Federal orders. During December 1985, 15 distributing plants regulated under four different Federal orders had sales in the Greater Kansas City marketing area that represented about 28 percent of the total packaged fluid milk products disposed of in the marketing area. Three plants regulated under the Southern Illinois order represented about two percent of total sales while four Nebraska-Western Iowa plants represented about three percent of total fluid milk sales. Three Iowa plants represented about six percent of total sales while five plants regulated under the Southwest Plains order represented about 17 percent of the total fluid milk sales in the Greater Kansas City marketing area.

Effective May 1, 1986, the Class I differential under the Greater Kansas City order was increased by 18 cents, from $1.74 to $1.92 per hundredweight. The Class I differentials under the two order markets to the north (Nebraska-Western Iowa and Iowa) were each increased by 15 cents. As a result, the Iowa Class I differential is $1.55 (up from $1.40) and the Nebraska-Western Iowa differential is $1.75 (up from $1.60). The Southern Illinois order to the east was increased by 39 cents, from $1.53 to $1.92, while the Southwest Plains order to the south was increased by 79 cents, from $1.98 to $2.77.

As a result of the change in the price relationship between the Greater Kansas City and other orders, Mid-America Dairymen, Inc., (Mid-Am), proposed that the location adjustment provisions be amended. Mid-Am proposed that a zone pricing structure be established within the marketing area. Under the proposal, the Kansas City and Missouri portions of the marketing area would be retained as the base zone in which no location adjustments would apply. Two new price zones would be established to the west of Kansas City where plus location adjustments would apply. A plus 10-cent location adjustment would apply in the first zone to the west of the base zone and would include nine counties that are in the marketing area and two counties (Osage and Franklin) that are adjacent to the marketing area. This would result in a 10-cent increase at a distributing plant in Topeka (where no adjustment currently applies) and a 20-cent increase at a Mid-Am supply plant at Ottawa (Franklin County) where a minus 10-cent adjustment currently applies. The third pricing zone, with a plus 20-cent location adjustment, would include eight southwestern counties of the marketing area. Such location adjustment would apply to a distributing plant at Junction City, where no adjustment currently applies. Mid-Am contended that the plus location adjustments in the western portion of the marketing area were intended to provide for better price alignment with competing handlers

located in higher priced markets to the south who are regulated under the Southwest Plains order.

Mid-Am also proposed that the rate for determining minus location adjustments at distant plants be increased from 1.5 to 2.0 cents per 10 miles. Topeka would be eliminated as a basing point for establishing out-of-area location adjustments and the territory surrounding Kansas City, Missouri, within which no location adjustments apply would be expanded from 50 to 70 miles. Mid-Am contended that the higher rate was necessary to cover a greater portion of the hauling cost to provide an incentive to ship milk from northern supply areas to major population centers in the market for fluid use. Mid-Am testified that its proposal would maintain essentially the same location value of milk in northern supply areas that exists under the current location adjustment provisions. Specifically, Mid-Am referred to plants located at Arlington, Bremer, and Fredericksburg, Iowa which are within the Iowa procurement area of the Greater Kansas City marketing area. The Fredericksburg plant is a pool supply plant on the Kansas City market that is operated by Associated Milk Producers, Inc. (AMPI), while the other two plants are nonpool plants at which producer milk is priced under the Kansas City order.

In its brief, Mid-Am withdrew its support for the proposal to establish plus pricing zones in the Kansas portion of the marketing area. However, Mid-Am contends, that for pricing purposes the counties of Franklin and Osage should be included in the base zone. Consequently, no location adjustment would apply at Mid-Am's Ottawa supply plant, whereas a minus 10-cent adjustment currently applies at such location and a plus 10-cent adjustment would have applied under Mid-Am's original proposal.

AMPI (North Central Region) opposed Mid-Am's location adjustment proposal to increase the rate from 1.5 to 2.0 cents per 10 miles. AMPI testified that the 2.0-cent rate was in excess of a rate that is necessary to recognize the alignment of Class I differentials among markets established on May 1, 1986. AMPI testified that in view of the price relationship between the Greater Kansas City market and markets to the north (Nebraska-Western Iowa, Iowa, and Upper Midwest), a rate of 1.7 cents per 10 miles was all that was necessary to reflect the new alignment of prices. Specifically, AMPI (North Central Region) proposed that a minus 12-cent location adjustment apply to plants outside the marketing area that are between 50 and 70 miles from the nearer basing point, with a further minus adjustment of 1.7 cents per each 10 miles beyond 70 miles from such basing point.

The National Farmers' Organization (NFO) opposed the zoning of the Kansas portion of the marketing area. NFO contended that the application of higher prices in the western part of the marketing area would disrupt the historical price relationship among the market's distributing plants. In particular, NFO contended that the distributing plant at Topeka (which NFO supplies) would be placed in a disadvantageous position relative to plants in the Kansas City area. NFO also opposed the deletion of Topeka as a basing point for establishing location adjustments at plants outside the marketing area. NFO indicated that it sometimes diverts milk to nonpool plants that are outside the marketing area and south and west of Kansas City. Thus, elimination of Topeka as a basing point would reduce the price on such diverted milk since Topeka is 66 miles west of Kansas City.

NFO supported the increase in the rate for computing location adjustments to 2.0 cents per 10 miles. NFO contended that such higher rate is necessary to provide an incentive for northern milk supplies in the Iowa to be shipped to Kansas City when needed for fluid use. Moreover, NFO contended that the application of a lower rate for determining location adjustments would over-value milk at distant locations that is pooled on the market but which is not shipped to distributing plants for fluid use.

The handler operating the Topeka distributing plant also opposed the price increase that would result from Mid-Am's proposal to provide plus location adjustment zones in Kansas. The handler contended that the order's current intra-market pricing structure is providing adequate supplies of milk at all plant locations in an orderly manner. The handler also claimed that establishing plus zones in western Kansas actually would discourage milk from moving to the major population center in Kansas City.

The basis for Mid-Am's proposal (which Mid-Am has abandoned but which is supported by AMPI—Southern Region) to establish plus location adjustment zones in western Kansas is to recognize the change in the Class I differential alignment between the Greater Kansas City and Southwest Plains orders. Prior to May 1, 1986, the $1.98 Class I differential under the Southwest Plains order was 24 cents higher than the $1.74 differential under the Greater Kansas City order. In conjunction with current location adjustment provisions under both orders, the Class I differential value at Wichita under the Southwest Plains order was 6 percents above the Class I differential at distributing plants located at Topeka and Junction City under the Greater Kansas City order. However, with the Class I differential implemented on May 1, 1986, the Southwest Plains price exceeds the Greater Kansas City price by 85 cents. In the absence of any location adjustment change, the Class I price at Wichita would exceed the Class I price at Junction City and Topeka by 67 cents. Such a price difference between competing plants represents an alignment rate of 4.8 cents per 10 miles between Topeka and Wichita (137 miles) and 5.6 cents between Junction City and Wichita (112 miles). Consequently, AMPI contends that the application of Mid-Am's Greater Kansas City proposal, in conjunction with AMPI's proposal for Southwest Plains, would moderate the substantial price change between these areas by both increasing prices in the western portions of the Greater Kansas City market and decreasing the price at Wichita under the Southwest Plains orders.

Although there has been a substantial change in the price relationship between the Greater Kansas City and Southwest Plains markets, price alignment alone is not a sufficient basis for increasing prices above the level mandated by Congress in the western portion of the Greater Kansas City marketing artea. Location adjustments for the Greater Kansas City market must recongize the entire structure of the market which dictates the extent to which varying location values of milk may or should be recognized. Of particular importance is the relationship of the location of the sources of producer milk relative to the population centers and plants that process the fluid milk needs of the market.

As indicated previously, the Kansas City and Topeka areas are the major population centers. Most of the distributing plants are located in or near the Kansas City area while only two are located any appreciable distance to the west of Kansas City. In addition, the marketing area represents the primary supply area for the market. The counties that represents the greatest volume of producer milk are also scattered throughout the milkshed.

As a result of the plant and supply locations, there is no indication that there are any greater distances involved

for producers to supply the Junction City and Topeka plants versus the Kansas City area plants. Thus, there is no indication that there are any greater costs incurred by producers to supply the western aras plants versus the Kansas City plants. Consequently, there is no basis to conclude that there is any greater economic service provided by producers, for which they should be compensated by the handler receiving the service, for supplying the western plants relative to the economic service provided in supplying plants in the Kansas City area. In addition, the application of higher prices in the western part of the marketing area would result in a price disincentive for milk to move towards Kansas City. Therefore, the proposed higher priced zones for the western portion of the marketing area must be denied.

The rate used to compute location adjustments for plants located outside the marketing area should be increased from 1.5 cents to 1.7 cents. In addition, Topeka should be retained as a basing point for determining out-of-area location adjustments.

Topeka, although less populated than the Kansas city area, is a major population center in the marketing area that is 66 miles west of Kansas City, Missouri (the other basing point). To the extent that plants in distant areas (particularly those in lower-priced markets to the north) should become associated with the Greater Kansas City market, the minus location adjustments and resulting value of milk at such locations, should be based on the distance between such plants and the major population centers in the Greater Kansas City marketing area. Plants northwest of the marketing area would be nearer to Topeka while plants to the northeast would be nearer to Kansas City, Missouri. Location adjustments at distant plants should be based on the nearer basing point to reflect their proximity to the major cities where Class I prices are established to attract supplies of milk for fluid use. Removal of Topeka as a basing point would tend to ignore the importance of this major population center as a fluid market and the extent to which it is an attraction to supplies of milk for fluid use.

Neither of the rates proposed for establishing location adjustments at distant plants (1.7 and 2.0 cents per 10 miles) represents the current bulk milk hauling cost of $1.60 per loaded mile. Such hauling cost represents a rate per hundredweight per 10 miles that varies from 3.27 to 3.56 cents, depending on the weight of the milk in the tanker. Proponents of the lower 1.7-cent rate relied on price alignment considerations while proponents of the higher 2-cent rate relied on increases in hauling costs as well as alignment considerations. Proponents of the higher rate indicate that it would represent more of the current hauling costs and thus provide a greater incentive than the lower rate for milk to be shipped to the market for fluid use. Proponents of both rates focussed on the application of their proposed rates in lower-priced markets to the north.

As previously stated, the area around Fredericksburg, Iowa, represents the most distant supply area for the market. A supply plant operated by AMPI (North Central Region) that is pooled on the market, as well as two nonpool plants at which milk is priced under the order, are located in such area. Producer milk in this Iowa area represented about 10 percent of the total producer milk on the Greater Kansas City market in November 1985. This percentage was up from about eight percent in 1984 and 1983. About half of the milk supply associated with the Fredericksburg supply plant is shipped to distributing plants regulated under the order while the other half is retained for manufacturing. Although the proportion of producers on the market from Iowa has increased, such supplies represent a relatively minor proportion of total milk supplies.

It would not appear that the use of a 2.0-cent rate, rather than a 1.7-cent rate, for establishing location adjustments would result in providing any significantly greater incentive for milk to be shipped from Iowa to distributing plants. Also, it is not clear that a greater incentive is necessary to attract this distant milk supply for fluid use. Also, application of the 2.0-cent rate would result in establishing essentially the same location value of milk in this Iowa area that exists in such area under the current location adjustments of the Greater Kansas City order. Consequently, such a rate would ignore the fact that the Class I differential under the Iowa order was increased by 15 cents on May 1, 1986. Consequently, the primary relevant factor with respect to this issue is the alignment of Class I prices among markets rather than a price incentive for shipments of milk from supply plants in distant areas.

In this regard, there is very little change in the alignment of Class I prices between the Greater Kansas City order and markets to the north that regulate distributing plants that have sales in the Greater Kansas City marketing area (Nebraska-Western Iowa and Iowa). Prior to May 1, the Greater Kansas City Class I differential exceeded the Nebraska-Western Iowa Class I differential by 14 cents. On the basis of the 163 miles between Omaha and Topeka, this price difference represented an alignment rate of less than 1 cent (.82 cent) per 10 miles. The alignment rate between Des Moines (Iowa order) and Kansas City, Missouri, was 1.7 cents per 10 miles on the basis of the 34-cent difference in Class I differentials and 192-mile distance. The current rate for establishing out-of-area location adjustments is 1.5 cents, within the range of the alignment rates that existed prior to May 1 between the Greater Kansas City market and the two nearest northern markets.

Effective May 1, 1986, the alignment rate between Omaha and Topeka is exactly 1.0-cent since the Class I differentials between the two orders is 17 cents. Also, the alignment rate between Des Moines and Kansas City, Missouri, is now 1.85 cents per 10 miles because of the current 37-cent Class I differential difference between the two orders. As a result, a 1.7-cents rate is more appropriate for establishing location adjustments in distant areas since it is within the range of the current alignment rates.

As previously stated, the Greater Kansas City order establishes minus location adjustments in all directions outside the marketing area. Establishing minus location adjustments for plants located to the south to attract milk northward is somewhat in conflict with the increase in milk values from north to south. Currently, there is a minus location adjustment at a supply plant in Franklin County that is outside the markting area to the south of the major population centers. Elimination of this minus adjustment, as proposed by Mid-Am (the cooperative association that operates the plant) would be more consistent with the increase in milk values to the south. However, this can be accomplished without placing Osage and Franklin Counties in the base zone as Mid-Am proposed. To accomplish this objective, the area around the current basing points (which is also outside the marketing area) within which no location adjustments apply should be expanded from 50 to 70 miles. Plants that are outside the marketing area, and more than 70 miles from the nearer of Topeka or Kansas City, Missouri, would have location adjustments computed on the basis of the total distance between the plant and the nearer basing point. This will result in no location adjustment being applicable at Mid-Am's southern supply plant. Also, this will result in essentially

the same location adjustment at distant plants that was proposed by AMPI (North Central Region).

lb. Plant Location Adjustments for Handlers Under the Orders Regulating the Handling of Milk in the Southwest Plains and Fort Smith, Arkansas Marketing Areas

The location adjustment provisions of the Southwest Plains order should be amended to provide for a better alignment with prices established in surrounding markets on May 1, 1986, and also to reflect a greater portion of the increase in the cost of hauling bulk milk. In view of the changes in Class I differentials in this and surrounding markets, Southwest Plains order minimum prices within the marketing area need to be increased to the south of Oklahoma City and decreased to the north, northeast, and northwest. At locations outside the marketing area, location adjustment changes are necessary to update the current procedure employed under the order to recognize the values of milk established in out-of-area locations under other Federal orders.

No location adjustment changes were proposed for the Forth Smith, Arkansas order and no changes are included herein. This order is a part of a prior hearing held to consider a merger of the Southwest Plains and Forth Smith, Arkansas marketing areas, and a further expansion of the Southwest Plains marketing area to include unregulated territory in northwest Arkansas and southwest Missouri. At this time, it is only necessary that the Southwest Plains order recognize the mandated Class I differential for the Fort Smith order implemented on May 1, 1986. Such differential applies to the only plant regulated under the Fort Smith order and the location adjustment provisions of the order do not apply to any plant location. However, the mandated differential at Fort Smith is a factor in determining the location value of milk at locations north of Fort Smith that are applicable at plants in such areas that are regulated under the Southwest Plains order.

The location adjustment provisions of the Southwest Plains order date to January 1, 1983, when the Southwest Plains marketing area was formed by a consolidation of the marketing areas of four separate Federal orders and a further expansion to include intervening unregulated territory. Official notice of the final decision issued by the Assistant Secretary on October 4, 1982 (47 FR 44268) was taken at the hearing. Basically, the pricing structure for the merged and expanded marketing area reflected the pricing structure and price levels that existed under the separate orders, with minor modifications, that previously regulated the handlers operating plants that would become regulated under the new order.

For pricing purposes, the Southwest Plains marketing area is divided into six pricing zones. Zone I includes Oklahoma City and represents the market's largest population concentration. There are no adjustments to Class I and blend prices at plants in Zone 1 which contains 19 counties in central Oklahoma extending east from Oklahoma City to the Arkansas state boundary. There are currently six distributing plants located in this zone, as well as a cooperative association manufacturing plant, that are pooled under the order. Five of these plants are located in Oklahoma City, one in Norman (Cleveland County) and one in El Reno (Canadian County).

Zone II includes 33 Oklahoma counties located south and west of Zone I, including the panhandle area. There is a plus 7-cent adjustment for such zone although there are no longer any pool plants in the area. Zone III includes 25 Oklahoma counties located north of Zone I, where a minus 10-cent location adjustment applies. There are three distributing plants and one manufacturing plant located in Zone III that are pooled under the order. The manufacturing plant and one distributing plant are located in Tulsa, while the other two distributing plants are located at Ponca City (Kay County) and Enid (Garfield County). Both Ponca City and Tulsa are basing points for determining location adjustments at plants that are substantial distances from the marketing area. Both cities are just over 100 miles from Oklahoma City, although Ponca City is due north while Tulsa is northeast of Oklahoma City.

Zone IV, which is north of Zone III, contains four Missouri counties and nine southeastern Kansas counties. A minus 33-cent location adjustment applies at the one distributing plant in the zone that is located at Pittsburg, Kansas (Crawford County).

Zone V contains 22 south central Kansas counties located north of Zone III and west of Zone IV. Wichita, which is straight north of Ponca City, is the major population center in the area. Four distributing plants and one manufacturing plant that are pooled under the order are located in the area. Two of the distributing plants are located in Wichita (Sedgwick County), one at El Dorado (Butler County) and one at Hutchinson (Reno County). The manufacturing plant is located at Hillsboro (Marion County). A minus 18-cent location adjustment applies at plants in this area.

Zone VI is located west of Zone V and contains 21 southwestern Kansas counties. A minus 13-cent location adjustment applies although there are no longer any pool plants in the area.

The current in-area pricing structure provides for inceasing prices to the south and west of Oklahoma City in recognition of increasing values of milk in such directions under Federal orders regulating the handling of milk in Texas as well as under the former Red River Valley order, the Oklahoma portion of which is included in the Southwest Plains marketing area. Prices decrease to the north of Oklahoma City in recognition of lower milk values that existed under the separate orders whose marketing areas are now a part of the Southwest Plains marketing area. However, in this northern area, prices also increase from east to west across southern Kansas.

The Southwest Plains order also establishes specific location adjustments for plants located in areas that surround the marketing area. In effect, the order establishes pricing zones in most of the territory in seven states (Arkansas, Louisiana, Texas, New Mexico, Colorado, Kansas, and Missouri) that surround the marketing area. The specified location adjustments (both plus and minus) are intended to result in the same location value of milk that exists in such areas under other Federal orders that regulate plants in surrounding areas. This procedure, which was adopted when the Southwest Plains order was first issued, is based on the concept that, for the most part, prices in these surrounding states were established under Federal order public hearing procedures as the minimum price levels necessary to bring forth adequate supplies of milk to specific locations. Consequently, in the event that any plants in these surrounding states became associated with the Southwest Plains order, a price change should not result because of a change in regulation.

The out-of-area locations that are particularly relevant with respect to this proceeding are those adjustments that apply in territory in Arkansas and Missouri that is adjacent to the Southwest Plains marketing area. Currently, the order provides for no adjustments in the Fort Smith, Arkansas area since the Class I differentials prior to May 1, 1986, at Fort Smith and Oklahoma City were almost the same. In the Fayetteville, Arkansas and Springfield, Missouri areas the order provides for minus location adjustments

of 21 cents and 38 cents, respectively. Such adjustments resulted in the same location value of milk in such areas that existed under the former St. Louis-Ozarks order that was terminated effective April 1, 1985. Plants in these areas that were regulated under the St. Louis-Ozarks order have become regulated under the Southwest Plains order. Currently, in northwest Arkansas, there is a distributing plant at Fayetteville (Washington County), a supply plant at Bentonville and a cooperative-operated plant at Siloam Springs (both in Benton County) that are pooled under the order. In southwest Missouri, there are two distributing plants at Springfield (Greene County), a cooperative-operated plant at Lebanon (Laclede County) and a supply plant at Marshfield (Webster County) that are pooled under the order.

For purposes of illustration, the Class I differential values that existed under the Southwest Plains order prior to May 1 in each of the pricing zones, as well as the adjacent Arkansas and Missouri areas, with current location adjustments are shown on the following table. Also indicated are the Class I differentials that have existed in each zone since May 1, 1986, with current location adjustments. Also, for comparison purposes, the Class I differential values adopted herein are included. The principal cities for each of the zones are also indicated as a reference point although the composition of Zones II and III have been modified.

[Dollars per hundredweight]

Zone	Cities	Class I differentials		
		Prior to May 1	Since May 1	Adopted
I	Oklahoma City	1.98	2.77	2.77
II	Lawton	2.05	2.84	3.00
III	Ponca City/Tulsa	1.88	2.67	2.59
IV	Joplin/Independence	1.65	2.44	2.30
V	Wichita	1.80	2.59	2.30
VI	Garden City	1.85	2.64	2.50
	Fort Smith	1.98	2.77	2.77
	Fayetteville	1.77	2.56	2.55
	Springfield	1.60	2.39	2.19

For plants that are located outside the marketing area and beyond the territory within which specific location adjustments apply, Class I and blend prices are reduced at the rate of 1.5 cents for each 10 miles distance from the nearer of Ponca City or Tulsa, Oklahoma. Since specific location adjustments are established for most of the territory surrounding the marketing area, Nebraska is the nearest northern location in which such rate for determining location adjustments would apply. Such rate for establishing minus location adjustments applies in all directions where specific adjustments are not established, except for locations in the State of Texas. For southwest Texas locations that are not included in any Federal order marketing area, plus location adjustments are established at the rate of 1.5 cents per 10 miles from Oklahoma City.

The Oklahoma City and Tulsa areas represent the largest population centers in the marketing area. Oklahoma County (Zone I) and Tulsa County (Zone III) combined represent about one-third of the Oklahoma population. Cleveland County, which is also in Zone I adjacent to Oklahoma County, is the third most populated county in Oklahoma with a population in excess of 100,000. Comanche County (Lawton area), which is in Zone II southwest of Oklahoma City, is the fourth most populated county in Oklahoma that contains in excess of 100,000 people. The other major population center in the marketing area is Wichita, Kansas (Sedgwick County). This is the third most populated county in the marketing area, ranked behind Tulsa and Oklahoma counties.

Of the 133 counties in the marketing area, only the five previously mentioned have populations in excess of 100,000. These counties represent about 39 percent of the total population in the marketing area, indicating that a substantial proportion of the population is scattered throughout the marketing area. Two other relatively heavily populated areas outside the marketing area within which Southwest Plains order pool distributing plants are located are the Springfield, Missouri (Greene County) and Fayetteville, Arkansas (Washington County) areas.

The volume of producer milk associated with the Southwest Plains order is more than adequate to meet the fluid milk needs of the market. The current supply/demand relationship of the market is depicted by the time period since April 1, 1985, when the adjacent St. Louis-Ozarks order was terminated. Since that time the volume of producer milk under the order has about doubled as additional fluid milk plants, and milk supplies associated with such plants, became regulated under the Southwest Plains order. For April-December 1985, receipts of milk from producers averaged more than 320 million pounds per month. Only about 48 percent of such receipts was used for Class I purposes by handlers regulated under the order.

The sources of producer milk for the market originate at dairy farms located in the states of Arkansas, Kansas, Louisiana, Mississippi, Missouri, Nebraska, New Mexico, Oklahoma, and Texas. However, the primary sources of supply are Missouri (45 percent), Oklahoma (28 percent), and Kansas (21 percent), which represent about 94 percent of the total producer milk on the market. About five percent of the producer milk originates in Arkansas while the remaining states account for about one percent.

The southwest Missouri area around Springfield represents the heaviest milk producing area for the Southwest Plains market as eight of the top 10 milk producing counties are located in this area. The remaining two top producing counties are Grady County, Oklahoma (which is in Zone I south of Oklahoma City) and Sedgwick County, Kansas (which is the Wichita area in Zone V). Combined, these 10 counties represented 39.5 percent of the total producer milk on the market in November 1985. The next 10 leading counties in terms of producer receipts represented about 16 percent of the total producer milk on the market. Three of these counties are also located in the Springfield area while two are located around the Fayetteville, Arkansas area. Three of these counties are located in Zone III around Tulsa while the remaining two are in Zone V around Wichita. In total, the top 20 counties accounted for almost 56 percent of total producer milk with the remainder being scattered throughout the marketing area.

Fluid milk needs of the market are also supplied by handlers who operate plants that are regulated under other Federal order markets. For the fourth quarter of 1985, 18 distributing plants regulated under seven different orders distributed fluid milk products in the Southwest Plains marketing area. Such sales represented 7.8 percent of the total fluid milk sales in the market area. Effective May 1, 1986, the Class I differentials for the Federal orders that regulate the plants with sales in the marketing areas increased by varying amounts, ranging from 15 to 96 cents.

For the orders involved, the Class I differential increases were: Nebraska-Western Iowa, 15 cents; Greater Kansas City, 18 cents; Texas Panhandle, 24 cents; Southern Illinois, 39 cents; Southwest Plains, 79 cents; Fort Smith, Arkansas, 82 cents; Central Arkansas, 83 cents; and Texas, 96 cents.

Because of the change in the relationship of the Class I differentials between the Southwest Plains order and other surrounding Federal order markets, four proposals to amend the location adjustment provisions of the Southwest Plains order were received and included in the hearing notice. One proposal covered the entire scope of the current location adjustment provisions with modifications to the adjustments at all locations inside and outside the marketing area. The other three proposals concerned location adjustments at two specific locations, namely, Springfield, Missouri and Wichita, Kansas.

AMPI and Mid-Am, which represent a substantial majority of the producers who supply the market, jointly proposed that all location adjustments be revised in light of the 79-cent increase in the Class I differential mandated by the Food Security Act. The current and proposed location adjustments for the marketing area and territory in Arkansas and Missouri that was previously proposed to be added to the Southwest Plains marketing area, and net Class I differential changes at such locations are indicated in the following table. The proposed Class I differential value for each of the areas is also indicated.

Zone	Cities	Location adjustments		Net Class I differences increase (in cents)	Proposed difference (in dollars)
		Current (in cents)	Proposed (in cents)		
I	Oklahoma City	0	0	79	2.77
II	Lawton	+7	+23	95	3.00
III	Ponca City/Tulsa	−10	−18	71	2.59
IV	Joplin/Independence	−33	−47	65	2.30
V	Wichita	−18	−42	55	2.35
VI	Garden City	−13	−27	65	2.50
	Fort Smith	0	0	82	2.77
	Fayetteville	−21	−22	78	2.55
	Springfield	−38	47	70	2.30

In addition, AMPI and Mid-Am proposed that the composition of three of the zones be modified. The cooperatives proposed that the western and northwestern counties be removed from Zone II and be included in Zone III, and that Lincoln County be removed from Zone III and be included in Zone I.

The cooperatives testified that no location adjustment should apply in Zone I or in the Fort Smith, Arkansas area under the Southwest Plains order to reflect the east-west alignment of the $2.77 Class I differential mandated by the Food Security Act. In addition, they contended that Lincoln County should be added to Zone 1 because a new distributing plant is being constructed at Chandler, Oklahoma. The cooperatives contended that the new Farm Fresh plant, which is to be a replacement for the current plant at Ponca City, should be incuded in Zone I since it is only about 15 miles from the boundary of Oklahoma County. As such, the cooperatives contend that the price at the new plant should be the same as the price that applies at other nearby plants with which the Chandler plant will compete for fluid milk sales. Also, the cooperatives testified that the new plant location is further from supply areas than the Ponca City plant and that it would cost more than an additional 18 cents to supply the new location.

With respect to southern Oklahoma counties that would remain in Zone II, the cooperatives testified that the plus location adjustment should be increased from 7 cents to 23 cents. They contend that the increase is necessary to recognize the difference between the Class I differentials under the Southwest Plains and Texas orders effective May 1, 1986 (51 cents) compared to a 34-cent difference prior to May 1. They also testified that the removal of the western and northwestern counties from Zone II and their inclusion in Zone III is necessary because of the alignment changes between the Southwest Plains and Texas Panhandle orders. Prior to May 1, the Class I differential under the Texas Panhandle order exceeded the Southwest Plains differential by 27 cents, whereas since May 1, the Texas Panhandle differential is 28 cents less than the Southwest Plains differential. Consequently, the cooperatives proposed that a minus 18-cent location adjustment apply in such area to recognize the lower value of milk under the Texas Panhandle order. Also, in the Zone III area north of Zone I, the cooperatives testified that the proposed minus 18-cent adjustment was reasonable in terms of the distances between Oklahoma City and distributing plants located at Tulsa, Ponca City and Enid, Oklahoma and a 2.2-cent alignment rate.

The cooperatives contend that the proposed increases in the minus adjustments for Zones IV, V, and VI to 47, 42, and 27 cents, respectively, are necessary to align prices between the Southwest Plains and Greater Kansas City orders. They testified that such adjustments were necessary to spread the 85-cent difference between the mandated Class I differentials for the two orders over the 344 miles between Kansas City and Oklahoma City, an alignment rate of about 2.40 cents per 10 miles.

For the Fayetteville, Arkansas area, the cooperatives proposed that a minus 22-cent location adjustment ($2.55 differential value) apply, but offered no explanation for the one-cent change from the current location adjustment. In the Springfield, Missouri area the cooperatives testified that the minus 47-cent location adjustment ($2.30 differential value) was appropriate in view of Class I differentials mandated at surrounding cities. The cooperatives used an alignment rate of 2.0 cents per 10 miles between Springfield and six cities (Kansas City, St. Louis, Tulsa, Oklahoma City, Fort Smith, and Little Rock) and averaged the six differentials.

For other locations outside the marketing area the cooperatives proposed specific location adjustments for groups of counties to reflect under the Southwest Plains order the same Class I prices established in such counties under other Federal orders. For more distant locations beyond which specific adjustments do no currently apply, the cooperatives proposed that the rate for computing location adjustments be increased from 1.5 cents to 2.25 cents per 10 miles. For all plant locations, except Texas, the adjustments would be negative and based on the distance between the plant and the nearer of Ponca City or Tulsa, as is currently provided under the order. For Texas locations outside any Federal order marketing area, the adjustment would be plus and based on the distance between plants and Oklahoma City, as is currently provided.

Prairie Farms Dairy, Inc., a cooperative association that jointly operates a fluid milk plant at Springfield, Missouri with Mid-Am, proposed that the resulting Class I

differential value in the Springfield area should be the same as the Class I differential at Kansas City, Missouri or St. Louis, Missouri, whichever is higher. (The mandated Class I differential at Kansas City is $1.92 while the differential at St. Louis is $1.99 under current Southern Illinois order provisions, but proposed to be $2.01 under another proceeding.) Prairie Farms testified that such lower differential at Springfield is necessary to reflect the historic alignment of pricing among Springfield, Kansas City and St. Louis and to continue to recognize the substantial volume of milk that is produced in southwest Missouri. Prairie Farms testified that the Missouri production area had long been recognized by the Federal order pricing structure whereby the Class I differential at Springfield was the same as the differential at St. Louis and was 14 cents less than the differential at Kansas City.

Mid-Am, which offered additional testimony in support of the AMPI/Mid-Am proposal, contended that a price as low as that proposed by Prairie Farms was no longer necessary in the Springfield area since such supplies have a growing association with markets to the south. Mid-Am also contended that there are sufficient supplies of milk located to the north of Kansas City and St. Louis that can be relied upon for fluid milk needs in those consumption centers. AMPI also testified that a Class I differential of $1.99 at Springfield would produce chaos in markets in all directions. AMPI noted that a $1.99 differential at Springfield would result in an alignment rate in excess of 4.4 cents per 10 miles between Springfield and the mandated $2.77 Class I differential at Fort Smith.

Mid-Am and Prairie Farms altered their positions and filed a joint brief supporting a $2.19 Class I differential at Springfield. The basis for such differential (a minus 58-cent location adjustment) was not specified.

Foremost Dairies, Inc., which operates a pool distributing plant at Springfield, opposed the AMPI/Mid-Am proposal and supported the testimony and proposal submitted by Prairie Farms. Foremost contends that recognition must continue to be given to the surplus milk production available in the Springfield area that was provided for under the pricing structure that existed prior to May 1, 1986. In its brief, Foremost indicates that a Class I differential of $2.12 at Springfield would be less inequitable and would reflect the 2.25-cent rate proposed by AMPI/Mid-Am for out-of-area location adjustments and the mileage between Springfield and Oklahoma City.

The National Farmers Organization (NFO) opposed both the AMPI/Mid-Am and Prairie Farms proposed location adjustments for the Springfield area. NFO, which does not represent producers on the Southwest Plains market, but which represents producers in southwest Missouri who supply the Southern Illinois market, suggested that a middle of the road approach needs to be taken to balance producer and handler interests in the Springfield area. NFO suggested that a $2.12 differential value at Springfield would accomplish such an objective and is based on the 2.25-cent proposed out-of-area rate and the mileage between Oklahoma City and Springfield.

NFO also suggested modifications to the AMPI/Mid-Am proposed location adjustments at Fayetteville and Zones IV and V of the marketing area. At Fayetteville NFO suggested a $2.43 Class I differential (34-cent location adjustment). NFO testified that such a location adjustment would provide for east-west alignment of pricing in northern Arkansas as such price was proposed by Foremost to apply at Paragould, Arkansas under the Central Arkansas order. In Zones IV and V of the marketing area, NFO suggested Class I differentials of $2.17 and $2.32, respectively. Such pricing would result in maintaining the same east to west alignment from Springfield to Wichita that exists under the current Southwest Plains order. NFO contends that the intra-market east-west alignment (Zone IV exceeds Springfield by 5 cents and Zone V exceeds Springfield by 20 cents) should not be disturbed.

Two handlers that operate distributing plants in Zone V proposed greater minus location adjustments for such area than proposed by AMPI/Mid-Am. Jackson Ice Cream Co., whose plant is located at Hutchinson, proposed that a 60-cent location adjustment ($2.17 differential value) be established for Zone V. The handler testified that such adjustment was necessary to better align prices between the handler's plant and plants that are regulated under the Greater Kansas City order. The handler testified that most of the stores supplied by the Hutchinson plant are in the direction of Kansas City in competition with sales by distributing plants from the Kansas City area.

Prior to May 1, 1986, the Class I price in Zone V exceeded the Kansas City price by 6 cents. Since May 1, absent a location adjustment change under the Southwest Plains order, the Zone V Class I price exceeds the Kansas City price by 67 cents. Consequently, Jackson contends that a 60-cent location adjustment, which would provide for a 25-cent price difference in Kansas City and Hutchinson, is necessary to maintain some reasonable minimum order price competition between the two areas.

Steffen Dairy Co., whose plant is at Wichita, proposed that a 78-cent location adjustment apply in Zone V. Such an adjustment would result in virtually no change in the price relationship between Kansas City and Wichita as a result of the change in the Class I differentials effective May 1, 1986. At the hearing, and in its brief, Steffen indicated that at least a 55-cent location adjustment for Zone V ($2.22 differential value) was justified on the basis of a 3.5-cent rate applicable to the cost of hauling bulk milk. In addition, Steffen testified that most of the plants sales of fluid milk products are made in competition with other plants where lower prices apply rather than with plants to the south where higher prices apply.

Both Steffen and Jackson testified that the AMPI/Mid-Am proposal does not provide a price in Zone V that is low enough to recognize the supplies of milk that are available in the immediate area, and that the price need not be as high as the cooperatives proposed to attract milk supplies to Zone V plants. Also, in its brief Steffen indicated that the AMPI/Mid-Am proposal merely splits the 85-cent mandated price spread between the Greater Kansas City and Southwest Plains orders at Wichita, thus assuming that marketing conditions between Oklahoma City and Wichita are the same as between Kansas City and Wichita. Steffen points out that under the cooperatives' proposal, 49 percent (42 cents) of the 85-cent difference is reflected between Oklahoma City and Wichita while 51 percent (43 cents) is covered between Wichita and Kansas City. Prior to May 1, 1986, 25 percent of the 24-cent difference in the differentials between the orders was reflected between Kansas City and Wichita (6 cents) and 75 percent of the spread was reflected between Wichita and Oklahoma City (18 cents).

Farm Fresh, Inc., which is building a new distributing plant at Chandler, Oklahoma (Lincoln County) to replace its plant at Ponca City, opposed the removal of Lincoln County from Zone III and its inclusion in Zone I. The handler contends that the rezoning of Lincoln County has nothing to do with the stated primary purpose of the hearing to consider location adjustment changes to

conform with the Class I differentials mandated by the Food Security Act of 1985. The handler further contends that the rezoning issue was buried within the proposed pricing changes for the order and, as a result, was not known by Farm Fresh in sufficient time for the handler to adequately prepare for the hearing. Since the summary of the purpose of the hearing did not specify the proposed rezoning, Farm Fresh contends that the issue was not properly noticed for hearing. Farm Fresh further contends that the rezoning proposal cannot be adopted without the preparation of a regulatory flexibility analysis indicating the impact of the rule on a small business. In addition, Farm Fresh contends that the record would not support the rezoning since Lincoln County is a relatively heavy milk producing area and further, that Chandler is no farther from supplies of milk in southwest Missouri than is Ponca City.

Effective May 1, 1986, the Class I differentials for the Southwest Plains and Fort Smith, Arkansas orders were increased by 79 cents and 82 cents, respectively, to $2.77. Such differential applies to plants in Zone I of the Southwest Plains order as well as to the only plant regulated under the Fort Smith, Arkansas order. No location adjustments apply at plants in Zone I since it contains the major population center in the market and is the focal point for pricing adjustments at all other areas under the order. Also, no location adjustment should apply at Fort Smith under the Southwest Plains order to recognize the mandated Class I differential at that location.

Lincoln County should be removed from Zone III and be included in Zone I as proposed by AMPI/Mid-Am. Such action was supported by a handler who operates a distributing plant in Zone I at Norman (Cleveland County). The handler supported the proposal because of the proximity of Chandler (where the new distributing plant is being constructed) to the Oklahoma City area and other plants in the area that serve the major population center.

Farm Fresh contends that Lincoln County should remain in Zone III (where a minus 18-cent location adjustment would apply) because: (1) Chandler is 45 miles from Oklahoma City; (2) Farm Fresh's principal competitors are located at Tulsa in Zone III; and (3) the new plant at Chandler is no farther from southwest Missouri supply areas than the current plant at Ponca City. Such factors are not controlling in determining the appropriate zone in which Lincoln County should be included.

Under a zone pricing arrangement, location adjustments are not established on the precise location of each and every plant. Prices are established at major city locations with the territory being expanded to include additional counties in the proximity of the population center within which additional plants may be located. Within such zone the same prices apply to all plants that would be expected to compete with each other, both in terms of fluid milk sales in the major population center, and in the procurement of supplies of milk. For example, Zone I includes the major population centers around Oklahoma City. However, in total Zone I includes a band of 19 central Oklahoma counties that extends from Caddo County on the west to the Arkansas border on the east. Such zone, in addition to recognizing the major population center, recognizes the location value of milk in central Oklahoma that is identical on an east-west axis from Fort Smith to Oklahoma City. In contrast, the focal point for pricing in Zone III is Tulsa, the major population center. A minus location adjustment applies at Tulsa and 25 north and northeastern counties because such counties are relatively nearer to supplies of milk in southwest Missouri and southern Kansas than Oklahoma City and the counties in Zone I.

Because of its proximity to Oklahoma City and the $2.77 Class I differential value of milk across central Oklahoma, Lincoln County is much more closely associated with the value of milk in Zone I than with the value of milk at Tulsa in Zone III. Lincoln County is adjacent to Oklahoma County and most of the territory in the County (including Chandler) is south of the north border of Oklahoma County. Chandler is about 15 miles east of the Oklahoma County border and about the same distance north of the east-west price line mandated by the Food Security Act of 1985. In such a situation, it would be unreasonable for a minus 18-cent location adjustment to apply at Chandler, as was proposed for the more northeastern population center at Tulsa, since the primary competitors of the new plant in terms of both sales and procurement would be other plants in the Zone I area.

In terms of procurement of raw milk supplies, the Chandler plant is much further south of milk supplies in Kansas than the current plant at Ponca City. Also, the Chandler plant is further from the heavy southwest Missouri supply area than those plants in the Tulsa area. The fact that Lincoln County is the third largest milk producing county in Oklahoma (3.5 to 4 million pounds of milk per month) is not a factor that requires a minus 18-cent location adjustment in such county. Lincoln County supplies, which are available to any number of plants, cannot possibly satisfy the fluid milk requirements of the major population center. Additional supplies must be obtained from northern and northeastern supply areas. Obviously, by the submission of their proposal, AMPI and Mid-Am (which are major suppliers of Farm Fresh) would not likely make supplies available to the Chandler location at any price less than the price that applies in the adjacent Oklahoma County. In fact, the cooperative testified that it would cost more than an additional 18 cents to supply the plant at its new location.

Farm Fresh, which is now the largest distributing plant in Oklahoma, is considered to be a small business. Virtually all other fluid milk plants, and the producers who supply such plants, are also considered to be small businesses. While the inclusion of Lincoln County in Zone I may have an impact on Farm Fresh, the primary consideration is the establishment of uniform prices at similarly situated handler plants as required by the Agricultural Marketing Agreement Act of 1937, as amended. As indicated by Farm Fresh, the decision to build a new plant at Chandler was based in part on the reduction in costs to supply the fluid milk needs of the major population center. The minimum order price should be the same at Chandler as at other similarly located plants that serve the Oklahoma City area and which also will compete with Farm Fresh for a source of supply. Also, the higher price will partially offset the extra costs incurred by producers to supply the new plant relative to supplying plants that are nearer to the principal sources of supply in northwestern Missouri and southern Kansas.

The notice scheduling the hearing indicated that the purpose of the hearing was to consider proposals to amend seven different milk orders and the proponents indicated the proposals were designed to change location adjustment provisions to conform with Class I differentials mandated by the Food Security Act of 1985. The major impetus for the hearing was the change in Class I differentials, as indicated in the summary of the hearing. It is not possible to indicate in a short summary of the purpose of the hearing all the zoning and price changes for specific plant locations that were proposed by

amending location adjustment provisions. All of the specific proposals for the various orders were set forth in the hearing notice as required for review by interested parties. Farm Fresh, a handler who has long been regulated under the Southwest Plains order, would certainly have an interest in proposed pricing changes at either the new or current plant location. It is the responsibility of affected parties, such as Farm Fresh, to determine if and how the specific proposals would affect prices at various locations, rather than depend on a summary of potential changes prepared by another party. Although the rezoning of Lincoln County was not the major impetus for the hearing, consideration of the issue was both timely and relevant in terms of the inter and intra-market price adjustments that might be required as a result of the Class I differential changes. Although more time to prepare may have been desired, Farm Fresh participated at the hearing, both through direct testimony and cross-examination of other witnesses, and filed a brief. All of the issues relevant to a determination of the appropriate zoning of Lincoln County were fully explored on the record of the proceeding.

Adjustments to the Zone I price to reflect the value of milk at other locations are necessary because of the changes in the price relationships between the Southwest Plains and other Federal order markets. The price alignment issue is particularly acute with respect to northern and northeastern areas, particularly Wichita and Springfield, where the greatest controversy exists over the location adjustments that should apply at such locations under the order. At all other locations there was either no opposition to the location adjustments proposed by AMPI/Mid-Am, or at least a much narrower range between what was proposed and suggested modifications to such proposal. For northern areas, the price adjustment should reflect, to the extent possible, the market structure set forth previously and the cost of hauling milk from where it is produced to the principal population centers where it is needed for use in fluid milk products. To the south and west of Zone I, the location adjustments are primarily an alignment issue.

Zone II should be redefined as proposed by AMPI/Mid-Am to include only those southern Oklahoma counties that are located between Zone I and Texas. The plus location adjustment should also be increased from 7 cents to 23 cents, resulting in a Class I differential value of $3.00. There was no opposition to this proposed location adjustment change and there are no longer any pool plants in the area. The location adjustment increase reflects the increase in the difference between the Class I differentials under the Southwest Plains and Texas orders since May 1, 1986.

Prior to May 1, the Texas order differential ($2.32) exceeded the Southwest Plains order differential ($1.98) by 34 cents. This difference reflected an alignment rate of about 1.6 cents per 10 miles over the distance between Oklahoma City and Dallas. Since May 1, the difference in the differentials between the two orders is 51 cents, reflecting an alignment rate of about 2.4 cents per 10 miles. Because of the increase in the differential difference between the two orders, a 23-cent location adjustment represents an appropriate value of milk in southern Oklahoma territory that is approximately halfway between Dallas and Oklahoma City.

The current western counties in Zone II (including the panhandle area) should be included in Zone III with a minus 18-cent location adjustment. There was no opposition to such proposal and there are no longer any pool plants in this area. This change is necessary because of the substantial price alignment change between the Southwest Plains and Texas Panhandle orders. Prior to May 1, the Class I differential under the Texas Panhandle order ($2.25) exceeded the Southwest Plains differential by 27 cents. Since May 1, the Texas Panhandle differential has been 28 cents less than the Southwest Plains differential. Consequently, a minus 18-cent location adjustment, rather than a plus 7-cent adjustment, will recognize the declining value of milk to the west of Oklahoma City mandated by the Food Security Act of 1985.

As indicated previously, location adjustments to the north and northeast of Oklahoma City are more critical than those just discussed, both in terms of price alignment with other markets and in terms of the structure of the Southwest Plains market. The primary structural consideration is the dependence upon northern milk supplies, particularly those in southwest Missouri, to meet the fluid milk needs of the major population centers of the market, namely, Oklahoma City, Tulsa, and Wichita.

Proponents of various location adjustments relied upon various alignment rates ranging from 2.0 to 3.5 cents per 10 miles. However, since location adjustments are intended to reflect the cost of hauling bulk milk from where it is produced to where it is needed, the rate used to calculate location adjustments should reflect hauling costs. Producers who supply milk to distant plants incur a greater hauling cost than producers who supply relatively nearby plants. Thus, location adjustments that reflect the cost of hauling bulk milk compensate producers for the varying degrees of service they provide to handlers by supplying milk to different locations.

In this regard, a number of witnesses testifying with respect to the Southwest Plains and other orders involved in the proceeding indicated that $1.60 per loaded mile represents the current cost of hauling bulk milk. Such cost represents a rate per 10 miles that varies from 3.27 to 3.56 per hundredweight, depending on the weight of the load. However, a conservative rate, rather than an actual rate, should be used for location adjustments to encourage hauling efficiencies and minimize the potential of exceeding actual costs. If location adjustments were based on a rate sufficiently in excess of costs, significant economic incentives could be created to move milk to obtain hauling profits rather than for the purpose of supplying fluid milk needs. Also, some concern was expressed with respect to declines in fuel costs which might not be reflected in hauling costs. Consequently, a rate of 3 cents per 10 miles should be used as a conservative hauling rate to reflect the varying values of milk and to align prices between Zone I and zones to the north and northeast. It is noted that the use of such rate is constrained somewhat by the scope of the proposals as well as by the proximity of certain plants to Fort Smith, which has a mandated differential.

The Zone III location adjustment proposed for the counties north of Zone I is minus 18 cents, compared to minus 10 cents currently. There was no opposition to the proposed adjustment and it was supported by handlers who operate plants in the area in briefs. Tulsa is the major population center in the zone. Also, Tulsa and Ponca City are basing points for determining location adjustments at plants that are substantial distances from the marketing area. Historically, prices have been the same at both cities since both are approximately the same distance from Oklahoma City.

Tulsa is 105 miles northeast of Oklahoma City and the minus 18-cent proposed adjustment represents an alignment rate of about 1.6 cents per 10 miles. However, recognizing only the northward direction, the adjustment represents a rate of about 3 cents per 10

miles from the mandated price line that extends from Oklahoma City to Fort Smith. In addition, such price represents an alignment rate of about 3 cents between Tulsa, Oklahoma and Topeka, Kansas. The Tulsa differential would be 67 cents greater than Topeka over a distance of 220 miles.

Ponca City is straight north of Oklahoma City by 102 miles. Incorporation of the 3-cent hauling rate would result in a substantially lower price at Ponca City than was proposed or testified to by any interested party. However, the controlling factor in determining the value of milk north of Zone I must be Tulsa, which is the second largest population center in the market. Also, since prices have historically been the same in this territory, and since both cities are basing points, the minus 18-cent location adjustment ($2.59 differential value) should be adopted.

At Fayetteville, Arkansas, AMPI/Mid-Am proposed a minus 22-cent location adjustment (a $2.55 differential value) while NFO suggested a 34-cent location adjustment ($2.43 differential). A $2.43 differential at Fayetteville is too low relative to the $2.77 mandated Class I differential at Fort Smith which is 62 miles south of Fayetteville. A 34-cent location adjustment at Fayetteville would represent an alignment rate of over 4.8 cents per 10 miles between Fayetteville and Fort Smith. Such a rate, which probably exceeds the cost of hauling packaged milk, would represent a severe misalignment of pricing between distributing plants at Fayetteville and Fort Smith.

The 22-cent location adjustment at Fayetteville would represent about a 3.1-cent rate over the seven 10-mile zones between Fort Smith and Fayetteville. Since such rate is reasonably close to the 3-cent hauling rate for bulk milk, the $2.55 differential proposed at Fayetteville is about as low a price that can be justified at such location. Consequently, the 1-cent increase in the location adjustment at Fayetteville should be adopted.

The two most populated counties in Zone IV, which is north of Tulsa and Fayetteville, are Montgomery County, Kansas and Jasper County, Missouri. The minus 47-cent location adjustment proposed ($2.30 differential) should be adopted since such adjustment represents an alignment rate of about 3 cents per 10 miles on a north-south basis. For example, Independence, Kansas (Montgomery County) is about 90 miles north of Tulsa and Joplin, Missouri (Jasper County) is about 90 miles north of Fayetteville. Consequently, the value of milk in Zone IV, based on a 3-cent hauling rate from north to south, would be $2.32 based on Tulsa, and $2.28 based on Fayetteville. As such, the $2.30 differential that results from the minus 47-cent location adjustment proposed is reasonable in view of the cost of hauling milk and the north to south alignment of prices.

Springfield, Missouri, which is northeast of the major population centers of the Southwest Plains market, is in the heart of a major milk producing region. This region has by far the greatest volume of milk supplies that are available to meet the fluid milk needs of the market. Such factor has been recognized under the pricing structure that existed prior to May 1. Prior to May 1, the Class I differential was $1.60 at Springfield, the same as the differential at St. Louis (209 miles to the northeast), and 14 cents lower than the differential at Kansas City (169 miles to the northwest).

The Class I differential value at Springfield that results from the location adjustments proposed range from $2.01 to $2.30. Proponents of the various differentials relied on a variety of alignment rates to justify their positions. Basically, those parties that proposed the greatest minus location adjustments place primary emphasis on the supplies of milk available in the area and the need to continue the historical pricing structure that recognized such supplies of milk. The lesser minus location adjustment would give little recognition to the supply situation basically indicating that the historical pricing structure has been altered.

Application of the current Southwest Plains location adjustment at Springfield (minus 38 cents) would result in a $2.39 differential. Such differential would be 47 cents higher than at Kansas City and 38 cents higher than the $2.01 differential proposed for St. Louis under another proceeding. Consequently, the alignment of pricing at Springfield has been significantly altered by the change in the Class I differentials on May 1. However, to the extent possible, the substantial volume of milk available in the Springfield area must be recognized under the Southwest Plains order pricing structure.

The extent to which recognition can be given to the substantial production in the area by a relatively lower value of milk is constrained by the price alignment that results among distributing plants at Springfield, Fayetteville and Fort Smith. For example, a $2.01 differential at Springfield, which would result in an alignment rate of about 3 cents per 10 miles between Springfield and Tulsa, would result in a substantial misalignment of pricing between distributing plants in a more north to south direction. With a $2.01 differential, the resulting alignment rate between Springfield and the mandated differential at Fort Smith would exceed 4 cents per 10 miles. Between Springfield and the $2.55 differential at Fayetteville (120 miles), the rate would be about 4.5 cents.

The 3-cent rate, which is a conservative estimate of bulk milk hauling costs, applies on a straight north to south axis. The mandated differentials also have the greatest alignment rate on a straight north to south direction and this rate declines as the direction is tilted to the east or west. However, to recognize the existence of milk supplies in the Springfield area, the 3-cent hauling rate should be used in a northeast direction. This will recognize the situation in the Southwest Plains market whereby the major production area is not located strictly to the north.

The extent to which the 3-cent hauling rate can be shifted to the east is constrained by the location of distributing plants at Fayetteville and Fort Smith. Since Fayetteville is the nearest major population center where a pool distributing plant is located, it must be the basis from which the relative value of milk at Springfield is computed. A 3-cent rate between Fayetteville and Springfield indicates that the price at Springfield should be 36 cents lower than at Fayetteville. Consequently, relative to Zone I, a minus 58-cent location adjustment should apply in the Springfield area, resulting in a $2.19 Class I differential value.

It is noted that the Springfield, Fayetteville and Fort Smith areas are outside the boundaries of the current Southwest Plains marketing area. Such areas have a significant association with the Southwest Plains market, as three of the distributing plants in the area (two at Springfield and one at Fayetteville) are regulated under the order. Also, a proposal to include this territory in the Southwest Plains marketing area is under consideration.

The appropriate location adjustments, for reasons previously stated, at Fort Smith, Fayetteville and Springfield are zero, minus 22 cents and minus 58 cents, respectively. These adjustments will be reflected in that portion of the location adjustment provisions that relate to areas outside the marketing area. The minus 58-cent adjustment for the Springfield area (Green County) will be specified and will apply to a large number of additional southern Missouri counties. Extension of this $2.19 constant price surface across southern

Missouri, as was proposed, is consistent with the east to west mandated constant price line that extends from Chattanooga through Memphis, Little Rock, and Fort Smith to Oklahoma City. In similar fashion, the $2.77 price line (no adjustment) and the $2.55 price line (minus 22 cents) will be extended across central and northern Arkansas.

However, these two price adjustments for Arkansas will not be specifically indicated in the Southwest Plains order. The regulatory language of the Southwest Plains order, which establishes location adjustment zones to equate values of milk with prices established by other orders in seven states that surround the Southwest Plains marketing area, is being shortened and simplified to accomplish the same objective. Since the proper milk value has been determined at Fayetteville with respect to its primary association with the Southwest Plains market, and at Fort Smith by recognizing the mandated differential, the Central Arkansas order will have to recognize these values under the zone pricing structure to be established for that order. The Central Arkansas order covers a substantial proportion of the territory in Arkansas, and for reasons set forth in the next issue, will zone prices throughout the State to recognize the mandated differential at Fort Smith and the value of milk at Fayetteville. Consequently, the opportunity presents itself to greatly simplify the out-of-area location adjustment provisions of the Southwest Plains order. The Southwest Plains order language no longer needs to specify groups of Arkansas counties, or out-of-area zones, to which specific location adjustments are applied to coordinate pricing with other orders. The order need only specify that the location adjustment under the Southwest Plains order for any plant located in Arkansas shall be the difference between the Southwest Plains Class I price and the Class I price applicable at any plant in Arkansas under the Central Arkansas order. This procedure should also be used for establishing location adjustments in other states surrounding the Southwest Plains marketing area where a substantial proportion of the territory is included under a Federal order (Louisiana, Texas, New Mexico and Colorado). This will greatly shorten and simplify the regulatory language without making any pricing changes from what was proposed and continues the current procedure to recognize the value of milk in other order areas under the Southwest Plains order.

The location adjustment issue in the Wichita (Zone V) area is similar to the Springfield area that was previously discussed. There is a significant amount of production available in the area though not nearly so much as in southwest Missouri. However, a significant change in the price alignment between the Southwest Plains and Greater Kansas City orders occurred on May 1. Prior to May 1, the Class I price under the Southwest Plains order at the four distributing plants in Zone V was only 6 cents greater than the Class I price applicable at Junction City and Topeka under the Greater Kansas City order. Since May 1, the price in Zone V has been 67 cents greater than the Class I price applicable at these northern plants with which Zone V handlers compete for fluid milk sales in Kansas. Based on the 112 miles between Wichita and Junction City, the pricing change represents an increase in the alignment rate from one-half cent to over 5.5 cents per 10 miles. Such a change obviously indicates that there should be a greater minus location adjustment applicable to Zone V under the Southwest Plains order.

The $2.35 differential (42-cent location adjustment) proposed by AMPI/Mid-Am does not go far enough to recognize the alignment problem between Wichita and Kansas City order plants. The resulting alignment rate between Wichita and Junction City would be over 3.5 cents per 10 miles while the rate between Wichita and Ponca City to the south would be just over 2.6 cents per 10 miles.

On the other hand, a $2.22 or lesser differential in Zone V would recognize the alignment problem to the north, but not the south. Such proposed differential, which is based on a 3.5-cent rate from Oklahoma City, would result in an alignment rate of 2.5 cents between Junction City and Wichita. However, such differential would represent a rate between Wichita and Ponca City in excess of 4.1 cents per 10 miles.

The brief of Steffen Dairy suggested that a large number of factors need to be taken into account in establishing the location adjustment in Zone V. However, in suggesting that all such factors are relevant, the $2.22 proposed differential value of Steffen is based on the full cost of hauling bulk milk between Oklahoma City and Wichita. Such proposal ignores the price alignment constraint established by the existence of the $2.59 differential value at Ponca City that extends across northeastern Oklahoma. Also, a location adjustment that is on the conservative side of the cost of hauling bulk milk should be used for reasons previously indicated.

A 3-cent rate based on the distance between Ponca City and Wichita would result in a $2.32 differential in Zone V. However, since the $2.59 differential value extends across northeastern Oklahoma, a $2.30 differential should be established in Zone V which is the same as the differential for Zone IV that is to the east and adjacent to Zone V. Such differential, which is the result of a minus 47-cent location adjustment, results in an alignment rate of slightly more than 3.2 cents beween Ponca City and Wichita and slightly less than 3.2 cents between Wichita and Junction City. As a result of the adjustment change, Zones IV and V should be combined.

Zone VI, which is the southwestern Kansas area, should be reestablished as Zone V because of the previous combination of Zones IV and V. The proposed minus 27-cent location adjustment should be adopted ($2.50 differential value). There was no opposition to this proposal and there are no longer any pool plants in the area. Historically, prices in western Kansas have been higher than those in central Kansas because of the influence of higher prices in Colorado under the Eastern Colorado order. Prior to May 1, the Eastern Colorado Class I differential of $2.30 exceeded the Southwest Plains differential by 32 cents. Since May 1, the Eastern Colorado differential has been 4 cents less than Southwest Plains ($2.73 versus $2.77). Consequently, a $2.50 differential in this southwestern Kansas area of relatively limited production is reasonable in view of the historical alignment and the influence of the Eastern Colorado differential in the area.

As previously stated, the procedure for establishing location adjustments outside the Southwest Plains marketing area that recognizes the value of milk established in such areas under other Federal orders should be continued. An advantage of such procedures is illustrated by the circumstances that occurred when the adjacent St. Louis-Ozarks order was terminated. Plants that were regulated under that order became regulated under the Southwest Plains order. However, because the location adjustments of the Southwest Plains order provided for the same pricing of milk in southwest Missouri as was provided under the St. Louis-Ozarks order, no price changes occurred at plants that became regulated under the Southwest Plains order. This is consistent with the requirement that

prices under Federal orders are established at the location at which milk is received from producers. If price changes had occurred at the southwest Missouri plants as a result of the regulatory change, prices would have, in effect, been established on the basis of where milk was distributed.

One modification should be made to the proposed out-of-area location adjustments for the central and western Colorado areas. Currently, no location adjustment applies in such areas and a continuation of such procedures was proposed. However, prior to May 1, the Class I differentials under the Southwest Plains and Western Colorado orders were about the same ($1.98 under Southwest Plains versus $2.00 under Western Colorado). Since May 1, the Southwest Plains differential has exceeded the Western Colorado differential by 77 cents. Consequently, a minus 77-cent location adjustment should apply in central and western Colorado areas where no adjustment currently applies.

For those distant areas that are beyond the states where the Southwest Plains order provides specific location adjustments, the rate for establishing location adjustments should be increased to 2.25 cents from the current 1.5 cents. Because of the extensive zoning procedure used, the nearest northern market where the higher rate would apply for establishing a location adjustment is Nebraska. The differentials mandated on May 1 reflect an alignment rate of 2.22 cents per 10 miles between Oklahoma City and Omaha, Nebraska. In terms of the distance between Omaha and the nearer Southwest Plains order basing point (Ponca City) the alignment rate is 2.27 cents per 10 miles. Consequently, a rate of 2.25 cents is reasonable in determining location adjustments in such distant areas. The minus adjustments for all areas not zoned, except Texas, should continue to apply on the basis of the distance between any plant and the nearer of Ponca City or Tulsa. The adjustment for areas in Texas that are outside any Federal milk marketing order area should be plus 2.25 cents per 10 miles between any such plants in Texas and Oklahoma City. Use of such higher rate is consistent with the increase in the alignment rate between the Southwest Plains and Texas orders effective on May 1. There was no opposition to the use of this higher rate, for either plus or minus adjustments. Such rate appears to be reasonable in terms of the new pricing alignment.

1c. Plant location adjustments for handlers under the order regulating the handling of milk in the Central Arkansas marketing area

The location adjustment provisions of the Central Arkansas order should be amended to provide for a minus 22-cent location adjustment zone across northern Arkansas and a plus 31-cent location adjustment across southern Arkansas. This plus adjustment should also apply in Bowie and Cass counties in Texas. Also, the rate that is used to compute location adjustments at distant areas, both plus and minus adjustments, should be increased from 1.5 cents per 10 miles to 2.1 cents per 10 miles. However, the use of this rate for determining minus location adjustments in southwest Missouri (Springfield area) results in a greater value of milk than was previously considered to be appropriate under the Southwest Plains order. Consequently, a specific minus 58-cent location adjustment ($2.19 Class I differential value) should apply in a southwestern Missouri area that includes 19 Missouri counties.

The current Central Arkansas order provides for no location adjustments at plants located in a 40-county area extending from east to west across the middle of the State of Arkansas. Location adjustments are also not applied at any plant located in the States of Tennessee or Oklahoma. Thus, the order currently recognizes the east/west equal price line that extends from Chattanooga to Oklahoma City. For plants located in Arkansas that are south of the no adjustment zone, as well as plants located in the States of Louisiana, Mississippi or Texas, plus location adjustments apply. At all other locations, including the territory in Arkansas that is north of the no adjustment zone, minus location adjustments apply. The plus or minus adjustments are computed at the rate of 1.5 cents per 10 miles from the nearer of Forrest City, Arkansas (St. Francis County) or Little Rock, provided that plants are more than 60 miles from the nearest basing point.

The Central Arkansas marketing area includes 21 Arkansas counties in the central to eastern part of the State. The market's only major population center is Pulaski County, which includes Little Rock. Pulaski County, with 340,597 residents, is the only county with a population in excess of 100,000. About one-third of the population in the marketing area resides in Pulaski County. Pulaski County plus the three additional counties that comprise the Little Rock metropolitan area contain almost one-half of the population in the marketing area.

Five distributing plants are fully regulated under the order. Three of these plants are in the Little Rock area while one is located at Hot Springs in Garland County. No location adjustments apply at any of these plants. The fifth distributing plant is located outside the marketing area at Paragould, Arkansas (Greene County). Paragould is in the northeastern part of the State and is 85 miles north of Forrest City. Thus, a minus 13.5-cent location adjustment currently applies at Paragould.

The Central Arkansas market is a relatively small, primarily fluid use market. During 1985, total producer milk on the market averaged about 42 million pounds per month. Approximately 80 percent of total receipts were used for Class I purposes by handlers regulated under the order.

The source of producer milk for the market is primarily from farms located in the State of Arkansas. In November 1985, about 86 percent of the total supplies on the market originated in Arkansas, most of which originated on farms located northwest of Little Rock. Missouri represented about 13 percent of total supplies while Oklahoma represented about one percent. Most of the Missouri milk originated in the south central and southwest part of the state while the Oklahoma supply originated in three eastern counties adjacent to the Arkansas boundary.

The five distributing plants regulated under the order accounted for about 80 percent fof the fluid milk products distributed in the Central Arkansas marketing area during the fourth quarter of 1985. The remaining sales were supplied by plants regulated under primarily five other Federal orders. The Class I price changes effective May 1 resulted in varying price increases under the other orders regulating plants that have sales of fluid milk products in the Central Arkansas marketing area. The Class I differential increases were as follows: Greater Kansas City, 18 cents; Southern Illinois, 39 cents; Nashville, Tennessee, 67 cents; Paducah, Kentucky, 69 cents; Memphis, Tennessee and Central Arkansas, 83 cents.

Because of these pricing changes, AMPI/Mid-Am proposed that the location adjustment provisions of the order be amended. The proposal by the cooperatives is essentially the same as that adopted herein, except for the modification for territory in southwest Missouri. The cooperatives contend that their proposal, which would result in a location adjustment change at only one

pool distributing plant location, is necessary to provide competitive equity with handlers regulated under the Memphis, Tennessee; Southern Illinois; Southwest Plains; and Paducah, Kentucky orders. As a result of the changes in the Class I differentials on May 1, the cooperatives contend that the minus location adjustment at Paragould should be increased to 22 cents from the current 13.5 cents.

The only opposition to the cooperatives' proposal was by the handler who operates the distributing plant at Paragould (Foremost). Foremost contends that the location adjustment at Paragould should be minus 34 cents, resulting in a Class I differential value of $2.43. The handler contends that the lower price is justified on the basis of the areas in which Foremost distributes fluid milk products in competition with other handlers. The handler testified that 60 percent of the plant's sales (50 percent in the Paragould area and 30 percent to the north) are in competition with handlers in the St. Louis area who are regulated under the Southern Illinois order. Also, the handler indicated that about 17 percent of the plant's sales are in the Little Rock area while the remaining three percent are in the Memphis area. As a result, the handler contends that the location adjustment at Paragould should be based primarily on the price relationships between Little Rock and Paragould and between Paragould and St. Louis. Foremost concludes that a 34-cent location adjustment is reasonable since it would result in an alignment rate of about 2 cents per 10 miles between Paragould and Little Rock as well as between Paragould and St. Louis.

Because of the changes in the Class I differentials on May 1, the location adjustment provisions of the Central Arkansas order should be revised. The issue is critical only with respect to the adjustment at Paragould since it is the only location at which an adjustment applies to a distributing plant that is regulated under the order. All other pool distributing plants are located around Little Rock where the mandated Class I differential applies.

Currently a minus 13.5-cent location adjustment applies at Paragould. Such adjustment is based on a 1.5-cent rate over the 90 miles between Paragould and Forrest City, Arkansas. Forrest City, which is east northeast of Little Rock, has been used as a basing point in conjunction with Little Rock for a number of year to establish location adjustments at distant plants. The use of the distance between any plant and the nearer basing point currently has the effect of establishing more uniform location adjustments across northern Arkansas than if only Little Rock were a basing point. The fact that the Paragould handler contended that its current location adjustment based on Forrest City fails to recognize the location value of milk at Paragould relative to the major population center at Little Rock, is irrelevant to a determination of the appropriate location adjustment at Paragould. It is noted, however, that the current and future use of Forrest City for determining location adjustments at distant plants does nothing more than recognize the identical east-west axis Class I differentials at Little Rock and Memphis, both prior to and since May 1, 1986.

The continued use of the 13.5-cent location adjustment would leave the Foremost plant in the same competitive position relative to handlers in the Little Rock area. However, since the Class I differentials were increased by greater amounts in the south relative to the north, the competitive position of the plant, relative to more northern plants, would be worsened. For example, prior to May 1, the Central Arkansas Class I differential exceeded the differential at St. Louis by 34 cents, reflecting an alignment rate of less than one cent between St. Louis and Little Rock. Effective May 1, the Southern Illinois Class I differential was increased by 39 cents while the Central Arkansas differential was increased by 83 cents, reflecting an alignment rate of about 2.2 cents between St. Louis and Little Rock. At the Paragould location, the alignment rate between Paragould and St. Louis was less than one cent prior to May 1, and would be over 2.8 cents since May 1 if the current minus 13.5-cent location adjustment were continued. Consequently, it would appear that some increase in the minus location adjustment at Paragould would be reasonable in view of the alignment change.

Foremost contended that, since only a small proportion of its fluid milk sales are in the Memphis area, the price relationship between Memphis and Paragould makes no sense in determining the location adjustment at Paragould under the Central Arkansas order. Basically, such a position would ignore certain inter-market price relationships and how changes in price relationships could have an impact on sales area changes of distributing plants. The current 13.5-cent adjustment at Paragould represented an alignment rate of 1.5 cents per 10 miles between Paragould and Memphis. A 34-cent location adjustment would increase the alignment rate between Paragould and Memphis to almost 3.8 cents per 10 miles. Consequently, the $2.77 differential which was mandated at Memphis, is a limiting factor to the possible increase in the minus location adjustment at Paragould.

The location adjustment at Paragould must be viewed primarily in terms of the inter-market mandated pricing structure, although the location of the available milk supplies for the Central Arkansas order also are important. Consideration of both factors indicates that the minus location adjustment at Paragould should not be greater than 22 cents.

A mandated $2.77 Class I differential applies at Little Rock, in the center of Arkansas, as well as at Memphis to the east and Fort Smith to the west. This provides a constant east-west price line across Arkansas. The price surface actually extends for about 780 miles from Oklahoma City to Chattanooga. It is also noted that the steepest alignment rates among mandated differentials occur on a straight north to south axis and decline to zero on an east to west axis.

A 3-cent conservative estimate of current bulk milk hauling costs, applied from the $2.77 Class I differential line straight to the north, should be the basis upon which the location adjustment at Paragould, as well as all of nothern Arkansas, is determined.

On the western border of Arkansas, a 3-cent rate from the $2.77 differential at Fort Smith would result in a 21-cent location adjustment at Fayetteville. On the eastern border of Arkansas, a 3-cent rate from the $2.77 differential at Memphis would result in a 21-cent location adjustment at Blytheville, Arkansas. Althouth there are no pool plants located at Blytheville, it is due north of Memphis and thus approximates the north to south alignment of the mandated differentials and the appropriate value of milk at Paragould to the west of Blytheville. Extension of an equal price surface across northern Arkansas is reasonable in view of the mandated price surface across central Arkansas. Also, a minus 22-cent location adjustment, which is slightly in excess of the 3-cent bulk milk hauling rate, reasonably reflects the value of milk in northern Arkansas versus central Arkansas.

The supplies of milk for the Central Arkansas order are primarily located northwest of Little Rock. Also, there are substantial reserve milk supplies available in southwest Missouri. Relative to the supplies in southwestern Missouri, there are relatively limited supplies in southwestern Missouri.

Consequently, if there were any basis to deviate from a flat price surface across northern Arkansas, the supplies of milk available in southwest Missouri would indicate that prices in northwestern Arkansas should be lower than in northeastern Arkansas. Such a pricing structure would be the reverse of the structure proposed by Foremost. In any event, the location adjustment at Paragould and across northern Arkansas must be limited to not more than 22 cents because of pricing constraints imposed by the mandated differentials at cities to the south.

The Arkansas counties located to the south of the base zone, as well as Bowie and Cass counties in Texas, should be included in a plus 31-cent location adjustment zone. Such an adjustment, which would result in a $3.08 differential value in such areas, was not opposed by any interested party and there are no pool plants in the area. Such plus adjustment is consistent with the increasing value of milk to the south and the alignment of pricing between the Central Arkansas and southern markets. Since May 1, the Class I differentials under the Texas and Greater Louisiana orders ($3.28) has exceeded the Central Arkansas differential by 51 cents. Prior to May 1, the Greater Louisiana differential ($2.47) exceeded the Central Arkansas differential ($1.94) by 53 cents while the Texas differential exceeded the Central Arkansas differential by 38 cents. Since May 1, the alignment rate between Little Rock and Shreveport, Louisiana has been 2.55 cents per 10 miles and the alignment rate between Little Rock and Dallas, Texas has been 1.59 cents per 10 miles. At Texarkana, the 31-cent proposed location adjustment represents an alignment rate of 2.2 cents, which is within the range of the alignment rates among markets which decline as the alignment shifts from a north-south to an east-west axis. At El Dorado, Arkansas, the plus 31-cent location adjustment represents a 2.58-cent rate from Little Rock. The reflection of such a rate, which is in excess of the rate between Little Rock and Shreveport, is appropriate since El Dorado is directly south of Little Rock. Also, such rate is less than the north-south alignment of the mandated Class I differentials between Little Rock and Monroe, Louisiana which reflects a rate of 2.8 cents per 10 miles. Consequently, the plus 31-cent location adjustment for southern Arkansas (and Bowie and Cass counties in Texas) represents a reasonable location value of milk relative to prices in markets to the south.

The 2.1-cent rate for establishing plus location adjustments on the basis of mileage for plants located in Mississippi, Louisiana, and Texas is also reasonable in view of the range of alignment rates to the south as previously set forth. In addition, the 2.1-cent rate for establishing minus location adjustments for areas north of Arkansas is appropriate in view of the alignment rate reflected between the Central Arkansas and northern markets since May 1. For example, the difference between the Class I differentials at Little Rock and Kansas City represents less than 2.2 cents per 10 miles over the 390 miles between the cities. Also, the approximate alignment rate between St. Louis and Little Rock is less than 2.2 cents per 10 miles. However, it is noted that the use of the 2.1-cent rate for determining location adjustments (both plus and minus) on the basis of mileage to distant areas is based on the nearer of Little Rock or Forrest City. Such procedure, which is currently utilized, recognizes the constant, east-west axis pricing across Arkansas in northern and southern areas.

Use of the 2.1-cent rate should be modified with respect to territory in southwest Missouri. Use of such rate would result in about a minus 46-cent location adjustment at Springfield, Missouri, representing a $2.31 Class I differential value. Such value would be in excess of the value of milk in this major production area under the Southwest Plains order. Consequently, a minus 58-cent location adjustment should apply in the southwest Missouri area under the Central Arkansas order.

The proposed use of the 2.1-cent rate for establishing location adjustments in southwest Missouri under the Central Arkansas order was not opposed by any interested party. However it is noted that the location adjustment proposed by AMPI/MID-Am resulted in essentially the same values of milk that were initially proposed for the southwest Missouri areas under both the Southwest Plains and Central Arkansas orders. Also, a substantial amount of testimony and evidence was presented and considered with respect to the location value of milk in southwest Missouri under the Southwest Plains order. Although the primary association of the southwest Missouri area is with the Southwest Plains order, the substantial volume of production in the area is available to other southern markets as well as to the Southwest Plains market. Consequently, the value of milk in southwest Missouri should be reflected under the Central Arkansas order.

No location adjustment should apply in the States of Oklahoma and Tennessee, as in currently provided under the Central Arkansas order, to continue to reflect the constant east-west axis price alignment. In total, the location adjustment provision of the Central Arkansas order, as amended, will reflect the alignment of pricing established among markets on May 1, both on an east-west and north-south basis.

1d. Plant location adjustments for handlers under the orders regulating the handling of milk in the Texas and Rio Grande Valley marketing areas

The location adjustment provisions of the Texas order should be amended to provide for a better alignment with prices established in surrounding markets on May 1, 1986. Within the marketing area, price alignment considerations require location adjustment changes in those areas that are east, northwest, and west of Dallas. Specifically, the minus location adjustment for Zone 1–A, which is northwest of Dallas, should be increased from 12 to 25 cents. Also, the plus location adjustments of 6 cents for Zone 2 (east of Dallas) and 25 cents for Zone 6 (west of Dallas) should be eliminated. For reasons set forth hereafter, no other location adjustment changes are necessary within the marketing area to reflect in cost of hauling milk from where it is produced to where it is needed for fluid use. The current intra-market pricing structure reflects the extent to which current hauling costs need be recognized to cover the additional costs in shipping milk substantial distances from northern production areas to deficit southern population centers. The order was amended May 1, 1985 on the basis of a hearing held October 4–7, 1983 to consider proposals to completely restructure the location adjustment provisions of the order. Official notice is taken of the Acting Assistant Secretary's final decision issued March 6, 1985 (47 FR 9661). Such decision concluded that the only price change necessary on the basis of the hearing record was an 18-cent increase in the plus location adjustment for Zone 8 (Houston). Such action resulted in the current total location adjustment for Zone 8 of 54 cents, and is now the subject of litigation. Several proposals in this proceeding relating to the intra-market pricing structure provided the opportunity for a further exploration of the same issues considered at the 1983 hearing.

For territory outside the Texas marketing area, the current procedure of establishing location adjustments that recogize the value of milk in other order areas should be expanded to include plants located in New Mexico, Oklahoma, Arkansas and parts of Kansas and Missouri. For more distant areas, the rate used to compute minus location adjustments should be increased from 1.5 cents to 2.2 cents per 10 miles from Dallas.

No location adjustment changes are necessary under the Rio Grande Valley order. A location adjustment change was proposed by a handler who operates a distributing plant at San Angelo, Texas, that is regulated under the Texas order and two plants that are regulated under the Rio Grande Valley order. The purpose of the proposal was to improve the alignment of prices between the Rio Grande Valley order and the handler's plant at San Angelo. Prior to May 1, 1986, the Class I differentials under the Rio Grande Valley and Texas orders were essentially the same. However, the mandated Class I differential for the Texas order was increased by 96 cents ($2.32 to $3.28) while the mandated differential for the Rio Grande Valley order ($2.35) was not changed. A description of the Rio Grande Valley pricing structure, as well as the reasons for denying the proposal, are included with the discussion concerning the appropriate location adjustment for the San Angelo area under the Texas order.

The current pricing structure of the Texas order provides for 13 pricing zones in the marketing area. Zone 1 (which includes the Dallas/Ft. Worth area) is the basing point for the announcement of the Class I price to handlers and the blend price payable to producers each month. No location adjustment applies to plants in Zone 1 which is the zone in which the Class I differential specified in the order is directly applicable in establishing monthly Class I prices. Class I prices to handlers and blend prices payable to producers for all other zones are established by location adjustments to the Zone 1 prices. A minus location adjustment applies to milk received at plants in Zone 1–A, which is northwest of Zone 1. Plus adjustments apply to all other zones. Generally, Zone 2 is east of Zone 1 and borders with the marketing area of the Greater Louisiana order which covers most of the territory in Louisiana. Zone 6 is west of Zone 1 and borders with the marketing area of the Lubbock-Plainview marketing area and the marketing area of the Rio Grande Valley order which covers most of the territory in New Mexico. All other zones of the Texas marketing area are south of Zones 1 and 2.

The current location adjustments for each of the zones, as well as the resulting Class I differential values prior to May 1, 1986, are indicated in the following table. Although each zone consists of groups of counties, the major cities within such zones are indicated for reference purposes. Also, for comparison purposes, the Class I differential values adopted herein are included. The adopted changes reflect the $3.28 mandated differential and the location adjustment changes for Zones 1–A, 2, and 6 as previously indicated.

[Dollars per hundredweight]

Zone and cities	Prior to May 1, 1986		Adopted Pricing	
	Location adjustment	Class I diff	Location adjustment	Class I diff.
1–A Burkburnett	−.12	2.20	−.25	3.03
1 Dallas, Ft. Worth	0	2.32	0	3.28
2 Tyler, Marshall	+.06	2.38	0	3.28
3 Waco	+.15	2.47	+.15	3.43
4 Lufkin	+.18	2.50	+.18	3.46
5 Bryan	+.20	2.52	+.20	3.48
6 San Angelo	+.25	2.57	0	3.28
7 Austin	+.30	2.62	+.30	3.58
8 Beaumont, Houston	+.54	2.86	+.54	3.82
9 San Antonio	+.42	2.74	+.42	3.70
10 Victoria	+.53	2.85	+.53	3.81
11 Corpus Christi	+.66	2.98	+.66	3.94
12 Edinburg, Harlingen	+.75	3.07	+.75	4.03

During December 1985, 34 distributing plants were regulated under the order. Of these, 20 are located in Zones 1, 8, and 9 (Zone 1, 11 plants; Zone 8, 5 plants; and Zone 9, 4 plants), which are the most heavily populated areas of the marketing area. Three of the plants are located in Zone 2, and two plants are located in each of Zones 6, 11 and 12. One plant is located in each of Zones 1–A, 3, 4, 5, and 7. There are no longer any plants in Zone 10.

In addition to distributing plants, two manufacturing plants operated by AMPI that are pooled under the order as cooperative balancing plants are located in the heavy milk producing areas of the market in Zone 1. These plants are located at Sulphur Springs (Hopkins County) and Muenster (Cooke County). Two supply plants are also regulated under the order. One is located at Yantis (Wood County) and one at Aurora, Missouri (Lawrence County). There are also four nonpool plants located in Zone 1 that obtain producer milk supplies by diversion from other plants. Two of these are located in the Dallas area while the other two are located in the heavy Hopkins County production area. Two additional nonpool plants that receive producer milk are located in Zone 8 of the marketing area. Additional manufacturing plants that serve as outlets for producer milk are located in the States of Texas (outside the Texas marketing area), Oklahoma, Missouri and Arkansas.

The 1980 population of the Texas marketing area exceeded 12.3 million persons, almost a 29 percent increase from 1970. Most of the population resides within Zones 1, 8 and 9 which accounted for over 67 percent of the total marketing area population. Zone 8, the largest population center, accounted for 29 percent of the total population and experienced a population growth of more than 37 percent between 1970 and 1980. Zone 1 is the second largest population center representing almost 28 percent of the total population with a 24 percent increase between 1970 and 1980. Zone 9 is the third most populated area representing about 10.5 percent of total population with a 20 percent increase from 1970 to 1980.

The volume of producer milk associated, in total, with the Texas market (over 372 million pounds per month during 1985) is adequate to meet fluid milk needs. About 252 million pounds of producer milk per month was used in fluid milk products, indicating a Class I utilization of about 68 percent for 1985. Class I utilization ranged from a high of about 77 percent in January to a low of 60 percent in June. The Class I utilization for 1984 was about 70 percent (ranging from 77 to 63 percent) while the 1983 Class I utilization was 64 percent (ranging from 71 to 57 percent).

The milk associated with the Texas market is produced on farms located in the States of Arkansas, Mississippi, Missouri, New Mexico, Oklahoma and Texas. By far, Texas represents the greatest source of supply, representing in excess of 80 percent of the total milk pooled on the market during 1985. Such production exceeded the amount of producer milk in Class I use by almost 20 percent. New Mexico, representing

about 10 percent of total market supplies, was the second greatest supply area.

The major Texas production areas are located in the northern portion of the marketing area, primarily in the Sulphur Springs (Hopkins County) and Stephenville (Erath County) areas. Production available in the top 10 milk producing counties in the marketing area represented about 45 percent of the total amount of producer milk pooled on the market during December 1985. Of these counties, six are located in Zone 1, three in Zone 3, and one in Zone 1–A. These 10 counties, plus eight additional heavy milk producing counties in the vicinity of Sulphur Springs and Stephenville (four in each area) represent in excess of 54 percent of the total amount of producer milk pooled under the order during December 1985.

Fluid milk needs of the Texas market are supplied, to a very limited degree, by handlers who operate plants that are regulated under other Federal order markets. Handlers regualted under five other orders had sales of fluid milk products in the marketing area during 1985 that averaged less than 6.7 million pounds per month. The orders regulating these plants that have sales in the marketing area, and the increases in the Class I differentials on May 1, 1986, are as follows: Greater Louisiana, 81 cents; Southwest Plains, 79 cents; Lubbock-Plainview, 7 cents; Texas, 96 cents; and Texas Panhandle, 24 cents. In addition, there was no change in the Class I differential under the Rio Grande Valley order which regulated a handler who has fluid milk sales in the Texas marketing area.

AMPI and Mid-Am, which represent a substantial proportion of the dairy farmers who supply the Texas market, proposed that location adjustment changes be made in Zones 1-A, 2, 3, 4, 5, 6 and 7 of the marketing area. The cooperative contend that the changes are necessary because of changes in the alignment of prices between the Texas and other Federal order markets effective May 1, 1986, and to recover a greater portion of transportation costs that are incurred in supplying certain areas of the market.

For Zones 1–A and 2, the cooperatives indicated that price alignment considerations necessitate location adjustment changes. For Zone 1–A, the cooperatives proposed that the minus location adjustment be increased from 12 to 25 cents to recognize the 51-cent difference established between the Southwest Plains and Texas order Class I differentials. They contend that the 25-cent adjustment for this territory that is northwest of Dallas would be appropriate since the area is equidistant between Oklahoma City and Dallas. For Zone 2, which is east of Dallas, the cooperatives proposed that the current plus 6-cent location adjustment be eliminated since identical Class I differentials were established for the Texas and Greater Louisiana orders. Prior to May 1, the Greater Louisiana Class I differential exceeded the Texas differential by 15 cents. With the elimination of this difference between differentials, the cooperatives contend that the 6-cent adjustment should be eliminated to provide an east-west alignment of prices between Shreveport, Louisiana and Dallas.

For Zone 3, which is south of Zone 1, the cooperatives proposed that the plus location adjustment be increased from 15 to 19 cents to reflect more of the cost of hauling milk to Waco. For Zone 4, which is east of Zone 3 and south of Zone 2, the cooperatives proposed that the plus location adjustment be increased by 4 cents to 22 cents. They contend that the increase is necessary to align prices between a distributing plant at Lufkin in Zone 4 with distributing plants located to the north in Zone 2 at Tyler and Marshall. In addition, the cooperatives contend that the higher price is necessary to cover a greater portion of the hauling cost incurred in supplying the Zone 4 plant.

For Zone 5, which is southeast of Waco in Zone 3 and southwest of Lufkin in Zone 4, the cooperatives proposed that the plus adjustment be increased from 20 to 30 cents. The cooperatives contend that the increase is necessary to align prices between a distributing plant at Bryan in Zone 5 with the bottling plant at Waco in Zone 3. In addition, the cooperatives contend that the higher price is necessary to cover more of the transporation costs incurred in shipping milk long distances to supply the Zone 5 plant. For Zone 7, which is south of Zones 3 and 5, the cooperatives proposed that the plus location adjustment be increased from 30 to 39 cents. The cooperatives contend that such increase is also necessary to cover a greater portion of the costs of hauling milk to Zone 7.

For Zone 6, which is the western most zone in the Texas marketing area, the cooperatives proposed that the current plus 25-cent location adjustment be eliminated. The cooperatives contend that such change is necessary because of the substantial change in the price alignment between the Texas order and other Federal order markets to the west, primarily the Rio Grande Valley order. Prior to May 1, there was only a 3-cent diference between Class I differentials under the Texas order ($2.32) and the Rio Grande Valley order ($2.35). Effective May 1, the Texas order differential was increased by 96 cents while there was no increase in the mandated Rio Grande Valley order differential. With the current plus 25-cent location adjustment, the Class I differential value at San Angelo would exceed the Rio Grande Valley order differential by $1.18. The cooperatives contend that elimination of the plus adjustment would improve the new east-west alignment and allow the distributing plant at San Angelo to continue to compete for sales of fluid milk products with handlers located in Zones 1, 3, 7, 9, and 11 of the marketing area. The cooperatives indicated that any greater price reduction was not warranted because of limited competition for sales in west Texas with plants in eastern New Mexico. The cooperatives' proposal was supported by Safeway, Inc., which operates distributing plants under the Texas and Rio Grande Valley orders.

For Zone 8, the cooperatives proposed that the current plus 54-cent location adjustment be continued. Such proposal was basically in opposition to proposals by other parties that would reduce the current Class I price for Zone 8 by 18 cents. The cooperatives contend that Zone 8 is the most difficult and costly area to supply because of the substantial distances that milk must be shipped from production areas to supply the fluid milk needs of distributing plants in Zone 8.

For locations outside the Texas marketing area, the cooperatives proposed that the Texas order location adjustments recognize the location value of milk in such areas established under other Federal orders. This procedure is currently utilized under the Texas order for Texas territory included in the Texas Panhandle and Lubbock-Plainview orders and some Oklahoma territory included in the Southwest Plains order. The cooperatives' proposal would extend this procedure to include all of the territory in the Southwest Plains marketing area, a portion of Missouri and all of the State of Arkansas. For Louisiana and New Mexico (including El Paso County, Texas, which is in the Rio Grande Valley marketing area) the cooperatives proposed that no location adjustment be applied under the Texas order. The cooperatives proposed that this procedure, which is currently utilized under the Texas order, be continued despite the substantial change that occurred between the Class I differential values under the Texas and Rio Grande Valley orders on May 1, 1986. The cooperatives contend that no

location adjustment should apply to milk that is pooled under the Texas order that is received at plants regulated under the Rio Grande Valley order even though the Class I differential under the Rio Grande Valley order is 93 cents less than the Texas order Class I differential effective May 1. The cooperatives contend that application of the Texas order Zone I value is necessary to allow AMPI to recover substantial transportation costs that are incurred in qualifying milk produced in New Mexico and El Paso County for producer status under the Texas order in the event that such milk is needed to supplement the fluid milk requirements of the Texas market.

For other areas outside the marketing area the cooperative proposed that a rate of 2.1 cents per 10 miles from Dallas be used to establish location adjustments.

The Southland Corporation (which operates five distributing plants under the order) and Hygeia Dairy Co. (which operates two distributing plants under the order) jointly proposed that the location adjustment for Zone 8 be reduced by 18 cents to the plus 36-cent adjustment that applied to milk received at plants in Zone 8 prior to May 1, 1985. Southland and other handlers who operate plants in Zone 8 (Borden, Carnation, and Safeway) have challenged the prior action to provide for a 54-cent location adjustment for Zone 8. In this proceeding, Southland testified that distributing plants in Zone 8 received sufficient supplies of milk to meet fluid requirements when the 36-cent location adjustment applied and that, consequently, there was no reason to provide for a 54-cent location adjustment. Southland testified that the 36-cent location adjustment should be reestablished since plants in Zone 8 are adequately supplied, which according to Southland, indicates that there is no need for any greater economic incentive for milk to be shipped to Zone 8 from distant production areas. Southland also testified that a return to a 36-cent location adjustment would reestablish the historical east-west price alignment between Zone 8 of the Texas order and the Greater Louisiana and New Orleans-Mississippi orders. Prior to May 1, 1985, the Zone 8 Class I differential value was $2.85, compared to $2.85 under the New Orleans-Mississippi order. Effective May 1, 1985, with the 54-cent location adjustment for Zone 8, a $2.86 Class I differential value was established. Southland contends that a $3.64 differential value in Zone 8 ($3.28 mandated differential plus a 36-cent location adjustment) would provide the proper east-west alignment with the $3.85 differential value mandated for New Orleans. Southland also testified that Congress did not mandate any increase in the Class I differential for any Texas location south of Dallas where the order Class I differential applies. Therefore, since Zone 8 and intervening zones are adequately supplied according to Southland, Southland contends that the Zone 8 location adjustment should be reduced to 36 cents, and the AMPI/Mid-Am proposed location adjustment changes for Zones 2, 3, 4, 5, and 7 should be denied. A reduction of the Zone 8 location adjustment to 36 cents was also proposed by Borden, Inc., and supported by Safeway, Inc. for essentially the same reasons testified to by Southland.

Southland and Hygeia also proposed that a new minus location adjustment Zone 1–B be established in the heavy milk producing area of Zone 1. The proposal would establish a minus 18-cent location adjustment zone to include 10 counties located north and northeast of Dallas. Southland testified that neither the mandated 96-cent increase in the Texas Class I differential, nor the mandated changes in the price relationships among markets that incorporates north to south and west to east movements of milk, provide an economic incentive for milk to be shipped to distributing plants in Dallas. Southland testified that this lack of incentive occurs because Zone 1 currently includes both the consumption and production areas. Since manufacturing plants are located in the production area at Sulphur Springs and Muenster, producers who supply such manufacturing plants receive the same blend price as producers who supply distributing plants at Dallas. As a result, Southland contends that producers who supply distributing plants at Dallas, which is 80 miles southwest of Sulphur Springs, should receive an 18-cent higher price than producers whose milk is received at Sulphur Springs. Consequently, under the current pricing structure, Southland proposed that an 18-cent lower price be established at Sulphur Springs. Southland contends that at times there has been a shortage of milk at distributing plants in Dallas while milk was being processed at AMPI manufacturing plants at Sulphur Springs and Muenster and, thus, a price incentive should be incorporated under the order for milk to be shipped to Dallas. Southland also testified that the impact of its proposal on total producer returns would be insignificant because there are no Class I bottling plants in the proposed zone and that its proposal would establish a better east-west alignment of pricing across north Texas than the AMPI/Mid-Am proposal. In its brief, Southland indicated that even if there were distributing plants in its proposed lower price zone, the adjustment would be appropriate in view of the proper location value of milk.

For out-of-area locations, Southland proposed the current procedure for recognizing the value of milk under other orders in certain territory in Texas and Oklahoma. However, Southland proposed that for other areas, particularly for plants located in El Paso County, Texas, and New Mexico (where no location adjustment currently applies under the Texas order), a minus location adjustment should apply at the rate of 2.2 cents per 10 miles between any plant and Dallas. Southland contends that such change in pricing is necessary because of the substantial change in the price relationship between the Texas and Rio Grande Valley orders effective May 1, 1986. Southland contends that even under the price relationship that existed prior to May 1, 1986, reserve milk supplies for the Rio Grande Valley order were pooled under the Texas order, thereby depressing the blend price to all producers who supply the Texas market. Southland contends that absent a change in the location adjustments for El Paso and New Mexico, there would be a substantial economic incentive for surplus milk produced in such areas to be pooled on the Texas order. Therefore, Southland contends that a minus location adjustment should apply to milk received at plants in El Paso and New Mexico to reflect its economic value at such locations relative to the Texas market, thereby establishing an economic disincentive for such milk to be pooled on the Texas market.

With respect to other proposals concerning Zone 8, Schepps Dairy (a handler who operates a distributing plant in Zone 1) proposed that the plus location adjustment be increased from 54 cents to 72 cents. Schepps contends that an increase is necessary to cover the additional transportation costs that are incurred in shipping milk long distances from northern production areas to the deficit Zone 8 consumption center. Schepps contends that the Zone 8 location adjustment should reflect current hauling costs of 3.5 cents per 10 miles over the distance between Houston and the supply area for Zone 8. Schepps testified that the Houston milkshed extends outward 325 miles into the procurement area for Zone 1 plants. Schepps testified that since the

procurement area for Zone 1 plants extends outward from Dallas by about 60 miles, the Zone 8 location adjustment should reflect the additional mileage to Houston (324−60=265 miles) at 3.5 cents per 10 miles, resulting in about a 94-cent location adjustment. In view of this cost, Schepps contends that the proposed 75-cent location adjustment would be more reasonable than a 54-cent adjustment. Also, Schepps testified that the 75-cent adjustment is reasonable in view of the 72-cent additional cost incurred by Mid-Am to supply Houston versus Dallas from the same production area, as well as in terms of AMPI's average unrecovered transportation costs of 20 cents to supply Zone 8 plus the current 54-cent location adjustment. Schepps contends that with the current location adjustment Zone 8 handlers are not paying the value of the economic service provided by producers, thus resulting in inequities among handlers and producers.

Kroger, Inc., which also operates a pool distributing plant in Zone 1, proposed that Montgomery County be removed from Zone 8 and placed in a separate price zone. The zone change was proposed because Kroger is in the process of building a new distributing plant at Conroe in Montgomery County to service fluid milk outlets in Zone 8 and other southern areas. Basically, Kroger proposed that the plus location adjustment for Montgomery County be 10 cents less than for the rest of the territory in Zone 8. Kroger proposed that the Zone 8 location adjustment be increased to 64 cents but that Montgomery County be included in a separate 54-cent plus location adjustment zone. As an alternative, Kroger proposed that the location adjustment for Montgomery County be 44 cents with a 54-cent location adjustment applicable in the rest of the territory currently in Zone 8. Kroger testified that a 10-cent difference in pricing between Conroe and Houston is justified since Conroe is located some 39 miles north of Houston closer to the production area that would have to be relied on for a source of supply for the Conroe plant. Kroger testified that haulers who were contacted said they would haul milk to Conroe for less than the cost of hauling milk to Houston. Kroger also testified that significant traffic congestion occurs between Conroe and Houston, resulting in lower overall transportation costs for the Conroe location, which is a further basis for a lower plus location adjustment at Conroe than at Houston.

Dean Foods Company proposed that the location adjustment for plants in Zone 6 of the Texas marketing area be changed from plus 25 cents to minus 25 cents per hundredweight and that the minus 15-cent location adjustment be eliminated at plants located in eastern New Mexico that are regulated under the Rio Grande Valley order. Dean, who operates a distributing plant at San Angelo in Zone 6, as well as plants regulated under the adjacent Lubbock-Plainview and Rio Grande Valley orders, contends that its proposed changes are needed primarily to reflect the substantial change in the Class I price relationship between the Texas and Rio Grande Valley orders effective May 1, 1986. Dean claims that its proposed changes in the location adjustment provisions of the orders are needed to allow the San Angelo plant to remain competitive with bottling plants regulated under other nearby orders for sales of fluid milk products.

The Dean proposal for the Rio Grande Valley order was opposed by AMPI and Safeway on the basis that the proposed action would be an inappropriate method of trying to resolve the resale problems that Dean anticipates. With respect to the handler's proposal for the Texas order, Foremost, Borden, Hygeia and Southland opposed any change in the plus 25-cent location adjustment at plants in Zone 6. These major Texas handlers claimed that any changes in the location adjustment for Zone 6 would create competitive inequities among handlers for sales of fluid milk products in Zone 6 and in territory south and east of Zone 6.

Necessary changes to the location adjustments under the Texas order involve a consideration of the intra-market pricing structure as well as the issue of inter-market price alignment between the Texas and other Federal order markets. Although these issues are related, price alignment consideration among Federal order markets is of greater importance in northern and western portions of the Texas marketing area. In other portions of the Texas marketing area, location adjustments must reflect the structural characteristics of the market and an intra-market alignment of the varying location values of milk throughout the market.

The Texas order regulates handlers operating a large number of plants dispersed over a large geographic area. Consequently, location adjustments are necessary to reflect substantial differences in the value of milk because of the greater distances that milk must be hauled to meet the fluid milk needs of the various population centers in the market. Consequently, in order to recognize the value of the service provided by producers, location adjustments are intended to reflect the cost of hauling milk from where it is produced to where it is needed for fluid use. Thus, location adjustments provide an economic incentive for milk to be shipped to alternative outlets from production areas and compensate those producers who incur the cost of providing a greater service supplying distant plants relative to those producers who supply nearby plants. This promotes a measure of equity among producers, as well as uniformity of pay prices, on the basis of the service provided. At the same time, location adjustments that reflect the value of the transportation service provide equity and uniformity of pricing among handlers by establishing a price for milk that is commensurate with its value at the point of receipt. To the extent that certain handlers are able to obtain milk at less than its location value, they may have an economic advantage relative to other handlers.

The structure of the Texas market was set forth previously. The major structural characteristic relevant to the intra-market location adjustment issue is the proximity of production areas to the major population centers in the market. The major population centers, in order of importance, are Zones 8, 1, and 9 of the marketing area. The major production areas are located in north Texas, specifically northeast and southwest of the Dallas-Fort Worth area. These northern production areas are a source of supply for each of the primary consumption centers. Thus, there must be an economic relationship of prices among Zones 1, 8, and 9 relative to their common primary procurement areas. The price relationship among these zones establishes an over riding price structure to which prices in other intervening zones should be related. It is noted that no location adjustment changes were proposed for Zone 9 or other more southern zones of the marketing area.

Although the Zone 9 location adjustment is important to the primary price structure, the Zone 11 and 12 location adjustments are not at issue, since there were no proposed changes and also because plants in such zones do not rely to any significant degree on the primary production areas for a source of milk.

Zones 8 and 9 are the most deficit production zones in the Texas marketing area in terms of the relationship of production within each zone and the

volume of bulk milk received at distributing plants in each zone. During May 1985, production in Zone 8 represented slightly over 13 percent of the bulk milk received at Zone 8 plants. In Zone 9, production represented just over 28 percent of the milk received at distributing plants. During October 1985, when the supply/demand relationship for the Texas market was tighter than in May, Zone 8 production represented about 11.5 percent of bulk milk received at distributing plants. For Zone 9, production represented about 24 percent of bulk milk receipts. In contrast, Zone 1 is virtually surrounded by the heavy northern production areas of the market. In terms of the relationship between Zone 1 production and distributing plant receipts, production represented over 138 percent of bulk receipts during May and about 116.5 percent of bulk receipts at distributing plants during October. In addition, a substantial amount of milk is produced to the southwest of Dallas in counties in Zone 3 of the marketing area that are about the same distance from portions of the Dallas/Fort Worth area as is the northeast production area around Sulphur Springs. In Zones 3, 5, and 7, which were combined to avoid revealing confidential data, production represented about 817 percent of bulk milk received at distributing plants in such zones during May, and over 709 percent of receipts during October.

As a result of the relationship of production to receipts, plants in Zones 8 and 9 must reach out substantial distances to obtain sufficient supplies of milk for fluid use. The milkshed for the Beaumont segment of zone 8 extended just over 153 miles from Beaumont during October 1985 in terms of the weighted average distance of all milk shipments. However, for the major Houston segment of Zone 8, the weighted average distance from which milk was obtained was 251 miles. Also, more than 53 percent of the milk obtained by Houston plants originated more than 200 miles from Houston while more than 44 percent came from more than 250 miles from Houston. Just over 14 percent of the milk came from 351 or more miles from Houston. The milkshed for Zone 8 thus extends to and beyond the Sulphur Springs (Hopkins County) and Stephenville (Erath County) production areas of the market which are 253 and 267 miles, respectively, from Houston. With respect to Zone 9, the milk shipment weighted average distance was about 186 miles, with just over 48 percent of the milk being obtained from over 200 miles from San Antonio. Only about three percent of the milk came from beyond 351 miles from San Antonio, indicating that the milkshed extends to the Stephenville area (205 miles from San Antonio) but does not extend to any appreciable degree to the Sulphur Springs area (335 miles from San Antonio). Also, in terms of the change in the sources of milk over time, the milkshed from Zones 8 and 9 has shifted northward to a significant degree between 1961 and 1985.

In contrast to Zones 8 and 9, segments of the Zone 1 area were able to obtain sufficient milk supplies from the nearby production areas. Distributing plants in the Dallas, Ft. Worth, and Grandview areas of Zone 1 obtained milk, on a weighted average distance basis, from 105, 45, and 17 miles, respectively, from such plant locations. Very little milk was received from beyond 150 miles from distributing plants in Zone 1.

Producers in the major Texas production areas supply the fluid milk needs of distributing plants located in the three major consumption areas of the market. As stated previously, these major production areas are centered around the Sulphur Springs and Stephenville areas which are northeast and southwest of Dallas. Producers in these areas incur different hauling costs and provide varying degrees of service to handlers depending on the different distances involved in supplying the alternative outlets. Stephenville is about 97 miles from Dallas and 67 miles from Ft. Worth. Also, Stephenville is 205 miles from San Antonio. Based on the three-cent-per-10-mile hauling cost, which is a conservative estimate of hauling costs used to align prices among plants on a north-south axis, a total hauling cost of 63 cents would be reflected between Stephenville and San Antonio. However, Stephenville area producers also supply distributing plants in Zone 1. Consequently, only the additional mileage involved in supplying San Antonio versus Dallas/Ft. Worth, need be reflected in the Zone 9 location adjustment to cover the additional service provided by producers in supplying Zone 9 plants. San Antonio is 108 miles further from Stephenville than is Dallas which indicates that a 33-cent location adjustment at Zone 9 would cover the additional hauling cost and service. Ft. Worth, which is west of Dallas, is about 67 miles from Stephenville. On this comparison, there is an additional 138 miles to San Antonio, or a 42-cent difference in the cost of supplying the alternative outlets. Consequently, the current 42-cent location adjustment for Zone 9 represents an appropriate measure of the location value of milk in this major southern consumption center relative to the Dallas/Ft. Worth area.

The Stephenville area is also a major source of supply for plants in Zone 8. Houston is 62 miles further from Stephenville than is San Antonio which indicates that a greater cost is incurred by Stephenville area producers to supply Houston than San Antonio. On this basis, the location adjustment for Zone 8 should be 21 cents greater than at San Antonio, or a 63-cent location adjustment relative to Zone 1.

Houston is nearer to Sulphur Springs than to Stephenville. Consequently, the Zone 8 location adjustment should be based on the nearer primary production area. Otherwise, the Zone 8 location adjustment would be in excess of the value of the service provided by producers who are nearer to Houston than Stephenville area producers.

Sulphur Springs is about 79 miles from Dallas and 253 miles from Houston. Consequently, producers in this major production area have to ship milk an additional 174 miles to supply Houston area plants versus plants in the Dallas area. This indicates that a 54-cent location adjustment for Zone 8 represents the appropriate location value of milk relative to milk delivered to Dallas.

The location adjustments for Zones 8 and 9, relative to the Class I differential value in Zone 1, are based on a three-cent-per-10-mile bulk milk hauling rate from north to south to reflect the greater service provided by producers supplying more distant southern alternative outlets. Although San Antonio is further south from Dallas than is Houston, San Antonio is nearer to the primary northern production areas that must be relied on for a source of milk. Consequently, the location adjustment for Zone 9 is appropriately lower than for Zone 8 because of the lesser costs incurred in supplying Zone 9. In addition, since San Antonio in west of Houston, a lower price at San Antonio is more consistent with the mandated price alignment change which establishes a price incentive for west to east as well as north to south movements of milk.

The price relationship among Zones 1, 8, and 9 establishes the primary pricing structure for the Texas market. This pricing structure recognizes both the primary consumption and production areas in the market. Consequently, location adjustments in intervening zones must be related to the values of milk in the major metropolitan areas of the market. However, prior to considering the location adjustments in intervening zones, additional

consideration is directed to other proposals concerning Zone 8 of the marketing area.

Counter proposals that would establish a greater or lesser location adjustment than the current 54-cent adjustments (which is reaffirmed for reasons previously set forth) must be denied. The higher plus adjustments are based on the contention that a greater proportion of the additional hauling costs that are incurred by producers to supply Zone 8 relative to supplying other zones should be reflected in the Zone 8 location adjustment. The higher adjustments are based on greater hauling costs and distances than are reflected in the analysis to derive the 54-cent location adjustment. A higher location adjustment is not totally unreasonable in that it would result in Zone 8 handlers paying a greater proportion of the actual hauling costs that are incurred in shipping milk to Houston. However, it is not intended that total hauling costs at any one point in time be reflected at each plant location. Hauling costs vary over time among haulers and on the basis of the actual distances that milk is shipped. Consequently, location adjustments reflect an average situation. Thus, location adjustments should represent a conservative estimate of current hauling costs. The three-cent rate used to establish location adjustments on a north-south basis in the Texas market, as well as Federal order markets to the north, represents a conservative estimate of actual hauling costs incurred in shipping bulk milk. Such rate promotes continued incentives for hauling efficiencies. It is also consistent with the concern expressed over whether declines in fuel prices were reflected in hauling costs portrayed on the record. In reflecting an average experience, location adjustments that exceed transportation costs would establish incentives to ship milk to obtain hauling profits.

The proposals to reestablish a 36-cent location adjustment for Zone 8 is totally unreasonable in view of current hauling costs and the increases in the Class I differentials mandated by the Food Security Act of 1985 that are intended to recognize increases in hauling costs that were not previously recognized under Federal milk orders. The contention of Zone 8 handlers that sufficient supplies of milk were received with a 36-cent adjustment merely indicates that such handlers were able to transfer the additional hauling cost incurred in shipping milk to Zone 8 to the producers who supply plants in Zone 8. Since AMPI supplies Zone 8 almost exclusively over long distance, the absorption of the additional, unrecovered transportation costs resulted in inequities between AMPI producers and other producers in the nearby northeast Texas procurement area who provide no service in shipping milk long distances to the major deficit zone consumption area. In addition, a 36-cent location adjustment would not even approach the value of the service received by Zone 8 handlers, resulting in inequities between Zone 8 handlers and handlers in other areas who pay a greater proportion of the value of the transportation service.

The 72-cent and 36-cent location adjustments would result in $4.00 and $3.64 Class I differential values in Zone 8. Both would represent a misalignment of Class I differentials on an east-west axis. A $3.82 Class I differential as a result of a 54-cent location adjustment represents a reasonable alignment with the mandated $3.85 Class I differential at New Orleans and the $3.76 Class I differential at Lake Charles adopted under a different proceeding involving the Greater Louisiana order.

Montgomery County should not be removed from Zone 8 and placed in a separate pricing zone at this time as proposed. Kroger is in the process of building a new plant at Conroe to service fluid milk retail outlets in Zone 8 and other southern Texas and Louisiana territory. The plant is expected to begin operating by April 1987. Kroger proposed that the price at its new plant should be 10 cents less than the price at Houston because it is 39 miles north of Houston and nearer to northern production areas.

Based simply on the distance between Conroe and Houston, there is some economic merit to the proposal. However, the proposal seeks a refinement of establishing a location adjustment on the basis of the location of a single plant, which goes far beyond the zone pricing structure used historically in the Texas market. Under a zone pricing structure, prices are established at city locations relative to other consumption centers. The area is then expanded to encompass additional areas in the proximity of the city within which plants are located. Such plants would be expected to compete with each other, both for sales in the major consumption area and for supplies of milk. Recognition of a precise plant location (in fact Conroe is not a precise plant location) relative to a major city in a zone would nullify the zone pricing structure applicable to all other distributing plants regulated under the order. For example, Houston and Dallas cover a substantial amount of territory. Thus, plants within such cities could be further from each other than Conroe is from Houston. Consequently, Conroe must be viewed in terms of its proximity to the rest of the territory in Zone 8 to determine whether Montgomery County should be in a separate pricing zone.

Montgomery County has been included in Zone 8, and in the same price zone as Houston, at least since the Texas marketing area was formed in 1975. It is also not the northernmost located county in Zone 8. Also, it appears that Conroe is only about 16 miles north of the northern boundary of Harris County and 20 miles north of the Houston city limits. In addition, a portion of the City of Houston extends into Montgomery County and Montgomery County is a part of the Houston Primary Metropolitan Statistical Area. In addition, Beaumont (Jefferson County) is also in Zone 8 located northeast of Houston nearer to northern production areas. It is noted that Beaumont is substantially closer to milk supplies than in Houston. Conroe, relative to Beaumont, is only 6 to 8 miles further to the north. Consequently, in view of its proximity to the rest of the territory in Zone 8, Montgomery County should not be removed from Zone 8.

As previously stated, the proposed location adjustment changes for Zones 2, 3, 4, 5 and 7 must be viewed in terms of the primary pricing structure for the major metropolitan portions of the market. The mandated Class I differential is established for Zone 1 while the location adjustments for Zones 8 and 9 are based on the difference in the cost of hauling milk to such deficit zones relative to hauling milk to Zone 1. Location adjustments in the intervening zones should be aligned with prices to the south since milk that is shipped to the deficit southern zones 8 and 9 either originates in or must pass through this intervening territory. Consequently, use of the three-cent alignment rate through this territory establishes whether the proposed location adjustment changes should be adopted.

Austin, in Zone 7, is 78 miles northeast of San Antonio in Zone 9. A three-cent alignment rate indicates that the Zone 7 location adjustment should be 18 to 24 cents less than Zone 9, depending on whether the mileage over the entire northeast direction or just the northern direction is utilized. Consequently, the proposed plus 39-cent location adjustment for Zone 7, which is only three cents less than San Antonio, should be denied since the current 30-cent Zone 7 location adjustment

represents a more reasonable alignment between the two zones. A denial of the increase in the Zone 7 location adjustment also requires a denial of the proposed location adjustment for Zone 3, which is directly north of Zone 7. Adoption of the proposed location adjustment for Zone 3, in conjunction with a denial of the Zone 7 proposed increase, would reduce the price difference between Zones 3 and 7 while a three-cent alignment rate indicates that the price difference should increase between the two zones.

The proposed increases in the plus location adjustments for Zones 4 and 5 of four and 10 cents, respectively, should also be denied since the current location adjustments for such zones are already aligned on a three-cent rate with prices to the south in Zone 8. This is based on the 120 miles between Lufkin in Zone 4 and Houston and the 102 miles between Bryan in Zone 5 and Houston. The current Zone 4 plus location adjustment is 36 cents lower than Zone 8 while the Zone 5 adjustment is 34 cents lower than Zone 8.

Zone 2 is north of Zone 4 and currently the Zone 2 price is 12 cents less than Zone 4. The 90 miles between Tyler in Zone 2 and Lufkin indicates a 27-cent price difference between the two zones. Consequently, the proposal to eliminate the current six-cent location adjustment in Zone 2 should be adopted to improve the north-south alignment between Zones 2 and 4. In addition, removal of the plus adjustment provides for an east-west alignment of pricing between Shreveport and Dallas. Texarkana, which is outside the Texas marketing area, is directly north of Zone 2. Continued use of the three-cent hauling alignment rate on a north-south axis indicates a location adjustment of 21 cents based on the distance from Shreveport to Texarkana. Consequently, the minus 20-cent location adjustment proposed for the Texarkana area (Bowie and Cass Counties in Texas and Little River and Miller in Arkansas) should be adopted.

Zone 1 of the marketing area has historically included the major Dallas/Ft. Worth population center as well as a major production area in whch two AMPI manufacturing plants are located that are pooled under the order as balancing plants. Zone 1 is the base zone for the market in which the mandated $3.28 Class I differential applies. The Southland proposal would split the consumption and production areas of the current base zone into two different pricing zones. The proposed minus 18-cent location adjustment would apply in the production area to provide an additional incentive for producers to ship milk to distributing plants in the consumption areas rather than shipping milk to manufacturing plants in the production area.

There is one plant in the proposed minus 18-cent location adjustment zone that operated as a distributing plant during June through December of 1985, and as a producer-handler during other months. Consequently, it would appear that adoption of the proposal would have a minimal impact on the pooled value of milk since little, if any, milk in Class I use would be priced at the lower level. However, there could be a substantial change in returns to producers.

The concept advanced by the proposal appears to be reasonable in terms of a price incentive under the order for those producers who would incur a greater cost in shipping milk to Dallas than to manufacturing plants in the production area. However, Southland indicates that prices paid to its producers would probably continue to be the same regardless of whether their producers' milk was shipped to plants in Dallas or to Southland's Class II nonpool plant at Sulphur Springs. Apparently, competitive pressures among handlers for supplies of milk require uniform pay prices to producers. Under such a situation, it is difficult to comprehend how the 18-cent lower price under the order at Sulphur Springs relative to Dallas would provide a price incentive for milk to move minimal additional distances to Dallas.

The competitive situation to return uniform pay prices to producers in the heavy northeast procurement area would have a substantial impact on AMPI because the cooperative operates two manufacturing plants in the area. Substantial quantities of milk are manufactured at the two plants when it is not needed for fluid use at distributing plants. These plants balance the fluid milk needs of the market with milk receipts varying substantially on a seasonal basis. A minus 19-cent location adjustment would reduce the blend price at the Sulphur Springs plant operated by AMPI 18 cents below the blend price applicable at a supply plant operated by another cooperative at Yantis just 16 miles south of Sulphur Springs. This difference in blend prices would result in disorderly milk procurement competition in the northeast production area.

In addition, although it makes economic sense for manufacturing plants to be located in heavy producing areas where most of the weekly and seasonal reserve supplies would be expected to be located, supplies from other higher-priced zones are also received at the two plants when it is in excess of weekly and seasonal fluid milk needs. No transportation costs are recovered under the order on such necessary movements of milk. Thus, any minus location adjustment at these manufacturing plants would amount to be added price deterrent to the movement of reserve milk supplies in other areas of the market to these manufacturing outlets.

Since the proposed Zone 1–B would disrupt procurement competition and adversely impact the movement of reserve supplies to manufacturing outlets there would need to be a compelling basis to adopt such proposal. The record does not reveal a compelling need to reduce the price 18 cents per hundredweight at plants in this 10-county area. Certainly, it is not needed to conform order pricing to the mandated Class I differentials. Although the concept of a price adjustment between the production area and Dallas to encourage the movement of milk for fluid use has merit, the record does not reveal any significant problem as a result of movements of milk to Dallas handlers. Consequently, the proposal is denied.

For Zone 1–A, which is northwest of Dallas, the minus location adjustment should be increased from 12 to 25 cents. This change is necessary because of the increase in the difference between the Texas and Southwest Plains order Class I differentials on May 1, 1986. The minus 25-cent location adjustment basically splits the difference between the 51-cent Class I differential difference between Oklahoma City and Dallas for territory that is approximately half way between the two cities. Also, the greater minus adjustment better reflects the change in the relationship of Class I differentials between the Texas order and the Lubbock-Plainview, and Texas Panhandle orders to the west and northwest of Dallas. Prior to May 1, the Texas order Class I differential was 10 cents less than the Lubbock-Plainview differential to the west and seven cents greater than the Texas Panhandle differential to the northwest. Effective May 1, the Texas order differential exceeds the differential in the other two orders by 79 cents. This reduction in Class I differentials to the west and northwest represents an alignment rate of 2.5 cents between Dallas and Lubbock and 2.2 cents between Dallas and Amarillo. The minus 25-cent location adjustment for Zone 1–A represents an alignment rate of only 1.8 cents between Dallas and Wichita Falls.

Consequently, the 25-cent location adjustment represents a better price relationship than the current 12-cent location adjustment.

With respect to Zone 6 of the marketing area, Dean Foods, Inc., proposed that the current plus 25-cent location adjustment be changed to a minus 50-cent adjustment (modified to minus 25 cents at the hearing). In addition, Dean proposed that the current minus 15-cent location adjustment applicable in eastern New Mexico under the Rio Grande Valley order be eliminated.

The Rio Grande Valley order specified a $2.35 Class I differential prior to May 1, 1986, and a continuation of such differential was mandated by the Food Security Act of 1985. This differential is applicable through the relatively more populated areas in central New Mexico and El Paso County, Texas. A minus 15-cent location adjustment applies to the relatively more rural production areas of eastern New Mexico. Consequently, the order's pricing structure reflects the need for milk to move from eastern New Mexico to consumption centers in central New Mexico and El Paso. Also, New Mexico is a surplus milk production state.

Prior to May 1, the Texas order and Rio Grande Valley order Class I differentials were essentially the same. Since May 1, the Texas order differential has been 93 cents higher than the Rio Grande Valley order differential. Thus, Dean's proposals were an attempt to lessen the substantial change in the price relationship between the two orders.

The proposed 15-cent increase in the value of milk in eastern New Mexico should not be adopted. Such a pricing change would be totally inconsistent with the intent of Congress (which mandated no price change), the supply/demand relationship within the marketing area, and the pricing structure of the market. Consequently, to the extent that the change in the price relationship between the two markets should be recognized, it must be done with respect to the location adjustment in Zone 6 under the Texas order.

Much of the testimony by Dean to support its proposal, as well as the testimony in opposition to the proposal by other handlers, centered on the effects that a price change would have on the ability of plants to compete with each other for fluid milk sales. This has essentially nothing to do with the issue of the appropriate location adjustment at Dean's San Angelo distributing plant in Zone 6. The issue is whether the changes in the Class I differential relationship between the two orders has modified the price that is necessary to attract a supply of milk to San Angelo.

For the most part, supplies of milk for San Angelo originate from Zone 6 in the vicinity of the San Angelo plant and from the east in the Stephenville area. To a lessor extent, supplies originate from the west in New Mexico. Apparently, the current plus 25-cent adjustment reflects the higher location value of milk at San Angelo to attract milk from the east and west (and to some extent, the north) because of the distances involved.

The mandated 96-cent increase in the Texas order Class I differential in conjunction with no change in the Rio Grande Valley order differential obviously establishes an incentive for west to east movements of milk in this region of the country. In addition, the change in the relationship between the Texas and Lubbock-Plainview orders also contemplates such movements. The lower value of milk to the west also indicates that production in such areas is more readily available as a reserve supply of milk for the Texas market.

A $2.35 Class I differential value at El Paso reflects a $3.55 value at San Angelo over the 400 miles between the two cities and a three-cent per 10 miles hauling rate. However, from Hobbs, New Mexico (Lea County) a $2.83 value is reflected at San Angelo over the 210 miles and the $2.20 Class I differential value in Lea County. Consequently, some reduction of the location adjustment at San Angelo without jeopardizing the supply of milk for such location appears reasonable.

Zone 6 covers a large geographic area that extends from New Mexico on the west to Zone 3 of the Texas border on the east. An additional distributing plant is located in Zone 6 in Brown County, which is adjacent to the heavy milk producing counties in the Stephenville area. Thus, any price change in Zone 6 is limited to some extent by the proximity of such plant to the heavy milk producing area of the market. It would not appear that the value of milk in Brown County need be any higher than the Zone 1 price to attract milk from this heavy milk producing area. Consequently, the plus 25-cent location adjustment should be eliminated for Zone 6. Elimination of the plus adjustment appears to be as much of a pricing change that can be made at this time to reflect the changed price relationship. Also, application of the $3.28 differential at San Angelo is within the range of the value of milk at such location based on New Mexico sources of supply.

The location adjustment provisions of the order for territory outside the marketing area (except for the Texarkana area that was discussed previously) should be amended to recognize the value of milk in such areas established under other Federal orders. This procedure, which is used to a limited extent, should be expanded to include plants located in New Mexico, Oklahoma, Arkansas, and parts of Kansas and Missouri. No location adjustments should be applied to plants in Louisiana, as was proposed and as is currently provided under the order since prices in Louisiana are about the same as those in Texas.

This procedure was proposed by AMPI, except for New Mexico, and by Southland/Hygeia, but to a lesser extent. With respect to New Mexico, AMPI proposed that no location adjustment be applied. This would result in the application of the Texas order Zone 1 blend price being applied to milk received at New Mexico manufacturing plants even though the location value of milk in New Mexico (in terms of the difference between the Class I differentials) is 93 cents less than under the Texas order. Such proposal is totally inconsistent with the mandated differentials and the rest of AMPI's proposal. Southland's proposal would base location adjustments in New Mexico on mileage from Dallas at a rate of 2.2 cents per 10 miles. Such proposal would recognize the declining value of milk to the west. However, at this time, it is not necessary to go beyond recognition of the value of milk established in New Mexico under the Rio Grande Valley order.

Federal orders price milk on the basis of where it is received. Thus, in surrounding territory, the location value of milk is established under other orders. In the event that plants in surrounding territory become associated with the Texas market, the price at such plant should not change as a result of a change in regulation. Otherwise, milk would be priced on the basis of where it is sold rather than on the basis of where it is received.

In order to carry out this procedure, the order language is being shortened and simplified to avoid a specific listing of counties and location adjustments for such areas. For example, the order language specifies that for plants in the Southwest Plains marketing area, the location adjustment is the difference between the Texas order Class I price and the Class I price applicable at such plant under the Southwest Plains order. However, with respect to the Southwest Plains order, additional territory in southwest Missouri is included. This is because there are plants in such area

that are regulated under the Southwest Plains order.

For other areas outside Texas and the marketing area, location adjustments should be established on the basis of mileage from Dallas at the rate of 2.2 cents per 10 miles. Both the 2.1 and 2.2 rates proposed fall within the range of the alignment rates with other Federal order markets to the north. However, most of these markets reflect a rate that is substantially in excess of 2.2 cents. Consequently, the higher rate should be used.

For territory in southwest Texas that is outside the marketing area, the price applicable at any plant should be the price that applies at the nearer of San Angelo, San Antonio or Corpus Christi. This procedure is currently used and is the same as the proposals to establish price zones. Consequently, the current procedure is continued, although Midland is dropped as a basing point since the same price applies at San Angelo.

2. The need for emergency action with respect to issue No. 1

A recommended decision is omitted on the basis that the due and timely execution of the Secretary's functions require such omission so that the Class I prices that apply at various plants under the orders will be realigned on an intra-market and inter-market basis to reflect the Class I differentials mandated by the Food Security Act of 1985 that became effective on May 1, 1986. However, this final decision should be issued as an interim final decision so that interested parties have an opportunity to file exceptions to the order amendments, which are adopted with this decision.

The hearing notice indicated that evidence would be taken at the hearing to determine whether emergency marketing conditions exist to such an extent that omission of a recommended decision under the rules of practice and procedure is warranted. There was a general consensus among the hearing participants that the location adjustment provisions need to be amended quickly to avoid the possibility that disruptive marketing conditions would develop after the mandated Class I differentials take effect. However, most of the participants requested that a recommended decision should be issued so that interested parties would have an opportunity to file exceptions to the Department's proposed findings and conclusions.

After the hearing, three interested parties requested that the Secretary issue a temporary decision to implement the location adjustment amendments on an interim basis pending completion of the normal rulemaking procedures.

The procedure adopted herein accommodates the wishes of interested parties involved in this proceeding on the issue of expeditious handling. The complexity of the issues and the diversity of opinion regarding certain of the proposals under consideration warrant the issuance of an interim final decision. This procedure will implement the location adjustment amendments at the earliest possible date and also give interested parties an opportunity to file exceptions to the interim final decision and, thereby, assist in the Department's rulemaking process.

Rulings on Proposed Findings and Conclusions

Briefs and proposed findings and conclusions were filed on behalf of certain interested parties. These briefs, proposed findings and conclusions and the evidence in the record were considered in making the findings and conclusions set forth above. To the extent that the suggested findings and conclusions filed by interested parties are inconsistent with the findings and conclusions set forth herein, the requests to make such findings or reach such conclusions are denied for the reasons previously stated in this decision.

General Findings

The findings and determinations hereinafter set forth supplement those that were made when the aforesaid orders were first issued and when they were amended. The previous findings and determinations are hereby ratified and confirmed, except where they may conflict with those set forth herein.

(a) The interim marketing agreements and the orders, as hereby proposed to be amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Agricultural Marketing Agreement Act as amended by the Food Security Act of 1985;

(b) The interim marketing agreements and the orders, as hereby proposed to be amended, will regulate the handling of milk in the same manner as, and will be applicable only to persons in the respective classes of industrial and commercial activity specified in, the marketing agreements upon which a hearing has been held; and

(c) The parity prices of milk as determined pursuant to section 2 of the Act are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the aforesaid marketing areas, and the minimum prices specified in the interim marketing agreements and the orders, as hereby proposed to be amended, are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest.

Interim Marketing Agreement and Interim Order Amending the Orders

Annexed hereto and made a part hereof are two documents, an Interim Marketing Agreement regulating the handling of milk and an Interim Order amending the orders regulating the handling of milk in the aforesaid marketing areas, which have been decided upon as the detailed and appropriate means of effectuating the foregoing conclusions.

It is hereby ordered, That this entire decision and the two documents annexed hereto, be published in the **Federal Register.**

Determination of Producer Approval and Representative Period

November 1985 is hereby determined to be the representative period for the purpose of ascertaining whether the issuance of the orders, as amended and as hereby proposed to be amended by the orders, regulating the handling of milk in the Texas, Greater Kansas City, Southwest Plains and Central Arkansas marketing areas, is approved or favored by producers, as defined under the terms of the order (as amended and as hereby proposed to be amended), who during such representative period were engaged in the production of milk for sale within the aforesaid marketing area.

List of Subjects in 7 CFR Parts 1064, 1106, 1108 and 1126

Milk marketing orders, Milk, Dairy products.

Signed at Washington, DC, on: July 9, 1986.

Karen K. Darling,

Deputy Assistant Secretary, Marketing & Inspection Services.

Interim Order [1] amending the orders, regulating the handling of milk in certain specified marketing areas

Findings and Determinations

The findings and determinations hereinafter set forth supplement those

[1] This order shall not become effective unless and until the requirements of § 900.14 of the rules of practice and procedure governing proceedings to formulate marketing agreements and marketing orders have been met.

that were made when the orders were first issued and when they were amended. The previous findings and determinations are hereby ratified and confirmed, except where they may conflict with those set forth herein.

(a) *Findings.* A public hearing was held upon certain proposed amendments to the tentative marketing agreements and to the orders regulating the handling of milk in the aforesaid marketing areas. The hearing was held pursuant to the provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601 *et seq.*), and the applicable rules of practice and procedure (7 CFR Part 900).

Upon the basis of the evidence introduced at such hearing and the record thereof, it is found that:

(1) The said orders as hereby amended, and all of the terms and conditions thereof, will tend to effectuate the declared policy of the Act;

(2) The parity prices of milk, as determined pursuant to section 2 of the Act, are not reasonable in view of the price of feeds, available supplies of feeds, and other economic conditions which affect market supply and demand for milk in the said marketing areas; and the minimum prices specified in the order as hereby amended are such prices as will reflect the aforesaid factors, insure a sufficient quantity of pure and wholesome milk, and be in the public interest; and

(3) The said orders as hereby amended regulate the handling of milk in the same manner as, and is applicable only to persons in the respective classes of industrial or commercial activity specified in, marketing agreements upon which a hearing has been held.

Order relative to handling. It is therefore ordered that on and after the effective date hereof, the handling of milk in each of the specified marketing areas shall be in conformity to and in compliance with the terms and conditions of the order, as amended, and as hereby amended, as follows:

The authority citation for 7 CFR Parts 1064, 1106, 1108, and 1126 continues to read as follows:

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

PART 1064—MILK IN THE GREATER KANSAS CITY MARKETING AREA

1. In § 1064.52, paragraph (a) is revised to read as follows:

§ 1064.52 Plant location adjustments for handlers.

(a) For milk received from producers at a plant located outside the marketing area and more than 70 miles by the shortest highway distance as determined by the market administrator, from the nearer of the City Hall in Kansas City, Missouri, or Topeka, Kansas, which is classified as Class I milk or assigned Class I location adjustment credit pursuant to paragraph (b) of this section, the price computed pursuant to § 1064.50(a) shall be reduced by a per hundredweight rate of 1.7 cents for each 10 miles or fraction thereof that such plant is located from the nearer City Hall.

* * * * *

PART 1106—MILK IN THE SOUTHWEST PLAINS MARKETING AREA

1. Section 1106.2 is revised to read as follows:

§ 1106.2 Southwest Plains marketing area.

The "Southwest Plains marketing area", hereinafter called the "marketing area", means all territory within the boundaries of the following counties, and all territory occupied by government (Municipal, State or Federal) reservations, installations, institutions, or other similar establishments if any part thereof is within any of the listed counties:

Zone I—In the State of Oklahoma

Caddo	Lincoln
Canadian	McClain
Cleveland	McIntosh
Coal	Okfuskee
Garvin	Oklahoma
Grady	Pittsburg
Haskell	Pontotoc
Hughes	Pottawatomie
Latimer	Seminole
LeFlore	Sequoyah

Zone II—In the State of Oklahoma

Atoka	Johnston
Bryan	Kiowa
Carter	Love
Choctaw	Marshall
Comanche	McCurtain
Cotton	Murray
Greer	Pushmataha
Harmon	Stephens
Jackson	Tillman
Jefferson	

Zone III—In the State of Oklahoma

Adair	Major
Alfalfa	Mayes
Beaver	Muskogee
Beckham	Noble
Blaine	Nowata
Cherokee	Okmulgee
Cimarron	Osage
Craig	Ottawa
Creek	Pawnee
Custer	Payne
Delaware	Roger Mills
Dewey	Rogers
Ellis	Texas
Garfield	Tulsa
Grant	Wagoner
Harper	Washita
Kay	Washington
Kingfisher	Woods
Logan	Woodward

Zone IV—In the State of Kansas

Allen	Labette
Barber	Marion
Barton	McPherson
Bourbon	Montgomery
Butler	Neosho
Chautauqua	Pawnee
Cherokee	Pratt
Comanche	Reno
Cowley	Rice
Crawford	Rush
Edwards	Russell
Ellis	Sedgwick
Harper	Stafford
Harvey	Summer
Kingman	Wilson
Kiowa	

In the State of Missouri

Barton	Newton
Jasper	Vernon

Zone V—In the State of Kansas

Clark	Lane
Finney	Meade
Ford	Morton
Gove	Ness
Grant	Scott
Gray	Seward
Greeley	Stanton
Hamilton	Stevens
Haskell	Trego
Hodgeman	Wichita
Kearny	

2. In § 1106.52, paragraph (a) is revised to read as follows:

§ 1106.52 Plant location adjustments for handlers.

(a) For milk received at a plant from producers or a handler described in § 1106.9(c) and which is classified as Class I milk without movement in bulk form to a pool distributing plant at which a higher Class I price applies, the price specified in § 1106.50(a) shall be adjusted by the amount stated in paragraphs (a) (1) through (9) of this section for the location of such plant:

(1) For a plant located within one of the zones set forth in § 1106.2, the adjustment shall be as follows:

	Adjustment per hundredweight
Zone I	No Adjustment.
Zone II	Plus 23 cents.
Zone III	Minus 18 cents.
Zone IV	Minus 47 cents.
Zone V	Minus 27 cents.

(2) For a plant located in any of the following Kansas counties, the adjustment shall be as follow:

(i) *Minus 85 cents.* Anderson, Atchison, Brown, Chase, Clay, Cloud, Coffey, Dickinson, Doniphan, Douglas, Franklin, Geary, Jackson, Jefferson, Johnson, Leavenworth, Linn, Lyon, Marshall, Miami, Morris, Nemaha,

Osage, Ottawa, Pottawatomie, Republic, Riley, Saline, Shawnee, Wabaunsee, Washington and Wyandotte.

(ii) *Minus 47 cents.* Elk, Greenwood and Woodson.

(iii) *Minus 27 cents.* Cheyenne, Dacatur, Ellsworth, Graham, Jewell, Lincoln, Logan, Mitchell, Norton, Osborne, Phillips, Rawlings, Rooks, Sheridan, Sherman, Smith, Thomas and Wallace.

(3) For a plant located in the State of Missouri, the adjustment shall be as follows:

(i) *Minus 58 cents.* In the county of Barry, Butler, Carter, Cedar, Christian, Crawford, Dade, Dallas, Dent, Douglas, Dunklin, Gasconade, Greene, Howell, Iron, Laclede, Lawrence, Madison, Maries, McDonald, Mississippi, New Madrid, Oregon, Ozark, Pemiscot, Phelps, Polk, Pulaski, Reynolds, Ripley, Scott, Shannon, Stoddard, Stone, Taney, Texas, Wayne, Webster or Wright.

(ii) *Minus 76 cents.* In the county of Jefferson, St. Charles, or St. Louis or in the city of St. Louis.

(iii) *Minus 85 cents.* In any other county that is outside the marketing area and also outside the designated pricing area described in paragraph (a)(3)(i) or (a)(3)(ii) of this section

(4) For a plant located in the State of Arkansas, the adjustment shall be the difference (plus or minus) between the applicable Class I price effective at such plant location under the Central Arkansas order (Part 1108) and the Class I price specified in § 1106.50(a).

(5) For a plant located in the State of Louisiana, the plus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Greater Louisiana order (Part 1096) and the Class I price specified in § 1106.50(a).

(6) For a plant located in any of the following territory in the State of Texas, the adjustment shall be as follows:

(i) In the Texas marketing area, the plus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Texas order (Part 1126) and the Class I price specified in § 1106.50(a).

(ii) In the Texas Panhandle marketing area or in Lipscomb County, Texas, the minus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Texas Panhandle order (Part 1132) and the Class I price specified in § 1106.50(a).

(iii) In the Lubbock-Plainview, Texas, marketing area or in Parmer County, Texas, the minus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Lubbock-Plainview, Texas, order (Part 1120) and the Class I price specified in § 1106.50(a).

(iv) In the county of Bowie or Cass, the adjustment shall be plus 31 cents.

(v) In any other territory that is outside the marketing area of any Federal order and also outside the designated pricing areas described in paragraphs (a)(6) (i) through (iv) of this section, the adjustment shall be plus 2.25 cents per hundredweight for each 10 miles or fraction thereof that such plant is from the City Hall in Oklahoma City, Oklahoma (based on the shortest hard-surfaced highway distance as determined by the market administrator).

(7) For a plant located in the Rio Grande Valley marketing area and the New Mexico counties of Catron, Colfax, Hidalgo or Union, the minus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Rio Grande Valley order (Part 1138) and the Class I price specified in § 1106.50(a).

(8) For a plant located in the State of Colorado, the adjustment shall be as follows:

(i) In the Eastern Colorado marketing area or in the county of Baca, Bent or Powers, the adjustment shall be the difference (plus or minus) between the applicable Class I price effective at such plant location under the Eastern Colorado order (Part 1137) and the Class I price specified in § 1106.50(a).

(ii) In any other territory that is outside the Rio Grande Valley marketing area and outside the designated pricing area described in paragraph (a)(8)(i), the adjustment shall be minus 77 cents.

(9) For a plant located outside the designated pricing areas described in paragraphs (a) (1) through (8) of this section, the adjustment shall be minus 18 cents plus an additional reduction of 2.25 cents per hundredweight for each 10 miles for fraction thereof that such plant is located from the nearer of the City Hall in Tulsa or Ponca City, Oklahoma (based on the shortest hard-surfaced highway distance as determined by the market administrator).

* * * * *

PART 1108—MILK IN THE CENTRAL ARKANSAS MARKETING AREA

1. In § 1108.52, paragraph (a) is revised to read as follows:

§ 1108.52 Plant location adjustments for handlers.

(a) For milk received at a plant from producers or a handler described in § 1108.9(c) and which is classified as Class I milk without movement in bulk form to another pool plant at which a higher Class I price applies, the price specified in § 1108.50(a) shall be adjusted by the amount stated in paragraphs (a) (1) through (6) of this section for the location of such plant:

(1) For a plant located in the State of Arkansas, the adjustment shall be as follows:

(i) In the counties of Arkansas, Clark, Cleburne, Cleveland, Conway, Crawford, Crittenden, Cross, Dallas, Desha, Faulkner, Franklin, Garland, Grant, Hot Spring, Howard, Jefferson, Johnson, Lee, Lincoln, Logan, Lonoke, Monroe, Montgomery, Perry, Phillips, Pike, Polk, Pope, Prairie, Pulaski, Saline, Scott, St. Francis, Sebastian, Sevier, Van Buren, White, Woodruff, or Yell, no adjustment shall apply;

(ii) In any county lying north of any county specified in paragraph (a)(1)(i) of this section, the adjustment shall be minus 22 cents; and

(iii) In any county lying south of any county specified in paragraph (a)(1)(i) of this section, the adjustment shall be plus 31 cents.

(2) For a plant located in the State of Oklahoma or Tennessee, no adjustment shall apply.

(3) For a plant located in the Texas county of Bowie or Cass, the adjustment shall be plus 31 cents.

(4) For a plant located in the State of Louisiana, Mississippi or Texas (except the counties of Bowie and Cass), the adjustment shall be plus 2.1 cents per hundredweight for each 10 miles or fraction thereof (rounded to the nearest cent) that such plant is located from the nearer of the County Courthouse in Forrest City, Arkansas, or the State Capitol in Little Rock, Arkansas, (based on the shortest, hard-surfaced highway distance as determined by the market administrator).

(5) For a plant located in any of the following Missouri counties, the adjustment shall be minus 58 cents.

Barry	McDonald
Cedar	Ozark
Christian	Polk
Dade	Pulaski
Dallas	Stone
Douglas	Taney
Greene	Texas
Howell	Webster
Laclede	Wright
Lawrence	

(6) For a plant located outside the designated pricing areas specified in paragraphs (a) (1) through (5) of this section, the adjustment shall be minus 2.1 cents per hundredweight for each 10 miles or fraction thereof (rounded to the

nearest cent) that such plant is located from the nearer of the County Courthouse in Forrest City, Arkansas, or the State Capitol in Little Rock, Arkansas (based on the shortest hard-surfaced highway distance as determined by the market administrator).

* * * * *

PART 1126—MILK IN THE TEXAS MARKETING AREA

1. In § 1126.52, paragraph (a) is revised to read as follows:

§ 1126.52 Plant location adjustments for handlers.

(a) For milk received at a plant from producers or a handler described in § 1126.9(c) and which is classified as Class I milk without movement in bulk form to a pool distributing plant at which a higher Class I price applies, the price specified in § 1126.50(a) shall be adjusted by the amount stated in paragraphs (a) (1) through (10) of this section for the location of such plant:

(1) For a plant located within one of the zones set forth in § 1126.2, the adjustment shall be as follows:

	Adjustment Per Hundredweight
Zone 1	No adjustment.
Zone 1-A	Minus 25 cents.
Zone 2	No adjustment.
Zone 3	Plus 15 cents.
Zone 4	Plus 18 cents.
Zone 5	Plus 20 cents.
Zone 6	No adjustment.
Zone 7	Plus 30 cents.
Zone 8	Plus 54 cents.
Zone 9	Plus 42 cents.
Zone 10	Plus 53 cents.
Zone 11	Plus 66 cents.
Zone 12	Plus 75 cents.

(2) For a plant located in the Texas Panhandle marketing area or in Lipscomb County, Texas, the minus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Texas Panhandle order (Part 1132) and the Class I price specified in § 1126.50(a).

(3) For a plant located in the Lubbock-Plainview, Texas, marketing area or in Parmer County, Texas, the minus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Lubbock-Plainview, Texas order (Part 1120) and the Class I price specified in § 1126.50(a).

(4) For a plant located in Bowie or Cass County, Texas, the adjustment shall be minus 20 cents.

(5) For a plant located in the State of Texas and outside the designated pricing areas described in paragraphs (a) (1) through (9) of this section, the adjustment shall be the adjustment applicable at the nearer of Corpus Christi, San Angelo, or San Antonio, Texas.

(6) For a plant located in the Rio Grande Valley marketing area or the New Mexico counties of Catron, Colfax, Hidalgo or Union, the minus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Rio Grande Valley order (Part 1138) and the Class I price specified in § 1126.50(a).

(7) For a plant located in the Southwest Plains marketing area or in the Missouri counties listed below, the minus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Southwest Plains order (Part 1106) and the Class I price specified in § 1126.50(a)

Barry	McDonald
Cedar	Ozark
Christian	Polk
Dade	Pulaski
Dallas	Stone
Douglas	Taney
Greene	Texas
Howell	Webster
Laclede	Wright
Lawrence	

(8) For a plant located in the State of Arkansas, the minus adjustment shall be the difference between the applicable Class I price effective at such plant location under the Central Arkansas order (Part 1108) and the Class I price specified in § 1126.50(a).

(9) For a plant located in the State of Louisiana, no adjustment shall apply.

(10) For a plant located outside the designated pricing areas described in paragraphs (a) (1) through (9) of this section, the adjustment shall be minus 2.2 cents per hundredweight for each 10 miles or fraction thereof that such plant is located from the City Hall in Dallas, Texas (based on the shortest hard-surfaced highway distance as determined by the market administrator).

* * * * *

PART 1102—MILK IN THE FORT SMITH, ARKANSAS MARKETING AREA

Note.—No amendatory action taken.

PART 1138—MILK IN THE RIO GRANDE VALLEY MARKETING AREA

Note.—No amendatory action taken.

[FR Doc. 86-15794 Filed 7-14-86; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 86-NM-129-AD]

Airworthiness Directives; Short Brothers, PLC, Model SD3-30 Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This notice proposes to adopt an airworthiness directive (AD) that would require the replacement of the junction boxes in the aft fuel system, and installation of new seals on junction boxes in both the forward and aft fuel systems on certain Short Brothers, PLC, Model SD3-30 airplanes. This action is prompted by reports of seal deterioration which, if not corrected, could lead to fuel leaking into the passenger cabin.

DATE: Comments must be received on or before September 4, 1986.

ADDRESSES: Send comments on the proposal in duplicate to the Federal Aviation Administration, Northwest Mountain Region, Office of the Regional Counsel (Attention: ANM-103), Attention: Airworthiness Rules Docket No. 86-NM-129-AD, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168. The applicable service information may be obtained from Short Brothers, PLC, 2011 Crystal Drive, Suite 713, Arlington, Virginia 22202-3702. This information may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or the Seattle Aircraft Certification Office, 9010 East Marginal Way South, Seattle, Washington.

FOR FURTHER INFORMATION CONTACT: Ms. Judy Golder, Standardization Branch, ANM-113; telephone (206) 431-2909. Mailing address: FAA, Northwest Mountain Region, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168.

SUPPLEMENTARY INFORMATION:

Comments invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket number and be submitted in duplicate to the address specified above. All

communications received on or before the closing date for comments specified above will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this Notice may be changed in light of the comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Availability of NPRM

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the FAA, Northwest Mountain Region, Office of the Regional Counsel (Attention: ANM-103), Attention: Airworthiness Rules Docket No. 86-NM-129-AD, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168.

Dicussion: The United Kingdom Civil Aviation Authority (CAA) has, in accordance with existing provisions of a bilateral airworthiness agreement, notified the FAA of an unsafe condition which may exist on certain Short Brothers, PLC, Model SD3-30 airplanes. Operational experience has shown that certain types of sealants used on the junction boxes in the fuel containment system can deteriorate and allow fuel to leak into the passenger cabin.

Short Brothers, PLC, has issued Service Bulletin SD3-30-28-33, Revision 1, dated January 1, 1986, which describes installation of new seals on the junction boxes which will correct the leakage problem, and replacement of the aft fuel system junction box to improve access to the pipe couplings. The CAA has classified this service bulletin as mandatory.

This airplane model is manufactured in the United Kingdom and type certificated in the United States under the provisions of Section 21.29 of the Federal Aviation Regulations and the applicable bilateral airworthiness agreement.

Since this condition is likely to exist or develop on airplanes of this model registered in the United States, an AD is proposed that would require compliance with the previously mentioned service bulletin.

It is estimated that 12 airplanes of U.S. registry would be affected by this AD, that it would take approximately 60 manhours per airplane to accomplish the required actions, and that the average labor cost would be $40 per manhour. Based on these figures, the total cost impact of this AD to U.S. operators is estimated to be $28,800.

For the reasons discussed above, the FAA has determined that this document: (1) Involves a proposed regulation which is not major under Executive Order 12291 and (2) is not a significant rule pursuant to the Department of Transportation Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and it is further certified under the criteria of the Regulatory Flexibility Act that this proposed rule, if promulgated, will not have a significant economic impact on a substantial number of small entities because of the minimal cost of compliance per airplane ($2,400). A final evaluation has been prepared for this regulation and placed in the docket.

List of Subjects in 14 CFR Part 39

Aviation safety, Aircraft.

PART 39—[AMENDED]

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend § 39.13 of Part 39 of the Federal Aviation Regulations as follows:

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

§ 39.13 [Amended]

2. By adding the following new airworthiness directive:

Short Brothers, PLC Applies to Model SD3-30 airplanes listed in Short Brothers, PLC, Service Bulletin SD330-28-33, Revision 1, dated January 1, 1986, certificated in any category. To prevent fuel leaks into the passenger cabin, accomplish the following, unless previously accomplished:

1. Within 9 months after the effective date of this AD, modify the fuel containment system in accordance with Short Brothers, PLC, Service Bulletin SD330-28-33, Revision 1, dated January 1, 1986.

2. An alternate means of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Standardization Branch, ANM-113, FAA, Northwest Mountain Region.

3. Special flight permits may be issued in accordance with FAR 21.197 and 21.199 to operate airplanes to a base for the accomplishment of inspections and/or modifications required by this AD.

All persons affected by this proposed directive who have not already received the appropriate service bulletin from the manufacturer may obtain copies upon request to Short Brothers, PLC, 2011 Crystal Drive, Suite 713, Arlington, VA 22202-3702. This document may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or at the Seattle Aircraft Certification Office, 9010 East Marginal Way South, Seattle, Washington.

Issued in Seattle, Washington, on July 8, 1986.

Wayne J. Barlow,

Director, Northwest Mountain Region.

[FR Doc. 86-15819 Filed 7-14-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 39

[Docket No. 71-CE-07-AD]

Airworthiness Directives; Cessna Turbocharged Models TU206 Series, TP206 Series, T207 Series and Models T210 through T210N Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Correction of notice of proposed rulemaking (NPRM).

SUMMARY: This action corrects the subject NPRM applicable to Cessna Turbocharged Models TU206 Series, TP206 Series and T207 Series and Models T210 through T210N airplanes, by correcting the comment period.

DATE: Comments must be received on or before August 18, 1986.

FOR FURTHER INFORMATION CONTACT: Mr. Paul O. Pendleton, Aerospace Engineer, Aircraft Certification Office, ACE-140W, FAA, 1801 Airport Road, Room 100, Mid-Continent Airport, Wichita, Kansas 67209; Telephone (316) 946-4427.

SUPPLEMENTARY INFORMATION: The FAA issued an NPRM on May 20, 1986, applicable to Cessna Turbocharged Model TU206 Series, TP206 Series, T207 Series and Models T210 through T210N airplanes. This NPRM was published in the **Federal Register** on June 2, 1986 (51 FR 19755). The comment period closing date was inadvertently stated to be June 19, 1986, instead of allowing 30 days for comments. Therefore, action is taken herein to rectify this mistake. Since this action is necessary to ensure that a proper comment period is afforded, notice and public procedure hereon are unnecessary and contrary to the public interest, and good cause exists for making this correction effective in less than 30 days.

List of Subjects in 14 CFR Part 39

Air transportation, Aviation safety, Aircraft, Safety.

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

2. By adding the following new date for comment:

Date: Comments must be received on or before August 18, 1986.

Issued in Kansas City, Missouri on July 3, 1986.

Edwin S. Harris,

Director, Central Region.

[FR Doc. 86-15816 Filed 7-14-86; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 39

[Docket No. 78-CE-23-AD]

Airworthiness Directives; Great Lakes Models 2T-1A-1 and 2T-1A-2 Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This Notice proposes to revise Airworthiness Directive (AD), 78-26-10 applicable to Great Lakes Models 2T-1A-1 and 2T-1A-2 airplanes. AD 78-26-10 requires repetitive visual inspections of the support plates at both ends of the heat exchanger for cracks. The manufacturer subsequently introduced a design change to the cockpit heater system which makes the requirements of AD 78-26-10 inapplicable to those airplanes which are equipped with a cockpit heater system other than Part Number (P/N) 50146. Accordingly, the proposed revision will allow those airplanes which have installed a cockpit heater system other than P/N 50146 to be exempt from further compliance with the AD.

DATES: Comments must be received on or before August 18, 1986.

ADDRESSES: Information applicable to this AD may be obtained from the Rules Docket at the address below. Send comments on the proposal in duplicate to Federal Aviation Administration, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 78-CE-23-AD, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

FOR FURTHER INFORMATION CONTACT: Mr. Terry Fahr, ANE-153, FAA, New England Region, Boston Aircraft Certification Office, 12 New England Executive Park, Burlington, Massachusetts 01803; Telephone (617) 273-7103.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views or arguments as they may desire. Communications should identify the regulatory docket or notice number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments specified above will be considered by the Director before taking action on the proposed rule. The proposals contained in this notice may be changed in the light of comments received. Comments are specifically invited on the overall regulatory, economic, environmental and energy aspects of the proposed rule. All comments submitted will be available both before and after the closing date for comments in the Rules Docket for examination by interested persons. A report summarizing each FAA public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Availability of NPRMs

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Central Region, Office of the Regional Counsel, Attention: Airworthiness Rules Docket No. 78-CE-23-AD, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Discussion: AD 78-26-10, Amendment 39-3384 (44 FR 1081) effective January 4, 1979, requires repetitive inspections of the cockpit heater system on all Great Lakes Models 2T-1A/1 and 2T-1A/2 airplanes to preclude contamination of the cockpit heater air with carbon monoxide. Subsequent to issuance of this AD, Great Lakes Aircraft has designed a new cockpit heater system (P/N 50152) which does not require the repetitive inspections. This design change makes compliance with AD 78-26-10 unnecessary for airplanes with the new cockpit heater system. Therefore, the FAA proposes to revise AD 78-26-10 to make the repetitive inspection requirements of this AD applicable only to airplanes equipped with a P/N 50146 cockpit heater system.

This amendment imposes no additional burden on any person. The cost of compliance with the proposed revised AD is unchanged from the existing AD and is so small that the expense of compliance will not have a significant financial impact on any small entities operating these airplanes.

Therefore, I certify that this action: (1) Is not a major rule under the provisions of Executive Order 12291, (2) is not a significant rule under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979) and (3) if promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A copy of the draft regulatory evaluation has been prepared for this action and has been placed in the public docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption **"ADDRESSES".**

List of Subjects in 14 CFR Part 39

Air transportation, Aviation safety, Aircraft, Safety.

The Proposed Amendment

PART 39—(AMENDED)

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend § 39.13 of Part 39 of the FAR as follows:

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised, Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

§ 39.13 [Amended]

2. By revising AD 78-26-10 (Amendment 39-3384) as follows:

(a) Revise paragraphs A)1., A)2., A)3. and Figure 1 by replacing "cockpit heater system" with "P/N 50146 cockpit heater system."

(b) Revise paragraph (C) to read as follows:

The actions and inspections specified in paragraphs A)2. and A)3. of this AD may be discontinued upon either removal of the P/N 50146 cockpit heater system per paragraph B) of this AD, or replacement of the P/N 50146 cockpit heater system with a different FAA approved cockpit heater system.

(c) Revise paragraph (D) to read as follows:

Any equivalent method of compliance with this AD must be approved by the Manager, Boston Aircraft Certification Office, FAA, New England Region, 12 New England Executive Park, Burlington, Massachusetts 01803.

This amendment revises AD 78-26-10, Amendment 39-3384.

Issued in Kansas City, Missouri, on July 3, 1986.

Edwin S. Harris,

Director, Central Region.

[FR Doc. 86-15823 Filed 7-14-86; 8:45 am]

BILLING CODE 4910-13-M

14 CFR Part 39

[Docket No. 86-NM-133-AD]

Airworthiness Directives: SAAB Fairchild Model SF-340A Series Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This notice proposes to adopt an airworthiness directive (AD), applicable to certain SAAB Fairchild Model SF-340A series airplanes, that would require the installation of a heater blanket for the tail deicer valve to ensure correct operation. This action is prompted by reports of the valve freezing, which prevented the tail deicing system from functioning properly. This condition, if not corrected, could result in partial loss of control.

DATES: Comments must be received on or before September 4, 1986.

ADDRESSES: Send comments on the proposal in duplicate to the Federal Aviation Administration, Northwest Mountain Region, Office of the Regional Counsel (Attention: ANM-103), Attention: Airworthiness Rules Docket No. 86-NM-133-AD, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168. The applicable service information may be obtained from SAAB Fairchild, Product Support, S.58188, Linkoping, Sweden. This information may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or the Seattle Aircraft Certification Office, 9010 East Marginal Way South, Seattle, Washington.

FOR FURTHER INFORMATION CONTACT: Ms. Judy Golder, Standardization Branch, ANM-113; telephone (206) 431-2909. Mailing address: FAA, Northwest Mountain Region, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the regulatory docket number and be submitted in duplicate to the address specified above. All communications received on or before the closing date for comments specified above will be considered by the Administrator before taking action on the proposed rule. The proposals contained in this Notice may be changed in light of the comments received. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report summarizing each FAA-public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Availability of NPRM

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the FAA, Northwest Mountain Region, Office of the Regional Counsel (Attention: ANM-103), Attention: Airworthiness Rules Docket No. 86-NM-133-AD, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168.

Discussion: The Swedish Board of Civil Aviation (BCA) has, in accordance with existing provisions of a bilateral airworthiness agreement, notified the FAA of an unsafe condition which may exist on certain SAAB Fairchild Model SF-340A airplanes. Cold weather testing has revealed that the deicing valve located in the aft section of the airplane can freeze and prevent proper functioning of the tail deicing system. SAAB Fairchild has issued Service Bulletin SF 340-30-015, Revision 1, dated December 3, 1985, which describes installation of a heater blanket on the valve which will prevent icing from occurring. The BCA has issued Airworthiness Directive 1-011, Revision A, dated December 20, 1985, which classifies this service bulletin as mandatory.

This airplane model is manufactured in Sweden and type certificated in the United States under the provisions of § 21.29 of the Federal Aviation Regulations and the applicable bilateral airworthiness agreement.

Since these conditions are likely to exist or develop on airplanes of this model registered in the United States, an AD is proposed that would require compliance with the previously mentioned service bulletin.

It is estimated that 17 airplanes of U.S. registry (15 airliner and 2 executive versions) would be affected by this AD, that it would take approximately 4 manhours per airplane (airliner version), and 80 manhours per airplane (executive version), to accomplish the required actions, and that the average labor cost would be $40 per manhour. Based on these figures, the total cost impact of this AD to U.S. operators is estimated to be $8,800.

For the reasons discussed above, the FAA has determined that this document: (1) Involves a proposed regulation which is not major under Executive Order 12291 and (2) is not a significant rule pursuant to the Department of Transportation Regulatory Policies and Procedures (44 FR 11034; February 26, 1979); and it is further certified under the criteria of the Regulatory Flexibility Act that this proposed rule, if promulgated, will not have a significant economic impact on a substantial number of small entities because of the minimal cost of compliance per airplane ($160 airliner version, $3,200 executive version). A final evaluation has been prepared for this regulation and placed in the docket.

List of Subjects in 14 CFR Part 39

Aviation safety, Aircraft.

The Proposed Amendment

PART 39—[AMENDED]

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend § 39.13 of Part 39 of the Federal Aviation Regulations as follows:

1. The authority citation for Part 39 continues to read as follows:

Authority: 49 U.S.C. 1354(a), 1421 and 1423; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); and 14 CFR 11.89.

§ 39.13 [Amended]

2. By adding the following new airworthiness directive:

SAAB Fairchild Applies to Model SF-340A series airplanes, serial numbers 03 through 044, certificated in any category. Compliance is required as indicated below, unless previously accomplished. To prevent partial loss of control as a result of an inoperative tail deicing system, accomplish the following:

A. Within the next 90 days after the effective date of this AD, install a tail deicer valve heater blanket and its associated equipment in accordance with SAAB Fairchild Service Bulletin SF340-30-015, Revision 1, dated December 13, 1985.

B. An alternate means of compliance or adjustment of the compliance time, which provides an acceptable level of safety, may be used when approved by the Manager, Standardization Branch, ANM-113, 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 for the accomplishment of inspections and/or modifications required by this AD.

All persons affected by this proposed directive who have not already received the appropriate service document from the manufacturer may obtain copies upon request to SAAB Fairchild, Product Support, S.58188, Linkoping, Sweden. This document may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or at the Seattle Aircraft Certification Office, 9010 East Marginal Way South, Seattle, Washington.

Issued in Seattle, Washington, on July 8, 1986.

Wayne J. Barlow,

Director, Northwest Mountain Region.

[FR Doc. 86-15818 Filed 7-14-86; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 71

[Airspace Docket No. 86-ASW-18]

Proposed Amendment of Transition Area; Monahans, TX

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to revise the transition area of Monahans, TX. The intended effect of the proposed action is to provide adequate controlled airspace for aircraft executing a new standard instrument approach procedure (SIAP) to the Roy Hurd Memorial Airport, Monahans, TX, utilizing the new Monahans nondirectional radio beacon (NDB). This action is necessary to ensure segregation of aircraft operating to and from the airport under instrument flight rules (IFR) and other aircraft operating under visual flight rules (VFR).

DATES: Comments must be received by September 1, 1986.

ADDRESSES: Send comments on the proposal in triplicate to: Manager, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Docket No. 86-ASW-18, Federal Aviation Administration, P.O. Box 1689, Fort Worth, TX 76101.

The official docket may be examined in the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 4400 Blue Mound Road, Fort Worth, TX.

An informal docket may also be examined during normal business hours at the Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, 4400 Blue Mound Road, Fort Worth, TX.

FOR FURTHER INFORMATION CONTACT: David J. Souder, Airspace and Procedures Branch, ASW-535, Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, TX 76101; telephone: (817) 877-2622.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposal. Communications should identify the airspace docket and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 86-ASW-18." The postcard will be date/time stamped and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination in the Office of the Regional Counsel, 4400 Blue Mound Road, Fort Worth, TX, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM's

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Manager, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, P.O. Box 1689, Fort Worth, TX 76101. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2 which describes the application procedure.

The Proposal

The FAA is considering an amendment to § 71.181 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) by expanding the 700-foot transition area at Monahans, TX. To enhance airport usage, a new instrument approach procedure is being developed for the Roy Hurd Memorial Airport, Monahans, TX, utilizing the Monahans NDB as a navigational aid. This NDB will provide new navigational guidance for aircraft utilizing the airport. The establishment of a new instrument approach procedure, based on this navigational aid, entails designation of an additional transition area at Monahans, TX, at and above 700 feet above ground level within which aircraft are provided air traffic control services. Transition areas are designed to contain IFR operations in controlled airspace during portions of the terminal operation and while transiting between the terminal and en route environment. The intended effect of this action is to ensure segregation of aircraft using the approach procedure under IFR and other aircraft operating under VFR. Section 71.181 of Part 71 of the Federal Aviation Regulations was republished in Handbook 7400.6B dated January 2, 1986.

The FAA has determined that this proposed 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 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Aviation safety, Control zones, Transition areas.

PART 71—[AMENDED]

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me, the FAA proposes to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as follows:

1. The authority citation for Part 71 continues to read as follows:

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; Executive Order 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

§ 71.181 [Amended]

2. § 71.181 is amended as follows:

Monahans, TX [Revised]

That airspace extending upward from 700 feet above the surface within an 8.5-mile radius of the Roy Hurd Memorial Airport (latitude 31°34'55" N., longitude 102°54'30" W.) and within 3.5 miles each side of the 314-degree bearing from the Monahans NDB (latitude 31°34'41" N., longitude 102°54'19" W.) extending from the 8.5-mile radius area to 11 miles northwest of the NDB.

Issued in Fort Worth, TX, on July 2, 1986.

Richard L. Failor,

Manager, Air Traffic Division, Southwest Region.

[FR Doc. 86-15820 Filed 7-14-86; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 71

[Airspace Docket No. 86-ASW-20]

Proposed Designation of Transition Area: Ballinger, TX

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to designate a transition area at Ballinger, TX. The intended effect of the proposed action is to provide controlled airspace of aircraft executing a new standard instrument approach procedure (SIAP) to the Bruce Field Airport, Ballinger, TX, utilizing the new Ballinger nondirectional radio beacon (NDB). This action is necessary to ensure segregation of aircraft operating to and from the airport under instrument flight rules (IFR) and other aircraft operating under visual flight rules (VFR). This proposed action will change the airport status from VFR to IFR.

DATES: Comments must be received by September 1, 1986.

ADDRESSES: Send comments on the proposal in triplicate to: Manager, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Docket No. 86-ASW-20, Federal Aviation Administration, P.O. Box 1689, Forth Worth, TX 76101

The official docket may be examined in the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 440 Blue Mound Road, Forth Worth, TX.

An informal docket may also be examined during normal business hours at the Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, 4400 Blue Mound Road, Forth Worth, TX.

FOR FURTHER INFORMATION CONTACT: David J. Souder, Airspace and Procedures Branch, ASW-535, Air Traffice Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Forth Worth, TX 76101; telephone: (817) 877-2463.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposal. Communications should identify the airspace docket and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 86-ASW-20." The postcard will be date/time and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination in the Office of the Regional Counsel, 4400 Blue Mound Road, Forth Worth, TX, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM'S

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Manager, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, P.O. Box 1689, Fort Worth, TX 76101. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2 which describes the application procedure.

The Proposal

The FAA is considering an amendment to § 71.181 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) by designating a 700-foot transition area at Ballinger, TX. To enhance airport usage, a new instrument approach procedure is being developed for the Bruce Field Airport, Ballinger, TX, utilizing the Ballinger NDB as a navigational aid. This NDB will provide provide new navigational guidance for aircraft utilizing the airport. The development of a new instrument approach procedure, based on this navigational aid, entails designation of a transition area at Ballinger, TX, at and above 700 feet above ground level within which aircraft are provided air traffic control services. Transition areas are designed to contain IFR operations in controlled airspace during portions of the terminal operation and while transiting between the terminal and en route environment. The intended effect of this action is to ensure segregation of aircraft using the approach procedure under IFR and other aircraft operating under VFR. This proposed action will change the airport status from VFR to IFR. Section 71.181 of Part 71 of the Federal Aviation Regulations was republished in Handbook 7400.6B dated January 2, 1986.

The FAA has determined that this proposed 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 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Aviation safety, Control zones, Transition areas.

The Proposed Amendment

PART 71—[AMENDED]

Accordingly, pursuant to the authority delegated to me, the FAA proposes to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as follows:

1. The authority citation for Part 71 continues to read as follows:

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; Executive Order 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

§ 71.181 [Amended]

2. § 71.181 is amended as follows:

Ballinger, TX [New]

That airspace extending upward from 700 above the surface within a 7-mile radius of the Bruce Field Airport (latitude 31°40'30" N., longitude 99°58'30" W.) and within 3 miles each side of the 186-degree bearing from the Ballinger NDB (latitude 31°40'48.8" N., longitude 99°58'58.9" W.) extending from the 7-mile radius area to 9 miles south of the NDB.

Issued in Fort Worth, TX, on July 2, 1986.

Richard L. Failor,

Manager, Air Traffic Division, Southwest Region.

[FR Doc. 85-15821 Filed 7-14-85; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 71

[Airspace Docket No. 86-ASW-19]

Proposed Amendment of Transition Area; Junction, TX

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to revise the transition area at Junction, TX. The intended effect of the proposed action is to provide the necessary controlled airspace for aircraft executing published standard instrument approach procedures (SIAP's) to the Kimble County Airport, Junction, TX. This action is necessary since a review of the existing controlled airspace at Junction, TX, revealed that there was more controlled airspace than needed in some areas and less than required in other areas. This proposal would significantly reduce the existing transition area northwest of the Junction VORTAC and increase the transition area east and south of the airport to accommodate the type aircraft now utilizing Kimble County Airport under instrument flight rules (IFR) conditions.

DATES: Comments must be received by September 1, 1986.

ADDRESSES: Send comments on the proposal in triplicate to: Manager, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Docket No. 86-ASW-19, Federal Aviation Administration, P.O. Box 1689, Fort Worth, TX 76101.

The official docket may be examined in the Office of the Regional Counsel, Southwest Region, Federal Aviation Administration, 4400 Blue Mound Road, Fort Worth, TX.

An informal docket may also be examined during normal business hours at the Airspace and Procedures Branch, Air Traffic Division, Southwest Region, Federal Aviation Administration, 4400 Blue Mound Road, Fort Worth, TX.

FOR FURTHER INFORMATION CONTACT: David J. Souder, Airspace and Procedures Branch, ASW-535, Air Traffic Division, Southwest Region, Federal Aviation Administration, P.O. Box 1689, Fort Worth, TX 76101; telephone: (817) 877-2622.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposal. Communications should identify the airspace docket and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 86-ASW-19." The postcard will be date/time stamped and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination in the Office of the Regional Counsel, 4400 Blue Mound Road, Fort Worth, TX, both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM's

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Manager, Airspace and Procedures Branch, Air Traffic Division, Southwest Region, P.O. Box 1689, Fort Worth, TX 76101. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2 which describes the application procedure.

The Proposal

The FAA is considering an amendment to § 71.181 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to revise the existing 700-foot transition area at Junction, TX. A recently developed RNAV SIAP to Kimble County Airport prompted a review of the existing controlled airspace. The development of the RNAV RWY 17 SIAP requires the establishment of an additional 700-foot transition area; however, coincident with this increase, we propose a significant reduction of controlled airspace northwest of Junction VORTAC. Transition areas are designed to contain IFR operations in controlled airspace during portions of the terminal operation and while transiting between the terminal and en route environment. The intended effect of this action is to ensure segregation of aircraft using the approach procedure under IFR and other aircraft operating under Visual Flight Rules (VFR). Section 71.181 of Part 71 of the Federal Aviation Regulations was republished in Handbook 7400.6B dated January 2, 1986.

The FAA has determined that this proposed 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 11034; February 26, 1979); and (3) does not warrant preparation of a regulatory evaluation as the anticipated impact is so minimal. Since this is a routine matter that will only affect air traffic procedures and air navigation, it is certified that this rule, when promulgated, will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act.

List of Subjects in 14 CFR Part 71

Aviation safety, Control zones, Transition areas.

PART 71—[AMENDED]

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me, the FAA proposes to amend Part 71 of the Federal Aviation Regulations (14 CFR Part 71) as follows:

1. The authority citation for Part 71 continues to read as follows:

Authority: 49 U.S.C. 1348(a), 1354(a), 1510; Executive Order 10854; 49 U.S.C. 106(g) (Revised Pub. L. 97-449, January 12, 1983); 14 CFR 11.69.

§ 71.181 [Amended]

Junction, TX [Revised]

That airspace extending upward from 700 feet above the surface within a 9.5-mile radius of the Kimble County Airport (latitude 30°30'30" N., longitude 99°46'00" W.).

Issued in Fort Worth, TX, on July 2, 1986.

Richard L. Failor,

Manager, Air Traffic Division, Southwest Region.

[FR Doc. 86-15822 Filed 7-14-86; 8:45 am]

BILLING CODE 4910-13-M

DEPARTMENT OF THE TREASURY

Customs Service

19 CFR Part 134

Country of Origin Marking of Imported Native American-Style Jewelry

AGENCY: U.S. Customs Service, Department of the Treasury.

ACTION: Proposed interpretive rule; solicitation of comments.

SUMMARY: Customs is reviewing its position regarding the country of origin marking of imported Native American-style jewelry. Currently, such jewelry may be marked for country of origin purposes with a string tag or adhesive label. However, it has come to Customs attention that some jewelry dealers and wholesalers remove the country of origin labels and tags and sell the imported goods as authentic Native American. Consideration is being given to requiring more permanent marking on such items and comments are invited on the substance of such new marking requirements, an appropriate effective date if new requirements are promulgated, and an appropriate definition of the term "Native American-style jewelry."

DATE: Comments (preferably in triplicate) must be received on or before September 15, 1986.

ADDRESS: Written comments may be addressed to, and inspected at the Regulations Control Branch, Room 2426, U.S. Customs Service, 1301 Constitution Avenue, NW., Washington, DC 20229.

FOR FURTHER INFORMATION CONTACT: Lorrie Rodbart, Entry Procedures and Penalties Division, U.S. Customs Service, 1301 Constitution Avenue, NW., Washington, DC 20229 (202-566-5765).

SUPPLEMENTARY INFORMATION:

Background

Section 304, Tariff Act of 1930, as amended (19 U.S.C. 1304, generally requires that every article of foreign origin imported into the U.S. shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article will permit in a manner as to indicate to an ultimate purchaser in the U.S. the English name of the country of origin of the article, unless specifically exempted. Part 134, Customs Regulations (19 CFR Part 134), sets forth the country of origin marking requirements of 19 U.S.C. 1304.

Customs normally permit any reasonable method of marking that will remain on the article during handling until it reaches the ultimate purchaser. (§§ 134.41, 134.44, Customs Regulations (19 CFR 134.41, 134.44)). This includes the use of paper sticker labels and string tags (§ 134.44, Customs Regulations (19 CFR 134.44)). However, where it is shown that a particular method of marking is not sufficiently permanent to inform the ultimate purchaser of the country of origin of the article, Customs may require another type of marking which will insure that in all foreseeable circumstances, the article will reach the ultimate purchaser with its country of origin marking intact.

At the request of Congress, the Department of Commerce initiated a study last year on the importation of Native American-style jewelry and handicrafts. Allegations had been made by representatives of the Native American handicrafts industry that some jewelry and craft dealers and wholesalers remove the country of origin labels from imported goods and sell the products as authentic Native American.

In a report dated July 1985, entitled "Study of Problems and Possible Remedies Concerning Imported Native American-Style Handicrafts", the Department of Commerce confirmed these allegations. According to the study, imports are estimated to account for 10 to 20 percent of the Native American-style arts and crafts sold and a high percentage of these are believed to be sold at the retail level without country of origin markings. Some of the imported goods are reexported to other countries, and some of these are sold in the U.S. as authentic. The biggest problem is reportedly in the area of jewelry.

The study describes several remedies that can be used to curb the problem of the removal of country-of-origin markings from imported Native American-style jewelry and handicrafts prior to final sale. One of the suggested remedies is that Customs require permanent indelible marking of these items.

In response to the above study, the American Indian Craftsmen and Dealers Coalition, with Congressional support, filed a ruling request with Customs asking that permanent marking be required on imported Native American-style jewelry and handicrafts. The ruling request reiterated that the adhesive labels and hang tags which are currently allowed, are usually removed before the article is offered for sale to the consumer. It is claimed that such practice hurts both the consumer and the domestic producers of authentic American Indian arts and crafts.

We believe that the problem raised by the Commerce study and the ruling request must be addressed. Increased enforcement by Customs is not enough to solve the problem since the allegations are that much of the merchandise in question is entering the country with proper marking and that such marking is being removed after importation. Therefore, consideration is being given to requiring a more permanent marking than a hang tag or paper label on Native American-style jewelry. By limiting the proposal to jewelry, we believe that the major marking problem will be eliminated with the least amount of confusion on the part of both Customs and the importing public. We are not satisfied that the extent of the problem in the handicrafts area is great enough to warrant new mandatory methods of marking on the myriad of products encompassed by that term.

Proposed Change of Marking Requirement

To ensure that the ultimate purchaser is advised of the country of origin, Customs is proposing that imported Native American-style jewelry (i.e., jewelry which incorporates traditional Native American design motifs, materials and construction) shall be marked as follows:

The article must be indelibly marked with the country of origin by cutting, die-sinking, engraving or stamping. The country of origin marking may appear on the clasp, or in some other conspicuous location. Alternatively, a metal or plastic tag indelibly marked with the country of origin may be permanently attached to the article.

In those cases where due to the size or nature of the article the indelible marking is too small to read without a magnifying glass, the country of origin should also be indicated on a string tag or adhesive label securely affixed to the article. A string tag or adhesive label will be permitted as the only means of

marking in the case of those few articles which are too small to be indelibly marked and do not permit the permanent attachment of a metal or plastic tag (*e.g.* a small earring). The materials generally used in Native American-style jewelry include sterling silver or other metal which appears like sterling silver. The jewelry is either all metal or set with one or more of the following stones: turquoise, lapis lazuli, shells, onyx, carnelian, sugilite, or coral.

Comments

Customs invites comments from the public on both the substance of the proposed change of marking, and if a change is made, when it should be effective. Customs would also welcome comments concerning an appropriate definition of the term "Native American-style jewelry" to be included in any change of the marking requirement.

Consideration will be given to any written comments timely submitted to Customs. Comments submitted will be available for public inspection in accordance with the Freedom of Information Act (5 U.S.C. 552), § 1.4, Treasury Department Regulations (31 CFR 1.4), and § 103.11(b), Customs Regulations (19 CFR 103.11(b)), on regular business days between the hours of 9:00 a.m. and 4:30 p.m. at the Regulations Control Branch, Room 2426, Customs Headquarters, 1301 Constitution Avenue, NW., Washington, DC 20229.

Authority

Because any change in country of origin marking is important to domestic producers as well as importers, Customs is giving the public notice and an opportunity to comment in accordance with § 177.10(c)(2), Customs Regulations (19 CFR 177.10(c)(2)).

Drafting Information

The principal author of this document was John E. Doyle, Regulations Control Branch, Office of Regulations and Rulings, U.S. Customs Service. However, personnel from other Customs offices participated in its development.

William von Raab,

Commissioner of Customs.

Approved: June 27, 1986.

Francis A. Keating, II,

Assistant Secretary of the Treasury.

[FR Doc. 86-15879 Filed 7-14-86; 8:45 am]

BILLING CODE 4820-02-M

DEPARTMENT OF THE INTERIOR

Office of Surface Mining Reclamation and Enforcement

30 CFR Part 913

Reopening and Extension of Public Comment Period on Proposed Amendments to the Illinois Permanent Regulatory Program

AGENCY: Office of Surface Mining Reclamation and Enforcement (OSMRE), Interior.

ACTION: Reopening and extension of public comment period.

SUMMARY: By letter dated May 30, 1985, the Illinois Department of Mines and Minerals submitted to OSMRE proposed amendments to Illinois' rules for determining the success of crop production on reclaimed prime farmland and other cropland. OSMRE published a notice in the **Federal Register** on July 1, 1985, announcing receipt of the amendments (50 FR 27025). The public comment period ended July 31, 1985.

OSMRE's review of Illinois' proposed amendments identified concerns relating to the responsibility period, seasonal growth characteristics, and standards for revegetation reclamation success. OSMRE notified the Department of Mines and Minerals about its concerns on February 10, 1986. Illinois responded by revising the proposed amendment.

Accordingly, OSMRE is reopening and extending the comment period on Illinois' May 30, 1985 proposed amendment as modified on June 2, 1986. This action is being taken to provide the public an opportunity to reconsider the adequacy of the proposed amendment.

DATES: Written comments, data or other relevant information relating to this rulemaking not received on or before 4:00 p.m., July 30, 1986, will not necessarily be considered in the Director's decision.

ADDRESSES: Written comments should be mailed or hand delivered to: Mr. James F. Fulton, Director, Springfield Field Office, Office of Surface Mining Reclamation and Enforcement, 600 E. Monroe Street, Springfield, Illinois 62701. Telephone: (217) 492-4495.

Copies of the Illinois program, the proposed modifications to the program, and all written comments received in response to this notice will be available for public review at the OSMRE Field Office listed above and at the OSMRE Headquarters Office of the Office of the State regulatory authority listed below during normal business hours Monday through Friday, excluding holidays. Each requester may receive, free of charge, one single copy of the proposed amendment by contacting OSMRE's Springfield Field Office:

Office of Surface Mining, Administrative Record, Room 5315A, 1100 "L" Street NW., Washington, D.C. 20240

Department of Mines and Minerals, Land Reclamation Division, 227 South 7th Street, Springfield, Illinois 62706.

FOR FURTHER INFORMATION CONTACT: Mr. James F. Fulton, Director, Springfield Field Office, Office of Surface Mining Reclamation and Enforcement, 600 E. Monroe Street, Springfield, Illinois 62701 Telephone: (217) 492-4495.

SUPPLEMENTARY INFORMATION:

I. Background

The Illinois program was conditionally approved by the Secretary of the Interior on June 1, 1982. Information pertinent to the general background revisions, modifications, and amendments to the proposed permanent program submission, as well as the Secretary's findings, the disposition of comments and a detailed explanation of the conditions of approval of the Illinois program, can be found in the June 1, 1982 **Federal Register** (47 FR 23858). Subsequent actions concerning the conditions of approval and program amendments are identified at 30 CFR 913.11, 913.15 and 913.16.

II. Submission of Revisions

By letter dated May 30, 1985, Illinois submitted program amendments to implement and administer the Agricultural Land Productivity Formula for determining the success of crop production on reclaimed prime farmland and other cropland revegetation amendments (1816.11-1816.117). These amendments are being proposed to make the rules consistent with Federal regulations.

OSMRE's review of Illinois' proposed amendments identified concerns relating to seasonal growth characteristics, repair of rills and gullies, implementation of some revegetation performance standards and the standards for judging revegetation success. OSMRE notified the Department of Mines and Minerals of its concerns on February 10, 1986. Illinois responded by revising the proposed amendment on June 2, 1986.

Illinois' rules were completely revised partly in response to OSMRE's deficiency letter. Other revisions were made in response to other comments.

The full texts of the proposed program amendments and the revised proposed amendments are available for review at

the locations listed above under **ADDRESSES.** Accordingly, OSMRE is now seeking public comment on the adequacy of Illinois' May 30, 1985 amendments in light of the State's June 2, 1986 revisions.

List of Subjects in 30 CFR Part 913

Coal mining, Intergovernmental relations, Surface mining, Underground mining.

Dated: July 9, 1986.

Brent Walquist,

Assistant Director, Program Operations.

[FR Doc. 86-15883 Filed 7-14-86; 8:45 am]

BILLING CODE 4310-05-M

National Park Service

36 CFR Part 2

Wildlife Protection

AGENCY: National Park Service, Interior.

ACTION: Proposed rule.

SUMMARY: This rulemaking is an administrative change to remove expired material from the National Park Service general regulation pertaining to authorized trapping activities, reflecting the fact that a final order of the U.S. District Court has been issued in the lawsuit styled *National Rifle Association, et al., v. G. Ray Arnett, et al.* The existing regulation provides that trapping shall be allowed only in park areas where such activity is specifically mandated by Federal statute, except for four park areas where trapping may continue until January 15, 1987, or until there is a final order of the court in the lawsuit mentioned above, whichever occurs first. Since the District Court rendered a decision in that lawsuit on February 24, 1986, and since the decision was not appealed, the National Park Service is revising the regulation that was the focus of the lawsuit to reflect the fact that there is now a final order. The effect of this rulemaking will be to remove the regulatory text that had allowed trapping to continue at Buffalo National River, Arkansas; Ozark National Scenic Riverways, Missouri; Saint Croix National Scenic Riverways, Wisconsin—Minnesota; and Delaware Water Gap National Recreation Area, Pennsylvania—New Jersey pending completion of the judicial process.

DATES: Written comments will be accepted until August 14, 1986.

ADDRESS: Comments should be addressed to: Associate Director, Park Operations, National Park Service, P.O. Box 37127, Washington, DC 20013-7127.

FOR FURTHER INFORMATION CONTACT: Andy Ringgold, National Park Service, Branch of Ranger Activities, P.O. Box 37127, Washington, DC 20013-7127, Telephone: 202-343-1360.

SUPPLEMENTARY INFORMATION:

Background

On June 30, 1983, the National Park Service (NPS) published a major revision of its general regulations in Title 36 of the Code of Federal Regulations (36 CFR) relating to resource protection, public use and recreation (48 FR 30252). These revisions eventually went into effect on April 30, 1984. One of these regulations, § 2.2, pertains to wildlife protection and specifies under which conditions hunting and trapping may occur on lands and waters administered by the NPS. The April 30 and May 7, 1984 revisions of this section (see 49 FR 18442 and 49 FR 19304) provided that hunting and trapping may take place only in park areas where specifically authorized by Federal statutory law, except for eleven park areas where otherwise unauthorized trapping activities were allowed to continue until January 15, 1985. These eleven areas were all areas where hunting is authorized by Federal legislation but where trapping activities that predated the establishment of the parks had been allowed to continue without specific Congressional authorization. These areas were:

Assateague Island National Seashore, MD; Bighorn Canyon National Recreation Area, MT; Buffalo National River, AR; Cape Cod National Seashore, MA; Delaware Water Gap National Recreation Area, PA-NJ; John D. Rockefeller, Jr. Memorial Parkway, WY; New River Gorge National River, WV; Ozark National Scenic Riverways, MO; Pictured Rocks National Lakeshore, MI; Saint Croix National Scenic Riverway, MN-WI; and Sleeping Bear Dunes National Lakeshore, MI.

On April 30, 1984, the National Rifle Association (NRA) filed suit in the U.S. District Court for the District of Columbia against the Department of the Interior and the NPS, requesting judicial review of the revised NPS regulations and alleging that in promulgating 36 CFR 2.2, the NPS had misinterpreted its Organic Act. On January 14, 1985, the NPS amended 36 CFR 2.2 to further delay the moratorium on trapping for four of the original eleven park areas only (Buffalo NR, Delaware Water Gap NRA, Ozark NSR and Saint Croix NSR) until January 15, 1987, or until a final order of the court was issued in the NRA lawsuit, whichever occurred first (see 50 FR 1850). The original moratorium of January 15, 1985 was implemented in the seven other park areas.

On February 24, 1986, the U.S. District Court rendered a decision granting summary judgment for the NPS. Since the allotted period for appeal of that decision has passed without an appeal being filed, the judicial process has now been completed. There is now a final order of the court in the lawsuit *National Rifle Association, et al. v. G. Ray Arnett, et al.*, and the sunset provision of 36 CFR 2.2(b)(3) has been triggered. Trapping is now prohibited in Buffalo NR, Delaware Water Gap NRA, Ozark NSR and Saint Croix NSR. This rulemaking is issued to remove the language from § 2.2 that provided for continuation of trapping in those four parks, language that is now obsolete.

This rulemaking is an administrative change to remove expired regulatory text, not a proposed change in regulatory direction or policy on the part of the NPS.

Public Participation

The policy of the National Park Service is, whenever practicable, to afford the public an opportunity to participate in the rulemaking process. Accordingly, interested persons may submit written comments regarding this proposed regulation to the address noted at the beginning of this rulemaking. However, the National Park Service wishes to emphasize the fact that this rulemaking is an administrative change to remove obsolete language that is codified in the Code of Federal Regulations, not a substantive rule.

Drafting Information

The author of this rulemaking is Andy Ringgold of the NPS Branch of Ranger Activities, Washington, DC.

Paperwork Reduction Act

This rule does not contain information collection requirements which require approval by the Office of Management and Budget under 44 U.S.C. 3501 *et seq.*

Compliance with Other Laws

The Department of the Interior has determined that this document is not a major rule under Executive Order 12291 (February 19, 1981), 46 FR 13193, and certifies that this document will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*). These determinations are based on the fact that this rulemaking is an administrative change and has no economic effect.

The National Park Service has determined that this proposed rulemaking will not have a significant effect on the quality of the human

environment, health and safety because it is not expected to:

(a) Increase public use to the extent of compromising the nature and character of the area or causing physical damage to it;

(b) Introduce noncompatible uses which might compromise the nature and characteristics of the area, or cause physical damage to it;

(c) Conflict with adjacent ownerships or land uses; or

(d) Cause a nuisance to adjacent owners or occupants.

Based on this determination, this proposed rulemaking is categorically excluded from the procedural requirements of the National Environmental Policy Act (NEPA) by Departmental regulations in 516 DM 6, (49 FR 21438). As such, neither an Environmental Assessment nor an Environmental Impact Statement has been prepared.

List of Subjects in 36 CFR Part 2

National Parks.

In considertion of the foregoing, it is proposed to amend 36 CFR Chapter I as follows:

PART 2—RESOURCE PROTECTION, PUBLIC USE AND RECREATION

1. By revising the authority citation for Part 2 to read as follows:

Authority: 16 U.S.C. 1, 3, 9a, 460*l*–6a(e), 462(k).

2. By revising paragraph (b)(3) of § 2.2 to read as follows:

§ 2.2 Wildlife protection.

* * * * *

(b) *Hunting and trapping.*

* * * * *

(3) Trapping shall be allowed in park areas where such activity is specifically mandated by Federal statutory law.

* * * * *

Dated: June 23, 1986.

Susan E. Recce,

Assistant Secretary for Fish and Wildlife and Parks.

[FR Doc. 86–15939 Filed 7–14–86; 8:45 am]

BILLING CODE 86–4310–70–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 799

[OPTS–42031B; FRL–3048–9]

Toxic Substances; Biphenyl; Proposed Test Standards

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA has issued a final rule under section 4(a) of the Toxic Substances Control Act (TSCA) requiring that manufacturers and processors of biphenyl (CAS Number 92–52–4) test this chemical for environmental effects and chemical fate, consisting of chronic testing on *Daphnia*, early life stage testing on rainbow trout, oyster toxicity, oyster bioconcentration and aerobic and anaerobic biodegradation. The Agency is now proposing that the study plans and schedules for these tests submitted by an industry consortium be adopted, with certain revisions, as the test standards and reporting deadlines for biphenyl under this test rule.

DATE: Submit written comments on or before August 29, 1986.

ADDRESS: Submit written comments, identified by the document control number (OPTS–42031B), in triplicate to: TSCA Public Information Office (TS–793), Office of Pesticides and Toxic Substances, Environmental Protection Agency, Rm. E–108, 401 M St., SW., Washington, DC 20460.

A public version of the administrative record supporting this action (with any confidential business information deleted) is available for inspection at the above address from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays.

FOR FURTHER INFORMATION CONTACT: Edward A. Klein, Director, TSCA Assistance Office (TS–799), Office of Toxic Substances, Environmental Protection Agency, Rm. E–543, 401 M St., SW., Washington, DC 20460, Toll free: (800–424–9065), In Washington, DC: (554–1404), Outside the U.S.A.: (Operator–202–554–1404).

SUPPLEMENTARY INFORMATION: In the Federal Register of September 12, 1985 (50 FR 37182), EPA issued a final rule under section 4(a) of TSCA to require testing of biphenyl for chronic fish toxicity, chronic daphnid toxicity, acute oyster toxicity, oyster bioconcentration and chronic oyster toxicity and aerobic and anaerobic biodegradation. The Agency is now proposing that the industry-submitted study plans and schedules be adopted, with certain revisions, as the test standards and reporting deadlines for the required testing.

I. Background

Biphenyl (CAS Number 92–52–4) was designated by the Interagency Testing Committee (ITC) for priority testing consideration (47 FR 22585; May 25, 1982). EPA issued a proposed rule, published in the Federal Register of May 23, 1983 (48 FR 23080) in response to the testing recommendations by the ITC on biphenyl. EPA published, under two-phase rulemaking, a final Phase I rule requiring testing of biphenyl on September 12, 1985 (50 FR 37182). For a detailed discussion of EPA's findings and testing requirements for all tests, refer to the final Phase I rule. In accordance with the Test Rule Development and Exemption Procedures for two-phase rulemaking in 40 CFR Part 790, persons subject to this rule were required to submit letters of intent to perform the testing or exemption applications. Those submitting letters of intent were required to submit proposed study plans and schedules for the testing required in the final Phase I rule.

On December 19, 1985, the Biphenyl Ad Hoc Group (BAHG) under the auspices of the Synthetic Organic Chemical Manufacturers Association, Inc. (SOCMA) notified EPA of their intent to sponsor the testing required in the final Phase I test rule and submitted proposed study plans and schedules for all required testing. The BAHG includes Monsanto Company, Dow Chemical Company, Chevron, Chemol, Coastal States Marketing, Koch Chemical and Sybron Chemical Company.

After review and evaluation of these study plans, the Agency requested on January 3, 1986, that the BAHG make certain revisions. On January 24, 1986, the Agency received from the BAHG a complete set of study plans for all of the testing required for biphenyl. These study plans either contained revisions in response to the Agency's request or justifications, contained in cover letters, as to why certain suggested revisions were not made.

After review of the study plans the EPA concluded that certain revisions were still necessary to transform these plans into acceptable test standards for the testing required for biphenyl. These revisions were incorporated into a document entitled "Revision of Study Plans for Biphenyl" which, together with the attached submitted study plans, shall be referred to as the EPA-modified study plans for biphenyl.

II. Proposed Test Standards

The BAHG has notified EPA of their agreement to sponsor the testing required in the final Phase I rule for biphenyl in 40 CFR 799.925. The BAHG has also submitted proposed study plans for the required testing, which, after evaluation, the EPA has revised, resulting in the EPA-modified study plans for biphenyl. The BAHG proposes to conduct the following studies: Flow-

Through Chronic Toxicity with *Daphnia magna* Straus, Embryo-Larvel Toxicity Test with Rainbow Trout, *Salmo gairdneri* Richardson, Oyster Shell Deposition Bioassay and Range-Finding Study, Flow-Through Oyster Bioconcentration Study, Partitioning Water/Sediment Study, Aerobic Biodegradation Study, and an Anaerobic Biodegradation Study. As proposed by industry in its protocol submissions, the partitioning water/sediment study is a separate but integral part of the aerobic and anaerobic biodegradation testing for biphenyl. In order to avoid ambiguity in the comment and reporting for this testing, the partitioning water/sediment study is, therefore, also proposed separately in this test rule.

The EPA-modified study plans for all of these tests are available for inspection in the public docket for this proposed Phase II test rule, and the Agency is now proposing these plans as the test standards for conducting the testing if biphenyl required under 40 CFR 799.925. All of the testing conducted according to the EPA-modified study plans for biphenyl will be conducted in accordance with EPA's TSCA Good Laboratory Practice Standards as set forth in 40 CFR Part 792.

III. Study Plan Revisions

EPA has modified the study plan indentified as "Biphenyl: Embryo-Larval Toxicity Test With Rainbow Trout, *Salmo Gairdneri* Richardson" by amending on page 4 under "Biological Procedures" the first sentence to read "Embryos less than 96 hours old shall be obtained from a certified disease-free hatchery"; and the third sentence to read: "The test shall be started by impartially distributing 30 embryos, all less than 96 hours old, to each embryo cup." Although industry has indicated it strongly prefers not to use embryos of such an early age (citing problems with control mortality), the TSCA guidelines specify that embryos less than 96-hours are to be used to begin the test and early-life-stage (ELS) tests have been successfully run by laboratories using the younger embryos. EPA believes that the ELS test is an acceptable surrogate for a full chronic fish toxicity test and is thus proposing ELS testing in lieu of a full chronic test. However, the Agency also believes that to use older embryos in the ELS test may compromise the goal of the testing; *viz.* to estimate the chronic toxicity of biphenyl to fish.

EPA has also modified the study plan identified as "Biphenyl: Flow-Through Chronic Toxicity Test with *Daphnia magna* Strauss" by amending on page 6 under *"Conditions for the Validity of the Test"* condition "a)", to read: "The mortality in the controls should not exceed 20 percent"; and condition "e)", to read: "The average number of cumulative young/female, e.g. the controls after three broods, should be equal to or greater than 40; this count will include both live and immobilized young"; and add condition "f)" to read: "The test is invalid if ephippia are produced by the control animals." These revisions are in conformance with TSCA guidelines.

EPA has also modified the schedules for initiation and completion of testing for the study plan identified as "Oyster Shell Deposition Bioassay and Range-Finding Study With Biphenyl." The testing schedule given within appendix I of that study plan, gives an initiation for the oyster testing to begin within 4 months of the effective date of (the biphenyl) final rule. The cover letter from Alan W. Rautio, SOCMA, transmitting these protocols, gives argument that the oyster testing initiation requirement be modified instead to begin within 1 year of the effective date of the rule. This is to avoid testing during the winter months when there is limited shell growth. Recognizing this testing problem, and cognizant of possible conflict between an appropriate season for the testing and the date of publication of the final rule for biphenyl, the Agency has modified "Schedule for Biphenyl Oyster Shell Deposition Study," "Initiation" to read: "Within 35 weeks of effective date of final rule"; and "Submission of Final Report" to read: "Within 65 weeks of effective date of final rule".

The "Schedule For Biphenyl Oyster Bioconcentration Study" "Initiation" is modified, also, to read: "Within 52 weeks of effective date of final rule"; and "Submission of Final Report" to read: "Within 87 weeks of effective date of final rule". The modifications to the oyster bioconcentration study are made in recognition of the fact that the bioconcentration study depends on the results from the shell deposition study for the setting of appropriate dose levels.

For all of the testing required for biphenyl the Agency is further proposing that brief interim progress reports be submitted to EPA at consecutive 6-month intervals following the date at which this rule becomes final until the submission of the final report to EPA for each test. The Agency believes that these interim progress reports are necessary to keep EPA informed of the current status of the testing required for biphenyl and to alert the Agency of any difficulties which the testing facilities may encounter during the course of testing.

The Agency is now proposing that the EPA-modified study plans for biphenyl, and the reporting deadlines contained within them, be adopted as the test standards and reporting requirements for the required testing of biphenyl.

IV. Reporting Requirements

EPA is proposing the schedules contained in the EPA-modified study plans for biphenyl as the reporting requirements. The reporting requirements for the final reports are summarized in the following table. In addition, for each required test, EPA is proposing that progress reports be submitted every 6 months from the effective date of the final rule.

REPORTING DEADLINES FOR BIPHENYL

Test	Reporting deadline for final report (weeks after the effective date of final phase II rule)
Chronic Daphnid Toxicity [1]	30
Rainbow Trout Early Life Stage [1]	72 [2] (30) [3]
Oyster Shell Deposition	65
Oyster Bioconcentration	87 [2] (35) [3]
Partitioning	39
Aerobic Degradation	52
Anaerobic Degradation	56

[1] The order of these two tests may be reversed.
[2] Figure includes the time period required for previous required testing.
[3] Figure in parentheses indicates the time period allowed for completion of the test itself, not including the time periods for previous required testing

V. Issues for Comment

The Agency invites comments on the EPA-modified study plans for biphenyl; copies of these study plans are included in the public record for this rule. EPA also invites comment on EPA's proposed schedules for the required

VI. Public Meetings

If persons indicate to EPA that they wish to present comments on this proposed rule to EPA officials who are directly responsible for developing the rule and supporting analyses, EPA will hold a public meeting in Washington, D.C. Persons who wish to present comments at the meeting should call the TSCA Assistance Office (TAO): Toll Free: (800–424–9065); In Washington, DC: (554–1404); Outside the U.S.A. (operator 202–554–1401), by August 29, 1986. The meeting will not be held if members of the public do not indicate that they wish to make oral presentations. This meeting will be scheduled after the deadline for submission of written comments, so that issues raised in the written comments can be discussed by EPA and the public

commenters. While the meeting will be open to the public, active participation will be limited to those persons who arranged to present comments and to designated EPA participants. Attendees should call the TAO before making travel plans to verify whether the meeting will be held.

Should a meeting be held, the Agency will transcribe the meeting and include the written transcript in the public record. Participants are invited, but not required, to submit copies of their statements prior to or on the day of the meeting. All such written materials will become part of EPA's record for this rulemaking.

VII. Public Record

EPA has established a public record for this rulemaking (docket number OPTS–42031B). This record includes the basic information considered by the Agency in developing this proposal and appropriate Federal Register notices. The Agency will supplement the record with additional information as it is received.

The record now includes: (1) Final Phase I rule on biphenyl, (2) contact reports of telephone conversations, and (3) letters and memoranda related to this rulemaking.

The record is available for inspection from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays, in Rm. E–107, 401 M St., SW., Washington, DC 20460.

VIII. Other Regulatory Requirements

A. Executive Order 12291

Under Executive Order 12291, EPA must judge whether a regulation is "major" and, therefore, subject to the requirements of a Regulatory Impact Analysis. This test rule is not major because it does not meet any of the criteria set forth in section 1(b) of the Order. The economic analysis of the testing required for biphenyl is discussed in the Phase I test rule (50 FR 37182; September 12, 1985).

This proposed regulation was submitted to the Office of Management and Budget (OMB) for review as required by Executive Order 12291. Any written comments received from OMB, together with any EPA response to these coments, are included in the public record for this rulemaking.

B. Regulatory Flexibility Act

Under the Regulatory Flexibility Act (15 U.S.C. 601 *et seq.*, Pub. L. 96–354, September 19, 1980), EPA is certifying that this test rule, if promulgated, will not have a significant impact on a substantial number of small businesses for the following reasons:

1. There is not a significant number of small businesses manufacturing biphenyl.

2. Small manufacturers and small processors of biphenyl are not expected to perform testing themselves or to participate in the organization of the testing efforts.

3. Small manufacturers and small processors of biphenyl will experience only minor costs, if any, in securing exemption for testing requirements.

4. Small manufacturers and small processors are unlikely to be affected by reimbursement requirements.

C. Paperwork Reduction Act

The Office of Management and Budget (OMB) has approved the information collection requirements contained in the proposed rule under the provisions of the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.*, and has assigned the OMB control number 2070–0033. Submit comments on these requirements to the Office of Information and Regulatory Affairs: OMB; 726 Jackson Place, NW.; Washington, DC 20503, marked "Attention: Desk Officer for EPA." The final rule will respond to any OMB or public comments on the information collection requirements.

List of Subjects in 40 CFR Part 799

Testing, Environmental protection, Hazardous substances, Chemicals, Recordkeeping and reporting requirements.

Dated: July 8, 1986.

Victor J. Kimm,

Acting Assistant Administrator for Pesticides and Toxic Substances.

Therefore, it is proposed that 40 CFR Part 799 be amended as follows:

PART 799—[AMENDED]

1. The authority citation for Part 799 continues to read as follows:

Authority: 15 U.S.C. 2603, 2611, 2625.

2. By amending § 799.925, by 1, revising paragraphs (c)(1)(ii), (2)(ii), (3)(ii), and (4)(ii), and (d)(1)(ii) and (2)(ii); 2, adding paragraphs (c)(1)(iii), (2)(iii), (3)(iii), (4)(iii) and (d)(1)(iii), and (2)(iii), and 3 and removing paragraph (e) to read as follows:

§ 799.925 Biphenyl.

* * * * *

(c) * * *

(1) * * *

(ii) *Test standards.* The testing shall be conducted in accordance with the following EPA-modified study plan developed by the Biphenyl Ad Hoc Group (BAHG): "Embryo-Larval Toxicity Test with Rainbow Trout, *Salmo gairdneri* Richardson." This EPA-modified study plan is available for inspection in EPA's OPTS Reading Room, Rm. E–107, 401 M St., SW., Washington, DC 20460; copies of this study plan are available for distribution to the public in the OPTS Reading Room.

(iii) *Reporting requirements.* The *in vitro* embryo-larval toxicity test of biphenyl with rainbow trout shall be completed and a final report submitted to the Agency within 72 weeks of the effective date of the final Phase II rule. However, if this study is performed before the flow-through chronic toxicity test with *Daphnia magna* described in paragraph (c)(2) of this section, then the final report for this rainbow trout early-life-stage shall be completed and a final report submitted to the Agency within 42 weeks from the effective date of the biphenyl Phase II final rule. Interim progress reports shall be submitted at 6-month intervals from the effective date of the biphenyl Phase II final rule.

(2) * * *

(ii) *Test standard.* The testing shall be conducted in accordance with the following EPA-modified study plan developed by the Biphenyl Ad Hoc Group (BAHG): "Flow-Through Chronic Toxicity Test with *Daphnia magna* Straus." This EPA-modified study plan is available for inspection in EPA's OPTS Reading Room, Rm. E–107, 401 M St., SW., Washington, DC 20460; copies of this study plan are available for distribution to the public in the OPTS Reading Room.

(iii) *Reporting requirements.* The flow-through chronic toxicity test of biphenyl with *Daphnia magna* shall be completed and a final report submitted to the Agency within 30 weeks from the effective date of the final Phase II rule. However, if the *in vitro* embryo-larval toxicity test with rainbow trout described in paragraph (c)(1) of this section is performed before this study, then the final report for this chronic *Daphnia* study shall be completed and a final report submitted to the Agency within 72 weeks from the effective date of the biphenyl Phase II final rule. Interim progress reports shall be submitted at 6-month intervals from the effective date of the biphenyl Phase II final rule.

(3) * * *

(ii) *Test standard.* The testing shall be conducted in accordance with the following EPA-modified study plan developed by the Biphenyl Ad Hoc Group (BAHG): "Oyster Shell Deposition Bioassay and Range-Finding Study." This EPA-modified study plan is available for inspection in EPA's OPTS Reading Room, Rm. E–107, 401 M St.,

SW., Washington, DC 20460; copies of this study plan are available for distribution to the public in the OPTS Reading Room.

(iii) *Reporting requirements.* The testing shall be completed and a final report submitted to the Agency within 65 weeks of the effective date of the final Phase II rule. Interim progress reports shall be submitted at 6-month intervals from the effective date of the biphenyl Phase II final rule.

(4) * * *

(ii) *Test standard.* The testing shall be conducted in accordance with the following EPA-modified study plan developed by the Biphenyl Ad Hoc Group (BAHG): "Flow-Through Oyster Bioconcentration Study." This EPA-modified study plan is available for inspection in EPA's OPTS Reading Room, Rm. E-107, 401 M St., SW., Washington, DC 20460; copies of this study plan are available for distribution to the public in the OPTS Reading Room.

(iii) *Reporting requirements.* The testing shall be completed and the final report submitted to the Agency within 87 weeks of the effective date of the final Phase II rule. Interim progress reports shall be submitted at 6-month intervals from the effective date of the biphenyl Phase II final rule.

(d) * * *

(1) * * *

(ii) *Test standard.* The testing shall be conducted in accordance with the following EPA-modified study plan developed by the Biphenyl Ad Hoc Group (BAHG): "Aerobic Biodegradation Study." This EPA-modified study plan is available for inspection in EPA OPTS Reading Room, Rm. E-107, 401 M St., SW., Washington, DC 20460; copies of this study plan are available for distribution to the public in the OPTS Reading Room.

(iii) *Reporting requirements.* The aerobic biodegradation study with biphenyl shall be completed and a final report submitted to the Agency within 52 weeks of the effective date of the final Phase II rule. Interim progress reports shall be submitted at 6-month intervals from the effective date of the biphenyl Phase II final rule.

(2) * * *

(ii) *Test standards.* The testing shall be conducted in accordance with the following EPA-modified study plan developed by the Biphenyl Ad Hoc Group (BAHG): "Anaerobic Biodegradation Study." This EPA-modified study plan is available for inspection in EPA OPTS Reading Room, Rm. E-107, 401 M St., SW., Washington, DC 20460; copies of this study plan are available for distribution to the public in the OPTS Reading Room.

(iii) *Reporting requirements.* The anaerobic biodegradation study with biphenyl shall be completed and a final report submitted to the Agency within 56 weeks of the effective date of the final Phase II rule. Interim progress reports shall be submitted at 6-month intervals from the effective date of the biphenyl Phase II final rule.

(3) *Partitioning water/sediment study*—(i) *Required testing.* Testing using systems that control for and quantify biphenyl evaporation that use a ratio of undisturbed sediment to water of 3:1 to 2:1 shall be conducted with biphenyl to develop data on the partitioning of biphenyl to water and sediment.

(ii) *Test standard.* The testing shall be conducted in accordance with the following EPA-modified study plan developed by the Biphenyl Ad Hoc Group (BAHG): "Partitioning Water/Sediment Study." This EPA-modified study plan is available for inspection in EPA's OPTS Reading Room, Rm. E-107, 401 M St., SW., Washington, DC 20460; copies of this study plan are available for distribution to the public in the OPTS Reading Room.

(iii) *Reporting requirements.* The testing shall be completed and a final report submitted to the Agency within 39 weeks of the effective date of the final Phase II rule. Interim progress reports shall be submitted at 6-month intervals from the effective date of the biphenyl Phase II final rule.

[FR Doc. 86-15874 Filed 7-14-86; 8:45 am]

BILLING CODE 6560-50-M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 73

[MM Docket No. 86-296; RM-5327]

Radio Broadcasting Services; Roscommon, MI

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition filed by D.J. Fox, proposing the allotment of FM Channel 266A to Roscommon, Michigan. This allotment could provide for a first FM broadcast service for the community.

DATES: Comments must be filed on or before August 29, 1986, and reply comments on or before September 15, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: D.J. Fox, P.O. Box 10223, Lansing, Michigan 48901-0233.

FOR FURTHER INFORMATION CONTACT: Kathleen Scheuerle, Mass Media Bureau (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86-296, adopted June 23, 1986, and released July 8, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86-15910 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Part 73

[MM Docket No. 86-266, RM-5324]

Radio Broadcasting Services; Franklin, NH

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document proposes to substitute Channel 231A for Channel 232A at Franklin, New Hampshire, and modify its permit to specify the new channel, at the request of Northeast Communications Corp. The substitution of channels could permit greater site

flexibility and service to more persons according to Northeast Communications Corporation. Canadian concurrence is required before the substitution can be finalized.

DATES: Comments must be filed on or before August 21, 1986, and reply comments on or before September 5, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioner, or their counsel or consultant, as follows: Howard J. Braun, Esq., Russell C. Balch, Esq., Fly, Shuebruk, Gaguine, Boros & Braun, 1211 Connecticut Avenue NW., Washington, DC 20036 (Counsel to petitioner).

FOR FURTHER INFORMATION CONTACT: Leslie K. Shapiro, Mass Media Bureau, (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86–266, adopted June 13, 1986, and released June 30, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, see 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86–15909 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Part 73

[MM Docket No. 86–291; RM–5288]

Radio Broadcasting Service; Spooner, WI

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This documents requests comments on a petition by Indianhead Radio, Inc., proposing the allotment of Channel 292A to Spooner, Wisconsin, as that community's first FM service. A site restriction of 3.6 kilometers (2.2 miles) south of the city is required. Also the proposal requires concurrence by the Canadian government.

DATES: Comments must be filed on or before August 29, 1986, and reply comments on or before September 15, 1986.

ADDRESSES: Federal Communications, Commission, Washington, DC 20554.

In addition to filing comments with the FCC, interested parties should serve the petitoners, or their counsel or consultant, as follows: Clifford M. Harrington, Fisher, Wayland, Cooper & Leader, 1255 23rd Street, NW., Suite 800, Washington, DC 20037.

FOR FURTHER INFORMATION CONTACT: Patricia Rawlings (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86–291, adopted June 20, 1986, and released July 8, 1986. The full text of this Communication decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission preceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Charles Schott,

Chief, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86–15908 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Part 73

[MM Docket No. 86–269, RM–5389]

Radio Broadcasting Services; CA

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document request comments on a petition filed by Mid-Coast Radio, Inc. proposing the substitution of Class B1 FM Channel 291 for Channel 292A at Santa Margarita, California, and modification of the Class A permit of Station KWSP(FM) accordingly. The proposed allotment could provide Santa Margarita with its first wide coverage FM station.

DATES: Comments must be filed on or before August 25, 1986, and reply comments on or before September 9, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: John M. Spencer, Esq., Joseph A. Belisle, Esq., Leibowitz, Spencer & Freedman, 3050 Biscayne Blvd.—Suite 501, Miami, Florida 33137 (Counsel for Petitioner).

FOR FURTHER INFORMATION CONTACT: Nancy V. Joyner, Mass Media Bureau, (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86–289 adopted June 25, 1986, and released July 3, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex*

parte contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73:

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86-15904 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-267, RM-5306]

Radio Broadcasting Services; Beverly Hills, FL

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document request comments on a petition filed by Raymond P. Starke, which proposes to allot Channel 250A to Beverly Hills, Florida, as its first FM service.

DATES: Comments must be filed on or before August 21, 1986, and reply comments on or before September 5, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: Raymond P. Starke, 4515 South AlA Highway, Melbourne Beach, Florida 32951, (Petitioner).

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86-267 adopted June 13, 1986, and released June 30, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86-15921 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-269, RM-5319]

Radio Broadcasting Services; Lafayette, FL

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition by Family Group Broadcasting which proposes to allot Channel 260A to Lafayette, Florida, as a first FM service.

DATES: Comments must be filed on or before August 21, 1986, and reply comments on or before September 5, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows:

Lyle Robert Evans, Broadcasting Media Services, Inc., 5401 West Kennedy Boulevard, Suite 1031, Tampa, Florida 33609 (Consulting Engineer)

William J. Sill, McFadden, Borsari, Evans & Sill, 2000 M Street NW., Suite 260, Washington, DC 20036 (Counsel for Petitioner).

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, (202) 643-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86-269, adopted June 13, 1986, and released June 30, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86-15922 Filed 7-14-85; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-294; RM-5029, RM-5155]

Radio Broadcasting Services; Blackshear and Richmond Hill, GA

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on two petitions for rule making. The first proposes the substitute of Channel 286C2 for Channel 285A at Blackshear, Georgia, and modification of the Class A license for Station WKUB(FM) to specify the new channel at the request of the licensee, Mattox Guest, Inc. Channel 286C2 at Blackshear will require a site restriction of 10.8 kilometers (6.7 miles) southwest of the city. The second petition, filed by Ebony Broadcasting Company, proposes the allotment of Channel 286A to Richmond Hill, Georgia. As an alternative, we are proposing to allot Channel 287A to Richmond Hill in lieu of Channel 286A, which requires a site restriction approximately 10 kilometers (6.2 miles) south of the city.

DATES: Comments must be filed on or before August 29, 1986, and reply comments on or before September 15, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows:

Neal J. Friedman, Bechtel and Cole, 2101 L Street, NW., (Counsel for Mattox Guest, Inc.)

J. Geoffrey Bentley, Arter and Hadden, 1919 Pennsylvania Ave., NW., Washington, DC 2006, (Counsel for Ebony Broadcasting Co.)

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86–294, adopted June 20, 1986, and released July 8, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 85–15907 Filed 7–14–85; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Part 73

[MM Docket No. 86–270, RM–5253]

Radio Broadcasting Service; Ocilla, GA

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document request comments on a petition for rule making filed by A and M Broadcasting proposing the allotment of Channel 253A to Ocilla, Georgia, as its second FM service. In addition to filing comments with the FCC, interested parties should serve the petitioner, counsel, or consultant, as follows: Vincent J. Curtis, Jr., Fletcher, Heald, Hildreth, 1225 Connecticut Avenue, NW.—Suite 400, Washington, DC 20036 (Counsel to petitioner).

DATES: Comments must be filed on or before August 21, 1986, and reply comments on or before September 5, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Montrose H. Tyree, (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86–270, adopted June 13, 1986, and released June 30, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subject in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 85–15923 Filed 7–14–85; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Part 73

[MM Docket No. 86–292; RM–5328]

Radio Broadcasting Services; Doniphan, MO

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comment on a petition by Jack G. Hunt proposing the substitution of Class C2 Channel 248 for 249A at Doniphan, Missouri, and modification of the Class A license for Station KOEA(FM), Doniphan, Missouri.

DATES: Comments must be filed on or before August 29, 1986, and reply comments on or before September 15, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: John R. Wilner, Gary P. Schonman, Bryan, Cave, McPheeters & McRoberts, 1015 Fifteenth Street, NW., Suite 1000, Washington, DC 20005 (Counsel to petitioner).

FOR FURTHER INFORMATION CONTACT: Kathleen Scheuerle, (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86–292, adopted June 13, 1986, and released July 8, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed

Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Mass Media Bureau.

[FR Doc. 86-15901 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 85-359, RM-5087]

Television Broadcasting Services; Caprock, NM

AGENCY: Federal Communications Commission.

ACTION: Withdrawal of proposed rule.

SUMMARY: This document dismisses the request of KOAT Television, Inc. to assign UHF TV Channel 17 to Caprock, New Mexico, due to the lack of continuing interest by the petitioner or any other party. With this action, the proceeding is terminated.

FOR FURTHER INFORMATION CONTACT: Leslie K. Shapiro, Mass Media Bureau, (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order, MM Docket No. 85-359, adopted June 13, 1986, and released June 30, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

List of Subjects in 47 CFR Part 73

Television broadcasting.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86-15918 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-287; RM-5280]

Radio Broadcasting Services; Canton, PA

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition by WKAD, Inc. to substitute Channel 262B1 for Channel 261A at Canton, Pennsylvania, and modify the license of Station WKAD-FM to specify the higher powered channel. The substituion of channels could provide for improved service to the Canton area.

DATES: Comments must be filed on or before August 25, 1986, and reply comments on or befofe September 9, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners, on their counsel or consultant, as follows: Lauren A. Colby, Esq., 10 East Fourth Street, P.O. Box 113, Frederick, Maryland 21701 (Counsel to petitioner).

FOR FURTHER INFORMATION CONTACT: Leslie K. Shapiro, Mass Media Bureau, (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86-287, adopted June 25, 1986, and released July 3, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86-15903 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-293; RM-5432]

Radio Broadcasting Services; Georgetown, TX

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition by Georgetown Broadcasting Co., Inc. licensee of Station KGTN-FM, Channel 244A, Georgetown, Texas, proposing the substitution of Channel 243C2 for Channel 244A and modification of its license to specify the new channel. The proposal could provide a first wide area coverage station at Georgetown.

DATES: Comments must be filed on or before August 29, 1986, and reply comments on or before September 15, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: Eugene L. Burke, Esquire, Burke & Burke, Box 439, Falls Church, VA 22046; and Gregg P. Skall, Esquire, Kenneth C. Howard, Jr., Esquire, Dale R. Finkelstein, Esquire, Barker & Hostetler, 1050 Connecticut Ave., NW., Wasnington, DC 20036.

FOR FURTHER INFORMATION CONTACT: Patricia Rawlings, (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86-293, adopted June 19, 1986, and released July 8, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Charles Schott,

Chief, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86-15906 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-268; RM-5265]

Radio Broadcasting Services; Livingston, TX

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition by Polk County Broadcasting Company, proposing the substitution of Channel 222C2 for Channel 221A at Livingston, Texas, and modification of the license of Station KETX-FM (Channel 221A), Livingston, to specify operation on Channel 222C2, as that community's first wide coverage area FM service. A site restriction of 1 kilometers (0.6 miles) south of the community is required.

DATES: Comments must be filed on or before August 21, 1986, and reply comments on or before September 5, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: Harold J. Haley, P.O. Box 1236, Livingston, TX 77351.

FOR FURTHER INFORMATION CONTACT: Patricia Rawlings (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86-268, adopted June 13, 1986, and released June 30, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86-15920 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-295, RM-5450]

Radio Broadcasting Services; Tye, TX.

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on a petition by Tye Broadcasting, Inc., proposing the substitution of Channel 259C1 for Channel 257A at Tye, TX, and modification of the license of Station KTLC(FM), Tye, to specify operation on Channel 259C1, as that community's first wide coverage area FM service.

DATES: Comments must be filed on or before August 29, 1986, and reply comments on or before September 15, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners, or their counsel or consultant, as follows: Richard J. Bodorff, Esquire, Fisher, Wayland, Ccoper & Leader, 1255 23rd Street, NW., Suite 800, Washington, DC 20037.

FOR FURTHER INFORMATION CONTACT: Patricia Rawlings (202) 634-6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86-295, adopted June 23, 1986, and released July 8, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857-3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments, see 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, See 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Mark N. Lipp,

Chief, Allocations Branch, Mass Media Bureau.

[FR Doc. 86-15902 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

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47 CFR Part 73

[MM Docket No. 86-290, RM-5255, 5264, 5294]

Radio Broadcasting Services; Charlotte Amalie, VI

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: This document requests comments on petitions by Bantam Broadcasting, Edward B. Reith and Virgin Islands Wireless Co., Inc., permittee of Station WVGN-FM, Channel 296A, Charlotte Amalie, Virgin Islands, proposing the allotments of Channels 241B1, 246B and Channel 287B as a substitute for Channel 296A at Charlotte Amalie, respectively. We also propose the modification of the construction permit for Station WVGN-FM to specify operation on Channel 287B. The community could receive its fifth and sixth FM channels, as well as

additional wide coverage area FM service. A site restriction of 10.3 kilometers (6.4 miles) east of the community is required for Channel 246B.

DATES: Comments must be filed on or before August 25, 1986, and reply comments on or before September 9, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554. In addition to filing comments with the FCC, interested parties should serve the petitioners or their counsel or consultant, as follows: Edward B. Reith, Box 460, Shelter Island, NY 11964; Marianne English-King, P.O. Box 4250, Charlotte Amalie, VI 00801 (Bantam Broadcasting); and Robert W. Healy, Esquire, Ronald D. Maines, Esquire, Gordon & Healy, Chartered, 1821 Jefferson Place NW., Washington, DC 20036 (Counsel for Virgin Islands Wireless Co., Inc.)

FOR FURTHER INFORMATION CONTACT: Patricia Rawlings (202) 634–6530.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86–290, adopted June 20, 1986, and released July 3, 1986. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractors, International Transcription Service, (202) 857–3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contracts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1231 for rules governing permissible *ex parte* contact.

For information regarding proper filing procedures for comments, see 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

Charles Schott,

Chief, Policy and Rules Division, Mass Media Bureau.

[FR Doc. 86–15925 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

47 CFR Parts 73 and 74

[MM Docket No. 86–286; FCC 86–303]

Low Power Television and Television Translator Service

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The FCC proposes to amend Parts 73 and 74 of its Rules to alter the application filing window procedures in the low power television and television translator service and to allow modification of a low power television or television translator permittee or licensee whose station is displaced by a full service television station or by the land mobile radio service to specify a new channel without competing against other applicants.

DATES: Comments must be submitted on or before September 2, 1986 and reply comments on or before September 17, 1986.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Terry L. Haines, Policy and Rules Division, Mass Media Bureau, (202) 632–7792.

SUPPLEMENTARY INFORMATION: The collection of information requirement contained in this proposed rule making has been submitted to OMB for review under section 3504(h) of the Paperwork Reduction Act. Persons wishing to comment on this collection of information requirement should direct their comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503, Attention: Desk Officer for the Federal Communications Commission.

This is a summary of the Commission's Notice of Proposed Rule Making, MM Docket No. 86–286, adopted June 26, 1986, and released July 9, 1986.

The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street Northwest, Washington, DC. The complete text of this decision may also be purchased from the Commission's Copy Contractor, International Transcription Service, (202) 857–3800, 2100 M Street, Northwest, Suite 140, Washington, DC 20037.

Summary of Notice of Proposed Rule Making:

1. *Application Filing Window Procedures.* Under the application filing window procedure used in the low power television and television translator service, new or major change applications may be filed only during a specific period of time announced 30 days in advance by public notice. However, no filing window has been opened for the 48 contiguous states because resources have been devoted to processing the 37,000 applications that have been pending since 1984. The processing of those applications is nearly complete, and the current application backlog stands at less than 14,000. Consequently, a filing window could be opened in the near future. However, based on past experience, it is clear that if 25,000 applications (the number filed against one cut-off list in 1984) were filed during the window, it would require at least another two year filing freeze to process them completely.

2. Since the filing of new or major change applications has been impossible for over two years, it is likely that a great number of applications would be filed if an unrestricted nationwide filing window was opened. Such a situation would again cripple the Commission's processing resources and make it impossible to open another filing window in the near future. Also, this situation would inhibit further development of low power television service and expansion of television translator service. Consequently, the application flow must be limited in some manner so that processing will be less burdensome and applications can be grouped more quickly for lotteries and proposed for grant. This should expedite the provision of new television service. In this *Notice of Proposed Rule Making*, the FCC requests comment on three proposals to accomplish these objectives: a limit or "cap" on the number of new applications that could be filed during a particular window; a state or regional filing window approach in which applications would be accepted only for a particular area or areas announced by public notice; or a combination of the cap and state or regional approaches. If the cap approach is adopted, the Commission proposes to monitor compliance by amending the construction permit application form to either collect additional ownership information or have the applicant certify compliance with the cap.

3. *Displacement of Low Power Television and Translator Stations.* Since the low power television and

television translator service is secondary in spectrum priority, all permittees and licensees in this service face the prospect of being displaced from their output channels by full service television stations or by the land mobile radio service. There is at present no guaranteed right or expectancy that a displaced low power television or television translator station may operate on another vacant channel. These applications are always major changes in facilities under the Commission's rules. Thus, while a station could receive special temporary authority (STA) to operate on the new channel, it must compete with other mutually exclusive applicants for the frequency. In fact, filing a major change application and receiving an STA may act to stimulate the filing of competing applications. If settlement with all competing applicants cannot be reached, and if the station owner loses the resulting lottery, the displaced station must find another available channel (if possible) when the winning applicant's station becomes operational, receive another STA, and again compete for the new frequency. If no frequencies are available, the station must cease operation.

4. The risk of displacement run by low power television and television translator permittees and licensees may serve to discourage long-term financial backing. More importantly, this situation might result in inferior service and the lessening of viewing choices available to the public. Consequently, in this *Notice of Proposed Rule Making*, the FCC requests comment on a proposal to modify the license or permit of a low power television or television translator station to specify a new output channel when the permittee or licensee submits an acceptable major change application for a new channel which is not mutually exclusive with any other low power television or television translator application or authorized low power television or television translator station. The permittee or licensee must demonstrate that the proposed change is necessary to avoid predicted interference to a full service television station or to the land mobile radio service. Further, the application may not propose a substantial change in the station's coverage area (*e.g.*, proposes an antenna site change of less than 10 miles). These modifications could be made under section 316 of the Communications Act, section 309 of the Act, or by amending the Commission's rules to make an application of this kind a minor change in facilities.

5. This is a non-restricted notice and comment rule making proceeding. *See* Section 1.1231 of the Commission's Rules, 47 CFR 1.1231, for rules governing permissible *ex parte* contracts.

6. This proceeding suggests a proposal which may significantly impact on small entities. Pursuant to the Regulatory Flexibility Act of 1980, 5 U.S.C. 603, public comment is requested on the initial regulatory flexibility analysis set out in the Commission's complete decision.

7. The proposals contained herein have been analyzed with respect to the Paperwork Reduction Act of 1980 and found to propose a new or modified information collection requirement on the public. Implementation of any new modified requirement will be subject to approval by the Office of Management and Budget as prescribed by the Act.

8. Pursuant to applicable procedures set forth in §§ 1.415 and 1.419 of the Commission's Rules, 47 CFR 1.415 and 1.419, interested parties may file comments on or before September 2, 1986, and reply comments on or before September 17, 1986. All relevant and timely comments will be considered by the Commission before final action is taken in this proceeding.

List of Subjects

47 CFR Part 73

Radio broadcast services.

47 CFR Part 74

Experimental, Auxiliary, Special broadcast and other program distributional services.

Federal Communications Commission.

William J. Tricarico,

Secretary.

[FR Doc. 86-15926 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

50 CFR Part 32

Refuge-Specific Hunting Regulations

Correction

In FR Doc. 86-14771 beginning on page 24179 in the issue of Wednesday, July 2, 1986, make the following corrections:

1. On page 24179, in the third column, in the ninth line, insert "and" between "NWRs" and "desert".

2. On page 24180, in the second column, under the heading **Environmental Considerations**, in the thirteenth line, "endured" should read "ensured".

3. On page 24181, in the first column, in the amendatory language, make the following corrections:

a. In the seventh line from the bottom, "designated" should read "redesignated".

b. In the fifth line from the bottom, "(ii)(2)" should read "(ll)(2)".

c. In the third line from the bottom, "(ii)(2)(iii)" should read "(ll)(2)(ii)".

§ 32.12 [Corrected]

4. On the same page, in the second column, in § 32.12(f)(4)(v), "boards" should read "boats".

5. In the same column, in § 32.12(f)(13)(i), in the third line, "end of the" should read "end of each".

6. In the same column, in the eleventh line from the bottom, the paragraph designated "(1)" should be designated "(i)".

§ 32.22 [Corrected]

7. On page 24183, in the first column, place five asterisks between paragraphs (d)(2)(iii) and (d)(3).

BILLING CODE 1505-02-M

Notices

Federal Register
Vol. 51, No. 135
Tuesday, July 15, 1986

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.

DEPARTMENT OF COMMERCE

International Trade Administration

Export Trade Certificate of Review

AGENCY: International Trade Administration, Commerce.

ACTION: Notice of Issuance of an Export Trade Certificate of Review.

SUMMARY: The Department of Commerce has issued an export trade certificate of review to the National Association of Export Companies, Inc., doing business as NEXCO Shippers' Association, formerly known as the National Association of Export Management Companies. This notice summarizes the conduct for which certification has been granted.

FOR FURTHER INFORMATION CONTACT: James V. Lacy, Director, Office of Export Trading Company Affairs, International Trade Administration, 202–377–5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 ("the Act") (Pub. L. 97–290) authorizes the Secretary of Commerce to issue export trade certificates of review. The regulations implementing Title III are found at 15 CFR Part 325 (50 FR 1804, January 11, 1985).

The Office of Export Trading Company Affairs is issuing this notice pursuant to 15 CFR 325.6(b), which requires the Department of Commerce to publish a summary of a certificate in the **Federal Register.** Under Section 305(a) of the Act and 15 CFR 325.11(a), any person aggrieved by the Secretary's determination may, within 30 days of the date of this notice, bring an action in any appropriate district court of the United States to set aside the determination on the ground that the determination is erroneous.

Description of Certified Conduct:

Export Trade Products

All Products.

Export Trade Facilitation Services (as they relate to the export of Products)

Procurement of Transportation Services for Products exported or in the course of being exported. Transportation Services include inland freight transportation from U.S. manufacturing plants or warehouses to U.S. ports, terminals or airports for Products in the course of being exported; freight transportation from the U.S. to foreign destinations; containerization; leasing and controlling of containers; terminal or port storage; wharfage and handling; marine insurance; consulting; freight forwarding services; and export documentation and customs clearance.

Export Markets

The Export Markets include all parts of the world except the United States (the fifty states of the United States, the District of Columbia, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands).

Definitions

(a) "NEXCO Association Members" means those entities that are members of the National Associations of Export Companies, Inc. within the meaning of the By-laws of that Association.

(b) "Member" means a Member of the certificate holder, NEXCO, within the meaning of § 325.2(1) of the Regulations. International Transport Management, Ltd., New York, NY, is the sole Member of the certificate holder for purposes of this certificate.

Export Trade Activities and Methods of Operation

1. NEXCO, through International Transport Management, Ltd. (the Member of NEXCO), may on behalf of NEXCO Association Members:

a. Negotiate (including bargain collectively) with steamship conferences, steamship lines, Non-Vessel Operating Common Carriers, airlines, air freight consolidators, railroads, trucking companies, container leasing companies, insurance companies, warehouses, and terminals to obtain rates and other terms for NEXCO Association Members;

b. Enter into agreements and contracts with providers of Transportation and related Services to supply such services for NEXCO Association Members;

c. Enter into agreements with NEXCO Association Members on the terms of their commitments and participation in the fulfillment of transportation agreements and contracts; and

d. Prescribe conditions on membership in and withdrawal from NEXCO, including the following:

(1) Membership in NEXCO shall be open to independent exporters under such conditions as may be prescribed by the board of NEXCO; and

(2) Resignation from the membership shall be made in giving sixty (60) days prior, written notice to NEXCO board of directors.

2. International Transport Management, Ltd. (the Member of NEXCO) and NEXCO Association Members may meet and exchange information about Transportation Services, rates and terms, suppliers of such services, volumes of cargoes available for exporting, scheduling and other necessary information to analyze, negotiate for and procure Transportation Services for the export trade of NEXCO Association Members.

A copy of each certificate will be kept in the International Trade Administration's Freedom of Information Records Inspection Facility, Room 4102, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC. 20230.

Dated: July 9, 1986

James V. Lacy,

Director, Office of Export Trading Company Affairs.

[FR Doc. 86–15930 Filed 7–14–86; 8:45 am]

BILLING CODE 3510-DR-M

Automated Manufacturing Equipment Technical Advisory Committee; Partially Closed Meeting

A meeting of the Automated Manufacturing Equipment Technical Advisory Committee will be held August 13, 1986, 9:30 a.m., Herber C. Hoover Building, Room 3407 14th Street and Constitution Avenue, NW., Washington, DC.

The Committee advises the Office of Technology and Policy Analysis with respect to technical questions that affect the level of export controls applicable to automated manufacturing equipment and related technology. Agenda:

1. Opening remarks by the Chairman.
2. Presentation of papers or comments by the public.
3. Programmable Controllers.
4. Numerical Control Equipment.

5. Precision Inspection Equipment.

6. Sensory Systems.

7. Bearing and Gear Production Equipment.

8. Spin Forming Machines.

9. Precision Turning Machines.

10. Foreign Availability of Jig Grinders.

11. Discussion of a joint meeting with the Computer Systems Technical Advisory Committee.

12. Local Area Networks.

13. Components for numerically controlled machines.

14. Equipment for Aircraft Production.

15. Schedule for next meeting.

Executive Session

16. Discussion of matters porperly classified under Executive Order 12356, dealing with the U.S. and COCOM control program and strategic criteria related thereto.

The general session of the meeting will be open to the public and a limited number of seats will be available. To the extent time permits, members of the public may present oral statements to the Committee. Written statements may be submitted at any time before or after the meeting.

The Assistant Secretary for Administration, with the concurrence of the delegate of the General Counsel, formally determined on January 10, 1986, pursuant to section 10(d) of the Federal Advisory Committee Act, as amended by section 5(c) of the Government in the Sunshine Act, Pub. L. 94–409, that the matters to be discussed in the Executive Session should be exempt from the provisions of the Federal Advisory Committee Act relating to open meetings and public participation therein, because the Executive Session will be concerned with matters listed in 5 U.S.C. 552b(c)(1) and are properly classified under Executive Order 12356.

A copy of the Notice of Determination to close meetings or portions thereof is available for public inspection and copying in the Central Reference and Records Inspection Facility, Room 6628, U.S. Department of Commerce, Telephone: 202/377–4217. For further information or copies of the minutes, contact Liga Hagenah, 202/377–4959.

Dated: July 8, 1986.

Margaret A. Cornejo,

Director, Technical Support Staff, Office of Technology and Policy Analysis.

[FR Doc. 86–15857 Filed 7–14–86; 8:45 am]

BILLING CODE 3510-DT-M

Electronic Instrumentation Technical Advisory Committee; Closed Meeting

Federal Register citation of previous announcement: 51FR24188 July 2, 1986.

Previously announced time and date of the meeting: 9:00 a.m., July 23, 1986.

Changes in the meeting: 9:00 a.m., August 12, 1986, the Herbert Hoover Building, Room 6029, 14th Street and Constitution Avenue, NW., Washington, DC.

Dated: July 9, 1986.

Margaret A. Cornejo,

Director, Technical Support Staff, Office of Technology and Policy Analysis.

[FR Doc. 86–15856 Filed 7–14–86; 8:45 am]

BILLING CODE 3510-DT-M

National Oceanic and Atmospheric Administration

National Marine Fisheries Service; Availability

Pursuant to section 14(b)(2) of the North Pacific Fisheries Act of 1954 as amended (16 U.S.C. 1021 *et seq.*), the National Marine Fisheries Service has released to the general public its Final Action Plan for Dall's Porpoise for 1986. The Plan describes research studies conducted on Dall's Porpoise, research plan for 1986, and management measures taken to reduce the incidential take of this species in the Japanese high seas salmon fishery.

Copies of this report are available from the Office of Protected Species and Habitat Conservation, National Marine Fisheries Service, Washington, DC 20235.

Dated: April 24, 1986.

Carmen J. Blondin,

Deputy Assistant Administrator for Fisheries Resource Management, National Marine Fisheries Service.

[FR Doc. 86–15878 Filed 7–14–86; 8:45 am]

BILLING CODE 3510-22-M

Patent and Trademark Office

Current Membership of Performance Review Board

This notice announces the termination of the appointments of Donald J. Quigg, Robert F. Kempf, Samuel S. Matthews and Samih N. Zaharna. Mr. Quigg has been appointed to the position of Assistant Secretary and Commissioner of Patents and Trademarks. He is succeeded by Donald W. Peterson. Mr. Kempf has resigned from the Board and is succeeded by Marilyn G. Wagner. Mr. Matthews has retired and is succeeded by Robert F. Burnett. Mr. Zaharna has resigned from the Board and is succeeded by Al L. Smith.

The current membership of the Board is as follows:

Donald W. Peterson, Chairman, Deputy Commissioner of Patents and Trademarks, Patent and Trademark Office, Washington, DC 20231. Term—permanent

Rene D. Tegtmeyer, Member, Assistant Commissioner for Patents, Patent and Trademark Office, Washington, DC 20231. Term—permanent

Margaret M. Laurence, Member, Assistant Commissioner for Trademarks, Patent and Trademark Office, Washington, DC 20231. Term—permanent

Bradford R. Huther, Member, Assistant Commissioner for Finance and Planning, Patent and Trademark Office, Washington, DC 20231. Term—permanent

Theresa A. Brelsford, Member, Assistant Commissioner for Administration, Patent and Trademark Office, Washington, DC 20231. Term—permanent

Robert F. Burnett, Member, Special Assistant to the Assistant Commissioner for Patents, Patent and Trademark Office, Washington, DC 20231. Term—expires September 30, 1989

Marilyn G. Wagner, (Outside) Member, Assistant General Counsel for Administration, U.S. Department of Commerce, Washington, DC 20231. Term—expires September 30, 1989

Al L. Smith, Member, Director, Patent Examining Group 350, Patent and Trademark Office, Washington, DC 20231. Term—expires September 30, 1989

Persons desiring any further information about the membership of the PRB may contact Ms. Carolyn P. Acree, Personnel Officer, Patent and Trademark Office, Washington, DC 20231. Telephone (703) 557–2662.

Dated: July 7, 1986

Donald J. Quigg,

Assistant Secretary and Commissioner of Patents and Trademarks.

[FR Doc. 86–15858 Filed 7–14–86; 8:45 am]

BILLING CODE 3510-16-M

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Request for Public Comment on Bilateral Textile Consultations With Mauritius on Trade in Category 640

July 10, 1986.

On May 30, 1986 the Government of the United States, under section 204 of

the Agricultural Act of 1956, as amended (7 U.S.C. 1854), requested the Government of Mauritius to enter into consultations concerning exports to the United States of man-made fiber shirts in Category 640, produced or manufactured in Mauritius.

The purpose of this notice is to advise that, if no solution is agreed upon in consultations, the Committee for the Implementation of Textile Agreements may later establish a limit for entry and withdrawal from warehouse for consumption of textile products in this category, produced or manufactured in Mauritius and exported to the United States during the twelve-month period which began on May 30, 1986 and extends through May 29, 1987, at a level of 95,542 dozen.

A summary market statement for this category follows this notice.

Anyone wishing to comment or provide data or information regarding the treatment of Category 640 is invited to submit such comments or information in ten copies to the Chairman, Committee for the Implementation of Textile Agreements, International Trade Administration, U.S. Department of Commerce, Washington, DC 20230.

Because the exact timing of the consultations is not yet certain, comments should be submitted promptly. Comments or information submitted in response to this notice will be available for public inspection in the Office of Textiles and Apparel, Room 3100, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC., and may be obtained upon written request.

Further comment may be invited regarding particular comments or information received from the public which the Committee for the Implementation of Textile Agreements considers appropriate for further consideration.

The solicitation of comments regarding any aspect of the agreement or the implementation thereof is not a waiver in any respect to the exemption contained in 5 U.S.C. 553(a)(1) relating to matters which constitute "a foreign affairs function of the United States.

William H. Houston III,

Chairman, Committee for the Implementation of Textile Agreements.

Mauritius—Market Statement

Category 640—Men's and Boys' Woven Shirts and Blouses

May 1986.

Summary and Conclusions

Mauritius is a new supplier of Category 640 shirts and began exporting to the U.S. in September, 1985. During the last four months of 1985 the U.S. imported 61,000 dozens men's and boys' woven shirts from Mauritius which established itself as a major supplier in this category. Year-ending March 1986 imports from Mauritius totaled 105,000 dozens compared with zero trade a year earlier.

The substantial and rapid increases of low-valued Category 640 imports from Mauritius are disrupting the U.S. market for men's and boys' woven shirts.

U.S. Production and Market Share

U.S. production of Category 640 shirts steadily declined throughout the mid 1970's and 1980's. Between 1982 and 1984 alone, production declined by 2.3 million dozens from 11.7 million dozens in 1982 to 9.4 million dozens in 1984.

The market for men's and boys' woven shirts shrunk by 2.8 million dozens in 1983 as the domestic producers' share dropped nearly 2 percentage points to 48.1 percent. In 1984, when the market recovered 2.0 million dozens, the U.S. producers' share dropped another 6.5 percentage points to 41.6 percent.

U.S. Imports and Import Production Ratios

With the exception of 1983, which witnessed a decline in imports, world imports of Category 640 have risen steadily. In 1984 total imports of this category totaled 13.3 million dozens, up 23 percent from 1983 and 13 percent above the 1982 level. This upward trend continued into 1985 as imports increased an additional 8 percent to 14.3 million dozens.

The import to production ratio for this category has risen swiftly. By 1982, for every dozen of men's and boys' shirts produced domestically, one dozen was imported. This ratio grew to 108.0 percent in 1983 and to 140.7 percent in 1984. In 1984, 17 shirts were imported for every 12 domestically produced.

Import and Domestic Values

Approximately 76 percent of recent Category 640 imports from Mauritius entered under the following two TSUSA numbers: 381.9540 (previously 379.9540)—men's and boys' other man-made fiber dress shirts, not knit, not ornamented and 381.9550 (previously 379.9550)—men's and boys' man-made fiber sport shirts, yarn-dyed, not knit, not ornamented. These garments entered the U.S. at landed, duty-paid values below U.S. producers' prices for comparable garments.

[FR Doc. 86-15929 Filed 7-14-86; 8:45 am]
BILLING CODE 3510-DR-M

COPYRIGHT ROYALTY TRIBUNAL

[Docket No. CRT 85-3 85CA]

Notice Commencing Cable Copyright Rate Adjustment Proceeding

AGENCY: Copyright Royalty Tribunal.

ACTION: Notice commencing cable copyright rate adjustment proceeding.

SUMMARY: Turner Broadcasting Systems, Inc. has petitioned the Copyright Royalty Tribunal to initiate a cable copyright royalty adjustment proceeding. The Tribunal finds that TBS has a significant interest in the cable copyright royalty rates. The Tribunal announces commencement of a rate adjustment proceeding limited to the specific question presented by TBS, that is, whether justification exists to lower the copyright rate paid by certain cable systems for carriage of programs aired on WTBS, Atlanta, Georgia.

DATES: Cable copyright rate adjustment proceeding commences effective July 15, 1986. All parties must file a notice of appearance by August 1, 1986. Any objections to the appearance of any party must be filed by August 15, 1986. Replies to objections must be filed by August 20, 1986. The Tribunal will rule on participation on September 2, 1986. TBS must file its direct case on October 2, 1986.

FOR FURTHER INFORMATION CONTACT: Edward W. Ray, Chairman, Copyright Royalty Tribunal, 1111 20th Street NW., Suite 450, Washington, DC 20036. (202-653-5175).

SUPPLEMENTARY INFORMATION: On March 25, 1985, Turner Broadcasting Systems, Inc. (TBS) filed a petition pursuant to section 804 of the Copyright Act of 1976 (Act) to initiate a cable copyright royalty adjustment proceeding. TBS's petition requested that the Tribunal adopt a regulation which would permit those cable systems which currently pay copyright royalties for carriage of programs aired on WTBS, Atlanta, Georgia at a rate of 3.75% of gross receipts to pay instead at the applicable statutory rate (as adjusted for inflation). TBS did not request a general review of either the 3.75% rate or the syndicated exclusivity surcharge. Its request was limited solely to payment for additional carriage of programs on WTBS occurring due to FCC deregulation of its limitation of distant signal importation.

Section 804(a)(2) of the Act reads, "(D)uring the calendar years specified in the following schedule, any owner or user of a copyright work whose royalty rates are specified by this title, or by a rate established by the Tribunal, may file a petition with the Tribunal declaring that the petitioner requests an adjustment of the rate. The Tribunal shall make a determination as to whether the applicant has a significant interest in the royalty rate in which an adjustment is requested. If the Tribunal determines that the petitioner has a significant interest, the Chairman shall cause notice of this determination, with the reasons therefor, to be published in the **Federal Register**, together with

notice of commencement of proceeding under this chapter."

In response to a motion filed by the Motion Picture Association of America, Inc. (MPAA), the Tribunal initiated an inquiry to ascertain whether TBS had the requisite "significant interest" to initiate a proceeding, and what procedures should apply to such a proceeding. *Notice of Inquiry*, 50 FR 23349 (June 3, 1985).

After consideration of the comments filed pursuant to the inquiry, the Tribunal decided to defer ruling on TBS's "significant interest," preferring to give all potentially interested parties the full extent of calendar year 1985 to reach either a negotiated settlement, or file additional petitions. *Notice*, 50 FR 43605 (October 28, 1985).

On December 31, 1985, the Tribunal received three petitions: a joint petition by the MPAA, American Society of Composers, Authors, and Publishers (ASCAP), Broadcast Music, Inc. (BMI), and SESAC, Inc. (collectively, A/B/S) to increase the 3.75% rate and the syndicated exclusivity surcharge; a petition by Major League Baseball, the National Baseball, the National Basketball Association and the National Hockey League to increase the 3.75% rate and the syndicated exclusivity surcharge; and a petition by the National Cable Television Association, Inc. (NCTA) to reduce the 3.75% rate.

The Tribunal issued another notice of inquiry, this time asking whether those who filed on December 31, 1985 has a significant interest in the cable copyright rates, and other procedural questions. Comments were due April 4, 1986; reply comments were due May 5, 1986. *Notice of Inquiry*, 51 FR 4414 (Febrary 4, 1986). Two one-month extensions of the comment periods were requested by the December 31 petitioners and granted by the Tribunal.[1] *Order*, March 28, 1986; *Order*, May 5, 1986. On May 2, 1986, the December 31 petitioners requested leave to withdraw their rate adjustment petitions. The Tribunal granted the request and determined that the only cable rate request which was still before it was the TBS petition. *Order*, May 5, 1986. "Significant Interest". In response to the Tribunal's June 3, 1985 Notice of Inquiry, the Tribunal received comments from TBS, the MPAA, A/B/S, NCTA, the Professional Sports Leagues, and United Video, Inc. and United Video Cablevision, Inc. (United Video). The National Association of Broadcasters (NAB) filed late-filed comments on December 31, 1985. Reply comments were filed by TBS, the MPAA and United Video.

In response to the Tribunal's February 4, 1986 Notice of Inquiry, the Tribunal received comments from NAB, the Canadian Claimants, United Video, TBS, the MPAA, NCTA, the Professional Sports Leagues, A/B/S, the Christian Broadcasting Network, Inc. (CBN) and USA Network. Reply comments were filed by the MPAA, TBS, and Major League Baseball.

Of those who commented, only TBS, the MPAA, and A/B/S directly addressed the question of "significant interest." (Although NAB stated that TBS' request required "an expansive reading" of the Act, and that it was troubled by "the kind of special, private relief TBS' request raises," it did not specifically comment on "significant interest.") TBS states that it is both an owner and a user of copyright works, and that it has a significant interest in the copyright rates by virtue of the fact that WTBS reaches a vast number of cable subscribers, and that programs aired on WTBS in 1983 accounted for a substantial percentage of all distant signal cable household viewing hours, according to Nielsen data.

The MPAA disagrees that TBS has a significant interest. It argues that TBS, as an owner of copyright works, is just one of dozens of copyright owner-claimants who receive royalties from the Tribunal. It further argues that Congress intended that a special finding of significant interest be made in order to avoid multiple rate adjustment proceedings. The MPAA offers as a minimum, that a category of copyright owner-claimants is necessary (such as Sports, Movies, Commercial Television, etc.) to meet the significant interest test.

A/B/S disagrees that TBS is a "user" of copyrighted works under Section 111. They argue that the word, "user" has a special meaning, that is, one who uses the copyrighted works pursuant to the compulsory license, i.e., a cable system. A/B/S agrees that TBS is a copyright owner, but argues that TBS is petitioning to lower the copyright rates, contrary to its true interests as a copyright owner. Therefore, A/B/S believes TBS does not have a "significant interest."

None of the parties has presented any research regarding the legislative history of the phrase, "significant interest." Nor is the Tribunal aware of Congress' specific intent. We, therefore, believe it is best to make determinations regarding "significant interest" cautiously, and on a case-by-case basis. The Tribunal concludes, first, that TBS is an owner, but not a user of copyrighted works, as Section 111 of the Act is intended. We agree with A/B/S that, in the context of the retransmission of copyrighted programs by cable systems, a broadcast station is a "middleman" between the owner of the works (in some cases, the broadcast station, itself) and the cable system. Therefore, TBS cannot be said to have a significant interest as a "user."

However, we find that TBS has a significant interest as an "owner" of copyrighted works. Annually, TBS is a copyright claimant before the Tribunal in three different program categories: in the Program Suppliers category as a syndicator of series and specials, in the Sports category, as an owner of two professional sports teams, and in the Commercial Television category, as the owner of station-produced programs on WTBS, Atlanta, Georgia. In the 1983 cable distribution proceeding, evidence was presented that WTBS was carried by approximately 1170 of the approximately 1570 Form 3 cable systems filing statements of accounts in 1983. Although, pursuant to the Tribunal's policy of encouraging settlements, the Tribunal does not know TBS' allocated copyright royalties within settled program groups, the Tribunal can reasonably conclude that TBS has a significant interest as a copyright owner in the cable royalty fund, and, therefore, in the cable royalty rate.

We disagree with the MPAA that the threshold should be at least an entire copyright program category. However, we agree with the MPAA that Congress did not intend every copyright owner or user, no matter how insubstantial his or her interest in the rate, to be able to initiate a proceeding, so that whether a petitioner has filed a copyright royalty claim or a statement of accounts is only the beginning of the analysis, not the end of it. But here, the Tribunal concludes that WTBS has the requisite "significant interest." Regarding A/B/S' assertion that TBS is acting contrary to its copyright interest, we recognize that TBS may have multiple corporate interests, but that appears to us to be more an argument on the substance of the issue raised by TBS than on the procedural question.

Burden of Proof—Participation—Scheduling. The Tribunal has determined that TBS shall have the burden of proof in this proceeding. We note that an opportunity was given during 1985 for any party to request a general review of the cable copyright rates. Three such petitions were filed, but they were subsequently withdrawn. We conclude that the existing cable copyright rates are presumptively reasonable. It is the burden of TBS to

[1] TBS was not opposed to either of the extension requests.

show that the regulation it requests should be adopted, and that such a regulation would not be discriminatory. The Tribunal will limit the evidence to the specific request of TBS. No expansion of the issues will be allowed. TBS' showing will proceed from the legal presumption that the 3.75% rate is reasonable as generally applied.

All parties who intend to participate in this proceeding shall file a notice of appearance by August 1, 1986. Any objections to the participation of any party shall be filed by August 15, 1986. Replies to objections shall be filed by August 20, 1986. The Tribunal will issue an order on September 2, 1986 on participation.

TBS shall file its written direct case on October 2, 1986. Further procedures and hearing dates will be announced at a later date.

Dated: July 9, 1986.

Edward W. Ray,

Chairman.

[FR Doc. 86-15851 Filed 7-14-86; 8:45 am]

BILLING CODE 1410-01-M

DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Federal Acquisition Regulation (FAR); Information Collection Under OMB Review

AGENCY: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice.

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection.

ADDRESS: Send comments to Franklin S. Reeder, FAR Desk Officer, Room 3235, NEOB, Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: Mr. C.W. Mathews, Office of Federal Acquisition and Regulatory Policy (202) 523-3856 or Mr. Owen Greene, Defense Acquisition Regulatory Council, (703) 697-7268.

SUPPLEMENTARY INFORMATION: a. *Purpose.* This request covers the collection of information as a first step in assuring the Government contracts are not awarded to firms violating such laws, offerors on Government contracts must complete the certificate of independent price determination. An offer will not be considered for award where the certificate has been deleted or modified. Deletions or modifications of the certificate and suspected false certificates are reported to the Attorney General.

As a first step in assuring the Government contracts are not awarded to firms violating such laws, offerors on Government contracts must complete the certificate of independent price determination. An offer will not be considered for award where the certificate has been deleted or modified. Deletions or modifications of the certificate and suspected false certificates are reported to the Attorney General.

b. *Annual reporting burden.* This is estimated as follows: Respondents, 64,250; responses 1,285,000; and reporting and recordkeeping hours, 25,700.

Obtaining Copies or Proposals

Requesters may obtain copies from the FAR Secretariat (VRS), Room 4041, GS Building, Washington, DC 20405, telephone (202) 523-4755. Please cite OMB Control No. 9000-0018, Certification of Independent Price Determination and Parent Company and Identifying Data.

Dated: July 1, 1986.

Margaret A. Willis,

FAR Secretariat.

[FR Doc. 86-15840 Filed 7-14-86; 8:45 am]

BILLING CODE 6820-61-M

Federal Acquisition Regulation (FAR); Information Collection Under OMB Review

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice.

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection.

ADDRESS: Send comments to Franklin S. Reeder, FAR Desk Officer, Room 3235, NEOB, Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: Mr. C.W. Mathews, Office of Federal Acquisition and Regulatory Policy (202) 523-3856 or Mr. Owen Greene, Defense Acquisition Regulatory Council, (703) 697-7268.

SUPPLEMENTARY INFORMATION: a. *Purpose.* It is the policy of the Government to prevent the existence of conflicting roles that might bias a contractor's judgment and to prevent any unfair competitive advantage. Sufficient information concerning prospective contractors interests and relationships is usually available within the Government or from non-Government sources such as commercial services and publications (credit rating services, trade and financial journals, and business directories and registers). Occasionally, information is only available from the prospective contractor.

b. *Annual reporting burden.* This is estimated as follows: Respondents, 1000; responses 1000; and reporting and recordkeeping hours, 333.

Obtaining Copies of Proposals

Requesters may obtain copies from the FAR Secretariat (VRS), Room 4041, GS Building, Washington, DC 20405, telephone (202) 523-4755. Please cite OMB Control No. 9000-0019, Organizational Conflicts of Interest.

Dated: July 7, 1986.

Margaret A. Willis,

FAR Secretariat.

[FR Doc. 86-15841 Filed 7-14-86; 8:45 am]

BILLING CODE 6820-61-M

Federal Acquisition Regulation (FAR); Information Collection Under OMB Review

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice.

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection.

ADDRESS: Send comments to Franklin S. Reeder, FAR Desk Officer, Room 3235, NEOB, Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: Mr. C.W. Mathews, Office of Federal Acquisition and Regulatory Policy (202)

523–3856 or Mr. Owen Greene, Defense Acquisition Regulatory Council, (703) 697–7268.

SUPPLEMENTARY INFORMATION: a. *Purpose.* Under the Qualified Products Program, an end item, or a component thereof, may be required to be prequalified when any of the following conditions apply:

a. The time required to test the item for conformance to the specification exceeds 30 days (720 hours)

b. The tests would require equipment not commonly available.

c. The items are emergency lifesaving or survival equipment.

The contracting officer uses the information to determine eligibility for award when the clause at 52.209–1 is included in the solicitation. The offeror must insert the item name and test number to prove that the item offered is prequalified. Alternatively, items not yet listed may be considered for award upon the submission of evidence of qualification with the offer.

b. *Annual reporting burden.* This is estimated as follows: Respondents, 2,700; responses 27,000; and reporting and recordkeeping hours, 4,590.

Obtaining Copies of Proposals

Requesters may obtain copies from the FAR Secretariat (VRS), Room 4041, GS Building, Washington, DC 20405, telephone (202) 523–4755. Please cite OMB Control No. 9000–0020, Qualified Products Identification.

Dated: July 7, 1986.

Margaret A. Willis,

FAR Secretariat.

[FR Doc. 86–15842 Filed 7–14–86; 8:45 am]

BILLING CODE 6820–61–M

Federal Acquisition Regulation (FAR); Information Collection Under OMB Review

AGENCIES: Department of Defense (DOD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Notice.

SUMMARY: Under the provisions of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 35), the Federal Acquisition Regulation (FAR) Secretariat has submitted to the Office of Management and Budget (OMB) a request to review and approve an extension of a currently approved information collection.

ADDRESS: Send comments to Franklin S. Reeder, FAR Desk Officer, Room 3235, NEOB, Washington, DC 20405.

FOR FURTHER INFORMATION CONTACT: Mr. C.W. Mathews, Office of Federal Acquisition and Regulatory Policy, (202) 523–3856 or Mr. Owen Greene, Defense Acquisition Regulatory Council, (703) 697–7268.

SUPPLEMENTARY INFORMATION: a. *Purpose.* Contractor's arrangements to pay contingent fees for soliciting or obtaining Government contracts have long been considered contrary to public policy because such arrangements may lead to attempted or actual exercise of improper influence. By way of this representation prospective contractors are required to state whether or not they have used such an arrangement to obtain the contract.

b. *Annual reporting burden.* This is estimated as follows: Respondents, 65,500; responses 1,310,000; and reporting and recordkeeping hours, 5,371.

Obtaining Copies of Proposals

Requesters may obtain copies from the FAR Secretariat (VRS), Room 4041, GS Building, Washington, DC 20405, telephone (202) 523–4755. Please cite OMB Control No. 9000–0003, Statement of Contingent or Other Fees Representation and Agreement SF 19.

Dated: July 7, 1986.

Margaret A. Willis,

FAR Secretariat.

[FR Doc. 86–15843 Filed 7–14–86; 8:45 am]

BILLING CODE 6820–61–M

DEPARTMENT OF EDUCATION

Grants; Handicapped Research; Field-Initiated Projects

AGENCY: Department of Education.

ACTION: Application notice for transmittal of applications for new field-initiated research projects under the National Institute of Handicapped Research for fiscal year 1987.

Programmatic and Fiscal Information

The Secretary invites applications for new Field-Initiated Research projects for fiscal year 1987 under the National Institute of Handicapped Research. This program was initiated in 1984 to encourage eligible parties to originate valuable ideas for research projects to further the purposes specified in the Act. The awards are for the purpose of planning and conducting research and demonstration projects in areas which have a direct bearing on the development of methods, procedures, and devices to assist in the provision of vocational and other rehabilitation services to handicapped individuals, especially those with the most severe handicaps.

Potential applicants are advised to pay close attention to the regulations and selection criteria governing Field-Initiated Research in 34 CFR Parts 350 and 357. A copy of the regulations is included in the program information package.

NIHR intends to make awards under this program through grants or cooperative agreements. If at the time of negotiation of the award NIHR decides that substantial Federal involvement is warranted due to the scope or nature of the work proposed, a cooperative agreement will be negotiated with the successful applicant.

In fiscal year 1987, NIHR expects to conduct two cycles of competition for the Field-Initiated Research (FIR) program. NIHR expects to fund a total of approximately 15 new Field-Initiated Research grants or cooperative agreements, assuming a sufficient number of satisfactory applications and continued availability of funds. The Secretary is reserving approximately $750,000 to fund up to 10 projects during this first cycle of the competition. Projects will be funded for up to three years with an average amount of $75,000 per year, including both direct and indirect costs. Applications received in the first cycle which qualify for funding but which are not funded during that cycle may be held for consideration with the fundable applications in the second cycle. NIHR expects that applicants will be informed of the outcome of the first cycle of competition by the end of January 1987. Prospective applicants may submit more than one application.

However, these estimates do not bind the U.S. Department of Education to a specified number of grants or to the amount of any grant unless that amount is otherwise specified by statute or regulation.

Closing Date for Transmittal of Applications

Applications for new awards in the first cycle must be mailed or hand-delivered on or before September 30, 1986. Applications for new awards in the second cycle must be mailed or hand-delivered on or before March 16, 1987. Applications mailed or hand-delivered after September 30, 1986 and before March 16, 1987 will be considered for funding in the second cycle.

Applications sent by mail must be addressed to the U.S. Department of Education, Application Control Center, Attention: (CFDA No. 84.133G), 400 Maryland Avenue, SW., Washington, DC 20202.

Each late applicant will be notified that its application will not be considered.

Applications that are hand-delivered must be taken to the U.S. Department of Education, Application Control Center, Room 3633, Regional Office Building #3, 7th and D Streets, SW., Washington, DC.

The Application Control Center will accept hand-delivered applications between 8:00 a.m. and 4:30 p.m. (Washington, DC time) daily, except Saturdays, Sundays, and Federal holidays.

(Approved by the Office of Management and Budget under control number 1820-0027)

Applicable Regulations

Regulations applicable to this program include the following:

(a) The regulations governing the National Institute of Handicapped Research in 34 CFR Parts 350 and 357;

(b) Education Department General Administrative Regulations (EDGAR) in 34 CFR Parts 74, 75, 77, and 78.

Application forms:

Application forms and further information will be available on July 25, 1986. These may be obtained by writing to or calling the National Institute of Handicapped Research, U.S. Department of Education, 400 Maryland Avenue, SW., Switzer Office Building, Mailstop 3070-2305, Washington, DC 20202, (Attention: Peer Review Unit). Telephone (202) 732-1207. Deaf and hearing impaired individuals may call (202) 732-1198 for TTY services. Requests should refer to applications for 84.133G.

Further Information

For further information contact Betty Jo Berland, National Institute of Handicapped Research, U.S. Department of Education, 400 Maryland Avenue, SW., Switzer Office Building, Room 3070, Washington, DC 20202, Telephone (202) 732-1139; deaf and hearing impaired individuals may call (202) 732-1198 for TTY services.

Program Authority

29 U.S.C. 760-762.

(Catalog of Federal Domestic Assistance No. 84.133, National Institute of Handicapped Research)

Dated: July 10, 1986.

Madeleine Will,

Assistant Secretary for Special Education and Rehabilitative Services.

[FR Doc. 86-15927 Filed 7-14-86; 8:45 am]

BILLING CODE 4000-01-M

Grants; Handicapped Research; Innovation Grant Projects

AGENCY: Department of Education.

ACTION: Application notice for transmittal of applications for new innovation grant projects under the National Institute of Handicapped Research for fiscal year 1987.

Programmatic and Fiscal Information

The Secretary invites applications for new Innovation Grants projects for Fiscal Year 1987 under the National Institute of Handicapped Research. The National Institute of Handicapped Research (NIHR) is authorized to support research and related activities under several program authorities.

In Pub. L. 98-221, the 1984 amendments to the Rehabilitation Act, Congress created a program of small grants in order to: Test new concepts and innovative ideas; demonstrate research results of high potential benefits; purchase and evaluate prototype aids and devices; develop unique rehabilitation training curricula; and respond to the special initiatives of the Director of NIHR. This provision was implemented for the first time in fiscal year 1985, with regulations published in the **Federal Register** on April 26, 1985.

These grants are for the purpose of conducting research, demonstrations, planning and feasibility studies, curriculum development, evaluation of aids and devices, unique programs to disseminate research findings or define the state-of-the-art in specific problem areas, and evaluations of techniques or programs related to the vocational and general rehabilitation of disabled individuals, especially those who are most severely handicapped. These grants may be used to investigate problems and solutions related to disabled persons of all ages and with all types of disabilities.

In fiscal year 1987, NIHR expects to make a total of 10 new awards in this program. NIHR may review applications for these awards periodically throughout the year, and may make awards to applicants selected for funding at any time during the fiscal year. These awards will be for a period of one year with a statutory maximum of $50,000 per award, including indirect as well as direct costs.

However, these estimates do not bind the U.S. Department of Education to a specified number of grants or to the amount of any grant unless that amount is otherwise specified by statute or regulation.

NIHR intends to make awards under this program through grants or cooperative agreements. If at the time of negotiating the award NIHR decides that substantial Federal involvement is warranted because of the work proposed, a cooperative agreement will be negotiated with the successful applicant.

Closing Date for Transmittal of Applications

Applications for new awards must be mailed or hand-delivered on or before June 1, 1987.

Applications sent by mail must be addressed to the U.S. Department of Education, Application Control Center, Attention: (CFDA No. 84.133C) 400 Maryland Avenue, SW., Washington, DC 20202.

Each late applicant will be notified that its application will not be considered.

Applications that are hand-delivered must be taken to the U.S. Department of Education, Application Control Center, Room 3633, Regional Office Building #3, 7th and D Streets, SW., Washington, DC.

The Application Control Center will accept hand-delivered applications between 8:00 a.m. and 4:30 p.m. (Washington, DC time) daily, except Saturdays, Sundays, and Federal holidays.

Applicable Regulations

Regulations applicable to this program include the following:

(a) The regulations governing the National Institute of Handicapped Research in 34 CFR Parts 350 and 358.

(b) Education Department General Administrative Regulations (EDGAR) in 34 CFR Parts 74, 75, 77, and 78.

Application Forms

Application forms and further information will be available on July 25, 1986. These may be obtained by writing to or calling the National Institute of Handicapped Research, U.S. Department of Education, 400 Maryland Avenue, SW., Switzer Office Building, Mailstop 3070-2305, Washington, DC 20202, (Attention: Peer Review Unit). Telephone (202) 732-1207. Deaf and hearing impaired individuals may call (202) 732-1198 for TTY services. Requests should refer to applications for 84.133C.

Further Information

For further information contact Salome Antczak, National Institute of Handicapped Research, U.S. Department of Education, 400 Maryland Avenue, SW., Switzer Office Building,

Room 3070, Washington, DC 20202. Telephone (202) 732–1142; deaf and hearing impaired individuals may call (202) 732–1198 for TTY services.

Program Authority

29 U.S.C. 760–762.

Dated: July 10, 1986.

Madeleine Will,

Assistant Secretary for Special Education and Rehabilitative Services.

[FR Doc. 86-15928 Filed 7–14–86; 8:45 am]

BILLING CODE 4000-01-M

Working Group of the National Advisory Committee on Accreditation and Institutional Eligibility; Availability of Report; Request for Comment; Amendment

AGENCY: Working Group of the National Advisory Committee on Accreditation and Institutional Eligibility; Availability of Report; Request for Comment; Amendment.

ACTION: Announcement of Availability of Report; Request for Comment.

SUMMARY: This notice amends the notice of May 27, 1986 (p. 19076) to announce the availability of the report on the June 12–13 meeting of the NACAIE Working Group, and to request comments.

ADDRESS: U.S. Department of Education, 400 Maryland Avenue SW. (ROB–3, Room 3082), Washington, DC 20202.

FOR FURTHER INFORMATION CONTACT: James B. Williams, Special Assistant, Office of the Deputy Assistant Secretary for Higher Education Programs, Office of Postsecondary Education, 400 Maryland Avenue SW., (Room 3082, ROB–3), Washington, DC 20202 (202/245/9758).

Advisory information: This is an amendment to the notice of the June 12–13 meeting of the Working Group of the National Advisory Committee on Accreditation and Institutional Eligibility (NACAIE) published May 27, 1986, at page 19076.

A summary of the activities at the closed portion of the June 12–13 meeting and related matters which are informative to the public consistent with the policy of Title 5 U.S.C. 552b will be available to the public as of Monday, June 30, 1986.

This summary is available for public inspection at the Office of Postsecondary Education, 400 Maryland Avenue SW. (Room 3082, ROB–3) Washington, DC 20202, between the hours of 10 a.m. and 4 p.m., Monday through Friday, except Federal holidays.

The Working Group continues to request written comments on the issues before it. Comments should be sent to James B. Williams at the address listed above.

Signed at Washington, DC, on July 8, 1986.

C. Ronald Kimberling,

Assistant Secretary for Postsecondary Education.

[FR Doc. 86–15813 Filed 7–14–86; 8:45 am]

BILLING CODE 4000-01-M

DEPARTMENT OF ENERGY

Energy Information Administration

Agency Collections Under Review by the Office of Management and Budget

AGENCY: Energy Information Administration, DOE.

ACTION: Notice of submission of request for clearance to the Office of Management and Budget.

SUMMARY: The Department of Energy (DOE) has submitted the energy information collections, listed at the end of this notice, to the Office of Management and Budget (OMB) for approval under provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

The listing does not contain information collection requirements contained in regulations which are to be submitted under 3504(h) of the Paperwork Reduction Act, nor management and procurement assistance requirements collected by DOE.

Each entry contains the following information and is listed by the DOE sponsoring office: (1) The collection number(s); (2) Collection title; (3) Type of request, e.g., new, revision, or extension; (4) Frequency of collection; (5) Response obligation, i.e., mandatory, voluntary, or required to obtain or retain benefit; (6) Affected public; (7) An estimate of the number of respondents; (8) Annual respondent burden, i.e., an estimate of the total number of hours needed to respond to the collection; and (9) A brief abstract describing the proposed collection and, briefly, the respondents.

DATES: Comments must be filed within 30 days of publication of this notice. Last notice published Tuesday, May 6, 1986 (51 FR 16738).

ADDRESS: Address comments to Mr. Vartkes Broussalian, Department of Energy Desk Officer, Office of Management and Budget, 726 Jackson Place, NW., Washington, DC 20503. (Comments may also be addressed to, and copies of the submissions obtained from, Mr. Gross at the address below.)

FOR FURTHER INFORMATION CONTACT: John Gross, Director, Data Collection Services Division (EI–73), Energy Information Administration, M.S. 1H–023, Forrestal Building, 1000 Independence Ave., SW, Washington, DC 20585, (202) 252–2308.

SUPPLEMENTARY INFORMATION: If you anticipate commenting on a collection, but find that time to prepare these comments will prevent you from submitting comments promptly, you should advise Mr. Broussalian of your intent as early as possible.

Issued in Washington, DC, July 10, 1986.

Yvonne M. Bishop,

Director, Statistical Standards, Energy Information Administration.

DOE Collections Under Review by OMB

Collection No.	Collection title	Type of request	Response frequency	Response obligation	Affected public	Estimated No. of respondents	Annual respondent burden hrs.	Abstract
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
NE NE-869	Greater Than Class C Low Level Radioactive Waste and Radium Waste Data Form.	New[1]	One-time	Mandatory	Owners and genera-tors of low level radioactive wastes.	700	2,800	NE-869 will collect data necessary for the Department of Energy to fulfill its disposal obligations for low-level radioactive wastes which have activity level greater than Class C.

[1] Expeditied Clearance Requested.

[FR Doc. 86–15936 Filed 7–14–86; 8:45 am]

BILLING CODE 6450-01-M

Federal Energy Regulatory Commission

[Docket Nos. ER85-728-004 et al.]

Electric Rate and Corporate Regulation filings; Arizona Public Service Co. et al.

July 8, 1986.

Take notice that the following filings have been made with the Commission:

1. Arizona Public Service Co.

[Docket No. ER85-728-004]

Take notice that on July 1, 1986, Arizona Public Service Company (APS) tendered for filing its compliance refund report for partial rate settlement refund to Papago Tribal Utility Authority (PTUA) in accordance with the Commission's letter of acceptance, dated May 20, 1986. APS states that copies of its filing have been served upon the Arizona Corporation Commission, PTUA and legal counsel for PTUA.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this notice.

2. Carolina Power & Light Co.

[Docket No. ER86-577-000]

Take notice that on July 2, 1986, Carolina Power & Light Company (CP&L) submitted a request to the Commission that CP&L be permitted to include in Account 518 and pass through in its fuel adjustment clause (Resale Fuel Adjustment Clause, Rider No. 85D, 10th Revised Sheet No. 8 through 2nd Revised Sheet No. 8B of CP&L's FPC Electric Tariff, First Revised Volume No. 1) the actual cost of nuclear fuel used to produce test energy from Unit #1 of the Shearon Harris Nuclear Power Plant. The Company states that any revenues received will be credited to the appropriate construction job account for Harris Unit #1 as the fair value of the test energy. CP&L requests permission to treat the cost of fuel from the test energy in this manner beginning with the date that Harris Unit #1 starts producing test energy but no sooner than September 1, 1986.

CP&L states that since the Unit will be undergoing testing, it cannot predict the amount of revenue that it expects to receive. Since the test energy is expected to reduce CP&L's average fuel cost from what is otherwise would be, CP&L states that the request will benefit the sales-for-resale customers.

Copies of the filing have been served upon CP&L's jurisdictional resale customers and the State Commissions of North Carolina and South Carolina.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this notice.

3. Central Vermont Public Service Corp., Citizens' Utilities Co., Franklin Electric Light Co., Green Mountain Power Corp., Vermont Marble Co.

[Docket No. EC86-21-000]

Take notice that on July 2, 1986, the above named companies submitted a supplement to their earlier application in this docket. This earlier application was the subject of a notice issued by the Commission on June 11, 1986 and published in the **Federal Register** on June 17, 1986. The supplement consists of copies of resolutions of directors of certain of the companies authorizing the proposed transaction, as well as certain other materials pertinent to the proposed transaction.

The filing companies also state in their supplement that their earlier application incorrectly states that Citizens Utilities Company requests approval for the purchase of 7.318% of the Class C shares of Vermont Electric Power Company. The filing companies state that in fact Citizens only seeks approval for the purchase of 4.318% of the Class C shares of Vermont Electric Power Company.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this notice.

4. Dayton Power and Light Co.

[Docket No. ER86-573-000]

Take notice that on July 2, 1986, Dayton Power and Light Company (DP&L) tendered for filing an executed Purchase and Resale Agreement (Agreement) between DP&L and the Village of Waynesfield (Waynesfield), Ohio.

The proposed Agreement allows Waynesfield to purchase energy requirements from third parties who will use existing Interconnection Agreement Rate schedules to deliver the energy requirements to DP&L for delivery to Waynesfield.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this notice.

5. Dayton Power and Light Co.

[Docket No. ER86-572-000]

Take notice that on July 2, 1986, Dayton Power and Light Company (DP&L) tendered for filing an executed Purchase and Resale Agreement (Agreement) between DP&L and the Village of Mendon (Mendon), Ohio.

The proposed Agreement allows Mendon to purchase energy requirements from third parties who will use existing Interconnection Agreement Rate schedules to deliver the energy requirements to DP&L for delivery to Mendon.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this document.

6. Niagara Mohwak Power Corp.

[Docket No. ER86-575-000]

Take notice that on July 2, 1986, Niagara Mohawk Power Corporation (Niagara) tendered for filing as a rate schedule an agreement between Niagara and Central Hudson Gas and Electric Corporation (Central Hudson) date June 5, 1986.

Niagara presently has on file an agreement with Central Hudson dated November 1, 1983. This agreement is designated as Niagara Mohawk Power Corporation Rate Schedule F.E.R.C. No. 128. This new agreement is being transmitted as a supplement to the existing agreement.

This supplement revises the rate for providing transmission service for Central Hudson for the delivery of pumping and generating energy in connection with pumped storage power service provided to Central Hudson by the Power Authority of the State of New York (PASNY) from PASNY's Blenheim-Gilboa Pumped Storage Project. Niagara requests and effective date on July 1, 1986.

Niagara states that copies of the filing have been served upon Central Hudson and the New York State Public Service Commission.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this notice.

7. Niagara Mohwak Power Corp.

[Docket No. ER86-576-000]

Take notice that on July 2, 1986, Niagara Mohwak Power Corporation (Niagara) tendered for filing as a rate schedule an agreement between Niagara and Rochester Gas and Electric Corporation (Rochester) dated June 5, 1986.

Niagara presently has on file an agreement with Rochester dated July 3, 1980 and last amended July 31, 1985. This agreement is for the transmission of Rochester's share of the Oswego #6 generation unit over Niagara's transmission system to Rochester.

The June 5, 1986 agreement contained in this filing revises the transmission rate for transmitting Oswego Unit #6

power and energy from the Oswego Unit #6 generation station to Rochester as provided for in the terms of the original agreement. Niagara requests waiver of the Commission's prior notice requirements in order to allow said agreement to become effective as of July, 1986.

Niagara states that copies of the filing have been served upon Rochester and the New York State Public Service Commission.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this notice.

8. Northern States Power Co.

[Docket No. ER86-574-000]

Take notice that on July 2, 1986 Northern States Power Company (NSP) tendered for filing the termination Agreement Between Northern States Power Company and Home Light and Power Company.

The Termination Agreement essentially cancels the Firm Power Service Resale Agreement Between Northern States Power Company and Home Light and Power Company. NSP has purchased the assets of Home Light and Power Company, and therefore, the services provided for under the Firm Power Service Resale Agreement are no longer required.

Northern States Power Company rquests the Termination Agreement become effective June 20, 1986, and therefore, requests waiver of the Commission's notice requirements.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this notice.

9. Southern California Edison Co.

[Docket No. ER86-571-000

Take notice that on July 2, 1986, Southern California Edison Company [Edison] tendered for filing, as an initial rate schedule, the following Agreement, which has been executed by Edison and the City of Los Angeles, California ("Los Angeles"):

Edison-Los Angeles Victorville-Lugo/Sylmar
Firm Transmission Service Agreement

Under the terms and conditions of the Agreement, Edison will make available to Los Angeles firm transmission service between Victorville-Lugo midpoint to Sylmar, for a portion of Los Angeles' purchases of capacity and energy from various resources east of Los Angeles.

The Agreement is proposed to become effective when executed by the Parties and accepted for filing by the Commission. In order that service may commence as promptly as possible, Edison requests, pursuant to Section 35.11 of the Commission's regulations, that the Commission waive its requirement of a notice of 60 days before service may commence under the terms of this Agreement. Upon the date of acceptance of the Agreement for filing, subject to the above-stated conditions, Edison will commence service.

Copies of this filing were served upon the Public Utilities Commission of the State of California and the City of Los Angeles, California.

Comment date: July 22, 1986, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraphs

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary

[FR Doc. 86-15848 Filed 7-14-86; 8:45am]

BILLING CODE 6717-01-M

[Docket No. RP85-36-005 et al.]

ANR Pipeline Co. et al.; Filing of Pipeline Refund Reports

July 10, 1986.

Take notice that the pipelines listed in the Appendix hereto have submitted to the Commission for filing proposed refund reports. The date of filing and docket number are also shown on the Appendix.

Any person wishing to do so may submit comments in writing concerning the subject refund reports. All such comments should be filed with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, on or before July 25, 1986. Copies of the respective filings are on file with the Commission and available for public inspection.

Kenneth F. Plumb,

Secretary.

APPENDIX

Filing date	Company	Docket No.
Jan. 30, 1986	ANR Pipeline Co.	RP85-36-005
June 2, 1986	Pacific Offshore Pipeline Co.	RP85-34-003
June 3, 1986	Michigan Consolidated Gas Co.	RP84-13-003
June 5, 1986	Columbia Gas Transmission Corp.	TA82-1-21-023
June 23, 1986	Natural Gas Pipeline Co. of America.	RP80-11-018
June 26, 1986	Northwest Pipeline Corp.	TA83-1-37-005
June 27, 1986	Alabama-Tennessee Natural Gas Co.	RP73-77-030
July 3, 1986	Texas Eastern Transmission Corp.	RP74-41-039

[FR Doc. 86-15890 Filed 7-14-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP86-106-001]

Arkla Energy Resources; Change in FERC Gas Tariff

July 10, 1986.

Take notice that Arkla Energy Resources (AER) on July 8, 1986, tendered for filing the following sheets to its FERC Gas Tariff:

First Revised Volume No. 1

First Substitute Fourth Revised Sheet No. 1

Original Volume No. 1-A

First Substitute Alternate Original Sheet Nos. 5 through 7
First Substitute Original Sheet Nos. 12 through 16
First Substitute Original Sheet Nos. 19 through 22
First Substitute Original Sheet Nos. 25 through 26
First Substitute Original Sheet No. 41
First Substitute Original Sheet Nos. 64 through 67
First Substitute Original Sheet No. 83

AER states that such sheets are filed in compliance with Ordering Paragraph C of the Commission's Order dated June 30, 1986 in this docket. Such order required AER to file revised sheets within 5 days to eliminate certain items from the tariff. AER proposes an effective date of July 1, 1986 for these sheets.

AER further states that it originally tendered this filing on July 7, 1986, but, due to an inadvertent error, did not

include the filing fee as required by the Commission's Regulations. To correct this oversight and to correct a clerical error on First Substitute Alternate Original Sheet No. 5, AER is resubmitting this filing today. Therefore, AER respectfully requests waiver of Ordering Paragraph C of the June 30, 1986 Order in this docket which required refiling of these sheets within 5 days.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of practice and procedure. All such motions or protests should be filed on or before July 17, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-15885 Filed 7-14-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP86-108-001]

Columbia Gulf Transmission Co.; Proposed Changes in FERC Gas Tariff

July 10, 1986.

Take notice that Columbia Gulf Transmission Company (Columbia Gulf) on July 7, 1986, tendered for filing six (6) copies of the following tariff sheets to its FERC Gas Tariff, Original Volume No. 1, to be effective on July 1, 1986:

Third Revised Sheet No. 1—Table of Contents
First Revised Sheet Nos. 20 through 23, Second Revised Sheet Nos. 24 through 26, First Revised Sheet Nos. 27 and 28, Second Revised Sheet No. 29, First Revised Sheet Nos. 30 and 31 constituting General Terms and Conditions of Rate Schedule T-1.
First Revised Sheet No. 73 constituting termination of Rate Schedule GTS-1.
First Revised Sheet No. 135 constituting termination of Rate Schedule GTS-2.
Original Sheet Nos. 157 through 175 constituting Rate Schedule FTS-1.
Original Sheet Nos. 196 through 213 constituting Rate Schedule ITS-1.
Original Sheet Nos. 233 through 260 constituting Rate Schedule FTS-2.
Original Sheet Nos. 281 through 307 constituting Rate Schedule ITS-2.
Alternate Original Sheet Nos. 237 through 241 of Rate Schedule FTS-2.

By Order issued June 30, 1986 in the captioned docket, the Commission accepted Columbia Gulf's tariff sheets conditioned on Columbia Gulf filing within five days of the issuance of the Order, tariff sheets which eliminate the reservation charge, and filing the firm and interruptible rate schedules and operating conditions as set forth in its Offer of Settlement in Docket Nos. RP86-14 and RP86-15. The proposed tariff sheets are subject to refund. As stated in its filing, Columbia Gulf objects to the elimination of the reservation charge based on § 284.8(d) of the Commission's Regulations, limiting the reservation charge to the level of costs being collected under a sales demand charge. Columbia Gulf is only a transporter of natural gas. It has never purchased gas for resale and consequently, has never had a sales demand charge. Columbia Gulf thus believes this section of the regulations should not have been applied to its situation. Therefore, Columbia Gulf has filed tariff sheets with the reservation charge on Rate Schedule FTS-2 still intact and alternate sheets eliminating any reference to the reservation charge and returning the commodity charge to the 100% load factor rates previously approved at Docket No. RP84-74. Should the Commission reject the primary tariff sheets, Columbia Gulf intends to file a Motion for Rehearing on this issue.

Copies of the filing were served upon the Company's jurisdictional customers, interested state regulatory commissions and other relevant persons.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, Union Center Plaza Building, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of practice and procedure. All such motions or protests should be filed on or before July 17, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceedings. Any person wishing to become a party must file a motion to intervene. Copies of Columbia Gulf's filing are on file with the Commission and available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-15886 Filed 7-14-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. TA86-2-14-000, 001]

Lawrenceburg Gas Transmission Corp.; Prosposed Changes in FERC Gas Tariff

July 10, 1986.

Take notice that on July 1, 1986, Lawrenceburg Gas Transmission Corporation (Lawrenceburg) tendered for filing three (3) revised gas tariff sheets to its FERC Gas Tariff, First Revised Volume No. 1, all of which are dated as issued on June 30, 1986, proposed to become effective August 1, 1986 and, identified as follows:

Thirty-ninth Revised Sheet No. 4
Fourteenth Revised Sheet No. 4-B
Thirty-fifth Revised Sheet No. 18

According to § 381.103(b)(2)(iii) of the Commission's regulations (18 CFR 381.103(b)(2)(iii)), the date of filing is the date on which the Commission receives the appropriate filing fee, which in the instant case was not until July 8, 1986.

Lawrenceburg states that its revised tariff sheets were filed under its Purchased Gas Adjustment (PGA) Provision and Incremental Pricing Surcharge Provision.

Lawrenceburg has served copies of this filing upon its jurisdictional customers and interested state commissions.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 214 and 211 of the Commission's Rules of practice and procedure (18 CFR 385.214, 385.211). All such motions or protests should be filed on or before July 17, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 85-15887 Filed 7-14-85; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. CI86-529-000 and CI86-530-000]

MCOR Oil and Gas Corp.; MCR Oil Corp. of Texas. MCO Resources (Integrated) Corp.; Application

July 10, 1986.

Take notice that on June 23, 1986 MCOR Oil and Gas Corporation, MCR

Oil] Corporation of Texas and MCO Resources (Integrated) Corp. (hereinafter referred to collectively as "Applicants") of MCO Plaza, 5718 Westheimer, Houston, Texas 77057, filed an application pursuant to section 7(b) of the Natural Gas Act (NGA) and §§ 2.77 and 157.30 of the Federal Energy Regulatory Commission's (Commission) Regulations (18 CFR 2.77 and 157.30) for (1) authorization to abandon, on a limited-term basis, service originally certificated by the Commission in the those dockets more fully set forth on Exhibit A, for the sale of natural gas in interstate commerce from certain lands and leases pursuant to seven (7) gas purchase contracts, also more fully described in Exhibit A; and (2) blanket limited term Certificates of Public Convenience and Necessity authorizing the sale for resale in interstate commerce of the natural gas produced by Applicants from the specified lands and leases and sold under the seven (7) subject sales contracts, which gas has been released by the Purchaser, Arkla Energy Resources, formerly known as Arkansas Louisiana Gas Company (Arkla) and the corresponding pre-granted abandonments for said sales, all to be effective through May 31, 1988, and commencing on the date the application is approved, which is on file with the Commission and open to public inspections.

Applicants state that they have been subject to substantially reduced takes without payment. One well, the Berryman #1-7, Ellis County, Oklahoma, has been shut in since 1983 and gas takes under the remainder of the wells under the subject contracts have been reduced to 61% to 84%. Applicants and Arkla have entered into a release certain gas for a term extending through May 31, 1988, and month to month thereafter. In return Applicants agree to credit quantities released and nominated or sold against any take-or-pay liabilities Arkla may have under any contract between Arkla and Applicants and to waive and release Arkla from any take-or-pay liabilities under all contracts between Arkla and Applicants for all contract years commencing prior to the end of the release period. Applicants state that the majority of the gas subject to their application is NGPA section 104 gas and that a small portion is NGPA section 108 gas.

Any person desiring to be heard or to make any protest with reference to said application should, on or before 15 days after the date of publication of this notice in the **Federal Register**, file with the Federal Energy Regulatory Commission, Washington, DC 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211, .214). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not not serve to make the protestants parties to the proceeding. Any person wishing to become a party to the proceeding herein must file a petition to intervene in accordance with the Commission's Rules.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or to be represented at the hearing.

Kenneth F. Plumb,

Secretary.

EXHIBIT A.—APPLICANTS' CERTIFICATES FOR WHICH LIMITED-TERM ABANDONMENTS AND BLANKET LIMITED-TERM SALES AUTHORITY WITH PRE-GRANTED ABANDONMENT ARE REQUESTED

Applicant/seller and location of sale	Certificate docket No. and R/S No.	Contract date vintage	NGPA section(s)
MCO resources (Integrated) Corp.	CS82-84	Feb. 26, 1971	1973-74 Biennium.
Wilburton Fld, Pittsburg Cty, OK		Sec. 104	
MCOR Oil and Gas Corp.	CI77-794	Aug. 1, 1977	Post-1974
Grand Area, Ellis Cty, OK	No. 3	Sec. 104	
MCR Oil Corp. of Texas	CI71-85	July 7, 1970	Recompl., flowing, 1973-74.
Mathers Ranch Fld, Hemphill Cty, TX	No. 1	Secs. 104 and 108	Biennium and post-1974.
MCR Oil Corp. of Texas	CI73-6	Feb. 26, 1970	Recompl., flowing, 1973-74.
Mathers Ranch Fld, Hemphill Cty, TX	No. 5	Secs. 104 and 108	Biennium and post-1974.
MCR Oil Corp. of Texas	CI73-430	Aug. 9, 1972	36 cents.
SW Mathers Ranch Fld, Hemphill Cty, TX	No. 6	Optional procedure	
MCR Oil Corp. of Texas	CI73-430	Aug. 14, 1972	36 cents.
SW Mathers Ranch Fld, Hemphill Cty, TX	No. 7	Optional procedure	
MCR Oil Corp. of Texas	CI77-639	Apr. 26, 1977	Post-1974.
Mendota Field Hemphill Cty, TX	No. 10	Sec. 104	

[FR Doc. 86-15891 Filed 7-14-86; 8:45 am]
BILLING CODE 6717-01-M

[Docket No. RP86-139-000]

Mississippi River Transmission Corp.; Petition for Authority To Recover the Delivered Cost of Purchased Gas

July 10, 1986.

Take notice that on July 7, 1986 Mississippi River Transmission Corporation ("MRT") filed with the Federal Energy Regulatory Commission a "Petition for Authority to Recover the Delivered Cost of Purchased Gas." MRT states the purpose of the filing is to obtain authority to recover through MRT's semiannual Purchased Gas Cost Adjustment Clause the "delivered cost" of purchased gas, including certain gas transportation costs paid others.

MRT states that it currently has several opportunities to purchase gas supply off-system under flexible, market responsive contracts that allow it to purchase gas on a least cost basis. Although these gas supplies are distant from MRT's main pipeline system, MRT claims the total cost, including third party transportation, results in a delivered cost to MRT that is less than purchase rates available from its traditional pipeline suppliers.

MRT avers that in situations where the gas supplier arranges and pays for transportation service directly, either through an open access transporter or a section 7(c) application, the delivered cost is clearly considered a cost of purchased gas and therefore is recoverable through PGA tariff provisions. MRT states, however, that section 7(c) applications inherently involve regulatory delays, and none of the major pipelines connected to MRT's main transmission facilities have received authority to become open access transporters under the provisions of Order No. 436.

MRT states that it can take immediate advantage of these long-term gas opportunities by utilizing its existing "grandfathered" transportation arrangements commenced under Part 284 of the Commission's Regulations. In such instances, MRT negotiates with the gas supplier a delivered cost to MRT's system which reflects market clearing levels. Inasmuch as MRT is contractually responsible for the transportation arrangement, it pays the transporter directly. The supplier then reimburses MRT for all third party transportation costs paid by MRT. Thus the gas supplier receives a "netback" price, and MRT has paid no more for its purchases than it would have had the supplier arranged and paid for the transportation directly. In its Petition MRT seeks clarification that the delivered cost of gas supply secured under this type of reimbursement

arrangement is recoverable through its PGA provision, just as supplier arranged transportation service would be recoverable as an imbedded part of a delivered gas purchase rate.

In order to ensure that such arrangements will provide an economic benefit to its customers, MRT proposes they be subject to a "least cost" test and that MRT be permitted to recover through its PGA the transportation costs related to such long-term purchase arrangements only to the extent that the total delivered cost of gas purchased thereunder does not exceed the cost of gas that could be obtained from MRT's traditional pipeline suppliers.

MRT asserts that the authority it seeks is in the public interest, and is consistent with the Commission's objectives of deregulation and encouraging pipelines to purchase gas on a least cost basis. MRT states the inability to recover the gas transportation cost related to low cost, long-term supplies on an immediate basis serves as a disincentive to securing such supply. MRT claims that much of its current success in lowering its sales rates is directly attributable to similar authority granted by the Commission in MRT Docket Nos. RP83–66 and RP84–63, where recovery of the delivered cost, including related transportation, is permitted for short-term, best eforts gas supply.

MRT states that the recovery authority proposed for these transactions is essentially limited to any grandfathered transportation arrangement MRT may have available. Hence, the authority MRT seeks in its Petition would, absent extensions granted by the Commission, expire automatically with the related transportation arrangements no later than October 31, 1987. Consistent with the limited time available this authority may apply, MRT proposes no change in its gas tariff to accommodate the recovery of the delivered cost and requests expeditious consideration of its Petition.

MRT states that copies of this Petition have been served on all jurisdictional customers and interested State Commissions.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, DC 20426, in accordance with §§ 385.211 and 385.214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 3851214). All such motions or protests should be filed on or before July 25, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 85–15892 Filed 7–14–86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP86–87–001]

Mountain Fuel Resources, Inc.; Tariff Filing

July 10, 1986.

Take notice that on July 7, 1986, Mountain Fuel Resources, Inc. (MFR) filed, pursuant to 18 CFR Part 154 and in compliance with the Commission's June 30, 1986, Order in Docket No. RP86–87–000: (1) Substitute Original Sheet Nos. 95 and 102 to its FERC Gas Tariff, Original Volume No. 1–A, and (2) executed revised service agreements dated June 30, 1986 (Service Agreements) between MFR and Mountain Fuel Supply Company (MFS) for service under Rate Schedule CD–1 in MFR's Utah and Wyoming/Colorado zones.

MFR states that in accordance with ordering paragraphs (D) and (E) of the June 30, 1986, order, it has submitted Substitute Original Sheet Nos. 95 and 102, which eliminate the preference in priority of service to future firm sales customers over future firm transportation customers and eliminate a prepayment provision associated with interruptible transportation service. MFR states that the revised priority of service provisions are in conflict with those in its Rate Schedule X–33 and further that it is concerned that the change to priority of service required by the Commission's June 30, 1986, order may be contrary to the stipulation and agreement reached by the parties and approved by the Commission in Docket No. CP80–274 et al., 27 FERC ¶ 61,316 (1984).

MFR has requested that the Commission grant such waivers of its rules or regulations as may be necessary to permit the tendered tariff sheets to be effective July 1, 1986, and to allow the service agreements to be effective upon the day following the date MFR becomes subject to 18 CFR Part 284, Subpart A.

MFR states that copies of its filing have been served on all parties of record in Docket No. RP86–87–000.

Any person desiring to be heard or to protest the filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC., 20426, in accordance with 18 CFR 385.214 and 385.211. All such motions or protests should be filed on or before July 17, 1986. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86–15893 Filed 7–14–86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP86–85–001]

Texas Gas Transmission Corp.; Proposed Changes in FERC Gas Tariff

July 10, 1986.

Take notice that on July 2, 1986, Texas Gas Transmission Corporation (Texas Gas) tendered for filing Original Sheet No. 13 to its FERC Gas Tariff, Original Volume No. 1. According to § 381.103(b)(2)(iii) of the Commission's regulations (18 CFR 381.103(b)(2)(iii), the date of filing is the date on which the Commission receives the appropriate filing fee, which in the instant case was not until July 7, 1986.

Texas Gas states that Original Sheet No. 13 is being filed pursuant to Ordering Paragraph (A) of the Federal Energy Regulatory Commission's Order issued June 27, 1986, which requires Texas Gas to separately identify the cost components of its transportation rates attributable to transportation, storage and gathering costs.

Texas Gas has served copies of this filing upon its jurisdictional customers, interested state commissions, and parties of record in this proceeding.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, in accordance with Rules 214 and 211 of the Commission's Rules of practice and procedure (18 CFR 385.214, 385.211). All such motions or protests should be filed on or before July 17, 1986. Protest will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to

the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-15888 Filed 7-14-86; 8:45 am]

BILLING CODE 6717-01-M

Oil Pipeline Tentative Valuation

July 11, 1986.

The Federal Energy Regulatory Commission by order issued February 10, 1978, established an Oil Pipeline Board and delegated to the Board its functions with respect to the issuance of valuation reports pursuant to section 19a of the Interstate Commerce Act.

Notice is hereby given that a tentative valuation is under consideration for the common carrier by pipeline listed below:

1983 Annual Report

Valuation Docket No. PV-1480-000; Locap, Inc., P.O. Box 42130, Houston, Texas 77242.

On or before August 18, 1986, persons other than those specifically designated in section 19a(h) of the Interstate Commerce Act having an interest in this valuation may file, pursuant to rule 214 of the Federal Energy Regulatory Commission's "Rules of Practice and Procedure" (18 CFR 385.214), an original and three copies of a petition for leave to intervene in this proceeding.

If the petition for leave to intervene is granted the party may thus come within the category of "additional parties as the FERC may prescribe" under section 19a(h) of the Act, thereby enabling it to file a protest. The petition to intervene must be served on the individual company at its address shown above and an appropriate certificate of service must be attached to the petition. Persons specifically designated in section 19a(h) of the Act need not file a petition; they are entitled to file a protest as a matter of right under the statute.

Francis J. Connor,

Administrative Officer, Oil Pipeline Board.

[FR Doc. 86-15889 Filed 7-14-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. CP86-598-000 et al.]

Natural Gas Certificate Filings; Panhandle Eastern Pipe Line Co. et al.

Take notice that the following filings have been made with the Commission:

1. Panhandle Eastern Pipe Line Company

[Docket No. CP86-598-000]

July 3, 1986.

Take notice that on July 2, 1986, Panhandle Eastern Pipe Line Company (Applicant), P.O. Box 1642, Houston, Texas 77001, filed in Docket No. CP86-598-000 an application pursuant to sections 7(b) and 7(c) of the Natural Gas Act for a limited-term certificate of public convenience and necessity authorizing the transportation of natural gas on an interruptible basis for Kansas Industrial Energy Supply Company (KIESCO), an unincorporated association of industrial gas end-users, as agent for its member companies to which KIESCO distributes natural gas in the Wichita, Kansas area, and additionally granting the authority to Applicant to report annually additional points of receipt, and gathering the authority to abandon this service when the contract term expires, all as more fully set forth in the application which is on file with the Commission and open for public inspection.

Applicant states that pursuant to a transportation agreement between Applicant and KIESCO dated June 25, 1986, Applicant has agreed to transport up to 3,000 Mcf of natural gas per day on an interruptible basis on behalf of KIESCO. Applicant would receive volumes of gas for KIESCO's account at an existing interconnection with Oklahoma Natural Gas Company in Dewey County, Oklahoma. Applicant states that it would redeliver the gas for KIESCO's account to an existing interconnection with Getty Gas Gathering, Inc. (Getty) in Harper County, Kansas. Applicant asserts that Getty would redeliver the gas to KIESCO. KIESCO would pay Applicant 9.68 cents per Mcf for this service.

Applicant also requests flexible authority to add or delete points of receipt from the agreement as may be required from time to time. Applicant further states that it would file annual revisions to the agreement to reflect any changes in the receipt points.

Applicant also requests pregranted authority to abandon this service when the term expires on June 25, 1988, or 30 days following the date Applicant accepts a blanket certificate authorizing service under Subpart G of Part 284 of the Commission's Regulations, whichever is earlier.

Comment date: July 18, 1986, in accordance with Standard Paragraph F at the end of this notice.

2. Northern Natural Gas Company, Division of Enron Corp.

[Docket No. CP86-555-000]

July 9, 1986.

Take notice that on June 13, 1986, Northern Natural Gas Company, Division of Enron Corp. (Northern), 2223 Dodge Street, Omaha, Nebraska 68102, filed in Docket No. CP86-555-000, a request pursuant to § 157.205 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205) for authorization to use an existing delivery point to make natural gas deliveries to North Central Public Service (NCPS), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

Specifically, Northern requests authority to use an existing delivery point, on a best efforts basis, located at the interconnection between Northern's and ANR Pipeline Company's (ANR) facilities at Janesville, Wisconsin (Janesville), to deliver natural gas to NCPS. Northern states that it could deliver up to 5,000 Mcf per day of natural gas at Janesville. ANR would accept the natural gas volumes Northern proposes to deliver for NCPS' account at Janesville for storage. ANR would ultimately redeliver this gas to Northern for the account of NCPS to satisfy the natural gas requirements of various communities in Minnesota and Iowa. Northern's proposed delivery of NCPS' natural gas volumes at the existing Janesville point would not require any facility modifications.

Comment date: August 25, 1986, in accordance with Standard Paragraph G at the end of this notice.

3. Northern Natural Gas Company, Division of Enron Corp.

[Docket No. CP86-580-000]

July 9, 1986.

Take notice that on June 23, 1986, Northern Natural Gas Company, Division of Enron Corp. (Northern), 2223 Dodge Street, Omaha, Nebraska 68102, filed in Docket No. CP86-580-000, a request pursuant to § 157.205 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205) for authorization to relocate and modify one delivery point and appurtenant facilities in St. Louis County, Minnesota, for natural gas service to Inter-City Gas Corporation (ICG) under the certificate issued in Docket No. CP82-401-000 pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

Northern proposes to relocate the Proctor No. 2 delivery point, which serves as the town border station for Hermantown, Minnesota, two miles north of its present location, and to rename it the Hermantown, Minnesota No. 1 delivery point. It is stated that the relocated delivery point would provide expanded capacity to accommodate an increase in ICG's residential and commercial customers. It is explained that the existing delivery point has a meter capacity of 586 Mcf per day and that the relocated delivery point would be modified to provide a meter capacity of 1,391 Mcf per day. Northern states that it would reassign to the proposed Hermantown No. 1 delivery point 1,000 Mcf per day of ICG's firm entitlement (from a total of 1,500 Mcf) at the Proctor No. 2 delivery point and 391 Mcf per day of ICG's entitlement (from a total of 1,714 Mcf) at the Cloquet, Minnesota, delivery point in Carlton County.

It is stated that deliveries at the proposed delivery point would be within ICG's currently authorized total firm entitlement and would have no impact on Northern's peak day and annual deliveries. It is explained that the cost of relocating the delivery point would be $101,400.

Comment date: August 25, 1986, in accordance with Standard Paragraph G at the end of this notice.

4. Williston Basin Interstate Pipeline Company

[Docket No. CP86-587-000]

July 9, 1986.

Take notice that on June 25, 1986, Williston Basin Interstate Pipeline Company (Applicant), Suite 200, 304 East Rosser Avenue, Bismarck, North Dakota 58501, filed in Docket No. CP86-587-000 a request pursuant to § 157.205 of the Commission's Regulations under the Natural Gas Act (18 CFR 157.205) for authorization to abandon a sales tap and appurtenant facilities under the authorization issued in Docket No. CP82-487-000, *et al.*, pursuant to section 7 of the Natural Gas Act, all as more fully set forth in the request which is on file with the Commission and open to public inspection.

Applicant proposes to abandon one sales tap and appurtenant facilities located on its natural gas transmission system in Ward County, North Dakota. It is stated that the customer, Montana-Dakota Utilities Company, a Division of MDU Resources Group, Inc. (Montana-Dakota) no longer requires service through this tap because the end-user, Dakota Boys Ranch, would be served through an extension of Montana-Dakota's distribution facilities.

Comment date: August 25, 1986, in accordance with Standard Paragraph G at the end of this notice.

Standard Paragraphs

F. Any person desiring to be heard or make any protest with reference to said filing should on or before the comment date file with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 395.211 and 385.214) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this filing if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that a grant of the certificate is required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for the applicant to appear or be represented at the hearing.

G. Any person or the Commission's staff may, within 45 days after the issuance of the instant notice by the Commission, file pursuant to Rule 214 of the Commission's Procedural Rules (18 CFR 385.214) a motion to intervene or notice of intervention and pursuant to § 157.205 of the Regulations under the Natural Gas Act (18 CFR 157.205) a protest to the request. If no protest is filed within the time allowed therefor, the proposed activity shall be deemed to be authorized effective the day after the time allowed for filing a protest. If a protest is filed and not withdrawn within 30 days after the time allowed for filing a protest, the instant request shall be treated as an application for authorization pursuant to Section 7 of the Natural Gas Act.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-15849 Filed 7-14-86; 8:45 am]

BILLING CODE 6717-01-M

FEDERAL COMMUNICATIONS COMMISSION

Public Information Collection Requirement Submitted to Office of Management and Budget for Review

July 9, 1986.

The Federal Communications Commission has submitted the following information collection requirement to OMB for review and clearance under the Paperwork Reduction Act of 1980, Pub. L. 96-511.

Copies of the submission are available from Jerry Cowden, Federal Communications Commission, (202) 632-7513. Persons wishing to comment on this information collection should contact David Reed, Office of Management and Budget, Room 3235 NEOB, Washington, DC 20503, (202) 395-7231.

OMB Number: None.

Title: Section 25.392, Licensing Provisions for the Radiodetermination Satellite Service.

Action: New collection.

Respondents: Applicants for a license in the Radiodetermination Satellite Service.

Estimated Annual Burden: 10 Responses; 10,000 Hours.

Federal Communications Commission.

William J. Tricarico,

Secretary.

[FR Doc. 86-15912 Filed 7-14-86; 8:45 am]

BILLING CODE 6712-01-M

Applications for Consolidated Hearing; Baraboo Broadcasting Corp. et al.

1. The Commission has before it the following mutually exclusive applications for a new AM station:

Applicant, city, and State	File No.	MM Docket No.
A. Baraboo Broadcasting Corp., Baraboo, WI.	BP-810710AF	86-240
B. Phillips Broadcasting Co., Menomonie, WI.	BP-810925BH	

2. Pursuant to section 309(e) of the Communications Act of 1934, as amended, the above applications have been designated for hearing in a consolidated proceeding upon the issues

whose headings are set forth below. The text of each of these issues has been standardized and is set forth in its entirety under the corresponding headings at 51 FR 19347 May 29, 1986. The letter shown before each applicant's name, above, is used below to signify whether the issue in question applies to that particular applicant.

Issue heading and applicant(s)

Environmental Impact, B
307(b), Both applicants
Contingent Comparative, Both applicants
Ultimate, Both applicants.

3. If there is any non-standardized issue(s) in this proceeding, the full text of the issue and the applicant(s) to which it applies are set forth in an Appendix to this Notice. A copy of the complete HDO in this proceeding is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text may also be purchased from the Commission's duplicating contractor, International Transcription Services, Inc., 2100 M Street, NW., Washington, DC 20037 (Telephone No. (202) 857–3800).

W. Jan Gay,

Assistant Chief, Audio Services Division, Mass Media Bureau.

[FR Doc. 15913 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

Applications for Consolidated Hearing; Carlsbad Radio, Ltd., et al.

1. The Commission has before it the following mutually exclusive applications for a new FM station:

Applicant, city and State	File No.	MM Docket No.
A. Carlsbad Radio Ltd., A Limited Partnership, Carlsbad, N.M.	BPH-840461B	86-229
B. Family Broadcasting Company, Inc., Carlsbad, N.M.	BPH-840517IE	

2. Pursuant to section 309(e) of the Communications Act of 1934, as amended, the above applications have been designated for hearing in a consolidated proceeding upon the issues whose headings are set forth below. The text of each of these issues has been standardized and is set forth in its entirety under the corresponding headings at 51 FR 19347 May 29, 1986. The letter shown before each applicant's name, above, is used below to signify whether the issue in question applies to that particular applicant.

Issue heading and applicant(s)

1. Air Hazard, A
2. Comparative, A, B
3. Ultimate, A, B.

3. If there is any non-standardized issue(s) in this proceeding, the full text of the issue and the applicant(s) to which it applies are set forth in a Appendix to this Notice. A copy of the complete HDO in this proceeding is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text may also be purchased from the Commission's duplicating contractor, International Transcription Services, Inc., 2100 M Street, NW., Washington, DC 20037 (Telephone No. (202) 857–3800).

W. Jan Gay,

Assistant Chief, Audio Services Division, Mass Media Bureau.

[FR Doc. 86–15914 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

Applications for Consolidated Hearing; Harding, Louise M., et al.

1. The Commission has before it the following mutually exclusive applications for a new FM station:

Applicant, city and State	File No.	MM Docket No.
A. Louise M. & Harold R. Harding, Destin, Florida.	BP-850228AB	86-263
B. Carl J. Auel, Marvin B. Clapp, Robert A. Jones d.b.a. Louisiana Broadcasters, Metairie, Louisiana.	BP-850301AF	
C. Jean Y. Hurley, Destin, Florida.	BP-850429AC	

2. Pursuant to section 309(e) of the Communications Act of 1934, as amended, the above applications have been designated for hearing in a consolidated proceeding upon the issues whose headings are set forth below. The text of each of these issues has been standardized and is set forth in its entirety under the corresponding headings at 51 FR 19347 May 29, 1986. The letter shown before each applicant's name, above, is used below to signify whether the issue in question applies to that particular applicant.

Issue heading and applicant(s)

Air Hazard, A
City Coverage -AM, B & C
Environmental impact, B
307(b), All applicants
Contingent comparative, All applicants
Ultimate, All applicants.

3. If there is any non-standardized issue(s) in this proceeding, the full text of the issue and the applicant(s) to which it applies are set forth in an Appendix to this Notice. A copy of the complete HDO in this proceeding is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text may also be purchased from the Commission's duplicating contractor, International Transcription Services, Inc., 2100 M Street, NW., Washington, DC 20037 (Telephone No. (202) 857–3800).

W. Jan Gay,

Assistant Chief, Audio Services Division, Mass Media Bureau.

[FR Doc. 86–15915 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

Applications for Consolidated Hearing; Holden Enterprises et al.

1. The Commission has before it the following mutually exclusive applications for a new FM Station:

Applicant, city/State	File No.	MM Docket No.
A. Jayne Holden d/b/a, Holden Enterprises, Macon, Missouri.	BPH-850712XI	86-288
B. Lynn Johnston d/b/a, California Media, Macon, Missouri.	BPH-850712XJ	

2. Pursuant to section 309(e) of the Communications Act of 1934, as amended, the above applications have been designated for hearing in a consolidated proceeding upon the issues whose headings are set forth below. The text of each of these issues has been standardized and is set forth in its entirety under the corresponding headings at 51 FR 19347 May 29, 1986. The letter shown before each applicant's name, above, is used below to signify whether the issue in question applies to that particular applicant.

Issue heading and applicant(s)

1. Air Hazard, B
2. Comparative, A, B
3. Ultimate, A, B.

3. If there is any non-standardized issue(s) in this proceeding, the full text of the issue and the applicant(s) to which it applies are set forth in an Appendix to this Notice. A copy of the complete HDO in this proceeding is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text may also be purchased from the Commission's duplicating contractor, International Transcription

Services, Inc., 2100 M Street, NW., Washington, DC 20037 (Telephone No. (202) 857–3800).

W. Jan Gay,

Assistant Chief, Audio Services Division, Mass Media Bureau.

[FR Doc. 86–15916 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

Applications for Consolidated Hearing

1. The Commission has before it the following mutually exclusive applications for a new FM station:

Applicant, city and State	File No.	MM Docket No.
A. Caprock Educational Broadcasting Foundation, Amarillo, Texas.	BPED–840716IG	86–230
B. Southwest Educational Media Foundation, Inc., Amarillo, Texas.	BPED–841018IA	

2. Pursuant to section 309(e) of the Communications Act of 1934, as amended, the above applications have been designated for hearing in a consolidated proceeding upon the issues whose headings are set forth below. The text of each of these issues has been standardized and is set forth in its entirety under the corresponding headings at 51 FR 19347, May 29, 1986. The letter shown before each applicant's name, above, is used below to signify whether the issue in question applies to that particular applicant.

ISSUE HEADING AND APPLICANT(S)

Financial Qualifications, B

Comparative—Noncommercial Educational FM, A, B

Ultimate, A, B

3. If there is any non-standardized issue(s) in this proceeding, the full text of the issue and the applicant(s) to which it applies are set forth in an Appendix to this Notice. A copy of the complete HDO in this proceeding is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text may also be purchased from the Commission's duplicating contractor, International Transcription Services, Inc., 2100 M Street, NW., Washington, DC 20037. (Telephone (202) 857–3800).

W. Jan Gay,

Assistant Chief, Audio Services Division, Mass Media Bureau.

[FR Doc. 86–15905 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

[Report No. 1604]

Petitions for Reconsideration of Actions in Rulemaking Proceedings

July 3, 1986.

Petitions of reconsideration have been filed in the Commission rule making proceeding listed in this Public Notice and published pursuant to 47 CFR 1.429(e). The full text of these documents are available for viewing and copying in Room 239, 1919 M Street, NW., Washington, DC, or may be purchased from the Commission's copy contractor, International Transcription Service (202–857–3800). Oppositions to these petitions must be filed with 15 days after publication of this Public Notice in the **Federal Register.** Replies to an opposition must be filed within 10 days after the time for filing oppositions has expired.

Subject: Interconnection Arrangements Between and Among the Domestic and International Record Carriers. (CC Docket No. 82–122).

The Western Union Telegraph Co. Revisions to Tariff F.C.C. Nos. 240 and 258 filed with Transmittal No. 7346; Revisions to Tariff F.C.C. Nos 268 and 269 filed with Transmittal Nos. 7347 and 7348; Revisions to Tariff F.C.C. Nos. 229, 240, 254, 258, 260, 263 and 268 filed with Transmittal No. 7417 (CC Docket No. 78–97 Phase II).

Number of petitions received: 1.

Note: On June 19, 1986, Public Notice was given of two other petitions for reconsideration filed in this proceedings. The filing dates for responses to those petitions is modified to correspond with the filing date for the above petition.

William J. Tricarico,

Secretary, Federal Communications Commission.

[FR Doc. 86–15900 Filed 7–14–86; 8:45 am]

BILLING CODE 6712-01-M

FEDERAL MARITIME COMMISSION

Notice of Agreement Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreement pursuant to section 5 of the Shipping Act of 1984.

Interested parties may inspect and obtain a copy of each agreement at the Washington, DC Office of the Federal Maritime Commission, 1100 L Street, NW., Room 10325. Interested parties may submit comments on each agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days after the date of the **Federal Register** in which this notice appears. The requirements for comments are found in § 572.603 of Title 46 of the Code of Federal Regulations. Interested persons should consult this section before communicating with the Commission regarding a pending agreement.

Agreement No.: 224–010969.

Title: Baltimore Terminal Agreement.

Parties:

Maryland Port Administration (Port)

Maher Terminals,Inc. (Maher)

Synopsis: The proposed agreement would permit the Port to lease 42.27 acres of land at the Dundalk Marine Terminal in the Port of Baltimore to Maher for a period of three years and three months.

By Order of the Federal Maritime Commission.

Dated: July 10, 1986.

Tony P. Kominoth,

Assistant Secretary.

[FR Doc. 86-15895 Filed 7–14–86; 8:45 am]

BILLING CODE 6730-01-M

Notice of Agreements Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreements pursuant to section 5 of the Shipping Act of 1984.

Interested parties may inspect and obtain a copy of each agreement at the Washington, DC Office of the Federal Maritime Commission, 1100 L Street, NW., Room 10325. Interested parties may submit comments on each agreement to the Secretary, Federal Maritime Commission, Washington, DC 20573, within 10 days after the date of the **Federal Register** in which this notice appears. The requirements for comments are found in § 572.603 of Title 46 of the Code of Federal Regulations. Interested persons should consult this section before communicating with the Commission regarding a pending agreement.

Agreement No.: 224–004174–001.

Title: Palm Beach Terminal Agreement.

Parties:

Port of Palm Beach District (Port)

Birdsall, Inc. (Birdsall)

Synopsis: In order to accommodate a royalty right-of-way, the proposed amendment would reduce the amount of land Birdsall rents from the Port and would correspondingly decrease Birdsall's rent.

Agreement No.: 124–010872–001.

Title: Port of Portland Terminal Agreement.

Parties:

Port of Portland (Port)

Puget Sound Tug and Barge Company (Line)

Synopsis: The proposed amendment would extend the term of the agreement from two years to three years and would permit the Port to relocate the Line's designated terminal area to another comparable Port facility under the same terms and conditions of the basic agreement. It would also provide for an escalation of the revenue levels for dockage, wharfage, and service and facilities charges of 6 percent effective July 1, 1986, and again on July 1, 1987.

By Order of the Federal Maritime Commission.

Dated: July 10, 1986.

Tony P. Kominoth,

Assistant Secretary.

[FR Doc. 86-15896 Filed 7-14-86; 8:45 am]

BILLING CODE 6730-01-M

Ocean Freight Forwarder License Applicants

Notice is hereby given that the following persons have filed applications for licenses as ocean freight forwarders with the Federal Maritime Commission pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718) and 46 CFR 510.

Persons knowing of any reason why any of the following persons should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, DC 20573.

Sunland International Transport Group, Inc., 1825 Eye Street, NW., Suite 400, Washington, DC 20006. Officers: Pearson Sunderland, Jr., Chairman, Richard Sunderland, Vice Chairman, Neil Forthman, President, Huell E. Conner, Secretary, Saleh Mamish, Vice President, J. Joseph Reilly, Treasurer, Elias T. Samaha, Vice President/Director.

Rimar Consultants, Inc., 252 Slater Blvd., Staten Island, NY 10305. Officers: Richard J. Maddalena, President, Maria R. Maddalena, Secretary.

Marcos H. Eddi d.b.a. Marcos H. Eddi Exporting Co., 1765 East 7th Street, Brooklyn, NY 11223.

Dated: July 10, 1986.

[FR Doc. 86-15894 Filed 7-14-86; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL RESERVE SYSTEM

Banque Indosuez et al.; Applications To Engage de Novo in Permissible Nonbanking Activities

The companies listed in this notice have filed an application under § 225.23(a)(1) of the Board's Regulation Y (12 CFR 225.23(a)(1)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to commence or to engage *de novo*, either directly or through a subsidiary, in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Unless otherwise noted, comments regarding the applications must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than August 4, 1986.

A. Federal Reserve Bank of New York (William L. Rutledge, Vice President) 33 Liberty Street, New York, New York 10045:

1. *Banque Indosuez*, and *Compagnie Financiere De Suez*, both of Paris, France; to engage *de novo* through its subsidiary, Bi System, Inc., New York, New York, in processing information relating to wholesale banking activities pursuant to § 225.25(b)(7) of the Board's Regulation Y.

B. Federal Reserve Bank of St. Louis (Delmer P. Weisz, Vice President) 411 Locust Street, St. Louis, Missouri 63166:

1. *The Union of Arkansas Corporation*, Little Rock, Arkansas; to engage *de novo* through its subsidiary, Union Bank of Delaware, Newark, Delaware, in nonbanking activities pursuant to § 225.25(b)(1) of Regulation Y through the formation of a Delaware consumer bank that will conduct activities relating to the purchase, issuance, and servicing of consumer loans through the issuance of credit cards and private label cards.

Board of Governors of the Federal Reserve System, July 9, 1986.

William W. Wiles,

Secretary of the Board.

[FR Doc. 86-15835 Filed 7-14-86; 8:45 am]

BILLING CODE 6210-01-M

The Chase Manhattan Corp. et al.; Application To Engage de Novo in Nonbanking Activities

The company listed in this notice has filed an application under § 225.23(a)(3) of the Board's Regulation Y (12 CFR 225.23(a)(3)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to commence or to engage *de novo*, either directly or through a subsidiary, in a nonbanking activity. Unless otherwise noted, such activities will be conducted throughout the United States.

The application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evicence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Comments regarding the application must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than August 1, 1986.

A. Board of Governors of the Federal Reserve System, (William W. Wiles, Secretary) Washington, DC 20551:

1. *The Chase Manhattan Corporation* and *Chase Manhattan National Corporation*, New York, New York, and *Chase Manhattan National Holding*

Corporation, Newark, Delaware, to engage, through Western Hemisphere Life Insurance Company, Newark, Delaware, and other subsidiaries both existing and yet to be formed, in the activities of underwriting and reinsuring home mortgage redemption insurance. This insurance will assure repayment of loans secured by mortgages on residential real estate made or purchased by Applicant or its subsidiaries in the event of the death or disability of the mortgagors of such loans. These activities have been approved by Board Order as permissible for bank holding companies. *Citicorp*, 72 Federal Reserve Bulletin 339 (1986). This application may be inspected at the Federal Reserve Bank of New York.

Board of Governors of the Federal Reserve System, July 9, 1986.

William W. Wiles,

Secretary of the Board.

[FR Doc. 86-15836 Filed 7-14-86; 8:45 am]

BILLING CODE 6210-01-M

Lakeview Financial Corp. et al.; Formations of; Acquisition by; and Mergers of Bank Holding Companies

The companies listed in this notice have applied for the Board's approval under section 3 of the Bank Holding Company Act (12 U.S.C. 1842) and § 225.14 of the Board's Regulation Y (12 CFR 225.14) to become a bank holding company or to acquire a bank or bank holding company. The factors that are considered in acting on the applications are set forth in section 3(c) of the Act (12 U.S.C. 1842(c)).

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank or to the offices of the Board of Governors. 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.

Unless otherwise noted, comments regarding each of these applications must be received not later than August 4, 1986.

A. Federal Reserve Bank of Chicago (Franklin D. Dreyer, Vice President) 230 South LaSalle Street, Chicago, Illinois 60690:

1. *Lakeview Financial Corp.*, Lakeview, Michigan; to become a bank holding company by acquiring 100 percent of the voting shares of Bank of Lakeview, Lakeview, Michigan.

2. *State Financial Services Corporation*, Hales Corners, Wisconsin; to acquire 66.67 percent of the voting shares of Edgewood Bank, Greenfield, Wisconsin.

B. Federal Reserve Bank of St. Louis (Delmer P. Wisz, Vice President) 411 Locust Street, St. Louis, Missouri 63166:

1. *Acme Holding Company, Inc.*, Mulberry, Arkansas; to become a bank holding company by acquiring 89.5 percent of the voting shares of Bank of Mulberry, Mulberry, Arkansas.

2. *Mounds Bancorp, Inc.*, Mounds, Illinois; to become a bank holding company by acquiring at least 80 percent of the voting shares of the First State Bank of Mounds, Mounds, Illinois.

3. *Todd Bancshares, Inc.*, Trenton, Kentucky; to become a bank holding company by acquiring 100 percent of the voting shares of Planters Bank of Todd County, Trenton, Kentucky.

C. Federal Reserve Bank of Dallas (Anthony J. Montelaro, Vice President) 400 South Akard Street, Dallas, Texas 75222:

1. *Schreiner Bancshares, Inc.*, Kerrville, Texas; to acquire 100 percent of the voting shares of Fair Oaks National Bank, Fair Oaks, Texas, a *de novo* bank.

Board of Governors of the Federal Reserve System, July 9, 1986.

William W. Wiles,

Secretary of the Board

[FR Doc. 86-15837 Filed 7-14-86; 8:45 am]

BILLING CODE 6210-01-M

New Hampshire Savings Bank Corp. et al.; Acquisitions of Companies Engaged in Permissible Nonbanking Activities

The organizations listed in this notice have applied under § 225.23(a)(2) or (f) of the Board's Regulation Y (12 CFR 225.23(a)(2) or (f)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to acquire or control voting securities or assets of a company engaged in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

Each application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competion, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Unless otherwise noted, comments regarding each of these applications must be received at the Reserve Bank indicated for the application or the offices of the Board of Governors not later than August 4, 1986.

A. Federal Reserve Bank of Boston (Robert M. Brady, Vice President) 600 Atlantic Avenue, Boston, Massachusetts 02106:

1. *New Hampshire Savings Bank Corp.*, Concord, New Hampshire; to acquire Security Central Mortgage Corporation, Bradenton, Florida, and thereby engage in making, servicing, and selling residential and commercial mortgages pursuant to § 225.25(b)(1)(iii) of the Board's Regulation Y. The activities will be conducted in the state of Florida.

B. Federal Reserve Bank of Dallas (Anthony J. Montelaro, Vice President) 400 South Akard Street, Dallas, Texas 75222:

1. *MCorp*, Dallas, Texas; to acquire IComp, Inc., Rock Island, Illinois, and thereby engage in providing to others financially related data processing and data transmission services, facilities and data base; or access to them pursuant to § 225.25(b)(7) of the Board's Regulation Y.

2. *MCorp Financial, Inc.*, Wilmington, Delaware; to acquire IComp, Inc., Rock Island, Illinois, and thereby engage in providing to others financially related data processing and data transmission services, facilities and data bases; or access to them pursuant to § 225.25(b)(7) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, July 9, 1986.
William W. Wiles,
Secretary of the Board.
[FR Doc. 86-15838 Filed 7-14-86; 8:45 am]
BILLING CODE 6210-01-M

Trustcorp, Inc.; Formation of, Acquisition by, or Merger of Bank Holding Companies; and Acquisition of Nonbanking Company

The company listed in this notice has applied under § 225.14 of the Board's Regulation Y (12 CFR 225.14) for the Board's approval under section 3 of the Bank Holding Company Act (12 U.S.C. 1842) to become a bank holding company or to acquire voting securities of a bank or bank holding company. The listed company has also applied under § 225.23(a)(2) of Regulation Y (12 CFR 225.23(a)(2)) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to acquire or control voting securities or assets of a company engaged in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies, or to engage in such an activity. Unless otherwise noted, these activities will be conducted throughout the United States.

The application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can "reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices." Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Comments regarding the application must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than August 4, 1986.

A. Federal Reserve Bank of Cleveland (Lee S. Adams, Vice President) 1455 East Sixth Street, Cleveland, Ohio 44101:

1. *Trustcorp, Inc.*, Toledo, Ohio; to acquire Trustcorp of Indiana, Inc., and thereby indirectly acquire 100 percent of the voting shares of Salem Bank and Trust Company, Goshen, Indiana. In connection with this application, *Trustcorp of Indiana, Inc.*, Goshen, Indiana, has applied to become a bank holding company by acquiring 100 percent of the voting shares of Salem Bank and Trust Company, Goshen, Indiana.

Trustcorp, Inc., and *Trustcorp of Indiana, Inc.*, have also applied to acquire Salem Financial Life Insurance Company, Goshen, Indiana, and thereby engage in underwriting of credit life and credit accident and health insurance pursuant to § 225.25(b)(9) of the Board's Regulation Y and section 4(c)(8)(A) of the Bank Holding Company Act.

Board of Governors of the Federal Reserve System, July 9, 1986.
William W. Wiles,
Secretary of the Board.
[FR Doc. 86-15839 Filed 7-14-86; 8:45 am]
BILLING CODE 6210-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Alcohol, Drug Abuse, and Mental Health Administration

Cooperative Agreement To Evaluate the Robert Wood Johnson Foundation/HUD Program for the Chronically Mentally Ill

AGENCY: National Institute of Mental Health, HHS.

ACTION: Cooperative agreement to evaluate the Robert Wood Johnson Foundation/HUD program for the chronically mentally ill.

SUMMARY: This notice is to provide information to the public concerning a planned cooperative agreement from the National Institute of Mental Health (NIMH) with the Robert Wood Johnson Foundation (RWJF). This agreement will be to evalute the Program for the Chronically Mentally Ill (hereafter called Program). The Program is an initiative of the Robert Wood Johnson Foundation and the U.S. Department of Housing and Urban Development (HUD). The agreement will be made under sections 504 (Community Support Program) and 2113 (Evaluation of Programs) of the Public Health Service Act.

Under the Program, the foundation will provide approximately $28 million in grants and low-interest loans to 8 of the Nation's largest urban centers with populations in excess of 250,000. The eight grantees will be selected on a competitive basis to participate in this 5-year Program. Grants will support communitywide projects aimed at consolidating and expanding services for chronically mentally ill people. HUD will provide rent subsidies to help grantee organizations obtain appropriate housing for clients. The Social Security Administration will work with grantees to improve the efficiency and effectiveness of the disability determination process. The Program seeks to develop community-wide systems of care, offering a broad range of health, mental health, social services, and housing options to help the chronically mentally ill function more effectively in their everyday lives and avoid inappropriate institutionalization.

Because of its role in the funding and joint sponsorship of this demonstration with the Federal Government, the RWJF is the logical and only organization in a position to receive a cooperative agreement award for a joint private-Federal evaluation of this Program. This joint effort is the most cost-efficient manner in which to evaluate a demonstration of major policy relevance to several Federal departments and agencies. The chronically mentally ill currently are a substantial component of the costs of SSI and SSDI, Medicare and Medicaid, and the Vocational Rehabilitation Program. It is anticipated that this 6-year cooperative agreement will begin in Fiscal Year 1986.

The cooperative agreement will specify the terms and conditions applicable for cooperation by the RWJF and NIMH in directing and overseeing the evaluation, and it will provide partial support for the evaluation of the Program. The RWJF will provide the majority of the funding for the evaluation. The evaluation will include: a) Study of the organizational and governmental context at both local and State levels as the Program begins, changes over time and the impact of these changes on services development; b) patient outcome studies; and c) studies of key elements comprising the intervention. Federal funds will support the patient outcome part of the evaluation.

The cooperative agreement mechanism is being used because a substantial Federal role during the performance of the project is necessary to reflect the joint interests of the various Federal agencies involved and the private sector. This award mechanism will also facilitate the

participation of a variety of Federal agencies. NIMH, which will administer the award, will coordinate the involvement of staff from the Federal departments and agencies. Federal staff will participate with the RWJF in all aspects of the evaluation, including development of the design, monitoring progress, and analysis of the findings.

FOR FURTHER INFORMATION CONTACT: Thomas F.A. Plaut, Ph.D, NIMH 18C14, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone (301) 443-4233.

Robert L. Trachtenberg,

Acting Administrator, Alcohol, Drug Abuse, and Mental Health Administration.

[FR Doc. 86-15867 Filed 7-14-86; 8:45 am]

BILLING CODE 4160-20-M

Food and Drug Administration

[Docket No. 86M-0201]

Gynotech, Inc.; Premarket Approval of DILAPAN™ Hygroscopic Cervical Dilator

Correction

In FR Doc. 86-13114 beginning on page 21248 in the issue of Wednesday, June 11, 1986 make the following correction.

On page 21248 in the third column, in Supplementary Information, in the eighth line the first word should read "dilatation", and in the same line "utrei" should read "uteri".

BILLING CODE 1505-01-M

[Docket No. 86M-0232]

CILCO®, Inc.; Premarket Approval of Modified C-Loop Single-Piece Perspex CQ. Posterior Chamber Intraocular Lenses (Planar Model SM-1, Angular Model CR-1, and Planar Model GR-1)

Correction

In FR Doc. 86-13115 beginning on page 21247 in the issue of Wednesday, June 11, 1986 make the following correction.

On page 21248, in the first column, in the second line of Supplementary Information, the date should read "November 14, 1984".

BILLING CODE 1505-01-M

Public Health Service

Availability of Grants for Minority Community Health Coalition Demonstration Projects

AGENCY: Office of Minority Health/ Office of the Assistant Secretary for Health, HHS.

ACTION: Notice.

SUMMARY: The Office of Minority Health announces the availability of grants to provide support, for a period which will not exceed two years, for projects which demonstrate methods of developing community health coalitions which can effectively promote risk factor reduction among minority populations.

Background

The Report of the Secretary's Task Force on Black and Minority Health identified six health problems that account for 80 percent of the excess deaths among minorities. Excess deaths are the difference between actual minority deaths and the number of dealths which would have been expected if the minority population had the same age- and sex-specific death rates as the white population. Every minority group does not suffer from excess deaths in each category. However, the six health problems became priority issue areas for Task Force study. Listed in alphabetical order, they are:

- Cancer
- Cardiovascular disease and stroke
- Chemical dependency, measured by death due to Cirrhosis
- Diabetes
- Homicide, Suicide, and Accidents (unintentional injuries)
- Infant mortality

The risk factors for these causes of death involve behavior or preventable conditions which are potentially modifiable but are in some cases resistant to change. In order to modify health behavior, impact must often be made on the individual which may be greater than that achieved by health information or media campaigns along. In addition, conventional health promotion activities are frequently not effective in reaching minority populations. It appears that change can be achieved by community-based awareness, support, and exhortation, particularly if such a community health campaign is carried out using familiar, as well as influential, institutions such as churches and schools, and organized by recognized community leaders.

Moreover, in many cases it may be insufficient to simply pressure individuals to change behavior without offering positive alternatives. For example, if teens are being encouraged to avoid drugs or to avoid pregnancy it may also be important to organize constructive alternatives such as career-oriented activites.

The following is a list of major risk factors for each cause of death, some of which are involved in several health problems:

Health problem and modifiable risk factors

Cancer: Tobacco, Diet, Alcohol, Environment.

Cardiovascular and Stroke: Hypertension, Diet, Tobacco, Sedentary Life Style, Obesity.

Chemical Dependency: Direct Behavioral Outcome of Substance Abuse.

Diabetes: Obesity.

Infant Mortality: Smoking, Alcohol, Late or No Prenatal Care, Teen Pregnancy, Nutrition.

Homicide: Alcohol, Drugs, Poor Conflict Resolution Skills.

Suicide: Alcohol, Drugs Depression.

Unintentional Injuries: Alcohol, Drugs, Environmental hazards.

Many of the risk factors are normally the interest of a number of components of communities. In addition, a number of community organizations have different kinds of access to influence the behavior of an individual.

Authority: This program is authorized under section 301 of the Public Health Service Act, as amended.

Program Objective

The objective of the program is to fund projects capable of:

(1) Providing an epidemiologically sound approach to the health problems(s) and risk factor(s) of the minority population which are the target of the applicant's proposal,

(2) providing a thoughtful and sound approach to risk factor reduction,

(3) Demonstrating a sound organizational scheme for the coalition which assures adequate involvement and representation of both coalition members and community leaders,

(4) Evaluating the impact of coalition activities on risk factor reduction, and

(5) Demonstrating previous experience of coalition members with community-based projects, either focused on health or other community concerns.

Availability of Funds

The Office of Minority Health intends to make available approximately $1 million to be expended by grantees over a 2-year project period. It is anticipated that individual grants of approximately $200,000 for the two-year project period will be awarded from these funds.

Applicant Eligibility

Eligible applicants are public and private nonprofit organizations and for-profit organizations. The applicant is the lead agency for the coalition and is responsible for management of the Project and the Federal funds awarded.

Federal demonstration grant support is not expected to result in more than one ward in any Standard Metropolitan Statistical Area (SMSA) unless and additional project in an SMAS were to be targeted to another of the 4 major

minority groups—Hispanics, Native Americans/Alaska Natives, Asian/Pacific Islanders and Blacks. Efforts will be made to achieve geographic and ethnic distribution of awards. There is no lower limit for the size of the population targeted by the applicant, but thee must be a sensible relationship between the level of effort in volved in the coalition and the size of the target population. Similarly, the geographic distribution of the target population must be such that effecting risk factor reduction is feasible.

The target risk factor must be epidemiologically justified on the basis of health problem patterns in the population. It is suggested that the number of risk factors on which a coalition plans to focus be limited.

applications

1. Copies-Place of Submission

The original and two copies of the application should be submitted on Form PHS 398 (approved under OMB number 0925–0001) on or before August 25, 1986 to the Grants Operations and Administrative Branch, Room 1–41, Park Buidling, 5600 Fishers Lane, Rockville, MD 20857. (The Office of Management and Budget has approved under OMB approval number 0937–0167 the collection of information that is additional to that required by Form PHS 398).

2. Deadlines

Applications shall be considered meeting the deadline if they are received on or before 4:30 pm on the deadline date.

3. Late Applications

Applications which do not meet the criteria in paragraph 2 immediately above will be considered late applications and will be returned to the applicant.

4. Reviews

Appications are subject to review as governed by Executive Order 12372, Intergovernmental Review of Federal Programs. A waiver of the 60-day reivew requirement for new application has been approved due to the time constraints for funding demonstration projects under this program. Applications for funding will be subject to State review but comment must be received by August 22, 1986 by the program grants management office. Applicants should contact State single Points or Contact (SPOC) early in the application preparation process.

5. Content of Applications

The application must include:

- A description of the coalition's membership, inlcuding groups such as the local school system, hospitals, churches, police departments, health professionals' orgnaizations, local chapters of national community groups, local community organizations, local or State health departments, colleges, or universities.
- Documentation of involvement and commitment by coalition members, and of funding obtained by coalition members to cover a portion of the project's costs.
- A qualitative and quantitative description of the target population: this description must be based on the best information and data available at the time of application and clearly identify the population which will be the focus of concentration.
- An epidemiologically sound description of the target health problem(s) and risk factor(s).
- A specification of the risk factor(s) to be targeted.
- A justification of the choice of this (these) health problem(s) and risk factor(s).
- A description, including a history of involvement in health-related activities in general and health risk reduction in particular, of the organizations which comprise the coalition.
- A description, justification and budget for any consultants or other sources of technical expertise required.
- A description of the general organizational scheme to be used by the coalition, e.g. a steering committee representing coalition members with an advisory council of community leaders, and of the proposed administrative structure of the coalition and the qualifications of regular staff.
- A clearly defined description of the plan to address the stated health problem(s) or risk factor(s); this plan must at a minimum clearly define the approach to be taken to determine the appropriate intervention, the proposed methods for effecting dissemination to the community and how the various community organizations propose to coordinate their activities.
- An evaluation plan that will enable the coalition to assess the effects of its interventions upon each of the risk factors and target populations.

Project Budget

Funds *may* be used to cover the cost of personnel to coordinate the coalition's activities, for consultants, support services and materials. Funds *may not* be use for building construction costs or alterations and renovations.

Cost Participation

It is expected that a portion of the program's costs will be borne by coalition members or by other non-federal sources such as business, labor, local government, or community funds. Any such support should be listed; direct and in-kind support should be accounted for separately.

Review Criteria

- Applications will be reviewed and evaluated in terms of their evidence of the ability of the applicant to meet program objectives. Of specific importance will be:

(1) The choice of disease(s) and risk factors(s) to be targeted, and its (their) direct relationship to the epidemiologic characterization of the target minority population.

(2) The degree to which the choice of coalition members is a logical choice based on target population, target risk factor(s), and prevention strategy.

(3) The commitment of each coalition member to the coalition and to the proposed plan including the extent of funding obtained by coalition members to cover a portion of project costs.

(4) Competence of the applicant organization to manage the grant.

(5) Qualifications and time allocation of proposed staff and a description of how the program will be administered.

(6) Adequacy of medical/scientific/public health technical assistance to the coalition.

(7) Likelihood that the project will demonstrate whether or not community health coalitions can effectively promote risk factor reduction among minority populations.

Information and Technical Assistance Contacts

Information on application procedures, copies of application forms and other materials may be obtained from Ralph Sloat, Grants Management Officer, Room 1–41, Park Building, 5600 Fishers Lane, Rockville, MD 20857 (phone (301) 443–4033).

Technical assistance on the programmatic content of the application may be obtained from Warren Hewitt, Room 118–F, HHH Bldg., Washington, DC (phone (202) 245–0020).

The Catalog of Federal Domestic Assistance Number for this program is 13.137.

Dated: June 2, 1986.

Herbert W. Nickens, M.D.,

Director, Office of Minority Health.

[FR Doc. 85–16043 Filed 7–14–85; 8:45 am]

BILLING CODE 4160–17–M

DEPARTMENT OF THE INTERIOR

Office of the Secretary

Privacy Act of 1974—Revision of Notices of Systems of Records

Pursuant to the provisions of the Privacy Act of 1974, as amended (5 U.S.C. 552a), notice is hereby given that the Department of the Interior proposes

to revise eight notices describing systems of records maintained by the Office of Administrative Services in the Office of the Secretary. Except as noted below, all changes being published are editorial in nature, and reflect organization, address, and other minor administrative revisions which have occurred since the previous publication of the material in the **Federal Register**. The eight notices being revised, which are published in their entirety below, are:

Number	System name	Previous FEDERAL REGISTER publication
OS-45	Security Clearance Files and Other, Reference Files—Interior, Office of the Secretary—45.	June 28, 1982 (47 FR 27977).
OS-46	Secretarial Subject Files—Interior, Office of the Secretary—46.	April 9, 1985 (50 FR 14027).
OS-47	Parking Assignment Records—Interior, Office of the Secretary—47.	May 3, 1983 (48 FR 19946).
OS-51	Property Management Accountability—Interior, Office of the Secretary—51.	May, 3, 1983 (48 FR 19948).
OS-52	Passport and Visa Records—Interior, Office of the Secretary—52.	January 15, 1985 (50 FR 2091).
OS-86	Accounts Receivable—Interior, Office of the Secretary—86.	May 3, 1986 (48 FR 19950).
OS-87	Cash Receipts—Interior, Office of the Secretary—87.	May 3, 1983 (48 FR 19951).
OS-88	Travel—Interior, Office of the Secretary—88.	June 28, 1982 (47 FR 27981).

In all eight notices, the existing routine disclosure statement for litigation purposes is revised to incorporate the clarification on such disclosures prescribed by the Office of Management and Budget (OMB) in its supplementary guidelines dated May 24, 1985, for implementing the Privacy Act. Also, in all the notices except OS-52 the retention and disposal statements are amended to conform to guidelines issued by the Assistant Archivist for Records Administration, National Archives and Records Administration, in his memorandum to Agency Records Officers dated June 11, 1985.

The statement in OS-45 describing categories of individuals covered by the system notice is clarified to show that individuals whose duties have been designated special sensitive or those possessing FEMA special access clearances are included in the records system. Also in OS-45, an additional compatible routine disclosure to the Office of Personnel Management is added for the purposes of carrying out its oversight functions as authorized by law. The records retrievability statement in OS-47 is revised to show additional data items which can be used to access the records in the system.

5 U.S.C. 552a(e)(11) requires that the public be provided a 30-day period in which to comment. Therefore, written comments on these proposed changes can be addressed to the Department Privacy Act Officer, Office of the Secretary (PIR), Room 7357, Main Interior Building, U.S. Department of the Interior, Washington, D.C. 20240. Comments received on or before August 14, 1986, will be considered. The notices shall be effective as proposed without further notice at the end of the comment period, unless comments are received which would require a contrary determination

Dated: July 3, 1986.

Oscar W. Mueller, Jr.,

Director, Office of Information Resources Management.

INTERIOR/OS-45

SYSTEM NAME:

Security Clearance Files and Other Reference Files—Interior, Office of the Secretary—45.

SYSTEM LOCATION:

Office of the Secretary, Office of Administrative Services (PMO), Division of Enforcement and Security Management, U.S. Department of the Interior, 18th and C Streets NW., Washington, D.C. 20240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Employees in the Office of the Secretary, Other Departmental Offices, Bureau Heads, Bureau Security Officers, and employees in Independent Agencies, Councils, and Commissions who are provided administrative support, whose duties have been designated special sensitive, critical sensitive, non-critical sensitive, or clearance for the FEMA special access program.

CATEGORIES OF RECORDS IN THE SYSTEM:

Contains copies of SF-85 or SF-86 and/or SF-71 supplied by individual concerned as well as copies of letters of transmittal between Interior and the Office of Personnel Management concerning the individual's background investigation. Further, contains copy of certification of clearance status and briefing and/or debriefing certificate signed by individual as appropriate. Card file reflects summary, case number and disposition of the case number and disposition of the case file following review.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Executive Order 10450.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary uses of the records are for the identification of (a) Office of the Secretary personnel and heads of Bureaus and their respective Security Officers who have been granted a security clearance; (b) persons in a pending clearance status awaiting the results and adjudication of Office of Personnel Management investigations; and (c) persons whose clearance has been terminated in the last five years due to an administrative down-grading, transfer to other agencies, employment, or retirement. Disclosures outside the Department of the Interior may be made (1) to the U.S. Department of Justice or in a proceeding before a court of adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled; (2) of information indicating a violation or potential violation of a statute, regulation, rule, order or license, to appropriate Federal state, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing the statute, rule, regulation, order or license; (3) to a congressional office from the record of an individual in response to an inquiry the individual has made to the congressional office; (4) to a Federal agency which has requested information relevant or necessary to its hiring or retention of an employee, or issuance of a security clearance, license, contract, grant or other benefit; (5) to Federal, State or local agencies where necessary to obtain information relevant to the hiring or retention of an employee, or the issuance of a security clearance, license, contract, grant or other benefit; (6) to the Office of Personnel Management for matters concerned with oversight activities necessary for the Office to carry out its legally authorized Government-wide personnel management programs and functions.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Maintained in file folders.

RETRIEVABILITY:

Indexed by name.

SAFEGUARDS:

Stored in a locked room. Access granted only to cleared personnel on official business.

RETENTION AND DISPOSAL:

Records are maintained and disposed of in accordance with General Records Schedule No. 18, Item No. 23.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of Enforcement and Security Management, Office of Administrative Services (PMO), Office of the Secretary, Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240.

NOTIFICATION PROCEDURE:

Same as the above. A written and signed request stating that the requester seeks information concerning records pertaining to him/her is required. See 43 CFR 2.60.

RECORD ACCESS PROCEDURE:

Same as the above. The request must be in writing, signed by the requester, and meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment shall be addressed to the System Manager and must meet the requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Individual on whom the record is maintained as well as data furnished by other Federal agencies on the person concerned.

INTERIOR/OS-46

SYSTEM NAME:

Secretarial Subject Files—Interior, Office of the Secretary—46.

SYSTEM LOCATION:

Office of the Secretary, Office of Administrative Services (PMO), Division of General Services, U.S. Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Those who have had correspondence with the Secretary, Under Secretary, Assistant Secretaries, Deputy Assistant Secretaries, and individuals acting in these capacities.

CATEGORIES OF RECORDS IN THE SYSTEM:

Index cards containing the name, dates, and subject codes for retrieval of subject files, subject files of correspondence.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 301, 43, U.S.C. 1457, 44 U.S.C. 3101, Reorganization Plan 3 of 1950.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary use of the records are to support the operational, program and policy decisions of the Secretary of the Interior, Under Secretary, Assistant Secretaries, and Deputy Assistant Secretaries. Disclosures outside the department are (1) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determine that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled, (2) of information indicating a violation or potential violation of a statute, regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing the statute, rule, regulation, order or license, and (3) to a Member of Congress from the record of an individual in response to an unquiry made at the request of that individual.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

3" x 5" index cards; correspondence filed in folders.

RETRIEVABILITY:

Indexed by subject.

SAFEGUARDS:

Stored in locked office.

RETENTION AND DISPOSAL:

Retained and disposed of in accordance with the Office of the Secretary Comprehensive Records Disposal Schedule K-1.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of General Services (PMO), Office of Administrative Services, U.S. Department of the Interior, 18th and Streets, NW., Washington, D.C. 20240.

NOTIFICATION PROCEDURE:

A written and signed request stating that the requester seeks information concerning records pertaining to him/her. See 43 CFR 2.60.

RECORD ACCESS PROCEDURE:

Submit requests to the System Manger. The request must be in writing, signed by the requester, and meet the requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment shall be addressed to the System Manager and must meet the requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Correspondence or documents signed at the Secretarial level.

INTERIOR/OS-47

SYSTEM NAME:

Parking Assignment Record—Interior, Office of the Secretary—47

SYSTEM LOCATION:

Office of Administrative Services (PMO), Division of General Services, U.S. Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individual requesting a parking permit or joining a carpool from both the Federal and private sector.

CATEGORIES OF RECORDS IN THE SYSTEM:

The records contain the individual's name, social security number, telephone number at work, service computation date, vehicle make and model, state of registration, license tag number, residence address, location of employment, parking space location and number, and number of carpool riders.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

40 U.S.C. 471, et seq., FMC 74-1 FPMR Temporary Regulation D-69.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary uses of the records are (a) internal control over the assignment of parking permits (b) assistance to individuals in locating carpools. Disclosures outside the department are (1) to a Federal agency that has jurisidiction over parking spaces, (2) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when

represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled, (3) or information indicating a violation of a stature, regulation, rule, order or license, to appropriate Federal, State, local, or foreign agencies responsible for investigating or prosecuting the violation or for enforcing of implementing the statute, rule, regulation, order to license and (4) to a Member of Congress from the record of an individual in response to an inquiry made at the request of that individual.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Maintained on computer printout.

RETRIEVABILITY:

By individual's name, social security number, zip code of individual's residence, telephone number at work, service computation date, vehicle make and model, state of registration, license tag number, location of employment, parking space location and number, and number of carpool riders.

SAFEGUARDS:

Maintained with safeguards meeting the requirements of 43 CFR 2.51 for computerized records.

RETENTION AND DISPOSAL:

Retained and disposed of in accordance with General Records Schedule No. 11, Item No. 4.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of General Services, Office of Administrative Services (PMO), U.S. Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240.

NOTIFICATION PROCEDURE:

A written and signed request stating that the requester seeks information concerning records pertaining to him/her. See 43 CFR 2.60.

RECORDS ACCESS PROCEDURES:

Submit requests to the System Manager. The request must be in writing, signed by the requester, and meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment shall be addressed to the System Manager and must meet the requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Data furnished by the individual.

INTERIOR/OS-51

SYSTEM NAME:

Property Management Accountability—Interior, Office of the Secretary—51.

SYSTEM LOCATION:

Branch of Office Services, Division of General Services, Office of Administrative Services (PMO), Office of the Secretary, U.S. Department of the Interior, Washington, D.C. 20240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Individuals designated as Responsible Officers in the Office of the Secretary, Other Departmental Offices, and Independent Agencies, Councils, and Commissions who are provided administrative support and who are charged with the care, utilization, recordkeeping, etc., for property assigned to them.

CATEGORIES OF RECORDS IN THE SYSTEM:

The records system contains computer identification codes for each Responsible Officer and descriptive data about each piece of property (excluding supplies) assigned.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

40 U.S.C. 483(b).

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary use of the records is the internal control of property assigned to offices. Disclosures outside the Department are (1) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled, (2) of information indicating a violation or potential violation of a statute regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing the statute, rule, regulation, order or license, (3) to respond to General Accounting Office audits, and (4) to a Member of Congress from the record of an individual in response to an inquiry made at the request of that individual.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Records are maintained on computer media.

RETRIEVABILITY:

System is indexed by code assigned to each Responsible Officer or by various property system codes.

SAFEGUARDS:

Maintained with safeguards meeting the "Computer Security Guidelines for Implementing the Privacy Act of 1974."

RETENTION AND DISPOSAL:

Retained and disposed of in accordance with General Records Schedule No. 3, Item No. 10a.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Branch of Office Services, Office of Administrative Services, U.S. Department of the Interior, Washington, D.C. 20240.

NOTIFICATION PROCEDURE:

A written and signed request stating that the requester seeks information concerning records pertaining to him/her. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

Submit requests to the System Manager. The request must be in writing, signed by the requester, and meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment shall be addressed to the System Manager and must meet the requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Responsible Officer who is assigned the property by code.

INTERIOR-OS-52

SYSTEM NAME:

Passport and Visa Records—Interior, Office of Secretary—52.

SYSTEM LOCATION:

Division of General Services, Office of Administrative Services (PMO), Office

of the Secretary, U.S. Department of the Interior, 18th and C Streets, NW., Washington, DC. 20240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Employees or individuals who travel on official business on behalf of the Department of the Interior, and Independent Agencies, Councils, and Commissions who are provided administrative support.

CATEGORIES OF RECORDS IN THE SYSTEM:

The records system contains passports and visas.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

22 U.S.C. 211a.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary use of the records are to initiate and maintain passports and visas. Disclosures outside the Department are (1) the transfer of passports and visas to other Federal agencies, (2) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled, (3) of information indicating a violation or potential violation of a potential violation of a statute regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing the statute rule, regulation, order or license, and (4) to a congressional office from the record of an individual in response to an inquiry the individual has made to the congressional office.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Passports and visas are maintained in a locked safe.

RETRIEVABILITY:

Passports and visas are filed by name.

SAFEGUARDS:

Passports and visas are stored in a locked room in manipulation proof three way combination lock steel safes. Access granted only to designated personnel.

RETENTION AND DISPOSAL:

General Records Schedule No. 9, Item No. 4

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of General Services, Office of Administrative Services, Department of the Interior, 18th and C Street, NW., Washington, DC. 20240

NOTIFICATION PROCEDURES:

A written and signed request stating that the requester seeks information concerning records pertaining to him/her. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

Submit request to the System Manager. The request must be in writing, signed by the requester, and meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment shall be addressed to the System Manager and must meet the requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Federal employees and individuals who travel on behalf of the Department.

INTERIOR/OS-86

SYSTEM NAME:

Accounts Receivable—Interior, Office of the Secretary—86.

SYSTEM LOCATION:

Division of Fiscal Services, Office of Administrative Services, U.S. Department of the Interior, 18th and C Streets, N.W., Washington, D.C. 20240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

All debtors including employees, former employees, business firms, private citizens and institutions. (The records contained in this system which pertain to individuals contain principally proprietary information concerning sole proprietorships. Some of the records in the system which pertain to individuals may reflect personal information, however. Only the records reflecting personal information are subject to the Privacy Act. The system also contains records concerning corporations, other business entities and organizations. These records are not subject to the Privacy Act.)

CATEGORIES OF RECORDS IN THE SYSTEM:

Name, address, amount and basis including goods, services or overpayments therefor.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

(1) U.S.C. 5701–09. (2) FPMR 101–7. (3) Treasury Fiscal Requirements Manual. (4) 31 U.S.C. 3711.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary uses of the records are for billing and follow-up. Disclosure outside the Department of the Interior may be made (1) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled, (2) of information indicating a violation or potential violation of a statute, regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing the statute, rule, regulation, order or license, (3) to a Member of Congress from the record of an individual in response to an inquiry made at the request of that individual, and (4) to consumer reporting agencies to facilitate collection of debts owned the Government.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Maintained in manual, machine readable, and printout form.

RETRIEVABILITY:

Indexed by appropriation or fund to be credited.

SAFEGUARDS:

Maintained in locked room when not in use.

RETENTION AND DISPOSAL:

Retained and disposed of in accordance with General Records Schedule No. 6, Item No. 1.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of Fiscal Services, Office of Administrative Services, U.S. Department of the Interior, 18th and C Streets, N.W., Washington, D.C. 20240.

NOTIFICATION PROCEDURE:

Inquiries regarding the existence of records should be addressed to the System Manager. A written, signed request stating that the requester seeks information concerning records pertaining to him is required. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

A request for access may be addressed to the System Manager. The request must be in writing and be signed by the requester. The request must meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment should be addressed to the System Manager and must meet the content requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Debtor, accounting records.

INTERIOR/OS-87

SYSTEM NAME:

Cash Receipts—Interior, Office of the Secretary—87.

SYSTEM LOCATION:

Division of Fiscal Service, Office of Administrative Services, U.S. Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Persons paying for goods or services, returning overpayments or otherwise delivering cash. (The records contained in this system which pertain to individuals contain principally proprietary information concerning sole proprietorships. Some of the records in the system pertain to individuals may reflect personal information, however. Only the records reflecting personal information are subject to the Privacy Act. The system also contains records concerning corporations, other business entities and organizations. These records are not subject to the Privacy Act.)

CATEGORIES OR RECORDS IN THE SYSTEM:

Individual's name, the goods or services purchased, check number, date and treasury deposit number.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

31 U.S.C. 3512.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary use of the records is to account for monies paid to the Office of the Secretary. Disclosures outside the Department of the Interior may be made (1) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled, (2) of information indicating a violation or potential violation of a statute, regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for investigating or prosecuting the violation or for enforcing or implementing the statute, rule, regulation, order of license, and (3) to a Member of Congress from the record of an individual in response to an inquiry made at the request of that individual.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Manual and machine readable.

RETRIEVABILITY:

Date and name.

SAFEGUARDS:

Maintained in locked room when not in use.

RETENTION AND DISPOSAL:

Retained and disposed of in accordance with General Records Schedule No. 6, Item No. 1.

SYSTEM MANAGER(S) AND ADDRESS:

Chief, Division of Fiscal Services, Office of Administrative Services, U.S. Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240.

NOTIFICATION PROCEDURE:

Inquiries regarding the existence of records should be addressed to the System Manager. A written, signed request stating that the requester seeks information concerning records pertaining to him is required. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

A request for access may be addressed to the System Manager. The request must be in writing and be signed by the requester. The request must meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment should be addressed to the System Manager and must meet the content requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Individual remitters

INTERIOR/OS-88

SYSTEM NAME:

Travel—Interior, Office of the Secretary—88.

SYSTEM LOCATION:

(1) Division of Fiscal Services, Office of Administrative Services, U.S. Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Employees of the Office of the Secretary, Other Departmental Offices, and Independent Agencies, Councils, and Commissions who are provided administrative support, and persons serving without compensation to the extent authorized under 5 U.S.C. 5703.

CATEGORIES OF RECORDS IN THE SYSTEM:

Name address, destination, itinerary, mode and purpose, dates, expenses, advances, claims, reimbursements, and authorizations.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

5 U.S.C. 5701 et seq.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

The primary use of the records is to process travel authorizations and claims. Disclosures outside the Department of the Interior may be made (1) tthe U.S. Treasury for payment of claims; (2) to the State Department for passports; (3) to the U.S. Department of Justice or in a proceeding before a court or adjudicative body when (a) the United States, the Department of the Interior, a component of the Department, or, when represented by the government, an employee of the Department is a party to litigation or anticipated litigation or has an interest in such litigation, and (b) the Department of the Interior determines that the disclosure is relevant or necessary to the litigation and is compatible with the purpose for which the records were compiled; (4) of information indicating a violation or

potential violation of a statute, regulation, rule, order or license, to appropriate Federal, State, local or foreign agencies responsible for investigation or prosecuting the violation or for enforcing or implementing the statute, rule, regulation, order or license; (5) to a Federal agency which has requested information relevant or necessary to its hiring or retention of an employee, or issuance of a security clearance, license, contract, grant or other benefit; (6) to Federal, State or local agencies where necessary to obtain information relevant to the hiring or retention of an employee, or the issuance of a security clearance, licnese, contract, grant or other benefit, (7) to a congressional office from the record of an individual in response to an inquiry the individual has made to the congressional office.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Maintained in manual, machine readable and printout form.

RETRIEVABILITY:

Indexed by employee name and/or account number.

SAFEGUARDS:

Maintained in locked room when not is use.

RETENTION AND DISPOSAL:

Retained and disposed of in accordance with General Records Schedule No. 9, Item No. 3.

SYSTEM MANAGER(S) AND ADDRESS:

Chief Division of Fiscal Services, Office of Administrative Services, U.S. Department of the Interior, 18th and C Streets, NW., Washington, D.C. 20240.

NOTIFICATION PROCEDURE:

Inquiries regarding the existence of records should be addressed to the System Manager. A written, signed request stating that the requester seeks information concerning records pertaining to him is required. See 43 CFR 2.60.

RECORD ACCESS PROCEDURES:

A request for access may be addressed to the System Manager. The request must be in writing and be signed by the requester. The request must meet the content requirements of 43 CFR 2.63.

CONTESTING RECORD PROCEDURES:

A petition for amendment should be addressed to the System Manager and must meet content requirements of 43 CFR 2.71.

RECORD SOURCE CATEGORIES:

Employee, employing office, and standard travel document references.

[FR Doc. 15831 Filed 7-14-86; 8:45 am]

BILLING CODE 4310-10-M

Bureau of Land Management

[AZ-050-06-4830-02]

Arizona; Yuma District Advisory Council Meeting

AGENCY: Bureau of Land Management, Interior.

ACTION: Yuma (Arizona) District Advisory Council Meeting.

SUMMARY: A meeting and field tour by the Yuma District Advisory Council will be held on Friday, August 15. Council members will tour Lake Havasu by boat to view various BLM land exchanges to Arizona State in the Havasu Resource Area, and then hold a regular Advisory Council meeting in the afternoon.

DATE: August 15, 1986.

FOR FURTHER INFORMATION CONTACT: Douglas B. Stockdale, Yuma District Office, 3150 Winsor Avenue, Yuma, Arizona 85365, (603) 726-6300.

SUPPLEMENTARY INFORMATION: A short initial meeting will be held at 9 a.m. at the Lake Havasu City Hall, 1795 Civic Center Boulevard. The tour will begin at 9:30 a.m. The Council will return to the City Hall at 1 p.m. for a regular meeting. Discussions will center on the day's tour and other Council-initiated topics. The public is invited to attend the meetings and tour but must provide their own transportation and meal.

Written statements from the public may be filed for the Council's consideration. Statements must arrive at the District Office by August 11. Oral statements will also be accepted but, depending on the number of persons wishing to address the Council, a per-person time limit may be imposed.

Summary minutes of the District Advisory Council meeting will be maintained in the Yuma District Office and will be available for inspection and reproduction during regular business hours (7:45 a.m. through 4:30 p.m.) within 30 days of the meeting.

Dated: July 7, 1986.

J. Darwin Snell,

District Manager.

[FR Doc. 86-15829 Filed 7-14-86; 8:45 am]

BILLING CODE 4310-32-M

[CA-060-06-4322-14]

California Desert District, Emergency Closure of Vehicle Route 0J192 in, San Bernardino County, CA

AGENCY: Bureau of Land Management, Interior.

ACTION: Emergency Closure Notice of One Vehicle Route of Travel in the Barstow Resource Area of San Bernardino County.

SUMMARY: This emergency closure notice affects vehicle route 0J192 in the West Ord Mountains, San Bernardino County, California under the administrative responsibility of the Barstow Resource Area, California Desert District. The Closed segment of Route 0J192 is located east of the West Ord Boundary fence in sections 19 and 30, T. 7N., R. 1E., SBM; and Section 24, T. 7N., R. 1W., SBM. The closure of Route 0J192 encompasses .5 acre. The route is closed to all motor vehicles under the authority of 43 CFR 8341.2 in order to protect wildlife resources.

This emergency closure order is in effect and shall remain in effect until such time as it is determined that the adverse effects have been eliminated, other measures have been implemented to prevent recurrence, or formal route designation under 43 CFR Part 8342 is completed.

The closed route will be signed "closed." Access to the closed route will be permitted only to specifically authorized persons. A copy of the closure order and a map showing the location of the closed route is available from the Bureau of Land Management, 831 Barstow Road, Barstow, California 92311.

Any person who fails to comply with this closure order may be subject to a fine of up to $1,000 or imprisonment of up to 12 months, or both, under 43 CFR 8340.0-7.

Dated: July 7, 1986.

Wes Chambers,

Acting District Manager.

[FR Doc. 86-15830 Filed 7-14-86; 8:45 am]

BILLING CODE 4310-40-M

[CO-070-86-4322-10-2410]

Colorado; Grand Junction District Grazing Advisory Board Meeting

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of meeting of Grand Junction District Grazing Advisory Board.

SUMMARY: Notice is hereby given that a meeting of the Grand Junction District Grazing Advisory Board will be held on Wednesday and Thursday, August 13, and 14, 1986. The meeting will convene in the conference room at the Bureau of Land Management Office, 764 Horizon Drive, Grand Junction, Colorado, at 9:00 a.m. on August 13, and at 8:00 a.m. on August 14.

SUPPLEMENTARY INFORMATION: The agenda for the meeting on August 13 will include (1) introductions, (2) election of officers, (3) minutes of the previous meeting, (4) new advisory board charter, (5) new allotment management plans, (6) rengeland program summary and grazing decisions, (7) changes in District organization and function, (8) policies on use of advisory board funds, (9) status of current project work, (10) proposed project work for fiscal year 1987, (11) public presentations, and (12) arrangements for the next meeting.

On August 14, 1986, the meeting will consist of an orientation to basic principles of holistic resource management and a field tour of range improvement work. Attendees will meet from 8:00 a.m. to 10:00 a.m. at the office and then tour portions of the Mountain Island Ranch approximately 35 miles west of Grand Junction.

The meeting is open to the public. Interest persons may make oral statements to the Board between 3:00 and 3:30 p.m. on August 13, or file written statement for the Board's consideration. Anyone wishing to make an oral statement must notify the District Manager, Bureau of Land Management, 764 Horizon Drive, Grand Junction, Colorado 81506, by August 11, 1986. Depending on the number of person wishing to make oral statements, a per person time limit may be established by the Disctrict Manager. Those wishing to make tour must furnish their own transportation, food, and water.

Minutes of the Board meeting will be maintained in the District Office and be available for public inspection and reproduction (during regular business hours) within thirty (30) days following the meeting. Further information on the meeting may be obtained at the above address or by calling (303) 243-6552.

Dated: July 8, 1986.

Dick Freel,

District Manager, Grand Junction District.

[FR Doc. 86-16055 Filed 7-14-86; 10:36 am]

BILLING CODE 4310-JB-M

[U-53678]

Salt Lake District; Realty Action; Exchange of Public and Private Lands in Box Elder County, UT

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of realty action.

SUMMARY: The following described lands have been determined to be suitable for disposal by exchange under Section 206 of the *Federal Land Policy and Management Act of 1976*, (43 U.S.C. 1716):

T. 11N., R. 19W., SLM
Section 1: Lot 4, SW¼NW¼, W¼SW¼ SE¼NW¼, SE¼SW¼SE¼NW¼, SW¼
Section 12: NW¼
Containing 408.59 acres.

In exchange for these lands, the United States will acquire the following described lands from Williams S. Thomas:

T. 11N., R. 17W., SLM
Section 7: Lot 4, SE¼SW¼, W½SW¼ SE¼, W½E½SW¼SE¼
T. 12N., R. 18W., SLM
Section 15: SW¼SW¼
Section 22: W½NE¼, N½NW¼, E½W½ SW¼NW¼, E½SW¼NW¼, SW¼NW¼, NW¼SE¼
Containing 416.98 acres.

The offered and selected lands are both grazing land located near Grouse Creek in western Box Elder County, Utah. The exchange benefits the local rancher by consolidating his land holdings into an economic unit and benefits the Federal Government by eliminating private inholdings in large areas of public ownership. The public interest will be served by completing the exchange. There are no existing land uses or plans that are in conflict with this disposal. The value of the lands to be exchanged is equal.

The terms and conditions applicable to the exchange are:

A reservation to the United States of a right-of-way for ditches or canals constructed by the authority of the United States, Act of August 30, 1890 [43 U.S.C. 945].

The publication of this notice in the **Federal Register** will segregate the public lands described above to the extent that they will not be subject to appropriation under the public land laws, including the mining laws. As provided by the regulations of 43 CFR 2201.1(b), any subsequently tendered application, allowance of which is discretionary, shall not be accepted, shall not be considered as filed and shall be returned to the applicant.

Detailed information concerning the exchange, including the environmental analysis and the record of public discussions, is available for review at the Salt Lake District Office, 2370 South 2300 West, Salt Lake City, Utah.

For a period of 45 days interested parties may submit comments to the Salt Lake District Manager, Bureau of Land Management, 2370 South 2300 West, Salt Lake City, Utah 84119.

Deane H. Zeller,

Salt Lake District Manager.

July 1, 1986.

[FR Doc. 86-15865 Filed 7-14-86; 8:45 am]

BILLING CODE 4310-DQ-M

Fish and Wildlife Service

Issuance of Permit For Marine Mammals

On May 7, 1986, a notice was published in the **Federal Register** (Vol 51, NO 88) that an appliclatin had been filed with the Fish and Wildlife Service by Janmark, Inc. (PRT# 706641) for a permti to import blood samples from 15 polar bears (*Ursus maritimus*) from the Northwest Territories Wildlife Service, Rankin Inlet, N.W.T. Canada, for Scientific Research.

Notice is hereby given that on July 2, 1986, as authorized by the Marine Protection Act of 1972 (16 USC 1361-1407), the Fish and Wildlife Service issued a permit subject to certain condistions set forth therein.

The permits are available for public inspection during normal business hours at the Fish and Wildlife Service's Office in room 605, 1000 North Glebe Road, Arlington, Virginia 22201.

Dated: July 10, 1986.

Arthur W. Cazarowitz,

Acting Federal Wildlife Permit Office.

[FR Doc. 86-15938 Filed 7-14-86; 8:45 am]

BLLING CODE 4310-55-M

Minerals Management Service

Royalty Management Advisory Committee, Gas Valuation Regulation Review Working Panel: Meeting

AGENCY: Minerals Management Service (MMS), Interior.

ACTION: Notice of meeting.

SUMMARY: The Minerals Management Service (MMS) Royalty Management Program, hereby gives notice that the Gas Valuation Regulations Review Working Panel, established by the Royalty Management Advisory Committee, will meet in Lakewood,

Colorado, at the location and on the dates indicated below.

On February 5, 1986, MMS published an advanced notice of proposed rulemaking in the **Federal Register** making available for public comment draft regulations pertaining to the valuation of gas and associated products as well as gas processing allowances and transportation allowances. All public comments were made available to the Royalty Management Advisory Committee and the Gas Valuation Regulations Review Working Panel. The Panel is reviewing the draft regulations and making recommendations as necessary. The Panel held their last meeting on June 30, July 1–2, 1986, which was announced in the **Federal Register** on June 27, 1986.

LOCATION AND DATES: The Gas Valuation Regulations Review Working Panel will meet at the Sheraton Inn Hotel, 360 Union Boulevard, Lakewood, Colorado, July 17–18, 1986.

The Panel will meet from 9 a.m. to 5 p.m. on July 17 and from 8 a.m. to 3 p.m. on July 18, 1986.

The public is invited to attend these meetings and make oral or written comments. A time will be set aside by the Panel chairperson during which the public will be invited to make oral comments. Written comments should be submitted by August 1, 1986, to the address listed below.

FOR FURTHER INFORMATION CONTACT: Vernon B. Ingraham, Minerals Management Service, Royalty Management Program, Office of External Affairs, Denver Federal Center, Building 85, P.O. Box 25165, Mail Stop 660, Denver, Colorado 80225, telephone number (303) 231–3360, (FTS) 326–3360.

SUPPLEMENTARY INFORMATION: The Gas Valuation Regulations Review Working Panel is one of six working panels established by the Royalty Management Advisory Committee. The panels are composed of both Advisory Committee members and non-Committee members, and were established to provide the Advisory Committee with anlayses of specific issues and proposed recommendations. Panel recommendations will be reviewed by the Advisory Committee, which will then decide what advice and recommendations to give to the Department of the Interior (DOI) and the MMS. Although the panels may meet with DOI or MMS staff members to obtain information they require in conducting their analyses, advice and recommendations of the panels will be made to the Advisory Committee and not to the DOI or the MMS.

Dated: July 9, 1986.

John B. Rigg,

Acting Director, Minerals Management Service.

[FR Doc. 86–15884 Filed 7–14–86; 8:45 am]

BILLING CODE 4310-MR-M

Development Operations Coordination Document

AGENCY: Minerals Management Service, Interior.

ACTION: Notice of the Receipt of a Proposed Development Operations Coordination Document (DOCD).

SUMMARY: Notice is hereby given that Mobil Oil Exploration & Producing Southeast Inc. has submitted a DOCD describing the activities it proposes to conduct on Lease OCS–4940, Block 18, Green Canyon Area, offshore Louisiana. Proposed plans for the above area provide for the development and production of hydrocarbons with support activities to be conducted from an onshore base located at Morgan City, Louisiana.

DATE: The subject DOCD was deemed submitted on July 3, 1986. Comments msut be received within 15 days of the date of this Notice or 15 days after the Coastal Management Section receives a copy of the DOCD from the Minerals Management Service.

ADDRESSES: A copy of the subject DOCD is available for public review at the Office of the Regional Director, Gulf of Mexico OCS Region, Minerals Management Service, 3301 North Causeway Blvd., Room 147, Metairie, Louisiana (Office Hours: 9 a.m. to 3:30 p.m., Monday through Friday). A copy of the DOCD and the accompanying Consistency Certification are also available for public review at the Coastal Management Section Office located on the 10th Floor of the State Lands and Natural Resources Building, 625 North 4th Street, Baton Rouge, Louisiana (Office Hours: 8 a.m. to 4:30 p.m., Monday through Friday). The public may submit comments to the Coastal Management Section, Attention OCS Plans, Post Office Box 44396, Baton Rouge, Louisiana 70805.

FOR FURTHER INFORMATION CONTACT: Ms. Angie D. Gobert; Minerals Management Service, Gulf of Mexico OCS Region, Rules and Production, Plans, Platform and Pipeline Section; Exploration/Development Plans Unit, Phone (504–838–0876.

SUPPLEMENTARY INFORMATION: The purpose of this Notice is to inform the public, pursuant to sec. 25 of the OCS Lands Act Amendments of 1978, that the Minerals Management Service is considering approval of the DOCD and that it is available for public review. Additionally, this Notice is to inform the public, pursuant to § 930.61 of Title 15 of the CFR, that the Coastal Management Section/Louisiana Department of Natural Resources is reviewing the DOCD for consistency with the Louisiana Coastal Resources Program.

Revised rules governing practices and procedures under which the Minerals Management Service makes information contained in DOCDs available to affected States, executives of affected local governments, and other interested parties became effective December 13, 1979, (44 FR 53685).

Those practices and procedures are set out in revised § 250.34 of Title 30 of the CFR.

Dated: July 7, 1986

J. Rogers Pearcy,

Regional Director, Gulf of Mexico OCS Region.

[FR Doc. 86–15826 Filed 7–14–86; 8:45 am]

BILLING CODE 4310-MR-M

National Park Service

National Register of Historic Places; Notification of Pending Nominations; Arizona et al.

Nominations for the following properties being considered for listing in the National Register were received by the National Park Service before July 5, 1986. Pursuant to § 60.13 of 36 CFR Part 60 written comments concerning the significance of these properties under the National Register criteria for evaluation may be forwarded to the National Register, National Park Service, U.S. Department of the Interior, Washington, DC 20243. Written comments should be submitted by July 30, 1986.

Carol D. Shull,

Chief of Registration, National Register.

ARIZONA

Cochise County

Douglas, *Douglas Residential Historic District*, Roughly bounded by Twelfth St., Carmelita Ave., Seventh St., and East Ave.

Maricopa County

Phoenix, *Gates, Neil H., House*, 4602 N. Elsie Ave.

CALIFORNIA

Fresno County

Fresno, *Holy Trinity Armenian Apostolic Church*, 2226 Ventura St.

Los Angeles County

Los Angeles, San Fernando Building, The, 400—410 S. Main St.

CONNECTICUT

Fairfield County

Stamford, *Revonah Manor Historic District*, Roughly bounded by Urban St., East Ave., Fifth and Bedford Sts.

Hartford County

Hartford, *Upper Albany Historic District*, Roughly bounded by Holcomb and Vine Sts., Homestead Ave., and Woodland St.

Litchfield County

Milton, *Milton Center Historic District*, Roughly bounded by Milton, Shearshop, Headquarters, Sawmill, and Blue Swamp Rds.

Middlesex County (also in New London County)

East Haddam, *Seventh Sister*, 67 River Rd.

Middlesex County

Durham, *Main Street Historic District*, Along Main St., roughly bounded by Talcott Lane, Higganum Rd., and Maple Ave.
East Hampton, *Rapallo Viaduct*, Flat Brook and former Air Line Railroad right-of-way
Middletown, *Sanseer Mill*, 215 E. Main St.
Middletown, *Woodrow Wilson High School*, Hunting Hill Ave. and Russell St.

New Haven County

Cheshire, *Cheshire Historic District*, Roughly bounded by Main St., Highland Ave., Wallingford Rd., S. Main St., Cornwall and Spring Sts.
Milford, *River Park Historic District*, Roughly bounded by Boston Post Rd., Governor's Ave., Amtrak, and High St.
New Haven, *Beaver Hills Historic District*, Roughly bounded by Crescent St., Goffe Terrace, and Boulevard

New London County

New London, *Hempstead Historic District*, Roughly bounded by Franklin, and Jay Sts. and Mountain Ave.
New London, *Prospect Street Historic District*, Roughly bounded by Bulkeley Pl., Huntington, Federal, and Hempstead Sts.
Colchester, *Blackledge River Railroad Bridge*, Former Air Line Railroad right-of-way and Blackledge River
Colchester, *Lyman Viaduct*, Dickinson Creek and former Air Line Railroad right-of-way
Colchester, *River Road Stone Arch Railroad Bridge*, River Road and former Air Line Railroad right-of-way

Windham County

Plainfield, *First Congregational Church of Plainfield*, CT 12

IOWA

Dubuque County

Dubuque, *Jackson Park Historic District*, Roughly bounded by Seventeenth, Iowa, Tenth, Ninth, and Bluff Sts.

LOUISIANA

Orleans Parish

New Orleans, *Hennen Building*, 203 Carondelet
New Orleans, *Holy Cross Historic District*, Roughly bounded by Burgundy and Delery Sts., Mississippi River, and Industrial Canal

MARYLAND

Carroll County

Sykesville, *Springfield Presbyterian Church*, 7300 Spout Hill Rd.

Montgomery County

Bethesda, *Wright, Robert Llewellyn, House*, 7927 Deepwell Dr.

MICHIGAN

Branch County

Coldwater, *First Presbyterian Church*, 52 Marshall St.

Macomb County

Sterling Heights, *Upton, William, House*, 40433 Utica Rd.

Oceana County

Mears Vicinity, *Mears, Charles, Silver Lake Boardinghouse*, Corner of Lighthouse and Silver Lake Channel Rds.

MINNESOTA

Big Stone County

Clinton, *Chicago Milwaukee and St. Paul Depot*, Main and Center Sts.

Cook County

Grand Marais Vicinity, *St. Francis Xavier Church*, US 61
Schroeder Vicinity, *Schroeder Lumber Company Bunkhouse*, US 61

Lake County

Two Harbors, *Two Harbors Carnegie Library*, Fourth Ave. and Waterfront Dr.

Nicollet County

St. Peter, *Center Building, Minnesota Hospital for the Insane*, Freeman Dr.

Otter Tail County

Perham, *Perham City Hall and Fire Station*, 153 E. Main

St. Louis County

Meadowlands Vicinity, *Western Bohemian Fraternal Union Hall*, CR 29

Steele County

Owatonna, *Owatonna High School*, 333 E. School St.

MISSISSIPPI

Hinds County

Jackson, *Hinds County Courthouse*, Pascagoula St.

MISSOURI

St. Louis (Independent City)

St. Louis, *Olympia, The*, 3863 W. Pine and 200 N. Vandeventer
St. Louis, *St. Matthew's Parish Complex*, Sarah and Kennerly

OHIO

Miami County

Piqua Vicinity, *Rial, York, House*, McFarland St.

OREGON

Umatilla County

Pendleton, *South Main Street Commercial Historic District*, Roughly bounded by Dorion Ave., S.E. First St., Union Pacific R.R., and S.W. Second St.

Washington County

Hillsboro, *Washington County Jail*, 872 N.E. Twenty-eighth St.

PENNSYLVANIA

Cambria County

St. Michael, *South Fork Fishing and Hunting Club Historic District*, Roughly bounded by Franklin, Main, and Lake Sts.

UTAH

Salt Lake County

Copperton, *Copperton Historic District*, Roughly bounded by SR 48, Fifth East, Hillcrest, and Second West Sts.

WASHINGTON

King County

Seattle, *Chinese Baptist Church*, 925 S. King St.

Spokane County

Spokane, *Mission Avenue Historic District*, E. 220—824 Mission Ave.

[FR Doc. 86-15940 Filed 7-14-86; 8:45 am]
BILLING CODE 4310-70-M

INTERSTATE COMMERCE COMMISSION

[Docket No. AB-1 (Sub-126X)]

Chicago and North Western Transporation Co.; Abandonment Exemption; in La Crosse County, WI

AGENCY: Interstate Commerce Commission.

ACTION: Notice of exemption.

SUMMARY: The Interstate Commerce Commission exempts from the requirements of prior approval under 49 U.S.C. 10903, *et seq.*, the abandonment by Chicago and North Western Transportation Company of 0.45 miles of track in La Crosse County, WI, subject to standard labor protective conditions and a public use condition under 49 U.S.C. 10906.

DATES: This exemption will be effective on August 14, 1986. Petitions to stay must be filed by July 25, 1986, petitions for reconsideration must be filed by August 4, 1986.

ADDRESSES: Send pleadings referring to Docket No. AB–1 (Sub-No. 126X) to:

(1) Office of the Secretary, Case Control Branch, Interstate Commerce Commission, Washington, DC 20423

(2) Petitioner's representative: Robert T. Opal, One North Western Center, Chicago, IL 60606

FOR FURTHER INFORMATION CONTACT: Donald J. Shaw, Jr. (202) 275–7245.

SUPPLEMENTARY INFORMATION: Additional information is contained in the Commission's decision. To purchase a copy of the full decision, write to T.S. InfoSystems, Inc., Room 2229, Interstate Commerce Commission Building, Washington, DC 20423, or call 289–4357 (DC Metropolitan area) or toll free (800) 424–5403.

Decided: July 7, 1986.

By the Commission, Chairman Gradison, Vice Chairman Simmons, Commissioners Sterrett, Andre and Lamboley.

Noreta R. McGee,

Secretary.

[FR Doc. 86–15855 Filed 7–14–86; 8:45 am]

BILLING CODE 7035–01–M

[Finance Docket No. 30836 [1]]

CSX Corp.; Motion To Revoke Securities Conditions

AGENCY: Interstate Commerce Commission.

ACTION: Notice of request to revoke securities conditions.

SUMMARY: Conditions were imposed in *CSX Corp.—Control—Chessie and Seaboard C.L.I.*, 363 I.C.C. 518, 596–597 (1980) on CSX Corporation, a railroad holding company, requiring that it: (1) File annual reports on Form R–1 and file such other periodic and special reports as the I.C.C. may require under 49 U.S.C. 11145; (2) comply with 49 U.S.C. 11144; and (3) file applications under 49 U.S.C. 11301 and 11302 for those issuances of securities and assumptions of obligations which may relate to or affect the activities of carrier subsidiaries. By a motion filed April 21, 1986, CSX seeks to revoke those conditions. A proceeding is instituted. Persons interested in participating shall give notice of their intent to participate, and CSX shall then serve a copy of its petition on each responding party.

DATES: Notice of intent to participate are due by August 4, 1986. CSX must serve a copy of its petition on each responding party by August 14, 1986. All evidence and argument in support of removing the conditions are due by September 3, 1986. Statements in opposition to removal of the conditions are due by October 3, 1986. Rebuttal is due by October 23, 1986.

ADDRESSES: Send an original plus one copy of each notice of intent to participate and an original plus 10 copies of all pleadings to: Office of the Secretary, Case Control Branch, Interstate Commerce Commission, Washington, DC 20423.

Send one copy of each notice of intent to participate and pleading to: Garth E. Griffith, General Counsel, CSX Corporation, P.O. Box C–32222, Richmond, VA 23261.

Pleadings should refer to Finance Docket No. 30836.

FOR FURTHER INFORMATION CONTACT: Donald Shaw, Jr., (202) 275–7245.

Decided: July 2, 1986.

By the Commission, Chairman Gradison, Vice Chairman Simmons, Commissioners Sterrett, Andre and Lamboley.

Noreta R. McGee,

Secretary.

[FR Doc. 86–15853 Filed 7–14–86; 8:45]

BILLING CODE 7035–01–M

[Finance Docket No. 30838]

H. Peter Claussen; Exemption

AGENCY: Interstate Commerce Commission.

ACTION: Notice of exemption.

SUMMARY: The Commission exempts from prior approval under 49 U.S.C. 11343, *et seq.* the continuance of control by H. Peter Claussen of two Class III non-connecting carriers, the Alabama and Florida Railroad Company and Gulf & Ohio Railways, Inc., subject to standard labor protective conditions, and, from 49 U.S.C. 11322, the holding by Mr. Claussen of officership and directorship in a third Class III railroad, the Caney Fork and Western Railroad, Inc.

DATES: This decision is effective July 17, 1986. Petitions to reopen must be filed by August 4, 1986.

ADDRESSES: Send petitions referring to Finance Docket No. 30838 to:

(1) Office of the Secretary, Case Control Branch, Interstate Commerce Commission, Washington, DC 20423.

(2) Petitioner's representative: Ellen M. Burger, Esq., Suite 800, 1350 New York Ave., NW., Washington, DC 20005–4797.

FOR FURTHER INFORMATION CONTACT: Donald J. Shaw, Jr. (202) 275–7693.

SUPPLEMENTARY INFORMATION: Additional information is contained in the Commission's decision. To purchase a copy of the full decision, write to T.S. InfoSystems, Inc., Room 2229, Interstate Commerce Commission Building, Washington, DC 20423 or call 289–4357 (DC Metropolitan area) or toll free (800) 424–5403.

Decided: June 30, 1986.

By the Commission, Chairman Gradison, Vice Chairman Simmons, Commissioners Sterrett, Andre and Lamboley.

Noreta R. McGee,

Secretary.

[FR Doc. 86–15854 Filed 7–14–86; 8:45 am]

BILLING CODE 7035–01–M

DEPARTMENT OF JUSTICE

Antitrust Division

Wall Paper Institute et al.; Proposed Termination of Final Judgment

Notice is hereby given that Eisenhart Wallcoverings Company; Imperial Paper Company; York Wallcoverings, Inc.; and Reed Holdings, Inc., (successor by merger to The Birge Company, Inc.); successors to certain of the named defendants, filed with the United States District Court for the Eastern District of Pennsylvania a motion to terminate the Final Judgment in *United States* v. *The Wall Paper Institute, et al.*, Civil Action No. 8621; and the Department of Justice ("Department"), in a stipulation also filed with the court, has consented to termination of the Final Judgment, but has reserved the right to withdraw its consent pending receipt of public comments. The Complaint in this case (filed on June 8, 1948) alleged that beginning in 1935 the Wall Paper Institute (a trade organization no longer in existence) and eight wallpaper manufacturers engaged in a conspiracy to suppress and eliminate competition for the distribution and sale of wallpaper in restraint of trade and violation of section 1 of the Sherman Act, (Title 15, U.S.C., Section 1). The Final Judgment (entered on June 8, 1950) enjoins each defendant from:

1. Agreeing with any other person to fix the prices or other terms and conditions of sale of wallpaper or to fix or suggest the prices or other terms and conditions of resale of wallpaper;

2. Agreeing with any other wallpaper manufacturer to restrict or allocate the production or sale of wallpaper;

3. Requiring or exerting pressure on purchasers of wallpaper to resell wallpaper at particular prices or other terms and conditions of sale;

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[1] This docket number has been assigned in lieu of Finance Docket No. 28905 (Sub-No. 1), under which CSX's motion was filed.

4. Refusing to sell, restricting the sale of, or discriminating in the sale of wallpaper because of prices, discounts, or allowances at which a purchaser has resold wallpaper; and

5. Communicating any information relating to the manufacture, sale, or distribution of wallpaper to any other manufacturer, seller, or distributor of wallpaper, or to any trade association for the purpose of carrying on any acts or course of conduct prohibited by the Final Judgment.

The Department has filed with the court a memorandum setting forth the reasons the Department believes that termination of the Judgment would serve the public interest. Copies of the Complaint and Final Judgment, the motion papers, the stipulation containing the Government's consent, the Department's memorandum and all further papers filed with the court in connection with this motion will be available for inspection at Room 7233, Antitrust Division, Department of Justice, 10th Street and Pennsylvania Avenue, NW., Washington, DC 20530 (telephone 202–633–2481), and the Office of the Clerk of the United States District Court for the Eastern District of Pennsylvania, 2609 U.S. Courthouse, Independence Mall West, 601 Market Street, Philadelphia, Pennsylvania 19106. Copies of any of these materials may be obtained from the Antitrust Division upon request and payment of the copying fee set by Department of Justice regulations.

Interested persons may submit comments regarding the proposed termination of the Judgment to the Department. Such comments must be received within the sixty-day period established by court order, and will be filed with the court. Comments should be addressed to Anthony V. Nanni, Chief, Litigation I Section, Antitrust Division, Department of Justice, Washington, DC 20530 (telephone 202–633–2541).

Dated: July 3, 1986.

Joseph H. Widmar,

Director of Operations, Antitrust Division.

[FR Doc. 86–15832 Filed 7–14–86; 8:45 am]

BILLING CODE 4410–01–M

National Cooperative Research Act of 1984; Wickes Manufacturing Company/Cycles Peugeot S.A.

Notice is hereby given that pursuant to section 6(a) of the National Cooperative Research Act of 1984, Pub. L. 98–462 ("the Act"), Wickes Manufacturing Company has filed a written notification simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties to a joint venture and (2) the nature and objectives of the venture. Notification was filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to section 6(b) of the Act, the identities of the parties and the general areas of planned activity of the joint venture are given below.

The venture was formed pursuant to a written agreement dated April 9, 1986. Research and development is to be undertaken through the joint effort of the parties to the Agreement, Wickes Manufacturing Company and Cycles Peugeot S.A. The objective of the joint venture is to design seating systems and components thereof for the automotive transportation market in the United States, Canada and Mexico.

Joseph H. Widmar,

Director of Operations, Antitrust Division.

[FR Doc. 15833 Filed 7–14–86; 8:45 am]

BILLING CODE 4401–01–M

LIBRARY OF CONGRESS

Copyright Office

Availability of Supplement to the Motion Picture Agreement for the Use of Independent Filmmakers Making Ten or Fewer Motion Picture Prints

AGENCY: Copyright Office, Library of Congress.

ACTION: Notice of availability of supplement to the Motion Picture Agreement.

SUMMARY: This notice is issued to advise the public that the Library of Congress is making available a Motion Picture Supplement for the Use of Independent Filmmakers Making Ten or Fewer Motion Picture Prints. The effect of this Supplement to the Motion Picture Agreement is to make possible, under certain conditions, the deposit of a videotape copy in lieu of a best edition film print to satisfy the deposit requirements of sections 407 and 408 of the copyright law where independent filmmakers, as that term is commonly understood in the trade, have made no more than ten prints of a motion picture. This Supplement is immediately available for use.

FOR FURTHER INFORMATION CONTACT: Dorothy Schrader, General Counsel, Copyright Office, Library of Congress, Washington, DC 20559, Telephone: (202) 287–8380.

SUPPLEMENTARY INFORMATION: Under 17 U.S.C. 407, the owner of copyright, or of the exclusive right of publication, in a work published with notice of copyright in the United States is required to deposit two copies of the work in the Copyright Office for the use or disposition of the Library of Congress. Section 408 requires deposit of two copies of published works in connection with applications for copyright registration. By establishing deposit requirements, Congress intended to provide a useful legal record of the copyrighted work that meets both the practical needs of depositors and the needs and wants of the Library. In keeping with this policy, the statute authorizes the Copyright Office to issue regulations liberalizing the deposit requirements. With respect to motion pictures, the regulations permit the deposit of only one copy.

In addition to reducing the number of copies to be deposited, a long standing solution to the hardship posed by the deposit of motion pictures at a time when demand for prints is most urgent has been the Motion Picture Agreement. The Agreement, available since 1946 except for a short period during initial implementation of the 1976 Copyright Act, provides that a motion picture may be returned to the depositor in exchange for a promise to deposit, upon recall, a best edition copy of archival quality. Although the Agreement continues to work well with the film community at large, it fails to resolve the deposit problems of independent filmmakers who often are operating on tight budgets. In late 1983, the Office became aware of the hardships the deposit requirements impose on independent filmmakers. Representatives of independent filmmakers pointed out that for an independent producer with only one or two existing prints of a work, the requirement to surrender a 'best edition' print to the Copyright Office can impose a substantial hardship. Moreover, for independent distributors who are willing to distribute films of artistic merit but marginal commercial potential, the additional cost of an archive print can make the difference between distributing the work or not. Films which cannot be distributed are less likely to be made. The adverse impact of the deposit requirement, then, is real and significant to the fragile economy of independent filmmaking. (Letter of November 30, 1983 from Lawrence Sapadin, Executive Director, Association of Independent Video and Filmmakers, Inc.)

The Copyright Office has held meetings with interested parties, representatives of the Association of Independent Video and Filmmakers, Inc., and Library officials to determine

the best way to both alleviate the financial hardship on small filmmakers, and meet the acquisition needs of the Library. After extensive discussion, the Library has decided that the severe financial hardship that these filmmakers experience in fulfilling normal deposit requirements merits making available a Supplement to the Motion Picture Agreement. This Supplement allows independent filmmakers who have made no more than ten prints of a motion picture to satisfy the copyright requirements for deposit and registration with a nonreturnable archival quality ¾ inch videotape. However, the Supplement also gives the Librarian the option of requesting a best edition film print within five years after the deposit of the videotape. Where the Librarian exercises this option, the additional deposit will not ordinarily be required until ninety days after the five year period has expired.

If the producer makes an eleventh print within five years, the Librarian may request deposit before the five year period has expired. Under the terms of the Supplement, the Depositor must immediately notify the Librarian of production of the eleventh print within the specified period. Within 30 days of such notification, the Library of Congress will decide whether to demand a best edition film print.

During the negotiations, it was understood that any special waiver of deposit requirements would not apply to films with substantial budgets for production, including films created for commercial television. Consequently, the Supplement is available only to "independent filmmakers" as that term is commonly understood in the trade. Moreover, the Library of Congress reserves the right to decline to enter into the Supplement with respect to certain films, for example, those known to have substantial budgets, or those made for commercial television where, given the medium, ten or fewer copies may be all that is necessary to supply the total distribution demand for the work. As a consequence of the specific purposes of this Supplement, therefore, a separate Supplement must be signed for each motion picture release sought to be brought under its terms.

The independent filmmakers' Supplement to the Motion Picture Agreement is set forth in an Appendix at the end of this Announcement. Copies of the Supplement are available from the Deposits and Acquisitions Division, Copyright Office, Washington, DC 20559.

Authority: Secs. 407, 408, 90 Stat. 2541, 17 U.S.C. 407, 408.

Dated: July 7, 1986.

Ralph Oman,

Register of Copyrights.

Daniel J. Boorstin,

The Librarian of Congress.

APPENDIX

Motion Picture Supplement

For the Use of Independent Filmmakers Making Ten or Fewer Motion Picture Prints

Whereas the undersigned Depositor has entered into a Motion Picture Agreement ("MPA") with the United States of America, acting through the Librarian of Congress, executed on ————;

Whereas the Depositor has produced a motion picture ("Motion Picture") entitled ————, which has been published in —— mm, film print and desires to deposit or register the Motion Picture under Section 407 or Section 408 of the Copyright Law;

Whereas the Depositor is an independent film producer as that term is commonly understood in the trade, and has made ten (10) or fewer film prints of the Motion Picture;

Now Therefore, the parties hereto agree to the following MPA Supplement:

1. The Depositor may deposit an archival quality ¾-inch videotape ("Videotape") of the Motion Picture. The Librarian will accept the Videotape for deposit, on the understanding that title transfers to the United States at the time of deposit pursuant to Section 704 of the Copyright Act and that the Videotape will not be returnable to the Depositor under the MPA.

2. If after the Videotape is deposited under either Section 407 or 408 and the Librarian requests deposit at any time within five (5) years of a "best edition film print" under the MPA, at its own expense the Depositor will make additional deposit of the same within ninety (90) days after expiration of five (5) years or any lesser agreed period from the deposit of the Videotape; provided that if the Librarian does not request deposit of such a "best edition film print" before expiration of the five year period, the Depositor shall have no further obligation thereafter.

3. If more than ten (10) film prints of the Motion Picture are made before the five year period has expired, the Depositor agrees to notify the Librarian by sending written notice to the Deposits and Acquisitions Division of the Copyright Office within ten (10) days after the eleventh (11th) print is made. If the Library wishes to obtain the motion picture for its collections, the Librarian will request deposit within thirty (30) days after receipt of notice from the Depositor. Within ninety (90) days of the date of the Librarian's request for deposit under this paragraph, the Depositor agrees to deposit a "best edition film print" of the Motion Picture.

4. Throughout the five year period, the Depositor shall maintain in its custody or control either one film stock release-print of "archival quality" as defined in the MPA, or alternatively the original or a duplicate negative from which such "archival quality" film print can be produced. In the event that the Depositor sells, assigns or transfers the Motion Picture during the five year period, the Depositor will ensure that the purchaser, assignee or transferee executes an appropriate undertaking to assume the Depositor's obligations hereunder within ninety (90) days thereafter, the Depositor will also notify the Chief, Deposits and Acquisitions Division, Copyright Office, of the identity and address of the purchaser, assignee or transferee within the same ninety (90) day period.

If, in the Librarian's judgment, there is a serious risk that the Depositor will fail to continue to comply with its foregoing obligations under paragraph 4 throughout the said five year period, the Librarian may reduce the five year period to three (3) years by so notifying the Depositor at least ninety (90) days prior to the end of the third year. Deposit of the best edition film print must then be made within ninety (90) days of the date of the notice from the Librarian.

In Witness Whereof the parties hereto have duly executed this Supplement.

Depositor ————

By ————

Officer of Corporation

Date ————

————

Typed or Printed Name and Office Held

Approved:

————

The Librarian of Congress

Date ————

[FR Doc. 86–15846 Filed 7–14–86; 8:45 am]

BILLING CODE 1410-07-M

DEPARTMENT OF LABOR

Occupational Safety and Health Administration

Federal Advisory Council on Occupational Safety and Health; Postponement of Meeting

Notice is hereby given that the meeting of the Federal Advisory Council on Occupational Safety and Health, scheduled for July 23, 1986 (51 FR 24593, July 7, 1986), is postponed until a later date.

All communications regarding this Advisory Council should be addressed to Mr. John E. Plummer, Director, Office of Federal Agency Programs, Department of Labor, OSHA, Frances Perkins Building, Room N3613, 200 Constitution Avenue, NW., Washington, DC 20210, telephone (202) 523–9329.

Signed at Washington, DC this 11 day of July 1986.

John A. Pendergrass,

Assistant Secretary.

[FR Doc. 86–16016 Filed 7–14–86; 8:45 am]

BILLING CODE 4510–26–M

NATIONAL FOUNDATION ON THE ARTS AND HUMANITIES

Agency Information Collective Activities Under OMB Review

AGENCY: National Endowment for the Humanities.

ACTION: Notice.

SUMMARY: The National Endowment for the Humanities (NEH) has sent to the Office of Management and Budget (OMB) the following proposal for the collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

DATE: Comments on this information collection must be submitted on or before September 1, 1986.

ADDRESSES: Send comments to Ms. Ingrid Foreman, Management Assistant, National Endowment for the Humanities, Administrative Services Office, Room 202, 1100 Pennsylvania Avenue NW., Washington, DC 20506 (202–786–0233) or Ms. Judy McIntosh, Office of Management and Budget, New Executive Office Building, 726 Jackson Place NW., Room 3208, Washington, DC 20503 (202–395–6880).

FOR FURTHER INFORMATION CONTACT: Ms. Ingrid Foreman, National Endowment for the Humanities, Administrative Services Office, Room 202, 1100 Pennsylvania Avenue, NW., Washington, DC 20506 (202–786–0233) from whom copies of the form and supporting documents are available.

SUPPLEMENTARY INFORMATION:

Category: Extension of OMB Expiration Date.

Title: NEH Final Financial Status Report.

Form Number: N/A.

Frequency of Collection: Occasional (at end of grant).

Respondents: All NEH Institutional Grantees, at their option.

Use: Provide information on project expenditures.

Estimated Number of Respondents: 3,000 maximum.

Estimated Hours for Respondents to Provide Information: 1.

This entry is not subject to 44 U.S.C. 3504(h).

Susan Metts,

Acting Director of Administration.

[FR Doc. 86–15868 Filed 7–14–86; 8:45 am]

BILLING CODE 7536–01–M

POSTAL RATE COMMISSION

[Order No. 700; Docket No. N86–1, Docket No. MC86–3]

Changes in Collect on Delivery Service; Commission Order Instituting Mail Classification Case Paralleling Docket No. N86–1, Changes in Collect on Delivery Service

Issued: July 9, 1986.

Before Commissioners: Janet D. Steiger, Chairman; Henry R. Folsom, Vice-Chairman; John W. Crutcher; Bonnie Guiton; Patti Birge Tyson.

At the April 30th prehearing conference in this case, the Presiding Officer invited comments from the parties on the classification implications of the Service's proposed changes in collect-on-delivery service.[1] The Commission's interest in this matter was originally expressed in Order No. 669, where we asked whether language in the Domestic Mail Classification Schedule (MDCS) would make the Service an ensurer of payment on checks tendered by addressees.[2]

In written responses to a Presiding Officer's request, several parties expressed their belief that adoption of the Service's proposed changes would require corresponding changes in the Domestic Mail Classification Schedule.[3] The Postal Service maintains that no classification change is warranted. The American Postal Workers Union, AFL–CIO (APWU) says, without further elaboration, that it does not believe the proposed change necessitates a DMCS change, but also says the Commission has the right to recommend a classification change on its own initiative if it believes different language is necessary or preferable.

Accordingly, assuming *arguendo* that the Service's proposed changes in collect-on-delivery service are recommended and implemented, the issue before us is whether language in section 6.021 of the DMCS could be construed, as a matter of legal interpretation, as rendering the Postal Service secondarily liable as a guarantor of checks written by the addressee to the mailer.

Section 6.021 provides.

> C.O.D. service provides the mailer with *insurance against* loss, rifling and damage to the article as well as *failure to receive the amount collected from the addressee.* (Emphasis supplied.)

The language relevant to the instant inquiry is that which relates to "insurance against . . . failure to receive the amount collected from the addressee." Prior to the Service's submission of proposed changes in C.O.D. service, the legal effect of this language was not problematic because payment to the mailer has been in the form of a postal money orders. If the proposed change were implemented, however, payment to the mailer—in at least some instances—could be by check. Thus, the question arises whether the language of section 6.021, if left unchanged, could be read as a guarantee that the Service would make whole any mailer who fails to collect on a recipient's check.

We note that it is clear from the Service's initial filing and its written response that it does not intend this result. In his filed testimony, USPS witness Donald Dillman states, "Of course, the Postal Service would no longer guarantee payment to the mailer when payment is made by check." USPS–T–2 at 7. He says the Service instead will simply guarantee transmittal of the check to the mailer. *Id.* In its written comments, the Service sets forth its position that the plain meaning of the provision does not support a "sweeping" guarantee of payment to C.O.D. mailers, that the history of the provision shows a guarantee was never intended and that the Service in any event retains authority to interpret the section to accord with its views. *See*

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[1] *See* Prehearing Conference, Tr. 1/6–8; this request was restated in a May 2, 1986 Presiding Officer's Notice concerning Written Comments.

[2] PRC Order No. 669 at 2; Published February 26, 1986 (51 FR 6842).

[3] *See generally* Comments of the Office of the Consumer Advocate, the Direct Marketing Association and Princess House, Inc.

Comments of the United States Postal Service on "Classification Implications" of C.O.D. Service Change, May 14, 1986 at 1–2. However, both the Direct Marketing Association (with whom Princess House, Inc. is in accord) and Office of the Consumer Advocate argue that the existing language, if left unamended in the face of adoption of the proposed changes, squarely invites an interpretation other than that the one the Service intends. In their view, that interpretation is one of guarantorship.

Both sides invoke the plain meaning of the provision—and in particular, the term "amount"—as well as past Postal Service practice, to support their view. We briefly review their position below.

"Plain meaning." With respect to "plain meaning," the Service says the dictionary meanings of "amount" suggest that use of this term simply refers to some quantity collected from the addressee. It explains:

> [T]he best interpretation of the current DMCS provision pertaining to insurance against loss for COD items is that it merely provides indemnification to the mailer in the event that whatever has been collected from the addressee is not safely carried back to the mailer.

USPS Comments at 3.

However, DMA says that the Service's reading of the word "amount" broadly enough to encompass the concept of a check stretches the ordinary meaning of the English language beyond reasonable bounds. Comments of the Direct Marketing Association, Inc. Concerning DMCS Change, May 16, 1986 at 2. DMA says, "[I]t seems clear that word 'amount,' when used in section 6.021, means 'dollars' and not a piece of paper authorizing the payor's bank to transfer money from the payor's account." *Id.*

The OCA reviews definitions set out in Black's Law Dictionary and similarly concludes that section 6.0211's use of the term "amount" gives rise to a guarantee that the C.O.D. user will receive value in money for the goods delivered by the Postal Service.

Past postal practice. With respect to past practice, the Service states that the Service historically has guaranteed only receipt of the instrument issued to the mailer after payment of C.O.D. charges. The Service also reviews forerunners of the current regulation, claiming that, taken as a whole, they support the conclusion that indemnification runs only against failure to receive what has been collected. *Id.* at 8.

However, DMA claims that the Service has, in fact, insured that the mailer received payment for the C.O.D. item. "Amount" has always referred to dollars, according to DMA, and the Service has always insured the collection of dollars from the addressee. *Id.* at 2–3.

Residual authority. Finally, the Service says that if the language were interpreted by some to provide "extraordinary protection," the Postal Reorganization Act provides the Postal Service with the necessary authority to interpret the DMCS to resolve any ambiguities.

From the above discussion, the Service's position is clear; it believes that no change in the language of Section 6.021 would be needed if its proposal were adopted and that no mail classification docket need be established. On the other hand, DMA (with Princess House, Inc. in accord) and the OCA suggest that adoption of the Service's C.O.D. proposal would require amendment of the existing DMCS language, which can only be accomplished pursuant to a recommended decision pursuant to section 3623 of the Postal Reorganization Act.

Although both the OCA and DMA agree that a classification case could begin immediately, they differ on how it should proceed; DMA suggests that the advisory opinion request simply be considered as a classification request, while the OCA calls for establishment of a separate proceeding, either now or upon issuance of a favorable advisory opinion.

Institution of a complementary mail classification docket. After reviewing the parties' comments on this issue, the Commission concludes that a complementary mail classification case is warranted. We believe the points raised by DMA and the OCA sufficiently overcome the Service's position on interpretation of the relevant language and past postal practice. Furthermore, we think the Service's inclination to rely on residual authority if necessary is an unsatisfactory approach. We see clear potential for Service liability as a guarantor if the proposed C.O.D. changes are approved. In light of this, we are establishing a separate mail classification proceeding. However, we think it is preferable to retain the Service's advisory opinion as a distinct proceeding and to institute a separate, but parallel, mail classification proceeding to deal with the DMCS amendments that would be necessary in the event the advisory opinion recommends the procedural changes the Service has proposed. At this point, it appears that essentially the same factual record can support our decisions in these cases and that parallel treatment is an efficient and economical method of dealing with the issues at hand.

It is ordered:

(A) The Commission hereby institutes Mail Classification Docket No. MC86–3, Changes in Collect on Delivery Service in accordance with discussion above.

(B) Except to the extent otherwise directed, a single record shall be developed in Dockets No. N86–1 and No. MC86–3.

(C) All participants in Docket No. N86–1 shall have the same status in Docket No. MC86–3. [A hearing notice is published elsewhere in this issue of the **Federal Register.**]

By the Commission.

Charles L. Clapp,

Secretary.

[FR Doc. 86–15866 Filed 7–14–86; 8:45 am]

BILLING CODE 7715–01–M

[Docket Nos. N86–1 and MC86–3

Changes in Collect on Delivery Service, Hearing

July 11, 1986.

Notice is hereby given that a Hearing will be held on July 23, 1986, 9:30 a.m., Hearing Room, Postal Rate Commission, 1333 H Street, N.W., Washington, DC, in the matter of the proceeding on Changes in Collect on Delivery Service, in Docket Nos. N86–1 and MC86–3. [A related document is published elsewhere in this issue of the **Federal Register**]

Charles L. Clapp,

Secretary.

[FR Doc. 86–15958 Filed 7–14–86; 8:45 am]

BILLING CODE 7715–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–23404; File No. SR–Amex–86–20]

Self-Regulatory Organizations; Proposed Rule Change by American Stock Exchange, Inc., Relating to Listing Fees for Special Shareholder Rights Plans

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on June 24, 1986, the American Stock Exchange, Inc. filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The American Stock Exchange, Inc. is amending Section 140 of the Amex Company Guide to specify the fees applicable for listing special shareholder rights plans.

The text of the proposed rule change is available at the Office of the Secretary, American Stock Exchange, Inc. and at the Commission.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and the Statutory Basis for, the Proposed Rule Change

(1) Purpose

The purpose of this proposed rule change is to establish a fee for the listing of special shareholder rights plans. Special shareholder rights, commonly known as "springing rights" or "poison pills," technically constitute a separate security but trade in tandem with and as part of the issuer's common stock. Upon the occurrence of a "triggering event" such as the announcement of a hostile takeover or the acquisition of a specified percentage of the company's outstanding common stock, the rights are detached from the common stock and become freely tradable as separate securities.

The Exchange has concluded that the listing of special shareholder rights should be treated as a separate matter and that it is inequitable to apply the existing fee schedule to these rights while they are inseparable from the company's common stock. Therefore, the Exchange amended section 140 of the Amex Company Guide to include a processing fee of $1,000 for the listing of special shareholder reights plans. In the event the rights later become separable from the common stock, the company then would be obligated to remit the difference between the processing fee and the standard fee charged for the listing of a new equity security.

(2) Basis

The proposed rule change is consistent with section 6(b) of the Act in general and furthers the objectives of section 6(b)(4) in particular in that it provides for the equitable allocation of fees among listed issuers.

B. Self-Regulatory Organization's Statement on Burden on Competition

The proposed rule change will impose no burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No written comments were solicited or received with respect to the propsoed rule change.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3) of the Securities Exchange Act of 1934 and paragraph (e) of Securities Exchange Act Rule 19b–4. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in futherance of the purposes of the Securities Exchange Act of 1934.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number in the caption above and should be submitted by August 5, 1986.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

Dated: July 8, 1986.

Jonathan G. Katz,

Secretary.

[FR Doc. 86–15931 Filed 7–14–86; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–23405; File No. SR–NYSE–86–16]

Self Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by New York Stock Exchange, Inc. Relating to Listing Fees for Share Rights Plan Securities

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on June 20, 1986, the New York Stock Exchange, Inc. filed with the Securities and Exchange Commission the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

(a) The text of the proposed amendments to Paragraph 902.02 of the NYSE Listed Company Manual appears below. Additions are italicized; deletions are [bracketed].

Listed Fee for Share Rights

A fee of $1,270 will be charged for share rights plans [that have become effective subsequent to May 1, 1986].

Upon the share rights becoming exercisable and tradable separately from the common stock:

An initial fee would be charged on the share rights then outstanding and on additional issuances of rights.

Share rights would be subject to the Exchange's continuing annual fee schedule.

Application of the Fee is Retroactive to August 1, 1984.

[Companies whose share rights plans became effective on or before May 1, 1986, must pay the full initial fee, but will not be subject to any additional fees until the rights become exercisable and tradable separately from the common stock, at which time there will be a fee for additional issuances of rights and

the Exchange's continuing annual listing fee schedule will become applicable.]

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections (A), (B) and (C) below, of the most significant aspects of such statements.

(A) Purpose

The purpose of this proposed rule change is to amend the fee for share rights. This admendment supersedes the share rights fees described in File No. SR–NYSE–86–13. Better known as "poison pill" securities, share rights typically are not exercisable until certain triggering events occur. These triggering events usually pertain to the announcement of a tender offer for the issuer's shares or the purchase of a specified percentage of the issuer's shares. Prior to the time the share rights are exercisable, they do not trade separately from the common stock, and they are evidence by and transferable only with the common stock.

The Exchange has been listing share rights since August, 1984 and, until May 1, 1986, had been charging the currently applicable initial listing fees as set forth in paragraph 902.02 of the NYSE Listed Company Manual. The proposed rule change would result in a fee of $1,270 for all share rights plans. Should the rights subsequently become exercisable and tradable separately from the common stock, the Exchange's standard initial listing fee schedule would be applied as would its continuing annual fee schedule.

Application of the fee is retroactive to August 1, 1984.

Statutory Basis—The basis under the 1934 Act for this proposed rule change is the requirement under section 6(b)(4) that an exchange have rules that provide for the equitable allocation of reasonable dues, fees and other charges among its members and issuers and other persons using its facilities.

(B) Self-Regulatory Organization's Statement on Burden on Competition

The Exchange believes that this proposed rule change will not impose any burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

The Exchange has not solicited, and does not intend to solicit, comments regarding this proposed rule change. The Exchange has not received any unsolicited written comments from members or other interested parties regarding this rule change. However, the Exchange has received correspondence from listed companies, which, while not specifically addressed to this rule change, commented negatively on the earlier imposition of a full initial fee in connection with share rights listings and suggested that any fee change should apply to all companies similarly.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to section 19(b)(3) of the Securities Exchange Act of 1934 and paragraph (e) of Securities Exchange Act Rule 19b–4. At any time within 60 days of the filing of such proposed rule change the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Securities Exchange Act of 1934.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the above mentioned self-regulatory organization. All submissions should refer to the file number in the caption above and should be submitted by August 5, 1986.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Dated: July 8, 1986.

Jonathan G. Katz,

Secretary.

[FR Doc. 86–15932 Filed 7–14–86; 8:45 am]

BILLING CODE 8010–01–M

[Release No. 34–23408; File No. SR–PCC–86–02]

Self-Regulatory Organizations; Proposed Rule Change by the Pacific Clearing Corp. Relating to Enhancements to Its MuniComparison System

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on June 17, 1986, the Pacific Clearing Corporation ("PCC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

PCC is proposing the following enhancement to its MuniComparison System ("MCS"). MCS is designed to compare and settle dealer-to-dealer municipal bond trades in an automated environment.

• Ability to Compare and Settle When-Issued Municipal Bonds: When-issued municipal bond trades, including syndicate takedowns, may now be submitted to the MCS for comparison and settlement. Compared when-issued trades are pended until settlement date, at which time the settlement figure, including accrued interest, in computed. This figuration and final trade details are reported to participants on settlement date. During the settlement process, reports are generated for pended, settled and ineligible trades.

Attached to the filing as Exhibit A is PCC's MCS manual which describes the procedures for the Pacific Securities Depository's MuniComparison System.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included

statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections (A), (B) and (C) below, of the most significant aspects of such statements.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The MuniComparison System is intended to Automate comparison and settlement of municipal bond trades. In so doing, it achieves compliance with Rule G–12 of the Municipal Securities Rulemaking Board, which mandates automated clearing and bookentry settlement for all dealer-to-dealer municipal bond trades.

This enhancement to the MC allows PCC to continue to provide full service to its participant by keeping in step with the national system.

The manual attached to the filing codifies all existing procedures of the MuniComparison System.

The proposed rule change is intended to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions and to remove impediments to and perfect the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions, and thus is consistent with the provisions of section 17A(b)(3)(F) of the Securities Exchange Act of 1934.

(B) Self-Regulatory Organization's Statement on Burden on Competition

PCC perceives no burden on competition by reason of the proposed rule change.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

Comments on the proposed rule change were neither solicited not received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number in the caption above and should be submitted by August 5, 1986.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Dated: July 9, 1986.

Jonathan G. Katz,

Secretary.

[FR Doc. 86–15863 Filed 7–14–86; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-23410; File No. SR-MCC-86-4]

Self-Regulatory Organizations; Midwest Clearing Corp.; Order Approving Proposed Rule Change

On March 24, 1986, the Midwest Clearing Corporation ("MCC") filed a proposed rule change with the Commission under section 19(b)(1) of the Securities Exchange Act of 1934 (the "Act"). Notice of the proposal was published in the **Federal Register** on June 3, 1986.[1] The Commission received no public comment on the proposal. This Order approves the proposal.

MCC's proposal establishes a separate seventeen-member Board of Directors for MCC. Previously, MCC's Broad of Directors was identical to the Board of Governors of the Midwest Stock Exchange ("MSE"), the owner and sole shareholder of MCC. The proposal provides that MCC's President shall be an *ex officio* director, and that the remaining sixteen shall be divided in three classes (two classes with five directors and one class with six directors) with staggered terms. The proposal also provides that MCC's Chairman of the Board and Vice-Chairman shall be chosen from MCC's Board of Directors. After and initial transition period, each director class will be elected for a three-year term.

MCC states in its filing that by establishing a separate Board of Directors for MCC, the proposal will enable MCC's Board of Directors to address more efficiently MCC's business operations and goals. MCC also states that the proposal is consistent with section 17A of the Act because it provides for the fair representation of MCC's participants in the selection of its directors and the administration of its affairs.

The Commission agrees with MCC that the proposal is consistent with the Act and should be approved. The Commission believes that the establishment by MCC of a Board of Directors that is not identical with the Board of Governors of MSE should enable MCC, and its shareholder, MSE, to choose MCC directors that represent the interests of MCC's participants. Moreover, the proposal also should facilitate the election of MCC directors with specialized experience and expertise within the securities processing industry. The Commission notes that the proposal does not change the obligation of MCC's nominating committee to nominate MCC director candidates with a view toward providing fair representation of a cross section of MCC participants.[2] In addition, MCC's By-Laws enable MCC participants to nominate MCC director candidates through a petition process. For the above reasons, the Commission finds that MCC's proposal is consistent with the Act and should be approved.

It is therefore ordered, pursuant to section 19(b)(2) of the Act, that the proposed rule change (SR–MCC–86–4) be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

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[1] 51 FR 19912.

[2] *See* Securities Exchange Act Release No. 20221 (September 23, 1983), 48 FR 45167 at 45172 (October 3, 1983) for a discussion of clearing agency fair representation requirements under the Act and MCC's compliance with those requirements.

Dated: July 9, 1986.
Jonathan G. Katz,
Secretary.
[FR Doc. 86-15860 Filed 7-14-86; 8:45 am]
BILLING CODE 8010-01-M

[Release No. 34-23411; File No. SR-NASD-86-19]

Self-Regulatory Organizations; Notice of Proposed Rule Change Amended to the Rules of Practice and Procedures for the Small Order Execution System and Related Statement of Policy of the Board of Governors Under Section A.7., Part V of Schedule D of the National Association of Securities Dealers, Inc.

Pursuant to section 19(b)(1) of the Securities Exchange Act of 1934, 15 U.S.C. 78s(b)(1), notice is hereby given that on July 2, 1986, the National Association of Securities Dealers, Inc. filed with the Securities and Exchange Commission the proposed rule Change as described in Items I, II, and III below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.[1]

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The following is the full text of proposed amendment to the Rules of Practice and Procedures for the Small Order Execution System ("SOES"). Also set forth below is related statement of policy of the Board of Governors under section A.7., Part V of Schedule D of the National Association of Securities Dealers, Inc. ("NASD") By-Laws waiving, under certain circumstances, the application of the fees applicable to the reporting of transactions through a computer to computer interface. [New language is italicized, deleted language is bracketed].

Rules of Practice and Procedures for the Small Order Execution System

Fees Applicable to SOES

A fee of $.005 per share shall be assessable to SOES Market Makers for all transactions executed through SOES [.] *provided, however, that the minimum charge per execution shall be $.50 and the maximum charge per execution shall be $1.00.*

* * * * *

Section A.7., Part V of Schedule D. Statement of Policy

The Board of Governors has determined that the operational port charge imposed for a computer to computer interface (CTCI) with the NASDAQ system for purposes of trade reporting and/or SOES order entry or market maker executions shall be rebated on a monthly basis to CTCI subscribers who enter or receive 1000 or more SOES executions during any such period.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in Sections (A), (B) and (C) below, of the most significant aspects of such statements.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The purpose of the modifications proposed in this filing is to implement a permanent fee structure for SOES that will recover the fully distributed costs incurred in providing the service over a reasonable planning period taking into account both the current rate of growth in SOES utilization by members and the SOES User Committee's projections on future increased utilization of the service under the proposed rate structure. The fee proposed for application to SOES market makers, taking into account the minimum and maximum charge per execution, the rebate of CTCI fees to subscribers and the anticipated 20% increase in SOES executions projected to result from these two factors is expected to produce revenues of approximately $1.9 million. The projected annual cost of operating SOES for fiscal 1986 is $1,691,000. The annualized cost of rebating CTCI fees to an estimated 14 subscribers entering or executing 1000 or more trades by means of such facility would be an additional amount estimated at $202,000 for a total projected revenue requirement for SOES of $1,893,000.

The NASD believes that the assumed increase in SOES volume, projected by members of the SOES User Committee is realistic and fully achievable given the historical pattern of SOES utilization. The SOES fee originally formulated and approved by the Commission in SR-NASD-84-28 was based upon a target level for SOES volume of 4500 trades per day for an annualized SOES volume of 225 million shares per year. The more recent figures from March 1986, relied upon by the SOES User Committee and the Board, demonstrated that SOES volume averaged 7,726 daily trades with 2.049 million shares traded per day. On several occasions, volume during the month exceeded 9,000 trades per day. If a conservative projection of 5% future growth for SOES during the current year were to be utilized the daily average would equal 8,000 trades with 2.114 million shares traded per day resulting in a minimum estimated annual SOES volume of approximately 533 million shares. Thus, measured against the period of the prior two years, SOES will have experienced nearly a doubling in the volume projected as the basis for the original fee. The SOES User Committee and the Board expressed the view, that a 20% increase in volume was a more realistic projection because of the rate modification provided for in this filing and the advent of new linkages, such as ADP service, which connects its individual subscribers to SOES and is expected to significantly increase member order entry through the same systems currently being utilized by these firms to route orders in listed securities.

The proposed SOES fees and waiver of the CTCI fee have been based upon cost information and utilization projections for application over a three (3) year planning horizon. The NASD plans to reevaluate the level of the SOES fee to assure that the balance of costs and revenues derived from SOES remain in relative parity. If such is not the case, appropriate action will be taken.

The statutory basis for the proposed rule change is found in section 11A(a)(1)(B) and (C)(i), 15A(b)(5) and (6), and 17A(a)(1)(B) and (C) of the Securities Exchange Act of 1934 ("Act"). Section 11A(a)(1)(B) and (C)(i) sets forth the Congressional goal of achieving more efficient execution of transactions through new data processing and communications techniques. The Commission order initially approving the operation of SOES, recognized that automated execution systems such as SOES benefit both investors and the over-the-counter market by increasing the speed and efficiency of market making, and stated that "SOES provides significant order routing, execution, comparison and clearing efficiencies." In this connection, the NASD has exhibited

[1] The Commission has approved, on a temporary 60 day basis, the proposed rule change contained in the instant filing. (SR-NASD-8618) Securities Exchange Act Release No. 23390 (July 1, 1986).

its willingness to expand the availability of SOES by responding to requests related to possible means of linking SOES and other systems in a fair and efficient manner, e.g., ADP, and shall continue to do so in the future.

Section 15A(b)(5) requires that the rules of the NASD "provide for the equitable allocation of reasonable dues, fees and other charges among members and issuers and other persons using any facility or system which the Association operates or controls." Section 15A(b)(6) "requires that the rules of the Association be designed to foster cooperation and coordination with persons engaged in regulatory, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market. . ." The fee formulated by the NASD for application to SOES has been determined on the basis of the fully distributed cost of operating that system spread over the reasonably achievable number of trades projected to be executed through the system. Moreover, the minimum and maximum charge provides a parameter for the charge attributable to individual trades which limits the variation in SOES execution costs based solely upon the number of shares involved in the trade and recognizes to a far greater extent the limited measurable variation in cost between an execution involving 10 shares or 1000 shares.

The cost of executing a 1000 share order will be reduced from $5.00 to $1.00, which will make the execution of such orders considerably more attractive to members through SOES. Presently 1,000 share orders executed through SOES account for only approximately 6% of the total of all orders in NASDAQ/NMS securities executed by members. This percentage is significantly lower than executions of smaller size, such as 200 share orders in NASDAQ/NMS securities through SOES which account for approximately 15% of the total of all such orders executed. Moreover, the relative percentages of 200 share and 1000 share trades is approximately 16% and 13% of total NASDAQ/NMS volume respectively. The NASD believes that the current flat charge of $.005 per share is the reason for this disparity and that the new maximum charge will encourage substantial additional volume to be entered in the system at the 200 to 1000 share level. An additional aspect of the pricing formulation is the waiver of the CTCI fee for those members entering or receiving more that 1000 executions per month. The Commission's initial order on SOES recognized that a number of execution systems are currently being operated by operator's which are not regulated in the same manner as the NASD. These operators are able to offer their service at a substantially lower overall price to subscribers through bundling of services and absorption of AT&T line fees and computer interface charges. The limited ability to rebate CTCI fees for members entering 1000 or more trades per month will permit the NASD to offer SOES at a rate which is less economically disadvantageous to members in comparison to operators of other existing systems.

Section 17A(1) (b) and (c) sets forth the Congressional goal of reducing costs involved in the clearance and settlement process through new data processing and communications techniques. The NASD believes that approval of the proposed fee structure for SOES will further these ends by providing an enhanced mechanism for the efficient and economic execution clearance transactions and stimulate the automated capture of additional trades, for purposes of clearing, in over-the-counter securities.

B. Self-Regulatory Organization's Statement on Burden on Competition

The collection of individual fees which, in total, adequately cover the cost of operating SOES is a necessary prerequisite to the effective operation of a neutral industry owned and operated automated system for the execution of transactions in over-the-counter securities. SOES is a service to which participants subscribe on a voluntary basis, and the cost related fees proposed herein for application to the service are believed to impose no burden upon competition. More importantly, the choice of SOES in relation to other systems will be based upon the determination of market makers that the service provided by SOES justifies its cost. The new fees are expected to substantially increase participation in SOES thereby providing the basis for future reduction in the fees charged to members and potential consequent savings to investors generally. To the extent that any burden on competition may be found to exist, it is believed that the benefit of the increased efficiency of SOES will outweigh any potential burden upon competition and materially advance the purpose to be served under the previously referenced sections of the Act.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Changes Received From Members, Participants, or Others

Comments were neither solicited nor received in connection with the proposed fees applicable to SOES.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the Date of publication of this notice in the **Federal Register** or within such longer period as the Commission may designate up to 120 days of such date if it finds such longer periods to be appropriate and publishes its reasons for so finding or as to which the self-regulatory organization consents, the Commission will:

A. By order approve such proposed rule change, or

B. Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 5th Street, NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number in the caption above and should be submitted by August 5, 1986.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Dated: July 9, 1986.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-15859 Filed 7-14-86; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-23409; File No. SR-PSDTC-86-03]

Self-Regulatory Organizations; Proposed Rule Change by Pacific Securities Depository Trust Company Relating to Enhancements to Its MuniComparison System

July 9, 1986

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on June 17, 1986, the Pacific Securities Depository Trust Company ("PSDTC") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II and III below, which items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

PSDTC is proposing the following enhancements to its MuniComparison System ("MCS"). MCS is designed to compare and settle dealer-to-dealer municipal bond trades in an automated environment.

- Automatic Trade-for-Trade Settlement of all Pacific-to-Pacific Transactions in Eligible Municipal Bonds: PSDTC participants may settle compared muncipal bond trades via automatic bookentry movements between PSDTC accounts. Currently, automatic settlement may be used for Pacific-to-Pacific trades only. This process is in compliance with the Municipal Securities Rulemaking Board's Rule G-12, which mandates automatic comparison and settlement for broker-to-broker municipal bond trades.
- Ability to Compare and Settle When-Issued Municipal Bonds: When-issued municipal bond trades, including syndicate takedowns, may now be submitted to the MCS for comparison and settlement. Compared when-issued trades are pended until settlement date, at which time the settlement figure, including accrued interest, is computed. This figuration and final trade details are reported to participants on settlement date. During the settlement process, reports are generated for pended, and settled and ineligible trades.
- Ability to Extend Settlement on Both Regular-Way and WhenIssued Transactions: This enhancement allows the settlement date to be extended from one to fifteen business days beyond the initial settlement date for most types of regular-way transactions and all when-issued transactions.

Attached to the filing as Exhibit A is PSDTC's MCS manual which describes the procedures for the Pacific Securities Depository's MuniComparison System.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the self-regulatory organization included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The self-regulatory organization has prepared summaries, set forth in sections (A), (B) and (C) below, of the most significant aspects of such statements.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

The MuniComparison System is intended to automate comparison and settlement of municipal bond trades. In so doing, it achieves compliance with Rule G-12 of the Municipal Securities Rulemaking Board, which mandates automated clearing and bookentry settlement for all dealer-to-dealer municipal bond trades.

These enhancements to the MCS allow PSDTC to continue to provide full service to its participants by keeping in step with the national system.

The manual attached to the filing codifies all existing procedures of the MuniComparison System.

The proposed rule change is intended to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions and to remove impediments to and perfect the mechanism of a national system for the prompt and accurate clearance and settlement of securities transactions, and thus is consistent with the provisions of section 17A(b)(3)(F) of the Securities Exchange Act of 1934.

(B) Self-Regulatory Organization's Statement on Burden on Competition

PSDTC perceives no burden on competition by reason of the proposed rule change.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants or Others

Comments on the proposed rule change were neither solicited nor received.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

Within 35 days of the date of publication of this notice in the **Federal Register** or within such longer period (i) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the self-regulatory organization consents, the Commission will:

(A) By order approve such proposed rule change, or

(B) Institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth St. NW., Washington, DC 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Section, 450 Fifth St. NW., Washington, DC 20549. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number in the caption above and should be submitted by August 5, 1986.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-15861 Filed 7-14-86; 8:45 am]

BILLING CODE 8010-01-M

Self-Regulatory Organizations; Applications for Unlisted Trading Privileges and of Opportunity for Hearing; Philadelphia Stock Exchange, Incorporated

July 9, 1986.

The above named national securities exchange has filed applications with the Securities Exchange Commission pursuant to section 12(f)(1)(B) of the Securities and Exchange Act of 1934 and Rule 12f–1 thereunder, for unlisted trading privileges in the following stock: Jamesway Corporation Common Stock, $1.00 Par Value (File No. 7–9048). This security is listed and registered on one or more other national securities exchange and is reported in the consolidated transaction reporting system.

Interested persons are invited to submit on or before July 30, 1986 written data, views and arguments concerning the above-referenced applications. Persons desiring to make written comments should file three copies thereof with the Secretary of the Securities and Exchange Commission, Washington, DC 20549. Following this opportunity for hearing, the Commission will approve the applications if it finds, based upon all the information available to it, that the extensions of unlisted trading privileges pursuant to such applications are consistent with the maintenance of fair and orderly markets and the protection of investors.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86–15862 Filed 7–14–86; 8:45 am]

BILLING CODE 8010–01–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Noise Exposure Map; Receipt of Noise Compatibility Program and Request for Review

AGENCY: Federal Aviation Administration, DOT.

ACTION: Correction to notice.

The notice of receipt of noise compatibility program for the Palm Beach International Airport, West Palm Beach, Florida published in the **Federal Register** on June 9, 1986 (page 20917) stated, in error, that this program will be approved or disapproved on or before December 30, 1986. The correct date is November 12, 1986.

Orlando Airports District Office, FAA, 4100 Tradecenter St., Orlando, FL 32812.

Issued in Orlando, FL, dated: June 17, 1986.

Dell T. Jernigan,

Acting Manager.

[FR Doc. 86–15815 Filed 7–14–86; 8:45 am]

BILLING CODE 4910–13–M

UNITED STATES INFORMATION AGENCY

1987–88 Fulbright Teacher Exchange Program

The United States Information Agency announces the 1987–88 Fulbright Teacher Exchange Program. Applications are invited from elementary and secondary school teachers and administrators, and college faculty, to teach in schools or attend seminars abroad under the Mutual Educational and Cultural Exchange (Fulbright-Hays) Act of 1961, as amended.

Eligibility requirements include: (1) U.S. citizenship; (2) bachelor's degree; (3) three years of full-time teaching experience for teaching positions; (4) current full-time employment in appropriate subject areas and at appropriate teaching level for which application is made; and (5) fluency in foreign languages for certain non-English speaking countries.

Participating countries are announced on a tentative basis: Belgium/Luxembourg, Brazil, Canada, Colombia, Denmark, Federal Republic of Germany, France, Iceland, Italy, the Netherlands, Norway, Panama, South Africa, Switzerland, and the United Kingdom.

Usually, U.S. and foreign teachers exchange teaching positions for one academic year. U.S. and foreign teachers continue to receive salaries from their home institutions. A limited number of one-way teaching assignments are also available.

In addition, seminars are presently planned in Italy and the Netherlands. Participants in seminars may be provided with transportation, room, board, and/or tuition, depending on the program. Applications must be submitted by October 15 for the following summer or academic year programs. The application packet is disseminated in late August. Further information should be requested from the:

Fulbright Teacher Exchange Program, E/ASX, United States Information Agency, 301 Fourth Street SW., Washington, DC 20547, Telephone (202) 485–2555.

Dated: July 9, 1986.

Charles N. Canestro,

Federal Register Liaison.

[FR Doc. 86–15828 Filed 7–14–86; 8:45 am]

BILLING CODE 8230–01–M

[Delegation Order No. 86–5]

Delegation of Authority to the Coordinator of the United States-Soviet Exchanges

Pursuant to the authority vested in me as Director of the United States Information Agency by Reorganization Plan No. 2 of 1977, the Act entitled "An Act to provide certain basic authority for the Department of State," approved August 1, 1956, as amended (22 U.S.C. 2697), hereinafter referred to as the "State Department Basic Authorities Act", Executive Order 12048 of March 27, 1978 and Executive Order 12388 of October 14, 1982, I hereby delegate to the Coordinator of the U.S.–Soviet Exchanges:

The authority to exercise the functions vested in the Director under Section 25 of the State Department Basic Authorities Act, as amended, and under Section 105(f) of the Mutual Educational and Cultural Exchange Act of 1961, as amended.

This authority may not be redelegated. In the event of any vacancy in the Office of Coordinator, or during the incapacity of the Coordinator, the authority delegated hereunder may be exercised by the Acting Coordinator.

Notwithstanding any provision of this Order, all prior delegations of gift receiving authority remain in effect and the Director of the Agency may at any time exercise any authority delegated herein.

This Order is effective immediately.

Dated: July 8, 1986.

Charles Z. Wick,

Director.

[FR Doc. 86–15827 Filed 7–14–86; 8:45 am]

BILLING CODE 8230–01–M

Sunshine Act Meetings

Federal Register
Vol. 51, No. 135
Tuesday, July 15, 1986

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

1

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

DATE AND TIME: 2:00 PM (Eastern Time), Monday, July 21, 1986.

PLACE: Clarence M. Mitchell, Jr., Conference Room No. 200–C on the 2nd Floor of the Columbia Plaza Office Building, 2401 "E" Street, NW., Washington, DC 20507.

STATUS: Closed to the public.

MATTERS TO BE CONSIDERED:

Closed

1. Litigation Authorization; General Counsel Recommendations.
2. Request for Expert Services in Connection with a Court Case.

Note.—Any matter not discussed or concluded may be carried over to a later meeting. (In addition to publishing notices on EEOC Commission meetings in the **Federal Register**, the Commission also provides a recorded announcement a full week in advance on future Commission sessions. Please telephone (202) 634–6748 at all times for information on these meetings.)

CONTACT PERSON FOR MORE INFORMATION: Cynthia C. Matthews, Executive Officer at (202) 634–6748.

Dated: July 10, 1986.

Cynthia C. Matthews,

Executive Officer, Executive Secretariat.

[FR Doc. 86–15971 Filed 7–11–86; 11:19 am]

BILLING CODE 6750–06–M

2

FEDERAL DEPOSIT INSURANCE CORPORATION

Pursuant to the provisions of the "Government in the Sunshine Act" (5 U.S.C. 552b), notice is hereby given that at 4:00 p.m. on Wednesday, July 9, 1986, the Board of Directors of the Federal Deposit Insurance Corporation met in closed session to consider requests for financial assistance pursuant to section 13(c) of the Federal Deposit Insurance Act.

In calling the meeting, the Board determined, on motion of Chairman L. William Seidman, seconded by Director C.C. Hope, Jr. (Appointive), concurred in by Director Robert L. Clarke (Comptroller of the Currency), that Corporation business required its consideration of the matters on less than seven days' notice to the public; that no earlier notice of the meeting was practicable; that the public interest did not require consideration of the matters in a meeting open to public observation; and that the matters could be considered in a closed meeting pursuant to subsections (c)(4), (c)(6), (c)(8), (c)(9)(A)(ii), and (c)(9)(B) of the "Government in the Sunshine Act" (5 U.S.C. 552b(c)(4), (c)(6), (c)(8), (c)(9)(A)(ii), and (c)(9)(B)).

The meeting was held in the Board Room on the sixth floor of the FDIC Building located at 550—A17th Street, NW., Washington, DC.

Dated: July 10, 1986.

Federal Deposit Insurance Corporation.

Hoyle L. Robinson,

Executive Secretary,

[FR Doc. 86–15974 Filed 7–11–86; 12:06 pm]

BILLING CODE 6714–01–M

3

FEDERAL HOME LOAN MORTGAGE CORPORATION

DATE AND TIME: Thursday, July 17, 1986, 12:00 p.m.

PLACE: 1776 G Street, NW., Washington, DC, Conference Room 8C.

STATUS: Closed.

CONTACT PERSON FOR MORE INFORMATION: Alan B. Hausman, 1776 G Street, NW., P.O. Box 37248, Washington, DC 20013, (202) 789–5097.

MATTERS TO BE CONSIDERED:

Closed: Minutes of May 13, 1986, Board of Directors' Meeting
Closed: President's Report
Closed: Financial Report

Date sent to Federal Register: July 10, 1986.

Maud Mater,

Secretary

[FR Doc. 86–15937 Filed 7–10–86; 4:30 pm]

BILLING CODE 6719–01–M

4

FEDERAL RESERVE SYSTEM

TIME AND DATE: 11:00 a.m., Monday, July 21, 1986.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, NW, Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignment, and salary actions) involving individual Federal Reserve System employees.
2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION: Mr. Joseph R. Coyne, Assistant to the Board; (202) 452–3204. You may call (202) 452–3207, beginning at approximately 5 pm. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: July 11, 1986.

William W. Wiles,

Secretary of the Board.

[FR Doc. 86–16010 Filed 7–11–86; 3:48 pm]

BILLING CODE 6210–01–M

5

NUCLEAR REGULATORY COMMISSION

DATE: Weeks of July 14, 21, 28, and August 4, 1986.

PLACE: Commissioners' Conference Room, 1717 H Street, NW., Washington, DC.

STATUS: Open and Closed.

MATTERS TO BE CONSIDERED:

Week of July 14

Tuesday, July 15

2:00 p.m.
Briefing by DOE on Status of High Level Waste Program (Public Meeting)

Thursday, July 17

3:30 p.m.
Affirmation/Discussion and Vote (Public Meeting)
a. Diablo Canyon Reracking and Court Injunction (Tentative)
b. Commission Review of Shoreham Appeal and Decision on the Realism and Immateriality Issues (ALAB–818) (Tentative)
c. Emergency Planning—Medical Services (postponed from July 9) (Tentative)

Week of July 21

Tentative

Monday, July 21

10:00 a.m.
Discussion/Possible Vote on Full Power Operating License for Hope Creek (Public Meeting)

Wednesday, July 23

9:00 a.m.
Briefing on Status of EEO Program (Public Meeting)
2:00 p.m.
Briefing on Near Term Operating Licenses (NTOL's) (Open/Portion May be Closed—Ex. 5 & 7)

Thursday, July 24

2:00 p.m.
Status Briefing on Davis-Besse Restart (Public Meeting)
3:30 p.m.
Affirmation Meeting (Public Meeting) (if needed)

Week of July 28

Tentative

Wednesday, July 30

2:00 p.m.
Discussion of Management-Organization and Internal Personnel Matters (Closed—Ex. 2 & 6)

Thursday, July 31

10:00 a.m.
Discussion/Possible Vote on Full Power Operating License for Perry-1 (Public Meeting) (Tentative)
2:00 p.m.
Briefing on Engineering Research Program (Public Meeting)
3:30 p.m.
Affirmation Meeting (Public Meeting) (if needed)

Week of August 4

Tentative

Tuesday, August 5

10:00 a.m.
Quarterly Source Term Briefing and Programs Initiated by Other Countries Related to Meltdown and Radiological Releases (Public Meeting)

Wednesday, August 6

3:30 p.m.
Affirmation Meeting (Public Meeting) (if needed)

To vertify the status of meetings call (Recording)—(202) 634–1498.

CONTACT PERSON FOR MORE INFORMATION: Robert McOsker (202) 634–1410.

Dated: July 10, 1986.

Robert B. McOsker,

Office of the Secretary.

[FR Doc. 86–16005 Filed 7–11–86; 3:37 pm]

BILLING CODE 7590–01–M

6

POSTAL SERVICE
(Board of Governors)

At its meeting on July 7, 1986, the Board of Governors of the United States Postal Service unanimously voted to close to public observation its meeting scheduled for August 4, 1986, in Washington, DC. The meeting will involve consideration of a filing with the Postal Rate Commission to increase the size standards for third-class carrier route mail.

The meeting is expected to be attended by the following persons: Governors Camp, Griesemer, McConell, McKean, Peters, Ryan and Setrakian; Postmaster General Casey, Deputy Postmaster General Strange; Secretary to the Board Harris; General Counsel Cox; and Counsel to the Governors Califano.

The Board determined that pursuant to section 552b(c)(3) of title 5, United States Code, and § 7.3(c) of title 39, Code of Federal Regulations, discussion of the matter is exempt from the open meeting requirement of the Government in the Sunshine Act, [5 U.S.C. 552b(b)], because it is likely to disclose information in connection with proceedings under chapter 36 of title 39 (having to do with postal ratemaking, classification, and changes in postal services), which is specifically exempted from disclosure by section 410(c)(4) of title 39, United States Code. The Board also determined that pursuant to section 552(c)(10) of title 39, United States Code, and § 7.3(j) of title 39 Code of Federal Regulations, the discussion is exempt because it is likely to specifically concern the Postal Service in a civil action or proceeding or the litigation of a particular case involving a determination on the record after opportunity for a hearing.

In acordance with section 552b(f)(1) of title 5, United States Code, and § 7.6(a) of title 39, Code of Federal Regulations, the General Counsel of the United States Postal Service has certified that in his opinion the meeting may properly be closed to public observation pursuant to section 552b(c)(3) and (10) of title 5, United States Code, section 410(c)(4) of title 39, and § 7.3(c) and (j) of title 39, Code of Federal Regulations.

Requests for information about the meeting should be addressed to the Secretary of the Board David F. Harris, at (202) 268–4800.

David F. Harris,

Secretary.

[FR Doc. 86–15967 Filed 7–11–86; 11:20 am]

BILLING CODE 7710–12–M

federal register

Tuesday
July 15, 1986

Part II

Department of the Treasury

Office of Foreign Assets Control

31 CFR Part 550
Libyan Sanctions Regulations; Final Rules

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 550

Libyan Sanctions Regulations

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule.

SUMMARY: The Office of Foreign Assets Control is amending the Libyan Sanctions Regulations. This amendment requires that U.S. persons with foreign affiliates that engage in Libyan transactions report in writing to the Office of Foreign Assets Control no later than August 15, 1986. Reports pursuant to this section shall identify the reporting person and the foreign affiliate, and provide background information on the nature of the Libyan transactions, and on amounts of revenue and expense and numbers of employees involved in such transactions. Data on Libyan transactions are to be reported separately for the second half of 1985 and the first half of 1986.

EFFECTIVE DATE: July 15, 1986.

FOR FURTHER INFORMATION CONTACT: Marilyn L. Muench, Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, Washington, D.C. 20220, (202) 376-0408.

SUPPLEMENTARY INFORMATION: The Libyan Sanctions Regulations, 31 CFR Part 550 (51 FR 1354, January 10, 1986; 51 FR 2462, January 16, 1986; 51 FR 19751, June 2, 1986; and 51 FR 22802, June 23, 1986) ("the Regulations"), were issued by the Treasury Department in implementation of Executive Order 12543 of January 7, 1986 (51 FR 865, January 9, 1986) and Executive Order 12544 of January 8, 1986 (51 FR 1235, January 10, 1986). It is the policy of the United States to require strict compliance with prohibitions against transactions with Libya set forth in the Regulations. Section 550.208 of the Regulations prohibits any transaction for the purpose of, or which has the effect of, evading or avoiding any of the prohibitions in the Regulations. The Treasury Department has consistently taken the position that this section prohibits U.S. persons from transferring, either directly or indirectly, any Libyan transactions to others, including foreign affiliates of U.S. persons. In order to monitor compliance with these prohibitions, the Treasury Department is requiring that reports be filed providing information on U.S. persons' foreign affiliates that have engaged in transactions with or benefiting the Government of Libya, persons within Libya, or Libyan entities wherever located, at any time during the period from July 1, 1985, through June 30, 1986.

Since the Regulations involve a foreign affairs function, the provisions of the Administrative Procedure Act, 5 U.S.C. 553, requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.* does not apply. Because the Regulations are issued with respect to a foreign affairs function of the United States, they are not subject to Executive Order 12291 of February 17, 1981, dealing with Federal regulations. The information collection request contained in this document is being submitted to the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1980, 44 U.S.C. 3501 *et seq.* Notice of OMB action on this request will be published in the **Federal Register.**

List of Subjects in 31 CFR Part 550

Libya, Imports, Exports, Loans, Reporting and recordkeeping requirements.

PART 550—LIBYAN SANCTIONS REGULATIONS

31 CFR Chapter V, Part 550, is amended as set forth below:

1. The authority citation for Part 550 continues to read as follows:

Authority: 50 U.S.C. 1701 *et seq.;* E.O. 12543, 51 FR 875, January 9, 1986; E.O. 12544, 51 FR 1235, January 10, 1986.

2. The table of contents of Part 550 is amended by adding an entry for § 550.605 to Subpart F as follows:

Subpart F—Reports

* * * * *

Sec.

550.605 Reports of U.S. persons with foreign affiliates that engage in Libyan transactions.

* * * * *

Subpart F—Reports

3. New § 550.605 is added to read as follows:

§ 550.605 Reports of U.S. persons with foreign affiliates that engage in Libyan transactions.

(a) *Requirement for reports.* Reports are required to be filed on or before August 15, 1986, in the manner prescribed in this section, with respect to all foreign affiliates that engaged in Libyan transactions at any time between July 1, 1985 and June 30, 1986.

(b) *Who must report.* A report must be filed by each U.S. person owning or controlling any foreign affiliate that engaged in Libyan transactions at any time between July 1, 1985 and June 30, 1986. A single U.S. person within a consolidated or affiliated group may be designated to report on each foreign affiliate of the U.S. members of the group. Such centralized reporting may be done by the U.S. person who owns or controls, or has been delegated authority to file on behalf of, the remaining U.S. persons in the group.

(1) *Reporting exemption.* A U.S. person in exempt from the filing requirements of this section if the Libyan Transactions of all foreign affiliates of such person, and of such person's consolidated or affiliated group, for the period from July 1, 1985, through June 30, 1986, had an aggregate value not exceeding $50,000.

(2) *U.S. branches of foreign entities.* The Libyan transactions or an entity organized or located outside the United States, and which is not owned or controlled by U.S. persons, are not subject to the reporting requirements of this section merely because such foreign entity has a U.S. branch, office, or agency that constitutes a U.S. person pursuant to § 550.308.

(c) *Contents of report.* The following information shall be provided concerning each foreign affiliate that engaged in Libyan transactions during the Reporting Period (with responses numbered to correspond with the numbers used below):

(1) Identification of reporting U.S. person.

(i) Name;

(ii) Address (indicate both street and mailing address, if different);

(iii) Name and telephone number of individual to contact (indicate title or position, if applicable);

(iv) Relationship to foreign affiliate and percentage of direct and/or indirect ownership.

(2) Identification of foreign affiliate.

(i) Full entity name;

(ii) Address (street and mailing addresses);

(iii) Country in which organized or incorporated, and entity type (corporation, partnership, limited liability company, etc.).

(3) Information on Libyan transactions of each foreign affiliate. (Date provided in response to paragraphs (c)(3) (i), (ii), (iii), and (iv) of this section shall be separately stated for Period I and Period II, as defined in paragraph (e)(3) of this section, with aggregate data in response to paragraphs (c)(3) (i), (iii), and (v) of

this section further segregated between sales and purchase transactions.)

(i) Brief but complete description of the nature of goods of technology sold or purchased, or of services rendered or purchased, by the foreign affiliate in Libyan transactions during the Reporting Period, and, for each type of transaction, identification of the Libyan end-user(s) or vendor(s) of the goods, technology, or services;

(ii) Number of employees involved in Libyan transactions to the extent of at least 25% of their time during Period I or Period II, categorized by nationality and location (example: five [nationality] employees in Libya);

(iii) Approximate amount (in U.S. dollars) of revenue from, or expense for, Libyan transactions of the foreign affiliate during the Reporting Period;

(iv) Approximate amount (in U.S. dollars) of (A) taxes, (B) rents, and (C) royalties (state each separately) paid to the Government of Libya or Libyan entities (as defined in §§ 550.304 and 550.319) during the Reporting Period;

(v) Anticipated revenue from, or expense for, Libyan transactions of the foreign affiliate (in U.S. dollars) for the period from July 1, 1986 through June 30, 1987;

(vi) Anticipated number of employees involved in Libyan transactions to the extent of at least 25% of their time for the period from July 1, 1986 through June 30, 1987.

(d) *Where to report.* Reports should be prepared in triplicate, two copies of which are to be filed with the Census Section, Unit 605, Office of Foreign Assets Control, Department of the Treasury, Washington, D.C. 20220. The third copy shall be retained for the reporter's business records.

(e) *Definitions.* For the purposes of this section, the following terms have the meanings indicated below:

(1) "Foreign affiliate" means an entity (other than a U.S. person as defined in § 550.308) which is organized or located outside the United States, and which is owned or controlled by a U.S. person or persons.

(2) "Libyan transactions" means (i) sales of goods or technology, or the provision of services (including brokerage and financial services), to, or for the benefit of, the Government of Libya, persons within Libya, or Libyan entities wherever located, or (ii) purchases of goods, technology, or services from the Government of Libya, persons within Libya, or Libyan entities wherever located.

(3) "Reporting Period" means the 12-month period from July 1, 1985, through June 30, 1986. The Reporting Period is divided into two six-month periods: "Period I" consists of the six-month period ended December 31, 1985; "Period II" consists of the six-month period ending July 30, 1986.

Dated: July 10, 1986.

Dennis M. O'Connell,

Director, Office of Foreign Assets Control.

Approved: July 11, 1986.

Francis A. Keating, II,

Assistant Secretary (Enforcement).

[FR Doc. 86-16033 Filed 7-11-86; 4:58 pm]

BILLING CODE 4810-25-M

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31 CFR Part 550

Libyan Sanctions Regulations

Correction

In FR Doc. 86-14175, beginning on page 22802, in the issue of Monday, June 23, 1986, make the following correction:

On page 22803, in the third column, in § 550.409, paragraph (e) was displayed incorrectly and is corrected to read as follows:

§ 550.409 [Corrected]

* * * * *

(e) *Note*: Exports or reexports of goods and technical data, or of the direct products of technical data (regardless of U.S. content), not prohibited by this part may require authorization from the U.S. Department of Commerce pursuant to the Export Administration Act of 1979, as amended, 50 U.S.C. App. 2401 *et seq.*, and the Export Administration Regulations Implementing that Act, 15 CFR Parts 368-399.

BILLING CODE 1501-01-M

Federal Register

Tuesday
July 15, 1986

Part III

Department of Transportation

Research and Special Programs Administration

49 CFR Part 172

Transportation of Hazardous Materials; IMO Proper Shipping Names; Emergency Final Rule

Part III

Department of Transportation

DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

49 CFR Part 172

[Docket No. HM-171D; Amendment No. 172-105]

Transportation of Hazardous Materials; IMO Proper Shipping Names

AGENCY: Research and Special Programs Administration (RSPA), DOT.

ACTION: Emergency final rule.

SUMMARY: This action is being taken to authorize, under approval procedures, the use of current International Maritime Organization (IMO) shipping names which have not as yet been incorporated into the Optional Hazardous Materials Table at 49 CFR 172.102. This action is necessary to allow export and import shipments of hazardous materials to move in commerce in compliance with IMO requirements for shipping names. The intended effect of this action is to facilitate international trade in chemicals by allowing international shipments to move in compliance with the latest amendments of the International Maritime Dangerous Goods Code (IMDG Code).

EFFECTIVE DATE: This amendment is effective July 15, 1986.

FOR FURTHER INFORMATION CONTACT: Helen L. Engrum, Regulations Development Branch, Office of Hazardous Materials Transportation, Research and Special Programs Administration, U.S. Department of Transportation, Washington, DC 20590, (202) 366-4488.

SUPPLEMENTARY INFORMATION: Section 172.102 of the Hazardous Materials Regulations (HMR, 49 CFR Parts 171-179) contains the Optional Hazardous Materials Table. The origin of this table is the International Maritime Dangerous Goods Code (IMDG Code) of the International Maritime Organization (IMO). The table contains entries for proper shipping names, hazard classes, identification numbers, labels, packing groups, and vessel stowage requirements. The HMR allow shippers of international shipments which are transported by vessel to use the entries in the § 172.102 Table to describe and label their shipments where the description (proper shipping name, I.D. number, label or hazard class) in the § 172.101 Table differs from the IMO description.

The § 172.102 Table has not been kept current with changes in the IMDG Code. IMO Amendment 22-84 became effective on July 1, 1986. Neither Amendment 22-84 nor the previous Amendment, 21-83, has been entered in the § 172.102 Table. Together these two amendments contain about 200 changes or additions to the IMO list which are not reflected in the current § 172.102 Table. Export shipments which are dispatched using descriptions in the Optional Table may not be in compliance with the IMDG Code. The effect of this non-compliance could be that the shipment would be frustrated by authorities en route to destination.

In order to remedy this situation, RSPA today is issuing an emergency final rule which will amend § 172.102 to allow the Director of the Office of Hazardous Materials Transportation to issue an approval of a hazardous material description (on an interim basis) which is not in the Optional Hazardous Material Table but which is in a current edition of the IMDG Code, to be used as if it were in the Optional Table.

This regulation is a rule of agency procedure. Its effect is not to alter the rights or interest of parties, but simply to permit affected parties to seek approval from the Director of the Office of Hazardous Materials Transportation to use a shipping description listed in the IMDG Code but not listed in the Optional Table. Without this procedural change, a party wishing to do so would have to use a more cumbersome and time-consuming exemption procedure. As a procedural rule, this regulation is exempted from the notice and comment requirements of the Administrative Procedure Act (5 U.S.C. 553(b) (A)).

This final rule is made effective immediately upon issuance, rather than the typical 30 days following publication. The Administrative Procedure Act permits issuance of an immediately effective final rule for "good cause" (5 U.S.C. 553(d) (3)). This regulation is made effective immediately because amendments to the IMDG effective July 1 create approximately 200 shipping descriptions not listed in the Optional Table. Until such time as the Hazardous Materials Regulations are amended, it is essential to have an expeditious administrative means of harmonizing the two sets of requirements. Requiring affected parties to go through the existing exemption process would slow commerce and place an unreasonable economic burden on the parties. For example, RSPA is aware of currently pending shipments of materials that could be seriously delayed in the absence of this rule's procedural mechanism. Consequently, RSPA has determined that good cause exists for making the rule effective immediately upon issuance.

Based on the information available, I certify that this regulation will not have a significant economic impact on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. I have further determined that this rulemaking (1) is not "major" under Executive Order 12291; (2) is not "significant" under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); (3) will not affect not-for-profit enterprises or small government jurisdictions; and (4) does not require an environmental impact statement under the National Environmental Policy Act (49 U.S.C. 4321 et seq.). A regulatory evaluation is not necessary due to the minimal impact of this action.

The following terms from the Federal Register Thesaurus of Indexing Terms apply to this emergency final rule.

List of Subjects in 49 CFR Part 172

Hazardous materials transportation, Shipping papers marking, Labeling and packaging.

In consideration of the foregoing, 49 CFR Part 172 is amended as follows:

PART 172—HAZARDOUS MATERIALS TABLES AND HAZARDOUS MATERIALS COMMUNICATIONS REGULATIONS

1. The authority citation for Part 172 is revised to read as follows:

Authority: 49 U.S.C. 1803, 1804, 1806, 1808; 49 CFR Part 1.

2. In § 172.102 paragraph (a)(1) is added to read as follows:

§ 172.102 Purpose and use of Optional Hazardous Materials Table for international shipments.

(a) * * *

(1) A shipping description and any associated entry which is listed in the current edition of the IMDG Code but is not listed in the Optional Table may be used as if it was listed in the Optional Table, if approved by the Director, OHMT.

* * * * *

Issued in Washington, DC on July 11, 1986.

M. Cynthia Douglass,

Administrator, Research and Special Programs Administration.

[FR Doc. 86-16011 Filed 7-14-86; 8:45 am]

BILLING CODE 4910-60-M

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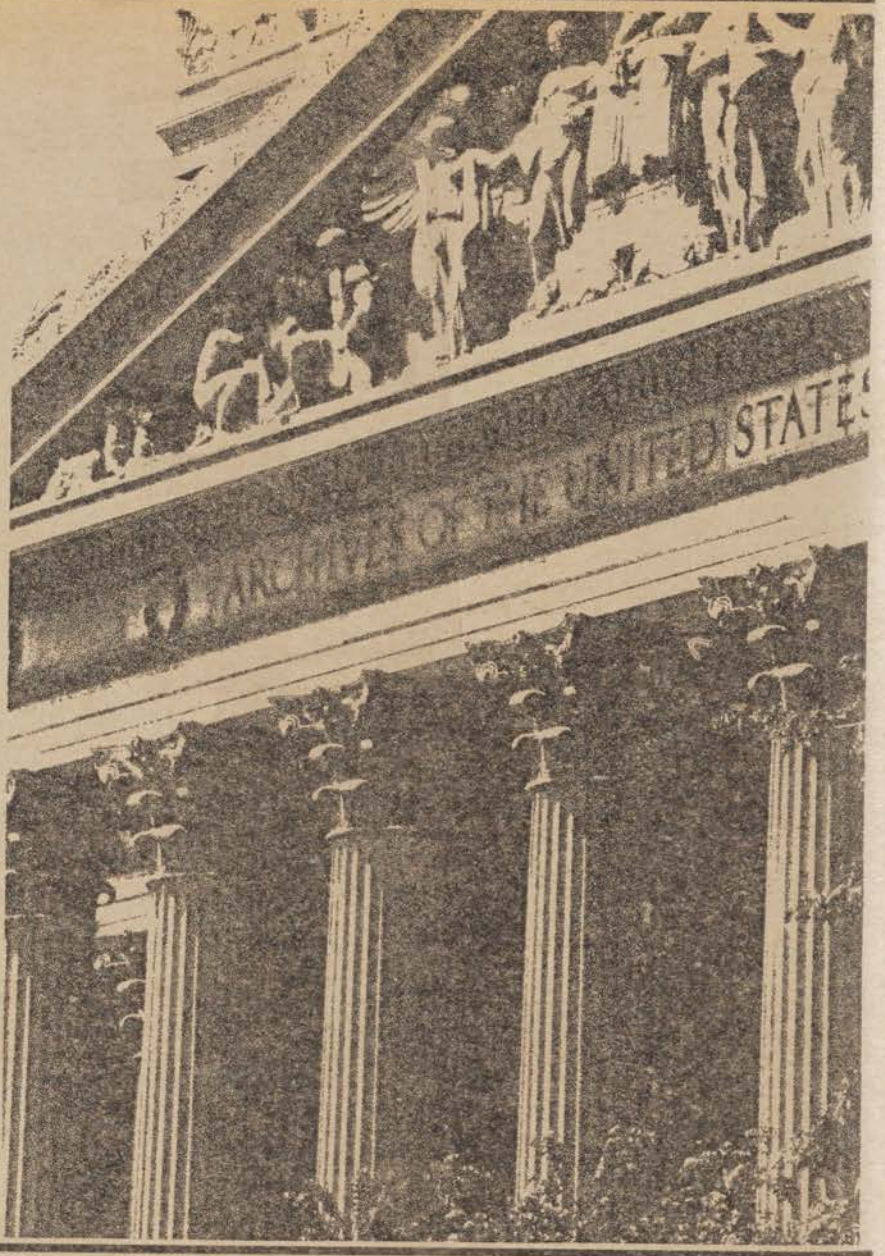

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