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Friday
August 22, 1986

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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.

WASHINGTON, DC

WHEN: September 25; at 9 am.

WHERE: Office of the Federal Register,
First Floor Conference Room,
1100 L Street NW., Washington, DC.

RESERVATIONS: Doris Tucker 202–523–3419

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DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

7 CFR Parts 272 and 273

[Amdt. No. 277]

Food Stamp Program: Treatment of Certain Educational Grants and Correction

AGENCY: Food and Nutrition Service, USDA.

ACTION: Final rule.

SUMMARY: This action amends Food Stamp Program Regulations pertaining to the treatment of educational assistance or student earnings when determining the income eligibility and benefit levels for students. This action implements several student provisions of the Food Security Act of 1985, enacted December 23, 1985, which continue longstanding Departmental regulatory policy with regard to the treatment of various types of educational assistance as income. Another student provision of the Food Security Act included in this action is a statutory mandate to provide an income exclusion for origination fees and insurance premiums placed on educational loans. This action also clarifies current policy relative to granting an exemption for persons physically or mentally unfit for employment from provisions which restrict Program participation by students and from provisions which require certain individuals to register for and seek employment as a condition of continued eligibility. In addition, this action contains technical amendments to correct a provision which appeared in a final rule issued on May 21, 1986, entitled *Food Stamp Program: the Food Security Act of 1985; Nondiscretionary Provisions; Final Rule and Correction* and to correct a typographical error which appeared in an interim rule issued on August 5, 1986, entitled *Food Stamp Program: Categorical Eligibility for Certain Public Assistance and Supplemental Security Income Recipients.*

EFFECTIVE DATE: This action is effective August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Questions regarding this rulemaking should be addressed to Judith M. Seymour, Supervisor, Eligibility and Rulemaking Section, Eligibility and Monitoring Branch, Program Development Division, Family Nutrition Programs, Food and Nutrition Service, 3101 Park Center Drive, Alexandria, VA 22302, or by telephone at (703) 756–3429.

SUPPLEMENTARY INFORMATION:

Classification.

Executive Order 12291

This final action has been reviewed under Executive Order 12291 and Secretary's Memorandum No. 1512–1. The Department has classified this action as nonmajor. The annual effect of this action on the economy will be less than $100 million. This final action will have no effect on costs or prices. Competition, employment investment, productivity, and innovation will remain unaffected. There will no effect on the competition of United States-based enterprises with foreign-based enterprises.

Executive Order 12372

The Food Stamp Program is listed in the Catalog of Federal Domestic Assistance under No. *10.551.* For the reasons set forth in the Final rule and related Notice to 7 CFR 3015, Subpart V (48 FR 29115, June 24, 1983), this Program is excluded from the scope of Executive Order 12372 which requires intergovernmental consultation with State and local officials.

Regulatory Flexibility Act

This action has been reviewed with regard to the requirements of the Regulatory Flexibility Act of 1980 (Pub. L. 96–354, Stat. 1164, September 19, 1980). Robert E. Leard, Administrator of the Food and Nutrition Service, has certified that this rule does not have a significant economic impact on a substantial number of small entities. State welfare agencies are affected to the extent that they must implement the provisions described in this action. Potentially eligible and currently participating households are affected to the extent that such households contain students. Some currently ineligible student households will become eligible and many others could receive increased benefits.

Public Participation and Justification for Less Than a Thirty-Day Effective Date

This action is being finalized without prior notice or public comment under authority of 5 U.S.C. 553(b) (A) and (B). Generally see, *Alcaraz* v. *Block,* 746 F. 2nd 593 (9th Cir., 1984); *Sepulveda* v. *Block,* 782 F. 2nd 363 (2nd Cir., 1986). It is in the public interest to effectuate all these statutory educational assistance provisions at the beginning of the next school term when the potential for student households applying for the Program is at its greatest. In accordance with Pub. L. 99–198, this action: 1) Prohibits an income exclusion for Federal educational assistance beyond that used for tuition and mandatory school fees; 2) allows an income exclusion for non-Federal educational assistance beyond that used for tuition and mandatory school fees, to the extent earmarked for educational expenses and not provided for normal living expenses; 3) expands current policy to provide an income exclusion for educational assistance used for tuition and mandatory school fees at institutions of post secondary education; 4) excludes origination fees and insurance premiums charged on student loans from consideration as income; and 5) prohibits an income exclusion for certain third party vendor payments. Under these statutory provisions some currently ineligible student households will become eligible and others may receive higher benefit levels. These provisions, effective before the fast approaching school year, restate, define or apply the statute or restate current regulatory policy within the statutory framework. While Pub. L. 99–198 provides until April 1, 1987 to implement these provisions, the Department believes that implementation of these statutory provisions before the school year is in the public interest.

Lastly, this final action includes technical amendments which clarify current policy relative to granting an exemption for persons physically or mentally unfit for employment from provisions which restrict student

participation in the Program and from provisions which require certain individuals to register for and seek employment as a condition of continued eligibility.

For these reasons, the Department has determined in accordance with 5 U.S.C. 553(b) that notice of proposed rulemaking and opportunity for public comment is unnecessary and contrary to the public interest and, in accordance with 5 U.S.C. 553(d), finds that good cause exists for making this action effective less than 30 days from date of publication.

Paperwork Reduction Act

This action does not contain any reporting and recordkeeping requirements subject to approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act.

Background

Educational Grants Used at Post-Secondary Institutions—§ 273.9(c)

Under current regulations at 7 CFR 273.9(c)(3), educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, and the like to the extent they are used for tuition and mandatory school fees at institutions of higher education or schools at any level for the mentally or physically handicapped and excluded from consideration as income for Food Stamp Program purposes. Current regulations at 7 CFR 271.2 define institution of higher education as "any institution which normally requires a high school diploma or equivalency certificate for enrollment, including, but not limited to, colleges, universities and vocational or technical schools at the post high school level."

Section 5(d) of the Food Stamp Act of 1977 (7 U.S.C. 2014(d)(3)), as amended by section 1509(a)(2)(A) of the Food Security Act of 1985 (Pub. L. 99–198), enacted December 23, 1985, expands current policy at 7 CFR 273.9(c)(3) to include educational assistance used for tuition and mandatory school fees at institutions of post-secondary education. Legislative history accompanying Pub. L. 99–198 explains Congressional intent to expand current policy to include students enrolled in "vocational schools and junior and community colleges" which do not require a high school diploma for enrollment but which offer educational programs which have a "direct impact on the employability and economic self-sufficiency of the participants." Granting an exclusion for such students "constitutes sound approach toward reducing future dependency." (H.R. Rep. 99–271, 99th Cong., 1st Session, p. 143.)

Thus, this final action implements the statutory change by eliminating the previous high school diploma or equivalency certificate test as the only criteria for obtaining an income exclusion under 7 CFR 273.9(c)(3). This action allows students without a diploma or equivalency certificate which are determined eligible for the Program under 7 CFR 273.5 and enroll in post secondary educational programs to obtain an income exclusion for tuition and mandatory school fees. Students who are eligible for, or could have been eligible for, an income exclusion under the previous high school diploma test are not affected by this action.

Accordingly, this action amends 7 CFR 273.9(c)(3) to replace the reference to "institution of higher education" with a reference to "institution of post secondary education" and to clarify that such institutions are those which admit students beyond the age of compulsory school attendance in the State as well as those which require students to have a high school diploma or equivalent certificate. The provision further provides that the institution must be legally authorized or recognized by the State to provide education beyond secondary education or provide a training program to prepare students for gainful employment. This regulation is designed to interpret and define the statutory phrase "institution of post secondary education" so that the provision implements Congressional goals and is applied only to *post* secondary schools in a consistent manner nationwide.

Mandatory School Fees

As stated earlier, current regulations at 7 CFR 273.9(c)(3) provide that educational assistance used for mandatory school fees shall not be considered when determining household eligibility and benefit levels. Mandatory school fees are those charged uniformly by the school to all students or those charged to all students within a certain curriculum by the institution providing the course of study. For example, all students enrolled in a chemistry course may be required by the institution to purchase protective gloves from the institution offering the course, or may be required by the institution to pay a fee for the use of certain equipment. However, transportation, routine supplies (such as pens, pencils, paper, etc.) and textbook expenses are not uniformily charged to all students by the school and, therefore, are not excludable as mandatory school fees.

The recent Senate Report (S. Rept. No. 99–145, 99th Cong., 1st Session) and House Conference Report (H. Conf. Rept. No. 99–447, 99th Cong., 1st Session) regarding the Food Security Act of 1985 expressed concern that some students may be required by the school to furnish their own special equipment or materials above and beyond books and routine supplies but not receive an exclusion for those expenses. While Pub. L. 99–198 does not provide a specific statutory provision to address this issue, the Senate and Conference Reports provide Congressional intent that the regulatory definition of mandatory school fees be broadened to recognize that certain supplies are required of all students even though a separate fee is not imposed for these supplies.

The Department shares this concern. However, the Department is concerned that an expanded definition of mandatory school fees strike a reasonable balance between the benefit a client could potentially receive and the administrative complexities that could be incurred by State agencies and clients alike for implementing and verifying expenses incurred for required special equipment or supplies. Therefore, the Department intends to carefully examine the administrative implications of expanding the definition within the confines of Congressional intent. The Department will address this issue in the near future through notice of proposed rulemaking and public comment procedures.

Educational Grants as Vendor Payments—§ 273.9(c)(1)(iv)

Some students receive income assistance for items other than tuition and mandatory fees in such a manner that the students have construed the assistance to be a vendor payment and excluded from income under the general rules for exclusion of vendor payments at 7 CFR 273.9(b). Department policy is that the assistance should be considered income based on the provision at 7 CFR 273.9(c)(1)(iii) which does not allow an income exclusion for a vendor payment made from funds legally obligated or otherwise payable to the household. Section 5(k)(3) of the Food Stamp Act, as added by section 1509(b) of Pub. L. 99–198, reinforces Department policy by providing that educational assistance which is provided to a third party on behalf of the household for living expenses shall be treated as money payable directly to the household and not excluded from income as a vendor payment. The intent of Congress is to handle expenses for items other than tuition and mandatory school fees in the

same manner for all students whether or not they receive educational assistance directly or through a third party. (Senate Report 99–145, September 30, 1985, pg. 235.) Accordingly, the Department proposes to amend 7 CFR 273.9(c)(1) to include this specific statutory provision.

Reimbursements/Allowances for Eduational Expenses—§ 273.9(c)(5)

Regulations prior to this final action, provided that grants or scholarships to students for education expenses other than tuition and mandatory school fees, such as books or travel may be excluded from consideration as income if they are specifically earmarked by the grantor agency as provided for education expenses rather than normal living expenses. In litigation filed against the Department regarding the reimbursement income exclusion policy, student food stamp recipients have alleged: 1) That the "Statement of Educational Purpose" (for example see 34 CFR 676.16(h)(1) and 34 CFR 690.79) which each student must sign to be eligible for Federal aid *specifically earmarked* the grants; 2) that "student budgets" prepared by colleges and used to calculate the *amount* of the grant *specifically earmarked* how the grants were to be spent, or; 3) that "award letters" which some colleges send to students announcing the grants *earmarked* those grants. However, under Department of Education (ED) regulations colleges do not and cannot *specifically earmark* portions of Pell Grants or Supplemental Educational Opportunity Grant (SEOG) assistance received by students for "education expenses" rather than for "living expenses" (7 CFR 273.9(c)(5)(iv)). Thus, no portions of Pell or SEOG assistance are excludable under 7 CFR 273.9(c)(5) nor has such assistance ever been properly excludable as a reimbursement for Food Stamp Program purposes. Pell and SEOG award checks, as well as Guaranteed Student Loan (GSL; 34 CFR 675) and National Direct Student Loans proceeds (NDSL; 34 CFR 674), may be used by students as they determine appropriate to meet the vast range of expenses associated with attending college. The "student budgets" prepared by colleges and used to calculate the amount of the grants, the "Statement of Education Purpose", and the "award letters" sent by some colleges to announce the awards, do not limit or otherwise restrict, define, identify or earmark how portions of the grant must or should be spent by particular students. The Department's longstanding position based on ED regulations has been upheld in Federal courts that have decided these issues. See *Shaffer* v. *Block*, 705 F. 2d 805 (6th Cir. 1983); *Burkett* v. *Block*, 764 F. 2nd 1203 (6th Cir., 1985); *Reichley* v. *Block*, Civ. 84–M–2039 (D. Colo., July 12, 1985); *Malone* v. *Block*, Civ. 83–34–D–2 (S.D. Iowa, 1985); and *Alvarez* v. *Block*, 82 Civ. 4998 (SD, NY, May 6, 1986). Also see *Knebel* v. *Hein*, 429 U.S. 288 (1977).

Section 5(d) of the Food Stamp Act, as amended by section 1509(a)(3) of Pub. L. 99–198, eliminates any possibility of continued litigation regarding the issue of whether Federal educational assistance spent on other than tuition and mandatory school fees is excludable. The statute provides that no portion of any Federal educational grant, scholarship, fellowship, veterans' educational benefit, educational loan on which payment is deferred, and the like which provides income assistance beyond that used for tuition and mandatory school fees shall be excluded as a reimbursement.

Section 5(d) of the Food Stamp Act, as amended by section 1509 of Pub. L. 99–198, also reinforces the educational reimbursement policy as it relates to non-Federal educational assistance. The statute provides that no portion of any non-Federal grant, scholarship, fellowship, veterans' educational benefit, educational loan on which payment is deferred, and the like provided for living expenses shall be considered as a reimbursement.

Many non-Federal institutions also provide assistance to students to cover multiple expenses including living expenses. Again, the provider (grantor agency) does not necessarily restrict the student on how to use the grant. In other words, the student may choose to use the entire grant for living expenses connected with attending college or for other expenses such as books or transportation or some combination of educational living expenses and other expenses. Legislative history clarifies Congress' intent that the longstanding Departmental position be continued—that the portion of the non-Federal assistance available for living expenses is not excludable under this provision. Current regulations at 7 CFR 273.9(c)(5) governing the treatment of reimbursements generally describe living expenses as "normal living expenses such as rent or mortgage, personal clothing or food eaten at home." Senator Helms, Chairman, Senate Committee on Agriculture, Nutrition and Forestry, discussed this point. See 131 Cong. Rec. 17886, daily ed., Dec. 18, 1985. His unopposed comments on this matter, in part, are:

> The bill also specifically addresses how State, local, or private educational benefits are counted as income. However, since almost all of such educational aid provides students with funds which may be used for living expenses connected with attending college, as the student determines appropriate, such educational aid even where spent on necessary books or supplies would not be excludable as a reimbursement from income. Where the student receives a fund of money to be used for all future educational expenses—including living expenses such as food or rent—each dollar is "provided for living expenses," although it may be used for necessary books, and is not excludable as a reimbursement. This same principle has been properly applied by the courts to Federal educational assistance. . . . Neither the computational budgets used by colleges to compute the amounts of aid, nor the award letters colleges issue to announce the awards, preclude students from using general grants or scholarship which they receive for living expenses connected with attending college.

Accordingly, this final action amends 7 CFR 273.9(c)(5) to provide that Federal educational assistance provided for other than tuition and mandatory school fees is not excludable as a reimbursement and that non-Federal educational assistance provided for other than tuition and mandatory school fees are excludable as a reimbursement but only if the grantor agency specifically earmarks such assistance as provided for education expenses rather than living expenses.

The types of educational assistance referenced under the new provision are educational grants, scholarships, fellowships, veterans' educational benefits and the like. Pub. L. 98–198 also included a reference to educational loans on which payment is deferred with regard to this reimbursement provision. Current regulations at 7 CFR 273.9(c)(4) governing the exclusion of loans, makes reference to the fact that deferred payment loans are not excludable income. Therefore, the Department has decided to address the issue of deferred payment educational loans at 7 CFR 273.9(c)(4) in a manner parallel to the reimbursement educational provisions at § 273.9(c)(5) of this final action. Accordingly, this final action amends 7 CFR 273.9(c)(4) to provide that Federal deferred payment loans which provide income assistance beyond that used for tuition and mandatory school fees are not excludable from income. The provision also further provides that non-Federal deferred payment loans which provide income assistance beyond that used for tuition and mandatory school fees are excludable if the lendor specifically earmarks portions of the loan as provided for education expenses rather than living expenses. This treatment parallels the longstanding treatment

accorded grants and scholarships by this Department.

Other Concerns—§ 273.5

Current regulations at 7 CFR 273.5 provide that any person who is between the ages of 18 and 60, physically or mentally fit for employment, and enrolled at least half-time in an institution of higher education are ineligible to participate in the Program. Additional regulatory text within this provision makes reference to the fact that persons physically or mentally disabled are not subject to this provision. Using the term "disabled" in this additional text could potentially be misinterpreted by caseworkers to refer to the definition of a "disabled member" at section 3(r) of the Food Stamp Act and at 7 CFR 271.2 of the regulations. Generally, that definition *mandates* that an individual must be eligible for, or in receipt of, certain temporary or permanent disability benefits to be considered disabled. Section 6(e) of the Act does not reference persons physically or mentally "disabled" with regard to the student provisions; it refers to persons not physically or mentally "fit". In order to avoid potential confusion or misinterpretation of the student provisions, this final action amends 7 CFR 273.5(a) to reference the term "unfit" throughout the provision rather than "disabled" as does the statute and to clarify that if a student claims that he/she is "unfit" for employment, acceptable verification *may* consist of receipt of temporary or permanent disability benefits issued by governmental or private sources, or of a statement from a physician or licensed or certified psychologist.

A concurring amendment is also being made by this final action to the work registration provision at 7 CFR 273.7(b)(1)(ii) to reference to term "unfitness" rather than "disability." The provision at 7 CFR 273.7(b)(1)(ii) provides that persons physically or mentally "unfit" for employment are exempt from the requirement to seek work. As with the student provision, additional regulatory text within this provision makes reference to the term "disability." Again, section 6(e) of the Act does not reference persons with a physical or mental "disability" with regard to work registration requirements; it refers to persons not physically or mentally "fit." Therefore, it is necessary to also amend this provision to be more consistent with the statute and avoid potential misinterpretation by caseworkers.

Implementation—§ 272.1(g)

State agencies shall implement the provisions of this rule on August 22, 1986. If, for any reason, a State agency fails to implement these provisions on that date, affected households, shall be provided lost benefits which they would have received if the State agency had implemented these provisions as required.

Rescission of Proposed Provision

On November 19, 1982, the Department published a proposed rulemaking at 47 FR 52185 which contained a provision relative to the treatment of Federal educational assistance as an income exclusion. The Food Security Act of 1985 renders the proposed provision moot. Therefore, the amendment to add a new sentence to the end of 7 CFR 273.9(c)(5)(iv) as published at 47 FR 52189, November 19, 1982 is hereby rescinded.

List of Subjects

7 CFR Part 272

Alaska, Civil rights Food stamps, Grant programs-social programs, Reporting and recordkeeping requirements.

7 CFR 273

Administrative practice and procedure, Aliens, Claims, Food stamps, Fraud, Grant programs-social programs, Penalties, Reporting and recordkeeping requirements, Social security, Students.

Accordingly, 7 CFR Parts 272 and 273 are amended as follows:

1. The authority citation for Parts 272 and 273 continue to read as follows:

Authority: 91 Stat. 958 (7 U.S.C. 2011–2029).

PART 272—REQUIREMENTS FOR PARTICIPATING STATE AGENCIES

2. In § 272.1, a new paragraph (g)(79) is added in numerical order to read as follows:

§ 272.1 General terms and conditions.

* * * * *

(g) *Implementation.* * * *

(79) Amendment No. 277. State agencies shall implement the provisions of Amendment No. 277 on August 22, 1986. If, for any reason, a State agency fails to implement the provisions, affected households shall be entitled to restored benefits but not prior to August 22, 1986.

* * * * *

PART 273—CERTIFICATION OF ELIGIBLE HOUSEHOLDS

3. In § 273.5, paragraph (a) is amended by replacing the word "disabled" appearing in the second sentence with the word "unfit" and by adding two new sentences to the end of paragraph (a) to read as follows:

§ 273.5 Students.

(a) *Applicability.*

* * * If mental or physical unfitness is claimed and the unfitness is not evident to the State agency, verification may be required. Appropriate verification may consist of receipt of temporary or permanent disability benefits issued by governmental or private sources, or of a statement from a physician or licensed or certified psychologist.

* * * * *

§ 273.7 [Amended]

4. In § 273.7, the second sentence of paragraph (b)(1)(ii) is amended by replacing the phrase "If a mental or physical disability is claimed and the disability" with the phrase "If mental or physical unfitness is claimed and the unfitness".

5. In § 273.9:

a. a new paragraph (c)(1)(iv) is added.

b. the first sentence of paragraph (c)(3) is amended by replacing the words "higher education" with the words "post-secondary education".

c. three new sentences are added after the first sentence in paragraph (c)(3).

d. two new sentences are added to the end of paragraph (c)(4).

e. paragraphs (c)(5)(i) through (c)(5)(v) are redesignated as paragraphs (c)(5)(i)(A) through (c)(5)(i)(E), respectively.

f. newly redesignated paragraph (c)(5)(i)(D) is amended by replacing the first word in the paragraph "Reimbursements" with the words "Non-Federal reimbursements".

g. the last sentence of the introductory text of paragraph (c)(5) is designated as paragraph (c)(5)(i).

h. a new paragraph (c)(5)(ii) is added.

i. the second sentence of the introductory text of paragraph (c)(5) is designated as paragraph (c)(5)(ii)(A) and new paragraphs (c)(5)(ii)(B) and (c)(5)(ii)(C) are added.

The additions read as follows:

§ 273.9 Income and deductions.

* * * * *

(c) *Income exclusions.* * * *

(1) * * *

(iv) Educational loans on which payment is deferred, grants,

scholarships, fellowships, veterans' educational benefits, and the like that are provided to a third party on behalf of the household for living expenses such as rent or mortgage, personal clothing or food eaten at home shall be treated as money payable directly to the household and not excluded as a vendor payment.

* * * * *

(3) * * * For the purpose of this provision, institution of post secondary education means any public or private educational institution which normally requires: a high school diploma or equivalency certificate for enrollment or admits persons who are beyond the age of compulsory school attendance in the State in which the institution is located provided that the institution is legally authorized or recognized by the State to provide an educational program beyond secondary education in the State or provides a program of training to prepare students for gainful employment. Origination fees and insurance premiums on student loans are excludable charges. Only the amount of the loan after these charges have been excluded is to be considered income. * * *

(4) * * * Federal deferred payment educational loans, such as, but not limited to National Direct Student Loans or Guaranteed Student Loans, to the extent that they provide income assistance beyond that used for tuition and mandatory school fees set forth in paragraph (c)(3) of this section are not excludable under this provision. Portions of non-Federal (State, local or private) deferred payment educational loans are excludable under this provision only to the extent that the lendor specifically earmarks portions or all of such loan as provided for education expenses, such as travel or books, but not for living expenses, such as rent or mortgage, personal clothing or food eaten at home.

(5) * * *

(ii) The following shall not be considered a reimbursement excludable under this provision:

* * * * *

(B) No portion of any Federal educational grant, scholarship, fellowship, veterans' educational benefit and the like to the extent it provides income assistance beyond that used for tuition and mandatory school fees as set forth in paragraph (c)(3) of this section shall be considered excludable under this provision. Therefore, none of the expenses of college, such as expenses for books, travel, supplies, board, rent, transportation or equipment, paid for with Pell Grant or Supplemental Educational Opportunity Grant (SEOG) assistance are excludable under this provision.

(C) No portion of any non-Federal (State, local or private) educational grant, scholarship, fellowship, veterans' educational benefit, and the like that is provided for living expenses shall be considered excludable under this provision. Thus, to be excludable such assistance must be specifically earmarked by the grantor for education expenses, such as travel or books, but not for living expenses, such food rent or clothing.

* * * * *

Corrections

In FR Doc. 86–11256, appearing at page 18744, as Part III, in the issue of Wednesday, May 21, 1986, make the following correction:

§ 273.2 [Corrected]

On page 18750, in the second column, amendatory statement number 5.d. under § 273.2, is corrected to read: Paragraph (f)(1)(viii)(A)(*2*) is amended by replacing the phrase, "paragraph (3)" with the phrase, "paragraph (6)" and by adding the phrase "or nonservice-connected" after the word "service-connected".

A conforming amendment to add the phrase "or nonservice-connected" was unintentionally overlooked when the May 21, 1986 regulations were developed. The phrase is directly related to the reference change from paragraph (3) to paragraph (6) and is hereby incorporated to conform paragraph (f)(1)(viii)(A)(*2*) to Department intent.

In FR Doc. 86–17535, appearing at page 28196, as Part III, in the issue of Tuesday, August 5, 1986, make the following correction:

§ 273.2 [Corrected]

On page 28201, in the second column, under paragraph (1)(iv) of § 273.2, the phrase "reduced, suspended, or when the grant is received." (appearing in the fourth sentence of the amendment) is corrected to read "reduced, suspended, or terminated when the grant is received."

The word "terminated" was inadvertently omitted when the August 5, 1986 regulations were developed and is hereby incorporated to conform all of paragraph (1)(iv) to Department intent.

Dated: August 19, 1986.

Robert E. Leard,

Administrator, Food and Nutrition Service.

[FR Doc. 86–19011 Filed 8–21–86; 8:45 am]

BILLING CODE 3410-30-M

Animal and Plant Health Inspection Service

7 CFR Part 301

[Docket No. 86–326]

Golden Nematode; Regulated Areas

AGENCY: Animal Plant Health Inspection Service, USDA.

ACTION: Interim rule.

SUMMARY: This document amends the Golden Nematode quarantine and regulations by deleting Yates County in New York from the list of suppressive regulated areas. This action is necessary as an emergency measure in order to delete unnecessary restrictions on the interstate movement of regulated articles.

DATES: Effective date of this interim rule August 22, 1986. Written comments concerning this interim rule must be received on or before October 21, 1986.

ADDRESSES: Written comments should be submitted to Steven R. Poore, Acting Assistant Director, Regulatory Coordination Group, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, Room 728, Federal Building, Hyattsville, MD 20782. Comments should state that they are in response to Docket Number 86–326. Written comments received may be inspected at Room 728 of the Federal Building between 8 a.m. and 4:30 p.m., Monday through Friday, except holidays.

FOR FURTHER INFORMATION CONTACT: Michael J. Shannon, Senior Staff Officer, Field Operations Support Staff, Plant Protection and Quarantine, Animal and Plant Health Inspection Service, U.S. Department of Agriculture, 6505 Belcrest Road, Room 663, Federal Building, Hyattsville, MD 20782, (301) 436–8295.

SUPPLEMENTARY INFORMATION:

Background

The golden nematode (*Heterodera rostochiensis*), is a plant pest which is highly destructive to potatoes and other solanaceous plants. It is undoubtedly the most serious pest threatening the American potato industry. Potatoes cannot be grown economically on land containing large numbers of the nematode.

The golden nematode has been determined to occur in the United States only in parts of New York. The Golden Nematode quarantine and regulations (referred to below as the regulations; 7 CFR 301.85 through 301.85–10) quarantine the State of New York because of the golden nematode, and

restrict the interstate movement from areas in New York designated as regulated areas of articles designated as regulated articles because of the golden nematode. Such restrictions are necessary for the purpose of preventing the artificial spread of the golden nematode.

Regulated areas are those areas in which the golden nematode has been found or in which there is reason to believe that the golden nematode is present, or those areas which it is deemed necessary to regulate because of their proximity to infestation or their inseparability for quarantine enforcement purposes from infested localities. Regulated areas are divided into suppressive areas and generally infested areas. Suppressive areas are regulated areas where eradication of the golden nematode is undertaken as an objective. Generally infested areas are regulated areas not designated as suppressive areas. Restrictions are imposed on the interstate movement of regulated articles from generally infested areas and suppressive areas in order to prevent the artificial movement of golden nematode to noninfested areas and to prevent the reinfestation of suppressive areas when the golden nematode no longer occurs.

Yates County in New York

Prior to the effective date of this document, the following area in Yates County in New York was designated as a golden nematode suppressive area and was the only area in Yates County that was designated as a golden nematode regulated area:

"The town of Italy".

Based on negative soil sample surveys conducted by inspectors of the United States Department of Agriculture and the New York Department of Agriculture and Markets, it has been determined that the golden nematode no longer occurs in this area. Accordingly, there is no longer a basis for continuing to list such an area as a regulated area for the purpose of preventing the artificial spread interstate of golden nematode. Therefore, as an emergency measure, it is necessary to delete Yates County in New York from the list of regulated areas in order to delete unnecessary restrictions on the interstate movement of golden nematode regulated articles.

Emergency Action

William F. Helms, Acting Deputy Administrator of the Animal and Plant Health Inspection Service for Plant Protection and Quarantine, has determined that an emergency situation exists which warrants publication without prior opportunity for a public comment period on this interim rule because otherwise there would be unnecessary restrictions imposed on the interstate movement of regulated articles. This situation requires immediate action to delete such unnecessary restrictions.

Further, pursuant to the administrative procedure provisions in 5 U.S.C. 553, it is found upon good cause that prior notice and other public procedures with respect to this interim rule are unnecessary and contrary to the public interest; and good cause is found for making this interim rule effective less than 30 days after publication of this document in the **Federal Register**. Comments are being solicited for 60 days after publication of this document, and a final document discussing comments received and any amendments required will be published in the **Federal Register** as soon as possible.

Executive Order 12291 and Regulatory Flexibility Act

This rule is issued in conformance with Executive Order 12291 and has been determined to be not a "major rule." Based on information compiled by the Department, it has been determined that this rule will have an effect on the economy of less than 100 million dollars; will not cause a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; and will not cause a significant adverse effect on competition, employment, investment, productivity, innovation, or on the ability of United State-based enterprises to compete with foreign-based enterprises in domestic or export markets.

For this action, the Office of Management and Budget has waived the review process required by Executive Order 12291.

This amendment removes restrictions on the interstate movement of regulated articles from Yates County in New York. The regulated articles that are affected by this interim rule represent significantly less than one percent of such articles that are moved interstate in the United States.

Under these circumstances, the Administrator of the Animal and Plant Health Inspection Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

Paperwork Reduction Act

The regulations in this subpart contain no information collection or recordkeeping requirements under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*).

Executive Order 12372

This program/activity is listed in the Catalog of Federal Domestic Assistance under No. 10.025 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials. (See 7 CFR Part 3015, Subpart V)

List of Subjects in 7 CFR Part 301

Agricultural commodities, Plant diseases, Plant pests, Plants (Agriculture), Quarantine, Transportation, Golden nematode.

PART 301—DOMESTIC QUARANTINE NOTICES

Under the circumstances referred to above, the Golden Nematode quarantine and regulations (contained in 7 CFR 301.85 *et seq.*) are amended as follows:

1. The authority citation for Part 301 continues to read as follows:

Authority: 7 U.S.C. 150bb, 150dd, 150ee, 150ff, 161, 162, and 164–167; 7 CFR 2.17, 2.51, and 371.2(c).

2. Section 301.85–2a is revised to read as follows:

§ 301.85–2a Regulated areas; suppressive and generally infested areas.

The civil divisions and parts of civil divisions described below are designated as golden nematode regulated areas within the meaning of the provisions of this subpart; and such regulated areas are hereby divided into generally infested areas or suppressive areas as indicated below:

New York

(1) *Generally infested area:*

Cayuga County. The town of Montezuma.

Genesee County. The towns of Elba and Byron.

Livingston County. The towns of Avon, Caledonia, Geneseo, Groveland, Leicester, Lima, Livonia, Mount Morris, West Sparta, and York.

Nassau County. The entire county.

Orleans County. The towns of Barre and Clarendon.

Seneca County. The town of Tyre.

Steuben County. The towns of Prattsburg and Wheeler; that area known as "Arkport Muck" located in the town of Dansville and bounded by a line beginning at a point where the Conrail right-of-way (Erie Lackawanna Rail Road) intersects County Road 52 (known as Burns Road), then north and northeast along County Road 52 to its junction with New York Route 36, then

south and southeast along New York Route 36 to its intersection with the Dansville Town line, then west along the Dansville Town line to its intersection with the Conrail right-of-way (Erie Lackawanna Rail Road), then north and northwest along the Conrail right-of-way to the point of beginning; and the Werth, Dale, farm, known as the "Werthwhile Farm," located in the town of Cohocton on the north side of County Road 5 (known as Brown Hill Road), and 0.2 mile west of the junction of County Road 5 with County Road 58 (known as Wager Road).

Suffolk County. The entire county.

Wayne County. The town of Savannah.

(2) *Suppressive area:* None.

Done at Washington, DC, this 19th day of August 1986.

William F. Helms,

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

[FR Doc. 86-19036 Filed 8-21-86; 8:45 am]

BILLING CODE 3410-34-M

Agricultural Marketing Service

7 CFR Part 908

[Valencia Orange Regulation 377]

Valencia Oranges Grown in Arizona and Designated Part of California; Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: Regulation 377 establishes the quantity of California-Arizona Valencia oranges that may be shipped to market during the period August 22-28, 1986. The regulation is needed to balance the supply of fresh Valencia oranges with market demand for the period specified due to the marketing situation confronting the orange industry.

EFFECTIVE DATE: Regulation 377 (§ 908.677) is effective for the period August 22-28, 1986.

FOR FURTHER INFORMATION CONTACT: Ronald L. Cioffi, Chief, Marketing Order Administration Branch, F&V, AMS, USDA, Washington, D.C. 20250, telephone: 202/447-5697.

SUPPLEMENTARY INFORMATION: This final rule has been reviewed under Executive Order 12291 and Departmental Regulation 1512-1 and has been determined to be a "non-major" rule under criteria contained therein.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Administrator of the Agricultural Marketing Service has determined that this action will not have a significant economic impact on a substantial number of small entities.

The purpose of the RFA is to fit regulatory actions to the scale of business subject to such actions in order that small businesses will not be unduly or disproportionately burdened. Marketing orders issued pursuant to the Agricultural Marketing Agreement Act and rules issued thereunder are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

The regulation is issued under Marketing Order No. 908, as amended (7 CFR Part 908), regulating the handling of Valencia oranges grown in Arizona and designated part of California. The order is effective under the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674). This action is based upon the recommendation and information submitted by the Valencia Orange Administrative Committee (VOAC) and upon other available information. It is hereby found that this action will tend to effectuate the declared policy of the act.

The regulation is consistent with the marketing policy for 1985-86. The committee met publicly on August 19, 1986, to consider the current and prospective conditions of supply and demand and recommended the quantity of Valencia oranges deemed advisable to be handled during the specified week. The committee reports that the market for Valencia oranges has improved.

It is further found that it is impracticable and contrary to the public interest to give preliminary notice, engage in public rulemaking, and postpone the effective date until 30 days after publication in the **Federal Register** (5 U.S.C. 553), because there is insufficient time between the date when information upon which this regulation is based became available and the effective date necessary to effectuate the declared policy of the act. Interested persons were given opportunity to submit information and views on the regulation at an open meeting. To effectuate the declared policy of the act, it is necessary to make the regulatory provisions effective as specified, and handlers have been notified of the regulation and the effective date.

List of Subjects in 7 CFR Part 908

Marketing agreements and orders, California, Arizona, Oranges, Valencias.

1. The authority citation for 7 CFR Part 908 continues to read:

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

2. Section 908.677 is added to read as follows:

§ 908.677 Valencia Orange Regulation 377.

The quantities of Valencia oranges grown in California and Arizona which may be handled during the period August 22, 1986, through August 28, 1986, are established as follows:

(a) District 1: 374,000 cartons;

(b) District 2: 476,000 cartons;

(c) District 3: Unlimited cartons.

Dated: August 20, 1986.

Eric M. Forman,

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

[FR Doc. 86-19157 Filed 8-21-86; 8:45 am]

BILLING CODE 3410-02-M

Animal and Plant Health Inspection Service

9 CFR Part 92

[Docket No. 86-061]

Importation of Animals Through the Harry S. Truman Animal Import Center; Technical Amendment

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Technical amendment.

SUMMARY: This document corrects an error in a cross reference in the regulations concerning the importation of animals into the United States.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Dr. Allan A. Furr, Import-Export and Emergency Planning Staff, VS, APHIS, USDA, Room 806, Federal Building, 6505 Belcrest Road, Hyattsville, MD 20782, 301-436-8499.

SUPPLEMENTARY INFORMATION:

Background

This document corrects an error in a cross reference in the regulations concerning the importation of animals into the United States. Prior to February 16, 1979 (44 FR 10052), the requirements for the importation of animals into the United States through the Harry S. Truman Animal Import Center were set forth in § 92.4(e). On that date, paragraph (e) of § 92.4 was removed and such requirements were set forth in a newly designated § 92.41. However, a reference to paragraph (e) in § 92.4(a)(2) was not amended to reflect the change. Therefore, this document corrects that reference.

List of Subjects in 9 CFR Part 92

Animal diseases, Canada, Imports, Livestock and livestock products, Mexico, Poultry and poultry products, Quarantine, Transportation, Wildlife.

PART 92—IMPORTATION OF CERTAIN ANIMALS AND POULTRY AND CERTAIN ANIMAL AND POULTRY PRODUCTS; INSPECTION AND OTHER REQUIREMENTS FOR CERTAIN MEANS OF CONVEYANCE AND SHIPPING CONTAINERS THEREON

Accordingly, 9 CFR Part 92 is amended as follows:

1. The authority citation for Part 92 continues to read as set forth below:

Authority: 7 U.S.C. 1622; 19 U.S.C. 1306; 21 U.S.C. 102–105, 111, 134a, 134b, 134c, 134d, 134f, and 135; 7 CFR 2.17, 2.51, and 371.2(d).

§ 92.4 [Amended]

2. In paragraph (a)(2) of § 92.4, "paragraphs (d) and (e) of this section" is revised to read "paragraph (d) of this section and § 92.41."

Done at Washington, DC, this 19th day of August 1986.

J.K. Atwell,

Deputy Administrator, Veterinary Services.

[FR Doc. 86–18966 Filed 8–21–86; 8:45 am]

BILLING CODE 3410-34-M

Food Safety and Inspection Service

9 CFR Parts 317 and 318

[Docket No. 85-030F]

Ascorbic Acid, Erythorbic Acid, Citric Acid, Sodium Ascorbate, and Sodium Citrate in Fresh Pork Cuts

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Interim final rule with request for comments.

SUMMARY: The Food Safety and Inspection Service (FSIS) has been petitioned to amend the Federal meat inspection regulations to permit the use of ascorbic acid, erythorbic acid, citric acid, sodium ascorbate, and sodium citrate, singly or in combination, to maintain the color of fresh pork cuts. Fresh pork cuts which have been treated to maintain color by the addition of these substances will be required to be labeled with a qualifying phrase, contiguous to the product name, which indicates that they have been treated to maintain color. The Federal meat inspection regulations do not currently permit the use of these substances for that purpose. It is therefore necessary to amend the regulations to provide for this use of these substances. It is also necessary to modify the labeling regulations to insure that purchasers are informed that the fresh pork cuts have been treated with these substances to maintain color. Use of these substances will result in maintenance of color for a period of time equivalent to the microbiological shelf life of fresh pork cuts. This will permit extended distribution of pork cuts prepared and packaged in Federally inspected establishments. The petitioner has supplied FSIS with sufficient information to satisfy the requirements of 9 CFR 318.7(a)(2) for amending the Federal meat inspection regulations to permit the requested use. However, due to the potential significance of color maintenance through the use of added substances, this rule is being published as an interim final rule with request for comments so that commercial experience and public comment can be obtained and considered prior to confirmation of the rule as final.

DATES: Effective date: September 22, 1986.

Comments must be received by December 22, 1986.

ADDRESS: Post-promulgation written comments may be mailed to the U.S. Department of Agriculture, Food Safety and Inspection Service, Attn: Hearing Clerk, Room 3168–S, South Agriculture Building, Washington, DC 20250. See "Comments" for Agency rationale in issuing this rule without prior proposal for public comment.

FOR FURTHER INFORMATION CONTACT: Margaret O'K. Glavin, Director, Standards and Labeling Division, Meat and Poultry Inspection Technical Services, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, DC 20250; (202) 447–6042.

SUPPLEMENTARY INFORMATION:

Executive Order 12291

The Administrator has determined that this interim final rule is not a "major rule" within the scope of E.O. 12291. It will not result in (1) an annual effect on the economy of $100 million or more; (2) a major increase in costs or prices for consumers, individual industries, Federal, State, or local government agencies, or geographic regions; or (3) significant adverse effects on competition, employment, investment, productivity, innovation, or the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This interim final rule provides for the discretionary use of ascorbic acid, erythorbic acid, citric acid, sodium ascorbate, and sodium citrate, singly or in combination, to maintain the color of fresh pork cuts. Industry will benefit from this action by being able to extend the color shelf life of fresh pork cuts, thereby reducing costs to consumers and losses to producers.

Effect on Small Entities

The Administrator certifies that this interim final rule will not have a significant economic impact on a substantial number of small entities as defined by the Regulatory Flexibility Act (5 U.S.C. 601–612).

This interim final rule will impose no new requirements on industry. The implementation of this rule will allow the meat industry to use a new method of color preservation to help maintain the fresh appearance of fresh pork cuts. Costs will be incidental and offset by distribution efficiencies and reduction of losses due to color deterioration of fresh pork cuts.

Comments

This is an interim final rule with request for comments issued without prior proposal for public comment under authority of § 318.7 of the Federal meat inspection regulations (9 CFR 318.7). Under that provision the Administrator may approve new substances, new uses of substances, or new levels of substances in meat or meat products provided that (1) the substance has been previously approved by the Food and Drug Administration (FDA) for use in meat or meat food products as a food additive, color additive, or as a substance generally recognized as safe (GRAS), and is listed in 21 CFR Parts 73, 74, 81, 172, 173, 179, 182, and 184, and (2) that its intended use would be in compliance with applicable FDA requirements. If these criteria are met, the Administrator may issue a final or interim final rule without prior proposal for public comment upon further finding that (1) the use of the substance will not render the product in which it is added adulterated, misbranded, or otherwise not in compliance with the Federal Meat Inspection Act (21 U.S.C. 601 *et seq.*), and (2) that the substance is functional and suitable for the product and is permitted for use at the lowest level necessary to accomplish the stated technical effect.

The Administrator finds that the above criteria have been met in this instance. However, this rule is being issued as an interim final rule with request for comments rather than as a final rule so that interested parties may comment on the use of added substances to maintain the color of fresh pork cuts. This will also provide an

opportunity for comments on descriptive labeling to disclose the use and purpose of such added substances. Written comments should be forwarded pursuant to the "ADDRESS" section shown above. In order to be considered, such comments should arrive within 120 days of the date this interim final rule is published.

Background

Wilson Foods Corp. has petitioned FSIS to permit the addition of ascorbic acid, erythorbic acid, citric acid, sodium ascorbate, and sodium citrate in conjunction with phosphates to fresh pork cuts packaged in a controlled atmosphere of carbon dioxide, oxygen and nitrogen in order to maintain the fresh appearance of such meat. This treatment is claimed to result in the retention of a fresh color and appearance throughout the product's microbiological shelf life.

Fresh pork which is packaged and stored at low temperatures will remain safe and wholesome for periods up to and exceeding 30 days. However, even though the pork cut may be safe and wholesome, color loss occurs sooner and the product loses its appeal and marketability. The darkened or browned appearance detracts from the appearance of the product, and purchasers are reluctant to purchase the product even though there is no loss of food value or wholesomeness.

The petitioner presented data demonstrating that the addition of the above mentioned substances did result in extension of the color and appearance of fresh pork cuts. The experiments were run on products which were packaged in a controlled atmosphere of carbon dioxide, oxygen and nitrogen. However, this rulemaking concerns the addition of substances rather than packing gases, which are not a part of this rule. Phosphates are also not a part of this rule since they are already permitted to be added to fresh meat cuts to help protect flavor under provisions of 9 CFR 318.7(c)(4).

The intended technical effect of the ascorbic acid, erythorbic acid and sodium ascorbate is to serve as antioxidants. The amount of these substances required to achieve the intended technical effect is between 250 and 500 parts per million (ppm), or up to 1.8 milligrams per square inch of surface area collectively. This rule provides for use of these substances at levels not to exceed either 500 ppm or 1.8 milligrams per square inch of surface, singly or in combination. Neither of these levels may be exceeded.

The intended technical effect of the citric acid and sodium citrate is to serve as sequestrants. The amount of these substances required to achieve the intended technical effect is 250 ppm or 0.9 milligrams per square inch of surface area collectively. This rule provides for use of these substances at levels not to exceed either 250 ppm or 0.9. milligrams per square inch of surface, singly or in combination. Neither of these levels may be exceeded.

When processors request to apply the above mentioned substances to fresh pork cuts, they will be required to follow an approved Partial Quality Control (PQC) program as set forth in 9 CFR 318.4(d). Processing will not be permitted, nor will labeled products be permitted to be distributed in commerce, until such PQC programs are approved and utilized according to the requirements set forth in 9 CFR 318.4(e). This will insure that the substances will not be applied in excessive amounts and that color maintenance will not exceed microbiological shelf life.

Fresh pork cuts which are treated with these substances to maintain the color during distribution will be required to be labeled with a statement identifying the specific approved substance by its common name and the purpose for which it is added, such as "sprayed with a solution of water, ascorbic acid and citric acid to maintain color." This phrase must be contiguous to the product name and must be in the same style of print no smaller than one fourth the size of the print in the product name. The requirement of the presence of the qualifying statement is consistent with established regulatory standards when other preservatives, such as antioxidants or mold inhibitors, are added to meat food product (9 CFR 317.2(j)(10) and 317.8(b)(27)(28)).

The substances addressed in this rulemaking are listed as GRAS in the food and drug regulations. Ascorbic acid is listed as a chemical preservative in 21 CFR 182.3013, erythorbic acid is listed as a chemical preservative in 21 CFR 182.3041, citric acid is listed as a sequestrant in 21 CFR 182.6033, sodium ascorbate is listed as a chemical preservative in 21 CFR 182.3731, and sodium citrate is listed as a sequestrant in 21 CFR 182.6751. The only condition on the use of these substances in the food and drug regulations is good manufacturing practice.

The Administrator finds that information provided by the petitioner and other data available to the Agency indicate that (1) the proposed use of these substances is functional and suitable for the product, (2) the substances would be used at the lowest level necessary to accomplish their intended technical effect, and (3) the use of these substances will not render the product on which it is used adulterated, misbranded, or otherwise not in accordance with the requirements of the Act *provided* that certain quality control measures are taken. These include treatment only under an approved partial quality control (PQC) program monitored by FSIS. All such PQC programs must cover certain critical control points, including but not necessarily limited to:

(1) Condition of meat before treatment (must be fresh or previously frozen meat maintained in a wholesome condition as evidence by time and temperature records from the point of slaughter).

(2) Solution formulation control.

(3) Single application control.

(4) Finished product ingredient analysis monitoring.

(5) Integrity of packaging during storage, transportation, and distribution.

(6) Further processing control (ascorbate treated cuts may not be further processed into fresh, ground pork products).

With the foregoing conditions, the Department is amending the Federal meat inspection regulations to (1) amend the table of approved substances in 9 CFR 318.7(c)(4) to include the use of ascorbic acid, erythorbic acid, citric acid, sodium ascorbate and sodium citrate, singly or in combination, as color maintainers for fresh pork cuts and (2) require descriptive labeling of fresh pork products to which ascorbic acid, erythorbic, acid, citric acid, sodium ascorbate and sodium citrate, singly or in combination, are added to maintain color.

List of Subjects in 9 CFR Parts 317 and 318

Labeling and food additives, Meat Inspection.

For reasons explained in the preamble, Parts 317 and 318, Subchapter A, Chapter III or Title 9, Code of Federal Regulations are amended as set forth below.

PART 317—LABELING, MARKING DEVICES, AND CONTAINERS

1. The authority citation for Part 317 continues to read as follows:

Authority: 34 Stat. 1260, 79 Stat. 903, as amended, 81 Stat. 584, 84 Stat. 91, 438; 21 U.S.C. 71 *et seq.*, 601 *et seq.*, 33 U.S.C. 1254, unless otherwise noted.

2. Section 317.8(b) of the Federal meat inspection regulations (9 CFR 317.8(b)) is amended by adding a new paragraph (36) to read as follows:

§ 317.8 False or misleading labeling or practices generally; specific prohibitions and requirements for labels and containers.

(a) * * *
(b) * * *

(36) When ascorbic acid, erythorbic acid, citric acid, sodium ascorbate and sodium citrate, singly or in combination, are added to fresh pork cuts as permitted under Part 318 of this subchapter, there shall appear on the label of that product, in letters of the same style and type and not less than one fourth the size of letters in the product name, contiguous to the name of the product, a statement identifying the specific approved substance(s) by its common name and the purpose for which it is added, such as, "sprayed with a solution of water, ascorbic acid and citric acid to maintain color."

PART 318—ENTRY INTO OFFICIAL ESTABLISHMENTS; REINSPECTION AND PREPARATION OF PRODUCTS

3. The authority citation for Part 318 continues to read as follows:

Authority: 34 Stat. 1260, 81 Stat. 584, as amended (21 U.S.C. 601 *et seq.*); 72 Stat. 862, 92 Stat. 1069, as amended (7 U.S.C. 1901 *et seq.*); 76 Stat. 663 (7 U.S.C. 450 *et seq.*), unless otherwise noted.

4. In Part 318, § 318.7(c)(4) is amended to include ascorbic acid, erythorbic acid, citric acid, sodium ascorbate, and sodium citrate as the first substances listed under Miscellaneous in the Class of substance column as follows:

§ 318.7 Approval of substances for use in the preparation of products.

* * * * *

(c) * * *
(4) * * *

Class of substance	Substance	Purpose	Products	Amount
Miscellaneous.....	Ascorbic acid, erythorbic acid, citric acid, sodium ascorbate and sodium citrate, singly or in combination, under an approved partial quality control (PQC) program (9 CFR 318.4 (d) & (e)).	To maintain color.	Fresh pork cuts...	Not to exceed either 500 ppm or 1.8 mg/sq inch of surface of ascorbic acid, erythorbic acid or sodium ascorbate, singly or in combination; and/or not to exceed either 250 ppm or 0.9 mg/sq inch of surface of citric acid or sodium citrite, singly or in combination.
•	•	•	•	•	•	•

Done at Washington, DC on: August 19, 1986.

Donald L. Houston,

Administrator, Food Safety and Inspection Service.

[FR Doc. 86-19037 Filed 8-21-86; 8:45 am]

BILLING CODE 3410-DM-M

NUCLEAR REGULATORY COMMISSION

10 CFR Parts 50 and 73

Miscellaneous Amendments Concerning Physical Protection of Nuclear Power Plants; Correction

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule; correction.

SUMMARY: This document corrects a final rule amending 10 CFR Parts 50 and 73 with regard to regulations pertaining to refined policy on vital area access controls, authority to suspend safeguards measures during safety emergencies, protection of certain items of security equipment which significantly impact nuclear plant security, and key and lock controls that was published on August 4, 1986 (51 FR 27817). This action is ncesssary in order to make several minor typographical corrections.

FOR FURTHER INFORMATION CONTACT: Priscilla A. Dwyer, Division of Safeguards, Office of Nuclear Material Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, Telephone: 301-427-4773.

In FR Doc. 86-17500, published in the **Federal Register** of Monday, August 4, 1986, make the following corrections:

1. On page 27817, in the third column, in the second complete paragraph, in the 15th line, add a closing parenthesis to "independent".

2. On page 27818, in the second column, under item 4 in the last line of the first paragraph, add another "§" before "§ 50.54(x)".

3. On page 27819, in the first column, under the Regulatory Flexibility Certification, in the 9th line, the word "dominate" should read "dominant".

4. On page 27820, in the third column, under § 50.54, in the 12th line, remove "50.34(f)" and in the 18th line, the reference to "§ 50.54(d)" should read "§ 50.34(d)".

5. On page 27821, in the second column, under § 73.55, in the 5th line of the first paragraph, remove "(d)(2)".

6. On page 27821, in the third column, in the 33rd line, add another "§" before "§ 50.54(x)".

Dated at Bethesda, Maryland, this 18th day of August 1986.

For the Nuclear Regulatory Commission.

Victor Stello, Jr.,

Executive Director for Operations.

[FR Doc. 86-19022 Filed 8-21-86; 8:45 am]

BILLING CODE 7590-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 86-AWP-25]

Amendment to the Control Zone and Transition Area, Fort Huachuca, AZ

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Final rule.

SUMMARY: There has been a change in the airport reference point (ARP) for Libby AAF, Fort Huachuca, Arizona. This action will amend the description of the Fort Huachuca, Arizona, control zone and transition area and include the correct ARP.

EFFECTIVE DATE: 0901 u.t.c., October 23, 1986.

FOR FURTHER INFORMATION CONTACT: Frank T. Torikai, Airspace and Procedures Specialist, Airspace and Procedures Branch, AWP-530, Air Traffic Division, Western-Pacific Region, Federal Aviation Administration, at 15000 Aviation Boulevard, Lawndale, California 90260; telephone (213) 297-1649.

The Rule

These amendments to Part 71 of the Federal Aviation Regulations amend the descriptions of the Fort Huachuca, Arizona, control zone and transition area and includes the correct airport reference point. I find that notice and public procedure under 5 U.S.C. 553(b) are unnecessary because these actions are minor amendments in which the

public would not be particularly interested. Sections 71.171 and 71.181 of Part 71 of the Federal Aviation Regulations were republished in Handbook 7400.6B, dated January 2, 1986.

The FAA has determined that this regulation only involves an established body of technical regulations for which frequent and routine amendments are necessary to keep them operationally current. It, therefore—(1) is not a "major rule" under Executive Order 12291; (2) is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 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 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.

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), as amended (51 FR 27835), 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.

2. Section 71.171 is amended as follows:

Fort Huachuca, AZ—[Amended]

After "Fort Huachuca, AZ.," remove "(lat. 35°55'00" N., long. 110°20'30" W.)" and substitute "(lat. 31°35'23" N., long. 110°20'49" W.)."

3. Section 71.181 is amended as follows:

Fort Huachuca, AZ—[Amended]

After "Fort Huachuca, AZ.," remove "(lat. 31°35'00" W., long. 110°20'30" W.)" and substitute "(lat. 31°35'23" N., long. 110°20'49" W.)."

Issued in Los Angeles, California, on August 14, 1986.

Wayne C. Newcomb,

Manager, Air Traffic Division, Western-Pacific Region.

[FR Doc. 86-18929 Filed 8-21-86; 8:45 am]

BILLING CODE 4910-13-M

FEDERAL TRADE COMMISSION

16 CFR Part 16

Organization, Procedures, and Rules of Practice

AGENCY: Federal Trade Commission.

ACTION: Final rule.

SUMMARY: This document implements the Federal Advisory Committee Act ("FACA"), 5 U.S.C. App. I, by setting out Federal Trade Commission policy and procedures governing the establishment, termination and renewal of advisory committees; conduct of committee meetings; review of committee activities; and compensation of committee members.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Mark J. Horoschak, Office of the General Counsel, Federal Trade Commission, Sixth Street and Pennsylvania Avenue, NW., Washington, DC 20580, (202) 523-3442.

SUPPLEMENTARY INFORMATION: On February 11, 1986, the Federal Trade Commission ("Commission") announced its intent to use negotiated rulemaking to develop recommendations for revising the Commission's Rule on Informal Dispute Settlement Procedures, 16 CFR Part 703. See 51 FR 5205 (1986). It is contemplated that a negotiating group, composed of representatives of each potentially affected interest group, will attempt to develop specific proposals for amending the existing rule. The negotiations, if successful, will lay the groundwork for a notice-and-comment rulemaking proceeding. Negotiated rulemaking has been endorsed by the Administrative Conference of the United States as a "practical technique in appropriate instances." Recommendation No. 85-5, 50 FR 52,895 (1985) (to be codified at 1 CFR 305.85-5); *see also* Recommendation No. 82-4, 1 CFR 305.82-4.

To date, the Commission has not established or utilized an advisory committee within the meaning of FACA. However, since the purpose of the negotiating group contemplated by the Commission would be to develop consensus advice and recommendations, the group would constitute an advisory committee under FACA. 5 U.S.C. App. I Section 3(2). FACA requires that agencies promulgate general regulations governing the establishment and conduct of advisory committees. 5 U.S.C. App. I Section 8. Accordingly, the regulations set forth below reflect the requirements of FACA and the General Services Administration Interim Rule on Federal Advisory Committee Management, 41 CFR Part 101-6, and are intended to govern the proposed negotiating group as well as similar advisory committees which the Commission may establish or utilize in the future. These regulations constitute rules of agency organization, procedure or practice, and thus are being promulgated without prior notice and comment. 5 U.S.C. 553(b)(3)(A).

List of Subjects in 16 CFR Part 16

Administrative practice and procedure; Federal Advisory Committee Act.

For the reasons stated in the preamble above, Title 16 of the Code of Federal Regulations is hereby amended by adding a Part 16, as follows:

PART 16—ADVISORY COMMITTEE MANAGEMENT

Sec.

Authority: Federal Advisory Committee Act, 5 U.S.C. App. I Section 8(a).

§ 16.1 Purpose and scope.

(a) The regulations in this part implement the Federal Advisory Committee Act, 5 U.S.C. App. I.

(b) These regulations shall apply to any advisory committee, as defined in paragraph (b) of § 16.2 of this part. However, to the extent that an advisory committee is subject to particular statutory provisions that are inconsistent with the Federal Advisory Committee Act, these regulations do not apply.

§ 16.2 Definitions.

For purposes of this part:

(a) "Administrator" means the Administrator of the General Services Administration.

(b) "Advisory committee," subject to exclusions described in paragraph (b)(2) of this section, means any committee, board, commission, council, panel, task force, or other similar group, or any subcommittee or other subgroup thereof, which is established or utilized by the

Commission for the purpose of obtaining advice or recommendations for the Commission or other agency or officer of the Federal Government on matters that are within the scope of the Commission's jurisdiction.

(1) Where a group provides some advice to the Commission but the group's advisory function is incidental and inseparable from other (e.g., operational or management) functions, the provisions of this part do not apply. However, if the advisory function is separable, the group is subject to this part to the extent that the group operates as an advisory committee.

(2) Groups excluded from the effect of the provisions of this part include:

(i) Any committee composed wholly of full-time officers or employees of the Federal Government;

(ii) Any committee, subcommittee or subgroup that is exclusively operational in nature (e.g., has functions that include making or implementing decisions, as opposed to the offering of advice or recommendations);

(iii) Any inter-agency advisory committee unless specifically made applicable by the establishing authority.

(c) "Commission" means the Federal Trade Commission.

(d) "GSA" means the General Services Administration.

(e) "Secretariat" means the Committee Management Secretariat of the General Services Administration.

(f) "Sunshine Act" means the Government in the Sunshine Act, 5 U.S.C. 552b.

§ 16.3 Policy.

(a) The Commission's policy shall be to:

(1) Establish an advisory committee only when it is essential to the conduct of agency business;

(2) Insure that adequate information is provided to the Congress and the public regarding advisory committees, and that there are adequate opportunities for access by the public to advisory committee meetings;

(3) Insure that the membership of the advisory committee is balanced in terms of the points of view represented and the functions to be performed; and

(4) Terminate an advisory committee whenever the stated objectives of the committee have been accomplished; the subject matter or work of the advisory committee has become obsolete; the cost of operating the advisory committee is excessive in relation to the benefits accruing to the Commission; or the advisory committee is otherwise no longer a necessary or appropriate means to carry out the purposes for which it was established.

(b) No advisory committee may be used for functions that are not solely advisory unless specifically authorized to do so by law. The Commission shall be solely responsible for making policy decisions and determining action to be taken with respect to any matter considered by an advisory committee.

§ 16.4 Advisory Committee Management Officer.

(a) The Commission shall designate the Executive Director as the Advisory Committee Management Officer who shall:

(1) Exercise control and supervision over the establishment, procedures, and accomplishments of the advisory committees established by the Commission;

(2) Assemble and maintain the reports, records, and other papers of any advisory committee during its existence;

(3) Carry out, on behalf of the Commission, the provisions of the Freedom of Information Act, 5 U.S.C. 552, with respect to such reports, records, and other papers;

(4) Maintain in a single location a complete set for the charters and membership lists of each of the Commission's advisory committees;

(5) Maintain information on the nature, functions, and operations of each of the Commission's advisory committees; and

(6) Provide information on how to obtain copies of minutes of meetings and reports of each of the Commission's advisory committees.

(b) The name of the Advisory Committee Management Officer designated in accordance with this part, and his or her agency address and telephone number, shall be provided to the Secretariat.

§ 16.6 Establishment of advisory committees.

(a) No advisory committee shall be established under this part unless such establishment is:

(1) Specifically authorized by statute; or

(2) Determined as a matter of formal record by the Commission, after consultation with the Administrator, to be in the public interest in connection with the performance of duties imposed on the Commission by law.

(b) In establishing an advisory committee, the Commission shall:

(1) Prepare a proposed charter for the advisory committee in accordance with § 16.6 of this part; and

(2) Submit an original and one copy of a letter to the Administrator requesting concurrence in the Commission's proposal to establish an advisory committee. The letter from the Commission shall describe the nature and purpose of the proposed advisory committee, including an explanation of why establishment of the advisory committee is essential to the conduct of agency business and in the public interest and why the functions of the proposed committee could not be performed by the Commission, by an existing committee, or through other means. The letter shall also describe the Commission's plan to attain balanced membership on the proposed advisory committee in terms of points of view to be represented and functions to be performed. The letter shall be accompanied by two copies of the proposed charter.

(c) Upon the receipt of notification from the Administrator of his or her concurrence or nonconcurrence, the Commission shall notify the Administrator in writing that either:

(1) The advisory committee is being established. The filing of an advisory committee charter as specified in § 16.6 of this part shall be deemed appropriate written notification in this instance; or

(2) The advisory committee is not being established.

(d) If the Commission determines that an advisory committee should be established in accordance with paragraph (c) of this section, the Commission shall publish notice to that effect in the **Federal Register** at least fifteen days prior to the filing of the advisory committee's charter unless the Administrator authorizes publication of such notice within a shorter period of time. The notice shall identify the name and purpose of the advisory committee, state that the committee is necessary and in the public interest, and identify the name and address of the Commission official to whom the public may submit comments.

(e) The Commission may issue regulations or guidelines as may be necessary to operate and oversee a particular advisory committee.

§ 16.6 Charter.

(a) No advisory committee established, utilized, reestablished or renewed by the Commission under this part shall meet or take any action until its charter has been filed by the Commission with the standing committees of the Senate and House of Representatives having legislative jurisdiction over the Commission.

(b) The charter required by paragraph (a) of this section shall include the following information:

(1) The committee's official designation;

(2) The committee's objectives and the scope of its activity;

(3) The period of time necessary for the committee to carry out its purposes;

(4) The Commission component or official to whom the committee reports;

(5) The agency or official responsible for providing the necessary support for the committee;

(6) A description of the duties for which the committee is responsible, and, if such duties are not solely advisory, a specification of the authority for such functions;

(7) The estimated annual operating cost in dollars and man-years for the committee;

(8) The estimated number and frequency of committee meetings;

(9) The committee's termination date, if less than two years from the date of committee's establishment; and

(10) The date the charter is filed.

(c) A copy of the charter required by paragraph (a) of this section shall also be furnished at the time of filing to the Secretariat and the Library of Congress.

(d) The requirements of this section shall also apply to committees utilized as advisory committees, even though not expressly established for that purpose.

§ 16.7 Meetings.

(a) The Commission shall designate an officer or employee of the Federal Government as the Designated Federal Officer for the advisory committee. The Designated Federal Officer shall attend the meetings of the advisory committee, and shall adjourn committee meetings whenever he or she determines that adjournment is in the public interest. The Commission, in its discretion, may authorize the Designated Federal Officer to chair meetings of the advisory committee.

(b) No meeting of any advisory committee shall be held except at the call of, or with the advance approval of, the Designated Federal Officer and with an agenda approved by such official.

(c) The agenda required by paragraph (b) of this section shall identify, in general terms, matters to be considered at the meeting and shall indicate whether any part of the meeting will concern matters that the General Counsel has determined to be covered by one or more of the exemptions of the Sunshine Act.

(d) Timely notice of each meeting of the advisory committee shall be provided in accordance with § 16.9 of this part.

(e) Subject to the provisions of § 16.8 of this part, each meeting of an advisory committee as defined in § 16.2(b) of this part shall be open to the public. Subcommittees and subgroups that are not utilized by the Commission for the purpose of obtaining advice or recommendations do not constitute advisory committees within the meaning of § 16.2(b) and are not subject to the meeting and other requirements of this part.

(f) Meetings that are completely or partly open to the public shall be held at reasonable times and at places that are reasonably accessible to members of the public. The size of the meeting room shall be sufficient to accommodate members of the public who can reasonably be expected to attend.

(g) Any member of the public shall be permitted to file a written statement with the committee concerning any matter to be considered in a meeting. Interested persons may be permitted by the committee chairman to speak at such meetings in accordance with procedures established by the committee and subject to the time constraints under which the meeting is to be conducted.

(h) No meeting of any advisory committee shall be held in the absence of a quorum. Unless otherwise established by statute or in the charter of the committee, a quorum shall consist of a majority of the committee's authorized membership.

§ 16.8 Closed meetings.

(a) Paragraphs (e), (f) and (g) of § 16.7 of this part, which require that meetings shall be open to the public and that the public shall be afforded an opportunity to participate in such meetings, shall not apply to any advisory committee meeting (or any portion thereof) which the Commission determines is concerned with any matter covered by one or more of the exemptions set forth in paragraph (c) of the Sunshine Act, 5 U.S.C. section 552b(c).

(b) An advisory committee that seeks to have all or part of its meeting closed shall notify the Commission at least thirty days before the scheduled date of the meeting. The notification shall be in writing and shall identify the specific provisions of the Sunshine Act which justify closure. The Commission may waive the thirty-day requirement when a lesser period of time is requested and justified by the advisory committee.

(c) The General Counsel shall review all requests to close meetings and shall advise the Commission on the disposition of each such request.

(d) If the Commission determines that the request is consistent with the policies of the Sunshine Act and the Federal Advisory Committee Act, it shall issue a determination that all or part of the meeting may be closed. A copy of the Commission's determination shall be made available to the public upon request.

(e) The advisory committee shall issue, on an annual basis, a report that sets forth a summary of its activities in meetings closed pursuant to this section, addressing those related matters as would be informative to the public and consistent with the policy of the Sunshine Act and of this part. Notice of the availability of such annual reports shall be published in accordance with § 16.15 of this part.

§ 16.9 Notice of meetings.

(a) Notice of each advisory committee meeting, whether open or closed to the public, shall be published in the **Federal Register** at least 15 days before the meeting date. Such notice shall include the exact name of the advisory committee as chartered; the time, date, place and purpose of the meeting; and a summary of the meeting agenda. Notice shall also state that the meeting is open to the public or closed in whole or in part, and, if closed, cite the specific exemptions of the Sunshine Act as the basis for closure. The Commission may permit the advisory committee to provide notice of less than fifteen days in extraordinary situations, provided that the reasons for doing so are included in the meeting notice.

(b) In addition to the notice required by paragraph (a) of this section, other forms of notice such as press releases and notices in professional journals may be used to inform interested members of the public of advisory committee meetings.

§ 16.10 Minutes and transcripts of meetings.

(a) Detailed minutes of each advisory committee meeting shall be kept. The minutes shall reflect the time, date and place of the meeting; and accurate summary of each matter that was discussed and each conclusion reached; and a copy of each report or other document received, issued, or approved by the advisory committee. In addition, the minutes shall include a list of advisory committee members and staff and full-time Federal employees who attended the meeting; a list of members of the public who presented oral or written statements; and an estimated number of members of the public who were present at the meeting. The minutes shall describe the extent to which the meeting was open to the public and the nature and extent of any public participation. If it is impracticable to attach to the minutes of the meeting any document received, issued, or approved by the advisory committee,

then the minutes shall describe the document in sufficient detail to enable any person who may request the document to identify it readily.

(b) The accuracy of all minutes shall be certified to by the chairperson of the advisory committee.

(c) Minutes need not be kept if a verbatim transcript is made.

§16.11 Annual comprehensive review.

(a) The Commission shall conduct an annual comprehensive review of the activities and responsibilities of each advisory committee to determine:

(1) Whether such committee is carrying out its purpose;

(2) Whether, consistent with the provisions of applicable statutes, the responsibilities assigned to it should be revised;

(3) Whether it should be merged with any other advisory committee or committees; or

(4) Whether it should be abolished.

(b) Pertinent factors to be considered in the comprehensive review required by paragraph (a) of this section include the following:

(1) The number of times the committee has met in the past year;

(2) The number of reports or recommendations submitted by the committee;

(3) An evaluation of the substance of the committee's reports or recommendations with respect to the Commission's programs or operations;

(4) An evaluation (with emphasis on the preceding twelve month period of the committee's work) of the history of the Commission's utilization of the committee's recommendations in policy formulation, program planning, decision making, more effective achievement of program objectives, and more economical accomplishment of programs in general.

(5) Whether information or recommendations could be obtained from sources within the Commission or from another advisory committee already in existence;

(6) The degree of duplication of effort by the committee as compared with that of other parts of the Commission or other advisory committees; and

(7) The estimated annual cost of the committee.

(c) The annual review required by this section shall be conducted on a fiscal year basis, and results of the review shall be included in the annual report to the GSA required by § 16.15 of this part. The report shall contain a justification of each advisory committee which the Commission determines should be continued, making reference, as appropriate, to the factors specified in paragraph (b) of this section.

§ 16.12 Termination of advisory committees.

Any advisory committee shall automatically terminate not later than two years after it is established, reestablished, or renewed, unless:

(a) Its duration is otherwise provided by law;

(b) It is renewed in accordance with § 16.13 of this part; or

(c) The Commission terminates it before that time.

§ 16.13 Renewal of advisory committees.

(a) Any advisory committee established under this part may be renewed by appropriate action of the Commission and the filing of a new charter. An advisory committee may be continued by such action for successive two-year periods.

(b) Before it renews an advisory committee in accordance with paragraph (a) of this section, the Commission will inform the Administrator by letter, not more than sixty days nor less than thirty days before the committee expires, of the following:

(1) Its determination that a renewal is necessary and in the public interest;

(2) The reasons for its determination;

(3) The Commission's plan to maintain balanced membership on the committee;

(4) An explanation of why the committee's functions cannot be performed by the Commission or by an existing advisory committee.

(c) Upon receipt of the Administrator's notification of concurrence or nonconcurrence, the Commission shall publish a notice of the renewal in the **Federal Register**, which shall certify that the renewal of the advisory committee is in the public interest and shall include all the matters set forth in paragraph (b) of this section. The Commission shall cause a new charter to be prepared and filed in accordance with the provisions of §§ 16.5 and 16.6 of this part.

(d) No advisory committee that is required under this section to file a new charter for the purpose of renewal shall take any action, other than preparation and filing of such charter, between the date the new charter is required and the date on which such charter is actually filed.

§ 16.14 Amendments.

(a) The charter of an advisory committee may be amended when the Commission determines that the existing charter no longer accurately describes the committee itself or its goals or procedures. Changes may be minor, such as revising the name of the advisory committee, or may be major, to the extent that they deal with the basic objectives or composition of the committee.

(1) To make a minor amendment to an advisory committee charter, the Commission shall:

(i) Amend the charter language as necessary; and

(ii) File the amended charter in accordance with the provisions of § 16.6 of this part.

(2) To make a major amendment to an advisory committee charter, the Commission shall:

(i) Amend the charter language as necessary;

(ii) Submit the proposed amended charter with a letter to the Administrator requesting concurrence in the amended language and an explanation of why the changes are essential and in the public interest; and

(iii) File the amended charter in accordance with the provisions of § 16.6 of this part.

(b) Amendment of an existing charter does not constitute renewal of the advisory committee under § 16.13 of this part.

§ 16.15 Reports of advisory committees.

(a) The Commission shall furnish, on a fiscal year basis, a report of the activities of each of its advisory committees to the GSA.

(b) Results of the annual comprehensive review of the advisory committee made under § 16.11 shall be included in the annual report.

(c) The Commission shall notify the GSA, by letter, of the termination of, changes in the membership of, or other significant developments with respect to, an advisory committee.

§ 16.16 Compensation.

(a) *Committee members.* Unless otherwise provided by law, the Commission shall not compensate advisory committee members for their service on an advisory committee. In the exceptional case where the Commission is unable to meet the need for technical expertise or the requirement for balanced membership solely through the appointment of noncompensated members, the Commission may contract for or authorize the advisory committee to contract for the services of a specific consultant who may be appointed as a member of the advisory committee. In such a case, the Commission shall follow the procedures set forth in paragraph (b) of this section.

(b) *Consultants.* Prior to hiring or authorizing the advisory committee to

hire a consultant to an advisory committee, the Commission shall determine that the expertise or viewpoint to be offered by the consultant is not otherwise available without cost to the Commission. The compensation to be paid to such consultant may not exceed the maximum rate of pay authorized by 5 U.S.C. section 3109. Hiring of consultants shall be in accordance with OMB Circular A-120 and applicable statutes, regulations, and Executive Orders.

(c) *Staff members.* The Commission may fix the pay of each advisory committee staff member at a rate of the General Schedule, General Management Schedule, or Senior Executive Service in which the Staff member's position would appropriately be placed (5 U.S.C. Chapter 51). The Commission may not fix the pay of a staff member at a rate higher than the daily equivalent of the maximum rate for GS-15, unless the Commission has determined that under the General Schedule, General Management Schedule, or Senior Executive Service classification system, the staff member's position would appropriately be placed at a grade higher than GS-15. The Commission shall review this determination annually.

By direction of the Commission.

Benjamin I. Berman,

Acting Secretary.

[FR Doc. 86-18983 Filed 8-21-86; 8:45 am]

BILLING CODE 6750-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 175

[Docket No. 85F-0035]

Indirect Food Additives; Adhesives and Components of Coatings

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the food additive regulations to provide for the safe use of the reaction products of 1,6-hexanediol (CAS Reg. No. 629-11-8) with azelaic acid, polybasic and monobasic acids identified in 21 CFR 175.300(b)(3)(vii) (*a*) and (*b*), and tetrahydrophthalic acid as components of adhesives for use in articles intended for use in contact with food. This action responds to a petition filed by Witco Chemical Corp.

DATES: Effective August 22, 1986; objections by September 22, 1986.

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

FOR FURTHER INFORMATION CONTACT: Vir Anand, Center for Food Safety and Applied Nutrition (HFF-335), Food and Drug Administration, 200 C Street SW., Washington, DC 20204, 202-472-5690.

SUPPLEMENTARY INFORMATION: In a notice published in the **Federal Register** of February 22, 1985 (50 FR 7388), FDA announced that a petition (FAP 5B3844) had been filed by Witco Chemical Corp., 3230 Brookfield St., Houston, TX 77045, proposing that § 175.105 *Adhesives* (21 CFR 175.105) be amended to provide for the safe use of the reaction products of 1,6-hexanediol with azelaic acid, polybasic and monobasic acids identified in 21 CFR 175.300(b)(3)(vii) (*a*) and (*b*), and tetrahydrophthalic acid as components of adhesives for use in articles intended for use in contact with food.

FDA has evaluated data in the petition and other relevant material and concludes that the proposed use is safe and that the regulations should be amended as set forth below. The agency is also deleting the entry for "polyester of 1,6-hexanediol and adipic acid" in 21 CFR 175.105(c)(5) because the amendment covers this substance.

In accordance with § 171.1(h) (21 CFR 171.1(h)), the petition and the documents that FDA considered and relied upon in reaching its decision to approve the petition are available for inspection at the Center for Food Safety and Applied Nutrition (address above) by appointment with the information contact person listed above. As provided in 21 CFR 171.1(h), the agency will delete from the documents any materials that are not available for public disclosure before making the documents available for inspection.

The agency has carefully considered the potential environmental effects of this action and has concluded that the action will not have a significant impact on the human environment and that an environmental impact statement is not required. The agency's finding of no significant impact and the evidence supporting that finding may be seen in the Dockets Management Branch (address above) between 9 a.m. and 4 p.m., Monday through Friday. Under FDA's regulations implementing the National Environmental Policy Act (21 CFR 25), an action of this type would require an abbreviated environmental assessment under 21 CFR 25.31a(b)(1).

Any person who will be adversely affected by this regulation may at any time on or before September 22, 1986, file with the Dockets Management Branch (address above) written objections thereto. Each objection shall be separately numbered, and each numbered objection shall specify with particularity the provisions of the regulation to which objection is made and the grounds for the objection. Each numbered objection on which a hearing is requested shall specifically so state. Failure to request a hearing for any particular objection shall constitute a waiver of the right to a hearing on that objection. Each numbered objection for which a hearing is requested shall include a detailed description and analysis of the specific factual information intended to be presented in support of the objection in the event that a hearing is held. Failure to include such a description and analysis for any particular objection shall constitute a waiver of the right to a hearing on the objection. Three copies of all documents shall be submitted and shall be identified with the docket number found in brackets in the heading of this document. Any objections received in response to the regulation may be seen in the Dockets Management Branch between 9 a.m. and 4 p.m., Monday through Friday.

List of Subjects in 21 CFR Part 175

Adhesives, Food additives, Food packaging.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Food Safety and Applied Nutrition, Part 175 is amended as follows:

PART 175—INDIRECT FOOD ADDITIVES: ADHESIVES AND COMPONENTS OF COATINGS

1. The authority citation for 21 CFR Part 175 continues to read as follows:

Authority: Secs. 201(s), 409, 72 Stat. 1784-1788 as amended (21 U.S.C. 321(s), 348); 21 CFR 5.10 and 5.61.

2. In § 175.105(c)(5) by removing from the list of substances the item "Polyester of 1,6-hexanediol and adipic acid (CAS Reg. No. 25212-06.0)" and by alphabetically inserting a new item in the list of alcohols for the substance "Polyester resins (including alkyd type) * * *" to read as follows:

§ 175.105 Adhesives.

* * * * *

(c) * * *

(5) * * *

Substances	Limitations
* * * * *	
Polyester resins (including alkyd type) * * *	
* * * * *	
Alcohols:	
* * * * *	
1,6-Hexanediol (CAS Reg. No. 629-11-8).	
* * * * *	

Dated: August 15, 1986.

Sanford A. Miller,

Director, Center for Food Safety and Applied Nutrition.

[FR Doc 86-18940 Filed 8-21-86; 8:45 am]

BILLING CODE 4160-01-M

21 CFR Part 175

[Docket No. 85F-0132]

Indirect Additives; Adhesives

AGENCY: Food and Drug Administration.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is amending the food additive regulations to provide for the safe use of ethylene-carbon monoxide copolymer as a component of adhesives for use in articles intended for use in contact with food. This action responds to a petition filed by The Dow Chemical Co.

DATES: Effective August 22, 1986; objections by September 22, 1986.

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

FOR FURTHER INFORMATION CONTACT: Vir Anand, Center for Food Safety and Applied Nutrition (HFF-335), Food and Drug Administration, 200 C Street SW., Washington, DC 20204, 202-472-5690.

SUPPLEMENTARY INFORMATION: In a notice published in the **Federal Register** of April 15, 1985 (50 FR 14770), FDA announced that a petition (FAP 5B3855) had been filed by The Dow Chemical Co., 1803 Bldg., Door 7, Midland, MI 48674, proposing that the food additive regulations be amended to provide for the safe use of ethylene-carbon monoxide copolymer (CAS Reg. No. 25052-62-4) as a component of adhesives for use in articles intended for use in contact with food.

FDA has evaluated data in the petition and other relevant material. The agency concludes that the proposed use is safe, and that the regulations should be amended as set forth below.

In accordance with § 171.1(h) (21 CFR 171.1(h)), the petition and the documents that FDA considered and relied upon in reaching its decision to approve the petition are available for inspection at the Center for Food Safety and Applied Nutrition (address above) by appointment with the information contact person listed above. As provided in 21 CFR 171.1(h), the agency will delete from the documents any materials that are not available for public disclosure before making the documents available for inspection.

The agency has carefully considered the potential environmental effects of this action and has concluded that the action will not have a significant impact on the human environment and that an environmental impact statement is not required. The agency's finding of no significant impact and the evidence supporting that finding, contained in an environmental assessment, may be seen in the Dockets Management Branch (address above) between 9 a.m. and 4 p.m., Monday through Friday. This action was considered under FDA's final rule implementing the National Environmental Policy Act (21 CFR Part 25) that was published in the **Federal Register** of April 26, 1985 (50 FR 16636, effective July 25, 1985).

Any person who will be adversely affected by this regulation may at any time on or before September 22, 1986, file with the Dockets Management Branch (address above) written objections thereto. Each objection shall be separately numbered, and each numbered objection shall specify with particularity the provisions of the regulation to which objection is made and the grounds for the objection. Each numbered objection on which a hearing is requested shall specifically so state. Failure to request a hearing for any particular objection shall constitute a waiver of the right to a hearing on that objection. Each numbered objection for which a hearing is requested shall include a detailed description and analysis of the specific factual information intended to be presented in support of the objection in the event that a hearing is held. Failure to include such a description and analysis for any particular objection shall constitute a waiver of the right to a hearing on the objection. Three copies of all documents shall be submitted and shall be identified with the docket number found in brackets in the heading of this document. Any objections received in response to the regulation may be seen in the Dockets Management Branch between 9 a.m. and 4 p.m., Monday through Friday.

List of Subjects in 21 CFR Part 175

Adhesives, Food additives, Food packaging.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs and redelegated to the Center for Food Safety and Applied Nutrition, Part 175 is amended as follows:

PART 175—INDIRECT FOOD ADDITIVES: ADHESIVES AND COMPONENTS OF COATINGS

1. The authority citation for 21 CFR Part 175 continues to read as follows:

Authority: Secs. 201(s), 409, 72 Stat. 1784-1788 as amended (21 U.S.C. 321(s), 348); 21 CFR 5.10 and 5.61.

2. In § 175.105(c)(5) by alphabetically inserting a new item in the list of substances, to read as follows:

§ 175.105 Adhesives.

* * * * *

(c) * * *

(5) * * *

Substances	Limitations
* * * * *	
Ethylene-carbon monoxide copolymer (CAS Reg. No. 25052-62-4) containing not more than 30 weight percent of the units derived from carbon monoxide.	
* * * * *	

Dated: August 15, 1986.

Sanford A. Miller,

Director, Center for Food Safety and Applied Nutrition.

[FR Doc. 86-18942 Filed 8-21-86; 8:45 am]

BILLING CODE 4160-01-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD5-86-21]

Temporary Deviation From Drawbridge Operation Regulations for Bridge Across Atlantic Intracoastal Waterway, at Hobucken, NC

AGENCY: Coast Guard, DOT.

ACTION: Notice.

SUMMARY: The Coast Guard has granted

a temporary deviation from the regulations for the drawbridge across the Atlantic Intracoastal Waterway at mile 157.2, at Hobucken, North Carolina. The purpose of this deviation from the regulations is to allow the project contractor for the U.S. Army Corps of Engineers, the owner of the bridge, to repair the bridge. The repairs are expected to be completed in less than 60 days.

DATES: This temporary deviation from the regulations becomes effective on August 6, 1986, and will terminate upon completion of the work and further public notice. A definite termination date for completion of the work cannot be given because the extent of the repairs is not known at this time.

FOR FURTHER INFORMATION CONTACT: Ann B. Deaton, Bridge Specialist, Fifth Coast Guard District (804) 398–6222.

Drafting Information

The drafters of this notice are Ann B. Deaton, project officer, and LT Wayne M. Patrick, project attorney.

List of Subjects in 33 CFR Part 117

Bridges.

Temporary Deviation From Drawbridge Regulations

In consideration of the foregoing, the regulations in § 117.5 of Title 33, Code of Federal Regulations, do not apply to the bridge across the Atlantic Intracoastal Waterway, mile 157.2 at Hobucken, North Carolina.

From Monday through Friday, the bridge will be closed to boat traffic from 10 a.m. to 3 p.m. At all other times, the bridge will be open on signal for the passage of boats.

Authority: 33 U.S.C. 499; 49 CFR 1.46; 33 CFR 1.05–1(g), 117.35.

Dated: August 6, 1986.

B.F. Hollingsworth,

Rear Admiral, U.S. Coast Guard, Commander, Fifth Coast Guard District.

[FR Doc. 86–18892 Filed 8–21–86; 8:45 am]

BILLING CODE 4910–14–M

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33 CFR Part 117

[CGD5–86–022]

Temporary Deviation From Drawbridge Operation Regulations for Bridge Across Atlantic Intracoastal Waterway, at Core Creek, NC

AGENCY: Coast Guard, DOT.

ACTION: Notice.

SUMMARY: The Coast Guard has granted a temporary deviation from the regulations for the drawbridge across the Atlantic Intracoastal Waterway at mile 195.8, Core Creek, at Beaufort, North Carolina. The purpose of this deviation from the regulations is to allow the project contractor for the U.S. Army Corps of Engineers, the owner of the bridge, to repair the bridge. This notice replaces an earlier deviation issued on July 30, 1986, 51 FR 28707, August 11, 1986. It extends the period that the draw will be closed to marine and vehicle traffic by two hours each day. As a result of the extension of the closed periods, the Corps of Engineers expects to complete the maintenance project by the end of September, 1986. Without the additional closed hours, the project would not be completed until the end of October, 1986.

DATES: This temporary deviation from the regulations becomes effective on August 18, 1986, and will terminate upon completion of the work and further public notice. A definite termination date for completion of the work cannot be given because the extent of the repairs is not known at this time.

FOR FURTHER INFORMATION CONTACT: Ann B. Deaton, Bridge Specialist, Fifth Coast Guard District, (804) 398–6222.

Drafting Information. The drafters of this notice are Ann B. Deaton, project officer, and CDR Robert J. Reining, project attorney.

List of Subjects in 33 CFR Part 117

Bridges.

Temporary Deviation From Drawbridge Regulations

In consideration of the foregoing, the regulations in § 117.5 of Title 33, Code of Federal Regulations, do not apply to the bridge across the Atlantic Intracoastal Waterway, mile 195.8, at Core Creek, Beaufort, North Carolina.

From Monday through Friday, the bridge will be closed to boat traffic from 8 a.m. to 3 p.m. The bridge will open for boat traffic on the hour and the half-hour from 6 a.m. to 8 a.m., and again from 3 p.m. to 7 p.m. From 7 p.m. to 6 a.m., the bridge will open on signal. On weekends, the bridge will open on signal from 7 p.m. on Friday through 6 a.m. on Monday.

Authority: 33 U.S.C. 499; 49 CFR 1.46; 33 CFR 1.05–1(g), 117.35.

Dated: August 11, 1986.

B.F. Hollingsworth,

Rear Admiral, U.S. Coast Guard, Commander, Fifth Coast Guard District.

[FR Doc. 86–18891 Filed 8–21–86; 8:45 am]

BILLING CODE 4910–14–M

LIBRARY OF CONGRESS

Copyright Office

37 CFR Part 201

[Docket No. RM 86–2]

General Provisions; Information Given by the Copyright Office

AGENCY: Library of Congress, Copyright Office.

ACTION: Final regulation.

SUMMARY: This notice is issued to inform the public that the Copyright Office of the Library of Congress is amending 37 CFR 201.2(b)(2) and (c)(1), concerning Office procedures, to provide direct public access to limited information contained in in-process files and to permit inspection and a request for copies of certain additional correspondence.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Dorothy Schrader, General Counsel, Copyright Office, Washington, DC 20559, Telephone: (202) 287–8380.

SUPPLEMENTARY INFORMATION: On July 24, 1985 the Copyright Office promulgated and made effective rules regarding public access to information contained in the Office's in-process files and official correspondence files. [50 FR 30169]. By this notice, the Office is adopting two amendments to the regulations governing the dissemination of information by the Office.

1. Computer Search of In-Process Files

"In-process files" are those which the Copyright Office makes for its own immediate internal use in connection with pending applications for registration or the recordation of documents and which are preliminary to the completion of the public record. These files include the Receipt-in-Process system, Correspondence Management system, accounting files, open unfinished business files (U.B.), and other files of a similar nature. These files are maintained and are constantly used to facilitate the internal administrative operations of the Office in processing applications for registration and recording documents. They are not a part of the records that are required by section 705 of the Copyright Act to be open to public inspection.

The amended regulation, § 201.2(b)(2), will generally continue to deny *direct* public access to in-process files and to any of the work areas where they are kept. The amended regulation however, will permit direct public access to a

limited amount of information contained in the in-process files by means of a computer terminal.

The computer terminal can be used to determine if a request for registration of document recordation has been received in the Copyright Office, but cannot be used to determine final facts of copyright registration or document recordation. Access is by title, although in some cases a claimant's name may appear in the index.

Only the following information will be provided by a direct computer search of Office "in-process" files: Title of the work, including issue date, volume number, and issue number, if a serial; receipt date; name of remitter; description of classification if an application for registration; number of copies; and the claimant's name, if different from the name of the remitter. Direct public use of the computer terminal is permitted between the hours of 8:30 a.m. and 5:00 p.m., Monday through Friday, when the Office is open for business upon payment of applicable fees. The computer terminal is located in the Records Maintenance Unit, Room LM B–14 of the James Madison Memorial Building of the Library of Congress.

In addition, the Office will continue to make available to the public information contained in its "in-process" files by means of an Office-conducted search of those files pursuant to § 201.2(b)(3), which is unchanged.

2. Partial Access to Re-Opened, Pending Cases

"Official correspondence" is correspondence, including preliminary applications, between copyright claimants or their agents and the Copyright Office, directly relating to rejected applications for registration and documents for which recordation was refused. In our July 24, 1985 rule change, the Office made such correspondence files open to public inspection and copying as a record once the case is closed.

The amended regulation, § 201.2(c)(1), makes it clear that the portion of such correspondence, directly relating to rejected applications for registration and documents for which recordation was refused which once represented a closed case will be open for public inspection and copying even though the once-closed case may have been reopened by some subsequent action on the part of the copyright claimant or his agent or by the Copyright Office. The rationale for this amendment is that the correspondence in such instances was open for public inspection prior to the subsequent reopening of the case, and the Office believes that the portion of the correspondence file that constituted a record because it was a closed case, should remain open to public inspection.

Examples of ways in which a case may be reopened after final Office action include where an appeal is made requesting reconsideration of an Office refusal to register a claim to copyright or to record a document, or where action is taken to cancel a completed registration. Public access will be allowed for the portion of the file which constituted a completed record before the case was reopened. The correspondence, if any, which triggered the reopening of the case, and any correspondence subsequently added to the file before final action will be considered part of an in-process file and public access will be governed by the rules for in process-files found in § 201.2(b)(1).

These amendments are issued as final regulations, effective immediately, without public comment, since they constitute minor changes regarding Office information procedures and are not substantive in nature.

With respect to the Regulatory Flexibility Act, the Copyright Office takes the position this Act does not apply to Copyright Office rulemaking. The Copyright Office is a department of the Library of Congress and is part of the legislative branch. Neither the Library of Congress nor the Copyright Office is an "agency" within the meaning of the Administrative Procedure Act of June 11, 1946, as amended (title 5 Chapter 5 of the U.S. Code, Subchapter II and Chapter 7). The Regulatory Flexibility Act consequently does not apply to the Copyright Office since that Act affects only those entities of the Federal Government that are agencies as defined in the Administrative Procedure Act.[1]

Alternatively, if it is later determined by a court of competent jurisdiction that the Copyright Office is an "agency" subject to the Regulatory Flexibility Act, the Register of Copyrights has determined that the regulations will have no significant impact on small businesses.

List of Subjects in 37 CFR Part 201

Copyright Office.

[1] The Copyright Office was not subject to the Administrative Procedure Act before 1978, and it is now subject to it only in areas specified by section 701(d) of the Copyright Act (i.e., "all actions taken by the Register of Copyrights under this title [17]," except with respect to the making of copies of copyright deposits). [17 U.S.C. 706(b)]. The Copyright Act does not make the Office an "agency" as defined in the Administrative Procedure Act. For example, personnel actions taken by the Office are not subject to APA–FOIA requirements.

Final Regulations

In consideration of the foregoing, Part 201 of Title 37, Chapter II is amended as set forth below.

PART 201—[AMENDED]

The authority citation for Part 201 continues to read as follows:

Authority: Sec. 702, 90 Stat. 2541; 17 U.S.C. 702.

* * * * *

2. Section 201.2 is amended by revising the last sentence in paragraph (b)(2) and by adding additional language before the last sentence of paragraph (c)(1) to read as follows:

§ 201.2 Information given by the Copyright Office.

* * * * *

(b) *Inspection and copying of records.*

* * * * *

(2) * * * However, direct public use of computers intended to access the automated equivalent of limited portions of these files is permitted on a specified terminal in the Records Maintenance Unit, LM B–14, 8:30 a.m. to 5:00 p.m., Monday through Friday, upon payment of applicable fees.

* * * * *

(c) *Correspondence*

(1) * * * Included in the correspondence available for public inspection is that portion of the file directly relating to a completed registration, recorded document, a rejected application for registration, or a document for which recordation was refused which was once open to public inspection as a closed case, even if the case is subsequently reopened. Public inspection is available only for the correspondence contained in the file during the time it was closed because of one of the aforementioned actions. Correspondence relating to the reopening of the file and reconsideration of the case is considered part of an in-process file until final action is taken, and public inspection of that correspondence is governed by § 201.2(b). * * *

* * * * *

Dated: August 12, 1986.

Ralph Oman,

Register of Copyrights.

Approved:

Daniel J. Boorstin,

The Librarian of Congress.

[FR Doc. 86–18956 Filed 8–21–86; 8:45 am]

BILLING CODE 1410–07–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[EPA Action 2066; A-7-FRL-3069-2]

Approval and Promulgation of State Implementation Plans; Missouri

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final Rule.

SUMMARY: EPA is approving a new state regulation as a revision to the Air Pollution Control State Implementation Plan (SIP) of the state of Missouri. The purpose of this state regulation is to reduce volatile organic compound emissions into the air from the production of maleic anhydride in the St. Louis ozone nonattainment area. The purpose of EPA approval is to make this state regulation federally enforceable against the one subject facility in the St. Louis area.

EFFECTIVE DATE: This action will be effective October 21, 1986 unless notice is received within 30 days that someone wishes to submit adverse or critical comments.

ADDRESSES: Comments should be sent to Environmental Protection Agency, 726 Minnesota Avenue, Kansas City, Kansas 66101. A copy of the state's submission is available for review at the above address and at the Environmental Protection Agency, Public Information Reference Unit, 401 M Street SW., Washington, DC; the Office of the Federal Register, 1100 L Street, NW., Room 8401, Washington, DC; and the Missouri Department of Natural Resources, 101 Jefferson Street, Jefferson City, Missouri 65101.

FOR FURTHER INFORMATION CONTACT: Daniel J. Wheeler at (913) 236-2893, (FTS) 757-2893.

SUPPLEMENTARY INFORMATION: On August 15, 1985, the Missouri Air Conservation Commission adopted a new regulation designed to reduce emissions of volatile organic compounds (VOC) in the St. Louis ozone nonattainment area. VOCs react in the atmosphere to form ozone, and reductions in VOC emissions must be required as part of the SIP in order to attain the ozone standard in the St. Louis area.

This new regulation is state Rule 10 CSR 10-5.400, Control of Emissions from the Production of Maleic Anhydride. It applies to one facility in the St. Louis area. The regulation requires this one plant to reduce emissions by 98 percent from what they would be in the absence of controls.

The state adopted this regulation in compliance with section 172(b)(2) of the Clean Air Act, which requires SIPs to provide for the implementation of all reasonably available control measures as expeditiously as practicable. For major stationary sources of VOCs, reasonably available control technology (RACT) is prescribed by EPA policy as a presumptive norm developed by EPA and published in a Control Techniques Guideline (CTG) Document. The applicable CTG in this case is "Control of Volatile Organic Emissions from Air Oxidation Processes in Synthetic Organic Chemical Manufacturing Industry" published by EPA in December 1984 (EPA-450/3-84-015). The state has certified in its most recent St. Louis SIP revision that there are no other sources in the area covered by the SOCMI air oxidation category.

With respect to maleic anhydride production, the CTG provides that one acceptable control technique is to use a thermal oxidizer that removes 98 percent of the VOCs before emission to the atmosphere. Missouri Rule 10 CSR 10-5.400 requires a removal efficiency of 98 percent, along with recordkeeping and reporting requirements and testing methods. Final compliance was required by October 11, 1985. EPA's review of the regulation finds that it meets the control requirements of the CTG and is therefore approvable as part of the SIP.

The state regulation also requires a 70 percent continuous removal efficiency for carbon monoxide. This was one of the measures included in the SIP for carbon monoxide control in St. Louis. With the approval of this regulation, all measures in the St. Louis carbon monoxide SIP have been approved by EPA. The exemption included in the applicability section of this regulation for VOC (100 TPY or less) is neither consistent with agency policy nor an acceptable CTG required provision for SOCMI-air oxidation regulations. However, since VOC emissions from this single maleic anhydride plant are greater than the exemption level involved in this SIP revision, and since there are no other plants in the nonattainment area, the "100 TPY provision" appears to have no practical significance. Therefore, EPA is approving the regulation in its entirety.

This state submission constitutes a proposed revision to the Missouri SIP. The Administrator's decision to approve this submission is based on a determination that the revision meets the requirements of sections 110 and 172 of the Clean Air Act and of 40 CFR Part 51, Requirements for Preparation, Adoption, and Submittal of State Implementation Plans.

EPA believes this action is noncontroversial and is approving it without prior proposal. The public is advised that this action is effective 60 days after publication unless we receive written notice within 30 days from today that someone wishes to submit adverse or critical comments. In such case, this action will be withdrawn and rulemaking will commence again by announcing a proposal of this action and establishing a comment period.

Under section 307(b)(1) of the Clean Air Act, as amended, judicial review of this action is available only by the filing of a petition for review in the United States Court of Appeals for the appropriate circuit within 60 days of today. This action may not be challenged later in proceedings to enforce its requirements.

The Office of Management and Budget has exempted this rule from the requirements of section 3 of Executive Order 12291.

Under 5 U.S.C. 605(b), I certify that this SIP revision will not have a significant economic impact on a substantial number of small entities.

Incorporation by reference of the State Implementation Plan for the state of Missouri was approved by the Director of the Office of the Federal Register on July 1, 1982.

List of Subjects in 40 CFR Part 52

Air pollution control, Ozone, Carbon monoxide, Hydrocarbons, Reporting and Recordkeeping requirements, Intergovernmental relations and Incorporation by reference.

Dated: August 18, 1986.

Lee M. Thomas,

Administrator.

PART 52—APPROVAL AND PROMULGATION OF IMPLEMENTATION PLANS

Part 52 of Chapter 1, Title 40 of the Code of Federal Regulations, is amended as follows:

1. The authority citation for Part 52 continues to read as follows:

Authority: 42 U.S.C. 7401-7642.

2. Section 52.1320 is amended by adding a new paragraph (c)(59) as follows:

§ 52.1320 Identification of plan.

* * * * *

(c) The plan revisions listed below were submitted on the dates specified.

* * * * *

(59) A new rule, Control of Emissions from the Production of Maleic Anhydride, was submitted by the

Department of Natural Resources on January 21, 1986.

(i) Incorporation by reference

(A) 10 CSR 10-5.400, Control of Emissions from the Production of Maleic Anhydride, adopted by the Missouri Air Conservation Commission and effective on October 26, 1986.

[FR Doc. 86-18985 Filed 8-21-86; 8:45 am]

BILLING CODE 6560-50-M

40 CFR Part 65

[A-3-FRL-3068-7]

Approval of a Delayed Compliance Order Issued by the Pennsylvania Department of Environmental Resources to Fisher Scientific Company

AGENCY: Environmental Protection Agency.

ACTION: Final Rule.

SUMMARY: The Administrator of the Environmental Protection Agency hereby approves a Delayed Compliance Order (Order) issued by the Pennsylvania Department of Environmental Resources to Fisher Scientific Company. The order requires the company to bring air emissions from its laboratory equipment manufacturing facility in Indiana County, Pennsylvania, into compliance with certain regulations contained in the federally approved Pennsylvania State Implementation Plan (SIP) by April 21, 1987. Because of the Administrator's approval, compliance with the Order will preclude suits under the enforcement provisions under Section 113 of the Act or the citizen suit provisions under Section 304 of the Act for violations of the SIP regulations covered by the Order during the period the Order is in effect.

DATES: This rule will take effect on August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Rosemarie P. Nino, Environmental Protection Specialist, Enforcement Policy and State Coordination Section, Air Management Division, U.S. EPA Region III, 841 Chestnut Building, Philadelphia, Pennsylvania 19107, Telephone: (215) 597-9839.

ADDRESSES: A copy of the Delayed Compliance Order, and supporting material, and any comments received in response to a prior **Federal Register** notice proposing approval of the Order are available for public inspection and copying (for appropriate charges) during normal business hours at the above address.

SUPPLEMENTARY INFORMATION: On April 21, 1986, the Regional Administrator of the Environmental Protection Agency's Region III Office published in the **Federal Register**, Vol. 51, No. 76, Page 13530, a notice proposing approval of a Delayed Compliance Order issued by the Pennsylvania Department of Environmental Resources to Fisher Scientific Company. The notice asked for the public comments by May 21, 1986, on the EPA proposal.

No public comments were received in response to the notice. The Delayed Compliance Order issued to Fisher Scientific Company is approved by the Administrator of EPA pursuant to the authority of section 113(d)(2) of the Clean Air Act, 42 U.S.C. 7413(d)(2). The Order places Fisher Scientific Company on a schedule to bring its laboratory equipment facility in Indiana County into compliance as expeditiously as practicable with Title 25 of the Pennsylvania Code, § 129.52, Table 1, Miscellaneous Metal Parts and Products, 10(f), a part of the federally approved Pennsylvania State Implementation Plan. The Order requires emission monitoring and reporting requirements as required by Sections 113(d)(1)(C) and 113(d)(7) of the Act. If the conditions of the Order are met, it will permit Fisher Scientific Company to delay compliance with SIP regulations covered by the Order until April 21, 1987. The Company is unable to immediately comply with these regulations. EPA has determined that its approval of the Order shall be effective (the date of publication of this notice) because of the need to immediately place Fisher Scientific Company on a federally enforceable schedule under the Clean Air Act requiring compliance with the applicable requirements of the State Implementation Plan.

Under section 307(b)(1) of the Act, petitions for judicial review of this Action must be filed in the United States Court of Appeals for the appropriate circuit within 60 days of the date of publication of this notice of final rulemaking. This action may not be challenged later in proceedings to enforce its requirements (See section 307(b)(2)).

Each DCO affects only one entity and involves an "Order" rather than a "Rule" and therefore this action is not subject to the requirements of the Regulatory Flexibility Act or to Executive Order 12291.

List of Subjects in 40 CFR Part 65

Air pollution control.

Dated: August 15, 1986.

Lee M. Thomas,

Administrator.

In consideration of the foregoing, Chapter I of Title 40 of the Code of Federal Regulations is amended as follows:

PART 65—DELAYED COMPLIANCE ORDER

1. The authority citation for part 65 continues to read as follows:

Authority: 42 U.S.C. 7413(d), 7601.

2. Section 65.431 is amended by adding the following entry in alphabetical order to the table to read as follows:

§ 65.431 EPA Approval of State Delayed Compliance Orders issued to major stationary sources.

* * * * *

Source	Location	Order No.	Date of FR proposal	SIP regulation involved	Final compliance date
Fisher Scientific Company	Indiana Township, Indiana County, PA		Apr. 21, 1986	§ 129.52, Table 1, Miscellaneous Metal Parts and Products, 10(f), Title 25 Pa. Code.	Apr. 21, 1987.

* * * * *

[FR Doc. 86-18986 Filed 8-21-86; 8:45 am]

BILLING CODE 6560-50-M

40 CFR Part 81

[A-4-FRL-3069-1; SC-014]

Designation of Areas for Air Quality Planning Purposes; Redesignation of an Ozone Nonattainment Area in South Carolina

AGENCY: Environmental Protection Agency.

ACTION: Final rule.

SUMMARY: EPA is today granting the request by South Carolina to redesignate York County from nonattainment to attainment for ozone. The redesignation of York County to attainment is based on three years of ambient monitoring data showing a calculated expected exceedance of less than 1.0 and on implementation of an EPA-approved control strategy.

DATE: This action is effective September 22, 1986.

ADDRESSES: Copies of the materials submitted by South Carolina may be examined during normal business hours at the following locations:

Environmental Protection Agency, Region IV, Air Programs Branch, 345 Courtland Street, NE., Atlanta, Georgia 30365

Bureau of Air Quality Control, South Carolina Department of Health and Environmental Control, 2600 Bull Street, Columbia, South Carolina 29201.

FOR FURTHER INFORMATION CONTACT: Jill Thomas, Air Programs Branch, EPA Region IV, at the above address and telephone number 404/347-4253 or FTS 257-4253.

SUPPLEMENTARY INFORMATION: In the March 3, 1978, **Federal Register** (43 FR 8962), EPA designated York County, South Carolina as nonattainment for ozone. The State was therefore required to revise their state implementation plan (SIP) for ozone. South Carolina drafted and adopted statewide regulations for controlling volatile organic compound (VOC) emissions from stationary sources in nonattainment and unclassified areas. Through the Federal Motor Vehicle Control Program (FMVCP) and implementation of the VOC regulations, South Carolina demonstrated attainment of the ozone standard in the urban nonattainment areas. Because York County was a non-urban area, a demonstration of attainment of the ozone standard was not required. EPA approved South Carolina's accommodative ozone SIP on January 29, 1980.

South Carolina has requested that EPA change the attainment status of York County from nonattainment to attainment for ozone. In order to redesignate a nonattainment area, EPA policy requires that the most recent three years of ozone data show an expected exceedance calculation of less than or equal to 1.0. The most recent eight quarters of quality assured ambient air data may suffice provided that no exceedances have occurred. In addition, the data must be accompanied by a demonstration of implementation of an EPA-approved control strategy. South Carolina has submitted ambient air quality data collected at the Chester Airport monitoring site located in Chester County. The most recent three years of air quality data (1982, 1983, and 1984) show the number of expected exceedances to be less than or equal to 1.0. Furthermore, York County has experienced no ozone exceedances during the first three quarters of 1985.

For a more detailed discussion, please refer to the March 7, 1986, **Federal Register** (45 FR 7963) and to the Technical Support Document. Both documents are available for inspection at the EPA Region IV office.

On March 7, 1986, EPA proposed to approve the request to redesignate York County to attainment for ozone. At that time the public was invited to submit written comments on the proposed action. However, no comments were received.

Final Action

Therefore, on the basis of three years of air quality data showing attainment and evidence of an implemented EPA-approved control strategy, EPA today redesignates York County from ozone nonattainment to attainment.

Under section 307(b)(1) of the Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by October 21, 1986. This action may not be challenged later in proceedings to enforce its requirements. (See 307(b)(2).)

The Office of Management and Budget has exempted this rule from the requirements of section 3 of Executive Order 12291.

List of Subjects in 40 CFR Part 81

Air pollution control, National parks, Wilderness areas.

Dated: August 18, 1986.

Lee M. Thomas,

Administrator.

PART 81—[AMENDED]

Part 81 of Chapter I, Title 40, Code of Federal Regulations, is amended as follows:

1. The authority citation for Part 81 continues to read as follows:

Authority: 42 U.S.C. 7401-7642.

Subpart C—Section 107 Attainment Status Designations

2. In § 81.341 the attainment status table titled "South Carolina—O_3" is amended by removing the entry for York County and by revising the remaining entry from "Rest of State" to "Statewide." As revised, the table reads as follows:

§ 81.341 South Carolina.

* * * * *

SOUTH CAROLINA—O_3

Designated area	Does not meet primary standards	Cannot be classified or better than national standards[1]
Statewide		X

[1]Designations of "Cannot be classified or better than national standards" were reaffirmed on July 23, 1982.

[FR Doc. 86-18987 Filed 8-21-86; 8:45 am]

BILLING CODE 6560-50-M

40 CFR Part 81

[A-4-FRL-3068-9; TN-027]

Designation of Areas for Air Quality Planning Purposes, Tennessee; Redesignation of Knox County CO Nonattainment Area

AGENCY: Environmental Protection Agency.

ACTION: Final rule.

SUMMARY: EPA is today granting the request by the State of Tennessee that the Knox County carbon monoxide nonattainment area be redesignated attainment. The redesignation request is based on eight quarters of ambient monitoring data that shows no exceedances and is accompanied by evidence of the implementation of control strategies approved by EPA. The redesignation is therefore in accord with EPA policy.

EFFECTIVE DATE: This action will be effective October 21, 1986 unless notice is received within 30 days that adverse or critical comments will be submitted.

ADDRESSES: Written comments should be addressed to Waymond Blackmon of EPA Region IV's Air Programs Branch (see EPA Region IV address below). Copies of the materials submitted by the State of Tennessee may be examined during normal business hours at the following locations:

Environmental Protection Agency, Region IV, Air Programs Branch, 345 Courtland Street, NE., Atlanta, Georgia 30365

Tennessee Division of Air Pollution, Control, Customs House 4th Floor, 701 Broadway, Nashville, Tennessee 37219–5403.

FOR FURTHER INFORMATION CONTACT: Waymond Blackmon, EPA, Region IV, Air Programs Branch, 404/347–3286 or FTS 257–3286.

SUPPLEMENTARY INFORMATION: On February 3, 1983, the Agency published a **Federal Register** notice regarding the status of all areas designated nonattainment under Part D of the Clean Air Act. In that notice (48 FR 4972 at 5019), EPA proposed a finding that Knox County would not attain the CO standards by the end of 1982. The notice also stated that the basic existing policy for redesignation to attainment would be continued. Under this policy, all available information relative to the attainment status of the area should be reviewed. These data should include the most recent eight (8) consecutive quarters of quality assured, representative ambient air quality data plus evidence of an implemented control strategy that EPA had fully approved.

In February 1984, EPA issued a number of SIP revision calls on the basis of continued evaluation of the areas listed in the February 3, 1983, proposal. No such call was issued for Knox County. On February 22, EPA gave its current position in response to a letter dated January 12, 1984, from Mr. James E. Lovett, Director of the Knox County Department of Air Pollution Control on the attainment status of the area. EPA explained that because the primary Knox County monitor was located very near the World's Fair site and that the number of CO exceedances were the highest in the winter immediately prior to the Fair, it appeared likely that the number of exceedances recorded in Knox County was influenced by traffic disruptions near the Fair site.

During the winter of 1982–83, when more or less "normal" conditions prevailed, the number of exceedances was substantially less (only one exceedance in October 1982). However, the CO monitor near the fair site was down for repairs from November 8, 1982, to February 1, 1983, during much of the peak carbon monoxide season. Because eight consecutive quarters of data showing attainment are normally required, EPA did not feel that sufficient data was available at the time to redesignate the area to attainment. However, based on the lack of any monitored exceedances since the end of 1982, and the likelihood that the traffic influences cited earlier might have been substantially responsible for most of the large number of exceedances recorded prior to mid-1982, EPA felt that a finding that Knox County was still nonattainment for CO was not supportable. If quality assured data continued to indicate no exceedances of the CO standard, we expected Tennessee to request redesignation for Knox County. On May 16, 1985, Knox County submitted an August 28, 1984, amendment to the Tennessee State Implementation Plan concerning the ambient air quality attainment status for Knox County. The amendment was, in effect, a request that the Knox County carbon monoxide area be reclassified as attainment. Eight consecutive quarters of data submitted to EPA at the same time indicated no exceedances of the primary standard since January 1983.

In addition, the request was supported by evidence that the Part D control strategy approved by EPA for the area had been implemented (February 3, 1983, 48 FR 5036). The Part D Plan included improvements to the interstate highway system as well as completion of the computerized traffic signal system. Through the Federal Motor Vehicle Control Program (FMVCP) and implementation of the transportation control measures, Tennessee demonstrated attainment of the carbon monoxide standard in the Knox County nonattainment area.

Final Action. Based on the foregoing, EPA is today granting the State's request to redesignate Knox County, Tennessee to attainment for carbon monoxide. EPA is publishing this action without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. This action will be effective 60 days from the date of this **Federal Register** notice unless, within 30 days of its publication, notice is received that adverse or critical comments will be submitted. If such notice is received, this action will be withdrawn before the effective date by publishing two subsequent notices. One notice will withdraw the final action and another will begin a new rulemaking by announcing a proposal of the action and establishing a comment period. If no such comments are received, the public is advised that this action will be effective 60 days from today.

Under section 307(b)(1) of the Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by October 21, 1986. This action may not be challenged later in proceedings to enforce its requirements. (See 307(b)(2)).

Under 5 U.S.C. 605(b), I certify that redesignations do not have a significant economic impact on a substantial number of small entities. (See 46 FR 8709).

The Office of Management and Budget has exempted this rule from the requirements of section 3 of Executive Order 12291.

List of Subjects in 40 CFR Part 81

Air pollution control, National parks, Wilderness areas.

Dated: August 15, 1986.

Lee M. Thomas,

Administrator.

PART 81—[AMENDED]

Part 81 of Chapter I, Title 40, Code of Federal Regulations, is amended as follows:

1. The authority citation for Part 81 continues to read as follows:

Authority: 42 U.S.C. 7401–7642.

Subpart C—Section 107 Attainment Status Designations

§ 81.343 [Amended]

2. Section 81.343 is amended by removing from the "Tennessee—CO" table the entry for Knox County.

[FR Doc. 86–18988 Filed 8–21–86; 8:45 am]
BILLING CODE 6560-50-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 661

[Docket No. 60477–6077]

Ocean Salmon Fisheries Off the Coasts of Washington, Oregon, and California

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

ACTION: Notice of recreational fishery closure.

SUMMARY: The Secretary of Commerce (Secretary) announces the closure of the recreational salmon fishery in the fishery conservation zone (FCZ) from

the Red Buoy Line to Cape Falcon, Oregon, at midnight, August 18, 1986, to ensure that the coho salmon quota is not exceeded. The Director, Northwest Region, NMFS (Regional Director), has determined in consultation with the Pacific Fishery Management Council, the Oregon Department of Fish and Wildlife (ODFW), and the Washington Department of Fisheries (WDF) that the recreational fishery quota of 103,200 coho salmon for the subarea will be reached by that time. The closure is necessary to conform to the preseason announcement of 1986 management measures. This action is intended to ensure conservation of coho salmon.

EFFECTIVE DATES: Closure of the FCZ from the Red Buoy Line to Cape Falcon, Oregon, to recreational salmon fishing is effective at 2400 hours local time, August 18, 1986. Comments on this closure will be received until September 2, 1986.

ADDRESSES: Comments may be mailed to the Northwest Regional Office, NMFS, BIN C15700, 7600 Sand Point Way, NE., Seattle, WA 98115–0070. Information relevant to this notice has been compiled in aggregate form and is available for public review during business hours at the same address.

FOR FURTHER INFORMATION CONTACT: Rolland A. Schmitten (Regional Director), 206–526–6150.

SUPPLEMENTARY INFORMATION: Regulations governing the ocean salmon fisheries at 50 CFR Part 661 specify at § 661.21(a)(1) that: "When a quota for the commercial or the recreational fishery, or both, for any salmon species in any portion of the fishery management area is projected by the Regional Director to be reached on or by a certain date, the Secretary will, by publishing a notice in the **Federal Register** under § 661.23, close the commercial or recreational fishery, or both, for all salmon species in the portion of the fishery management area to which the quota applies as of the date the quota is projected to be reached."

Management measures for 1986 were made effective on April 30, 1986 (51 FR 16520, May 5, 1986). The 1986 recreational fishery for all salmon species in the FCZ from the Red Buoy Line (as defined at 51 FR 16525) to Cape Falcon, Oregon, was established as June 29 through the earliest of September 25 or attainment of a quota of either 103,200 coho salmon or 11,700 chinook salmon.

Based on the best available information, the recreational fishery catch in the subarea is projected to reach the 103,200 coho salmon quota by midnight August 18, 1986.

The Regional Director consulted with the Assistant Directors of ODFW and WDF regarding a closure of the recreational fishery between the Red Buoy Line to Cape Falcon, Oregon. The Assistant Director of ODFW confirmed that Oregon will close the recreational fishery in State waters adjacent to this area of the FCZ effective midnight August 18, 1986.

Therefore, the Secretary issues this notice to close the recreational fishery in the FCZ from the Red Buoy Line to Cape Falcon, Oregon, effective midnight August 18, 1986. This notice does not apply to treaty Indian fisheries or to other fisheries which may be operating in other areas.

Other Matters

This action is taken under the authority of 50 CFR 661.23 and is in compliance with Executive Order 12291.

List of Subjects in 50 CFR Part 661

Fisheries, Fishing, Indians.

Authority: 16 U.S.C. 1801 et seq.

Dated: August 19, 1986.

Carmen J. Blondin,

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

[FR Doc. 86–19059 Filed 8–19–86; 5:01 pm]

BILLING CODE 3510-22-M

Proposed Rules

Federal Register
Vol. 51, No. 163
Friday, August 22, 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 890

Federal Employees Health Benefits Program

AGENCY: Office of Personnel Management.

ACTION: Proposed regulations.

SUMMARY: The Office of Personnel Management (OPM) is proposing to revise its Federal Employees Health Benefits (FEHB) regulations to modify the formula for transferring reserve funds between health benefits carriers and OPM. The proposed regulations would increase the proportion of the reserves under OPM's control.

DATE: Comments must be received on or before October 21, 1986.

ADDRESS: Written comments may be sent to Reginald M. Jones, Jr., Assistant Director for Pay and Benefits Policy, Compensation 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: Margaret Sears, (202) 632–0003.

SUPPLEMENTARY INFORMATION: Under the FEHB law, a portion of the premiums OPM collects for each health benefits plan is designated to be placed in the contingency reserve account that OPM holds for the plan. In addition, experience-rated plans (whose premiums are based on the plan's actual claims experience) hold a special reserve in which they maintain funds that were in excess of the amount needed to pay claims in prior contract years. These reserves provide a "cushion" in the event that a plan's actual claims experience exceeds the projected claims experience on which its rates were based. Experience-rated carriers also hold an "incurred claims" reserve for paying claims that have been incurred but have not yet been paid by the plan.

Current regulations provide a formula for triggering a transfer of funds from the carrier's reserves to OPM when the carrier's reserves at the end of the contract year exceed the desired level. Similarly, a transfer of funds from the OPM-held contingency reserves is triggered if carrier reserves at the end of the contract year are below the desired level and the contingency reserves exceed the preferred minimum balance. This formula was designed to limit the carrier-held reserves to the amount needed to pay claims and, at the same time, avoid cash-flow problems in the event of unanticipated fluctuations in claims experience. (A carrier may ask for a transfer of funds from the contingency reserves at any time when the carrier has good cause.)

The proposed regulations would change the amount of the reserves under OPM's control, but would not change the overall level of reserves in the FEHB Program. Specifically, the proposed regulations would increase the preferred minimum balance for the contingency reserve of experience-rated plans from 1 to 1½ months' average claims paid plus administrative expenses and retentions. (The preferred minimum balance for community-rated plans would remain at 1 month's subscription charges.) The regulations would also reduce the level of carrier-held reserves necessary to trigger a transfer of funds between OPM and the experience-rated carriers, from a total (incurred claims and special reserves) of 4 months', to 3½ months' average claims paid plus administrative expenses and retentions.

The proposed regulations would not apply to reserves held by carriers until December 31, 1986.

The proposed regulations are based on the principle that FEHB Program funds should be held within the Government to the extent consistent with sound administration and adhere to the Administration's emphasis on improved cash management.

In addition, the proposed regulations would eliminate the exception to the general formula for plans having more than 50 percent of their enrollees stationed at foreign posts of duty. OPM has found that this exception is no longer needed.

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 these regulations would not have a significant economic impact on a substantial number of small entities because they relate to OPM's management of the Employees Health Benefits Fund.

List of Subjects in 5 CFR Part 890

Administrative practices and procedures, Government employees, Health insurance.

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

Accordingly, OPM proposes to amend 5 CFR Part 890 as follows:

PART 890—FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM

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. 98–615, 98 Stat. 3195, and Title II of Pub. L. 99–251.

2. Section 890.503 is amended by revising paragraphs (c)(1), (c)(2), and (c)(3) to read as follows:

§ 890.503 Reserves.

* * * * *

(c) (1) The contingency reserve for each plan is credited with—

(i) The three one-hundred-and-fourths of the enrollment charge set aside for the contingency reserve from the enrollment charges for employees and annuitants enrolled for that plan;

(ii) Amounts transferred in accordance with law from other contingency reserves and the administrative reserve;

(iii) Income from investment of the reserve;

(iv) Its proportionate share of the income from investment of the administrative reserve; and

(v) Any return of reserves of the plan.

The preferred minimum balance for the contingency reserve for community-rated plans is 1 month's subscription charges at the average recurring monthly rate paid from the Employees Health Benefits Fund for the plan during the most recent contract period. The preferred minimum balance for the contingency reserve for experience-rated plans is 1½ times an amount equal to an average month's claims paid plus an average month's administrative expenses and retentions, as determined under paragraph (c)(3) of this section. Amounts in excess of the preferred minimum balance for a contingency reserve account may be used with respect to the plan from which the reserve derives: to defray increases in future rates; to increase plan benefits, or to reduce contributions of eligible subscribers and the Government under the program through devices such as temporary suspension of, or reduction in, required contributions or a refund of contributions to eligible subscribers and the Government.

(2) When, as of the end of a contract period, the total of all the reserves held by an experience-rated carrier for the plan is less than its target level as determined under paragraph (c)(3) of this section, the carrier is entitled to payment from the contingency reserve of the lesser of: An amount equal to the difference between the target level for the plan's reserves and the total of the reserves held by the carrier for the plan, or an amount equal to the excess, if any, of the contingency reserve over the preferred minimum balance. OPM must authorize this payment promptly after accepting the accounting report for the contract period. The carrier must credit the amount so paid to the special reserve of the plan. When as of the end of a contract period, the total of all reserves held by an experience-rated carrier for the plan amounts to more than the plan's target level, the carrier must return to OPM any excess over the plan's target level. The payment must be made at the same time the plan submits its annual accounting statement unless OPM specifies a later date. If the accounting statement is not filed by the time limit specified in the plan's contract with OPM or the plan fails to return the excess reserves with the accounting statement (or at a later date specified by OPM), OPM may estimate the amount of excess reserves and offset that amount from future subscription payments.

(3) The target level for reserves held by experience-rated plans is 3½ times an amount equal to an average month's paid claims plus an average month's administrative expenses and retentions. In this section, an average month's paid claims is one-sixth of the total claims paid during the last 6 months of the most recent contract period, and an average month's administrative expenses and retentions is one-twelfth of the administrative expenses and retentions for the most recent contract period.

* * * * *

[FR Doc. 86-18964 Filed 8-21-86; 8:45 am]
BILLING CODE 6325-01-M

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 1205

Revised Rules for Collecting Cotton Research and Promotion Assessments

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: The Agricultural Marketing Service (AMS) proposes to revise the Cotton Board Rules and Regulations governing collecting handlers and the collection of the supplemental assessment for the Cotton Research and Promotion Program. Under the proposed revision, the Agricultural Stabilization and Conservation Service (ASCS) would deduct the supplemental assessment from loan deficiency payments made available with respect to cotton in accordance with the Agricultural Act of 1949, as amended. This would assure that all cotton which is either placed under loan or which is the basis for a loan deficiency payment would be assessed on the same basis and prevent a decline in funding for the cotton research and promotion activities budgeted by the Cotton Board.

DATE: Comments must be received on or before September 11, 1986.

ADDRESS: Written comments may be sent to Naomi Hacker, Chief, Research and Promotion, Cotton Division, AMS, USDA, Washington, DC 20250, (202) 447-2259.

SUPPLEMENTARY INFORMATION: This proposed rule has been reviewed in accordance with Executive Order 12291 and Departmental Regulation 1512-1 and has been determined not to be a "major rule" since it does not meet the criteria for a major regulatory action as stated in the Order.

The Administrator of AMS has determined that this action would not have a significant economic impact on a substantial number of small entities as defined by the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) because: (1) This action would assure that the research and promotion assessment would be levied equally on producers who (a) pledge cotton to the Commodity Credit Corporation (CCC) for a price support loan or (b) sell cotton on the open market and receive from CCC a loan deficiency payment; (2) Contributions to the support of the cotton research and promotion program are voluntary since cotton producers are entitled to a complete refund of assessments collected; (3) The assessment does not affect the competitive position or market access of small entities in the cotton industry; and (4) The benefits of the cotton research and promotion program (stimulation of consumer demand for cotton, increased market share for cotton products) accrue to all U.S. cotton producers regardless of size or degrees of support for the program.

Background

The Cotton Research and Promotion Act of 1966 (7 U.S.C. 2101 *et seq.*) and the implementing Order provide for the operation and funding of a producer financed cotton research and promotion program designed to maintain and expand markets for U.S. cotton. The program is administered by a 20-member Cotton Board, appointed by the Secretary of Agriculture, which represents cotton producers in each cotton-producing state. The Cotton Board reviews research, advertising, sales, promotion and development projects and related budgets developed by the contracting organization established to carry out such projects (7 CFR 1205.328). The Board makes recommendations concerning these projects and budgets to the Secretary of Agriculture who has final budget approval authority.

A per-bale assessment is collected from the producer by the first handler of the cotton and transmitted to the Cotton Board to be used to finance research and promotion projects. Cotton producers are entitled to a full refund of assessments collected from them (7 CFR 1205.520). Initially, the Cotton Research and Promotion Act of 1966 (Act) authorized a flat $1 per bale assessment. On July 14, 1976, the Act was amended (7 U.S.C. 2106(e)) to authorize a supplemental assessment to be collected in addition to the existing levy of $1 per bale that was not to exceed one percent of the value of the cotton.

The Cotton Board Rules and Regulations were amended to implement a supplemental assessment of six-tenths of one percent of the value of cotton effective July 24, 1985 (50 FR 30131).

Assessment of Loan Deficiency Payments

Under the Agricultural Act of 1949, as amended (The "1949 Act"), cotton producers have the option of either: (1) Pledging cotton to the Commodity Credit Corporation (CCC) as security for a price support loan with the opportunity to repay the loan at a lower rate; or (2) Foregoing the loan to sell their cotton on the open market and, instead of a loan, receiving from CCC a payment that is based upon the difference between the loan rate and the loan repayment rate. The payment is referred to as a loan deficiency payment.

In the current Cotton Board Rules and Regulations, ASCS is designated a collecting handler of assessments on cotton tendered to CCC for a Form A loan (7 CFR 1205.513). The Cotton Board proposal would amend § 1205.513 to authorize ASCS to also collect assessments on the loan deficiency payment.

Since a producer who elects to receive a loan deficiency payment will receive a return on the producer's cotton approximately equivalent to the loan level established for the crop of cotton, the supplemental assessment of six-tenths of one percent of the value of the cotton represented by the loan deficiency payment will be collected from each producer choosing this method of marketing the crop.

The ASCS County Office or a cooperative marketing association will be the collecting handler of the supplemental assessment on the value of the cotton represented by the loan deficiency payment at the time such payment is made available to the producer or the cooperative.

If the supplemental assessment is not deducted from the loan deficiency payment there would be, in effect, a difference in the total assessment collected with respect to cotton entered into the Form A loan program and cotton with respect to which a loan deficiency payment was made. This proposal would assure that the assessment is applied equally since all participating producers would utilize either the Form A loan program or receive a loan deficiency payment and therefore would pay approximately the same assessment under either option.

In addition, the Cotton Board estimates that failure to collect the assessment on cotton would reduce research and promotion program funding by nearly $1 million. This proposed rule would prevent such a serious disruption of funding for cotton research and promotion activities.

A 20-day comment period is deemed appropriate because the cotton season is already underway and collections should begin as soon as possible. If adopted, these changes should be implemented as soon as possible.

Proposed Amendment

In consideration of the foregoing, AMS propose to amend the Cotton Board rules and regulations to provide for the collection of supplemental cotton research and promotion assessments on any loan deficiency payment made by CCC in accordance with the 1949 Act.

A new definition of loan deficiency payments would be added as paragraph (n) to the list of terms defined in § 1205.500. In addition, the definition of current value of cotton in § 1205.500(d) would be revised to reflect the inclusion of loan deficiency payments. Miscellaneous non-substantive changes are also proposed to be made to the definition for clarity.

Section 1205.513, dealing with collecting handlers and the time of collection of the supplemental assessment, wuold be amended by redesignating paragraphs (d) through (j) as paragraphs (e) through (k) respectively and inserting a new paragraph (d). The new paragraph (d) would set forth the methods of collecting the supplemental assessment on the value of the cotton represented by the loan deficiency payment and would also identify the collecting handler for such assessments.

As required by 1 CFR 18.20 (46 FR 1762) the following are the indexing terms for this regulation:

List of Subjects in 7 CFR Part 1205

Cotton, Administrative practice and procedure, Research and promotion, Cotton Board, Producer assessments, Producer refunds.

PART 1205—[AMENDED]

Accordingly, Part 1205 of Chapter II, Title 7 of the Code of Federal Regulations would be amended as follows:

1. The authority citation for Part 1205 continues to read as follows:

Authority: Sec. 15, 80 Stat. 285, 7 U.S.C. 2114; Sec. 7, 80 Statg. 281, 7 U.S.C. 2106.

2. Section 1205.500 would be amended by revising paragraph (d) and adding a new paragraph (n) to read as follows:

§ 1205.500 Terms defined.

* * * * *

(d) "Current value of Cotton" means the gross price per pound of lint cotton received by the producer for cotton as shown on the producers' settlement document before deductions are made for weight penalties, buyer's commission or brokerage fees, marketing fees, the $1 per bale cotton research and promotion assessment, picking charges, ginning charges, warehouse receiving charges, warehouse storage charges, transportation charges or any other charges, plus any amount receive by a producer in the form of a loan deficiency payment with respect to such cotton.

* * * * *

(n) loan deficiency payment means any payment on Upland cotton made by the Commodity Credit Corporation to a producer in accordance with 7 CFR 713.55.

3. Section 1205.513 would be amended by redesignating paragraphs (d) through (j) as paragraphs (e) through (k) respectively, and by adding a new paragraph (d) to read as follows:

§ 1205.513 Collecting handlers and time of collection of the supplemental assessment.

* * * * *

(d) With respect to any Upland cotton on which the producer or a cooperative marketing association acting on behalf of a producer receives a loan deficiency payment, the ASCS County Office or the cooperative marketing association shall be the collecting handler of the supplemental assessment on the value of the cotton represented by the loan deficiency payment at the time such payment is made to the producer or the cooperative marketing association. A copy of a document reflecting this transaction issued by the ASCS County Office or cooperative marketing association shall show the amount collected as the supplemental assessment and shall constitute the producer's receipt for payment of the supplemental assessment.

Dated: August 18, 1986.

William T. Manley,

Deputy Administrator, Marketing Programs.

[FR Doc. 86-18963 Filed 8-21-86; 8:45 am]

BILLING CODE 3410-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 81-ASW-63]

Airworthiness Directives; Fairchild Models AS26-T and SA26-AT Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of Proposed Rulemaking (NPRM).

SUMMARY: This Notice proposes to revise Airworthiness Directive (AD) 81–26–05, Amendment 39–4286, applicable to Fairchild (previously Swearingen) Models SA26–T and SA26–AT airplanes. AD 81–26–05 requires inspection of the lower forward wing Station 99 attach joint fittings and bolts for deterioration and cracks and replacement of any damaged parts. Since the issuance of AD 81–26–05, the inspection procedures requested therein were revised for clarification and Supplemental Type Certificate (STC) SA1830NM was issued which provides structural reinforcement of the wing spar. This revision clarifies the inspection procedures to prevent improper wing assembly and provides an alternate means of compliance by authorizing the installation of a wing spar strap modification with adjusted inspection intervals.

DATES: Comments must be received on or before September 28, 1986.

ADDRESSES: Fairchild Aircraft Corp. Service Bulleting (S/B) 26–56–40–015 applicable to this AD may be obtained from Fairchild Aircraft Corp., Post Office Box 32486, San Antonio, Texas 78284; Telephone (512) 824–9421 or the Rules Docket at the address below. STC SA2830NM information applicable to this AD may be obtained from AviaDesign Inc., Hangar 1, 173 Durley Avenue, Camarillo Airport, Camarillo, California 93010; Telephone (805) 987–2871.

Send comments on the proposal in duplicate to Federal Aviation Administration, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 81–ASW–63, 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: Ms. Michele M. Owsley, Airplane Certification Branch, Aircraft Certification Division, ASW–150, Federal Aviation Administration, Post Office Box 1689, Fort Worth, Texas 76101; Telephone (817) 624–5161.

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 regultory 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. 81–ASW–63, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Discussion

Since issuance of AD 81–26–05, Amendment 39 4286 (46 FR 63213) applicable to Fairchild Models SA26–T and SA26–AT airplanes, several reports have been received of corroded or cracked bolts and cracked wing fittings. While the service history indicates that the current AD inspection interval is adequately detecting problems in these parts before failure occurs, the FAA has received reports that the wing has been improperly reassembled following the inspections required by this AD. Fairchild has issued S/B No. 26–56–40–015 dated January 18, 1972, revised June 26, 1986, to prevent improper assembly. In addition, the FAA has issued an STC which modifies these airplanes to install a wing spar reinforcement strap designed to reduce the loads and fatigue damage to the wing attach fittings and bolts. The FAA has determined that this modification is an acceptable alternate method of compliance with an extended inspection interval.

Since the condition described in likely to exist or develop in other Fairchild Models SA26–T and SA26–T airplanes of the same design, the proposed revision to AD 81–26–05 would require clarification of the inspecection procedures to prevent improper wing assembly, and provide an alternate means of compliance by installing a wing spar strap modification with adjusted inspection intervals. In addition, this proposed amended AD will contain minor editorial changes that do not change the requirements of the previous AD.

The FAA has determined there are approximately 125 airplanes affected by the proposed AD. The optional cost of performing the inspections required by this AD has been revised to reflect inflationary increases and is now estimated at $366 per inspection. The optional cost of modifying the airplane in accordance with STC SA1830NM is estimated to be $16,900 per airplane. The total cost to the private sector for either option is approximately $2.5 million for the life of the fleet.

Because the potential cost reduction made available by the proposal is small, few if any small entities are expected to experience a significant economic impact as the result of this proposal.

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.

2. By revising AD 81–26–05 so that it now reads as follows:

Fairchild Aircraft Corp.: Applies to Models SA26–T (Serial Numbers (S/N T26–2 through T26–99) and SA26–AT (S/N's T26–100 through T26–999) airplanes certificated in any category.

Compliance: Required within the next 25 hours time-in-service after the effective date of this AD, and thereafter at intervals not to exceed 200 hours time-in-service since last compliance, unless already accomplished.

To prevent a failure at the lower forward wing station 99 attach joint accomplish the following:

(a) In accordance with Fairchild Service Bulletin 26-57-40-015, issued January 18, 1972, as revised June 26, 1986:

(1) Remove the lower forward wing station 99 attach joint coverplate and wing attach bolt.

(2) Inspect the lower forward wing station 99 attach fitting for deterioration and cracks and prior to further flight replace damaged parts with new parts of the same part numbers.

(3) Inspect the lower forward wing station 99 attach bolt for identifying part number, deterioration and cracks and prior to further flight replace any damaged bolt or bolt not identified as P/N MS20014-29 bolt with a new P/N MS20014-29 bolt.

(b) When the wing has been modified by STC SA1830NM, "installation of Wing Spar Reinforcement", the inspection intervals required by this AD may be increased from 200 hours time-in-service to 1,500 hours time-in-service or every three years since last compliance, whichever occurs first.

(c) The intervals between repetitive inspections required by this AD may be adjusted up to 10 percent of the specified interval to allow accomplishing these inspections concurrent with other scheduled maintenance of the airplane.

(d) A special flight permit may be issued in accordandce with FAR 2.197 to a location where this AD may be accomplished.

(e) An equivalent method of compliance with this AD may be used when approved by the Manager, Airplane Certification Branch, ASW-150, Southwest Regional Office, FAA, Fort Worth, Texas 76101; Telephone (817) 624-5150.

All persons affected by this AD may obtain copies of the documents referred to herein upon request to Fairchild Aircraft Corporation, Post Office Box 32486, San Antonio, Texas 78284 and AviaDesign, Inc., Hangar 1, 173 Durley Avenue, Camarillo Airport, Camarillo, California, 93010; or FAA, Office of the Regional Counsel, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

This AD revises AD 81-26-05, Amendment 39-4286.

Issued in Kansas City, Missouri, on August 14, 1986.

Jerold M. Chavkin,

Acting Director, Central Region.

[FR Doc. 86-18933 Filed 8-21-86; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 39

[Docket No. 83-CE-52-AD]

Airworthiness Directives; Pilatus Britten-Norman Ltd., Models BN-2, BN-2A and BN-2B Islander Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of Proposed Rulemaking (NPRM).

SUMMARY: This Notice proposes to revise Airworthiness Directive (AD) 83-10-06, Amendment 39-4656, applicable to Pilatus Britten-Norman Ltd., Models BN-2, BN-2A and BN-2B Islander airplanes. This proposed revision would increase the 50 hours time-in-service (TIS) repetitive inspection interval requirement of airplanes already incorporating Modification No. NB/M/1117, to 100 hours TIS in light of operational experience since 1981, as stated in Pilatus Britten-Norman Service Bulletin (S/B) No. BN-2/SB.142, Issue 4, dated January 22, 1986.

DATES: Comments must be received on or before October 27, 1986.

ADDRESSES: Pilatus Britten-Norman Ltd. S/B No. BN-2/SB.142, Issue 4, dated January 22, 1986, applicable to this AD may be obtained from Pilatus Britten-Norman Ltd., Bembridge, Isle of Wight, England, or from the Manager, Aircraft Certification Staff, AEU-100, Europe, Africa, and Middle East Office, FAA, c/o American Embassy, 1000 Brussels, Belgium, or the Rules Docket at the address below. Send comments on the proposal in duplicate the Federal Aviation Administration, Central Region, Office of the Regional Counsel, Attention: Rules Docket No. 83-CE-52-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. M. Dearing, Aircraft Certification Staff, AEU-100, Europe, Africa, and Middle East Office, FAA, c/o American Embassy, 1000 Brussels, Belgium; Telephone (322) 513.38.30; or Mr. H. Chimerine, FAA, ACE-109, 601 East 12th Street, Kansas City, Missouri 64106; Telephone (816) 374-6932.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the proposed rule by submitted 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. 83-CR-52-AD Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Discussion

AD 83-10-06, Amendment 39-4656, was issued to prevent structural failure of the elevator trim tabs of Britten-Norman Models BN-2, BN-2A, and BN-2B airplanes. It incorporated Britten-Norman Service Bulletin BN-2/SB.142 Issue 2, which introduced Modification No. NB/M/1117, authorizing the installation of a redesigned tab and permitting a 50 hour time-in-service (TIS) repetitive inspection period. The manufacturer had determined that based upon service experience since 1981, an increase of 50 hours TIS over the previous repetitive inspection interval to 100 hours TIS since last inspection shall be allowed. This new 100 hour TIS repetitive inspection interval is only applicable on airplanes that have incorporated Modification No. NB/M/1117 and is incorporated in Pilatus Britten-Norman Ltd. S/B No. BN-2/SB.142, Issue 4, dated January 22, 1986. The Civil Aviation Authority of the United Kingdom (CAA-UK) who has responsibility and authority to maintain the continuing airworthiness of these airplanes in England has classified this latest Pilatus Britten-Norman S/B No. BN-2/SB.142 revision, and the actions recommended therein by the manufacturer as mandatory to assure the continued airworthiness of the affected airplanes. On airplanes operated under CAA-UK registration, this action has the same effect as an AD on airplanes certificated for operation in the United States. The FAA relies upon the certification of the CAA-UK combined with FAA review of pertinent documentation in finding compliance of the design of these airplanes with the applicable United States airworthiness requirements and the airworthiness conformity of products of this design certificated for operation in the United States. The FAA has examined the available information related to the issuance of Pilatus Britten-Norman S/B

No. BN-2/SB.142, Issue 4 dated January 22, 1986, and the mandatory classification of this service bulletin by the CAA-UK. Based on the foregoing, the FAA believes that the condition addressed by Pilatus Britten-Norman S/B No. BN-2/SB.142, Issue 4 dated January 22, 1986, may exist on other products of this type design certificated for operation in the United States. Consequently, the proposed AD revision would allow an increase of the repetitive inspection interval from 50 hours TIS to 100 hours TIS for those airplanes that have incorporated Britten-Norman Modification NB/M/1117.

The FAA had determined there are approximately 92 Britten-Norman Islander airplanes affected by the proposed AD. The cost of increasing the repetitive inspection interval from 50 hours TIS to 100 TIS of the proposed AD is negligible for the relieving action.

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); 14 CFR 11.89.

2. By revising AD 83-10-06, Amendment 39-4655, as follows: Revise paragraph (a)(1) to read:

Visually inspect, using a 5x power magnifying glass, the elevator trim tab skins, front channel member (spar) and drive ribs for cracks in accordance with the instructions contained in the "Inspection" section of Pilatus Britten-Norman Ltd. Service Bulletin (SB) No. BN-2/SB.142 Issue 4, dated January 22, 1986 (hereinafter referred to as the SB), or an FAA-approved equivalent."

Revise paragraph (a)(6)ii to read:

These inspections are performed at least once each 100 hours time-in-service by a properly rated mechanic.

Revise paragraph (b) to read:

For those airplanes which have incorporated Mod NB/M/1117, the intervals between repetitive inspections specified in paragraph a) of this AD may be increased to 100 hours time-in-service (as prescribed in the Airplane Maintenance Schedules (Pub. Ref. MS/1 and MS/4) and with the instructions in the Airplane Maintenence Manual (Pub. Ref. MM/1))/".

Issued in Kansas City, Missouri, on August 13, 1986.

Jerold M. Chavkin,

Acting Director, Central Region.

[FR Doc. 86-18935 Filed 8-21-86; 8:45 am]

BILLING CODE 4510-13-M

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14 CFR Part 39

[Docket No. 86-NM-136-AD]

Airworthiness Directives: McDonnell Douglas Model DC-9-80 (MD-80) Series Airplanes Equipped With Pratt and Whitney (P&W) JT8D-209, -217, or 217A Engines

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Extension of Comment Period for Notice of Proposed Rulemaking; Notice of Public Technical Conference.

SUMMARY: This action extends the period for submission of public comments on a Notice of Proposed Rulemaking (NPRM) published in the **Federal Register** on June 23, 1986 (51 FR 22822) which proposed an amendment to require engine and airplane performance limitations on McDonnell Douglas DC-9-80 series airplanes equipped with Pratt and Whitney (P&W) JT8D-209, -217, and -217A engines. The proposed rule is considered necessary to maintain an acceptable level of safety until modified blades are installed.

This action also announces a public technical conference, which is being called at the request of the Air Transport Association of America (ATA), to discuss the provisions of this proposed amendment. All interested persons are invited to the meeting to comment both verbally and/or in writing on the provisions of the NPRM.

DATES: Comments must be received no later than September 15, 1986. The public technical conference will be held Thursday, September 4, 1986, beginning at 9:00 a.m.

ADDRESSES: The public technical conference will be held at Rochelle's Motel, 3333 Lakewood Boulevard, Long Beach, California. Comments on the proposal must be mailed in duplicate to FAA, Northwest Mountain Region, Office of the Regional Counsel (ATTN: ANM-103), Attention: Airworthiness Rules Docket 86-NM-136-AD, 17900 Pacific Highway South, C-68966, Seattle, Washington 98168. The applicable service material may be obtained from McDonnell Douglas Corporation, 3855 Lakewood Boulevard, Long Beach, California 90846, Attention: Director, Publications and Training, C1-750 (54-60). This information may be examined at the FAA, Northwest Mountain Region, 17900 Pacific Highway South, Seattle, Washington, or 4344 Donald Douglas Drive, Long Beach, California.

FOR FURTHER INFORMATION CONTACT: Stephen Kolb, Supervisory Aerospace Engineer, Propulson Branch, ANM-140L, FAA, Northwest Mountain Region, Los Angeles Aircraft Certification Office, 4344 Donald Douglas Drive, Long Beach, California 90808; telephone (213) 514-6327.

SUPPLEMENTARY INFORMATION: A Notice of Proposed Rulemaking (NPRM) proposing to adopt a new airworthiness directive (AD) which would require engine and airplane performance limitations on McDonnell Douglas Model DC-9-80 series airplanes equipped with Pratt and Whitney (P&W) JT8D-209, -217, or -217A engines, was published in the **Federal Register** on June 23, 1986 (51 FR 22822).

The decision to issue this proposal was prompted by reports that, during certification testing on three P&W JT8D-219 engines, fifth stage compressor blades failed at maximum power. One failure caused a complete loss of thrust. The FAA New England Engine Certification Office findings confirmed that the blade failures were caused by flutter, which necessitated a blade redesign to successfully pass the certification standards. Follow-on testing by P&W, also confirmed that the blade flutter problem exists in the prior JT8D-209, -217, and -217A series engines in certain environments. The FAA is presently considering a proposal to mandate blade replacement in these engines.

In the interim, this proposed AD would require engine and airplane performance limitations, N_1 rotor speed limits, Minimum Equipment List (MEL) restrictions, and a placard, to minimize the potential for engine failure from this cause.

On July 15, 1986, the FAA received a petition from the Air Transport Association (ATA) of America requesting a 30-day extension of time for comments and a public meeting to discuss the provisions of the NPRM. According to the petition, the ATA, on behalf of its affected member operators, states:

> The proposed rule, if adopted, goes beyond what is necessary in order to assure that blade flutter does not occur in operation. The proposed action could create a more unsafe condition by an increase in crew workload and more restrictive performance limitations . . . We believe that suitable alternatives are available which should be orally presented to the FAA and discussed . . . The petition to extend the comment period should be granted because, without the additional time, the procedural requirements of notice for a public meeting cannot be fully satisfied.

The FAA will conduct a technical conference, open to the public, on September 4, 1986, beginning at 9:00 a.m. at Rochelle's Motel, 3333 Lakewood Boulevard, Long Beach, California. It is the intent of this conference to afford interested parties the opportunity to present their views and to submit relevant data in regards to the statements indicated above and the provisions of the NPRM, Docket No. 86–NM–136–AD.

The FAA has determined that the extension of the closing date for submission of comments on the proposed AD to September 15, 1986, would be in the public interest and will not adversely affect air safety. Such an extension will permit interested parties to assemble and prepare meaningful data in support of their respective positions.

List of Subjects in 14 CFR Part 39

Aviation safety, Aircraft.

Extension of the Comment Period

PART 39—[AMENDED]

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration revises a proposal to amend § 39.13 of Part 39 of the Federal Aviation Regulation 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 revising Docket No. 86–NM–136–AD, as published in the **Federal Register** on June 23, 1986 (51 FR 22822), to reflect the closing date for the submission of comments as September 15, 1986.

Issued in Seattle, Washington, on August 11, 1986.

Joseph W. Harrell,

Acting Director, Northwest Mountain Region.

[FR Doc. 86–18934 Filed 8–21–86; 8:45 am]

BILLING CODE 4910–13–M

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14 CFR Part 39

[Docket No. 86–CE–34–AD]

Airworthiness Directives; British Aerospace Models HP–137 MK 1, Jetstream 200, and Jetstream 3101 Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This Notice proposes to adopt a new Airworthiness Directive (AD), applicable to British Aerospace Model HP137 MK 1 Series, Jetstream 200 Series and certain Jetstream 3101 Series airplanes which will require inspection of the nut securing the special stud located on the aileron drive quadrant at the wing root end for tightness, security and locking, and correction thereof as necessary. A report has been received of inadequate peening of this special stud. This situation, if not detected and corrected, may result in vibration being felt through the aileron controls or restriction or jamming of the ailerons and loss of control of the airplane.

DATES: Comments must be received on or before October 28, 1986.

ADDRESSES: British Aerospace Mandatory Service Bulletin (S/B) BAe 27–JM–5257, dated June 6, 1986, applicable to this AD may be obtained from British Aerospace PLC., Manager, Product Support Civil Aircraft Division, Prestwick Airport, Ayrshire, KA9 2RW, Scotland, or British Aerospace, Inc., Librarian, Box 17414, Dulles International Airport, Washington, DC 20041, or 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. 86–CE–34–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. Ted Ebina, Aircraft Staff, AEU–100, Europe, Africa and Middle East Office, FAA, c/o American Embassy, B–1000 Brussels, Belgium; Telephone (322) 513.38.30; or Mr. Harvey A. Chimerine, FAA, ACE–109, 601 East 12th Street, Kansas City, Missouri 64106; Telephone (316) 374–6932.

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 submittted 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. 86–CE–34–AD Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Discussion

An incident has occurred on a BAe Jetstream type airplane which was caused by a loosening of the nut (BAe P/N A103–JT) securing the special stud (BAe P/N 13705E29) located on the aileron drive quadrant at the wing root end. The manufacturer has determined that the cause of this problem is due to inadequate peening of the special stud. This looseness may result in vibrations being felt through the aileron controls or can possibly cause restriction in aileron control and jamming. As a result, British Aerospace has issued British Aerospace Mandatory S/B BAe 27–JM–5257, dated June 6, 1986, which requires a visual inspection using a suitable light source and an inspection mirror of the special stud and nut for tightness, security and correct locking. A bench inspection will be required if the condition of the special stud cannot be accurately determined while the quadrant is installed on the aircraft. If the special stud is found satisfactory then the

quadrant may be re-installed on the aircraft. If the special stud is found loose, then it must be replaced and fitted with a nut and lock pin which have different part numbers than the original.

The Civil Airworthiness Authority United Kingdom (CAA–UK) who has responsibility and authority to maintain the continuing airworthiness of these airplanes in the United Kingdom has classified this BAe Mandatory S/B BAe 27–JM–5257, dated June 6, 1986, and the actions recommended therein by the manufacturer as mandatory to assure the continued airworthiness of the affected airplanes. On airplanes operated under United Kingdom registration, this action has the same effect as an AD on airplanes certified for operation in the United States. The FAA relies upon the certification of CAA–UK combined with FAA review of pertinent documentation in finding compliance of the design of these airplanes with the applicable United States airworthiness requirements and the airworthiness conformity of products of this design certificated for operation in the United States. The FAA has examined the available information related to the issuance of British Aerospace Mandatory S/B No. 27–JM–5257, dated June 6, 1986, and the mandatory classification of this S/B BAe 27–JM–5257, dated June 6, 1986, by CAA–UK. Based on the foregoing, the FAA believes that the condition addressed by British Aerospace Mandatory S/B BAe 27–JM–5257, dated June 6, 1986, is an unsafe condition that may exist on other products of this type design certificated for operation in the United States. Consequently, the proposed AD would require inspection and replacement as necessary of components in the aileron drive quadrant.

The FAA has determined there are approximately 75 airplanes affected by the proposed AD. The cost of inspecting and modifying the proposed AD is estimated to be $320 per airplane. The total cost is estimated to be $24,000 to the private sector. The cost of compliance with the proposed AD is so small that the expense of compliance will not be 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); 14 CFR 11.89.

2. By adding the following new AD:

British Aerospace: Applies to Model HP–137 MK I and Jetstream 200 Series (all Serial Numbers) and Model Jetstream 3101 (S/N 601–633, 635–646 and 648–654 inclusive) airplanes certified in any category.

Compliance: Required within 600 hours time-in-service (TIS) after the effective date of this AD unless already accomplished.

To prevent unacceptable aileron control vibration and aileron jamming accomplish the following:

(a) Inspect the special stud BAe P/N 13705E29 and nut BAe P/N A103–JT for tightness, visible thread length and punch marks, in accordance with Section 2. "Accomplishment Instructions" in BAe Mandatory S/B No. 27–JM–5257 dated June 6, 1986.

(1) If the special stud and nut are secure, and the special stud end protrudes 1½ to 2 threads beyond the nut and all three punch marks are visible, no further action is necessary.

(2) If the special stud and nut are loose, or the special stud end does not protrude 1½ to 2 threads beyond the nut, or all three punch marks are not visible, prior to further flight, remove aileron quadrant in accordance with Section 2. "Accomplishment Instructions", Paragraph B. "Removal/Installation" in BAe Mandatory S/B No. 27–JM–5257 dated June 6, 1986, and check the security of the nut P/N A103–JT securing the special stud P/N 13705E29 to the quadrant, and determine that peening of the stud is in accordance with the above BAe Service Bulletin.

(i) If security and locking are satisfactory, prior to further flight re-install aileron control quadrant using steps (13) to (20) inclusive of the above Service Bulletin, and no further action is required.

(ii) If the securing nut P/N A103–JT or special stud P/N 13705E29 is loose or the peening of the stud is not in accordance with the above BAe Service Bulletin, prior to further flight, remove and replace nut BAe P/N A103–JT with new nut BAe P/N RMTE 9868–6, install new stud BAe P/N 13705E91 and add split pin SP90–C7 to lock the nut on, according to the instructions in BAe Mandatory S/B 27–JM–5257, dated June 6, 1986.

(b) Airplanes may be flown in accordance with FAR 21.197 to a location where this AD may be accomplished.

(c) An equivalent means of compliance with this AD may be used if approved by the Manager, Aircraft Certification Staff, AEU–100, Europe, Africa and Middle East Office, FAA, c/o American Embassy, B–1000 Brussels, Belgium.

All persons affected by this directive may obtain copies of the document(s) referred to herein upon request to British Aerospace PLC, Manager, Product Support Civil Aircraft Division, Prestwick Airport, Ayrshire, KA9 2RW, Scotland, or British Aerospace, Inc., Librarian, Box 17414, Dulles International Airport, Washington, DC 20041, or FAA, Office of the Regional Counsel, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Issued in Kansas City, Missouri, on August 14, 1986.

Jerold M. Chavkin,

Acting Director, Central Region.

[FR Doc. 86–18930 Filed 8–21–86; 8:45 am]

BILLING CODE 4910–13–M

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14 CFR Part 39

[Docket No. 86–CE–26–AD]

Airworthiness Directives; British Aerospace (BAe) Model 3101 (Jetstream) Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This Notice proposes to adopt a new Airworthiness Directive (AD), applicable to certain BAe Model 3101 (Jetstream) airplanes. This modification changes the electrical supply source for the lighting of the standby artifical horizon and altitude alert controller indicator (if fitted), from the main to the essential +28V busbar, which will ensure that the lighting supply to these indicators is maintained subsequent to a loss of the main busbar supply. The loss of lighting to essential cockpit instrumentation may result in the airplane deviating from an assigned altitude and encroaching into Instrument Flight Rule (IFR) assigned airspace, causing an unsafe condition.

DATES: Comments must be received on or before October 20, 1986.

ADDRESSES: BAe Alert Service Bulletin (ASB) No. 24–A–JM7490 original issue dated October 30, 1985, applicable to this AD, may be obtained from British

Aerospace, Engineering Department, Post Office Box 17414, Dulles International Airport, Washington, DC 20041; Telephone (703) 435-9100, or 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. 86-CE-26-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, holiday excepted.

FOR FURTHER INFORMATION CONTACT:

Mr. T. Ebina, Brussels Aircraft Certification Office, AEU-100, Europe, Africa and Middle East Office, FAA, c/o American Embassay, 1000 Brussels, Belgium; Telephone 513.38.30; or Mr. H. Chimerine, FAA, ACE-109, 601 East 12th Street, Kansas City, Missouri 64106; Telephone (816) 374-6932.

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. 86-CE-26-AD Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Discussion

There has been a report, on a BAe Jetstream Model 3100 aircraft in flight, of loss of lighting supply to the standby artifical horizon and altitude alert controller indicator during loss of the main busbar supply. As a result, British Aerospace has issued Alert Service Bulletin (ASB) No. 24-A-JM7490 dated October 30, 1985, which changes the electrical supply source for the lighting converter unit (1LH9) from the 28V d.c. main busbar to the 28V d.c. essential busbar. This change ensures that the lighting supply to the standby artifical horizon and altitude alert controller indicator (if fitted) is maintained during loss of the main busbar supply. The United Kingdom Civil Aviation Authority (CAA-UK), which has the responsibility and authority to maintain the continuing airworthiness of these airplanes in the United Kindgom, has classified this ASB No. 24-A-JM7490 and the actions recommended therein by the manufacturer as mandatory to ensure the continued airworthiness of the affected airplanes. On airplanes operated under United Kingdom Registration, this CAA-UK mandatory classification on service bulletins has the same effect as an AD on airplanes certificated for operation in the United States. The FAA relies upon the certification of the CAA-UK combined with FAA review of pertinent documentation in finding compliance of the design of these airplanes with the applicable United States airworthiness requirements and the airworthiness conformity of products of this design certificated for operation in the United States. The FAA has examined the available information related to the issuance of ASB No. 24-A-JM7490 dated October 30, 1985, and the mandatory classification of this Alert Service Bulletin by the CAA-UK. Based on the foregoing, the FAA believes that the condition addressed by ASB No. 24-A-JM7490 dated October 30, 1985, is an unsafe condition that may exist on other product of this type design certificated for operation in the United States. Consequently, the FAA is proposing an AD on certain British Aerospace (BAe) Jetstream Model 3101 airplanes, which would require modification to the supply for the lighting of converter unit (1LH9) from the 28V d.c. main busbar to the 28V d.c. essential busbar. This action affects terminal block T1BT which is located under the left pilot's seat. In order to provide the right upper center instrument panel lighting converter with a supply from the 28V d.c. essential busbar, a wire on terminal block T1BT is transferred from one terminal to another.

The FAA has determined there are approximately sixteen (16) U.S. Registered airplanes affected by the proposed AD. The cost of modifying these airplanes as required by the proposed AD is estimated to be $50 dollars per airplane. The total cost is estimated to be $800 to the private sector. The cost of compliance with the proposed AD 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); 14 CFR 11.89.

2. By adding the following new AD:

British Aerospace (BAe): Applies to Model 3101 Jetstream airplanes, (Serial Numbers 603, 604, 606 to 610, 614, 620, 622, 624 to 626, 628 to 632, 634 to 636, and 638 to 653 inclusive) certificated in any category.

Compliance: Required within 200 hours time-in-service after the effective date of this AD, unless already accomplished.

To ensure that adequate lighting supply to the standby artificial horizon and altitude alert controller indicator (if fitted) is maintained during loss of the main busbar supply, accomplish the following:

(a) Incorporate British Aerospace (BAe) modification JM7490 in accordance with the "Accomplishment Instructions" contained in BAe Alert Service Bulletin No. 24-A-JM7490 dated October 30, 1985, by changing the electrical supply source for the right upper center panel instrument lighting converter unit (1LH9) from the 28V d.c. main busbar to the 28V d.c. essential busbar.

(b) Aircraft may be flown in accordance with Federal Aviation Regulation 21.197 to a location where this AD can be accomplished.

(c) An equivalent means of compliance with this AD may be used if approved by the Manager, Aircraft Certification Staff, AEU-100, Europe, Africa and Middle East Office, FAA c/o American Embassy, 1000 Brussels, Belgium.

All persons affected by this directive may obtain copies of the document(s) referred to herein upon request to British Aerospace, Engineering Department, Post Office Box 17414, Dulles International Airport, Washington, DC 20041; Telephone (703) 435-9100 or FAA, Office of the Regional Counsel, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Issued in Kansas City, Missouri, on August 5, 1986.

Barry D. Clements,

Acting Director, Central Region.

[FR Doc. 86-18931 Filed 8-21-86; 8:45 am]

BILLING CODE 4910-13-M

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14 CFR Part 39

[Docket No. 86-CE-32-AD]

Airworthiness Directives; DeHavilland Models DHC-2 MK I, and MK III Airplanes

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking (NPRM).

SUMMARY: This Notice proposes to adopt a new Airworthiness Directive (AD), applicable to DeHavilland Models DHC-2 MK I (L-20A, YL-20, U-6 and U-6A) and DHC-2 MK III airplanes which would require initial and repetitive dye penetrant inspections for cracks in the lugs of the lower attachment fork fitting of certain wing lift strut assemblies, and replacement of these strut assemblies if cracked. The proposed AD is prompted by a report of a stress corrosion crack in a lug of a lower fork fitting on one wing lift strut during a routine inspection. If undetected, a cracked lug could progress to failure of the wing strut with resultant loss of the wing. The required inspections will detect cracks before they result in failure of the strut.

DATES: Comments must be received on or before September 29, 1986.

ADDRESSES: DeHavilland Service Bulletin (S/B) No. 2/41 dated April 26, 1985, applicable to this AD may be obtained from The DeHavilland Aircraft Company of Canada, A Division of Boeing Canada Limited, Downsview, Ontario, Canada, M3K 1Y5, or 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. 86-CE-32-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. Lester Lipsius, Airframe Branch, ANE-172, New York Aircraft Certification Office, FAA, New England Region, 181 South Franklin Avenue, Valley Stream, New York 11581; Telephone (516) 791-6220.

SUPPLEMENTARY INFORMATION:

Comments Invited

Interested persons are invited to participate in the making of the propsed 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 propsed rule. The propsals 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. 86-CE-32-AD Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Discussion

DeHavilland has received a report of a stress corrosion crack in a lug of a lower fork fitting on one wing lift strut of a DHC-2 airplane during a routine inspection. If undetected, the crack could propagate and lead to failure of the strut with resultant loss of the wing. As a result, DeHavilland has issued S/B No. 2/41, dated April 26, 1985, which specifies a one-time dye penetrant inspection for cracks of lower fitting lugs on both wing lift strut assemblies, P/N C2W1103A (LH) and P/N C2W1104A (RH) (Serial Numbers (S/N) A071 through A0129 inclusive, manufactured between July 1977 and March 1981), on all DHC-2 MK I and MK III airplanes. If cracks are found, the lift strut assembly must be replaced before further flight. Transport Canada who has responsibility and authority to maintain the continuing airworthiness of these airplanes in Canada, has issued a Canadian AD CF-85-08 and has classified this Service Bulletin and the actions recommended therein by the manufacturer as mandatory to assure the continued airworthiness of the affected airplanes. On airplanes operated under Canadian registration, this action has the same effect as an AD on airplanes certified for operation in the United States. The FAA relies upon the certification of Transport Canada combined with FAA review of pertinent documentation in finding compliance of the design of these airplanes with the applicable United States airworthiness requirements and the airworthiness conformity of products of this design certificated for operation in the United States. The FAA has examined the available information related to the issuance of S/B No. 2/41, dated April 26, 1985, and the mandatory classification of this S/B on DeHavilland DHC-2 MK I and MK III airplanes by Transport Canada. Based on the foregoing, the FAA believes that the condition addressed by S/B No. 2/41, dated April 26, 1985, is an unsafe condition that may exist on other products of this type design certificated for operation in the United States. Consequently, the proposed AD would require an initial and repetitive dye penetrant inspections for cracks in the lugs of lower fork attachment fittings of wing lift strut assemblies, P/N C2W1103A (LH) and P/N C2W1104A (RH), on DeHavilland Models DHC-2 MK I and MK III airplanes, and replacement of strut assemblies if cracks and found.

The FAA has determined there are approximately 160 airplanes affected by the proposed AD. The cost of inspecting these struts as required by the proposed AD is estimated to be $120 per airplane assuming only one strut per airplane is affected. If a defective strut is found, the replacement cost is $2092 per strut per airplane. The total cost is estimated to be $19,200 for the inspections only and $334,720 to replace all affected struts to the private sector.

The cost of compliance with the proposed AD is so small that the expense of compliance will not be 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 craft 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); 14 CFR 11.89.

2. By adding the following new AD:

DeHavilland: Applies to all Models DHC-2 MK I (including L-20A, YL-20, U-6, and U-6A), and DHC-2 MK III (Turbo Beaver) (all Serial Numbers) airplanes with wing strut assemblies, P/N C2W1103A and C2W1104A (strut S/N A071 through S/N A0129 inclusive) certificated in any category.

Compliance: Required as indicated after the effective date of this AD unless already accomplished.

To detect cracks due to stress corrosion in wing strut assemblies accomplish the following:

(a) Within 100 hours time-in-service (TIS) or one month, whichever occurs first, after the effective date of this AD, and thereafter at intervals not to exceed 500 hours TIS or 12 months, whichever occurs first:

(1) Remove wing strut assemblies C2W1103A and C2W1104A from the aircraft in accordance with "Accomplishment Instructions" in DeHavilland Service Bulletin No. 2/41, dated April 26, 1985.

(2) Conduct a dye penetrant inspection with a 10-power glass for cracks in the lugs of the lower attachment clevis fitting.

(3) If cracks are found, replace the complete strut assembly, prior to further flight, with a strut assembly of the same part number that has had the lower clevis fitting inspected by dye penetrant procedure and has been found free of cracks.

(4) If no cracks are found, prior to further flight, clean the lower clevis fitting and re-install the wing strut assembly.

(b) The airplane may be flown in accordance with FAR 21.197 to a location where the requirements of this AD may be accomplished.

(c) Upon submission of substantiating data by an owner or operator, through an FAA Maintenance Inspector, the Manager, New York Aircraft Certification Office, FAA, New England Region, may adjust the compliance time in this AD.

(d) An equivalent means of compliance with this AD may be used if approved by the Manager, New York Aircraft Certification Office, FAA, New England Region.

All persons affected by this directive may obtain copies of the document(s) referred to herein upon request to the DeHavilland Aircraft Company of Canada, a Division of Boeing Canada Limited, Downsview, Ontario, Canada, M3K 1Y5, or FAA, Office of the Regional Counsel, Room 1558, 601 East 12th Street, Kansas City, Missouri 64106.

Issued in Kansas City, Missouri, on August 13, 1986.

Jerold M. Chavkin,

Acting Director, Central Region.

[FR Doc. 86-18932 Filed 8-21-86; 8:45 am]

BILLING CODE 4910-13-M

Office of the Secretary

14 CFR Part 382

[Notice No. 86-7]

Nondiscrimination on the Basis of Handicap—Air Travel

AGENCY: Office of the Secretary, DOT.

SUMMARY: This is a notice requesting information about airline practices and procedures afecting the travel of blind passengers. The notice requests the comments of interested persons on a series of issues and questions concerning air travel by blind persons. Blind individuals and their groups have expressed concern over what they view as improper treatment of blind passengers by airlines.

DATE: Comments should be received by November 20, 1986.

ADDRESS: Comments should be addressed to Docket Clerk, Docket 56e, Department of Transportation, Room 4107, 400 7th Street, SW., Washington, DC, 20590. Comments will be available for review by the pubic at this address from 9:00 a.m. through 5:30 p.m., Monday through Friday. Commenters wishing acknowledgment of their comments should include a stamped, self-addressed postcard with their comment. The Docket Clerk will time and date stamp the card and return it to the commenter.

FOR FURTHER INFORMATION CONTACT: Robert C. Ashby, Deputy Assistant General Counsel for Regulation and Enforcement, U.S. Department of Transportation, Room 10424, 400 7th Street SW., Washington DC 20590, (202) 366-9306 (voice) or (202) 755-7687 (TDD), or Ira Laster, Office of Transportation Regulatory Affairs, Room 9217, (202) 366-4859 (same mailing address). This notice has been taped for use by visually-impaired persons. Requests for taped copies of the notie should be made to Mr. Ashby.

SUPPLEMENTARY INFORMATION:

Allegations of Improper Conduct by Airlines

The Department has received considerable correspondence in recent months, from blind individuals and their groups as well as from members of Congress, concerning the policies and practices of air carriers with respect to blind passengers. The correspondents have said that many air carriers treat blind passengers unfairly. They charge that many of the carriers assert to passenges that their practices affecting blind passenges are required for safety purposes, when in fact they may be more for the convenience of carriers than for the safe transportation of persons with visual impairments and other passengers.

Among the airline practices which are alleged to exist and to be discriminatory are seating restrictions (e.g., refusing to allow blind persons to sit in emergency exit rows, requiring blind and other handicapped persons to sit in the rear portion of the plane), restrictions on the placement of dog guides (e.g., requiring persons with dog guides to sit in bulkhead seats,) requiring blind persons to pre-board, requiring blind and other handicapped persons to be sequestered in a special holding area in the terminal prior to boarding, requiring special safety briefings for blind persons, giving discriminatory safety instructions to blind persons (e.g., informing a blind person that in case of an emergency evacuation, he or she should wait until other passengers have left the plane before attempting to exit), requiring blind persons to wait for assistance from carrier personnel before deplaning, and imposing conditions on travel inconsistent with the dignity of blind individuals (e.g., requiring a blind individual to sit on a blanket or next to a person of the same sex).

In addition, the letters have said, airlines are very inconsistent in their treatment of blind individuals. Some airlines permit or require what other discourage or prohibit. It is often difficult to get accurate information in advance about what a given airline's procedures may be, and some airlines do not make their policies and procedures readily available. Moreover, some blind persons allege, air carriers do not succeed in ensuring that their

ground or aircraft personnel know or follow airline procedures, resulting in inconsistent treatment by different personnel of the same carrier.

Existing DOT Regulations

Three existing DOT regulations affect airline practices concerning blind individuals and other persons with disabilities. First, 14 CFR Part 382 prohibits discrimination on the basis of handicap in the provision of air travel services by all air carriers. The rule includes more specific requirements for accommodations which carriers receiving a direct Federal subsidy must make to handicapped persons. If disabled persons believe that an air carrier has discriminated against them, they may file a complaint with the Department under Part 382. If the Department's Office of Aviation Proceedings and Enforcement believes that the complaint has merit, that Office may, if informal resolution cannot be achieved, commence enforcement action against the carrier. For example, the Department brought enforcement action against Southwest Airlines concerning that carrier's policy requiring blind-deaf individuals to travel with an attendant in all cases. A decision in this enforcement action is pending.

Second, 14 CFR 121.586 requires carriers to file with the Federal Aviation Administration (FAA) their procedures concerning persons who may need assistance in the event of an emergency evacuation. This rule does not include any criteria for assessing the impact of these procedures on blind or other disabled passengers, and the rule does not require that carriers establish only those procedures which are essential for safety purposes. FAA reviews the procedures only for consistency with safety. That is, FAA would not direct a carrier to change a procedure unless FAA determined that the procedure itself created a safety problem.

Because this regulation does not attempt to impose a single regulatory framework on carrier procedures, these procedures may differ. For example, one carrier may require a blind person traveling with a dog guide to sit in a bulkhead seat; another carrier may permit the person and dog to occupy any seat location. It should also be emphasized that carrier procedures, by virtue of being filed with the FAA under this regulation, do not become, or become clothed with the authority of, Federal regulations. They are simply company policies, which the FAA does not enforce.

Third, 14 CFR 121.589(e) permits stowage of flexible travel canes used by blind persons under aircraft seats. Problems concerning the stowage of canes have not been mentioned in the correspondence received recently from blind persons and their groups.

General Questions Concerning Regulatory Action

The Department is considering whether it should take additional regulatory action to address the concerns of blind individuals. One of the basic decisions the Department must make is whether any regulatory action is needed. Are the policies and practices of carriers concerning blind passengers a serious, widespread problem requiring a regulatory solution? To what extent could non-regulatory solutions or innovative regulatory techniques (e.g., regulatory negotiation, in which representatives of the airline industry and groups representing disabled persons meet with Department of Transportation representatives and negotiate the content of a proposed rule) be used to solve whatever problems exist?

If it is determined that the Department should take regulatory action, should that action be to require uniform practices toward blind persons by all carriers? What differences, if any, should be permitted to accommodate differing equipment, cabin configurations, and overall seating procedures (e.g., open seating vs. reserved seating)? Should the Department, if it decides to take regulatory action, publish new substantive regulations or should it proceed by issuing interpretive rules or policy statements concerning how it will apply the general nondiscrimination provision of Part 382? Should carrier procedures concerning blind (or otherwise disabled) passengers be subject to prior approval within the Department to ensure that they meet whatever substantive criteria may be established? The Department seeks comment on all these issues.

We are aware that the general regulatory issues about which we are seeking comments are likely to be of interest not only to blind persons, but to other disabled persons as well. We welcome comments from all interested persons and organizations on these issues. In addition, while this notice focuses on the specific concerns that have been expressed by blind persons, we would also welcome comments on particular issues or practices affecting persons with other kinds of disabilities.

Specific Issues Concerning Blind Passengers

The Department seeks comment with respect to what position it should take on the following specific issues affecting blind passengers. We are particularly interested in obtaining the views of and information from interested parties on the following questions, but comments on any specific issues or practice are welcome. In discussing these issues, we request that commenters provide as much data as possible on the effects of, rationales for, and safety implications of, differing approaches. The Department would appreciate copies of any studies commenters may have relating to the safety implications of various requirements. We would also appreciate reports of specific incidents (e.g., emergency evacuations) involving blind passengers that may be relevant to the issues discussed in this notice.

1. *Pre-boarding*—Should it be permissible for carriers to require that all unaccompanied blind persons be pre-boarded, regardless of whether they desire such assistance or need assistance from other persons? If so, what is the basis for such a requirement?

2. *Deplaning*—What, if any, restrictions should be placed on blind individuals during routine deplaning? Should blind individuals be required to wait until carrier personnel arrive to assist them, or until other passengers have deplaned, before they may leave the aircraft? If yes, what is the basis for such a requirement?

3. *Emergency Evacuation*—What restrictions, if any, should apply to blind persons in an emergency evacuation situation? Should blind persons be required to wait until other passengers have evacuated or until carrier personnel arrive to assist them? If yes, what is the basis for such requirements?

4. *Seating of blind persons accompanied by a dog guide*—Should there be seating restrictions for blind persons accompanied by dog guides? Specifically, should such persons and their dogs be required to be seated in bulkhead rows? If yes, what is the basis for such restrictions?

5. *Seating of blind persons near emergency exists*—What are the safety risks, if any, in permitting blind persons to sit in rows of seat adjacent to emergency exits? How have such risks been determined? Does the risk differ depending upon the configuration of aircraft? How does the risk differ, if at all, from that posed by other individuals (e.g., elderly, other disabled, or young) seated in the same positions?

6. *Pre-flight and in-flight briefings*—What should be the content and procedures for pre-flight and in-flight briefings for unaccompanied blind passengers? Should they be required to

receive special briefings? Should such briefings differ if the blind passenger is accompanied? If so, why? (Note that 14 CFR 121.571(a)(3) requires an individual pre-flight briefing for passengers who may need assistance in the event of an emergency evacuation.)

7. *Emergency information*—How should emergency information be communicated to blind individuals at various times (e.g., the beginning of a flight, during an emergency)?

8. *Training of carrier personnel*—Should carrier personnel be required to receive training concerning how to relate respectfully, courteously, and helpfully to blind persons? If so, what should be the criteria for providing such training, and what substantive information should be provided? What procedures should carrier personnel follow in order to best serve blind passengers?

9. *Notification*—Should blind persons traveling unaccompanied be required to notify carriers in advance of their disability? If so, should such notification be given at the same time that the reservation is made, the time of ticketing, or at the time of boarding? What would be the basis for such a requirement, as applied to blind persons who did not desire special assistance?

10. One group of blind persons has requested that airlines have no special conditions or procedures for dealing with blind passengers at all, suggesting that blind passengers simply be regarded as part of the general passenger population. What are the likely safety and service impacts of the elimination of all special practices and procedures affecting blind persons? Would such an outcome be desirable? If so, would it be appropriate for the Department to mandate this outcome by regulation?

We ask that commenters, in responding to these questions, consider whether any different rules or standards should apply to small aircraft. If the Department decides to promulgate further rules in this area, should the rules apply to operations under both 14 CFR Part 121 (e.g., large air carriers) and 14 CFR Part 135 (e.g., air taxis), or only to the former? Should any different requirements apply to flights that do not use flight attendants?

It appears that changes in airline practices concerning blind passengers about which this notice seeks comment would not be costly for airlines to implement. They would not require alterations in the physical configuration of aircraft, for example. Any changes in carrier operations would seem to be administrative in character. Nevertheless, we seek comment on what, if any, cost impacts such changes would have? Would such changes result in undue financial or administrative burdens on carriers?

In connection with this notice, the Department has asked the FAA to compile, from the procedures filed under 14 CFR 121.586, the various carriers' policies affecting blind passengers. We also request that each carrier review its own filings, ensure that they are current, and inform the Department of any practices affecting the transportation of blind passengers that may not specifically appear in its filings.

On June 27, 1986, the Supreme Court decided the case of *Department of Transportation* v. *Paralyzed Veterans of America*. By a 6–3 vote, the Court held that section 504 of the Rehabilitation Act of 1973 does not apply to non-subsidized air carriers, since they are not recipients of Federal financial assistance. The ruling leaves intact the existing provisions of 14 CFR Part 382, the Department's regulation concerning air transportation services for disabled persons. In making its decisions concerning whether additional regulatory action with respect to disabled airline passengers is appropriate, we will consider our discretion under the legal authorities available to the Department.

Issued this 5th day of August 1986, at Washington DC.

Elizabeth Hanford Dole,

Secretary.

[FR Doc. 86–19044 Filed 8–21–86; 8:45 am]

BILLING CODE 4910–62–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 65

[A–3–FRL–3068–8]

State and Federal Administrative Orders Permitting a Delay in Compliance With State Implementation Plan Requirements; Proposed Approval of an Administrative Order Issued by the Allegheny County Health Department

AGENCY: Environmental Protection Agency.

ACTION: Proposed Rulemaking; invitation for public comment.

SUMMARY: EPA is proposing to approve an Administrative Order as a Delayed Compliance Order (Order), issued by Allegheny County Health Department to Papercraft Corporation. The Order requires the company to bring air emissions from its graphic arts systems facility located in Papercraft Park, Allegheny County, Pennsylvania, into compliance with certain regulations contained in the federally approved State Implementation Plan (SIP) for Allegheny County for the control of ozone. Compliance shall be achieved by April 21, 1987 utilizing low solvent technology (LST) or through the installation of appropriate air pollution control equipment. Because the Order has been issued to a major source and permits delay in compliance with provisions of the SIP, it must be approved by EPA before it becomes effective as a Delayed Compliance Order pursuant to the Clean Air Act (the Act).

If approved by EPA, the Order will constitute an addition to the SIP. In addition, a source in compliance with an approved Order may not be sued under the enforcement provisions of section 113 of the Act or citizen suit provisions of section 304 of the Act, for violation of the SIP regulations covered by the Order. The purpose of this notice is to invite public comment on EPA's proposed approval of the Order as a Delayed Compliance Order.

DATE: Written comments must be received on or before September 22, 1986.

ADDRESSES: Comments should be submitted to Director, Air Management Division, EPA Region III, 841 Chestnut Building, Philadelphia, Pennsylvania 19107. The Order, supporting material, and public comments received in response to this notice may be inspected and copied (for appropriate charges) at the EPA Region III address above during normal business hours.

FOR FURTHER INFORMATION CONTACT: Rosemarie P. Nino, Environmental Protection Specialist, Enforcement Policy and State Coordination Section (3AM21), Air Management Division, U.S. EPA Region III, 841 Chestnut Building, Philadelphia, Pennsylvania 19107, Telephone: (215) 597–9839.

SUPPLEMENTARY INFORMATION: Papercraft Corporation operates six (6) multicolor rotogravure printing presses and two (2) flexographic presses at its Papercraft Park facility in Allegheny County, Pennsylvania. The Order under consideration addresses emissions from the graphic arts systems processes, which are subject to section 531(A) of Allegheny County Health Department, Rules and Regulations, Article XX, Air Pollution Control.

The regulations limit the emissions of Volatile Organic Compounds (VOCs) and are part of the federally approved State Implementation Plan for Allegheny County for the control of ozone. The

Order requires final compliance with the regulation by April 21, 1987 through the use of low solvent technology (LST) or through the installation of appropriate air pollution control equipment.

Because this Order has been issued to a major source of VOC emissions and permits a delay in compliance with the applicable regulation, it must be approved by EPA before it becomes effective as a Delayed Compliance Order under section 113(d) of the Clean Air Act (the Act). EPA has reviewed the Order and has found that the Order does satisfy the requirements of this subsection of the Act.

EPA's review indicates that the Papercraft Corporation's graphic arts systems facility is a major source of VOC emissions. The facility is located in the Southwest Pennsylvania Intrastate Air Quality Control Region, a nonattainment area for the National Ambient Air Quality Standard for ozone. The facility as presently constructed is unable to comply with regulations limiting emissions of VOCs, codified at section 531(A) of Allegheny County Health Department Rules and Regulations, Article XX, Air Pollution Control, part of the federally approved State Implementation Plan for Allegheny County, because low solvent inks are still being developed. Prior to issuance of the Order, Allegheny County provided an opportunity for public comment and hearing on the Order. No public comments or requests for public hearing were received by Allegheny County. The Order contains expeditious increments of progress towards compliance and emission monitoring and reporting requirements as required by section 113(d)(6) of the Clean Air Act. These requirements are sufficient to avoid any imminent and substantial endangerment to health within the meaning of section 113(d)(7)(A) of the Clean Air Act. The first increment of progress, which requires Papercraft Corporation to submit quarterly reports to Allegheny County on the steps Papercraft is taking to achieve compliance with section 531(A) of Allegheny County Health Department, Rules and Regulations, Article XX, Air Pollution Control, has been completed.

The Papercraft Corporation plans to achieve compliance through the combined use of water and solvent based inks in accordance with Article XX, Chapter 5, section 531(A), Graphic Arts Systems by April 21, 1987 or through the installation of appropriate air pollution control equipment. The 1984 estimated VOC emissions of 1025.8 Tons/Year (T/Y) will be reduced to 360.0 T/Y no later than April 21, 1987.

Papercraft Corporation Inc. had committed to completing its research and development of low solvent inks by April 21, 1986. On April 18, 1986, Papercraft did commit to achieve compliance by April 21, 1987 through the use of low solvent inks. Since low solvent technology is being pursued by Papercraft, they will complete an evaluation of product quality and commercial acceptance of low solvent inks and issue purchase orders for complying low solvent inks by February 21, 1987. In addition, a written plan shall accompany the notice committing to full compliance with section 531(A) of Article XX by April 21, 1987. Said plan shall describe the control equipment and installation schedule in detail and shall include application for any plan or installation permit approvals required by Article XX.

The Order requires the facility to comply with the State Implementation Plan for Allegheny County whenever it is temporarily able to do so and the Order, therefore, meets the requirements of section 113(d)(7)(B). The Order notifies Papercraft Corporation of its liability for noncompliance penalties under Section 120 of the Clean Air Act, 42 U.S.C. 7420 as required by section 113(d)(1)(E) of the act.

The Agency will not take final action on this proposal until its final approval of a proposed revision to Appendix 22, the Allegheny County portion of the Pennsylvania State Implementation Plan (SIP). The proposed revision, which appeared in the **Federal Register** on March 12, 1986 (40 CFR Part 52, Volume 51, No. 48, Page 8518), provides the Allegheny County Health Department (ACHD) with the authority to grant, on a case-by-case basis, extensions of the final air pollution compliance dates for surface coating and graphic arts sources in Allegheny County. Such extensions can postpone the final compliance date until April 21, 1987, if they are approved by EPA as delayed compliance orders under section 113(d) of the Act.

If the Order is approved by EPA, source compliance with its terms would preclude Federal enforcement action under section 113 of the Act against the source for violations of the regulation covered by the Order during the period the Order is in effect. Enforcement against the source under the citizen suit provision of the Act (Section 304) would be similarly precluded.

If approved, the Order would also constitute an addition to the SIP for Allegheny County. However, source compliance with the Order will not preclude assessment of any penalties under section 120 of the Act, unless the source is otherwise entitled to an exemption under section 120(a)(2) (B) or (C).

All interested persons are invited to submit written comments on the proposed Order. Written comments received by the date specified above will be considered in determining whether EPA may approve the Order. After the public comment period, the Administrator of EPA will publish in the **Federal Register** the Agency's final action on the Order in 40 CFR Part 65.

The Office of Management and Budget has exempted this rule from the requirements of section 3 of the Executive Order 12291.

List of Subjects in 40 CFR Part 65

Air pollution control.

Authority: 42 U.S.C. 7413, 7601.

Dated: August 4, 1986.

Bruce M. Diamond,

Acting Regional Administrator.

[FR Doc. 86-18990 Filed 8-21-86; 8:45 am]

BILLING CODE 6560-50-M

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40 CFR Part 228

[OW-4-FRL-3067-7]

Ocean Dumping; Proposed Cancellation of Site Designations

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA today proposes to cancel the designation of ten ocean dumping sites which are currently designated on an interim basis. This action is being taken because there is no projected future need for these sites. These sites will be removed from the list of "Approved Interim and Final Ocean Dumping Sites."

DATE: Comments must be received on or before October 6, 1986.

ADDRESS: Send comments to:

Mr. Reginald Rogers, Environmental Protection Agency, Water Management Division, Marine and Estuarine Branch, Marine Protection Section, Region IV, 345 Courtland St., NE., Atlanta, GA 30365

Paul Pan, Chief, Environmental Analysis Branch (WH-556M), Office of Marine and Estuarine Protection, Environmental Protection Agency, 401 M Street, SW., Washington, DC 20460.

FOR FURTHER INFORMATION CONTACT: Mr. Reginald Rogers, 404/357-2156 or Paul Pan, 202/475-7130.

SUPPLEMENTARY INFORMATION: EPA published revised Ocean Dumping

Regulations and Criteria in the **Federal Register** on January 11, 1977 (42 FR 2462 *et seq.*). Section 228.12 contains a list of "Approved Interim and Final Ocean Dumping Sites." This list was amended on December 9, 1980 (45 FR 81042 *et seq.*) to extend the interim designation of some ocean dumping sites and cancel the designation of six industrial sites and one dredged material site. At that time EPA stated its intention to identify additional ocean dumping sites for which there is no projected future need.

Ten such sites have not been identified, and EPA proposes to cancel the interim designation of these sites based upon recommendations from the Corps of Engineers.

The purpose of this notice is to provide the public an opportunity to comment on the proposed cancellation of ten interim designated ocean dumping sites for the disposal of dredged material. These sites with their identifying coordinates are listed below:

St. Augustine Harbor, FL—29°55'04" N., 81°17'04" W; 29°55'13" N., 81°16'11" W; 29°54'30" N., 81°15'58" W; 29°54'19" N., 81°16'51" W;

St. Lucie Inlet, FL—27°09'58" N., 80°09'30" W; 27°09'58" N., 80°08'42" W; 27°09'52" N., 80°08'42" W; 27°09'52" N., 80°09'30" W;

Ponce de Leon Inlet, FL—29° 04'46" N., 80° 53'40" W; 29°04'36" N., 80°53'40" W; 29°04'36" N., 80°54'26" W; 29°04'46" N., 80°54'26" W;

Largo Sound, FL—25°06'06" N., 80°24'42" W; 25°05'58" N., 80°24'05" W; 25°05'50" N., 80°24'10" W; 25°05'58" N., 80°24'47" W;

Anclote, FL—28°09'00" N., 82°53'48" W; 28°09'00" N., 82°52'48" W; 28°08'30" N., 82°52'48" W; 28°08'30" N., 82°53'40" W;

Pithlachascotee, FL—28°17'02" N., 82°46'21" W; 28°17'02" N., 82°45'12" W; 28°16'25" N., 82°45'00" W; 28°16'42" N., 82°45'00" W;

Withlacoochee, FL—28°59'08" N., 82°48'48" W; 28°59'32" N., 82°47'40" W; 28°59'18" N., 82°47'32" W; 28°58'54" N., 82°48'40" W;

Cedar Keys, FL—29°08'43" N., 83°07'53" W; 29°08'43" N., 83°07'03" W; 29°08'33" N., 83°07'03" W; 29°08'33" N., 83°07'53" W;

Cedar Keys, FL—29°04'08" N., 83°04'06" W; 29°04'01" N., 83°03'54" W; 29°03'28" N., 83°04'12" W; 29°03'28" N., 83°04'24" W;

Horseshoe Cove, FL—29°25'58" N., 83°17'32" W; 29°25'53" N., 83°17'22" W; 29°25'44" N., 83°17'28" W; 29°25'49" N., 83°17'38" W;

The cancellation of these ten sites as EPA Interim Approved Ocean Dumping Sites is being published as a proposed rulemaking. Interested persons may participate in this proposed rulemaking by submitting written comments within 45 days of the date of this publication to the address given above.

Under the Regulatory Flexibility Act, EPA is required to perform a Regulatory Flexibility Analysis for all rules which may have a significant impact on a substantial number of small entities. Under Executive Order 12291, EPA must judge whether a regulation is "major" and therefore subject to the requirement of a Regulatory Impact Analysis.

EPA has determined that this proposal will not have a significant impact on small entities. No small entities are using or, as far as EPA is aware, are planning to use these sites in the near future. Furthermore, the cancellation of these site designations will have no effect on the economy or cause any of the other effects which could result in its being qualified as a "major" action. Consequently, this proposal does not necessitate the preparation of a Regulatory Flexibility Analysis or Regulatory Impact Analysis.

This proposed rule does not contain any information collection requirements subject to Office of Management and Budget review under the Paperwork Reduction Act of 1980, 44 U.S.C. *et seq.*

List of Subjects in 40 CFR Part 228

Water pollution control.

Dated: August 7, 1986.

Rebecca W. Hanmer,

Acting Assistant Administrator for Water.

PART 228—[AMENDED]

In consideration of the foregoing, Part 228 of Title 40 is proposed to be amended as set forth below.

1. The authority citation for Part 228 continues to read as follows:

Authority: 33 U.S.C. sections 1412 and 1418.

2. It is proposed to amended § 228.12(a)(3) by removing from the list of dredged material sites the following ten ocean dumping sites:

St. Augustine Harbor, FL—29°55'04" N., 81°17'04" W; 29°55'13" N., 81°16'11" W; 29°54'30" N., 81°15'58" W; 29°54'19" N., 81°16'51" W.

St. Lucie Inlet, FL—27°09'58" N., 80°09'30" W; 27°09'58" N., 80°08'42" W; 27°09'52" N., 80°08'42" W; 27°09'52" N., 80°09'30" W.

Ponce de Leon Inlet, FL—29°04'46" N., 80°53'40" W; 29°04'36" N., 80°53'40" W; 29°04'36" N., 80°54'26" W; 29°04'46" N., 80°54'26" W.

Largo Sound, FL—25°06'06" N., 80°24'42" W; 25°05'58" N., 80°24'05" W; 25°05'50" N., 80°24'10" W; 25°05'58" N., 80°24'47" W.

Anclote, FL—28°09'00" N., 82°53'48" W; 28°09'00" N., 82°52'48" W; 28°08'30" N., 82°52'48" W; 28°08'30" N., 82°53'40" W.

Pithlachascotee, FL—28°17'02" N., 82°46'21" W; 28°17'02" N., 82°45'12" W; 28°16'25" N., 82°45'00" W; 28°16'42" N., 82°45'00" W.

Withlacoochee, FL—28°59'08" N., 82°48'48" W; 28°59'32" N., 82°47'40" W; 28°59'18" N., 82°47'32" W; 28°58'54" N., 82°48'40" W.

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Horseshoe Cove, FL—29°25'58" N., 83°17'32" W; 29°25'53" N., 83°17'22" W; 29°25'44" N., 83°17'28" W; 29°25'49" N., 83°17'38" W.

[FR Doc. 86-18880 Filed 8-21-86; 8:45 am]

BILLING CODE 6560-50-M

Notices

Federal Register
Vol. 51, No. 163
Friday, August 22, 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.

ADVISORY COUNCIL ON HISTORIC PRESERVATION

Programmatic Memorandum of Agreement Regarding Management of Historic Cedar Trees in the Gifford Pinchot National Forest, WA

AGENCY: Advisory Council on Historic Preservation.

ACTION: Notice.

SUMMARY: The Advisory Council on Historic Preservation proposes to execute a Programmatic Memorandum of Agreement pursuant to § 800.8 of the Council's regulations, "Protection of Historic and Cultural Properties" (36 CFR Part 800), with the Forest Service, U.S. Department of Agriculture, and the Washington State Historic Preservation Officer, providing for the management of historic trees affected by the Forest Service's management of the Gifford Pinchot National Forest in Washington. The proposed Programmatic Memorandum of Agreement will establish mechanisms for the inventory and recordation of all cedar trees from which bark was peeled by prehistoric and early historic Indian groups in the area, and for the preservation of about one-third of all identified such trees in the Gifford Pinchot National Forest for the purpose of future research. The Forest Service has proposed the Agreement in order to meet the requirements of section 106 of the National Historic Preservation Act (16 U.S.C. 470f) in a manner compatible with its ongoing management of the Forest.

Comments Due: September 22, 1986.

ADDRESS: Executive Director, Advisory Council on Historic Preservation, Western Division of Project Review, Suite 450, 730 Simms Street, Golden, Colorado 80401.

Dated: August 13, 1986.

John M. Fowler,

Acting Executive Director.

[FR Doc. 86-18947 Filed 8-21-86; 8:45 am]

BILLING CODE 4310-10-M

DEPARTMENT OF AGRICULTURE

Commodity Credit Corporation

Proposed Determinations With Regard to the 1987 Rice Program

AGENCY: Commodity Credit Corporation, USDA.

ACTION: Proposed Determinations.

SUMMARY: The Secretary of Agriculture proposes to make the following determinations with respect to the 1987 crop of rice: (a) The loan and purchase level; (b) loan rate adjustments; (c) whether the Secretary should require producers to purchase marketing certificates as a condition of permitting loan repayment at a reduced level; (d) whether the Secretary should make loan deficiency payments available to producers; (e) the level of the established (target) price; (f) whether an acreage limitation program (ALP) should be implemented and, if so, the percentage reduction under such ALP; (g) whether an optional land diversion program should be established and, if so, the percentage of diversion under the program; (h) the national program acreage (NPA); (i) whether a voluntary reduction percentage should be proclaimed and, if so, the level of such percentage; (j) whether a portion of the deficiency or diversion payments should be made in the form of commodity certificates or other in-kind compensation; (k) the provisions of a marketing certificate program: (1) Whether an inventory reduction program should be implemented; (m) what cost reduction options should be implemented, if any; and (n) other related determinations. These determinations are to be made in accordance with the Agricultural Act of 1949, as amended (hereinafter referred to as the "1949 Act"), the Food Security Act of 1985, and the Commodity Credit Corporation Charter Act, as amended.

DATE: Comments must be received on or before September 8, 1986.

ADDRESS: Dr. Howard C. Williams, Director, Commodity Analysis Division, USDA-ASCS, Room 3741, South Building, P.O. Box 2415, Washington, DC 20013.

FOR FURTHER INFORMATION CONTACT: Gene Rosera, Agricultural Economist, Commodity Analysis Division, USDA-ASCS, P.O. Box 2415, Washington, D.C. 20013 or call (202) 447-5954. The Preliminary Regulatory Impact Analysis describing the options considered in developing these proposed determinations and the impact of implementing each option is available on request.

SUPPLEMENTARY INFORMATION: This notice has been reviewed under USDA procedures established in accordance with Executive Order 12291 and Departmental Regulation No. 1512-1 and has been designated as "major". It has been determined that these program provisions will result in an annual effect on the economy of $100 million or more.

The title and number of the Federal assistance programs to which this notice applies are: Title-Rice Production Stabilization: Number 10.065 and Title-Commodity Loans and Purchases: Number 10.051, as found in the catalog of Federal Domestic Assistance.

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

This program is not subject to the provisions of Executive Order 12372 which requires intergovernmental consultation with State and local officials. See the Notice related to 7 CFR Part 3015, Subpart V, published at 48 FR 29115 (June 24, 1983).

On May 13, 1986 (51 FR 17598) a notice of proposed determinations was published which set forth provisions common to the 1987 wheat, feed grain, upland cotton, and rice price support and production adjustment programs. Any comments that were received with respect to such notice which are applicable to the 1987 crop of rice and any comments received with respect to this notice of proposed determinations will be reviewed in determining the provisions of the 1987 Rice Program.

Accordingly, the following program determinations with respect to the 1987-crop of rice are to be made by the Secretary.

Proposed Determinations

(a) *Loan and Purchase Level:* Section 101A(a) of the 1949 Act provides that the Secretary shall make loans and purchases available to producers for the 1987 crop of rice at a level that is not less than the higher of: (1) 85 percent of the simple average price received by producers, as determined by the Secretary, during the marketing years for the immediately preceding 5 crops of rice, excluding the year in which the average price was the highest and the year in which the average price was the lowest; or (2) $6.50 per hundredweight. Under that subsection the loan level for a crop of rice may not be reduced by more than 5 percent from the loan level determined for the preceding crop. Further, Section 101A(a) requires that the Secretary determine and announce the loan and purchase level for the 1987 crop of rice not later than January 31 of 1987. A loan shall have a term of not more than 9 months beginning after the month in which the application for the loan is made.

Comments are requested as to the level of the loan and purchase rate for the 1987 crop of rice.

(b) *Loan Rate Adjustments:* Section 403 of the 1949 Act provides that appropriate adjustments may be made in the level of the support price for rice for differences in grade, type, quality, location, and other factors. Section 403 further provides that such adjustments shall, insofar as practicable, be made in such manner that the average support price will, on the basis of the anticipated incidence of such factors, equal the statutory support level.

Consideration is being given to adjusting the grade discounts applied to the loan repayment level in order to reflect the relationship of the loan repayment level to the loan level.

Comments, along with supporting data, are requested as to: (1) The loan and purchase rate for different classes of whole kernels; (2) the loan and purchase rate for broken kernels; (3) appropriate national average milling outturns for use in determining class loan rates; and (4) adjusting grade discounts applied to the loan repayment level to reflect the relationship between the loan repayment level and the loan level.

(c) *Marketing Loan Certificates:* Section 101A(a)(5)(A) of the 1949 Act provides that the Secretary shall permit a producer to repay a loan at a level that is the lesser of: (1) The loan level determined for such crop or (2) the higher of the loan level multiplied by 50 percent or the prevailing world market price for rice, as determined by the Secretary. Further, this section provides that as a condition of permitting a producer to repay a loan, the Secretary may require a producer to purchase marketing certificates equal in value to an amount that does not exceed one-half the difference, as determined by the Secretary, between the amount of the loan obtained by the producer and the amount of the loan repayment. Such certificates shall be negotiable and shall be redeemable for rice owned by the Commodity Credit Corporation ("CCC") valued at the prevailing market price, as determined by the Secretary. If CCC owned rice is not available in the State in which the rice pledged as collateral for the loan was produced or at such other location outside of such State as may be approved by the owner of such certificate, such certificate shall be redeemable in cash. If any such certificate is not presented for marketing within a reasonable number of days after issuance, as determined by the Secretary, reasonable costs of storage and other carrying charges shall be deducted from the value of the certificate.

Comments are requested on whether the Secretary should require producers to purchase certificates and, if so, for what percentage of the difference in value between the loan level and the loan repayment rate. Comments are also requested with respect to the amount of time CCC should allow such certificates to be held before they are discounted.

(d) *Loan Deficiency Payments:* Section 101A(b)(1) of the 1949 Act provides that the Secretary may make payments available to producers who, although eligible to obtain a loan or purchase agreement, agree to forgo obtaining such loan or agreement in return for such payments.

Such payments shall be computed by multiplying: (1) The loan payment rate by (2) the quantity of rice the producer is eligible to place under loan. The quantity of rice eligible to be placed under loan may not exceed the product obtained by multiplying the individual farm program acreage for the crop by the farm program payment yield established for the farm. The loan payment rate shall be the amount by which the loan level determined for such crop exceeds the level at which a loan may be repaid. Section 101A(b) further provides that the Secretary shall make up to one half the amount of such payments available in the form of negotiable marketing certificates redeemable in CCC-owned rice.

Comments are requested with respect to whether loan deficiency payments should be made available, and if so, what portion should be made in the form of certificates.

(e) *Established (Target) Price:* Section 101A(c)(1)(A) of the 1949 Act provides that the Secretary shall make payments available to producers for the 1987 crop of rice in an amount computed by multiplying: (1) The payment rate, by (2) the individual farm program acreage, by (3) the farm program payment yield.

Section 101A(c)(1)(C) provides that the payment rate for the 1987 crop of rice shall be the amount by which the established (target) price for the crop exceeds the higher of: (1) The national average market price received by producers during the first five months of the marketing year for such crop or (2) the loan level for such crop.

Section 101A(c)(1)(D) of the 1949 Act provides that the established (target) price for rice shall be not less than $11.66 per hundredweight for the 1987 crop. Section 101A(c)(1)(F) provides that the Secretary may pay not more than 5 percent of the total amount of a payment made under section 101A(c)(1) in the form of rice.

Comments are requested as to the level of the established price for 1987-crop rice, and whether the Secretary should make a portion of the 1987 rice crop deficiency payment in the form of rice.

(f) *Acreage Limitation Program:* Section 101A(f)(1)(A) of the 1949 Act provides that if the Secretary determines that the total supply of rice, in the absence of an acreage limitation program (ALP), will be excessive taking into account the need for an adequate carryover to maintain reasonable and stable supplies and prices and to meet a national emergency, the Secretary may implement an ALP. The section provides that in making such a determination the Secretary shall take into consideration the number of acres placed in the conservation acreage reserve established under Section 1231 of the Food Security Act of 1985. If the Secretary elects to implement an ALP for 1987, the Secretary shall announce any such program not later than January 31 of 1987.

The Secretary shall, to the maximum extent practicable, carry out an ALP for a crop of rice in a manner that will result in a carryover of 30 million hundredweight of rice. If an ALP is announced for a crop of rice such reduction in production shall be achieved by applying a uniform percentage reduction (not to exceed 35 percent) to the rice crop acreage base for the crop for each rice-producing farm. Except as provided under the Inventory Reduction Program, producers

who knowingly produce rice in excess of the permitted rice acreage for the farm, shall be ineligible for rice loans, purchases, and payments with respect to that farm.

Comments are requested with respect to the need for an ALP, the appropriate level of reduction under an ALP, and other provisions of such program.

(g) *Land Diversion Program (LDP):* Section 101A(f)(4)(A) of the 1949 Act provides that the Secretary may make land diversion payments to producers of rice, whether or not an ALP is in effect, if the Secretary determines that such land diversion payments are necessary to assist in adjusting the total national acreage of rice to desirable goals. Such land diversion payments shall be made available to producers who, to the extent prescribed by the Secretary, devote to approved conservation uses an acreage of cropland on the farm in accordance with land diversion contracts entered into by the Secretary with such producers.

The amounts payable to producers under land diversion contracts may be determined through the submission of bids for such contracts by producers in such manner as the Secretary may prescribe or through such other means as the Secretary determines appropriate. In determining the acceptability of contract offers, the Secretary shall take into consideration the extent of the diversion to be undertaken by the producers and the productivity of the acreage diverted. The Secretary shall limit the total acreage to be diverted under agreements in any county or local community so as not to affect adversely the economy of the county or local community.

Any acreage reduction under an LDP would be at a producer's option. If such a program were implemented, the Secretary proposes to make payments in the form of cash or commodity certificates.

Comments are requested with respect to the need for an optional paid LDP, appropriate payment rates, and the other provisions of such program.

(h) *National Program Acreage (NPA).* Section 101A(d) of the 1949 Act provides that the Secretary shall proclaim a National Program Acreage (NPA) for the 1987 crop of rice not later than January 31, 1987. The NPA shall be the number of harvested acres the Secretary determines (on the basis of the weighted national average of the farm program payment yields for the crop for which the determination is made) will produce the quantity (less imports) that the Secretary estimates will be utilized domestically and for export during the marketing year 1987–88. If the Secretary determines that carryover stocks of rice are excessive or that an increase in stocks is needed to assure desirable carryover, the Secretary may adjust the NPA by the amount the Secretary determines will accomplish the desired increase or decrease in carryover stocks. The Secretary may later revise the NPA if the Secretary determines it to be necessary based upon the latest information. If an acreage limitation program is implemented for the 1987 crop of rice, the NPA shall not be applicable to such crop. If required, the likely NPA for the 1987 crop of rice would be:

1. Estimated Domestic Use, 1987–88—64.0 million cwt.
2. Plus Estimated Exports, 1987–88—85.0 million cwt.
3. Minus Imports—1.5 million cwt.
4. Minus Stock Adjustment—10.0 million cwt.
5. Divided by National Weighted Average Farm Program Payment Yield—47.86 cwt./acre
6. Equals 1987-crop NPA—2.87 million acres.

Comments on the NPA and the appropriate carryover level for the 1987 crop of rice, along with supporting data, are requested.

(i) *Whether a Voluntary Reduction Percentage Should Be Proclaimed and, if so, the Level of Such Voluntary Reduction Percentage.* Section 191A(d)(3)(B) of the 1949 Act provides that the 1987 individual farm program acreage of rice may not be further reduced by application of an allocation factor (not less than 80 percent nor more than 100 percent) if the producer voluntarily reduces the acreage of rice planted for harvest on the farm from the 1987-crop rice acreage base established for the farm by at least the percentage recommended by the Secretary in the proclamation of the NPA for the 1987 crop.

If an acreage limitation program is implemented for the 1987 crop of rice, the voluntary reduction percentage shall not be applicable to such crop. If required, the likely national recommended voluntary reduction percentage for the 1987 crop of rice would be:

1. 1987 Established Rice Acreage Base—4.25 million acres
2. Minus 1987 Preliminary NPA—2.87 million acres
3. Equals Acreage Reduction Needed from Acreage Base—1.38 million acres
4. Divided by 1987 Rice Acreage Base—4.25 million acres
5. Equals 1987-Crop Recommended Reduction Percentage—32.47 percent

Comments from interested persons with respect to the voluntary reduction percentage, if any, are requested.

(j) *Commodity Certificates:* Section 107E of the 1949 Act provides that, in making in-kind payments under any rice program, other than those programs which provide for payments in the form of negotiable marketing certificates, the Secretary may: (1) Acquire and use commodities that have been pledged to CCC as security for price support loans, including loans made to producers under the farmer-owned reserve program and (2) use other commodities owned by CCC.

The Secretary may make such in-kind payments: (1) By delivery of the commodity to the producer at a warehouse or other similar facility, as determined by the Secretary; (2) by the transfer of negotiable warehouse receipts; (3) by the issuance of certificates which CCC shall redeem for a commodity; and (4) by such other methods as the Secretary determines appropriate to enable the producer to receive payments in an efficient, equitable, and expeditious manner so as to ensure that the producer receives the same total return as if the payments had been made in cash.

Accordingly, comments are requested with respect to the use of commodity certificates in making payments under the 1987 rice program.

(k) *Marketing Certificates:* Section 603 of the Food Security Act of 1985 provides that whenever, during the period beginning August 1, 1986, and ending July 31, 1991, the world price for a class of rice (adjusted to United States qualities and location), as determined by the Secretary of Agriculture, is below the current loan repayment rate for that class of rice, to make United States rice competitive in world markets and to maintain and expand exports of rice produced in the United States, under such regulations as the Secretary may prescribe, CCC shall make payments to persons who have entered into an agreement with CCC to participate in the program established by this section. Such payments shall be made in the form of negotiable marketing certificates. Such certificates shall be in such monetary amounts and subject to such terms and conditions as the Secretary determines will make rice produced in the United States available at competitive prices.

The value of each certificate shall be based on the difference between: (1) The loan repayment rate for the class of rice; and (2) the prevailing world market price for the class of rice, as determined by the Secretary of Agriculture.

Comments are requested with respect to the provisions of the marketing certificate program for rice.

(l) *Inventory Reduction Program (IRP):* Section 101A(g) of the 1949 Act provides that the Secretary may make payments available to producers who: (1) Agree to forgo obtaining a loan or purchase agreement; (2) agree to forgo receiving deficiency payments; and (3) do not plant rice for harvest in excess of the crop acreage base reduced by one-half of any acreage required to be diverted from production under the announced acreage limitation program. Such payments shall be made in the form of rice owned by CCC and shall be subject to the availability of such rice. Payments under this program shall be determined in the same manner as loan deficiency payments.

Comments are requested on whether the IRP should be implemented for the 1987 crop of rice.

(m) *Cost Reduction Options:* Section 1009(a) of the Food Security Act of 1985 provides that whenever the Secretary determines that an action authorized by section 1009(c), (d), or (e) will reduce the total of the direct and indirect costs to the Federal Government of a commodity program administered by the Secretary without adversely affecting income to small and medium sized producers participating in such programs, the Secretary shall take such action with respect to that commodity program. These actions include: (1) Commercial purchases of commodities by the Secretary, (2) the settlement of nonrecourse loans at an amount less than the total of the principal loan amount plus accumulated interest, but not less than the principal amount, if such action will result in: (A) Receipt of a portion rather than none of the accumulated interest, (B) avoidance of default of the loan, and (C) elimination of storage, handling and carrying charges on the forfeited loan collateral, and (3) reopening of a production control or loan program at any time prior to harvest for the purpose of accepting bids from producers for the conversion of acreage planted to a program crop to diverted acreage in return for in-kind payments if the Secretary has determined that: (A) Changes in domestic or world supply or demand conditions have substantially changed after announcement of the program for that crop and (B) the Federal Government and producers will be faced with a burdensome and costly surplus unless action is taken to further adjust production. Such payments are not subject to the maximum payment limitation of $50,000 provided for by Section 1001 of the Food Security Act of 1985, but are limited to $20,000 per year per producer for any one commodity.

Comments are requested on the manner in which these cost reduction options should be administered in the event the Secretary determines to implement any of these provisions.

(n) *Other Related Provisions:* A number of other determinations such as commodity eligibility and other provisions must be made in order to carry out the rice loan and purchase programs.

Consideration will be given to any data, views and recommendations that may be received relating to these issues.

Authority: Secs. 101A and 107E of the Agricultural Act of 1949, as amended, 99 Stat. 1419, 1448, as amended, (7 U.S.C. 1441–1 and 1445e); Sec. 603 of the Food Security Act of 1985, 99 Stat. 1429, (7 U.S.C. 1441–1a).

Signed at Washington, DC, on August 20, 1986.

Milton J. Hertz,

Acting Executive Vice President, Commodity Credit Corporation.

[FR Doc. 86–19150 Filed 8–20–86; 3:57 pm]

BILLING CODE 3410–05–M

DEPARTMENT OF COMMERCE

International Trade Administration

[A–580–603]

Preliminary Determination of Sales at Less Than Fair Value: Brass Sheet and Strip From the Republic of Korea

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that brass sheet and strip from The Republic of Korea are being, or are likely to be, sold in the United States at less than fair value. We have notified the U.S. International Trade Commission (ITC) of our determination. We have directed the U.S. Customs Service to suspend the liquidation of all entries of brass sheet and strip from The Republic of Korea that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice, and to require a cash deposit or bond for each entry in an amount equal to the estimated dumping margins as described in the "Suspension of Liquidation" section of this notice.

If this investigation proceeds normally, we will make our final determination by November 3, 1986.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: John J. Kenkel or John Brinkmann, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 377–5404 or 377–3965.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that brass sheet and strip from The Republic of Korea (Korea) are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act) (19 U.S.C. 1673b(b)). We made fair value comparisons on sales of the class or kind of merchandise to the United States by the sole respondent during the period of investigation, October 1, 1985 through March 31, 1986. Comparisons were based on United States price and foreign market value, based on home market prices. We have preliminarily found the weighted-average margin for the company investigated to be 7.52 percent *ad valorem.*

Case History

On March 10, 1986, we received a petition in proper form filed by American Brass, Bridgeport Brass Company, Chase Brass and Copper Company, Hussey Metals Division, the Miller Company, Olin Corporation—Brass Group, and Revere Copper Products, Inc., domestic manufacturers of brass sheet and strip, and by the International Association of Machinists and Aerospace Workers, International Union—Allied Industrial Workers of America (AFL–CIO), Mechanics Educational Society of America (Local 56), and United Steelworkers of America (AFL–CIO/CLC). The petition was filed on behalf of the U.S. industry that casts, rolls, and finishes brass sheet and strip. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports of the subject merchandise from Korea are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry.

We determined that the petition contained sufficient grounds upon which to initiate an antidumping duty investigation. We initiated such an investigation on March 31, 1986 (51 FR 11774, April 7, 1986), and notified the ITC of our action. On April 24, 1986, the ITC determined that there is a reasonable indication that imports of

brass sheet and strip from Korea materially injure a U.S. industry (USITC Pub. No. 1837).

On April 24, 1986, we presented an antidumping duty questionnaire to Poongsan Metal Corporation (Poongsan), which accounts for at least 60 percent from the Republic of Korea of exports of the subject merchandise to the United States. We requested a response in 30 days. On June 3, 1986, at the request of Poongsan, we granted an extension of the due date for the questionnaire response. We received a response from Poongsan on June 9. On July 1, we requested additional information from Poongsan. We received a supplemental response on July 14, 1986.

Scope of Investigation

The products covered by this investigation are brass sheet and strip, other than leaded brass and tin brass sheet and strip, currently classified under the *Tariff Schedules of the United States Annotated (TSUSA)* item numbers 612.3960, 612.3982, and 612.3986.

The chemical compositions of the products under investigation are currently defined in the Copper Development Association (C.D.A.) 200 series or the Unified Numbering System (U.N.S.) c20000 series. Products whose chemical compositions are defined by other C.D.A. or U.N.S. series are not covered by this investigation.

Fair Value Comparisons

In order to determine whether sales of the subject merchandise to the United States were made at less than fair value, we compared the United States purchase price with the foreign market value based on home market prices.

For this merchandise there are two types of sales: tolled and non-tolled. In tolled sales, the brass mill's customer provides the mill with the copper and/or zinc, or scrap, purchased from another source, which the mill converts into brass sheet or strip. The mill charges its customer only for the value of the conversion. In non-tolled sales, the brass mill produces brass sheet and strip from its own stocks of copper and zinc.

We have decided that the most accurate comparison is, when possible, to compare tolled sales to tolled sales and non-tolled sales to non-tolled sales. This type of "apples-to-apples" comparison achieves the most accurate results. If we were to compare the prices of tolled to non-tolled sales, extensive adjustments would have to be made. For example, if the U.S. transaction is a non-tolled sale, we would have to adjust home market prices for tolled sales so that they would reflect in addition the cost of the metal inputs. In the opposite situation, home market prices for non-tolled sales would somehow have to be adjusted downward.

These adjustments would present a serious administrative burden and raise methodological issues. Moreover, the tolling charge appears to be directly dependent on the quality of the metal inputs. Thus, to make the adjustment would require us to examine each transaction to determine the quality of the inputs. On methodological grounds, such adjustments raise the issue of how to allocate profit between the material inputs and processing activities when adding or subtracting material costs.

Accordingly, since there were no tolled sales in the United States, we did not ask the respondent to provide information on home market tolled sales. Therefore, we compared prices of non-tolled sales in the United States to non-tolled sales in the home market.

United States Price

As provided in section 772(b) of the Act, we used the purchase price of the subject merchandise to represent the United States price, since the merchandise was sold to unrelated purchasers prior to importation into the United States. We calculated the purchase price based on the c.i.f. or c.&.f., delivered to either the U.S. port or to the customer, packed price to unrelated purchasers in the United States.

We made deductions, where appropriate, for foreign inland freight and insurance, brokerage in Korea and the United States, ocean freight, marine insurance, and U.S. freight. We added duty drawback to the United States price.

Foreign Market Value

In accordance with section 773(a) of the Act, we calculated foreign market value based on c.&.f. packed home market prices to both related and unrelated purchasers. We preliminarily determined that sales to a related company were made at arm's length. We made deductions, where appropriate, for inland freight and handling fees. We made adjustments to the foreign market value for differences in circumstances of sale for credit expenses, advertising and warranty costs and bank charges incurred on U.S. sales.

We established separate categories of "such or similar" merchandise, pursuant to section 771(16)(C) of the Act, on the basis of form of material (sheets or strips). In order to select the most similar products within a "such or similar" category, we made comparisons of "such or similar" merchandise groups based on grade (chemical composition) and dimensions.

Where there were no identical products in the home market with which to compare products sold to the United States, we made adjustments to similar merchandise to account for differences in the physical characteristics of the merchandise, in accordance with section 773(a)(4)(C) of the Act. These adjustments were based on differences in the costs of materials, direct labor and directly related factory overhead.

We subtracted home market packing costs and added U.S. packing costs to home market prices.

Currency Conversion

In calculating foreign market value, we made currency conversions from Korean won to U.S. dollars in accordance with section 353.56(a) of our regulations, using the certified daily exchange rates furnished by the Federal Reserve Bank of New York.

Verification

We will verify all information used in making our final determination in accordance with section 776(a) of the Act. We will use standard verification procedures, including examination of relevant sales and financial records of Poongsan.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of brass sheet and strip from Korea that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the **Federal Register.** The U.S. Customs Service shall require a cash deposit or the posting of a bond on all entries equal to the estimated weighted-average amount by which the foreign market value of the merchandise subject to this investigation exceeds the United States price which was 7.52 percent of the entered value of the merchandise. The suspension of liquidation will remain in effect until further notice.

ITC Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files,

provided the ITC confirms in writing that it will not disclose such information either publicly or under an administrative protective order without the consent of the Deputy Assistant Secretary for Import Administration. The ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry prior to the later of 120 days after our preliminary affirmative determination or 45 days after we make our final determination.

Public Comment

In accordance with § 353.47 of our regulations (19 CFR 353.47), if requested, we will hold a public hearing to afford interested parties an opportunity to comment on this preliminary determination at 10:00 a.m., on October 6, 1986, at the U.S. Department of Commerce, Room 1851, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Deputy Assistant Secretary, Import Administration, Room B-099, at the above address within ten days of this notice's publication. Requests should contain: (1) The party's name, address, and telephone number; (2) The number of participants; (3) The reason for attending; and (4) A list of the issues to be discussed. In addition, ten copies of any pre-hearing briefs must be submitted to the Deputy Assistant Secretary by October 1, 1986. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 353.46, written views will be considered if received not less than 30 days before the final determination or, if a hearing is held, within 10 days after the hearing transcript is available.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)).

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

August 18, 1986.

[FR Doc. 86-19018 Filed 8-21-86; 8:45 am]

BILLING CODE 3510-DS-M

[A-401-601]

Preliminary Determination of Sales at Less Than Fair Value: Brass Sheet and Strip from Sweden

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that brass sheet and strip from Sweden are being, or are likely to be, sold in the United States at less than fair value. We have notified the U.S. International Trade Commission (ITC) of our determination. We have directed the U.S. Customs Service to suspend the liquidation of all entries of brass sheet and strip from Sweden that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice, and to require a cash deposit or bond for each entry in an amount equal to the estimated dumping margin as described in the "Suspension of Liquidation" section of this notice.

If this investigation proceeds normally, we will make our final determination by November 3, 1986.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: John Brinkmann, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 377-3965.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that brass sheet and strip from Sweden are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act) (19 U.S.C. 1673b(b)). We made fair value comparisons on sales of the class or kind of merchandise to the United States by the sole respondent during the period of investigation, October 1, 1985 through March 31, 1986. Comparisons were based on United States price and foreign market value. We have preliminarily found the weighted-average margin for the company investigated to be 8.49 percent *ad valorem*.

Case History

On March 10, 1986, we received a petition in proper form filed by American Brass, Bridgeport Brass Company, Chase Brass and Copper Company, Hussey Metals Division, the Miller Company, Olin Corporation, and Revere Copper Products, Inc., domestic manufacturers of brass sheet and strip, and by the International Association of Machinists and Aerospace Workers, International Union—Allied Industrial Workers of America (AFL-CIO), Mechanics Educational Society of America (Local 56), and United Steelworkers of America (AFL-CIO/CLC). The petition was filed on behalf of the U.S. industry that casts, rolls, and finishes brass sheet and strip. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports of the subject merchandise from Sweden are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry.

We determined that the petition contained sufficient grounds upon which to initiate an antidumping duty investigation. We initiated such an investigation on March 31, 1986 (51 FR 11776, April 7, 1986), and notified the ITC of our action. On April 24, 1986, the ITC determined that there is a reasonable indication that imports of brass sheet and strip from Sweden materially injure a U.S. industry (USITC Pub. No. 1837).

On April 18, 1986, we presented an antidumping duty questionnaire to counsel for Granges Metallverken, which accounts for at least 60 percent of exports from Sweden of the subject merchandise to the United States. We requested a response in 30 days. On May 12, 1986, at the request of Granges Metallverken, we granted a 14-day extension of the due date for the questionnaire response. We received a response on June 6. On June 1, we requested additional information from Granges Metallverken. We received a response to our supplemental request on July 17.

Scope of Investigation

The products covered by this investigation are brass sheet and strip, other than leaded brass and tin brass sheet and strip, currently classified under the *Tariff Schedules of the United States Annotated (TSUSA)* item numbers 612.3960, 612.3982, and 612.3986.

The chemical composition of the products under investigation is currently defined in the Copper Development Association (C.D.A.) 200 series or the Unified Numbering System (U.N.S.) C20000 series. Products whose chemical composition are defined by other C.D.A. or U.N.S. series are not covered by this investigation.

Fair Value Comparisons

In order to determine whether sales of the subject merchandise to the United States were made at less than fair value, we compared the United States purchase price with the foreign market value based on home market prices.

For this merchandise there are two types of sales: tolled and non-tolled. In

tolled sales, the brass mill's customer provides the mill with the copper and/or zinc, or scrap, purchased from another source, which the mill converts into brass sheet or strip. The mill charges its customer only for the value of the conversion. In non-tolled sales, the brass mill produces brass sheet and strip from its own stocks of copper and zinc.

We have decided that the most accurate comparison is, when possible, to compare tolled sales to tolled sales and non-tolled sales to non-tolled sales. This type of "apples-to-apples" comparison achieves the most accurate results. If we were to compare the prices of tolled to non-tolled sales, extensive adjustments would have to be made. For example, if the U.S. transaction is a non-tolled sale, we would have to adjust home market prices for tolled sales so that they would reflect in addition the cost of the metal inputs. In the opposite situation, home market prices for non-tolled sales would somehow have to be adjusted downward.

These adjustments would present a serious administrative burden and raise methodological issues. Moreover, the tolling charge appears to be directly dependent on the quality of the metal inputs. Thus, making the adjustment would require us to examine each transaction to determine the quality of the inputs. On methodological grounds, such adjustments raise the issue of how to allocate profit between the material inputs and processing activities when adding or subtracting material costs.

Accordingly, since there were no tolled sales in the United States, we did not ask the respondent to provide information on home market tolled sales. Therefore, we compared prices of non-tolled sales in the United States to non-tolled sales in the Swedish home market.

United States Price

As provided in section 772(b) of the Act, we used the purchase price of the subject merchandise to represent the United States price, where the merchandise was sold to unrelated purchasers prior to importation into the United States. We calculated the purchase price based on the c.i.f., delivered, duty paid, packed price to unrelated purchasers in the United States. We made deductions, where appropriate, for foreign inland freight and insurance, ocean freight, marine insurance, U.S. brokerage, U.S. freight, and U.S. customs duty.

Where the merchandise was sold to unrelated purchasers after importation into the United States, we used exporter's sales prices to represent the United States price, as provided in section 772(c) of the Act. We made deductions, where appropriate, for foreign inland freight and insurance, ocean freight, marine insurance, U.S. brokerage, U.S. inland freight, U.S. customs duty, commissions, credit expenses, other U.S. selling expenses, and the value added through further manufacture prior to sale in the United States.

Foreign Market Value

In accordance with section 773(a) of the Act, we calculated foreign market value based on c.i.f. packed home market prices to both related and unrelated purchasers. We preliminarily determined that sales to a related company were made at arm's length. We made deductions to home market prices, where appropriate, for inland freight and insurance. For U.S. purchase price sales, we made adjustments under section 353.15 of the Commerce Regulations for differences in circumstances of sale for credit expenses in the United States and home market. We offset commissions paid on U.S. purchase price sales with indirect selling expenses in the home market, in accordance with § 353.15(c) of our regulations.

When comparing foreign market value to U.S. exporter's sales prices, we made an additional deduction from home market prices for credit expenses in the home market. We also used indirect selling expenses in the home market to offset other United States selling expenses, in accordance with § 353.15(c) of our regulations.

For both purchase price and exporter's sales price, in order to adjust for differences in packing between the two markets, we subtracted home market packing and added U.S. packing to home market prices.

We established separate categories of "such or similar" merchandise, pursuant to section 771(16)(C) of the Act, on the basis of form of material (sheets or strips). In order to select the most similar products within a "such or similar" category, we made comparisons of "such or similar" merchandise groups based on grade (chemical composition), coating, and dimensions.

For those categories where there were no identical products in the home market with which to compare products sold to the United States, we made adjustments to similar merchandise to account for differences in the physical characteristics of the merchandise, in accordance with section 773(a)(4)(C) of the Act. These adjustments were based on differences in the costs of materials, direct labor and directly related factory overhead.

We did not make a claimed adjustment for differences in quantities sold because we had insufficient information to determine whether the requirements of § 353.14 were met.

Currency Conversion

For comparisons involving purchase price transactions, when calculating foreign market value, we made currency conversions from Swedish kroner to U.S. dollars in accordance with § 353.56(a) of our regulations, using the certified daily exchange rates furnished by the Federal Reserve Bank of New York. For comparisons involving exporter's sales price transactions, we used the official exchange rate for the date of purchase pursuant to section 615 of the Trade and Tariff Act of 1984. We followed section 615 of the 1984 Act rather than § 353.56(a)(2) of our regulations, as it supersedes that section of the regulations.

Verification

We will verify all information used in making our final determination in accordance with section 776(a) of the Act. We will use standard verification procedures, including examination of relevant sales and financial records of Granges Metallverken.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of brass sheet and strip from Sweden that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the Federal Register. The U.S. Customs Service shall require a cash deposit or the posting of a bond on all entries equal to the estimated weighted-average amount by which the foreign market value of the merchandise subject to this investigation exceeds the United States price, which was 8.49 percent of the entered value of the merchandise. The suspension of liquidation will remain in effect until further notice.

ITC Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms in writing

that it will not disclose such information either publicly or under an administrative protective order without the consent of the Deputy Assistant Secretary for Import Administration. The ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry prior to the later of 120 days after our preliminary affirmative determination or 45 days after we make our final determination.

Public Comment

In accordance with § 353.47 of our regulations (19 CFR 353.47), if requested, we will hold a public hearing to afford interested parties an opportunity to comment on this preliminary determination at 10:00 a.m., on September 23, 1986, at the U.S. Department of Commerce, Room 3708, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Deputy Assistant Secretary, Import Administration, Room B-099, at the above address within ten days of this notice's publication. Requests should contain: (1) The party's name, address, and telephone number; (2) The number of participants; (3) The reason for attending; and (4) A list of the issues to be discussed. In addition, ten copies of any pre-hearing briefs must be submitted to the Deputy Assistant Secretary by September 16, 1986. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 353.46, written views will be considered if received not less than 30 days before the final determination or, if a hearing is held, within 10 days after the hearing transcript is available.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)).

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

August 18, 1986.

[FR Doc. 86-19019 Filed 8-21-86; 8:45 am]

BILLING CODE 3510-DS-M

[A-428-602]

Preliminary Determination of Sales at Less Than Fair Value: Brass Sheet and Strip From the Federal Republic of Germany (FRG)

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that brass sheet and strip from the Federal Republic of Germany (FRG) are being, or are likely to be, sold in the United States at less than fair value. We have notified the U.S. International Trade Commission (ITC) of our determination. We have directed the U.S. Customs Service to suspend the liquidation of all entries of brass sheet and strip from the FRG that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice, and to require a cash deposit or bond for each entry in an amount equal to the estimated dumping margin as described in the "Suspension of Liquidation" section of this notice.

If this investigation proceeds normally, we will make our final determination by November 3, 1986.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Terri Feldman or John Brinkmann, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 377-0160 or (202) 377-3965.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminary determine that brass sheet and strip from the FRG are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act) (19 U.S.C. 1673b(b)). We made fair value comparisons on sales of the class or kind of merchandise to the United States by the respondents during the period of investigation, October 1, 1985 through March 31, 1986. Comparisons were based on United States price and foreign market value, based on home market prices. The margins preliminary found for all companies investigated are listed in the "Suspension of Liquidation" section of this notice.

Case History

On March 10, 1986, we received a petition in proper form filed by American Brass, Bridgeport Brass Company, Chase Brass and Copper Company, Hussey Metals Division, the Miller Company, Olin Corporation, Brass Group, and Revere Copper Products, Inc., domestic manufacturers of brass sheet and strip, and by the International Association of Machinists and Aerospace Workers, International Union—Allied Industrial Workers of America (AFL-CIO), Mechanics Educational Society of America (Local 56), and United Steelworkers of America (AFL-CIO/CLC). The petition was filed on behalf of the U.S. industry that casts, rolls, and finishes brass sheet and strip. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353/36), the petition alleged that imports of the subject merchandise from the FRG are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to a U.S. industry.

We determined that the petition contained sufficient grounds upon which to initiate an antidumping investigation. We initiated such an investigation on March 31, 1986 (51 FR 11774, April 7, 1986), and notified the ITC of our action. On April 24, 1986, the ITC determined that there is a reasonable indication that imports of brass sheet and strip from the FRG materially injure a U.S. industry (USITC Pub. No. 1837).

On April 18, 1986, we presented antidumping duty questionnaires to Wieland-Werke AG (Wieland) and to Langenberg Kupfer-und Messingwerke GmbH KG, (Langenberg), which account for at least 60 percent of exports from the FRG of the subject merchandise to the United States. We requested responses in 30 days. On May 7, 1986, at the request of respondents, we granted 14-day extensions of the due dates for the questionnaire responses. On June 2, we received a response from Wieland and on June 5, we received Langenberg's response. On June 27 and July 18, we requested additional information from respondents. We received supplemental responses on June 14 and July 23.

Scope of Investigation

The products covered by this investigation are brass sheet and strip, other than leaded brass and tin brass sheet and strip, currently classified under the *Tariff Schedules of the United States Annotated (TSUSA)* item numbers 612.3960, 612.3982, and 612.3986.

The chemical composition of the products under investigation is currently defined in the Copper Development Association (C.D.A.) 200 series or the Unified Numbering System (U.N.S.) C20000 series. Products whose chemical composition are defined by other C.D.A. or U.N.S. series are not covered by this investigation.

Fair Value Comparisons

In order to determine whether sales of the subject merchandise to the United States were made at less than fair value, we compared the United States price with the foreign market value based on home market prices.

In the brass market there are two types of sales: tolled and non-tolled. In tolled sales, the brass mill's customer provides the mill with the copper and/or zinc, or scrap, purchased from another source, which the mill converts into brass sheet or strip. The mill charges its customer only for the value of the conversion. In non-tolled sales, the brass mill produces brass sheet and strip from its own stocks of copper and zinc.

We have decided that the most accurate comparison is, when possible, to compare tolled sales to tolled sales and non-tolled sales to non-tolled sales. This type of "apples-to-apples" comparison achieves the most accurate results. If we were to compare the prices of tolled to non-tolled sales, extensive adjustments would have to be made. For example, if the U.S. transaction is a non-tolled sale, we would have to adjust home market prices for tolled sales so that they would reflect in addition the cost of the metal inputs. In the opposite situation, home market prices to non-tolled sales would somehow have to be adjusted downward.

These adjustments would present a serious administrative burden and raise methodological issues. Moreover, the tolling charge appears to be directly dependent on the the quality of the metal inputs. Thus, to make the adjustment would require us to examine each transaction to determine the quality of the inputs. On methodological grounds, such adjustments raise the issue of how to allocate profit between the material inputs and processing activities when adding or subtracting material costs.

Accordingly, where there were a significant number of tolled sales in the United States, we asked the respondents to provide information on home market tolled sales. We then compared prices of tolled sales in the United States to tolled sales in the home market. Similarly, we compared prices of non-tolled sales in the United States to non-tolled sales in the home market. Where the number of tolled sales in the United States was insignificant, we compared only the non-tolled sales to the United States to the non-tolled sales in the home market.

In this investigation, because there was an insignificant number of tolled sales in the United States for Wieland, we did not ask Wieland to report tolled sales to the United States.

United States Price

As provided in section 772(b) of the Act, we used the purchase price of the subject merchandise to represent the United States price, where the merchandise was sold to unrelated purchasers prior to importation into the United States. We calculated purchase price based on the c.i.f. delivered, duty paid, packed price to unrelated purchasers in the United States. We made deductions, were appropriate, for foreign inland freight and insurance, brokerage and handling, ocean freight, marine insurance, U.S. duty, U.S. freight and insurance, and end-of-year loyalty rebates.

Where the merchandise was sold to unrelated purchasers after importation into the United States, we used exporter's sales price to represent the United States price, as provided in section 772(c) of the Act. We made deductions, where appropriate, for foreign inland freight and insurance, brokerage and handling, ocean freight, marine insurance, U.S. duty, U.S. freight and insurance, end-of-year loyalty rebates, credit expenses, other U.S. selling expenses and the value added through further manufacture prior to sale in the United States.

Foreign Market Value

In accordance with section 773(a) of the Act, we calculated foreign market value based on delivered, packed home market prices to unrelated purchasers. We made deductions, where appropriate, for inland freight, handling, and insurance. For U.S. purchase price sales, we made an adjustment under section 353.15 of the Commerce Regulations for differences in circumstances of sale for credit expenses in the United States and home markets; for U.S. exporter's sales price transactions we made a deduction for home market credit expenses.

For both purchase price and exporter's sales price comparisons, we subtracted home market packing and added U.S. packing to home market prices.

We established separate categories of "such or similar" merchandise, pursuant to section 771(16)(C) of the Act, on the basis of form of material (sheets or strips). In order to select the most similar products within a "such or similar" category, we made comparisons of "such or similar" merchandise groups based on grade (chemical composition), coating and dimensions.

When there was no identical product in the home market with which to compare a product sold to the United States, we made adjustments to similar merchandise to account for differences in the physical characteristics of the merchandise, in accordance with section 773(a)(4)(C) of the Act. These adjustments were based on differences in the costs of materials, direct labor and directly related factory overhead.

For Langenberg, we adjusted for differences in home market and U.S. unrelated party commissions. For Wieland, we offset home market unrelated commissions with indirect selling expenses in the United States, in accordance with § 353.15(c) of the Commerce Regulations.

We disallowed claimed adjustments by Wieland and Langenberg for costs associated with consignment warehousing. We disallowed these claims because we have no evidence from information on the record that these expenses constitute post-sale warehousing expenses.

Currency Conversion

For comparisons involving purchase price transactions, when calculating foreign market value, we made currency conversions from Deutsche marks to U.S. dollars in accordance with § 353.56(a) of our regulations, using the certified daily exchange rates furnished by the Federal Reserve Bank of New York. for comparisons involving exporter's sales price transactions, we used the official exchange rate for the date of purchase pursuant to section 615 of the 1984 Act rather than § 353.56(a)(2) of our regulations, as it supersedes that section of the regulations.

Verification

We will verify all information used in making our final determination in accordance with section 776(a) of the Act. We will use standard verification procedures, including examination of relevant sales and financial records of respondents.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of brass sheet and strip from the FRG that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the **Federal Register**. The U.S. Customs Service shall require a cash deposit or the posting of a bond on all entries equal to the estimated weighted-average amount by which the foreign market value of the merchandise subject to this investigation exceeds the United States

price as shown in the table below. The suspension of liquidation will remain in effect until further notice. The margins are as follows:

Manufacturers/sellers/exporters	Weighted-average margin percentage
Wieland	5.35
Langenberg	24.14
All others	9.98

ITC Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all priviledged and business proprietary information in our files, provided the ITC confirms in writing that it will not disclose such information either publicly or under an administrative protective order without the consent of the Deputy Assistant Secretary for Import Administration. The ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry prior to the later of 120 days after our preliminary affirmative determination or 45 days after we make our final determination.

Public Comment

In accordance with § 353.47 of our regulations (19 CFR 353.47), if requested, we will hold a public hearing to afford interested parties an opportunity to comment on this preliminary determination at 10:00 a.m., on October 6, 1986, at the U.S. Department of Commerce, Room 3708, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Deputy Assistant Secretary, Import Administration, Room B–099, at the above address within ten days of this notice's publication. Requests should contain: (1) The party's name, address, and telephone number; (2) The number of participants; (3) The reason for attending; and (4) A list of the issues to be discussed. In addition, ten copies of any pre-hearing briefs must be submitted to the Deputy Assistant Secretary by September 30, 1986. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 353.46, written views will be considered if received not less than 30 days before the final determination or, if a hearing is held, within 10 days after the hearing transcript is available.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)).

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

August 18, 1986.

[FR Doc. 86–19020 Filed 8–21–86; 8:45 am]

BILLING CODE 3510-DS-M

[A-351-603]

Preliminary Determination of Sales at Less Than Fair Value: Brass Sheet and Strip From Brazil

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that brass sheet and strip from Brazil are being, or are likely to be, sold in the United States at less that fair value. We have notified the U.S. International Trade Commission (ITC) of our determination. We have directed the U.S. Customs Service to suspend the liquidation of all entries of brass sheet and strip from Brazil that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice, and to require a cash deposit or bond for each entry in an amount equal to the estimated dumping margin as described in the "Suspension of Liquidation" section of this notice.

If this investigation proceeds normally, we will make our final determination by November 3, 1986.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Jess Bratton or Charles E. Wilson, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 377–3963 or 377–5288.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that brass sheet and strip from Brazil are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act) (19 U.S.C. 1673b(b)). We made fair value comparisons on sales of the class or kind of merchandise to the United States by the sole respondent during the period of investigation, October 1, 1985 through March 31, 1986. Comparisons were based on United States price and foreign market value furnished by petitioners. We have preliminarily found the average margin for the company investigated to be 42.25 percent *ad valorem*.

Case History

On March 10, 1986, we received a petition in proper form filed by American Brass, Bridgeport Brass Company, Chase Brass and Copper Company, Hussey Metals Division, the Miller Company, Olin Corporation, and Revere Copper Products, Inc., domestic manufacturers of brass sheet and strip, and by the International Association of Machinists and Aerospace Workers, International Union—Allied Inustrial Workers of America (AFL–CIO), Mechanics Educational Society of America (Local 56), and United Steelworkers of America (AFL–CIO/CLC). The petition was filed on behalf of the U.S. industry that casts, rolls, and finishers brass sheet and strip. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports of the subject merchandise from Brazil are being, or are likely to be, sold in the United States at less than fair value within the meaning to section 731 of the Tariff Act to 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry.

We determined that the petition contained sufficient grounds upon which to initiate an antidumping duty investigation. We initiated such an investigation on March 31, 1986 (51 FR 11771, April 7, 1986), and notified the ITC of our action. On April 24, 1986, the ITC determined that there is a reasonable indication that imports of brass sheet and strip from Brazil materially injure a U.S. industry (USITC Pub. No. 1837).

On April 22, 1986, we presented an antidumping duty questionnaire to Eluma International (Eluma), which accounts for at least 60 percent of exports of the subject merchandise to the United States. We requested a response in 30 days. On May 19, 1986, at the request of Eluma, we granted a 14-day extension of the due date for the questionnaire response. We received a response on June 5. On June 26, we requested additional information from Eluma. We received a supplemental response on July 10. On July 17 and August 6, 1986, we again requested additional information. We have not received responses to these additional requests.

Scope of Investigation

The products covered by this investigation are brass sheet and strip, other than leaded brass and tin brass sheet and strip, currently classified under the *Tariff Schedules of the United States Annotated (TSUSA)* item numbers 612.3960, 612.3982, and 612.3986.

The chemical composition of the product under investigation is currently defined in the Copper Development Association (C.D.A.) 200 series or the Unified Numbering System (U.N.S.) C20000 series. Products whose chemical composition is defined by other C.D.A. or U.N.S. series are not covered by this investigation.

Fair Value Comparisons

To determine whether sales of the subject merchandise in the United States were made at less than fair value, we compared the United States price, based on the best information available, with the foreign market value, also based on the best information available. We used the best information available as required by section 776(b) of the Act, because we did not receive a timely or complete response.

United States Price

For purposes of our preliminary determination, we have not used sales data presented by respondent to calculate United States price. Instead of providing actual sales data, respondent has made an upward adjustment to United States price to reflect greater metal costs in the Brazilian home market. Respondent has not identified the amount of this adjustment. Therefore, we calculated the purchase price of brass sheet and strip on the basis of the best information available which is the ex-factory prices provided by petitioners. These prices were based on actual sales or offers made by a Brazilian producer and on monthly average unit values derived from the Bureau of Census import statistics. Petitioners arrived at ex-factory prices by deducting, where appropriate, estimated charges for ocean freight, insurance, customs duties and U.S. inland freight.

Foreign Market Value

For purposes of our preliminary determination, we also have not used sales data presented by respondent to calculate foreign market value. Respondent failed to provide cost data for differences in merchandise which were necessary for accurate comparisons. Therefore, we calculated the foreign market value of brass sheet and strip on the basis of the best information available which is the ex-factory prices furnished by petitioners. These prices were based on a Brazilian producer's ex-factory prices in the home maket.

Verification

We will verify all information used in making our final determination in accordance with section 776(a) of the Act. We will use standard verification procedures, including examination of relevant sales and financial records of Eluma.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of brass sheet and strip from Brazil that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the Federal Register. The U.S. Customs Service shall require a cash deposit or the positing of a bond on all entries equal to the estimated weighted-average amount by which the foreign market value of the merchandise subject to this investigation exceeds the United States price, which is 42.25 percent of the entered value of the merchandise. The suspension of liquidation will remain in effect until further notice.

Article VI.5 of the General Agreement on Tariffs and Trade provides that "[n]o product . . . shall be subject to both antidumping and countervailing duties to compensate for the same situation of dumping or export subsidization." This provision is implemented by section 772(d)(1)(D) of the Act, which prohibits assessing dumping duties on the portion of the margin attributable to export subsidies. We will consider this issue after we make a final countervailing duty determination.

ITC Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms in writing that it will not disclose such information either publicly or under an administrative protective order without the consent of the Deputy Assistant Secretary for Import Administration. The ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry prior to the later of 120 days after our preliminary affirmative determination or 45 days after we make our final determination.

Public Comment

In accordance with § 353.47 of our regulations (19 CFR 353.47), if requested, we will hold a public hearing to afford intersted parties an opportunity to comment on this preliminary determination at 10:00 a.m., on September 15, 1986, at the U.S. Department of Commerce, Room 1851, 14th Street and Constitution Avenue NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Deputy Assistant Secretary, Import Administration, Room B-099, at the above address within ten days of this notice's publication. Requests should contain: (1) The party's name, address, and telephone number; (2) The number of participants; (3) The reason for attending; and (4) A list of the issues to be discussed. In addition, ten copies of any pre-hearing briefs must be submitted to the Deputy Assistant Secretary by September 8, 1986. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 353.46, written views will be considered if received not less than 30 days before the final determination or, if a hearing is held, within 10 days after the hearing transcript is available.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)).

August 18, 1986.

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

[FR Doc. 86-19014 Filed 8-21-86; 8:45 am]

BILLING CODE 3510-DS-M

[A-122-601]

Preliminary Determination of Sales at Less than Fair Value: Brass Sheet and Strip from Canada

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that brass sheet and strip from Canada are being, or are likely to be, sold in the United States at less than fair value. We have notified the U.S. International Trade Commission (ITC) of our determination. We have directed the U.S. Customs Service to suspend the liquidation of all entries of brass sheet and strip from Canada that are entered,

or withdrawn from warehouse, for consumption, on or after the date of publication of this notice, and to require a cash deposit or bond for each entry in an amount equal to the estimated dumping margins as described in the "Suspension of Liquidation" section of this notice.

If this investigation proceeds normally, we will make our final determination by November 3, 1986.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Steven Lim or Charles Wilson, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 377–5332 or 377–5288.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that brass sheet and strip from Canada are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act) (19 U.S.C. 1673b(b)). We made fair value comparisons on approximately 80 percent of the sales of the class or kind of merchandise to the United States by these respondents during the period of investigation, October 1, 1985 through March 31, 1986. Comparisons were based on United States price and foreign market value, based on home market prices. We have preliminarily found the weighted-average margins for the companies investigated to be as listed in the "Suspension of Liquidation" section of this notice.

Case History

On March 10, 1986, we received a petition in proper form filed by American Brass, Bridgeport Brass Company, Chase Brass and Copper Company, Hussey Metals Division, the Miller Company, Olin Corporation—Brass Group, and Revere Copper Products, Inc., domestic manufacturers of brass sheet and strip, and by the International Association of Machinists and Aerospace Workers, International Union—Allied Industrial Workers of America (AFL–CIO), and Mechanics Educational Society of America (Local 56). The petition was filed on behalf of the U.S. industry that casts, rolls, and finishes brass sheet and strip.

In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports of the subject merchandise from Canada are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry.

We determined that the petition contained sufficient grounds upon which to initiate an antidumping duty investigation. We initiated such an investigation on March 31, 1986 (51 FR 11771, April 7, 1986) and notified the ITC of our action. On April 24, 1986, the ITC determined that there is a reasonable indication that imports of brass sheet and strip from Canada materially injure a U.S. industry (USITC Pub. No. 1837).

On April 29, 1986, we presented antidumping duty questionnaires to Arrowhead Metal Limited (Arrowhead) and to Noranda Metal Industries Limited (Noranda) which account for approximately 80 percent of exports of the subject merchandise to the United States. We requested a response in 30 days. On May 22 and 28, 1986, at the request of respondents, we granted a 14-day extension of the due date for the questionnaire response. We received responses on June 12. On June 24 and June 27, we requested additional information from the respondents. We received supplemental responses on July 7.

Another company, Ratcliffs (Canada) Limited filed a voluntary response on June 20, 1986. This response was incomplete and, therefore, was not used.

Scope of Investigation

The products covered by this investigation are brass sheet and strip, other than leaded brass and tin brass sheet and strip, currently classified under the *Tariff Schedules of the United States Annotated (TSUSA)* item numbers 612.3960, 612.3982, and 612.3986.

The chemical compositions of the products under investigation are currently defined in the Copper Development Association (C.D.A.) 200 series or the Unified Numbering System (U.N.S.) C20000 series. Products whose chemical compositions are defined by other C.D.A. or U.N.S. series are not covered by this investigation.

Fair Value Comparisons

In order to determine whether sales of the subject merchandise to the United States were made at less than fair value, we compared the United States purchase price with the foreign market value, based on home market prices.

For this merchandise, there are two types of sales: tolled and non-tolled. In tolled sales, the brass mill's customer provides the mill with the copper and/or zinc, or scrap, purchased from another source, which the mill converts into brass sheet or strip. The mill charges its customer only for the value of the conversion. In non-tolled sales, the brass mill produces brass sheet and strip from its own stocks of copper and zinc.

We have decided that the most accurate comparison is, when possible, to compare tolled sales to tolled sales and non-tolled sales to non-tolled sales. This type of "apples-to-apples" comparison achieves the most accurate results. If we were to compare the prices of tolled to non-tolled sales, extensive adjustments would have to be made. For example, if the U.S. transaction is a non-tolled sale, we would have to adjust home market prices for tolled sales so that they would reflect in addition the cost of the metal inputs. In the opposite situation, home market prices for non-tolled sales would somehow have to be adjusted downward.

These adjustments would present a serious administrative burden and raise methodological issues. Moreover, the tolling charge appears to be directly dependent on the quality of the metal inputs. Thus, to make the adjustment would require us to examine each transaction to determine the quality of the inputs. On methodological grounds, such adjustments raise the issue of how to allocate profit between the material inputs and processing activities when adding or subtracting material costs.

Accordingly, where there were a significant number of tolled sales in the United States, we asked the respondents to provide information on home market tolled sales. Whenever possible we compared prices of tolled sales in the United States to tolled sales in the home market. Similarly we compared prices of non-tolled sales in the United States to non-tolled sales in the home market. Where the number of tolled sales in the United States was small, we compared only the non-tolled sales to the United States to the non-tolled sales in the home market.

In this investigation, both respondents had a significant number of tolled sales to the United States. However, Noranda had no tolled sales in the home market. Therefore, for this company, we compared U.S. tolled sales to non-tolled sales in the home market. We requested information to make a downward adjustment to the non-tolled sales prices. Respondent did not provide us with this information. Consequently, we have used the unadjusted non-tolled sales prices in the home market as the best information available.

United States Price

As provided in section 772(b) of the Act, we used the purchase price of the subject merchandise to represent the United States price for certain sales because the merchandise was sold to unrelated purchasers prior to its importation into the United States. As provided in section 772(c) of the Act, we used the exporter's sales price of the subject merchandise to represent the United States price for other sales because the merchandise was sold to unrelated purchasers after importation into the United States.

We calculated the purchase price based on the c.&f. delivered, duty paid, packed price to unrelated customers in the United States. We made deductions, where appropriate, for discounts, for foreign inland freight, U.S. duty, U.S. brokerage, and U.S. inland freight. We disallowed Noranda's claim for an increase in the purchase price for a slitting cost incurred by an unrelated U.S. distributor, because such a claim is an inappropriate addition to purchase price. We calculated exporter's sale price by deducting, where appropriate, discounts, foreign inland freight, U.S. duty, U.S. brokerage and U.S. inland freight. We also made a deduction for credit expenses. Additional information on other selling expenses was requested in a supplemental questionnaire, but received too late to analyse. We will consider making a deduction for other selling expenses for our final determination.

Foreign Market Value

In accordance with section 773(a) of the Act, we calculated foreign market value based on f.o.b. delivered, packed home market prices to unrelated purchasers. We made deductions, where appropriate, for discounts and foreign inland freight. We made an adjustment for difference in circumstances of sales for credit expenses pursuant to § 353.15 of our regulations. We also deducted home market packing costs and added U.S. packing costs.

We established separate categories of "such or similar" merchandise, pursuant to section 771(16)(C) of the Act, on the basis of form of material (sheets or strips). In order to select the most similar products within a "such or similar" category, we made comparisons of "such or similar" merchandise groups based on grade (chemical composition), dimensions, special finishes and traverse wound coils.

For those categories where there were no identical products in the home market with which to compare products sold to the United States, we made adjustments to similar merchandise to account for differences in the physical characteristics of the merchandise, in accordance with section 773(a)(4)(C) of the Act. These adjustments were based on differences in the costs of materials, direct labor and directly related factory overhead. For tolled sales by Noranda to the United States, we were unable to make a difference in merchandise adjustment as this respondent did not furnish the required cost information.

Where U.S. purchase price sales involved unrelated party commissions, indirect selling expenses were granted as an offset for the cost of the U.S. commission expenses, in accordance with §353.15(c) of the Commerce Regulations.

Certain claims were disallowed in calculating foreign market value. Respondents claimed an adjustment in the home market for rebates. This claim was disallowed because such expenses are not shown to be directly related to specific sales.

Currency Conversion

For comparisons involving purchase price transactions, when calculating foreign market value, we made currency conversions from Canadian dollars to U.S. dollars in accordance with § 353.56(a) of our regulations, using the certified daily exchange rates furnished by the Federal Reserve Bank of New York. For comparisons involving exporter's sales price transactions, we used the official exchange rate for the date of purchase pursuant to section 615 of the Tariff and Trade Act of 1984. We followed section 615 of the 1984 Act rather than § 353.56(a)(2) of our regulations, as it supersedes that section of the regulations.

Verification

We will verify all information used in making our final determination in accordance with section 776(a) of the Act. We will use standard verification procedures, including examination of relevant sales and financial records of respondents.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of brass sheet and strip from Canada that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the **Federal Register**. The U.S. Customs Service shall require a cash deposit or the posting of a bond on all entries equal to the estimated weighted-average amount by which the foreign market value of the merchandise subject to this investigation exceeds the United States price as shown in the table below. The suspension of liquidation will remain in effect until further notice. The margins are as follows:

Manufacturers/sellers/exporters	Weighted-average margin percentage
Arrowhead	1.56
Noranda	11.89
All others	8.88

ITC Notification

In accordance with section 733(f) of the Act, we will notifiy the ITC of our determinations. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms in writing that it will not disclose such information either publicly or under an administrative protective order without the consent of the Deputy Assistant Secretary for Import Administration. The ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry prior to the later of 120 days after our preliminary affirmative determination or 45 days after we make our final determination.

Public Comment

In accordance with § 353.47 of our regulations (19 CFR 353.47), if requested, we will hold a public hearing to afford interested parties an opportunity to comment on this preliminary determination at 2:00 p.m., on September 15, 1986, at the U.S. Department of Commerce, Room 1851, 14th Street and Constitution Avenue NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Deputy Assistant Secretary, Import Administration, Room B-099, at the above address within ten days of this notice's publication. Requests should contain: (1) The party's name, address, and telephone number; (2) The number of participants; (3) The reason for attending; and (4) A list of the issues to be discussed. In addition, ten copies of any pre-hearing briefs must be submitted to the Deputy Assistant Secretary by September 8, 1986. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 353.46, written views will be considered if received not less than 30

days before the final determination or, if a hearing is held, within 10 days after the hearing transcript is available.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)).

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

August 18, 1986.

[FR Doc. 86-19015 Filed 8-21-86; 8:45 am]

BILLING CODE 3510-DS-M

[A-427-602]

Preliminary Determination of Sales at Less than Fair Value: Brass Sheet and Strip from France

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that brass sheet and strip from France are being, or are likely to be, sold in the United States at less than fair value. We have notified the U.S. International Trade Commission (ITC) of our determination. We have directed the U.S. Customs Service to suspend the liquidation of all entries of brass sheet and strip from France that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice, and to require a cash deposit or bond for each entry in an amount equal to the estimated dumping margin as described in the "Suspension of Liquidation" section of this notice.

If this investigation proceeds normally, we will make our final determination by November 3, 1986.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Charles E. Wilson, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 377-5288.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that brass sheet and strip from France are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act) (19 U.S.C. 1673b(b)). We made fair value comparisons on sales of the class or kind of merchandise to the United States by the sole respondent during the period of investigation, October 1, 1985 through March 31, 1986. Comparisons were based on United States price and foreign market value, based on home market prices provided by petitioners. We have preliminarily found the weighted-average margin for the company investigated to be 40.95 percent *ad valorem*.

Case History

On March 10, 1986, we received a petition in proper form filed by American Brass, Bridgeport Brass Company, Chase Brass and Copper Company, Hussey Metals Division, the Miller Company, Olin Corporation, and Revere Copper Products, Inc., domestic manufacturers of brass sheet and strip, and by the International Association of Machinists and Aerospace Workers, International Union-Allied Industrial Workers of America (AFL-CIO), Mechanics Educational Society of America (Local 56), and United Steelworkers of America (AFL-CIO/CLC). The petition was filed on behalf of the U.S. industry that casts, rolls, and finishes brass sheet and strip. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports of the subject merchandise from France are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry.

We determined that the petition contained sufficient grounds upon which to initiate an antidumping duty investigation. We initiated such an investigation on March 31, 1986 (51 FR 11774, April 7, 1986), and notified the ITC of our action. On April 24, 1986, the ITC determined that there is a reasonable indication that imports of brass sheet and strip from France materially injure a U.S. industry (USITC Pub. No. 1837).

On April 21, 1986, we presented an antidumping duty questionnaire to Trefimetaux S.A., which accounts for at least 60 percent of exports of the subject merchandise to the United States. We requested a response in 30 days. On May 19, 1986, at the request of Trefimetaux, we granted a 14-day extension of the due date for the questionnaire response. We received a response on June 6. On June 20, we requested additional information from Trefimetaux. We have not received a response to our supplemental request.

Scope of Investigation

The products covered by this investigation are brass sheet and strip, other than leaded brass and tin brass sheet and strip, currently classified under the *Tariff Schedules of the United States Annotated (TSUSA)* item numbers 612.3960, 612.3982, and 612.3986.

The chemical composition of the products under investigation is currently defined in the Copper Development Association (C.D.A.) 200 series or the Unified Numbering System (U.N.S.) C20000 series. Products whose chemical composition are defined by other C.D.A. or U.N.S. series are not covered by this investigation.

Fair Value Comparisons

To determine whether sales of the subject merchandise in the United States were made at less than fair value, we compared the United States price, based on selected information from the response, with the foreign market value, based on the best information available. We used the best information available as required by section 776(b) of the Act, because we did not receive a timely or complete response.

For this merchandise, there are two types of sales: tolled and non-tolled. In tolled sales, the brass mill's customer provides the mill with the copper and/or zinc, or scrap, purchased from another source, which the mill converts into brass sheet or strip. The mill charges its customer only for the value of the conversion. In non-tolled sales, the brass mill produces brass sheet and strip from its own stocks of copper and zinc.

We have decided that the most accurate comparison is, when possible, to compare tolled sales to tolled sales and non-tolled sales to non-tolled sales. This type of "apples-to-apples" comparison achieves the most accurate results. If we were to compare the prices of tolled to non-tolled sales, extensive adjustments would have to be made. For example, if the U.S. transaction is a non-tolled sale, we would have to adjust home market prices for tolled sales so that they would reflect in addition the cost of the metal inputs. In the opposite situation, home market prices for non-tolled sales would somehow have to be adjusted downward.

These adjustments would present a serious administrative burden and raise methodological issues. Moreover, the tolling charge appears to be directly dependent on the quality of the metal inputs. Thus, to make the adjustment would require us to examine each transaction to determine the quality of the inputs. On methodological grounds, such adjustments raise the issue of how to allocate profit between the material

inputs and processing activities when adding or subtracting material costs.

Accordingly, since there were no tolled sales in the United States, we did not ask the respondent to provide information on home market tolled sales. Therefore, we compared prices of non-tolled sales in the United States to non-tolled sales in the home market.

United States Price

For purposes of our preliminary determination, we have not used sales data presented by respondent to calculate exporter's sales price, since we did not receive requested information concerning the amount of any increased value resulting from a claimed manufacturing process performed after importation and before sale to a person who is not the exporter of the merchandise. We were able to calculate the purchase price of brass sheet and strip, as provided in section 772(b) of the Act, on the basis of respondent's c. & f., duty paid, packed price to unrelated purchasers in the United States. We made deductions for foreign inland freight, ocean freight and United States duty.

Foreign Market Value

In accordance with section 773(a), we used home market prices to determine foreign market value. Respondent failed to provide both a listing of home market sales for a related company and cost data for differences in merchandise, which were necessary for accurate comparisons. Therefore, we have used home market price information provided in the petition as the best information available, pursuant to section 776(b) of the Act. Using the French producer's home market prices alleged in the petition, we arrived at ex-factory prices by deducting discounts.

Verification

We will verify all information used in making our final determination in accordance with section 776(a) of the Act. We will use standard verification procedures, including examination of relevant sales and financial records of Trefimetaux.

Suspension of Liquidation

In accordance with section 733(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of brass sheet and strip from France that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the **Federal Register**. The U.S. Customs Service shall require a cash deposit or the posting of a bond on all entries equal to the estimated weighted-average amount by which the foreign market value of the merchandise subject to his investigation exceeds the United States price, which was 40.95 percent of the entered value of the merchandise. The suspension of liquidation will remain in effect until further notice.

Article VI.5 of the General Agreement on Tariffs and Trade provides that "[n]o product . . . shall be subject to both antidumping and countervailing duties to compensate for the same situation of dumping or export subsidization." This provision is implemented by section 772(d)(1)(D) of the Act, which prohibits assessing dumping duties on the portion of the margin attributable to export subsidies. We will consider this issue after we make a final countervailing duty determination.

ITC Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms in writing that it will not disclose such information either publicly or under an administrative protective order without the consent of the Deputy Assistant Secretary for Import Administration. The ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry prior to the later of 120 days after our preliminary affirmative determination or 45 days after we make our final determination.

Public Comment

In accordance with § 353.47 of our regulations (19 CFR 353.47), if requested, we will hold a public hearing to afford interested parties an opportunity to comment on this preliminary determination at 10:00 a.m., on September 16, 1986, at the U.S. Department of Commerce, Room 1851, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Deputy Assistant Secretary, Import Administration, Room B-099, at the above address within ten days of this notice's publication. Requests should contain: (1) The party's name, address, and telephone number; (2) The number of participants; (3) The reason for attending; and (4) A list of the issues to be discussed. In addition, ten copies of any pre-hearing briefs must be submitted to the Deputy Assistant Secretary by September 8, 1986. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 353.46, written views will be considered if received not less than 30 days before the final determination or, if a hearing is held, within 10 days after the hearing transcript is available.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)).

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

August 18, 1986.

[FR Doc. 86-19016 Filed 8-21-86; 8:45 pm]

BILLING CODE 3510-DS-M

[A-475-601]

Preliminary Determination of Sales at Less Than Fair Value; Brass Sheet and Strip From Italy

AGENCY: Import Administration, International Trade Administration, Commerce.

ACTION: Notice.

SUMMARY: We preliminarily determine that brass sheet and strip from Italy are being, or are likely to be, sold in the United States at less than fair value. We have notified the U.S. International Trade Commission (ITC) of our determination. We have directed the U.S. Customs Service to suspend liquidation of all entries of brass sheet and strip from Italy that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice, and to require a cash deposit or bond for each entry in an amount equal to the estimated dumping margins as described in the "Suspension of Liquidation" section of this notice.

If this investigation proceeds normally, we will make our final determination by November 3, 1986.

EFFECTIVE DATE: August 22, 1986.

FOR FURTHER INFORMATION CONTACT: Paul Tambakis or Charles Wilson, Office of Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 377-4136 or 377-5288.

SUPPLEMENTARY INFORMATION:

Preliminary Determination

We preliminarily determine that brass sheet and strip from Italy are being, or are likely to be, sold in the United States at less than fair value, as provided in

section 733(b) of the Tariff Act of 1930, as amended (the Act) (19 U.S.C. 1673b(b)). We made fair value comparisons on sales of the class or kind of merchandise to the United States by the sole respondent during the period of investigation, October 1, 1985 through March 31, 1986. Comparisons were based in United States price and foreign market value, based on home market prices. We have preliminarily found the weighted-average margin for the company investigated to be 4.02 percent, *ad valorem*.

Case History

On March 10, 1986, we received a petition in proper form filed by American Brass, Bridgeport Brass Company, Chase Brass and Copper Company, Hussey Metals Division, the Miller Company, Olin Corporation—Brass Group, and Revere Copper Products, Inc., domestic manufacturers of brass sheet and strip, and by the International Association of Machinists and Aerospace Workers, International Union—Allied Industrial Workers of America (AFL–CIO), Mechanics Educational Society of America (Local 56), and United Steelworkers of America (AFL–CIO/CLC). The petition was filed on behalf of the U.S. industry that casts, rolls, and finishes brass sheet and strip. In compliance with the filing requirements of § 353.36 of the Commerce Regulations (19 CFR 353.36), the petition alleged that imports of the subject merchandise from Italy are being, or are likely to be, sold in the United States at less than fair value within the meaning of section 731 of the Tariff Act of 1930, as amended (the Act), and that these imports materially injure, or threaten material injury to, a U.S. industry.

We determined that the petition contained sufficient grounds upon which to initiate an antidumping duty investigation. We initiated such an investigation on March 31, 1986 (51 FR 11774, April 7, 1986), and notified the ITC of our action. On April 24, 1986, the ITC determined that there is a reasonable indication that imports of brass sheet and strip from Italy materially injure a U.S. industry (USITC Pub. No. 1837).

On April 18, 1986, we presented an antidumping duty questionnaire to La Metalli Industriale S.p. A. (LMI), which accounts for at least 60 percent of exports of the subject merchandise to the United States. We requested a response in 30 days. On May 21, 1986, at the request of LMI, we granted a 14-day extension of the due date for the questionnaire response. We received a response on June 2. On June 16, we requested additional information from LMI. We received supplemental responses on June 30 and July 14.

Scope of Investigation

The products covered by this investigation are brass sheet and strip, other than leaded brass and tin brass sheet and strip, currently classified under the *Tariff Schedules of the United States Annotated (TSUSA)* item numbers 612.3960, 612.3982, and 612.3986.

The chemical composition of the products under investigation is currently defined in the Copper Development Association (C.D.A.) 200 series or the Unified Numbering Systems (U.N.S.) C20000 series. Products whose chemical composition are defined by other C.D.A. or U.N.S. series are not covered by this investigation.

Fair Value Comparisons

In order to determine whether sales of the subject merchandise to the United States were made at less than fair value, we compared the United States purchase price with the foreign market value, based on home market prices.

For this merchandise, there are two types of sales: tolled and non-tolled. In tolled sales, the brass mill's customer provides the mill with the copper and/or zinc, or scrap, purchased from another source, which the mill converts into brass sheet or strip. The mill charges its customer only for the value of the conversion. In non-tolled sales, the brass mill produces brass sheet and strip from its own stocks of copper and zinc.

We have decided that the most accurate comparison is, when possible, to compare tolled sales to tolled sales and non-tolled sales to non-tolled sales. This type of "apples-to-apples" comparison achieves the most accurate results. If we were to compare the prices of tolled to non-tolled sales, extensive adjustments would have to be made. For example, if the U.S. transaction is a non-tolled sale, we would have to adjust home market prices for tolled sales so that they would reflect in addition the cost of the metal inputs. In the opposite situation, home market prices for non-tolled sales would somehow have to be adjusted downward.

These adjustments would present a serious administrative burden and raise methodological issues. Moreover, the tolling charge appears to be directly dependent on the quality of the metal inputs. Thus, to make the adjustment would require us to examine each transaction to determine the quality of the inputs. On methodological grounds, such adjustments raise the issue of how to allocate profit between the material inputs and processing activities when adding or subtracting material costs.

Accordingly, since there were no tolled sales in the United States, we did not ask the respondent to provide information on home market tolled sales. Therefore, we compared prices of non-tolled sales in the United States to non-tolled sales in the home market.

United States Price

As provided in section 772(b) of the Act, we used the purchase price of the subject merchandise to represent the United States price, since the merchandise was sold to unrelated puchasers prior to importation into the United States. We calculated the purchase price based on the f.o.b., c.i.f. or c.i.f. duty paid, packed price to unrelated purchasers in the United States.

We made deductions, where appropriate, for foreign inland freight and insurance, brokerage in Italy and the United States, ocean freight, marine insurance, U.S. duty, U.S. freight and insurance.

Foreign Market Value

In accordance with section 773(a) of the Act, we calculated foreign market value based on f.o.b. packed home market prices to unrelated purchasers. We made deductions, where appropriate, for inland freight, insurance and rebates. We made adjustments for differences in circumstances of sale for credit expenses, advertising and technical services pursuant to § 353.15 of our regulations. We also adjusted for differences in packing costs.

We established separate categories of "such or similar" merchandise, pursuant to section 771(16)(C) of the Act, on the basis of form of material (sheets or strips). In order to select the most similar products within a "such or similar" category, we made comparisons of "such or similar" merchandise groups based on grade (chemical composition), dimensions, special finishes and traverse wound coils.

Where there were no identical products in the home market with which to compare products sold to the United States, we made adjustments to similar merchandise to account for differences in the physical characteristics of the merchandise, in accordance with section 773(a)(4)(C) of the Act. These adjustments were based on differences in the costs of materials, direct labor and directly related factory overhead.

An adjustment was also made, where appropriate, for the differences between commissions on sales to the United

States and indirect selling expenses in the home market used as an offset to U.S. commissions, in accordance with § 353.15(c) of the Commerce Regulations.

Certain claims were disallowed in calculating foreign market value. LMI claimed an adjustment in the home market for currency hedging expenses to safeguard against exchange rate fluctuations, associated with the purchase of imported raw materials used to produce brass sheet and strip sold in Italy. This claim was disallowed because such expenses are not viewed by the department as directly related to the sales in question. Rather, the transaction costs of engaging in these hedging operations are considered to be related to the general operations of the company.

LMI also claimed an adjustment for inventory financing costs associated with maintenance of inventory for immediate sale to home market customers. We disallowed this claim because these expenses were incurred prior to sale and, therefore, are not directly related to specific sales.

We also disallowed the portion of LMI's technical service claim attributable to salaries because we do not consider salaries which would have been paid to be direct expenses. We also disallowed the portion of LMI's technical service claim related to the amortization of laboratory machinery and related equipment, because these are fixed expenses. Only that portion of the home market claim reflecting travel expenses for customer service was allowed.

Lastly, LMI requested an adjustment to home market prices for an expedited handling fee charged to customers to cover administrative costs on sales made directly from warehouse. We disallowed this claim as a circumstance-of-sale adjustment because of insufficient evidence that these administrative expenses are directly related to the home market sales on which this claim was made. Instead, we included these costs in the total amount of home market indirect selling expenses used to offset unrelated U.S. commissions. We will seek further information on this claim for our final determination.

Currency Conversion

In calculating foreign market value, we made currency conversions from Italian Lira to U.S. dollars in accordance with §353.56(a) of our regulations, using the certified daily exchange rates furnished by the Federal Reserve Bank of New York.

Verification

We will verify all information used in making our final determination in accordance with section 776(a) of the Act. We will use standard verification procedures, including examination of relevant sales and financial records of LMI.

Suspension of Liquidation

In accordance with section 773(d) of the Act, we are directing the U.S. Customs Service to suspend liquidation of all entries of brass sheet and strip from Italy that are entered, or withdrawn from warehouse, for consumption, on or after the date of publication of this notice in the **Federal Register**. The U.S. Customs Service shall require a cash deposit or the posting of a bond on all such entries equal to the estimated weighted-average amount by which the foreign market value of the merchandise subject to this investigation exceeds the United States price, which was 4.02 percent of the entered value of the merchandise. The suspension of liquidation will remain in effect until further notice.

ITC Notification

In accordance with section 733(f) of the Act, we will notify the ITC of our determination. In addition, we are making available to the ITC all nonprivileged and nonproprietary information relating to this investigation. We will allow the ITC access to all privileged and business proprietary information in our files, provided the ITC confirms in writing that it will not disclose such information either publicly or under an administrative protection order without the consent of the Deputy Assistant Secretary for Import Administration. The ITC will determine whether these imports materially injure, or threaten material injury to, a U.S. industry prior to the later of 120 days after our preliminary affirmative determination or 45 days after we make our final determination.

Public Comment

In accordance with §353.47 of our regulations (19 CFR 353.47), if requested, we will hold a public hearing to afford interested parties an opportunity to comment on this preliminary determination at 2:00 p.m., on September 16, 1986, at the U.S. Department of Commerce, Room 1851, 14th Street and Constitution Avenue, NW., Washington, DC 20230. Individuals who wish to participate in the hearing must submit a request to the Deputy Assistant Secretary, Import Administration, Room B–099, at the above address within ten days of this notice's publication. Requests should contain: (1) The party's name, address, and telephone number; (2) The number of participants; (3) The reason for attending; and (4) A list of the issues to be discussed. In addition, ten copies of any pre-hearing briefs must be submitted to the Deputy Assistant Secretary by September 9, 1986. Oral presentations will be limited to issues raised in the briefs. In accordance with 19 CFR 353.46, written views will be considered if received not less than 30 days before the final determination or, if a hearing is held, within 10 days after the hearing transcript is available.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)).

Joseph A. Spetrini,

Acting Deputy Assistant Secretary for Import Administration.

August 18, 1986.

[FR Doc. 86–19017 Filed 8–21–86; 8:45 am]

BILLING CODE 3510–05–M

Norwich University; Decision on Application for Duty-Free Entry of Scientific Instrument

This decision is made pursuant to section 6(c) of the Educational, Scientific, and Cultural Materials Importation Act of 1966 (Pub. L. 89–651, 80 Stat. 897; 15 CFR Part 301). Related records can be viewed between 8:30 AM and 5:00 PM in Room 1523, U.S. Department of Commerce, 14th and Constitution Avenue, NW., Washington, DC.

Docket No.: 86–230. Applicant: Norwich University, Northfield, VT 05663. Instrument: Electromagnetic Geophysical Instrument, Model EM–16. Manufacturer: Geonics Limited, Canada. Intended use: See notice at 51 FR 23255.

Comments: None received.

Decision: Approved. No instrument of equivalent scientific value to the foreign instrument, for such purposes as it is intended to be used, is being manufactured in the United States.

Reasons: The foreign instrument is capable of measuring the quad phase and the in-phase secondary field in mapping geological structure and fault tracing. This capability is pertinent to the applicant's intended purpose. We know of no domestic instrument or apparatus of equivalent scientific value to the foreign instrument for the applicant's intended use.

(Catalog of Federal Domestic Assistance Program No. 11.105, Importation of Duty-Free Educational and Scientific Materials)

Frank W. Creel,

Director, Statutory Import Programs Staff.

[FR Doc. 86-19021 Filed 8-21-86; 8:45 am]

BILLING CODE 3510-DS-M

National Oceanic and Atmospheric Administration

South Atlantic Fishery Management Council, Amended Meeting Notice; Closed

AGENCY: National Marine Fisheries Service, NOAA, Commerce.

The agenda for the South Atlantic Fishery Management Council's public meeting, August 18–22, 1986, as published in the **Federal Register** (July 31, 1986, page 27440), has been amended to include a closed session (not open to the public) to discuss litigation relative to Fishery Management Plans. The South Atlantic Council will convene the closed session August 20, 1986, from 1:30 p.m. to 2:30 p.m. All other information remains unchanged. For further information contact Robert K. Mahood, Executive Director, South Atlantic Fishery Management Council, One Southpark Circle, Suite 306, Charleston, SC 29407; telephone: (803) 571–4366.

Dated: August 19, 1986.

Richard B. Roe,

Director, Office of Fisheries Management, National Marine Fisheries Service.

FR Doc. 86-19058 Filed 8-19-86; 5:00 pm]

BILLING CODE 3510-22-M

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Request for Public Comment on Bilateral Textile Consultations with the Government of the People's Republic of China Concerning Cotton and Wool Textile Products in Categories 319/320pt. and 442

August 18, 1986.

The Chairman of the Committee for the Implementation of Textile Agreements (CITA), under the authority contained in E.O. 11651 of March 3, 1972, as amended, has issued the directive published below to the Commissioner of Customs to be effective on August 25, 1986. For further information contact Diana Solkoff, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 377–4212.

Background

On July 29, 1986, pursuant to the terms of the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of August 19, 1983, as amended, between the Governments of the United States and the People's Republic of China, the Government of the United States requested consultations concerning imports into the United States of cotton duck fabric in Category 319/320pt. (only TSUS items 320.—through 331.—with statistical suffix 66), and wool skirts and culottes in Category 442, produced or manufactured in China and exported to the United States.

Summary market statements concerning these categories follow this notice.

A description of the textile categories in terms of T.S.U.S.A. numbers was published in the **Federal Register** on December 13, 1982 (47 FR 55709), as amended on April 7, 1983 (48 FR 15175), May 3, 1983 (48 FR 19924), December 14, 1983 (48 FR 55607), December 30, 1983 (48 FR 57584) April 4, 1984 (49 FR 13397), June 28, 1984 (49 FR 26622), July 16, 1984 (49 FR 28754), November 9, 1984 (49 FR 44782), and in Statistical Headnote 5, Schedule 3 of the TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1986).

Anyone wishing to comment or provide data or information regarding the treatment of Categories 319/320pt. and 442 under the agreement with the People's Republic of China, or on any other aspect thereof, or to comment on domestic production or availability of textile products included in these categories, is invited to submit such comments or information in ten copies to Mr. William H. Houston III, Chairman, Committee for the Implementation of Textile Agreements, International Trade Administration, U.S. Department of Commerce, Washington, D.C. 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 and Constitution Avenue, NW., Washington, D.C., 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 of the exemption contained in 5 U.S.C. 553(a)(1) relating to matters which constitute "a foreign affairs function of the United States."

Pursuant to the terms of the bilateral agreement, the People's Republic of China is obligated under the consultation provision to limit its exports to the United States of cotton and wool textile products in the following categories during the ninety-day period which began on July 29, 1986 and extends through October 26, 1986 to the following levels:

Category	90-day restraint level
319/320pt.	399,274 square yards.
442	8,633 dozen.

The People's Republic of China is also obligated under the bilateral agreement, if no mutually satisfactory solution is reached during consultations, to limit its exports to the United States during the twelve-months following the ninety-day consultation period (October 27, 1986–October 26, 1987) to the following levels:

Category	12-month restraint level
319/320pt.	1,113,516 square yards.
442	20,188 dozen.

The United States Government has decided, pending a mutually satisfactory solution, to control imports of textile products in Categories 319/320pt. and 442 exported during the ninety-day period at the levels described above. The United States remains committed to finding a solution concerning these categories. Should such a solution be reached in consultations with the Government of the People's Republic of China, further notice will be published in the **Federal Register.**

In the event the limits established for Categories 319/320pt. and 442 for the ninety-day period are exceeded, such excess amounts, if allowed to enter, will be charged to the levels defined in the agreement for the subsequent twelve-month period.

SUPPLEMENTARY INFORMATION: On December 30, 1985 a letter to the Commissioner of Customs was published in the **Federal Register** (50 FR 53182) from the Chairman of the Committee for the Implementation of Textile Agreements which established restraint limits for certain categories of cotton, wool and man-made fiber textile products, produced or manufactured in the People's Republic of China and exported during 1986. The notice which preceded that letter referred to the

consultation mechanism which applies to categories of textile products under the bilateral agreement, such as Categories 319/320pt. and 442, which are not subject to specific ceilings and for which levels may be established during the year. In the letter to the Commissioner of Customs which follows this notice, ninety-day levels are established for those categories.

Donald R. Foote,

Acting Chairman, Committee for the Implementation of Textile Agreements.

China—Market Statement

Category 319/320 Pt.—Cotton Duck Fabric

July 1986.

Summary and Conclusions

United States imports of cotton duck fabric—Category 319/320 Pt.—from China were 1.1 million square yards for the year ending May 1986. This compares with 404 thousand square yards for the same period one year earlier.

The market for cotton duck fabric is being disrupted by imports and imports from China contributed to the market disruption. Continuation of the growth of imports from China would further the disruption.

Production and Market Share

U.S. production of cotton duck fabric fell sharply, 19 percent, in 1985 and continues to decline. Production during the first quarter of 1986 was 13.8 million square yards, down 47 percent from the same period a year earlier. The U.S. producers' share of the market for domestically produced and imported cotton duck fabric was 56 percent in 1985. The ratio dropped to 38 percent during the first quarter of 1986.

Imports and Import Penetration

U.S. imports of cotton duck fabric from all sources were 22.9 million square yards for the first quarter of 1986, up 20 percent from the 19.0 million square yards imported in the first quarter of 1985.

The ratio of imports to domestic production more than doubled, increasing from 74 percent during the first quarter in 1985 to 168 percent for the first quarter 1986.

Import Values

Approximately 94 percent of China's Category 319/320 Pt. imports are entered under TSUSA 326.1963. This is a lightweight cotton duck fabric not fancy or figured, of 10 yarn count. This fabric is being entered at duty-paid values well below the U.S. producer price for comparable fabrics.

Summary and Conclusions

U.S. imports of Category 442 from China were 8,982 dozen during the first five months of 1986, a 265 percent increase over the January–May 1985 level. Imports from China accounted for 64 percent of the increase in Category 442 imports from the world during the first five months of 1986 compared to the same period in 1985.

In 1985 China was the tenth largest supplier of Category 442 imports. Based on the year-to-date May 1986 data, China is now the third largest supplier.

The U.S. market for Category 442 has been disrupted by imports. The sharp and substantial increase of imports from China has contributed to this disruption.

U.S Production and Market Share

U.S. production of wool skirts continues to decline. U.S. production declined 9 percent in 1983 and another 19 percent in 1984. During this same period wool skirt imports increased nearly three-fold. The U.S. producers' share of the wool skirt market fell from 92 percent in 1982 to 75 percent in 1984.

U.S. Imports and Import Penetration

U.S. imports of Category 442 increased from 131 thousand dozen in 1982 to 353 thousand dozen in 1984, a 169 percent increase. Imports continued to grow reaching 444 thousand dozen in 1985, a 26 percent increase over the previous year. Imports are up 15 percent in the first five months of 1986. The ratio of imports to domestic production increased from 9 percent in 1982 to 19 percent in 1983 to 34 percent in 1984.

Duty-Paid Value and U.S. Producers' Price

Approximately 90 percent of Category 442 imports from China during the first five months of 1986 entered the U.S. under TSUSA No. 384.6340—women's and girls' wool knit skirts not ornamented over five U.S. dollars per pound. These skirts are entered at duty-paid landed values below the U.S. producers' price for comparable skirts.

August 18, 1986.

Committee for the Implementation of Textile Agreements

Commissioner of Customs
Department of the Treasury, Washington, D.C. 20229

Dear Mr. Commissioner: Under the terms of Section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854), and the Arrangement Regarding International Trade in Textiles done at Geneva on December 20, 1973, as extended on December 15, 1977 and December 22, 1981; pursuant to the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of August 19, 1983, as amended, between the Governments of the United States and the People's Republic of China; and in accordance with the provisions of Executive Order 11651 of March 3, 1972, as amended, you are directed to prohibit, effective on August 25, 1986, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton and wool textile products in Categories 319/320pt.[1] and 442, produced or manufactured in the People's Republic of China and exported during the ninety-day period which began on July 29, 1986 and extends through October 26, 1986, in excess of the following levels of restraint:

Category	90-day restraint level [2]
319/320pt.	399,274 square yards.
442	8,633 dozen.

[2] The limits have not been adjusted to account for any imports exported after July 28, 1986.

[1] In Category 320, only TSUS items 320.— through 331.— with statistical suffix 60.

Textile products in Categories 319/320pt. and 442 which have been exported to the United States prior to July 29, 1986 shall not be subject to this directive.

Textile products in Categories 319/320pt. and 442 which have been released from the custody of the U.S. Customs Service under the provisions of 19 U.S.C. 1448(b) or 1484(a)(1)(A) prior to the effective date of this directive shall not be denied entry under this directive.

A description of the textile categories in terms of T.S.U.S.A. numbers was published in the **Federal Register** on December 13, 1982 (47 FR 55709), as amended on April 7, 1983 (48 FR 15175), May 3, 1983 (48 FR 19924), December 14, 1983 (48 FR 55607), December 30, 1983 (48 FR 57584), April 4, 1984 (49 FR 13397), June 28, 1984 (49 FR 26622), July 16, 1984 (49 FR 28754), November 9, 1984 (49 F.R. 44782), and in Statistical Headnote 5, Schedule 3 of the TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1986).

In carrying out the above directions, the Commissioner of Customs should construe entry into the United States for consumption to include entry for consumption into the Commonwealth of Puerto Rico.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553 (a)(1).

Sincerely,

Donald R. Foote,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 86-19013 Filed 8-21-86; 8:45 am]

BILLING CODE 3510-DR-M

COMMITTEE FOR PURCHASE FROM THE BLIND AND OTHER SEVERELY HANDICAPPED

Procurement List 1986; Addition

AGENCY: Committee for Purchase from the Blind and Other Severely Handicapped.

ACTION: Addition to Procurement List.

SUMMARY: This action adds to Procurement List 1986 a service to be provided by workshops for the blind or other severely handicapped.

EFFECTIVE DATE: August 22, 1986.

ADDRESS: Committee for Purchase from the Blind and Other Severely Handicapped, Crystal Square 5, Suite 1107, 1755 Jefferson Davis Highway, Arlington, Virginia 22202-3509.

FOR FURTHER INFORMATION CONTACT: C.W. Fletcher, (703) 557-1145.

SUPPLEMENTARY INFORMATION: On June 20, 1986 the Committee for the Purchase from the Blind and Other Severely Handicapped published a notice (51 FR 22540) of proposed additions to Procurement List 1986, October 15, 1985 (50 FR 41809).

Addition

After consideration of the relevant matter presented, the Committee has determined that the service listed below is suitable for procurement by the Federal Government under 41 U.S.C. 46–48c, 85 Stat. 77 and 41 CFR 51–2.6.

I certify that the following action will not have a significant impact on a substantial number of small entities. The major factors considered were:

a. The action will not result in any additional reporting, recordkeeping or other compliance requirements.

b. The action will not have a serious economic impact on any contractors for the service listed.

c. The action will result in authorizing small entities to produce the service procured by the Government.

Accordingly, the following service is hereby added to Procurement List 1986: Janitorial/Custodial, Westover Air Force Base, Massachusetts.

C.W. Fletcher,

Executive Director.

[FR Doc. 86–18996 Filed 8–21–86; 8:45 am]

BILLING CODE 6820-33-M

DEPARTMENT OF DEFENSE

Office of the Secretary

Defense Intelligence Agency Scientific Advisory Committee; Closed Meeting

AGENCY: Office of the Secretary, Defense.

ACTION: Notice of Closed Meeting.

SUMMARY: Pursuant to the provisions of subsection (d) of section 10 of Pub. L. 92–463, as amended by section 5 of Pub. L. 94–409, notice is hereby given that a closed meeting of a panel of the DIA Scientific Advisory Committee has been scheduled as follows:

DATE: Friday, 5 September 1986, 9:00 a.m. to 5:00 p.m.

ADDRESS: The DIAC, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Lt. Col. Harold E. Linton, USAF, Executive Secretary, DIA Scientific Advisory Committee, Washington, DC 20301 (202/373–4930).

SUPPLEMENTARY INFORMATION: The entire meeting is devoted to the discussion of classified information as defined in section 552b(c)(1), Title 5 of the U.S. Code and therefore will be closed to the public. Subject matter will be used in a special study on future initiative in emergency planning.

Patricia H. Means,

OSD Federal Register Liaison Officer, Department of Defense.

August 19, 1986.

[FR Doc. 86–19031 Filed 8–21–86; 8:45 am]

BILLING CODE 3810-01-M

Defense Science Board Task Force on LHX Requirements; Meeting

AGENCY: Office of the Secretary, DOD.

ACTION: Notice of Advisory Committee Meetings.

SUMMARY: The Defense Science Board Task Force on LHX Requirements will meet in closed session on September 11, 1986 at the MITRE Corporation, McLean, Virginia.

The mission of the Defense Science Board is to advise the Secretary of Defense and the Under Secretary of Defense for Research and Engineering on scientific and technical matters as they affect the perceived needs of the Department of Defense. At this meeting the Task Force will evaluate the Army's current requirements for the LHX helicopter.

In accordance with section 10(d) of the Federal Advisory Committee Act, Pub. L. No. 92–463, as amended (5 U.S.C. App. II, (1982)), it has been determined that this DSB Panel meeting, concerns matters listed in 5 U.S.C. 552b(c)(1) (1982), and that accordingly this meeting will be closed to the public.

Patricia H. Means,

OSD Federal Register Liaison Officer, Department of Defense.

August 18, 1986.

[FR Doc. 86–19032 Filed 8–21–86; 8:45 am]

BILLING CODE 3810-01-M

Defense Science Board Task Force on Pacific Command Air Defense; Meeting

AGENCY: Office of the Secretary, DOD.

ACTION: Notice of Advisory Committee Meetings.

SUMMARY: The Defense Science Board Task Force on Pacific Command Air Defense will meet in closed session on October 3, 1986 in the Pentagon, Washington, DC and November 6–7, 1986 in CINCPAC Headquarters, Pearl Harbor, Hawaii.

The mission of the Defense Science Board is to advise the Secretary of Defense and the Under Secretary of Defense for Research and Engineering on scientific and technical matters as they affect the perceived needs of the Department of Defense. At these meetings the Task Force will examine defense capabilities for shore installations in the Pacific Command and assess relevant technology, equipment, and modernization plans.

In accordance with section 10(d) of the Federal Advisory Committee Act, Pub. L. No. 92–463, as amended (5 U.S.C. App. II, (1982)), it has been determined that these DSB Panel meetings, concerns matters listed in 5 U.S.C. 552(c)((1) (1982), and that accordingly these meetings will be closed to the public.

August 18, 1986.

Patricia H. Means,

OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 86–19033 Filed 8–21–86; 8:45 am]

BILLING CODE 3810-01-M

Defense Science Board Task Force on Follow on Forces Attack; Meeting

AGENCY: Office of the Secretary, DOD.

ACTION: Notice of Advisory Committee Meetings.

SUMMARY: The Defense Science Board Task Force on Follow on Forces Attack will meet in closed session on September 3–4, 1986 in the Pentagon, Arlington, Virginia.

The mission of the Defense Science Board is to advise the Secretary of Defense and the Under Secretary of Defense for Research and Engineering on scientific and technical matters as they affect the perceived needs of the Department of Defense. At these meetings the Task Force will continue to review, in detail, classified material associated with conventional military capabilities in NATO to include special targeting requirements.

In accordance with section 10(d) of the Federal Advisory Committee Act, Pub. L. No. 92–463, as amended (5 U.S.C. App. II, (1982)), it has been determined that these DSB Panel meetings, concerns matters listed in 5 U.S.C. 552(c)((1) (1982), and that accordingly these meetings will be closed to the public.

August 18, 1986.

Patricia H. Means,

OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 86–19034 Filed 8–21–86; 8:45 am]

BILLING CODE 3810-01-M

Department of the Air Force

Air Force Activities for Conversion to Contract

ACTION: Notice.

The Air Force recently determined that the following functions and locations will be examined for conversion to contract: the Retail Sales Warehouse function at Altus AFB, OK; Bolling AFB, DC; Cannon AFB, NM; Chanute AFB, IL; Dover AFB, DE; Edwards AFB, CA; Ellsworth AFB, SD; Fairchild AFB, WA; Hanscom AFB, MA; Hill AFB, UT; Holloman AFB, NM; Malmstrom AFB, MT; McClellan AFB, CA; McConnell AFB, KS; Minot AFB, ND; Mt Home AFB, ID; Norton AFB, CA; Peterson AFB, CO; Scott AFB, IL; Tyndall AFB, FL; Beale AFB, CA; Castle AFB, CA; Dyess AFB, TX; England AFB, LA; F.E. Warren AFB, WY; George AFB, CA; Grand Forks AFB, ND; Kelly AFB, TX; K.I. Sawyer AFB, MI; March AFB, CA; Pease AFB, NH; Plattsburgh AFB, NY; Robins AFB, GA; Seymour Johnson AFB, NC; Shaw AFB, SC; Sheppard AFB, TX; USAF Academy, CO; Vandenburg AFB, CA; and Williams AFB, AZ.

For further information contact Mr. Jack Flenner, HQ AFCOMS/XPMO, (512) 925-6692, Kelly AFB, TX 78214-6290.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 86-18949 Filed 8-21-86; 8:45 am]

BILLING CODE 3910-01-M

Air Force Activities for Conversion to Contract

ACTION: Notice.

The Air Force recently determined that the Administrative Switchboard functions at Loring AFB, ME and Blytheville AFB, AR will be examined for conversion to contract.

For further information contact Ms. Jean Webster, HQ AFCC/XPMQA, Scott AFB, IL, 62225-6001, telephone (618) 256-5255.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 86-18952 Filed 8-21-86; 8:45 am]

BILLING CODE 3910-01-M

Air Force Activities for Conversion to Contract

ACTION: Notice.

The Air Force recently determined that the Commercial Gateways functions at Los Angeles IAP, CA; Charleston IAP, SC; and Philadelphia IAP, PA will be examined for conversion to contract.

For further information contact Mr. Noble Loucks, HQ MAC/XPMRS, Scott AFB, IL 62225, telephone (618) 256-4105.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 86-18950 Filed 8-21-86; 8:45 am]

BILLING CODE 3910-01-M

Air Force Activities for Conversion to Contract

ACTION: Notice.

The Air Force recently determined that the Grounds Maintenance Residual Work Force function at Mather AFB, CA will be examined for conversion to contract.

For further information contact Mr. Bob Moore, HQ ATC/XPMRC, Randolph AFB, TX 78150, telephone (512) 652-2384.

Patsy J. Conner,

Air Force Federal Register Liaison Officer.

[FR Doc. 86-18951 Filed 8-21-86; 8:45 am]

BILLING CODE 3910-01-M

Department of the Army

Standard Rules and Class Rate Publications for Motor Carrier Rates and Services

AGENCY: Military Traffic Management Command, DOD.

ACTION: Procedural changes in DOD freight rate acquisition programs—Final Action.

SUMMARY: On April 30, 1985 (50 FR 18285) the Military Traffic Management Command (MTMC), on behalf of the Department of Defense (DOD), published notice of intent to modify the procedures used to acquire rates and charges from the commercial carrier industry for the movement of its freight traffic. These modifications included the issuance of a series of freight traffic rules and baseline rate publications designed to standardize and simplify the procurement of carrier rates and services under 49 U.S.C. 10721. The first two publications in this series, MTMC Freight Traffic Rules Publication No. 1 and MTMC Class Rate Publication No. 100 are now final. Copies of the two publications may be obtained by writing to: HQ Military Traffic Management Command, ATTN: MT-INN-G, 5611 Columbia Pike, Falls Church, Virginia 22041-5050.

EFFECTIVE DATE: October 1, 1986.

SUPPLEMENTARY INFORMATION: The transportation regulatory reform legislation enacted over the past several years has brought an influx of carriers into the business, a corresponding proliferation of rate publications, and a great diversity in the manner in which carriers' rates, rules, and services are expressed within those publications. All of these factors have impacted on DOD freight traffic. As a result, the automation of individual carriers' rates and charges is essential to the DOD in order to provide a rational and practical means of selecting low-cost carriers, instead of reviewing all variations in rates, services, and charges given by different carriers. Automation is feasible only when a carrier's rates and charges are expressed in a uniform manner compatible with electronic data processing.

MTMC Freight Traffic Rules Publication No. 1 (MFTRP No. 1): This publication contains rules and accessorial services which will govern the rates and services of motor carriers doing business with DOD, including those rates and services offered by surface freight forwarders, shippers associations and shipper agents which utilize motor carrier services. It will govern the movement of all DOD shipments by motor EXCEPT (1) bulk commodities requiring tank truck service, (2) vehicles moving in driveaway/towaway service, (3) privately owned mobile homes, (4) shipments moving in courier and package express service, and (5) Foreign Military Sales (FMS) shipments. Separate rules publications to govern these shipments (except for FMS) are now under development.

MTMC Class Rate Publication No. 100 (MCRP No. 100): This publication contains a baseline class rate and minimum charge structure upon which the above motor carriers can base their actual rates and charges for the movement of DOD less-than-truckload freight shipments. It is designed to provide a simple, flexible, computer-oriented method of expressing rates for Freight All Kinds and specific class-rated commodities without substantially changing the manner in which those rates have traditionally been expressed.

Both of these publications are designed to be used with the new DOD Standard Tender of Freight Services (tenders), approved by the Office of Management and Budget on June 16, 1986, and will apply from, to, or between points in the continental United States, Alaska and/or Canada which are specified in carriers' individual tenders filed with HQMTMC. Tenders of carriers subject to these publications may not refer to any other publication for application of rates and charges therein.

Although both publications become effective October 1, 1986, affected carriers are not subject to the publications until such time as they individually file the DOD tender referring to these governing publications. An implementation schedule for the DOD tender will be announced through a series of letters directed to the motor carrier industry and to all applicable carriers having the present tender, Form OP 280, on file. MFTRP No. 1 and MCRP No. 100 are for carrier reference and will not be submitted to MTMC with, or as part of, individual carrier tender filings.

John O. Roach,

Army Liaison Officer With the Federal Register.

[FR Doc. 86-18971 Filed 8-21-86; 8:45 am]

BILLING CODE 3710-08-M

Defense Logistics Agency

Privacy Act of 1974; Amendment of Record System Notice

AGENCY: Defense Logistics Agency, (DoD).

ACTION: Notice of an amendment of a record system.

SUMMARY: The Defense Logistics Agency is amending a system of records subject to the Privacy Act of 1974. The specific changes to the amended system is set forth below followed by the amended system notice published in its entirety.

DATES: This proposed action shall be effective without further notice September 22, 1986, unless comments are received which would result in a contrary determination.

ADDRESS: Any comments may be submitted to the System Manager identified in the record system notice.

FOR FURTHER INFORMATION CONTACT: Mr. Dave Henshall, Administrative Management Branch, Headquarters, Defense Logistics Agency, Cameron Station, Alexandria, VA 22314-6100. Telephone: 202/274-6234.

SUPPLEMENTARY INFORMATION: The Defense Logistics Agency notices for systems of records subject to the Privacy Act of 1974, as amended, (5 U.S.C. 552a) have been published in the **Federal Register** as follows:

FR Doc. 85-10237 (50 FR 22897) May 29, 1985 (compilation)
FR Doc. 85-30123 (50 FR 51898) December 20, 1985
FR Doc. 86-17259 (51 FR 27444) July 31, 1986

This proposed amendment is not within the purview of Subsection (o) of the Privacy Act 5 U.S.C. 552a which requires the submission of a new or altered system report.

Patricia H. Means,

OSD Federal Register Liaison Officer, Department of Defense.

August 19, 1986.

Amendment

S322.10 DLA-LZ

System name:

Defense Manpower Data Center Base. (50 FR 51899) December 20, 1985.

Changes:

Categories of individuals covered by the system:

Add: "Former Military and Civilian personnel who are employed by DoD contractors and are subject to the provisions of 10 USC 2397."

Authority for maintenance of the system:

Add: "; 10 U.S.C. 2358, 10 U.S.C. 2397."

Routine uses of records maintained in the system, including categories of users and the purposes of such uses:

Add: "Department of Labor (DOL): To reconcile the accuracy of unemployment compensation payments made on behalf of former DoD employees and members."

Add: "Defense Contractors: To monitor the employment of former DoD employees and members subject to the provisions of 10 U.S.C. 2397."

S322.10 DLA-LZ

SYSTEM NAME:

Defense Manpower Data Center Data Base.

SYSTEM LOCATION:

Primary location: W. R. Church Computer Center, Navy Postgraduate School, Monterey, CA 93920.

Back-up files maintained in a bank vault in Hermann Hall, Naval Postgraduate School, Monterey, CA.

Decentralized segments—Portions of this file may be maintained by the military personnel and finance centers of the services; selected civilian contractors with research contracts in manpower area and other Federal agencies.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

All officers and enlisted personnel who served on active duty from July 1, 1968 and later or who have been a member of a reserve component since July 1975; retired military personnel; participants in Project 100,000 and Project Transition and the evaluation control groups for these programs. All individuals examined to determine eligibility for military service at an Armed Forces Entrance and Examining Station from July 1, 1970, and later. DoD civilian employees or DoD civilian employees separated since January 1, 1971. All veterans who have used GI Bill education and training entitlements, who visited a state employment service office since January 1, 1971, or who participated in a Department of Labor special training program since July 1, 1971. All individuals who ever participated in an educational program sponsored by the U.S. Armed Forces Institute, all individuals who participated in the Armed Forces Vocational Aptitude Testing Programs at the high school level since September 1969. Individuals who responded to various paid advertising campaigns seeking enlistment information since July 1, 1973; participants in the Department of Health and Human Services, National Longitudinal Survey. Individuals responding to recruiting advertisements since January 1978; survivors of retired military personnel who are eligible for or currently receiving disability payments or disability income compensation from the Veterans Administration; surviving spouses of active or retired deceased military personnel; 100% disabled veterans and their survivors.

Individuals receiving disability compensation from the Veterans Administration or who are covered by a Veterans Administration insurance or benefit program; civilian employees of the Federal Government; dependents of active duty military retirees, selective service registrants. Individuals receiving a security background investigation as identified in the Defense Central Index of Investigation. Former military and civilian personnel who are employed by DoD contractors and are subject to the provisions of 10 U.S.C. 2397.

CATEGORIES OF RECORDS IN THE SYSTEM:

Computerized records consisting of Name, Service Number, Selective Service Number, Social Security Account Number, demographic information such as home town, age, sex, race, and educational level; civilian occupational information, military personnel information such as rank, length of service, military occupation; aptitude scores, post-service education, training, and employment information for veterans; participation in various inservice education and training; programs, military hospitalization records and home and work addresses.

Champus claim records containing enrollee, patient and provider data such

as cause of treatment, amount of payment, name and social security or tax ID of providers or potential providers of care, military compensation data, selective service registration data, Veterans Administration disability payment records, security clearance records and credit or financial data as required for security background investigations.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

10 U.S.C. 136; Pub. L. 97-252; 10 U.S.C. 2358; 10 U.S.C. 2397

PURPOSE(S):

The purpose of the system of records is to provide a single central facility within the Department of Defense to assess manpower trends, support personnel functions, perform longitudinal statistical analysis, identify current and former DoD civilian and military personnel for purposes of detecting fraud and abuse of pay and benefit programs and to collect debts owed to the United States Government and state and local governments.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

Veterans Administration (VA): To administer Veterans Administration and DoD programs for Reserve pay, VA compensation, military retired pay and active duty separation payments. To analyze the costs to the individual of military service connected disabilities, to monitor the amount of coverage under the Veterans' Group Life Insurance program, and to provide information on individuals' eligibility for GI Bill education and training benefits. To Veterans Administration and its contractor, the Prudential Insurance Company, to notify members of the Individual Ready Reserve (IRR) of their right to apply for Veterans' Group Life Insurance coverage. To the Veterans Administration Management Sciences Staff for Reports and Statistics Services, Office of the Comptroller, for the purpose of selecting samples for surveys asking veterans about the use of veterans benefits and satisfaction with VA services, and to validate eligibility for VA benefits.

Internal Revenue Service (IRS): For the purpose of obtaining home addresses to contact Reserve component members for mobilization purposes and for debt collection. For the purpose of conducting aggregate statistical analyses on the impact on DoD personnel of actual changes in the tax laws and to conduct aggregate statistical analyses of lifestream earnings of current and former military personnel to be used in studying the comparability of civilian and military pay and benefits.

Department of Health and Human Services (DHHS): Disclosure of information from this system may be made to the Office of the Inspector General for the purpose of identification and investigation of DoD employees (military and civilian) who may be improperly receiving funds under the Aid for Families of Dependent Children Program. To the Office of Child Support Enforcement, pursuant to Pub. L. 93-647, to assist state child support offices in locating absent parents in order to establish and/or enforce child support obligations.

Social Security Administration (DHHS): To the Office of Research and Statistics for the purpose of conducting statistical analyses of impact of military service and use of GI Bill benefits on long term earning. To the Bureau of Supplemental Security Income for the purpose of verification and adjustment of payments made by the SSA to the active and retired military members under the Supplemental Security Income Program.

DoD Civilian Contractors: Disclosure of information may be made from this system to contractors for the purpose of performing research on manpower problems for statistical analyses.

Office of Personnel Management (OPM): Disclosure of information may be made from this system for the purpose of OPM carrying out its management functions. Records disclosed concern pay, benefits, retirement deductions, and other information necessary for those management functions.

Selective Service System (SSS): Information from this system may be disclosed to the Director of the Selective Service System for the purpose of facilitating compliance of members and former members of the Armed Forces, both active and reserve, with the provisions of the Selective Service System registration regulations.

Department of Education (DOE): Disclosure of information may be made from this system to DOE for the purpose of identifying individuals who appear to be in default on their guaranteed student loans so as to permit DOE to take action, where appropriate, to accelerate recoveries of defaulted loans.

Department of Labor (DOL): To reconcile the accuracy of unemployment compensation payments made on behalf of former DoD employees and members.

Federal Government and Quasi-Federal Agencies: To identify military retirees employed in a civilian capacity whose civilian pay must be offset as a result of increases in military retiree pay pursuant to the Budget Reconciliation Act of 1982, Pub. L. 97-252.

To Federal Agencies, Territorial, State and Local Governments: To support personnel functions requiring data on prior military service credit for their employees or for job applications. To help eliminate fraud and abuse in their benefit programs and to collect debts and overpayments owed to those programs. Information released includes name, social security account number and mailing address of individuals.

Other Federal Agencies: To help eliminate fraud and abuse in the programs administered by agencies within the Federal government and to collect debts and overpayment owed to the Federal government. Information release may include aggregate data and/or individual records in the record system may be transferred to any other federal agencies having a legitimate need for such information and applying appropriate safeguards to protect data so provided. Records of debtors obligated to DoD, but currently employed by another federal agency may be referred to the employing agency under the provisions of the Debt Collection Act of 1982 for the purpose of the debt.

Consumer Reporting Agencies: Disclosures may be made from this system to consumer reporting agencies as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701(a)(3)).

Credit Bureaus and Debt Collection Agencies: Disclosures may be referred to private contract organizations to comply with the provisions of the Debt Collection Act of 1982 (10 U.S.C. 136) for non-payment of an outstanding debt, and to comply with requirements to update security clearance investigations.

Defense Contractors: To monitor the employment of former DoD employees and members subject to the provisions of 10 U.S.C. 2397.

Blanket Routine Uses: See also the blanket routine uses set forth at the beginning of the Defense Logistics Agency's listing of systems of records which are also applicable to this record system.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Magnetic computer tape.

RETRIEVABILITY:

Retrievable by name, Social Security Number, occupation, or any other data element contained in system.

SAFEGUARDS:

Primary location—At W.R. Church Computer Center, tapes are stored in a locked cage in machine room, which is a controlled access area; tapes can be physically accessed only by computer center personnel and can be mounted for processing only if the appropriate security code is provided.

Back-up location—tapes are stored in a bank type vault and buildings are locked after hours and only properly cleared and authorized personnel have access.

RETENTION AND DISPOSAL:

Files constitute a historical data base and are permanent.

SYSTEM MANAGER(S) AND ADDRESS(ES):

Deputy Director, Defense Manpower Data Center (DMDC), 550 Camino El Estero, Monterey, CA 93940.

NOTIFICATION PROCEDURES:

Information may be obtained from the System Manager.

RECORD ACCESS PROCEDURES:

Requests from individuals should be addressed to the System Manager.

Written requests for information should contain the full name, Social Security Number, date of birth, and current address and telephone number of the individual.

For personal visits, the individual should be able to provide some acceptable identification such as driver's license, or military or other identification card.

CONTESTING RECORD PROCEDURES:

The DLA rules for access to records and for contesting contents and appealing initial determinations may be obtained from the System Manager.

RECORD SOURCE CATEGORIES:

The Military Services, the Veterans Administration, the Department of Education, Department of Health and Human Services, from individuals via survey questionnaires, the Department of Labor, the Office of Personnel Management, federal and Quasi-federal agencies, Selective Service System, the U.S. Postal Service.

SYSTEMS EXEMPTED FROM CERTAIN PROVISIONS OF THE ACT:

None.

[FR Doc. 86-19035 Filed 8-21-86; 8:45 am]

BILLING CODE 3810-01-M

DEPARTMENT OF ENERGY

National Petroleum Council Historical Factors Task Group; Meeting

Notice is hereby given that the Historical Factors Task Group will meet in August 1986. The National Petroleum Council was established to provide advice, information, and recommendations to the Secretary of Energy on matters relating to oil and natural gas or the oil and natural gas industries. The Historical Factors Task Group is responsible for the identification and analysis of events, governmental policies, and actions (federal, state, and local), and the reactions of the oil and gas industries to such events, policies and actions (i.e., the "factors") that affect the supply of and demand for oil and gas in the U.S. since the end of World War II.

The Historical Factors Task Group will hold its sixth meeting on Thursday, August 28, 1986, starting at 9:00 a.m., in the Conference Room of the National Petroleum Council, 1625 K Street, NW., Washington, DC.

The tentative agenda for the Historical Factors Task Group meeting follows:

1. Opening remarks by the Chairman and Government Cochairman.

2. Discussion for the factors affecting petroleum supply and demand.

3. Discuss any other matters pertinent to the overall assignment from the Secretary of Energy.

The meeting is open to the public. The Chairman of the Historical Factors Task Group is empowered to conduct the meeting in a fashion that will, in his judgment, facilitate the orderly conduct of business. Any member of the public who wishes to file a written statement with the Historical Factors Task Group will be permitted to do so, either before or after the meeting. Members of the public who wish to make oral statements should inform Ms. Pat. Dickinson, Advanced Fuels, Technology, Extraction and Environmental Controls, Fossil Energy, 301/353-2430, prior to the meeting and reasonable provision will be made for their appearance on the agenda.

Summary minutes of the meeting will be available for public review at the Freedom of Information Public Reading Room, Room 1E-190, DOE Forrestal Building, 1000 Independence Ave, SW., Washington, DC, between the hours of 9:00 a.m. and 4:00 p.m., Monday through Friday, except Federal holidays.

Issued at Washington, DC, on August 18, 1986.

Donald L. Bauer,

Acting Assistant Secretary for Fossil Energy.

[FR Doc. 18980 Filed 8-21-86; 8:45 am]

BILLING CODE 6450-01-M

Economic Regulatory Administration

[Docket No. PP-76A]

Availability of a Draft Environmental Impact Statement for the New England/Hydro-Quebec Phase II Interconnection

AGENCY: Economic Regulatory Administration, DOE.

ACTION: Notice of Availability of a Draft Environmental Impact Statement, DOE/EIS-0129-D, for the New England/Hydro-Quebec Phase II Interconnection.

SUMMARY: The Department of Energy (DOE) has published a draft Environmental Impact Statement (EIS), DOE/EIS-0129-D, to assess the environmental impacts of a proposed DOE action: To grant (with terms and conditions) or to deny an amendment to a Presidential permit authorizing the Vermont Electric Transmission Company (VETCO), the New England Hydro-Transmission Corporation, and the New England Hydro-Transmission Electric Company, Inc. to construct, connect, operate, and maintain new facilities in Massachusetts and New Hampshire for the transmission of electric energy between Hydro-Quebec, a public agency of the Province of Quebec, and the New England Power Pool (NEPOOL), an association of New England utilities.

Written comments and requests for copies should be addressed to: Mr. Anthony J. Como, Office of Fuels Programs (RG-22), Department of Energy, 1000 Independence Ave., SW., Washington, DC 20585, (202) 252-5935.

FOR FURTHER INFORMATION CONTACT: Mr. Stanley Echols, Office of General Counsel (GC-11), Department of Energy, 1000 Independence Ave., SW., Washington, DC 20585, (202) 252-6947.

SUPPLEMENTARY INFORMATION: Pursuant to Executive Order 10485, as amended, a Presidential permit must be obtained from the DOE before electric transmission facilities which cross the U.S. international border may be constructed. On April 5, 1984, the DOE issued Presidential Permit PP-76 to VETCO granting it permission, subject to certain conditions, to construct, connect, operate, and maintain at the international border of the United States

and Canada, one ±450 kilovolt (kV) direct current (dc) transmission line. Presidential Permit PP–76 also authorized the construction of a converter terminal at the southern terminus of the dc transmission line in Monroe, New Hampshire, to convert the dc power to alternating current (ac) power.

These facilities (known as Phase I) are currently under construction. The Phase I converter terminal was designed with a capacity of 690 MW to match the capability of the New England ac transmission system to absorb power delivered to Monroe, New Hampshire. The ±450 kV line was designed with the capability to transmit additional power should further contracts with Hydro-Quebec be deemed desirable.

Subsequent to the issuance of Presidential Permit PP–76, NEPOOL concluded that additional purchases of hydroelectric energy would be desirable. Accordingly, NEPOOL, on behalf of its member utilities, has signed a contract with Hydro-Quebec for the purchase of an additional 70 billion KWH of energy over a ten-year period, currently scheduled to begin in 1990. In order to accept delivery of this additional hydroelectric energy, the international interconnection authorized in Presidential Permit PP–76 must be operated at power levels above the previously authorized level of 690 MW. In addition, certain new facilities must be constructed to transmit this additional hydroelectric energy to load centers in central New England. Consequently, on March 4, 1985, VETCO applied to ERA to amend Presidential Permit PP–76, authorizing an increase in the nominal operating level of the previously permitted facilities and the construction of certain new facilities required to implement the new energy purchase agreement with Hydro-Quebec.

The proposed new facilities, referred to as Phase II, consist of three principal elements. The first element is the extension of the ±450 kV dc transmission line predominantly along an existing transmission corridor between the town of Monroe, New Hampshire and the town of Groton, Massachusetts, a distance of approximately 133.1 miles. The second element is the construction of an 1800 MW dc/ac converter terminal at the new terminus of the proposed dc line on a site straddling the town line between Groton and Ayer, Massachusetts, adjacent to an existing 345 kV ac substation. The third element is the construction of two new 345 kV transmission lines with a combined length of 51.8 miles along existing transmission corridors. These new transmission lines are needed to reinforce the existing New England 345 kV ac transmission system. In addition to these principal elements, other miscellaneous new facilities, such as a communication system and a grounding system, would be required to assure successful operation of the Phase II facilities.

The DOE considers that the granting of the subject amendment would be a major Federal action significantly affecting the quality of the human environment within the meaning of the National Environmental Policy Act of 1969. Therefore, the preparation of an EIS is required in accordance with 40 CFR 1502.3 *et seq.* Accordingly, the DOE published a notice of intent to prepare an EIS in the May 8, 1985, **Federal Register** (50 FR 19439). Public meetings were held on June 4 and June 5, 1985, to obtain information from all interested parties regarding the scope of the EIS.

A draft EIS has been prepared and distributed to Federal, State and local agencies, environmental organizations and individuals known to be interested in the proposed transmission facilities.

Additional copies may be obtained from the Office of Fuels Programs, Economic Regulatory Administration, 1000 Independence Ave., SW., (Room GA–093), Washington, DC 20585, Phone (202) 252–5935. Copies of the draft EIS also are available for public inspection at the following locations:

Andover Public Library, Andover, New Hampshire 03216
Beaman Memorial Public Library, 8 Newton Street, West Boylston, Massachusetts 01583
Bedford Public Library, 3 Meetinghouse Road, Bedford, New Hampshire 03102
Groton Public Library, 99 Main Street, Groton, Massachusetts 01450
Leach Library, Mammoth Road, Londonderry, New Hampshire 03053
Littleton Public Library, Main Street, Littleton, New Hampshire 03576
Medway Public Library, 26 High Street, Medway, Massachusetts 02053
Millbury Public Library, 128 Elm Street, Millbury, Massachusetts 01527
Woodsville Public Library, School Street, Woodsville, New Hampshire 03785
Monroe Free Public Library, P.O. Box 67, Monroe, New Hampshire 03771
Colebrook Public Library, Main Street, Colebrook, New Hampshire 03576
New Hampshire State Library, 20 Park Street, Concord, New Hampshire 03301
New Hampshire State Clearinghouse, Office of State Planning, 2 1/2 Beacon St., Concord, NH 03301
Massachusetts State Clearinghouse, Executive Office of Communities & Development, 100 Cambridge Street, Room 904, Boston, Massachusetts 02202

Interested parties are invited to submit written comments to Mr. Anthony J. Como at the address given in the previous section. Comments should be received by the DOE no later than September 29, 1986.

Issued in Washington, DC on August 7, 1986.

Mary L. Walker,

Assistant Secretary, Environment, Safety and Health.

[FR Doc. 86–18981 Filed 8–21–86; 8:45 am]

BILLING CODE 6450–01–M

Energy Information Administration

Publication of Alternative Fuel Price Ceilings and Incremental Price Threshold for High Cost Natural Gas

The Natural Gas Policy Act of 1978 (NGPA) (Pub. L. 95–621) signed into law on November 9, 1978, mandated a new framework for the regulation of most facets of the natural gas industry. In general, under Title II of the NGPA, interstate natural gas pipeline companies are required to pass through certain portions of their acquisition costs for natural gas to industrial users in the form of a surcharge. The statute requires that the ultimate costs of gas to the industrial facility should not exceed the cost of the fuel oil which the facility could use as an alternative.

Pursuant to Title II of the NGPA, section 204(e), the Energy Information Administration (EIA) herewith publishes for the Federal Energy Regulatory Commission [FERC] computed natural gas ceiling prices and the high cost gas incremental pricing threshold which are to be effective September 1, 1986. These prices are based on the prices of alternative fuels.

For further information contact: Leroy Brown, Jr., Department of Energy, Energy Information Administration, 1000 Independence Avenue SW., Room BE–034, Washington, DC 20585, Telephone: (202) 252–6077.

Section I

As required by FERC Order No. 50, computed prices are shown for the 48 contiguous States. The District of Columbia's ceiling is included with the ceiling for the State of Maryland. FERC, by an Interim Rule issued on April 2, 1981, in Docket No. RM79–21, revised the methodology for calculating the monthly alternative fuel price ceilings for State regions. Under the revised methodology, the applicable alternative fuel price ceiling published for each of the contiguous States shall be the lower of the alternative fuel price ceiling for

the State or the alternative fuel price ceiling for the multistate region in which the State is located.

The price ceiling is expressed in dollars per million British Thermal Units (BTU's). The method used to determine the price ceiling is described in section III.

State	Dollars per million Btu's
Alabama	1.34
Arizona [1]	1.26
Arkansas [1]	1.43
California	1.19
Colorado [2]	1.41
Connecticut [1]	1.41
Delaware [1]	1.46
Florida	1.10
Georgia	1.37
Idaho [2]	1.41
Illinois	1.47
Indiana [1]	1.62
Iowa [1]	1.79
Kansas	1.74
Kentucky [1]	1.62
Louisiana	1.33
Maine	1.39
Maryland [1]	1.46
Massachusetts	1.38
Michigan [1]	1.62
Minnesota [1]	1.79
Mississippi	1.35
Missouri	1.34
Montana [2]	1.41
Nebraska [1]	1.79
Nevada [1]	1.26
New Hampshire [1]	1.41
New Jersey [1]	1.46
New Mexico [1]	1.43
New York	1.42
North Carolina [1]	1.42
North Dakota [1]	1.79
Ohio	1.48
Oklahoma [1]	1.43
Oregon [1]	1.26
Pennsylvania	1.40
Rhode Island [1]	1.41
South Carolina [1]	1.42
South Dakota [1]	1.79
Tennessee	1.41
Texas [1]	1.43
Utah [2]	1.41
Vermont [1]	1.41
Virginia [1]	1.42
Washington [1]	1.26
West Virginia	1.54
Wisconsin [1]	1.62
Wyoming [2]	1.41

[1] Region based price as required by FERC Interim Rule, issued on April 2, 1981, in Docket No. RM-79-21.
[2] Region based price computed as the weighted average price of Regions E, F, G, and H.

Section II. Incremental Pricing Threshold for High Cost Natural Gas

The EIA has determined that the volume-weighted average price for No. 2 distillate fuel oil landed in the greater New York City Metropolitan area during June 1986 was $15.83 per barrel. The EIA has implemented a procedure to partially compensate for the two-month lag between the end of the month for which data are collected and the beginning of the month for which the incremental pricing threshold become effective. The prices found in *Platt's Oilgram Price Report* are given for each trading day in the form of high and low prices for No. 2 fuel oil in Metropolitan New York and Northern New Jersey. A lag adjustment factor was calculated using the average of the low posted price for these two areas for the ten trading days ending August 14, 1986, and dividing that price by the corresponding average price computed from prices published by Platt's for the month of June 1986. This lag adjustment factor was applied to the June price yielding $14.78 per barrel. In order to establish the incremental pricing threshold for high cost natural gas, as identified in the NGPA, Title II, section 203(a)(7), this price was multiplied by 1.3 and converted to its equivalent in millions of BTU's by dividing by 5.8. Therefore, the incremental pricing threshold for high cost natural gas, effective September 1, 1986, is $3.31 per million BTU's.

Section III. Method Used to Compute Price Ceilings

The FERC, by Order No. 50, issued on September 29, 1979, in Docket No. RM79-21, established the basis for determining the price ceilings required by the NGPA. FERC also, by Order No. 167, issued in Docket No. RM81-27 on July 24, 1981, made permanent the rule that established that only the price paid for No. 6 high sulfur content residual fuel oil would be used to determine the price ceilings. In addition, the FERC, by Order No. 181, issued on November 6, 1981, in Docket No. RM81-28, established that price ceilings should be published for only the 48 contiguous States on a permanent basis.

A. Data Collected

The following data were required from all companies identified by the EIA as sellers of No. 6 high sulfur content (greater than 1 percent sulfur content by weight) residual fuel oil: for each selling price, the number of gallons sold to large industrial users in the months of April 1986, May 1986, and June 1986.[3] All reports of volume sold and price were identified by the State into which the oil was sold.

B. Method Used to Determine Alternative Price Ceilings

(1) Calculation of Volume-Weighted Average Price

The prices which will become effective September 1, 1986, (shown in Section I) are based on the reported price of No. 6 high sulfur content residual fuel oil, for each of the 48 contiguous States, for each of the 3 months, April 1986, May 1986, and June 1986. Reported prices for sales in April 1986 were adjusted by the percent change in the nationwide volume-weighted average price from April 1986 to June 1986. Prices for May 1986 were similarly adjusted by the percent change in the nationwide volume-weighted average price from May 1986 to June 1986. The volume-weighted 3-month average of the adjusted April 1986 and May 1986, and the reported June 1986 prices were then computed for each State.

(2) Adjustment for Price Variation

States were grouped into the regions identified by the FERC (see section III.C.). Using the adjusted prices and associated volumes reported in a region during the 3-month period, the volume-weighted standard deviation of prices was calculated for each region. The volume-weighted 3-month average price (as calculated in section III.B.(1) above) for each State was adjusted downward by two times this standard deviation for the region to form the adjusted weighted average price for the State.

(3) Calculation of Ceiling Price

The lowest selling price within the State was determined for each month of the 3-month period (after adjusting up or down by the percent change in oil prices at the national level as discussed in section III.B(1) above). The products of the adjusted low price for each month times the State's total reported sales volume for each month were summed over the 3-month period for each State and divided by the State's total sales volume during the 3 months to determine the State's average low price. The adjusted weighted average price (as calculated in section III.B.(2)) was compared to this average low price, and the higher of the values was selected as the base for determining the alternative fuel price ceiling for each State. For those States which had no reported sales during one or more months of the 3-month period, the appropriate regional volume-weighted alternative fuel price was computed and used in combination with the available State data to calculate the State alternative fuel price ceiling base. The State's alternative fuel price ceiling base was compared to the alternative fuel price ceiling base for the multistate region in which the State is located and the lower of these two prices was selected as the final alternative fuel price ceiling base for the State. The appropriate lag adjustment factor (as discussed in section III.B.4) was then applied to the alternative fuel price ceiling base. The alternative fuel

[3] Large Industrial User—A person/firm which purchases No. 6 fuel oil in quantities of 4,000 gallons or greater for consumption in a business, including the space heating of the business premises. Electric utilities, governmental bodies (Federal, State, or Local), and the military are excluded.

price (expressed in dollars per gallon) was multiplied by 42 and divided by 6.3 to estimate the alternative fuel price ceiling for the State (expressed in dollars per million BTU's).

There were insufficient sales reported in Region G for the months of April 1986, May 1986, and June 1986. The alternative fuel price ceilings for the States in Region G were determined by calculating the volume-weighted average price ceilings for Region E, Region F, Region G, and Region H.

(4) Lag Adjustment

The EIA has implemented a procedure to partially compensate for the two-month lag between the end of the month for which data are collected and the beginning of the month for which ceiling prices become effective. It was determined that *Platt's Oilgram Price Report* publication provides timely information relative to the subject. The prices found in *Platt's Oilgram Price Report* publication are given for each trading day in the form of high and low prices for No. 6 residual oil in 20 cities throughout the United States. The low posted prices for No. 6 residual oil in these cities were used to calculate a national and a regional lag adjustment factor. The national lag adjustment factor was obtained by calculating a weighted average price for No. 6 high sulfur residual fuel oil for the ten trading days ending August 14, 1986, and dividing that price by the corresponding weighted average price computed from prices published by Platt's for the month of June 1986. A regional lag adjustment factor was similarly calculated for four regions. These are: one for FERC Regions A and B combined; one for FERC Region C; one for FERC Regions D, E, and G combined; and one for FERC Regions F and H combined. The lower of the national or regional lag factor was then applied to the alternative fuel price ceiling for each State in a given region as calculated in Section III.B.(3).

Listing of States by Region

States were grouped by the FERC to form eight distinct regions as follows:

Region A	*Region B*
Connecticut	Delaware
Maine	Maryland
Massachusetts	New Jersey
New Hampshire	New York
Rhode Island	Pennsylvania
Vermont	

Region C	*Region D*
Alabama	Illinois
Florida	Indiana
Georgia	Kentucky
Mississippi	Michigan
North Carolina	Ohio
South Carolina	West Virginia
Tennessee	Wisconsin
Virginia	

Region E	*Region F*
Iowa	Arkansas
Kansas	Louisiana
Missouri	New Mexico
Minnesota	Oklahoma
Nebraska	Texas
North Dakota	
South Dakota	

Region G	*Region H*
Colorado	Arizona
Idaho	California
Montana	Nevada
Utah	Oregon
Wyoming	Washington

Issued in Washington, DC, August 18, 1986.

L.A. Pettis,

Deputy Administrator, Energy Information Administration.

[FR Doc. 86-19116 Filed 8-21-86; 8:45 am]

BILLING CODE 6450-01-M

Office of Energy Research

Health and Environmental Research Advisory Committee; Open Meeting

Pursuant to the provision of the Federal Advisory Committee Act (Pub. L. 92-463, 86 Stat. 770), notice is hereby given of the following meeting:

Name: Health and Environmental Research Advisory Committee (HERAC).

Date and time: September 11, 1986-9:00 a.m.-5:00 p.m., September 12, 1986-9:00 a.m.-3:00 p.m.

Place: Conference Room S-118, University of California, San Francisco, California 94143.

Contact: David A. Smith, Department of Energy, Office of Health and Environmental Research (ER-72), Office of Energy Research, Washington, DC 20545, Telephone: 301/353-2987.

Purpose of the committee: To provide advice on a continuing basis to the Secretary of the Department of Energy (DOE), through the Director of Energy Research, on the many complex scientific and technical issues that arise in the development and implementation of the Health and Environmental Research (HER) program.

Tentative agenda: Briefings and discussions of:

September 11, 1986

- Presentations by Staff of the Laboratory of Radiobiology and Environmental Health, University of California.
- Report from HERAC Subcommittee on Ecology.
- Public comment (10 minute rule).

September 12, 1986

- Report from HERAC Subcommittee on Biotechnology.
- Report from HERAC Subcommittee on Radiation Biology.
- New Business Discussion.
- Public comment (10 minute rule).

Public participation: The meeting is open to the public. Written statements may be filed with the Committee either before or after the meeting. Members of the public who wish to make oral statements pertaining to agenda items should contact David A. Smith at the address or telephone number listed above. Requests must be received 5 days prior to the meeting and reasonable provision will be made to include the presentation on the agenda. The Chairperson of the Committee is empowered to conduct the meeting in a fashion that will facilitate the orderly conduct of business.

Transcripts: The transcript of the meeting will be available for public review and copying at the Freedom of Information Public Reading Room, 1E-190, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC, between 9:00 a.m. and 4:00 p.m., Monday through Friday, except Federal holidays.

Issued at Washington, DC on August 19, 1986.

J. Robert Franklin,

Deputy Advisory Committee Management Officer.

[FR Doc. 86-18982 Filed 8-21-86; 8:45 am]

BILLING CODE 6450-01-M

Federal Energy Regulatory Commission

[Docket No. CI86-637-000 et al. and Docket No. CI86-641-000 et al.]

ANR Pipeline Co. and Northwest Pipeline Corp. and Northwest Marketing Co.; Applications for Blanket Limited-Term Abandonment and Blanket Limited-Term Certificates With Pre-Granted Abandonment Filed by Pipeline Companies on Behalf of Their Producer-Suppliers or for Company Owned Production

August 19, 1986.

Take notice that the pipeline companies (Applicants) listed herein have filed applications pursuant to section 7 of the Natural Gas Act for blanket limited-term abandonment and blanket limited-term certificates with pre-granted abandonment as described herein.[1]

Any person desiring to be heard or to make any protest with reference to said applications should, on or before September 3, 1986, file with the Federal Energy Regulatory Commission, Washington, DC 20426, a petition to intervene in a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). All protects filed with the Commission will be considered by it in determining the appropriate action to be taken but will

[1] Ths notice does not provide for consolidation for hearing of the several matters covered herein.

not serve to make the protestants parties to the proceeding. Persons wishing to become a party to the proceeding herein must file petitions 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.

Docket No. and date filed	Applicant	Purchaser and location	Price per Mcf	Pressure base
CI86-637-000, B, Aug. 5, 1986	ANR Pipeline Company,[1] 500 Renaissance Center, Detroit, Michigan 48243.	ANR Pipeline Company, various locations	([2])	
CI86-638-000, A, Aug. 5, 1986	....do	([3])		
CI86-641-000, A, Aug. 8, 1986	Northwest Pipeline Corporation and Northwest Marketing Company, P.O. Box 8900, Salt Lake City, Utah 84108-0900.	([4])		
CI86-642-000, B, Aug. 8, 1986	....do	Northwest Pipeline Corporation, various locations	([5])	

[1] Applicant is filing on behalf of its producer-suppliers.

[2] Applicant requests blanket, limited-term abandonment, subject to Applicant's right of first refusal for a maximum period of two years. Applicant states that it contemplates release of gas under contracts which have a weighted average contract price in excess of Applicant's currently effective market-out price of $1.50 per MMBtu. Applicant states that its full and partial requirements customers purchased approximately 499 Bcf of gas in 1985, but are only projected to purchase approximately 311 Bcf of gas in 1986. Applicant states that the market demand for its system supply has fallen precipitously and that Applicant is unable to purchase available natural gas supplies from its producer-suppliers. Applicant states that the authorizations requested herein are necessary for Applicant's producer-suppliers to participate in the current market for natural gas, as well as to permit Applicant to address its mounting take-or-pay problem. In conjunction with the proposed releases, Applicant states that it would be absolved of all take-or-pay liability for any volumes released under its requested authorizations. Applicant further states that all certificated sales under contracts with a weighted average contract price in excess of Applicant's currently effective market-out price could be subject to the authorization requested, and as such, Applicant proposes to file a report with the Commission every six months providing details regarding the proposed limited-term abandonment. Applicant states that it is currently providing transportation under § 311 of the NGPA and as such expects significant volumes of gas to be subject to its requests.

[3] Applicant requests in Docket No. CI86-638-000 a blanket, limited-term certificate with pre-granted abandonment for a maximum period of two years to make sales for resale in interstate commerce of gas which is released and subject to the limited-term abandonment in Docket No. CI86-637-000.

[4] Applicant requests in Docket No. CI86-641-000 a limited-term certificate with pre-granted abandonment for a two-year period to make sales for resale to its affiliate Northwest Marketing Company (NW Marketing), pursuant to a July 29, 1986, contract, and a blanket limited-term certificate for NW Marketing to make subsequent sales for resale in interstate commerce also for a two-year period of gas which is released and subject to the limited-term abandonment in Docket NO. CI86-642-000.

[5] Applicant requests partial limited-term abandonment subject to recall upon 30 days written notice, for certain company-owned production pursuant to an Intracompany Operating Statement covering the intracompany transfer of such production at the wellhead for subsequent resale as part of Applicant's system supply. Applicant states that its request covers production from 182 company-owned wells located in the San Juan Basin area of La Plata County, Colorado, and Rio Arriba and San Juan Counties, New Mexico for a period of two years. Applicant states that the subject gas qualifies under NGPA sections 104-flowing, 104 replacement, 104 Post-1974, 104 1973-1974 biennium, 108 and 109, and that the maximum deliverability from such wells is approximately 10 MMcf/d or approximately 3.6 Bcf for 1986. Applicant states that during 1985 the subject wells produced approximately 75% of deliverability and Applicant forecasts that, absent approval of its requests, production for 1986 would be approximately 55% of deliverability. Applicant further states that it values its production from the subject wells at the lower of the applicable maximum lawful price or a calculated market-out price which, as of August 1, 1986, is $1.09/MMBtu. Applicant states that it currently has system supply deliverability of approximately 512 Bcf per year, of which less than 248 Bcf (48%) is projected for system supply requirements. Applicant further states that abandonment of approximately 3.6 Bcf from the subject wells would represent approximately 0.7% of its total system supply. Additionally, Applicant states that approval of its requests would allow Applicant to increase its takes under contracts accruing take-or-pay liability to the benefit of Applicant and its customers. Applicant estimates it could incur as much as $100 million in take-or-pay deficiencies during 1986. Applicant further states that its system is currently available for transportation services under NGPA section 311 and Applicant has filed an application in Docket No. CP86-578-000 for a blanket transportation certificate under Order No. 436. Finally, Applicant requests waiver of certain Commission regulations concerning the establishment and maintenance of rate schedules with respect to sales made under the requested certificates, and proposes to provide periodic reports detailing the terms and conditions of any sales made thereunder.

Filing Code: A—Initial Service; B—Abandonment; C—Amendment to add acreage; D—Amendment to delete acreage; E—Total Succession; F—Partial Succession.

[FR Doc. 86-19046 Filed 8-21-86; 8:45 am]
BILLING CODE 6717-01-M

[Docket No. CI68-197-001 et al.]

ARCO Oil and Gas Co., Division of Atlantic Richfield Co. et al.; Applications for Certificates, Abandonments of Service, and Petitions to Amend Certificates [1]

August 19, 1986.

Take notice that each of the Applicants listed herein has filed an application or petition pursuant to section 7 of the Natural Gas Act for authorization to sell natural gas in interstate commerce or to abandon service as described herein, all as more fully described in the respective applications and amendments which are on file with the Commission and open to public inspection.

Any person desiring to be heard or to make any protest with reference to said applications should on or before September 2, 1986, file with the Federal Energy Regulatory Commission, Washington, DC 20426, petitions to intervene or protests in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385,214). 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. Persons wishing to become parties to the proceeding or to participate as a party in any hearing therein must file petitions to intervene in accordance with the Commission's Rules.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicants to appear or to be represented at the hearing.

Kenneth F. Plumb,
Secretary.

[1] This notice does not provide for consolidation for hearing of the several matters covered herein.

Docket No. and date filed	Applicant	Purchaser and location	Price per Mcf	Pressure base
CI68-197-001 D, Aug. 11, 1986	ARCO Oil and Gas Company, Division of Atlantic Richfield Company, P.O. Box 2819, Dallas, Texas 75221.	Southern Natural Gas Company, Bayou Gentilly field, Plaquemines Parish, Louisiana.	([1])	
CI86-636-000 (CI66-736) B, Aug. 4, 1986.	Phillips Petroleum Company, 336 HS&L Building, Bartlesville, Okla. 74004.	Apache Gas Corporation, Alamo area, Pecos County, Texas.	([2])	
CI86-639-000 A, Aug. 6, 1986	....do	ANR Pipeline Company, High Island block A-310, offshore Texas.	([3])	
CI86-640-000 B, Aug. 6, 1986	Wellings Oil & Gas Co., TERM Energy Corporation, Agent.	Consolidated Gas Transmission Corporation, Ritchie County, West Virginia.	([4])	
CI86-613-000 F, Aug. 4, 1986	BHP Petroleum (Americas) Inc. (Succ. in Interest to Graham-Michaelis Drilling Company), 1300 Post Oak Tower, 5051 Westheimer, Houston, Texas 77056.	Panhandle Eastern Pipe Line Company, certain acreage in Texas County, Oklahoma.	([5])	
CI86-627-000 F, Aug. 4, 1986	Amoco Production Company (succ. in Interest to Shell Western E&P Inc.), 1670 Broadway, Room 1754, Denver, Colorado 80202.	Northern Natural Gas Company, certain acreage in Ellis County, Oklahoma.	([6])	

Docket No. and date filed	Applicant	Purchaser and location	Price per Mcf	Pressure base
CI86-643-000 D, Aug. 6, 1986	Oxy Petroleum, Inc. (predecessor to Cities Service Oil and Gas Corporation), P.O. Box 300, Tulsa, Okla. 74102.	Transcontinental Gas Pipe Line Corp., Maxie Ellis Field, Acadia Parish, Louisiana.	[7]	
CI86-650-000 D, Aug. 6, 1986	do	Columbia Gas Transmission Corporation, OCS-G-2591 S. Marsh Island block 146, offshore Louisiana.	[8]	
CI86-651-000 D, Aug. 6, 1986	do	Columbia Gas Transmission Corporation, OCS-G-2623, S. Timbalier block 31, offshore Louisiana.	[9]	
CI86-661-000 (CI61-1077) B, Aug. 12, 1986.	BHP Petroleum Company, Inc., 1300 Post Oak Tower, 5051 Westheimer, Houston, Texas 77056.	United Gas Pipe Line Company, Maydelle field, Cherokee County, Texas.	[10]	
CI86-662-000 (CI63-249) B, Aug. 12, 1986.	do	Southern Natural Gas Company, Kokomo field, Walthall County, Mississippi.	[10]	
CI86-660-000 (CI61-876) B, Aug. 12, 1986.	do	Tennessee Gas Transmission Corporation, El Eban-ito field, Starr County, Texas.	[10]	
CI86-659-000 (G-14874) B, Aug. 12, 1986.	BHP Petroleum Company, Inc., 1300 Post Oak Tower, 5051 Westheimer, Houston, Texas 77056.	United Gas Pipe Line Company, Broussard-Cypress Island field, Lafayette and St. Martin Parishes, Louisiana.	[10]	
CI86-658-000 (G-12330) B, Aug. 12, 1986.	do	Arkla Energy Resources, Darley field, Bienville Parish, Louisiana.	[10]	
CI86-657-000 (G-11393) B, Aug. 12, 1986.	do	Arkla Energy Resources, SW. Hunter field, Garfield County, Oklahoma.	[10]	
CI86-656-000 (CI63-1373) B, Aug. 12, 1986.	do	Texas Eastern Transmission Corporation, N. Brandt field, Goliad County, Texas.	[11]	
CI86-655-000 (CI63-1577) B, Aug. 12, 1986.	do	Texas Eastern Transmission Corporation, NW. Brandt field, Goliad County, Texas.	[11]	
CI86-654-000 (G-17499) B, Aug. 12, 1986.	do	Tennessee Gas Transmission Company, Decker's Prairie field, Harris County, Texas.	[12]	
CI86-653-000 (CI65-94) B, Aug. 12, 1986.	do	Texas Eastern Transmission Corporation, Pena field, DeWitt County, Texas.	[13]	
CI86-652-000 (CI67-535) B, Aug. 12, 1986.	do	Arkla Energy Resources, Clay field, Lincoln and Jackson Parishes, Louisiana.	[14]	

[1] Deletion of acreage. ARCO no longer holds an interest in acreage to be deleted.
[2] The only property (P-108285) covered by the subject Rate Schedule No. 425 was assigned to Lewis B. Burleson, Inc. effective 7-1-86.
[3] Applicant is filing under Gas Purchase Contract dated 7-1-86.
[4] No longer able to economically produce these wells due to age of wells (low reservoir pressure) and consistently high line pressure maintained by Consolidated Gas. The imposition by purchaser of a $75 per month meter fee was also a major factor in this decision.
[5] By Assignment effective 6-1-84, Applicant acquired an interest in the subject area from Graham-Michaelis Drilling Company.
[6] By an Assignment dated 1-27-86, and made effective as 12-1-85, Shell Western E&P Inc. (Shell Western) assigned to Amoco a specified leasehold interest in certain acreage lying in Section 8 and Section 11 of Township 22 North, Range 25 West, Ellis County, Oklahoma.
[7] Gas reserves attributable to the acreage committed to the subject contract (NW/4 Sec. 12-9S-1W), Acadia Parish, Louisiana) have been depleted and all wells have been plugged and abandoned.
[8] Production ceased in October, 1985, and OCS Lease No. G-2591 expired 5-29-86.
[9] Production ceased 11-29-84 and OCS Lease No. G-2623 was terminated 2-26-85.
[10] The well(s) have been plugged and abandoned. There have been no gas sales under this contract for many years. Contract expired by its own terms. BHP Petroleum Company Inc. owns no interest in the properties and/or leases involved. Further service is unwarranted.
[11] There have been no gas sales under this contract for many years. Contracts expired by its own terms. BHP Petroleum Company Inc. owns no interest in the properties and/or leases involved. Further service is unwarranted.
[12] The well(s) have been sold to Piney Point Petroleum Company, effective 8-1-87. There have been no gas sales under this contract for many years. BHP Petroleum Company Inc. owns no interest in the properties and/or leases involved. Further service is unwarranted.
[13] The well(s) have been sold to Nelson A. McCarter, effective 4-4-66. There have been no gas sales under this contract for many years. BHP Petroleum Company Inc. owns no interest in the properties and/or leases involved. Further service is unwarranted.
[14] The well(s) have been plugged and abandoned. All leases covered by the Contract were past primary term and expired upon cessation of production. There have been no gas sales under this Contract for many years. BHP Petroleum Company Inc. owns no interest in the properties and/or leases involved. Further service is unwarranted.

Filing Code: A—Initial Service; B—Abandonment; C—Amendment to add acreage; D—Amendment to delete acreage; E—Total Succession; F—Partial Succession.

[FR Doc. 86-19047 Filed 8-21-86; 8:45 am]
BILLING CODE 6717-01-M

[Docket No. QF86-965-000]

Caribbean Energy Co., Inc.; Application for Commission Certification of Qualifying Status of a Cogeneration Facility

August 19, 1986.

On August 8, 1986, Caribbean Energy Co., Inc. (Applicant), of 140 Broadway, 48th Floor, New York, New York 10005, submitted for filing an application for certification of a facility as a qualifying cogeneration facility pursuant to § 292.207 of the Commission's regulations. No determination has been made that the submittal constitutes a complete filing.

The topping-cycle cogeneration facility will be located at the Virgin Islands Water & Power Authority's Estate Richmond site near Christiansted St. Croix, in U.S. Virgin Islands. The facility will consist of three diesel engine-generators and three heat recovery steam generators (HRSG). Thermal energy recovered from the facility will be used for desalination. The net electric power production capacity of the facility will be 19,347 kW. The facility is expected to be installed by the first quarter of 1988.

Any person desiring to be heard or objecting to the granting of qualifying status should file a petition 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 petitions or protests must be filed within 30 days after the date of publication of this notice and must be served on the applicant. 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 petition to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,
Secretary.

[FR Doc. 86-19048 Filed 8-21-86; 8:45 am]
BILLING CODE 6717-01-M

[Docket Nos. ER86-610-000, et al.]

Indiana and Michigan Electric Company et al.; Electric Rate and Corporate Regulation Filings

Take notice that the following filings have been made with the Commission:

1. Indiana and Michigan Electric Company

[Docket No. ER86-610-000]

August 15, 1986.

Take notice that American Electric Power Service Corporation (AEP) on August 12, 1986 tendered for filing on behalf of its affiliated Indiana & Michigan Electric Company (I&ME), Modification No. 21, dated April 30, 1986 to the Interconnection Agreement dated

November 1, 1961 between Northern Indiana Public Service Company (NIPS) and I&ME, I&ME's Rate Schedule FERC No. 22.

Sections 1 through 4 of this Agreement update the Short Term Power, Emergency Energy, Interchange Power, and Limited Term Power Service Schedules to comply with present FERC Rulemaking and insure uniform rates from I&ME for the same service to unaffiliated system companies. These schedules are the same as schedules previously filed by I&ME and accepted for filing by the Federal Energy Regulatory Commission (FERC).

AEP requests that this Modification become effective in two parts, allowing the 2.75 mills per kilowatthour transmission rate for Emergency Energy to become effective as of November 3, 1985 and the remainder of this Modification to become effective immediately. These effective dates would update I&ME's rates with NIPS to levels in effect between I&ME and other interconnected electric utility systems for the time periods specified allowing I&ME to charge similar rates for similar services.

Copies of this filing were served upon the Northern Indiana Public Service Company, the Michigan Public Service Commission, and the Public Service Commission of Indiana.

Comment date: September 2, 1986, in accordance with Standard Paragraph E at the end of this notice.

2. Alabama Power Company

[Docket No. ER86-647-000]

August 18, 1986.

Take notice that on August 11, 1986, Alabama Power Company (APCO) tendered for filing Delivery Point Specification Sheets under an Agreement for Partial Requirements Service and Complementary Services between APCO and the Alabama Municipal Electric Authority (AMEA). The Delivery Point Specification Sheets will supersede and replace the delivery point contracts executed under current Rate MUN-1 of APCO. The Delivery Point Specification Sheets are executed by APCO, AMEA and the member municipalities representing consent of all parties to the PR Agreement.

Comment date: September 2, 1986, in accordance with Standard Paragraph E at the end of this notice.

3. Central Louisiana Electric Company, Inc.

[Docket No. ER86-590-000]

August 18, 1986.

Take notice that on August 12, 1986, Central Louisiana Electric Company, Inc. (CLECO) tendered additional information relating to the executed contract for the sale of Replacement Energy by CLECO to the Louisiana Energy Power Authority.

Comment date: September 2, 1986, in accordance with Standard Paragraph E at the end of this notice.

4. The Connecticut Light and Power Company

[Docket No. ER86-642-000]

August 18, 1986.

Take notice that on August 7, 1986, The Connecticut Light and Power Company (CL&P) tendered for filing an initial rate schedule of an exchange agreement (the Agreement) between CL&P and Public Service Company of New Hampshire (PSNH). The Agreement, dated as of October 1, 1985, provides for CL&P to exchange unit capacity and associated energy from certain of its generating units for capacity and associated energy from a certain one of PSNH's generating units.

The term of the Agreement began on October 1, 1985 and will continue until at least October 31, 1986, and may then be terminated by not less than 90 days written notice.

The capacity exchange ratios were derived from negotiation and are based on the value each party places on the entitlement being received from the other party. The basis of the charges and their derivations are stated in the Agreement.

CL&P requests that the Commission waive its standard notice period and allow the Agreement to become effective as of October 1, 1985.

PSNH has filed a Certificate of Concurrence in this docket.

The services provided by CL&P under this Agreement are not similar to any services currently provided by CL&P pursuant to other rate schedules filed with the Commission. The services provided are similar to an earlier Exchange Agreement between CL&P and the United Illuminating Company ("UI") dated May 7, 1976 (Rate Schedule FPC CL&P No. 126, UI No. 36) and terminated effective May 31, 1978 by letter dated October 25, 1985, Docket No. ER86-87-000.

CL&P states that a copy of this filing has been mailed to PSNH, Manchester, New Hampshire.

CL&P further states that this filing is in accordance with section 35 of the Commission's Regulations.

Comment date: August 29, 1986, in accordance with Standard Paragraph E at the end of this notice.

5. Consumers Power Company

[Docket No. ER86-649-000]

August 18, 1986.

Take notice that on August 11, 1986, Consumers Power Company (Consumers) tendered for filing Consumers' (1) Supplemental Agreement No. 5 to the Coordinated Operating Agreement with the City of Holland, Michigan, (2) Supplemental Agreement No. 5 to the Coordinated Operating Agreement with the City of Lansing, Michigan, and (3) Supplemental Agreement No. 7 to the Coordinated Operating Agreement with the Wolverine Power Supply Cooperative, Inc.; City of Grand Haven, Michigan; City of Traverse City, Michigan; and City of Zeeland, Michigan, all dated as of January 1, 1986.

Each of the three supplemental agreements provides for the addition of Service Schedule G—Kilovar Supply to its respective coordinated operating agreement.

The extent of transactions under each Service Schedule G among the parties for the next twelve months is not known at the present time, as such transactions will only be scheduled from time to time as conditions on the respective systems dictate. Accordingly, it is not possible to estimate the transactions for such period under any of the supplemental agreements being filed.

Consumers states that copies of the filing were served on Wolverine Power Supply Cooperative, Inc., on the Cities of Holland, Lansing, Grand Haven, Traverse City and Zeeland (all in Michigan) and on the Michigan Public Service Commission.

Comment date: September 2, 1986, in accordance with Standard Paragraph E at the end of this notice.

6. The Detroit Edison Company

[Docket No. ER86-648-000]

August 18, 1986.

Take notice that The Detroit Edison Company on August 11, 1986 tendered for filing the following proposed changes in its FERC Electric Service Tariff, 1st Revised Volume No. 1:

Amendment to Electric Supply Agreement

Detroit Edison is requesting that the Commission approve an amendment to the Electric Supply Agreement with the Thumb Electric Cooperative to enable Detroit Edison to add a new service delivery point with the customer. No other term of the Electric Supply Agreement has been changed as a result of this Agreement.

Detroit Edison requests that the Commission grant such waivers and authorizations as are required to enable the implementation of this Agreement as soon as possible.

Copies of the filing were served upon The Detroit Edison Company's jurisdictional customers and upon the Michigan Public Service Commission.

Comment date: September 2, 1986, in accordance with Standard Paragraph E at the end of this document.

7. El Paso Electric Company

[Docket No. ER86-638-000]

August 18, 1986.

Take notice that on August 5, 1986, El Paso Electric Company (EPE or the Company) tendered for filing rates and a rate moderation plan for service to Rio Grande Electric Cooperative Inc. (Rio Grande). The Company is extending the plan to its other wholesale customers Texas-New Mexico Power Company (TNP) and Imperial Irrigation District (Imperial).

On March 26, 1986 the Company filed increased rates for service to Rio Grande, TNP and Imperial in Docket No. ER86-368. On May 22, 1986 the Commission accepted and suspended the rates for service to TNP and Imperial but rejected the rates for service to Rio Grande on the ground that EPE had not complied with Article 4.2 of the settlement agreement between EPE and Rio Grande in the last wholesale rate case (Docket No. ER84-236). The Commission construed Article 4.2 as requiring EPE to file a rate moderation plan for service to Rio Grande.

The Company does not agree with the Commission's reading of Article 4.2 but has chosen to comply by filing a rate moderation plan similar to that proposed by the Commission Staff as adopted in an initial decision issued June 4, 1986 in *Union Electric Company*, Docket No. ER84-560. Under the plan the Company would phase its non-fuel operating costs of the Palo Verde Nos. 2 and 3 nuclear units into cost of service in 20% annual increments over the five year periods beginning when each unit enters commercial service. During these periods, the Company would defer unrecovered costs and accrue a return on those costs. It would recover the accumulated deferrals on a straight-line basis over the ensuing five year periods. The second Palo Verde unit is presently scheduled to enter service on August 30, 1986 and the third to enter service on September 30, 1987. The phase-in period for the first unit would thus end in 1991 followed by a period of recovery ending in 1996. The phase-in and recovery periods for the third unit would end in 1992 and 1997.

The Company is initiating the plan for service to Rio Grande through first and second step rates enclosed with this filing. Those rates are based on the Company's 1986 compliance cost of service in Docket No. ER86-368 as adjusted (a) to reduce the Palo Verde No. 2 investment included in rate base from one-third to one-fifth of the total investment in the unit in accordance with the plan, (b) to reduce the cost of equity supporting the second step rate from 15.75% to 14.75% to take account of recent improvement in the capital market, (c) to eliminate a portion of Palo Verde No. 1 investment from the rate base supporting the second step of the increase to reflect a February 28, 1986 service date which the Company has decided to accept consistent with a stipulation approved for Texas retail purposes in May 1986 and (d) other downward adjustments to the overall cost of service described in the enclosed testimony of Mr. Johnson.

The Company asks that the proposed first and second step rates for service to Rio Grande be made effective subject to refund on October 5 and 6, 1986, respectively. If Palo Verde No. 2 has not entered commercial service by those dates the Company requests suspension of the rates until the service date. The Company will notify the Commission of the date when the unit enters service within 10 days thereafter.

The proposed rates for service to Rio Grande would result in increases on the basis of the 1986 test period of $631,899 in the first step and an additional $19,338 in the second for a total increase of $651,237. The first and second step increases are 25.19% and 25.96%, respectively, above the level of the present rates for service to Rio Grande. The increases are below the increases of $1,027,008 and $339,937 which the Company proposed for service to Rio Grande in its filing in Docket No. ER86-368.

The Company has developed rates to TNP and Imperial based on the same cost of service which it used to develop the rates filed herewith for service to Rio Grande. TNP and Imperial have 30 days from the date of the filing to accept the rates and rate moderation plan to become effective for service beginning with the in-service date of Palo Verde No. 3. The Company will file the rates promptly when acceptances are received and will request waiver of the 60 day notice requirement based on those acceptances.

The Company requests all necessary waivers of the Commission's filing requirements in order to allow EPE to rely on the cost data filed in Docket No. ER86-368. EPE also requests that the filing here be consolidated for hearing with the proceeding in Docket No. ER86-368. Granting these requests will permit this filing and the filing in Docket No. ER86-368 to be reviewed based on the same cost data in the same proceeding and will not result in any prejudice to Rio Grande. Rio Grande is an intervenor in Docket No. ER86-368 and has participated actively by engaging in extensive discovery in that docket.

The Company has served copies of its filing on the affected customers and the Texas, New Mexico and California Commissions.

Comment date: August 29, 1986, in accordance with Standard Paragraph E at the end of this notice.

8. Middle South Services, Inc.

[Docket No. ER86-646-000]

August 18, 1986.

Take notice that on August 11, 1986, Middle South Services, Inc. (MSS), as agent for Arkansas Power & Light Company (AP&L), Louisiana Power & Light Company (LP&L), Mississippi Power & Light Company (MP&L) and New Orleans Public Service Inc. (NOPSI), tendered for filing a Contract for Purchases of Economic Energy by Florida Power & Light Company from AP&L, LP&L, MP&L, NOPSI and MSS.

MSS requests an effective date of June 20, 1986 for the Agreement. MSS requests waiver of the Commission's notice requirements under § 35.11 of the Commission's Regulations.

Comment date: September 2, 1986, in accordance with Standard Paragraph E at the end of this notice.

9. Oklahoma Gas and Electric

[Docket No. ER86-653-000]

August 18, 1986.

Take notice that on August 12, 1986, Oklahoma Gas and Electric Company (OG&E) tendered for filing an Amended Appendix "B" dated July 31, 1986, between OG&E and Oklahoma Municipal Power Authority (OMPA).

The amendment modifies the Transmission Service Agreement, Appendix "B" regarding the Points of Receipt for power and energy into OG&E's system. The parties request an effective date of August 1, 1986, and request a waiver of the Commission's notice requirements.

Copies of this filing have been served on OMPA, the Corporation Commission of the State of Oklahoma and the Arkansas Public Service Commission.

Comment date: September 2, 1986, in accordance with Standard Paragraph E at the end of this notice.

10. Southern California Edison Company

[Docket No. ER86-307-000]

August 18, 1986.

Take notice that on July 28, 1986, Southern California Edison Company (Edison) tendered for filing an amendment to the Economy Energy Agreement (Agreement) with Desert Generation and Transmission Co-Operative (Desert).

Federal Energy Regulatory Commission (Commission) notified Edison that § 5.4.6 of the Agreement, which defines incremental cost to include payments to third parties, and § 7.2 of the Agreement, which sets a rate of 115 percent of incremental cost, together are in violation of § 35.23 of the Commission's Regulations. Edison was then directed to submit an appropriate revision to the Agreement in compliance with § 35.23 within thirty days of the date of the Commission's letter order. By letter dated July 16, 1986, Edison requested and subsequently was granted an extension to July 28, 1986, for submittal of this revision.

Comment date: August 29, 1986, in accordance with Standard Paragraph E at the end of this notice.

11. Tucson Electric Power Company

[Docket No. ER86-651-000]

August 18, 1986.

Take notice that on August 11, 1986 Tucson Electric Power Company ("Tucson") tendered for filing an Interconnection Agreement between Tucson and Deseret Generation and Transmission Co-operative ("Deseret"). The primary purpose of this Agreement is to provide the terms and conditions relating to the interconnection of the electrical systems of TEP and Deseret and the exchange of capacity and energy between the two systems. Tucson states that services may be provided under three Service Schedules:

1. Service Schedule A—Emergency Assistance.

2. Service Schedule B—Economy Energy Interchange.

3. Service Schedule C—Banked Energy.

Tucson states that copies of the filing were served upon Deseret.

Tucson requests an effective date of October 15, 1986.

Comment date: September 2, 1986, in accordance with Standard Paragraph E at the end of this document.

12. Upper Peninsula Power Company

[Docket No. ER86-650-000]

August 18, 1986

Take notice that on August 11, 1986, Upper Peninsula Power Company (the Company) tendered for filing Addendum B between the Company and the Alger-Delta Cooperative Electric Association dated August 2, 1986. The Federal Energy Regulatory Commission designated rate schedule for this contract is FERC No. 14.

The Company requests that the 60 day period between filing and effective dates be waived and that this new point of service be effective.

Comment date: September 2, 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 procedures (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. 86-19045 Filed 8-21-86; 8:45 am]

BILLING CODE 6717-01-M

[Project No. 8920-001]

Independence Electric Corp.; Surrender of Preliminary Permit

August 8, 1986.

Take notice that Independence Electric Corporation, Permittee for the proposed Sugar Creek Hydroelectric Project No. 8920, has requested that its preliminary permit be terminated. The permit was issued on August 5, 1985, and would have expired July 31, 1988. The project would have been located on the Catawba River, in York County, South Carolina. The Permittee states that it has been determined that the project is not economically feasible.

The Permittee filed the request on July 30, 1986, and the preliminary permit for Project No. 8920 shall remain in effect through the thirtieth day after issuance of this notice unless that day is a Saturday, Sunday, or holiday as described in 18 CFR 385.2007, in which case the permit shall remain in effect through the first business day following that day. New applications involving this project site, to the extent provided for under 18 CFR Part 4, may be filed on the next business day.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-19051 Filed 8-21-86; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. CP86-462-000]

Kentucky West Virginia Gas Co.; Stipulation and Agreement

August 19, 1986.

Take notice that on July 30, 1986, Kentucky West Virginia Gas Company (Kentucky West), filed a Stipulation and Agreement to resolve all issues in the above captioned proceeding. If approved, the Stipulation and Agreement will result in the following:

(i) The issuance of a certificate of public convenience and necessity to Kentucky West, pursuant to section 7(c) of the Natural Gas Act, authorizing service under a new Market Incentive Purchased Gas Cost Rate Schedule (Rate Schedule MI);

(ii) The granting of an amendment to Kentucky West's certificate of public convenience and necessity issued in Docket No. G-272, authorizing Kentucky West to partially abandon the service there authorized so as to reduce Equitable Gas Company's ("Equitable") maximum daily contract quantity under Rate Schedule PLS-1 from 71,013 dth to 56,900 dth, effective June 1, 1986. This reduction will constitute Equitable's first year contract conversion/reduction rights under any Order No. 436 blanket certificate issued to Kentucky West.

(iii) Upon issuance of an Order No. 436 blanket certificate to Kentucky West, Kentucky West will permit any other customer in the first year to reduce or convert up to 20% of that customer's maximum daily contract quantity in lieu of any other first year reduction/conversion rights provided in § 284.10 of the Commission's Regulations. The agreement will not reduce any remaining reduction or conversion rights.

(iv) Granting Kentucky West permission for and approval of the abandonment of the MI service, pursuant to section 7(b) of the Natural Gas Act, effective eighteen (18) months from the date of the Commission's Order

approving the Stipulation and Agreement.

On April 18, 1986, Kentucky West filed an application in Docket No. CP86–462–000 for a limited term certificate of public convenience and necessity to implement a market incentive rate schedule. This application was filed because Kentucky West had experienced a substantial decline in sales under its PLS–1 Rate Schedule. In order to encourage optimum sales and to protect Kentucky West against potential take-or-pay liability, Kentucky West proposed an experimental market incentive rate for any sales in excess of 66⅔% of its PLS–1 customers' Maximum Daily Contract Quantity subject to the following: (1) These sales would be made under the proposed Market Incentive Purchased Gas Cost Rate Schedule MI; (2) such sales would be available for volumes taken on any day in excess of the higher of 66⅔% of the customer's Maximum Daily Contract Quantity or the volume nominated by the Buyer for delivery under Rate Schedule PLS–1 for that day up to the level of the Maximum Daily Contract Quantity; and (3) additional volumes would be available on an interruptible basis subject to the availability of surplus gas. The availability of all volumes would be subject to Kentucky West being able to arrange with its gas suppliers a reduced price to permit the sale of gas under Rate Schedule MI. Since the MI Rate Schedule is experimental, Kentucky West proposed that it be effective only for a limited term of 18 months with pregranted abandonment to be effective at the end of that period.

Kentucky West's application noted that if Kentucky West can obtain from its producer/suppliers the necessary volumes of gas to implement the market incentive sales, such sales will optimize to the extent such reduced cost gas supplies are made available, the economic utilization of Kentucky West's system. Kentucky West also states that such sales will protect against potential take-or-pay liability with its producer/suppliers. For these reasons Kentucky West submitted that the proposed service will inure to the benefit of all system customers and is, therefore, required by the public convenience and necessity and in the public interest.

The following summarizes the provisions of the Stipulation and Agreement.:

Article I: Provision is made for the Commission's issuance of a limited-term certificate authorizing a market incentive rate to be made available to all of Kentucky West's customers, effective for eighteen months commencing upon issuance of the Commission's order approving the Stipulation.

Article II: This Article, by reference to pro forma tariff sheets attached to the filing, establishes the mechanism for applying the market incentive rate. Within fifteen days of Commission approval of the Stipulation and Agreement Kentucky West will file such tariff sheets to implement a market incentive rate for any sales in excess of 66⅔% of Kentucky West's PLS–1 customers' Maximum Daily Contract Quantity subject to the following: (1) These sales are to be made under the Market Incentive Purchased Gas Cost Rate Schedule MI; (2) such sales would be available for volumes taken on any day in excess of the higher of 66⅔% of the customer's Maximum Daily Contract Quantity or the volume nominated by the Buyer for delivery under Rate Schedule PLS–1 for that day, up to the level of the Maximum Daily Contract Quantity; and (3) additional volumes would be available on an interruptible basis subject to the availability of surplus gas. The availability of all volumes is subject to Kentucky West being able to arrange with its gas suppliers a reduced price to permit the sale of gas under Rate Schedule MI.

The pro forma tariff sheets attached to the filing further provide that for GSS–1 customers, the Market Incentive Purchased Gas Cost Charge applicable to purchases under the MI Rate Schedule, will be applied to the volume of gas taken during any months by a GSS–1 Buyer which is equal to the volume determined by multiplying the total gas taken by such GSS–1 Buyer by the ratio of the total volumes of gas purchased during the month under Rate Schedule MI by PLS–1 Buyer's divided by the total volumes of gas purchased during the month by PLS–1 buyers under both the PLS–1 Rate Schedule and the MI Rate Schedule.

Article III: Upon approval of the Stipulation and Agreement, an amendment to Kentucky West's certificate in Docket No. G–272 shall be issued that provides for a reduction in Equitable's maximum daily contract quantity under Rate Schedule PLS–1 from 71,013 dth to 56,900 dth, effective June 1, 1986. Such reduction constitutes Equitable's first year contract conversion/reduction rights under any Order No. 436 blanket certificate issued to Kentucky West.

Article IV: Upon approval of the Stipulation and Agreement and issuance of an Order No. 436 blanket certificate of Kentucky West, Kentucky West will permit any other customer in the first year to reduce or convert up to 20% of such customer's maximum daily contract quantity in lieu of any other first year reduction/conversion rights provided in § 284.10 of the Commission's Regulations. The Stipulation and Agreement is not intended to reduce remaining reduction or conversion rights of any customer under Order No. 436. Furthermore, Kentucky West agrees that during the eighteen month period after issuance of the certificate described in Article I there will be no increase in costs allocated to GSS–1 customers or PLS–1 customers by reason of the reduction in Equitable's Maximum Daily Contract Quantity from 71,013 dth to 56,900 dth, and such Agreements without prejudice to any party's right to object to any increase in costs allocated to Rate Schedule GSS–1 or PLS–1 customers by reason of the reduction in Equitable's maximum daily contract quantity which may thereafter be proposed by Kentucky West.

Article V: The Stipulation and Agreement is limited to providing for (1) the establishment of the Market Incentive Purchased Gas Cost Rate Schedule and (2) the reduction in Equitable's maximum daily contract quantity under Rate Schedule PLS–1. Except to the extent any matter is specifically addressed in the Stipulation and Agreement, the Stipulation and Agreement is without prejudice to the position of any party on any other issues, whether or not any such issues may be involved in Kentucky West's currently pending general rate proceeding in Docket No. RP86–52–000. In addition, unless expressly required or prohibited therein, the Stipulation and Agreement is also expressly without prejudice to the position of any party concerning the minimum commodity bill in Kentucky West's PLS–1 Rate Schedule.

Article VI: If the Commission does not approve the Stipulation and Agreement, any party may amend its intervention in this proceeding so as to raise additional issues.

Article VII: The Stipulation and Agreement is effective for the term of the certificate issued by the Commission, except that the provisions in Article II of the Stipulation and Agreement shall survive the term of the Stipulation and Agreement.

Article VIII: The Stipulation and Agreement is submitted pursuant to Rule 602 of the Commission's Rules of practice and procedure, and it is agreed by all parties and the Commission Staff that unless the Stipulation and Agreement becomes effective in accordance with its terms, the Stipulation and Agreement shall be

privileged and of no effect. It is further specifically agreed and understood that the Stipulation and Agreement represents a negotiated settlement.

Kentucky West states that it has served the Stipulation and Agreement, and a proposed Commission order approving the Stipulation and Agreement, upon all parties to the proceeding in Docket No. CP86-462-000, and any additional parties required to be served by Rule 602(d)(ii) of the Commission's Rules.

Pursuant to Rule 602(f)(2) of the Commission's Rules, any comments on the Stipulation and Agreement may be filed with the Commission no later than August 29, 1986 and any reply comments may be filed no later than September 8, 1986. Any failure to file comments constitutes a waiver of all objections to the Stipulation and Agreement filed by Kentucky West.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-19049 Filed 8-21-86; 8:45 am]

BILLING CODE 6717-01-M

Availability of Environmental Assessment and Finding of No Significant Impact

West Slope Power Company.....5248-004
West Slope Power Company.....5250-003
Mega Hydro Inc.....5756-005
West Slope Power Company.....5862-003
Joseph M. Keating.....3188-003
Joseph M. Keating.....3194-003
Lind and Associates.....5192-002
Larry Hensley.....7930-001
Larry Hensley.....7931-001

August 8, 1986.

In accordance with the National Environmental Policy Act of 1969 and the Regulations of the Council for Environmental Quality, the Office of Hydropower Licensing, Federal Energy Regulatory Commission (Commission), has reviewed the applications for the major license, minor license, and exemption from licensing listed below for proposed hydroelectric projects within the Upper San Joaquin River Basin and South Fork of the American River Basin. The Commission's staff has determined the significance of potential cumulative adverse impacts on target resources in these two basins.

I. Upper San Joaquin River Basin

Project No.	Project name	State	Water body	Nearest town or county	Applicant
			Exemption		
5756-005	Rock Creek	CA	Rock Creek	Madera	Mega Hydro Inc.
			Licenses		
5248-004	Whisky Creek No. 2	CA	Whisky Creek	Madera	West Slope Power Company.
5250-003	Whisky Creek No. 1	CA	Whisky Creek	Madera	West Slope Power Company.
5862-003	Whisky Creek No. 3	CA	Whisky Creek	Madera	West Slope Power Company.

II. South Fork of the American River Basin

Project No.	Project name	State	Water body	Nearest town or county	Applicant
			Licenses		
3188-003	Pyramid Creek	CA	Pyramid Creek	Twin Bridges	Joseph M. Keating.
3194-003	Foottrail	CA	Silver Fork	Kyburz	Joseph M. Keating.
5192-002	Upper Rock Creek	CA	Rock Creek	Placerville	Lind and Associates.
7930-001	Fry Creek	CA	Fry Creek	White Hall	Larry Hensley.
7931-001	29 Mile Creek	CA	Unnamed Stream	White Hall	Larry Hensley.

Environmental assessments (EA's) were prepared on the potential cumulative impacts associated with hydropower development in the above two river basins. Based on independent analyses presented in the EA's, the Commission's staff concludes that the four proposed projects in the Upper San Joaquin River Basin and the five proposed projects in the South Fork of the American River Basin would have cumulative adverse impacts to the target resources. These impacts, however, would not be significant and would not constitute a major Federal action significantly affecting the quality of the human environment. Therefore, environmental impact statements will not be prepared for these projects. Copies of the EA's are available for review in the Commission's Public Reference Section, Room 1000, 825 North Capitol Street, NE., Washington, DC 20426.

Kenneth F. Plumb,

Secretary.

[FR Doc. 86-19050 Filed 8-21-86; 8:45 am]

BILLING CODE 6717-01-M

Western Area Power Administration

Request for Applications for Power From the Navajo Generating Station

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice and Request for Applications.

SUMMARY: Western is requesting additional applications for the power available from the Navajo Generating Station (Navajo). Applications received in response to this notice will be considered along with the applications received in response to the "Request for Applications for Short-Term Power From the Navajo Generating Station" published in the **Federal Register** (49 FR 11873) on March 28, 1984. The applications for Navajo power must include the amount of power requested, expressed as a percentage of the amount of capacity available from Navajo, and the applicant profile data requested in this notice. Specific instructions on the application are outlined in the "Request for Applications" section of this notice. Western also requests those entities which previously submitted applications to Western for short-term Navajo power to amend their application by requesting power as a percentage of the amount of capacity available from Navajo. Those entities that have already submitted applications are not required to submit additional applicant profile data. Supplemental information may be submitted if the entity feels it is necessary to update the applicant profile

data previously submitted. Power available from Navajo will be offered by Western for an interim period under an Interim Power Marketing Plan (Interim Plan) developed pursuant to the Hoover Power Plant Act of 1984 (98 Stat. 1333) (Act).

The Act, specifically section 107, requires that a marketing plan be established for the capacity and energy (power) from the United States entitlement to Navajo that is surplus to the Central Arizona Project (CAP) needs. The Act requires that the Secretary of the Interior adopt such a plan after consultation with the Central Arizona Water Conservation District (CAWCD), the Governor of Arizona, and the Secretary of Energy. Work is continuing by the above-named entities on a long-range Navajo power marketing plan. However, early in the process, it became apparent that an interim power marketing plan was necessary to support funding obligations of the CAWCD prior to establishing a long-term plan. Therefore, an Interim Plan was developed and adopted by the Commissioner of the Bureau of Reclamation (Reclamation) on March 17, 1986.

The Commissioner forwarded the Interim plan to the Administrator, Western Area Power Administration (Western), by letter dated April 14, 1986, for implementation. The interim Plan will terminate as provided in a long-term marketing plan or on September 30, 1990, whichever occurs first. The Interim Plan is appended as appendix A and includes the estimated maximum capacity and energy available (by water year) through 1990 and other future years before regulatory storage is completed. The Navajo interim power will be allocated on a percentage of capacity basis.

Western will immediately begin accepting and reviewing the applications received pursuant to this notice. A proposed allocation will be published in a **Federal Register** notice upon completion of the review and analysis of all applications received.

DATES: Applications for Navajo power available under the Interim Plan will be accepted until September 22, 1986. Applications postmarked after that date will not be accepted.

ADDRESS: Applications should be submitted to: Mr. Thomas A. Hine, Area Manager, Boulder City Area Office, Western Area Power Administration, P.O. Box 200, Boulder City, NV 89005.

FOR FURTHER INFORMATION CONTACT: Mr. Tom Carter, Assistant Area Manager for Power Marketing, Boulder City Area Office, Western Area Power Administration, P.O. Box 200, Boulder City, NV 89005, (702) 477–3255.

SUPPLEMENTARY INFORMATION: Section 107 of the Act provides that capacity and energy associated with the United States interest in Navajo, which is in excess of the pumping requirements of CAP, and any such needs for desalting and protective pumping facilities as may be required under section 101(b)(2)(B) of the Colorado River Basin Salinity Control Act of 1974 (Navajo surplus), shall be marketed and exchanged by the Secretary of Energy, pursuant to a plan adopted by the Secretary of the Interior, directly to, with, or through the Arizona Power Authority and/or other entities having the status of preference entities under the reclamation law in accordance with the preference provisions of section 9(c) of the Reclamation Project Act of 1939 (43 U.S.C. 485(h)) and as provided in part IV, section A of the "General Consolidated Power Marketing Criteria or Regulations for Boulder City Area Projects" (48 FR 20872).

An Interim Plan, herein published, has been developed and adopted by the Commissioner of Reclamation. The Interim Plan provides for marketing of the Navajo surplus by Western during the initial delivery and pump-testing period of the CAP and during the pre-New Waddell period. The New Waddell Project is a proposed regulatory storage feature of CAP that would give Reclamation operational flexibility to increase winter season pumping and reduce summer season pumping, thereby providing an enhanced resource during the peakload season of the Southwest.

The Interim Plan provides the quantities and classes of service that will be available under the Interim Plan. Applications are being requested for the quantities and classes of service provided in the Interim Plan

Those Arizona entities which have preference to Navajo power pursuant to section 107 of the Act who receive an allocation of Navajo interim power will have first right-of-refusal for 50 percent of their power allocation under the Interim Plan, if available, when the long-range Navajo Marketing Plan is adopted.

Paperwork Reduction Act of 1980

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501–3520) requires that certain information collection requirements be approved by the Office of Management and Budget (OMB) before information is demanded of the public. OMB has issued a final rule on the Paperwork Burdens on the Public (48 FR 13666) dated March 31, 1983. Only those parties requesting Navajo power are requested to submit information. Nevertheless, this is at their sole election. There is no requirement that members of the public supply information about themselves to the Government. It follows that the request for applications is exempt from the Paperwork Reduction Act.

Request for Applications

Western is requesting additional applications for power available from Navajo. Applications received in response to this notice will be considered along with the applications received in response to the "Request for Applications for Short-Term Power From the Navajo Generating Station" published in the **Federal Register** (49 FR 11873) on March 28, 1984. First-time applicants and those entities that previously submitted applications to Western for short-term Navajo power should provide a statement of the amount of Navajo power they are applying for, by season, expressed as a percentage of the maximum capacity estimated to be available in the following table 1:

TABLE 1

Period	Summer season MW	Winter season MW
1987	474	364
1988	395	333
1989	155	324
1990	137	313

For example: In the 1987 summer season, approximately 474 MW is estimated to be available. If the applicant wants approximately 47 MW of capacity during the 1987 summer season, the applicant would request 10 percent of the power for the 1987 summer season.

The capacity amounts provided in table 1 are the peak capacity amounts estimated in the Interim Plan to be available and are provided in Exhibit 1 to the Interim Plan. The Exhibit 1 Summary included in this notice provides estimated monthly capacity amounts and the energy amounts available with such capacity. The Exhibit 1 Summary provides only an estimate of the maximum power expected to be available for marketing by Western under the Interim Plan. The acutal power available may be more or less than estimated. If the power available from Navajo is more than estimated, each contractor will be obligated to take up to a 10 percent increase in the power that was estimated to be available to such

contractor. Energy deliveries will be subject to CAP pumping requirements.

Each applicant (first-time and existing) should indicate: (1) The percentage of power requested if the power is made available at a proposed Navajo interim rate of 26.59 mills per kilowatthour and $10 per kilowattmonth for the summer season, and 24.51 mills per kilowatthour (no charge per kilowattmonth) for the winter season; and (2) the percentage of power requested if the power is made available at an alternative rate of 15, 20, 30, or 35 mills per kilowatthour. Entities requesting Navajo power for the first time pursuant to this notice are requested to submit the applicant profile data set out in this section. Those entities with existing applications are not required to submit additional applicant profile data.

The marketing area and eligibility criteria (including the order of priority for sales), contract provisions, conditions of delivery, and system reserve requirements are provided in section V of the Interim Plan. Additional conditions are described in the "Conformed General Consolidated Power Marketing Criteria or Regulations for Boulder City Area Projects" (49 FR 50582).

Section III of the Interim Plan identifies the quantities and classes of power that will be available under the Interim Plan. Applications for power are being requested for the power specifically identified in subsection B of section III.

The application information shall comply with the following applicant profile data as approved through September 30, 1986, by the Office of Management and Budget (OMB No. 1910–1200):

Applicant Profile Data

If an entity is applying for power on behalf of another organization which is not a member or subsidiary of the applicant, the applicant should provide a statement to that effect, which includes the reason(s) why the other organization is not applying for power on its own behalf. All items of information in the applicant profile data should be answered as if prepared by the organization seeking the allocation of Federal power.

A. Applicant Organization

1. Organization name and address.

2. Name, address, title, and telephone number of person(s) who will represent the entity in dealing with Western.

3. Type of organization (municipality, rural electric cooperative, irrigation district, State agency, Federal agency, other). Parent organization, if applicable. Names of members, if applicable. Applicable law under which organization was established.

4. Organization's geographic service area. If readily available, submit a map of the service area and indicate the date prepared.

5. Number and types of customers served and percentage of load: residential, commercial, industrial, agricultural, military base, etc.

B. Loads

1. Maximum demand (kW) and energy use (kWh) for each month for each year for the 3-year period of 1981, 1982, and 1983.

2. Daily peak demand for the peak week in each of the two most recent seasons (summer season, March–September; winter season, October–February).

C. Resources

1. Operating generating resources, if any, including for each resource, rated capacity, plant factor by month for the last 12 months, type of fuel, and location.

2. If the applicant's load is served wholly or partially by purchases from others, please provide for each purchase, the name of the power supplier, amounts of firm and nonfirm capacity and energy supply under the contract, and the termination date.

D. Transmission

1. A brief description of the applicant's transmission and distribution system, including major interconnections.

2. Requested point(s) of delivery on Western's system, voltage of service required, and capacity desired at the points of delivery.

3. Description of the transmission arrangements necessary to deliver power from the requested point(s) of delivery to the applicant's load. Please provide a single-line drawing of the applicant's service arrangements, if one is readily available.

E. Service Requested

1. The amount(s) and type(s) of service requested for each season expressed as a percentage of the capacity available from Navajo. (Refer to table 1).

2. The date when the applicant can first use the service requested from Western.

F. Any other information the applicant wishes to include.

G. The signature and title of an appropriate official who is able to attest to the validity of the information submitted and who is authorized to submit the application.

All applications for Navajo power will be available for public review at the Boulder City Area Office after 30 days from publication of this notice.

Issued in Golden, Colorado, August 18, 1986.

William H. Clagett,

Administrator.

Appendix A

The Interim Navajo Power Marketing Plan is being published as adopted. A summary of the Exhibit 1 to the Interim Plan is also included in this Appendix A.

Interim Navajo Power Marketing Plan

I. Purpose and Scope

Section 107 of the Hoover Power Plant Act of 1984, Pub. L. 98–381, requires that a Power Marketing Plan be developed to provide for the sale of the capacity and energy from the Central Arizona Project's share of the Navajo Generating Station that is surplus to the Project needs (Navajo surplus). Specifically, subsection 107(c) of this Act requires that a Power Marketing Plan be developed to provide for marketing and exchanges of electrical capacity and energy which are in excess of the pumping requirements of the Central Arizona Project (CAP) and any such needs for desalting and protective pumping facilities as may be required under Title I, to section 101(b)(2)(B) of the Colorado River Basin Salinity Control Act (Pub. L. 93–320) (Salinity Control Act facilities).

This Interim Navajo Power Marketing Plan will provide for marketing of Navajo surplus during the initial delivery and pump-testing period of CAP operations and during the pre-New Waddell period. The long-range Navajo Marketing Plan which is presently under development will provide for the subsequent marketing of Navajo surplus.

A. This Interim Navajo Power Marketing Plan will maintain the obligation for the United States to use its entitlement to the Navajo resources to provide necessary power for the CAP pumping needs and Salinity Control Act facilities use. The Interim Plan will provide financial assistance to assure the timely construction and applicable repayment of CAP costs reimbursable by CAWCD. This plan is also designed to maximize the amount of capacity and energy available for sale as required by the Colorado River Basin Project Act of 1968. The estimated amounts of Navajo surplus were obtained from data contained in a report by the Bureau of Reclamation entitled "Central Arizona Project Power Marketing and Water Supply Study—October 1985." The attached Exhibit 1, entitled, "Surplus/Shortage Pumping Power Profile—Pre-New Waddell", summarizes the data to show the approximate capacity and energy available, by month, for the interim period.

B. This Interim Navajo Power Marketing Plan is consistent with section 107(d) of the Hoover Power Plant Act of 1984.

This Interim Navajo Power Marketing Plan provides that Western Area Power Administration (Western), will work closely

with the CAWCD and the Bureau of Reclamation on CAP and river operations. Western, working closely with CAWCD, will market the surplus Navajo capacity and energy under conditions similar to the existing layoff contracts, the Conformed General Consolidated Power Marketing Criteria or Regulations for Boulder City Area Projects (Criteria), and in accordance with the Navajo allocation process already in progress as announced in the Federal Register on March 28, 1984, at 49 FR 11873. Western will manage the marketing and exchange of the Navajo surplus under this Interim Power Marketing Plan. This plan will terminate as provided in the long-range Navajo Power Marketing Plan or on September 30, 1990. Revenues from the sale and exchange of Navajo surplus power and energy derived from added-rate component(s) set forth in Article V of this plan will be utilized and assigned to make repayment and establish reserves for repayment of $175,000,000 (or more) of funds advanced by or for CAWCD for construction of authorized features of the CAP. These revenues, together with such revenues under the long-range Navajo Marketing Plan should be sufficient to make repayment and establish reserves for repayment of the funds advanced by or for CAWCD for the construction of authorized CAP features and to provide financial assistance for repayment of CAP costs reimbursable by CAWCD.

During the Interim Marketing period, optimization of Navajo surplus will be achieved primarily through delivering maximum amounts of water in the daytime from aqueduct storage and then recharging that storage to the maximum extent possible by utilizing offpeak pumping.

II. Authorities

A. Federal reclamation laws including, but not limited to, the Colorado River Basin Project Act (Pub. L. 90–537) and the Hoover Power Plant Act (Pub. L. 98–381).

B. Rules, regulations, and agency agreements of the United States Department of Interior, Bureau of Reclamation, and the United States Department of Energy, Western Area Power Administration, issued or made pursuant to applicable law.

III. Quantities and Classes of Power

A. Classes of services have been defined based upon the following principles:

1. Excess capacity and energy is defined as that amount in excess of the pumping requirements of the CAP and any such needs for Salinity Control Act facilities use. Under this Plan, such excess capacity and energy will be offered for sale and for exchange. It is expected that the Salinity Control Act facilities will not create a demand on Navajo surplus during the term of the Interim Plan. Accordingly this Interim Plan assumes that there will be no Navajo surplus furnished to the Salinity Control Act facilities.

2. A feature of the proposed CAP operation during the interim Navajo marketing period is daily energy management as well as weekly management. Pumping will be done during offpeak hours to the extent possible in order to maximize daily onpeak availability of surplus Navajo capacity and energy. For the purposes of this interim plan, a typical day (Monday through Saturday) consists of 12 hours of "onpeak" time and 12 hours of "offpeak" time. The onpeak summer period is typically from 9:00 a.m. to 9:00 p.m. The onpeak winter day periods are typically from 5:00 a.m. to 10:00 a.m. and from 3:00 p.m. to 10:00 p.m.

3. Western working closely with CAWCD and the Bureau of Reclamation will annually modify exhibit I to reflect anticipated surplus Navajo generation for the upcoming year considering anticipated Navajo availability and anticipated pumping requirements.

B. Classes.

1. Capacity and energy marketed in the interim period shall be offered as contingent Navajo power as has been the case in the present layoff contracts. Any Navajo power reserved for pumping shall also be contingent power. Any call for curtailment of Navajo schedules shall affect pump schedules and surplus power sales proportionally in any given hour.

2. Capacity and energy exchanges will be used during the interim marketing period to the extent possible in order to provide for monthly shortages and to provide for CAP pump testing.

3. Any Navajo surplus that is not marketed or exchanged under 1 or 2 above, will be marketed by Western under short-term arrangements.

IV. Contract Term

Capacity and energy shall be marketed or exchanged under terms of contracts which will terminate when the long-range plan is implemented.

V. Ratesetting Methodology

Rates shall be determined by Western Area Power Administration in accordance with the accepted methods contained in existing layoff contracts except that there shall also be additional rate components as follows:

Additional rate component(s) will be established (in addition to components currently collected) pursuant to provisions of section 107 of the Hoover Power Plant Act of 1984 (Act). The revenues from the additional rate components will be collected and may be deposited in an escrow account established pursuant to an escrow agreement entered into between the Bureau of Reclamation and CAWCD, to implement section 107 of the Act. Additional rate components shall not exceed amounts which, when added to the rate component currently collected, allow for appropriate savings to the contractor as required by section 107(d) of the Act.

A. Market Area and Eligibility

1. Sales will be offered, in the following order of priority, to entities having the status of preference entities under the provisions of section 9(c) of the Reclamation Project Act of 1939 and as provided in part IV, section A, of the Criteria.

a. Preference entities within Arizona.

b. Preference entities within the Boulder City Marketing Area.

c. Preference entities in adjacent Federal marketing areas.

d. Nonpreference entities in the Boulder City Marketing Area.

B. Contract Provisions.

Contract provisions shall comply with Western's Conformed General Consolidated Power Marketing Criteria or Regulations for Boulder City Area Projects (Criteria) published in the Federal Register on December 28, 1984, at 49 FR 50582.

C. Conditions of Delivery.

1. Point of Delivery. Power and energy sold under this plan shall be delivered to purchasers at any of the following Navajo transmission system switchyards: Westwing Switchyard, McCullough Switchyard. Any necessary transmission service beyond these points will be the responsibility of the contractor.

2. Voltage. All deliveries shall be at 500 kV except deliveries to Westwing Switchyard shall be at 230 kV.

3. Operation Procedures/Power Accounting. Operations and accounting procedures to be in effect through the interim period shall be those previously employed for layoff contracts, except that Western shall have authority to alter such procedures to effect improved operations.

4. System Losses. As per existing layoff principles.

D. System Reserve Requirements. All power and energy sold under this plan shall be contingent upon the operation of the Navajo Generating Station. Any curtailment of capacity at the station shall be proportionally deducted from capacity entitlements of each purchaser and the CAP pumps.

VI. Consultation

The Interim Navajo Power Marketing Plan is deemed most acceptable in accordance with section 107(c) of the Hoover Power Plant Act of 1984 as evidenced by the attached letters of concurrence from the Western Area Power Administration (Secretary of Energy), the Governor of Arizona, and the Central Arizona Water Conservation District.

Dated: March 17, 1986.

C. Dale Duvall,

Commissioner of Reclamation.

EXHIBIT 1.—SUMMARY, INTERIM NAVAJO POWER MARKETING PLAN

[Surplus/Shortage Pumping Power Profile (Pre-Now Waddell)]

	Line units	October	November	December	January	February	March	April	May	June	July	August	September	Annual total
1987 Water Year														
Surplus to cap:														
Onpeak capacity	MW	364.5	364.5	354.8	341.7	321.8	296.7	273.8	474.1	400.1	292.3	291.0	451.4	
Onpeak energy	GWH	129.6	136.2	149.5	143.6	79.6	78.4	78.6	116.2	105.1	76.1	72.8	118.5	1,284.3
Offpeak capacity	MW	364.5	364.5	354.8	253.7	189.8	76.7	9.8	254.1	180.1	160.3	159.0	188.4	
Offpeak energy	GWH	172.8	181.5	199.3	166.5	58.4	23.8	−0.2	71.5	46.0	39.1	38.6	50.9	1,048.2
1988 Water Year														
Surplus to cap:														
Onpeak capacity	MW	313.4	333.4	326.8	325.3	301.8	214.8	103.2	395.7	180.1	119.7	119.9	232.3	
Onpeak energy	GWH	123.1	116.7	140.6	138.4	73.8	81.8	25.2	106.7	45.6	20.0	20.1	52.1	944.2
Offpeak capacity	MW	137.4	245.4	194.8	193.3	125.8	−5.2	−28.8	175.7	136.1	119.7	119.9	144.3	
Offpeak energy	GWH	107.9	122.3	145.4	141.4	30.8	9.1	−26.2	41.3	27.9	21.9	21.9	20.3	664.0
1989 Water Year														
Surplus to cap:														
Onpeak capacity	MW	293.9	324.2	316.5	311.2	276.7	142.7	−80.9	155.8	103.7	106.9	107.6	101.0	
Onpeak energy	GWH	77.6	104.1	137.3	135.6	109.2	62.6	−20.7	32.6	14.5	15.9	16.1	13.7	698.3
Offpeak capacity	MW	73.9	192.2	184.5	179.2	12.7	−33.3	−80.9	111.8	103.7	106.9	107.6	101.0	
Offpeak energy	GWH	28.6	98.0	132.8	126.1	60.0	8.0	−32.3	18.5	14.6	16.4	16.7	13.5	500.8
1990 & on Water Year														
Surplus to cap:														
Onpeak capacity	MW	282.1	313.9	311.5	303.2	276.3	137.6	−94.1	84.2	88.4	92.4	93.7	86.2	
Onpeak energy	GWH	111.5	100.9	135.7	133.0	112.4	39.2	−49.4	8.7	9.8	11.3	11.7	9.1	633.9
Offpeak capacity	MW	62.1	181.9	179.5	127.2	56.3	−38.4	−94.1	84.2	88.4	92.4	93.7	86.2	
Offpeak energy	GWH	70.3	89.1	130.8	119.8	72.2	−27.0	−70.6	6.8	8.3	10.2	10.8	7.3	428.0

[FR Doc. 86-19041 Filed 8-21-86; 8:45 am]
BILLING CODE 6450-01-M

Proposed Navajo Interim Power Rate

AGENCY: Western Area Power Administration, DOE.

ACTION: Notice of Proposed Rates and Request for Comments.

SUMMARY: The Hoover Power Plant Act of 1984 (98 Stat. 1333) (Act), specifically section 107, requires that the Secretary of the Interior adopt a marketing plan for the capacity and energy from the United States entitlement in the Navajo Generating Station (Navajo), that is surplus to the Central Arizona Project (CAP) needs. An Interim Navajo Power Marketing Plan (Interim Plan) was developed and adopted by the Commissioner of the Bureau of Reclamation (Reclamation) on March 17, 1986.

The Commissioner forwarded the Interim Plan to the Administrator, Western Area Power Administration (Western), by letter dated April 14, 1986, for implementation.

In order to implement the Interim Plan, it is necessary to develop a rate for the capacity and energy (power) expected to be available. This notice contains the proposed ratemaking methodology and proposed rates developed pursuant to section V of the Interim Plan. The proposed ratemaking methodology contained in this document will be effective until a long-range Navajo Power Marketing Plan is adopted by the Secretary of the Interior or until September 30, 1990, whichever occurs first.

Interested parties are invited to submit comments concerning the rate methodology and proposed rates. Western will review and consider each comment prior to the effective date of rates for power marketed under the Interim Plan.

DATES: Interested parties may submit written comments on the proposed rates within 90 days of publication of this notice. A public information forum on this subject will be held on September 8, 1986, beginning at 9:30 a.m. An opportunity will be given all interested parties to present written or oral statements at a public comment forum to be announced later.

ADDRESSES: The public information forum will be held at the Phoenix Hilton Hotel, Hopi Room B, Central and Adams, Phoenix, Arizona, on the date cited above. Written comments concerning the proposed rates should be sent to: Mr. Thomas A. Hine, Area Manager, Boulder City Area Office, Western Area Power Administration, P.O. Box 200, Boulder City, NV 89005.

FOR FURTHER INFORMATION CONTACT: Mr. Tom Carter, Assistant Area Manager for Power Marketing, Boulder City Area Office, Western Area Power Administration, P.O. Box 200, Boulder City, NV 89005, (702) 477-3255.

SUPPLEMENTARY INFORMATION: The United States acquired the right to 24.3 percent of generation available at Navajo for use by CAP. The CAP is a Reclamation multipurpose water resource development and management project in Arizona. During the construction of CAP, the United States entitlement to Navajo power was sold on an interim basis to various public and private utilities (layoff contractors). The layoff contracts were subject to withdrawal of power as needed by the United States. CAP construction is nearing completing and notice of withdrawal has been given to all layoff contractors.

In 1972, Reclamation contracted with the Central Arizona Water Conservation District (CAWCD) for delivery of water and the repayment of the costs of CAP. The contract provided that CAWCD would assume the repayment responsibility for specific CAP costs identified in the contract.

Section 107 of the Act provides that capacity and energy associated with the United States interest in Navajo, which is in excess of the pumping requirements of CAP, and any such needs for desalting and protective pumping facilities as may be required under section 101(b)(2)(B) of the Colorado River Basin Salinity Control Act of 1974 (43 U.S.C. 1571 *et seq.*) (Navajo surplus), shall be marketed and exchanged by the Secretary of Energy. Section 107(c) provides that a power marketing plan be

adopted by the Secretary of the Interior to provide for the marketing and exchange of Navajo surplus. An Interim Plan has been developed and adopted by the Commissioner of Reclamation.

The Interim Plan provides for the interim marketing of the Navajo surplus until a long-range Navajo Power Marketing Plan is adopted by the Secretary of the Interior or until September 30, 1990, whichever occurs first.

The rates developed pursuant to the Interim Plan are to provide financial assistance in the repayment of applicable CAP costs reimbursable by CAWCD, and establish reserves for repayment to CAWCD of funds advanced for construction of CAP features as provided in section 107 of the Act.

Section V of the Interim Plan provides that Western will determine the rates for Navajo surplus in accordance with accepted methods contained in the layoff contracts and will provide additional rate components specified in the Interim Plan. This notice provides Western's proposed rates developed pursuant to the directive in the Interim Plan.

The proposed Navajo interim rate has been determined to be a major rate adjustment as defined by the "Procedures for Public Participation in Power and Rate Adjustments and Extensions" (10 CFR Part 903) published in the **Federal Register** on September 18, 1985. Those regulations establish the procedures for the development of power and transmission rates; for the providing of opportunities for interested members of the public to participate in the development of such rates, for the confirmation, approval, and placement in effect on an interim basis of such rates; and for the submission of such rates to the Federal Energy Regulatory Commission.

The Navajo interim rate will be developed pursuant to the above-cited 10 CFR Part 903 and Delegation Order No. 0204–108 (48 FR 5564, December 14, 1983), as amended on May 30, 1986 (51 FR 19744).

Executive Order 12291

Under the provisions of section 3 of Executive Order 12291, dated February 17, 1981, a regulatory impact analysis must be made prior to the publication of a major rule. This proposal is of a technical nature and considered to be a nonmajor rule within the meaning of the Executive Order. Western has an exemption from sections 3, 4, and 7 of Executive Order 12291; accordingly, no clearance of these regulations by the Office of Management and Budget (OMB) is required.

National Environmental Policy Act

In compliance with the National Environmental Policy Act of 1969 (NEPA) Council on Environmental Quality regulations, and the Department of Energy regulations for compliance with NEPA, published in the **Federal Register** on February 23, 1982 (47 FR 7976), Western conducts environmental evaluations of certain rate and allocation actions. Due to the nature of this proposed rate increase, an environmental assessment will be prepared and copies will be available to interested persons upon request.

Regulatory Flexibility Act

Pursuant to the Regulatory Flexibility Act of 1980 (5 U.S.C. 601 *et seq.*), each agency, when required to publish a general notice of proposed rule, shall prepare for public comment an initial regulatory flexibility analysis to describe the impact of the proposed rule on small entities. In this instance, this proposal relates to particular electric services and rates provided by Western. Under 5 U.S.C. 601(2), such rules and practices relating to services are not considered "rules" within the meaning of this Act. Accordingly, no regulatory flexibility analysis is required.

Paperwork Reduction Act of 1980

The Paperwork Reduction Act of 1980 (44 U.S.C. 3501–3520) requires that certain information collection requirements be approved by the OMB before information is demanded of the public. OMB has issued a final rule on the Paperwork Burdens on the Public (48 FR 13666) dated March 31, 1983. Ample opportunity is provided for the interested public to participate in the development of the Navajo interim rates. Nevertheless, this is at their sole election. There is no requirement that members of the public participating in the development of Navajo interim rates supply information about themselves to the Government. It follows that the proposed Navajo rates are exempt from the Paperwork Reduction Act.

Availability of Information

Data used in the development of the rate are available at the Boulder City Area Office for inspection and/or copying. Upon written request, interested parties will be provided with copies of the principal documents used in developing the proposed rate. Written comments will be available for inspection at the Boulder City Area Office upon completion of the comment period.

Proposed Ratemaking Methodology and Rates

In accordance with section V of the Interim Plan, the additional rate components established pursuant to provisions of section 107 of the Act shall not exceed amounts which, when added to the rate components currently collected, will allow for "appropriate savings to the contractor as required by section 107(d) of the Act."

In order to determine what an "appropriate savings to the contractor" is, Western examined economy energy transactions within Arizona from Western's fuel replacement program, recognizing that the character of the Navajo surplus is somewhat different than fuel replacement program transactions. Fuel replacement program transactions are nonfirm interruptible energy sales that are generally made at 85 percent of decremental fuel costs for a generating utility, or 85 percent of the highest alternative purchase price for a nongenerating utility, while Navajo surplus is a unit-contingent power. With the amount of fuel replacement energy sales using this pricing mechanism in the Boulder City area (over 2 billion kilowatthours for each of the last 2 fiscal years), Western believes that the average sales price in Arizona for fuel replacement energy would be a good measure of a rate which would result in an "appropriate savings to the contractor" in that State, as well as other States in the Boulder City area. This would comprise the energy component of the Navajo surplus rate. Certainly, if the purchaser of fuel replacement energy was not receiving an "appropriate savings," the sale would not have been made.

Experience with the fuel replacement program has indicated that an annual average energy rate for Navajo surplus would not be appropriate since there are four distinct time periods with significantly different rates. These are: (1) Summer season onpeak; (2) summer season offpeak; (3) winter season onpeak; and (4) winter season offpeak. Experience also indicates that the fuel replacement market varies from year to year, depending on numerous factors, including available generation in the area, weather patterns, and pricing of alternative generation. Therefore, the pricing of Navajo surplus cannot be tied to a single-year average, but must be flexible enough to take these variables into account and still meet the "appropriate savings" standard. Another standard which must be met is that of revenue stability for CAP. If the Navajo surplus rates were tied to a

single-year average, income could be drastically reduced in some years and dramatically increased in a subsequent year. Therefore, a limit on the increase or decrease allowed in the Navajo surplus rate must be set. Additionally, energy cannot be sold below the production costs. This is true of the energy rate only. The capacity rate will be fixed for the life of the contract.

The setting of a capacity rate for Navajo surplus is appropriate as significant amounts of capacity are available during onpeak hours in the summer season. This capacity is unit-contingent capacity and is the major difference between fuel replacement transactions and the sales of Navajo surplus. Under the fuel replacement program, sales are interruptible in whole or in part. Under a single contingency outage at Navajo, the contractor would still receive two-thirds of its allocation. Therefore, a capacity value for the commodity is appropriate. No price for such a comparable commodity is readily available. Therefore, Western is proposing a price of $10 per kilowattmonth payable only for the summer season (March–September). The price will be applied to the maximum capacity scheduled to each contractor during each month.

In reveiwing fuel replacement program purchases of Arizona entities, fuel replacement program rates for the above-noted time periods were reviewed and were used to develop average rates. The average rates were the basis for calculating the proposed Interim Navajo rates. The proposed rates are in accordance with section V of the Interim Plan and include the additional rate component required by section 107 of the Act. Application of the proposed rate formula yields the following proposed energy rates for Navajo surplus:

Summer Season (March–September)—
26.59 mills per kilowatthour
Winter Season (October–February)—
24.51 mills per kilowatthour

These rates will be reviewed annually and will be revised, as appropriate, based on the average price of fuel replacement sales within the States where Navajo power was sold during the three preceding fiscal years and other factors, including cost of production. The energy rates will not be allowed to either increase or decrease more than 3 mills per kilowatthour in any annual rate adjustment. The energy rate will not be allowed to be reduced below 115 percent of Navajo production costs.

Issued in Golden, Colorado, August 15, 1986.

William H. Clagett,

Administrator.

[FR Doc. 86–19057 Filed 8–21–86; 8:45 am]

BILLING CODE 6450–01–M

ENVIRONMENTAL PROTECTION AGENCY

[ER–FRL–3068–4]

Environmental Impact Statements; Notice of Availability

Responsive Agency

Office of Federal Activities, General Information (202) 382–5073 or (202) 382–5075.

Availability of Environmental Impact Statements Filed August 11, 1986 Through August 15, 1986 Pursuant to 40 CFR 1506.9.

EIS No. 860322, Final, FHW, OR, 185th Avenue Improvements, Rock Creek Boulevard to Tualatin Valley Highway, Washington County, Due: September 22, 1986, Contact: Dale Wilken (503) 399–5749

EIS No. 860323, Final, AFS, WI, Nicolet National Forest, Land and Resource Management Plan, Due: September 22, 1986, Contact: Jim Berlin (715) 362–3415

EIS No. 860324, Final, AFS, MT, Kootenai National Forest, Noxious Weed Treatment Program, Lincoln County, Due: September 22, 1986, Contact: Michael O'Farrell (406) 296–2536

EIS No. 860325, Final, AFS, WI, Chequamegon National Forest, Land and Resource Management Plan, Due: September 22, 1986, Contact: John Walters (715) 762–2461

EIS No. 860326, Final, CDB, NY, Atlantic Terminal and Brooklyn Center Development, Construction, UDAG, Kings County, Due: September 22, 1986, Contact: Mark Moss (212) 619–5000

EIS No. 860327, Final, BLM, UT, West Desert Pumping Project, Great Salt Lake Flood Control, Construction, Box Elder and Tooele Counties, Due: September 22, 1986, Contact: Jack Peterson (801) 524–5348

EIS No. 860328, Final, EPA, REG, Glass Manufacturing Plants, Inorganic Arsenic Emissions, Standards, Due: September 22, 1986, Contact: Robert Ajax (919) 541–5624

EIS No. 860329, Final, EPA, REG, Primary Copper Smelters and Arsenic Plants, Inorganic Arsenic Emissions, Standards, Due: September 22, 1986, Contact: Robert Ajax (919) 541–5624

EIS No. 860330, Final, FHW, MI, US 31 Improvement, US 31/US 10 Intersection to US 31, Mason County, Due: September 22, 1986, Contact: Kenneth Barkema (517) 337–1851

EIS No. 860331, Draft, FWS, CA, Southern Sea Otters Translocation Plan, Recovery and Research, San Nicolas Island, Ventura County, Due: November 17, 1986, Contact: Wilbur Ladd, Jr. (916) 978–4873

EIS No. 860332, Final, FHW, VA, East-West Expressway Construction, Jefferson Avenue to Armistead Avenue, Due: September 22, 1986, Contact: James Tumlin (804) 771–2371

EIS No. 860333, Draft, UAF, SEV, Central Radar, Over-the-Horizon Backscatter Radar System, Construction and Operation, North Central Region of the United States, Due: October 6, 1986, Contact: V. G. Brown (617) 271–5360

EIS No. 860334, FSuppl, COE, CA, Upper Santa Ana River Main Stem and Santiago Creek Flood Control Project and Mentone Dam Upstream Flood Storage Alternatives, Due: September 22, 1986, Contact: Jack Kennedy (213) 894–2314

EIS No. 860335, Final, FHW, IN, US 24 Logansport Bypass Construction, IN–25/US 35 to US 24/US 31, Due: September 22, 1986, Contact: James Threlkeld (317) 269–7481

Amended Notice

EIS No. 860313, Draft, AFS, CA, Shasta-Trinity National Forest, Land and Resource Management Plan, Due: November 17, 1986, Published FR 08–15–86—Review period extended

Dated: August 19, 1986.

Allan Hirsch,

Director, Office of Federal Activities.

[FR Doc. 86–19061 Filed 8–21–86; 8:45 am]

BILLING CODE 6560–50–M

[ER–FRL–3068–5]

Environmental Impact Statements and Regulations; Availability of EPA Comments

Availability of EPA Comments prepared August 4, 1986 through August 8, 1986 pursuant to the Environmental Review Process (ERP), under section 309 of the Clean Air Act and section 102(2)(c) of the National Environmental Policy Act as amended. Requests for copies of EPA Comments can be directed to the Office of Federal Activities at (202) 382–5076/73. An explanation of the ratings assigned to draft environmental impact statements

(EISs) was published in **Federal Register** dated February 7, 1986 (51 FR 4804).

Draft EISs

ERP No. D–FAA–B51012–CT, Rating LO, Groton-New London Airport Runway 5 Medium Intensity Approach Lighting System Installation, CT. Summary: EPA recommends that FAA commit to implementing the draft EIS's proposed mitigation measures and time of year restriction (late September through December) in the final EIS and FAA's Record of Decision.

ERP No. DS–COE–E35080–AL, Rating LO, Mallard-Fox Creek Area, Morgan County Port Access Channel and Dredged Material Disposal, Development and Use, AL. Summary: EPA's review concluded in a lack of objections.

Final EISs

ERP No. F1–BLM–J65114–WY, Buffalo Resource Area, Wilderness Designation or Non-Designation, Gardner Mtn. North Fork and Fortification Creek WSA's WY. Summary: EPA's review found that although the WSA's described in this EIS fully meet wilderness suitability criteria, none were recommended for wilderness designation. In deleting all three WSA's from further consideration, BLM appears to have emphasized local rather than national values and to have misapplied the criteria in favor of resources development.

ERP No. F–COE–C36059–00, Port Jervis Ice Related Flood Control Plan, Upper Delaware River Basin, NJ, NY and PA. Summary: EPA's concerns on the draft EIS have been addressed. The COE will coordinate the final mitigation plan for the project with EPA.

ERP No. F–FHW–J40084–UT, W. Valley Highway Construction, 9000 South to 2100 South Streets, UT. Summary: EPA reviewed the final EIS and our concerns with the draft EIS were satisfactorily addressed.

ERP No. F–JUS–L81007–OR, Sheridan Federal Correctional Institution Complex, Construction and Operation, OR. Summary: EPA concluded that the construction and operation of the correctional facility would not result in any significant adverse environmental effects. Supplemental information was provided to assure EPA that providing the proposed facility with potable water and wastewater treatment should not result in any significant environment impacts. The Bureau of Prisons has agreed to complete a technical analysis report that will more fully document the evaluation of water supply and wastewater treatment issues. This report will be circulated for public review before the Bureau takes any action which could limit the alternatives for providing these utility services to the proposed prison.

ERP No. F–SCS–G36122–AR, Tyronza River Watershed Protection and Flood Prevention, AR. Summary: EPA has no objections to the proposed action with proper implementation of mitigation measures as described.

Regulations

ERP No. R–OSM–A99170–00, Surface Coal Mining and Reclamation Operation; Permanent Regulatory Program Fish and Wildlife Resource Information Plan; Protection of Fish, Wildlife, Related Environmental Values; 30 CFR Parts 779, 780, 783, 784, 816, 817 (51 FR 19498). Summary: EPA expressed concern that the proposed rule fails to provide for consultation and coordination with State and Federal fish and wildlife agencies as needed to protect fish and wildlife resources. EPA recommended several additions to the rule, as well as revision of the Environmental Assessment.

Amended Notice

The following review should have appeared in the FR Notice published on August 15, 1986.

ERP No. F–COE–F90007–MI, Keweenaw Waterway Navigation Channel, Polluted Dredged Material Confined Disposal Facility, Construction, MI. Summary: EPA's review resulted in concerns regarding sediment contamination and inadequate consideration of a nearby Superfund site. EPA requested continuing coordination regarding sediment studies and studies to determine the need for a clay cap on the confined disposal facility.

Dated: August 19, 1986.

Allan Hirsch,

Director, Office of Federal Activities.

[FR Doc. 86–19062 Filed 8–21–86; 8:45 am]

BILLING CODE 6560–50–M

FARM CREDIT ADMINISTRATION

Policy of the Farm Credit Administration With Respect To Loan Documentation Related To Borrower Financial Statements

AGENCY: Farm Credit Administration.

ACTION: Notice.

SUMMARY: The Farm Credit Administration Board at its scheduled meeting of August 5, 1986, adopted a policy with respect to loan documentation relating to borrower financial statements. The text of the policy is as follows:

On July 1, 1986, the Farm Credit Administration ("FCA") Board incorporated guidelines in giving policy direction to the FCA staff for making recommendations to the FCA Board on approving Farm Credit System ("System") bank and association interest rate approval requests. The FCA Board's action was the subject of a July 1, 1986 letter to the Farm Credit Corporation of America ("FCCA"). As part of that action, the FCA Board addressed the area of loan documentation by requiring that Farm Credit System ("System") institutions obtain current financial statements from borrowers who apply for or are granted interest rate reductions as a condition to approval of individual district programs. The condition related to rate reductions through differential interest rate or fixed interest rate programs.

By letter of July 10, 1986 to the FCCA, the FCA provided additional guidance to System institutions in the area of interest rate approval in identifying provisions of a System model pricing program which, if included in individual district interest rate programs, could expedite FCA approval of such programs. In that letter the FCA indicated that "System institutions are expected to develop and implement an orderly plan to obtain updated financial statements from all borrowers receiving rate reductions under this authorization prior to yearend 1987."

The FCA Board believes it appropriate to provide System institutions with additional policy guidance on the subject of loan documentation as it relates to borrower financial information. It is the FCA's position that accurate, reliable and current financial statements are a cornerstone to sound analysis by System institutions in connection with both loan underwriting and loan servicing. The availability of such information is also essential to the exercise of the FCA's examination function. Thus, it is critical that System institutions obtain current borrower financial statements when the loan is made, when any significant loan administration action is taken, and at the close of the borrower's fiscal year. This applies to Federal land bank loans, as well as loans made by production credit associations and bank for cooperatives. System loan agreements should clearly establish the institution's enforceable right to obtain borrower financial statements, and financial statements should be attested to by the borrower in all instances and audited by an independent accountant where appropriate.

In meeting FCA expectation that loan documentation will be strengthened in the area of financial statements by yearend 1987, each System bank and association should develop and implement a plan which: (1) Establishes the right of the institution to obtain a verified balance sheet and income statement from all borrowers at least annually; and (2) require borrowers to submit annually to the institution a verified balance sheet and income statement on all loans in a principal amount over $100,000 or where the value of the collateral pledged comprises more than 25 percent of production or storage facilities (i.e. poultry houses, feedlots, silos etc.). Both standards should be implemented for all new loans made on or after September 1, 1986, and for all existing loans whenever a concessionary interest rate or a partial release of security is granted or the loan is renewed, extended, reamortized or otherwise modified by its terms to the benefit of the borrower.

FCA examiners will monitor the progress of System institutions in this area during the examination process. A failure to demonstrate timely development and implementation of a program to meet the requirements of this policy statement will constitute and be cited as an unsafe and unsound practice, and appropriate supervisory action will be considered in such instances.

Frank W. Naylor, Jr.,

Chairman, Farm Credit Administration Board.

[FR Doc. 86-18958 Filed 8-21-86; 8:45 am]

BILLING CODE 6705-01-M

FEDERAL HOME LOAN BANK BOARD

Application for Unlisted Trading Privileges and Opportunity for Hearing

Dated: August 14, 1986.

AGENCY: Federal Home Loan Bank Board.

ACTION: Notice.

SUMMARY: The Philadelphia Stock Exchange has filed on July 18, 1986, pursuant to section 12(f)(1)(B) of the Securities Exchange Act of 1934 and Rule 12f-1, an application with the Federal Home Loan Bank Board ("Board") for unlisted trading privileges in the following securities:

Great American First Savings Bank (FHLBB No. 0789)
Common Stock, $1.00 Par Value

These securities are listed and registered on one or more other national securities exchanges and are reported in the consolidated transaction reporting system.

Comments: Any interested person may inspect the application at the Board and, within 15 days of publication of this notice in the **Federal Register**, submit to the Corporate and Securities Division, Office of General Counsel, Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552, written data, views and arguments bearing upon whether the extensions of unlisted trading privileges pursuant to such application are consistent with the maintenance of fair and orderly markets and the protection of investors. Following this opportunity for hearing, the Board will approve the application after the date mentioned above if it finds, based upon all the information available to it, that the extensions of unlisted trading privileges pursuant to such application are consistent with the maintenance of fair and orderly markets and the protection of investors.

FOR FURTHER INFORMATION CONTACT: John P. Harootunian, Assistant General Counsel for Securities Policy, Corporate and Securities Division, Office of General Counsel, at (202) 377-6415 or at the above address.

By the Federal Home Loan Bank Board.

Jeff Sconyers,

Secretary.

[FR Doc. 86-19054 Filed 8-21-86; 8:45 am]

BILLING CODE 6720-01-M

FEDERAL LABOR RELATIONS AUTHORITY

Federal Employees; Testing of Employees in Certain Occupational Categories To Discover Positive Indicators of Drug Abuse, 5 U.S.C. 7101, et seq.

AGENCY: Federal Labor Relations Authority.

ACTION: Notice of opportunity to file amicus briefs in certain proceedings in which agency management has asserted the nonnegotiability of Union proposals relating to various aspects of agency initiated testing of civilian employees to identify drug abuse.

SUMMARY: The Federal Labor Relations Authority provides an opportunity for all interested agencies, labor organizations, and other interested persons to file amicus briefs on significant issues of law common to a number of cases pending before the Authority. These cases involve allegations of nonnegotiability by agency management concerning union proposals relating to the substance of, procedures for, and/or appropriate arrangements concerning, the implementation by the agency of changes to agency regulations describing its Alcohol and Drug Abuse Prevention and Control Program.

DATE: Amicus briefs submitted in response to this notice will be considered if received by October 22, 1986. Requests for extensions of time will not be granted absent extraordinary circumstances.

ADDRESS: All briefs shall be captioned "Drug Testing Cases Amicus Brief," and shall contain separate, numbered headings for each issue discussed. An original and four (4) copies of each amicus brief, with any enclosures, on 8½ x 11 inch size paper, shall be addressed to Harold D. Kessler, Director, Office of Case Management, FLRA, Attn: Drug Testing Cases, 500 C Street, SW., Washington, DC 20424.

FOR FURTHER INFORMATION CONTACT: Harold D. Kessler, Director of Case Management, Federal Labor Relations Authority, (202) 382-0715.

SUPPLEMENTARY INFORMATION: The Federal Labor Relations Authority currently has before it several cases involving the implementation by agency management of programs to randomly test incumbent employees in certain occupational series for positive indications of drug use. These cases are before the Authority because of statements of nonnegotiability made by agency management pursuant to 5 U.S.C. 7117. *See also* 5 CFR 2424.3. In addition, many of the issues raised in these cases can potentially be the subject of unfair labor practice and/or arbitration proceedings.

These cases are properly before the Authority. *See, for example, National Federation of Federal Employees, et al.* v. *Caspar W. Weinberger, et al.* (D.D.C. June 23, 1983), where the Court, in denying plaintiffs' application for a preliminary injunction and granting the defendants' motion to dismiss, stated that "the ultimate question on the merits concerns a labor-management dispute—i.e., an issue of federal personnel policy . . . . Although not without concern over the serious issues presented, the Court concludes, on the basis of the record before it that the FLRA and MSPB will eventually afford plaintiffs sufficient judicial review of their substantial challenges to the (drug abuse) testing program . . . ." It is the Authority's information that other judicial challenges to similar agency initiated drug testing programs are and have been pending.

The Authority has identified several cases, listed below, which address issues of law common to the range of matters involving drug abuse testing.

Since these matters are likely to be of concern to agencies, labor organizations and other interested parties, the Authority believes it appropriate to provide for the filing of amicus briefs addressing these issues. These cases are the following:

NAGE, Local R14 and Army, Army Dugway Proving Ground, Case No. O–NG–1268; *NFFE, Local 15 and Headquarters, U.S. Armament Munition and Chemical Command,* Case No. O–NG–1269; *IAM&AW, Lodge 282 and Army, Headquarters, I Corps, Ft. Lewis, WA,* Case No. O–NG–1277; *NAGE, Local R14–5 and Pueblo Depot Activity,* Case No. O–NG–1286; and *AFGE, Local 2185 and Army, Tooele Army Depot, Tooele, Utah,* Case No. O–NG–1288.

The proposals in these cases include the following:

A. Frequency of Testing.

The parties agree that employees in sensitive positions defined by AR 600–85 (Army Regulation 600–85, "Alcohol and Drug Abuse Prevention and Control Program") may be directed to submit to urinalysis testing to detect presence of drugs only when there is probable cause to suspect the employees have engaged in illegal drug abuse.

B. Testing Methods and Procedures.

The parties agree that methods and equipment used to test employee urine samples for drugs be the most reliable that can be obtained.

C. Testing Methods and Procedures.

The employer agrees that the following procedure will be utilized to assure drug testing is reliable:

1. Upon direction of management under terms of Section 2 above, affected employees will report to designated location to provide urine sample.

2. *The Employer agrees to provide safeguards to assure the urinalysis testing for affected employees is not performed by unqualified or uncertified operators or test personnel.*

3. *Upon "positive" reading of urine sample indicating presence of illegal/controlled substance, a 2nd testing will be accomplished upon the same sample.*

4. *If the 2nd test confirms results of the 1st test, employee will be notified to return to the designated site the next work day to provide a second urine sample.*

5. *Second urine sample will be subject to same test as first sample, which will be testing for identical substance as first 3 tests. "Positive" results will again be verified by a second test.*

6. *Upon confirmation of presence of illegal/controlled substance in urine sample, the sample will be submitted to Army testing labs at site determined by employer for refined testing to confirm results of field tests at employer location.*

7. *If employee urine sample leaves worksite (RIA), the employee shall have the option of retaining a portion of the sample for freezing and later use in case of inadvertent break in chain of custody or loss of identification of samples.*

8. All samples will be subject to strict chain of custody as outlined in appendix H to AR 600–85.

9. *At each and every step of testing the employee has the option to have a urinalysis test by an independent lab at his/her cost utilizing the existing sample or a new sample. If independent testing refutes employer results, employee will be reimbursed for any cost associated with testing process.*

(Only the above italicized portions (items 2, 3, 4, 5, 6, 7, and 9) are in dispute).

D. Safeguarding of Information.

1. The parties agree that information concerning results of field tests will be held in strict confidence and will be released to only those officials of the employer that have an absolute need to know.

2. Information will normally be retained by testing personnel until 4 "positive" results have been determined. At such time, the supervisor and other management officials involved in possible discipline/adverse action or other personnel actions will be provided with such information.

(All of the above proposals are at issue in Case O–NG–1269).

E. No bargaining unit employee will be requested, required or compelled to provide a urine sample in the presence of any observer or under the surveillance of any observing device (overt, covert, mechanical, technical, or otherwise). The employer will provide and maintain a sanitary restroom facility so in the event a bargaining unit employee provides a urine sample, such sample will be provided in absolute and total privacy.

F. No employee will be requested or required, as a condition of employment to sign or complete any document or form or provide any oral or written statement either agreeing to compliance with any civilian drug abuse testing, or waiving said employee's right to decline participation in any civilian drug abuse testing.

G. No bargaining unit employee will be screened under any Civilian Drug Abuse Testing Program.

(All the above proposals are at issue in Case O–NG–1286).

In deciding these cases the Authority must resolve which, if any, rights reserved to management under 5 U.S.C. 7106(a), are affected by the Union proposals. To what extent are the Union's proposals "procedures" or "appropriate arrangements" under 5 U.S.C. 7106(b)?

The Authority believes evidence and/or argument on the following questions will be necessary and helpful in addressing the issues in these cases:

1. To what extent is the negotiability of the Union proposals affected by the nature of the positions held by employees to be made subject to the random drug testing? Does limiting the scope of the testing to certain categories of employees engaged in security-sensitive work affect negotiability?

2. To what extent does scientific evidence concerning the reliability of drug testing procedures (particularly the enzyme multiplied immunoassay technique [EMIT], gas chromotography/mass spectrometry [GC/MS] and radioimmunoassay [RIA]) affect the negotiability of the various proposals?

3. Assuming *arguendo* that one or more of the Union's proposals may properly be viewed as an "appropriate arrangement" for adversely affected employees, to what extent does that proposal(s) interfere with a right reserved to management? What considerations should apply under the "excessive interference" test enunciated by the Authority in *NAGE R14–87 and Kansas Army National Guard,* 21 FLRA No. 4 (1986)?

4. Assuming *arguendo* that a drug testing policy relates to an agency's right "to determine . . . internal security practices of the agency," to what extent is the negotiability of the proposals affected by the availability to the agency of alternative methods for assuring internal security? To what extent is the presence, or absence, of evidence of breaches of security in the past relevant to this determination?

5. To what extent does the precise nature and extent of the consequences to an individual employee of a "positive" test result affect the negotiability of the Union's proposal(s)?

6. Testing of employees for indication of drug use has been proposed and has occurred in a wide-range of industrial settings (rail carriers, professional sports, public law-enforcement agencies, etc.). What, if any, legal precedents have been established under these initiatives? How does such precedent impact on the negotiability of union proposals concerning drug testing of Federal employees?

7. What, if any, other legal issues under the Federal Service Labor-Management Relations Statute (5 U.S.C. 7101, *et seq.*) are raised by agency plans

requiring random testing of employees for indications of drug use?

Dated: August 19, 1986.

For the Authority.

Jacqueline R. Bradley,

Executive Director.

[FR Doc. 86-19000 Filed 8-21-86; 8:45 am]

BILLING CODE 6727-01-M

FEDERAL MARITIME COMMISSION

Notice of Agreement(s) Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreement(s) pursuant to section 5 of the Shipping Act of 1984.

Interested parties may impact and obtain a copy of each agreement at the Washington, D.C. 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, D.C. 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.: 202-010270-017
Title: Gulf-European Freight Association
Parties:
Compagnie Generale Maritime (CGM)
Lykes Bros. Steamship Co., Inc.
Gulf Container Line (GCL), B.V.
Hapag-Lloyd AG
Sea-Land Service, Inc.
Trans-Freight Lines
Nedlloyd Lijnen, B.V.
Synopsis: The proposed amendment would modify the independent action provisions of the agreement to comply with the Commission's regulations.

Agreement No.: 202-010656-013
Title: North Europe-U.S. Gulf Freight Association
Parties:
Atlanticargo (South Atlantic Cargo Shipping NV)
Compagnie Generale Maritime (CGM)
Lykes Bros. Steamship Co., Inc.
Gulf Container Line (GCL), B.V.
Nedlloyd Lijnen, B.V.
Hapag-Lloyd AG
Sea-Land Service, Inc.
Trans Freight Lines
United States Lines, Inc.
Synopsis: The proposed amendment would modify the independent action provisions of the agreement to comply with the Commission's regulations.

Agreement No.: 202-010714-002
Title: Trans-Atlantic American Flag Liner Operators
Parties:
Farrell Lines Incorporated
Sea-Land Service, Inc.
United States Lines, Inc.
Lykes Bros. Steamship Co., Inc.
Synopsis: The proposed amendment would modify the independent action provisions of the agreement to comply with the Commission's regulations.

Agreement No.: 202-010833-001
Title: Eurocorde I
Parties:
North Europe-U.S. Atlantic Conference
U.S. Atlantic-North Europe Conference
Polish Ocean Lines
Synopsis: The proposed amendment would modify the independent action provisions of the agreement to comply with the Commission's regulations.

By Order of the Federal Maritime Commission.

Dated: August 18, 1986.

Joseph C. Polking,

Secretary.

[FR Doc. 86-18946 Filed 8-21-86; 8:45 am]

BILLING CODE 6730-01-M

Agreement(s) Filed

The Federal Maritime Commission hereby gives notice of the filing of the following agreement(s) 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.: 202-000150-085
Title: Trans-Pacific Freight Conference of Japan
Parties: American President Lines, Ltd.; Barber Blue Sea Line; Japan Line, Ltd.; Kawasaki Kisen Kaisha, Ltd.; Mitsui O.S.K. Lines, Ltd.; A.P. Moller-Maersk Line; Neptune Orient Lines Limited; Nippon Yusen Kaisha; Orient Overseas Container Line, Inc.; Sea-Land Service, Inc.; Showa Line, Ltd.; United States Lines, Inc.; Yamashita-Shinnihon Steamship Co., Ltd.
Synopsis: The proposed amendment would modify the independent action provisions of the agreement to comply with the Commission's regulations.

Agreement No.: 202-003103-087
Title: Japan-Atlantic and Gulf Freight Conference
Parties: Barber Blue Sea Line; Japan Line, Ltd.; Kawasaki Kisen Kaisha, Ltd.; Mitsui O.S.K. Lines, Ltd.; A.P. Moller-Maersk Line; Neptune Orient Lines Limited; Nippon Yusen Kaisha; Orient Overseas Container Line, Inc.; United States Lines, Inc.; Yamashita-Shinnihon Steamship Co., Ltd.
Synopsis: The proposed amendment would modify the independent action provisions of the agreement to comply with the Commission's regulations.

Agreement No.: 202-008190-018
Title: Japan-Puerto Rico and Virgin Islands Freight Conference
Parties: Japan Line, Ltd.; Kawasaki Kisen Kaisha, Ltd.; Mitsui O.S.K. Lines, Ltd.; Nippon Yusen Kaisha; Yamashita-Shinnihon Steamship Co., Ltd.
Synopsis: The proposed amendment would modify the independent action provisions of the agreement to comply with the Commission's regulations.

Agreement No.: 224-010983
Title: Bermuda Terminal Company/ Bermuda Container Line Terminal Service Agreement
Parties: Bermuda Terminal Company Inc. (BTC); Bermuda Container Line Ltd. (BCL)
Synopsis: The proposed agreement would permit BTC to provide terminal services to BCL at Perth Amboy, New Jersey in connection with BCL's transportation service between the Port of New York and Bermuda.

Dated: August 19, 1986.

Joseph C. Polking,

Secretary.

[FR Doc. 86-19012 Filed 8-21-86; 8:45 am]

BILLING CODE 6730-01-M

FEDERAL RESERVE SYSTEM

Antrim Financial Corp., et al.; Formations of; Acquisitions 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 September 12, 1986.

A. Federal Reserve Bank of Chicago (Franklin D. Dreyer, Vice President) 230 South LaSalle Street, Chicago, Illinois 60690:

1. *Antrim Financial Corporation,* Mancelona, Michigan; to become a bank holding company by acquiring 100 percent of the voting shares of Antrim County State Bank, Mancelona, Michigan. Comments on this application must be received by September 15, 1986.

2. *Community Financial Corporation,* Harbor Beach, Michigan; to become a bank holding company by acquiring 100 percent of the voting shares of First of America Bank—Huron, Harbor Beach, Michigan. Comments on this application must be received by September 10, 1986.

3. *MH Bancorp, Inc.,* Orland Park, Illinois; to become a bank holding company by acquiring 100 percent of the voting shares of FNB Bancorp, Inc., Chicago Heights, Illinois, and thereby indirectly acquire The First National Bank in Chicago Heights, Chicago Heights, Illinois.

4. *State Financial Services Corporation,* Hales Corners, Wisconsin; to acquire 66.67 percent of the voting shares of Edgewood Bank, Greenfield, Wisconsin

5. *Waterman Bancshares, Inc.,* Waterman, Illinois; to become a bank holding company by acquiring 80 or more of the voting shares of Waterman State Bank, Waterman, Illinois.

B. Federal Reserve Bank of St. Louis (Randall C. Sumner, Vice President) 411 Locust Street, St. Louis, Missouri 63166:

1. *Commonwealth Bancshares, Inc.,* McLeansboro, Illinois; to become a bank holding company by acquiring at least 80.0 percent of the voting shares of Salem National Bank, Salem, Illinois.

2. *Portland Bankshares, Inc.,* Portland, Arkansas; to become a bank holding company by acquiring at least 80 percent of the voting shares of Portland Bank, Portland, Arkansas.

C. Federal Reserve Bank of Kansas City (Thomas M. Hoenig, Vice President) 925 Grand Avenue, Kansas City, Missouri 64198:

1. *Northeastern Oklahoma Bankshares, Inc,* Inola, Oklahoma; to become a bank holding company by acquiring 100 percent of the voting shares of Northeastern Oklahoma Bancorporation, Inc., Inola, Oklahoma, and thereby indirectly acquire Bank of Inola, Inola, Oklahoma.

Board of Governors of the Federal Reserve System, August 18, 1986.

Barbara R. Lowrey,

Associate Secretary of the Board.

[FR Doc. 86-18938 Filed 8-21-86; 8:45 am]

BILLING CODE 6210-01-M

Lakeside Bancshares, Inc.; Application to Engage de Novo in Permissible Nonbanking Activities

The company listed in this notice has 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.

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, indentifying 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 application must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than September 12, 1986.

A. Federal Reserve Bank of Atlanta (Robert E. Heck, Vice President) 104 Marietta Street, NW., Atlanta, Georgia 30303:

1. *Lakeside Bancshare, Inc.,* Lake Charles, Louisiana; to engage *de novo* through its subsidiary, Lakeside Life Insurance Company, Inc., Lake Charles, Louisiana, in the sale and underwriting of credit life, accident and health insurance, and other insurances, arising from an extension of credit by a bank or bank holding company pursuant to § 225.25(b)(9) of the Board's Regulation Y.

Board of Governors of the Federal Reserve System, August 18, 1986.

Barbara R. Lowrey,

Associate Secretary of the Board.

[FR Doc. 86-18939 Filed 8-21-86; 8:45 am]

BILLING CODE 6210-01-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Agency Forms Submitted to the Office of Management and Budget for Clearance

Each Friday the Department of Health and Human Services (HHS) publishes a list of information collection packages it has submitted to the Office of Management and Budget (OMB) for clearance in compliance with the Paperwork Reduction Act (44 U.S.C. Chapter 35). The following are those packages submitted to OMB since the last list was published on August 15, 1986

Public Health Service

(Call Reports Clearance Officer on 202-245-2100 for copies of packages).

Food and Drug Administration

Subject: Initial Registration of Medical Device Establishment—Extension—(0910-0059).

Respondents: Businesses or other for-profit; Small businesses or organizations.

OMB Desk Officer: Bruce Artim

Health Care Financing Administration

(Call Reports Clearance Officer on 301–594–8650 for copies of package).

Subject: Information Collection Requirements in 42 CFR Part 282—Hospital Conditions of Participation—Revision—(0938–0328)—HCFA–R–48.

Respondents: Businesses or other for-profit; Non-profit institutions; Small businesses or organizations.

Subject: Information Collection Requirements for Sole Community Home Health Agencies at 45 CFR 405.1633(b)(2), (F) and (G) BERC–197–F—NEW—HCFA–R–85.

Respondents: Individuals or households.

Subject: Health Maintenance Organizations/Competitive Medical Plans National Data Reporting Requirements—Revision—(0938–0469) HCFA–906.

Respondents: State or local governments; Businesses or other for-profit; Non-profit institutions.

OMB Desk Officer: Fay S. Iudicello.

Office of the Secretary

(Call Reports Clearance Officer on 202–245–6511 for copies of package).

Subject: 45 CFR Part 95.600 State Requests for HHS Approval of Federal Financial Participation in the Cost of ADP Systems, Equipment and Services—Revision—(0990–0058).

Respondents: State or local governments.

OMB Desk Officer: Fay S. Iudicello.

Office of Human Development Services

(Call Reports Clearance Officer on 202–472–4415 for copies of package).

Subject: Runaway and Homeless Youth Centers—NEW—

Respondents: State or local governments.

OMB Desk Officer: Judy A. McIntosh.

Social Security Administration

(Call Reports Clearance Officer on 301–594–5706 for copies of package).

Subject: Beneficiary Recontact Report—Revision—(0960–0354).

Respondents: Individuals or households.

OMB Desk Officer: Judy A. McIntosh.

Copies of the above information collection clearance packages can be obtained by calling the Reports Clearance Officer on the number shown above.

Written comments and recommendations for the proposed information collections should be sent directly to the appropriate OMB Desk Officer designated above at the following address: OMB Reports Management Branch, New Executive Office Building, Room 3208, Washington, DC 20503. Attn: (name of OMB Desk Officer)

Dated: August 18, 1986.

Wallace O. Keene,

Acting Deputy Assistant Secretary for Management Analysis and Systems.

[FR Doc. 86–18998 Filed 8–21–86; 8:45 am]

BILLING CODE 4150–04–M

Food and Drug Administration

[Docket No. 86F–0333]

Allied Colloids, Inc.; Filing of Food Additive Petition

AGENCY: Food and Drug Administration.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that Allied Colloids, Inc., has filed a petition proposing that the food additive regulations be amended to provide for the safe use of alkyl (C_{12}–C_{20}) methacrylate-methacrylic acid copolymers as a stabilizer in the manufacture of paper and paperboard in contact with food.

FOR FURTHER INFORMATION CONTACT: Rudolph Harris, Center for Food Safety and Applied Nutrition (HFF–335), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202–472–5690.

SUPPLEMENTARY INFORMATION: Under the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786 (21 U.S.C. 348(b)(5))), notice is given that a petition (FAP 6B3911) has been filed by Allied Colloids, Inc., 2301 Wilroy Rd., Suffolk, VA 23434, proposing that § 176.170 *Components of paper and paperboard in contact with aqueous and fatty foods* (21 CFR 176.170) be amended to provide for the safe use of alkyl (C_{12}–C_{20}) methacrylate-methacrylic acid copolymers as a stabilizer in the manufacture of paper and paperboard in contact with food.

The potential environmental impact of this action is being reviewed. If the agency finds that an environmental impact statement is not required and this petition results in a regulation, the notice of availability of the agency's finding of no significant impact and the evidence supporting that finding will be published with the regulation in the **Federal Register** in accordance with 21 CFR 25.40(c).

Dated: August 14, 1986.

Richard J. Ronk,

Acting Director, Center for Food Safety and Applied Nutrition.

[FR Doc. 86–18943 Filed 8–21–86; 8:45 am]

BILLING CODE 4160–01–M

[Docket No. 86F–0328]

Borg-Warner Chemicals, Inc.; Filing of Food Additive Petition

AGENCY: Food and Drug Administration.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing that Borg-Warner Chemicals, Inc., has filed a petition proposing that the food additive regulations be amended to provide for the expanded safe use of phosphorous acid, cyclic neopentanetetrayl bis(2,4-di-*tert*-butyl-phenyl) ester as an antioxidant for olefin polymers in contact with food.

FOR FURTHER INFORMATION CONTACT: Mary Lipien, Center for Food Safety and Applied Nutrition (HFF–335), Food and Drug Administration, 200 C St. SW., Washington, DC 20204, 202–472–5690.

SUPPLEMENTARY INFORMATION: Under the Federal Food, Drug, and Cosmetic Act (sec. 409(b)(5), 72 Stat. 1786 (21 U.S.C. 348(b)(5))), notice is given that a petition (FAP 6B3944) has been filed by Borg-Warner Chemicals, Inc., Washington, WV 26181, proposing that § 178.2010 *Antioxidants and/or stabilizers for polymers* (21 CFR 178.2010) be amended to provide for the expanded safe use of phosphorous acid, cyclic neopentanetetrayl bis(2,4-di-*tert*-butyl-phenyl) ester as an antioxidant for olefin polymers in contact with food.

The potential environmental impact of this action is being reviewed. If the agency finds that an environmental impact statement is not required and this petition results in a regulation, the notice of availability of the agency's finding of no significant impact and the evidence supporting that finding will be published with the regulation in the **Federal Register** in accordance with 21 CFR 25.40(c), as published in the **Federal Register** of April 26, 1985 (50 FR 16636).

Dated: August 14, 1986.

Richard J. Ronk,

Acting Director, Center for Food Safety and Applied Nutrition.

[FR Doc. 86–18941 Filed 8–21–86; 8:45 am]

BILLING CODE 4160–01–M

[Docket No. 86M–0329]

Medtronic, Inc.; Premarket Approval of STERx Tip™ Pacing Lead, Models 5025 and 5525

AGENCY: Food and Drug Administration.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing its approval of the application by

Medtronic, Inc., Minneapolis, MN for premarket approval, under the Medical Device Amendments of 1976, of the STERx Tip™ Pacing Lead, Models 5025 and 5525. After reviewing the recommendation of the Circulatory System Devices Panel, FDA's Center for Devices and Radiological Health (CDRH) notified the applicant of the approval of the application.

DATE: Petitions for administrative review by September 22, 1986.

ADDRESS: Written requests for copies of the summary of safety and effectiveness data and petitions for administrative review to the Dockets Management Branch (HFA–305), Food and Drug Administration, Rm. 4–62, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Tara Ryan, Center for Devices and Radiological Health (HFZ–450), Food and Drug Administration, 8757 Georgia Ave., Silver Spring, MD 20910, 301–427–7559.

SUPPLEMENTARY INFORMATION: On December 17, 1985, Medtronic, Inc., Minneapolis, MN 55432, submitted to FDA an application for premarket approval of the STERx Tip™ Pacing Lead, Models 5025 and 5525. Model 5025 ventricular and Model 5525 atrial leads may be used where permanent ventricular or atrial or dual chamber pacing systems are indicated.

On May 23, 1986, the Circulatory System Devices Panel, an FDA advisory committee, reviewed and recommended approval of the application. On July 29, 1986, CDRH approved the application by a letter to the applicant from the Director of the Office of Device Evaluation, CDRH.

A summary of the safety and effectiveness data on which CDRH based its approval is on file in the Dockets Management Branch (address above) and is available from that office upon written request. Requests should be identified with the name of the device and the docket number found in brackets in the heading of this document.

A copy of all approved labeling is available for public inspection at CDRH—contact Tara Ryan (HFZ–450), address above.

Opportunity for Administrative Review

Section 515(d)(3) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 360e(d)(3)) authorizes any interested person to petition, under section 515(g) of the act (21 U.S.C. 360e(g)), for administrative review of CDRH's decision to approve this application. A petitioner may request either a formal hearing under Part 12 (21 CFR Part 12) of FDA's administrative practices and procedures regulations or a review of the application and CDRH's action by an independent advisory committee of experts. A petition is to be in the form of a petition for reconsideration under § 10.33(b) (21 CFR 10.33(b)). A petitioner shall identify the form of review requested (hearing or independent advisory committee) and shall submit with the petition supporting data and information showing that there is a genuine and substantial issue of material fact for resolution through administrative review. After reviewing the petition, FDA will decide whether to grant or deny the petition and will publish a notice of its decision in the **Federal Register.** If FDA grants the petition, the notice will state the issue to be reviewed, the form of review to be used, the persons who may participate in the review, the time and place where the review will occur, and other details.

Petitioners may, at any time on or before September 22, 1986, file with the Dockets Management Branch (address above) two copies of each petition and supporting data and information, identified with the name of the device and the docket number found in brackets in the heading of this document. Received petitions may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

This notice is issued under the Federal Food, Drug, and Cosmetic Act (secs. 515(d), 520(h), 90 Stat. 554–555, 571 (21 U.S.C. 360e(d), 360j(h))) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 5.10) and redelegated to the Director, Center for Devices and Radiological Health (21 CFR 5.53).

Dated: August 13, 1986.

John C. Villforth,

Director, Center for Devices and Radiological Health.

[FR Doc. 86–18944 Filed 8–21–86; 8:45 am]

BILLING CODE 4160–01–M

[Docket No. 86M–0330]

Medtronic, Inc.; Premarket Approval of the STERx TIP ™ Pacing Lead, Models 4003 and 4503

AGENCY: Food and Drug Administration.

ACTION: Notice.

SUMMARY: The Food and Drug Administration (FDA) is announcing its approval of the application by Medtronic, Inc., Minneapolis, MN, for premarket approval, under the Medical Device Amendments of 1976, of the STERx TIP ™ Pacing Lead, Models 4003 and 4503. After reviewing the recommendation of the Circulatory System Devices Panel, FDA's Center for Devices and Radiological Health (CDRH) notified the applicant of the approval of the application.

DATE: Petitions for administrative review by September 22, 1986.

ADDRESS: Written requests for copies of the summary of safety and effectiveness data and petitions for administrative review to the Dockets Management Branch (HFA–305), Food and Drug Administration, Rm. 4–62, 5600 Fishers Lane, Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: Tara Ryan, Center for Devices and Radiological Health (HFZ–450), Food and Drug Administration, 8757 Georgia Ave., Silver Spring, MD 20910, 301–427–7559.

SUPPLEMENTARY INFORMATION: On March 19, 1986, Medtronic, Inc., Minneapolis, MN 55432, submitted to CDRH an application for premarket approval of the STERx TIP ™ Pacing Lead, Models 4003 and 4503. The Model 4003 ventricular and Model 4503 atrial leads have application where permanent ventricular or atrial or dual chamber pacing systems are indicated.

On May 23, 1986, the Circulatory System Devices Panel, an FDA advisory committee, reviewed and recommended approval of the application. On July 29, 1986, CDRH approved the application by a letter to the applicant from the Director of the Office of Device Evaluation, CDRH.

A summary of the safety and effectiveness data on which CDRH based its approval is on file in the Dockets Management Branch (address above) and is available from that office upon written request. Requests should be identified with the name of the device and the docket number found in brackets in the heading of this document.

A copy of all approved labeling is available for public inspection at CDRH—contact Tara Ryan (HFZ–450), address above.

Opportunity for Administrative Review

Section 515(d)(3) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 360e(d)(3)) authorizes any interested person to petition, under section 515(g) of the act (21 U.S.C. 360e(g)), for administrative review of CDRH's decision to approve this application. A petitioner may request either a formal hearing under Part 12 (21 CFR Part 12) of FDA's administrative practices and procedures regulations or a review of the application and CDRH's action by an independent advisory

committee of experts. A petition is to be in the form of a petition for reconsideration under § 10.33(b) (21 CFR 10.33(b)). A petitioner shall identify the form of review requested (hearing or independent advisory committee) and shall submit with the petition supporting data and information showing that there is a genuine and substantial issue of material fact for resolution through administrative review. After reviewing the petition, FDA will decide whether to grant or deny the petition and will publish a notice of its decision in the **Federal Register.** If FDA grants the petition, the notice will state the issue to be reviewed, the form of review to be used, the persons who may participate in the review, the time and place where the review will occur, and other details.

Petitioners may, at any time on or before September 22, 1986, file with the Dockets Management Branch (address above) two copies of each petition and supporting data and information, identified with the name of the device and the docket number found in brackets in the heading of this document. Received petitions may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

This notice is issued under the Federal Food, Drug, and Cosmetic Act (secs. 515(d), 520(h), 90 Stat. 554–555, 571 (21 U.S.C. 360e(d), 360j(h))) and under authority delegated to the Commissioner of Food and Drugs (21 CFR 5.10) and redelegated to the Director, Center for Devices and Radiological Health (21 CFR 5.53).

Dated: August 13, 1986.

John C. Villforth,

Director, Center for Devices and Radiological Health.

[FR Doc. 86-18945 Filed 8-21-86; 8:45 am]

BILLING CODE 4160-01-M

Public Health Service

AIDS Vaccine Development: Private Sector/Government Collaborative Efforts

AGENCY: Public Health Service, DHHS.

ACTION: Notice.

SUMMARY: This notice establishes a framework for collaborative efforts between the Public Health Service (PHS) and the private sector for the development, testing, production and distribution of a vaccine for the prevention of Acquired Immune Deficiency Syndrome (AIDS).

DATE: To facilitate consideration, plans for collaborative efforts should be submitted by October 21, 1986, but plans submitted after that date will also be considered.

Address for submission and contact for further information: Dr. Lowell T. Harmison, Science Advisor, PHS, Room 13–95, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone: (301) 443–2650.

SUPPLEMENTARY INFORMATION: The PHS and its involved component agencies, the Alcohol, Drug Abuse and Mental Health Administration (ADAMHA), the Centers for Disease Control (CDC), the Food and Drug Administration (FDA) and the National Institutes of Health (NIH) are engaged in ongoing research toward the development of an AIDS vaccine and have developed the capacity necessary for the support of those efforts. The PHS is now at an important stage in the development of an AIDS vaccine. We would like to couple our own efforts with those of industry, universities, and other parts of the private sector to facilitate the prompt development, testing, production and distribution of an AIDS vaccine. Therefore, the PHS is establishing a more formal framework for its collaborative efforts with the private sector. This framework is intended to ensure that all entities have an equal opportunity to seek collaborative agreements with the PHS and that proposals for such agreements are considered in an orderly fashion.

Collaborative agreements will be negotiated on a case-by-case basis in accordance with the considerations set forth in this notice. Under these collaborative research and development agreements, the PHS may provide: (1) *Patent licensing (both exclusive and nonexclusive),* (2) *research results,* (3) *scientific knowledge,* (4) *laboratory facilities,* (5) *animal models and animal testing,* (6) *assistance in the formulation of clinical protocols and clinical trials,* and (7) *other assistance, as appropriate,* to private entities that are seeking to develop, produce and market an immunological approach (vaccine) for the prevention of AIDS. The PHS does not provide financial assistance through the collaborative agreement mechanism and thus this notice does not establish an assistance program or a request for proposals. The framework established by this notice is limited to comprehensive efforts to develop, test and produce an AIDS vaccine as described below.

Vaccine Approaches

A broad base of research exists upon which to build an AIDS vaccine development and testing program—a program consisting of steps leading from vaccine conceptualization through prototype development and animal and clinical testing to FDA approval, production and availability. To implement this program, the PHS welcomes collaborative plans for pursuing vaccine development that include virus subunits, genetically engineered subunit antigens, synthetic peptides, infectious recombinant viruses, anti-idiotype antibodies, attenuated HTLV–III/LAV, killed HTLV–III/LAV and other potentially immunogenic molecular configurations. These approaches have been grouped as follows to assist in preparing your plans:

(a) *Development of Synthetic Vaccine.* Define optimum pathogen growth, identify essential immunogen and prepare immunogen from: (1) purified viral antigen extracted from whole virus, virus particles or mammalian cells expressing virus proteins (this approach will provide preliminary information on the immunogenicity of natural antigens); (2) antigen produced by recombinant DNA technology (this strategy is based on identification of an antigen and its subsequent synthesis in a microbiological system); (3) antigen produced by chemical synthesis (similar to (2) but based on chemically synthesized antigen); and (4) anti-idiotype antibodies produced by monoclonal antibody techniques. If necessary, identify adjuvants to enhance immunogenicity in animals and humans. Demonstrate immunogenicity protection in animals with standardized challenge goals.

(b) *Development of a Live, Genetically Modified Viral Vector or Attenuated Vaccine.* These approaches would involve one or more of the following steps: (1) growth in acceptable cells, tissues or other cultures of a virus in which has been inserted a gene coding for HTLV–III/LAV antigen which would be expressed in a vaccinated host and would subsequently elicit protective antibodies against HTLV–III/LAV; (2) a demonstration of satisfactory infectivity and antigenicity; (3) a demonstration of genetic stability (lack of reversion); (4) a demonstration of immunogenicity in animals; and (5) a demonstration of protection in animals.

(c) *Other Approaches.* Identification and development of other immunization approaches (for example, passive immunization) that would be medically useful and safe.

Although the PHS encourages the pursuit of a broad range of approaches, it recognizes that there is no assurance of success for any of these approaches.

Available Technology

The following patent applications may be made available for licensing under this collaborative vaccine development and testing program:

1. Peptides which inhibit AIDS virus activity;
2. Non-cytopathic clone of HTLV-III;
3. Recombinant vaccinia virus expressing human retrovirus gene—(Comprising gene expressing envelope proteins of HTLV-III and process for production of HTLV-III envelope proteins);
4. Plasmids which inhibit HTLV-III replication (Plasmid—process for producing plasmid);
5. Sor Gene Product from HTLV-III—(Plasmid process of producing protein);
6. Plasmid + phage clones of HTLV-III—(Process for producing clones);
7. Transactivating factor of HTLV-III/LAV (Transactivating factor—Method of producing monoclonal antibodies);
8. HTLV-LAV synthetic peptide—(Method of producing monoclonal antibodies using peptide);
9. Test kits and In Situ Detection of HTLV-III—(In Situ hybridization of HTLV-III);
10. Detection of Human T-Cell leukemia virus Type III—(Assaying for HTLV-III antibodies);
11. A method for detecting HTLV-III neutralizing antibodies in sera—(Measuring neutralization of HTLV-III by natural human antibodies);
12. Molecular clones of the genome of HTLV-III (Method of production of clones);
13. Method of continuous production of retroviruses (HTLV-III) from patients with AIDS and pre-AIDS using permissive cells—(Method of production of virus and method of production of infected cell line using other permissive cells, MOLT-3, CEM, Ti7.4 and HUT78);
14. Method of continuous production of retroviruses (HTLV-III) from patients with AIDS and pre-AIDS using permissive cells—(H9/HTLV-III cell line method of production of infected cell line and method of production of virus); and
15. Isolation of p24 core protein of HTLV-III, in sera of patients with AIDS and pre-AIDS conditions and detection of HTLV-III infection by immunoassays using purified p24.

Collaborative agreements will be negotiated on a case-by-case basis, but entities wishing to be considered for collaborative efforts should submit the following type information to the PHS Science Advisor at the address shown above (consideration will be facilitated if the submission is made within 60 days of the publication date of this notice, but plans submitted after that date will also be considered):

For each vaccine approach identified above, define fully the scaling up from research quantities through pilot lots to final production quantities and FDA approval and marketing of the vaccine, including as appropriate—

(a) Identification of the resources that will be committed to the effort, including any existing agreement or working relationship with the PHS, and a statement of the initial or additional contribution being sought from the PHS;

(b) Identification, and a description of the roles of those who will collaborate in the effort;

(c) Identification of pertinent existing patents, patent applications and additional patent rights that are considered necessary for the production and marketing of the vaccine;

(d) A complete description of clinical trials (phase I, II, and III) considering specifically safety, antigenicity, reactogenicity and efficacy, including:

(i) A protocol for the use of animal models to test the vaccine;

(ii) A protocol for the human clinical testing of the vaccine, including plans for obtaining the informed consent of participants and protecting their privacy; and

(e) A plan for marketing the vaccine, which will provide for delivery of the product at a reasonable cost, taking into account limitations on availability and distribution, including the availability and cost of insurance.

The PHS prefers collaborations involving comprehensive plans, from one organization or from a team of collaborating organizations, covering all aspects of the development, testing, production and marketing phases of one or more of the vaccine approaches as outlined above. Entities that alone would not be able to carry out a comprehensive plan should enter into the collaborative relationships necessary to accomplish that end.

In submitting descriptions, plans and supporting materials to the PHS, *an original and two (2) copies will be required,* and *an entity may designate by page number and paragraph, those items of information it believes constitute trade secrets, or commercial or financial information that is privileged or confidential which the entity does not want disclosed for any purpose other than evaluation of plan.* The use and disclosure of such designated information will be so restricted, to the extent permitted by the Freedom of Information Act (FOIA), 5 U.S.C. 552. If an FOIA request for any such designated information is received, the PHS shall notify the entity in writing requesting that its justification for withholding be submitted within five working days of the date of the notification. If the entity objects to release, but the FOI official disagrees with the justification for withholding, the official will notify the entity in writing of the determination to disclose and that the disclosure will be made within five working days from the date of the notification.

In determining whether to enter into collaborative agreements with some or all of the entities submitting plans in response to this notice, the PHS and its involved component agencies (1) will be guided by the submitter's experience, capability and commitment and their intent to research, develop, and make readily available as promptly as possible, a safe, effective vaccine for the prevention of AIDS and (2) will consider the ability of an entity to make significant scientific contributions toward the achievement of this goal and to manage the development, testing, production and distribution of a vaccine. Proposed collaborative efforts will be reviewed by the pertinent agency or agencies of the PHS, i.e., ADAMHA, CDC, FDA and/or NIH and a committee established by the Assistant Secretary for Health. All submissions not resulting in a collaborative agreement will be returned.

Dated: August 15, 1986.

Robert E. Windom, M.D.,

Assistant Secretary for Health.

[FR Doc 86-18997 Filed 8-21-86; 8:45 am]

BILLING CODE 4160-17-M

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of Environment and Energy

[Docket No. I-86-140]

Intended Environmental Impact Statement

The Department of Housing and Urban Development gives notice that an Environmental Impact Statement (EIS) is intended to be prepared by the City of Detroit, Michigan, for the Hubbard-Richard Development/International Border Station Project under the HUD programs described in the appendix to this Notice. This Notice is required by the Council on Environmental Quality under its rule (40 CFR Part 1500).

Interested individuals, governmental

agencies, and private organizations are invited to submit information and comments concerning the project to the specific person or address indicated in the appropriate part of the appendix.

Particularly solicited is information on reports or other environmental studies planned or completed in the project area, major issues and data which the EIS should consider, and recommended mitigating measures and alternatives associated with the proposed project. Federal agencies having jurisdiction by law, special expertise or other special interests should report their interests and indicate their readiness to aid the EIS effort as a "cooperating agency."

This Notice shall be effective for one year. If one year after the publication of the Notice in the **Federal Register** a Draft EIS has not been filed on a project, then the Notice for that project shall be cancelled. If a Draft EIS is expected more than one year after the publication of the Notice in the **Federal Register**, than a new and updated Notice of Intent will be published.

Issued at Washington, DC, dated August 12, 1986.

Dorothy S. Williams,

Acting Director, Office of Environment and Energy.

APPENDIX

EIS on the Hubbard—Richard Development/ International Border Station Expansion Project

The City of Detroit, Michigan, intends to prepare an Environmental Impact Statement for the Hubbard-Richard Development/ International Border Station Expansion Project and solicits information and comments for consideration in the EIS.

Description: The proposed project is to develop and stabilize housing within that portion of the Hubbard-Richard community bounded by Fort Street to the south, Bagley to the north, I-75 to the west, and Sixteenth Street to the east and to expand the international border station at the Ambassador Bridge. Specifically, the proposed action calls for developing new housing on an 11-acre parcel and for addressing ways to mitigate the adverse impact of truck traffic from the Ambassador Bridge on existing Hubbard-Richard residential areas, while permitting a needed expansion of the border station.

The proposed new housing is to be located on a site bordered by Sixteenth Street, Porter, Eighteenth Street, and Lafayette that is largely vacant, city-owned land. The type and density of housing to be constructed on the site will be assessed within the EIS in terms of market demand, community needs for senior citizens housing, and the requirement for replacement housing for community members that may have to be relocated in order to resolve traffic problems associated with the operation of the international border station at the Ambassador Bridge.

In addition to the development of new residential units, the EIS will focus on ways to stabilize and retain existing housing through the mitigation of major truck movements in or directly adjacent to residential areas. The growth in these truck movements in recent years has created capacity problems for the international border station. A larger border station is believed to be necessary to provide service for the increasing number of trucks and other vehicle using the Ambassador Bridge. The EIS will examine the Environmental Impact resulting from increased traffic and a larger border station and also will examine actions which can be implemented to mitigate the environment impact.

Federal funding for the project is expected to be from U.S. Department of Housing and Urban Development (HUD) Urban Development Action Grants and Community Development Block Grants. Participation by the Michigan State Housing Development Authority also is anticipated.

Need: A decision to prepare an EIS has been based upon the large-scale nature of the project in a dense urban setting and the possible impacts on air quality, noise pollution, as well as numerous socio-economic effects.

Alternatives: Alternatives being considered include:

a. The development of new housing on an 11-acre site and assisting in the stabilization of existing housing by mitigating truck traffic impacts, while alleviating capacity constraints at the international border station at the Ambassador Bridge;

b. The same new housing development as Alternative "a" and a smaller size expansion of the international border station, requiring less residential relocation;

c. The same new housing development as Alternative "a" and assisting in the stabilization of a different set of existing houses by alternatively configuring the border station facilities and roadway modifications;

d. Immediate development of new housing as in Alternative "a", followed by phased development of additional new housing and with border station expansion as in Alternative "a";

e. No action.

Scoping: Responses to this Notice will be used to: (a) help determine significant environmental issues; (2) identify data that will be used in the EIS, and (3) identify agencies, groups, and individuals that will participate in the EIS process.

Comments: Comments should be sent within twenty-five days of publication of this Notice to: Robert Davenport, City of Detroit, Community and Economic Development Department, 150 Michigan Avenue, Detroit, Michigan 48226, (313) 224-6513.

[FR Doc. 86-19052 Filed 8-21-86; 8:45 am]

BILLING CODE 4210-29-M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[UT-060-06-4410-08]

Extension of Public Review and Comment Period; San Juan Resource Management Plan

AGENCY: Bureau of Land Management, Moab.

ACTION: Notice of extension of the public review and comment period for the draft San Juan Resource Management Plan/Environmental Impact Statement (RMP/EIS).

SUMMARY: The public comment period for the draft San Juan RMP/EIS has been extended until November 3, 1986. The draft RMP/EIS addresses management of 1.8 million acres of public land in the San Juan Resource Area, Moab District, in San Juan County, Utah.

FOR FURTHER INFORMATION CONTACT: Ed Scherick, San Juan Resource Area Manager, BLM, Box 7, Monticello, UT 84532; (801) 587-2141.

SUPPLEMENTARY INFORMATION: The draft San Juan RMP/EIS analyzes five alternative multiple use management plans. BLM released the draft for public review on June 6, 1986, as announced in the **Federal Register** on that date. The 90-day public review and comment period formally began with publication of the Notice of Availability in the **Federal Register** by the Environmental Protection Agency on June 20, 1986.

Due to the public interest in reviewing this document, as expressed through several formal requests, the BLM Utah State Director has agreed to extend the public comment period for an additional 45 days. This brings the total comment period on the draft RMP/EIS to 5 months. Comments postmarked by Monday, November 3, 1986 will be addressed in the final RMP/EIS.

The draft RMP/EIS includes analysis of sixteen areas for special management designation. Nine of these areas were considered for designation as an Area of Critical Environmental Concern; designations as Research Natural Area and Outstanding Natural Area were also considered. Public comment on these designations will be accepted concurrently with the comments on the draft RMP/EIS.

A. Lynn Jackson,

Acting District Manager.

[FR Doc. 86-18948 Filed 8-21-86; 8:45 am]

BILLING CODE 4310-DQ-M

Minerals Management Service

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 Kerr-McGee Corporation has submitted a DOCD describing the activities it proposes to conduct on Lease OCS–G 6136, Block 21, High Island Area, offshore Texas. 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 Sabine Pass, Texas.

DATE: The subject DOCD was deemed submitted on August 12, 1986.

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, 1420 South Clearview Pkwy., Room 114, New Orleans, Louisiana (Office Hours: 9 a.m. to 3:30 p.m., Monday through Friday).

FOR FURTHER INFORMATION CONTACT: Ms. Angie D. Gobert; Minerals Management Service, Gulf of Mexico OCS Region, Field Operations, Plans, Platform and Pipeline Section, Exploration/Development Plans Unit; Phone (504) 736–2876.

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.

Revised rules governing practices and procedures under which the Minerals Management Service makes information contained in DOCDs available to affected States, executives of affected States, 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.

Date: August 15, 1986.

J. Rogers Pearcy,

Regional Director, Gulf of Mexico OCS Region.

[FR Doc. 86–18969 Filed 8–21–86; 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 Kerr-McGee Corporation has submitted a DOCD describing the activities it proposes to conduct on Lease OCS–G 6137, Block 34, High Island Area, offshore Texas. 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 Sabine Pass, Texas.

DATE: The subject DOCD was deemed submitted on August 12, 1986.

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, 1420 South Clearview Pkwy., Room 114, New Orleans, Louisiana (Office Hours: 9 a.m. to 3:30 p.m., Monday through Friday).

FOR FURTHER INFORMATION CONTACT: Ms. Angie D. Gobert; Minerals Management Service, Gulf of Mexico OCS Region, Field Operations, Plans, Platform and Pipeline Section, Exploration/Development Plans Unit; Phone (504) 736–2876.

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.

Revised rules governing practices and procedures under which the Minerals Management Service makes information contained in DOCDs available to affected States, executives of affected States, local governments, and other interested parties became effective December 13, 1979, (44 FR 53685). Those practices and procedures are set out in revised Section 250.34 of Title 30 of the CFR.

Date: August 15, 1986.

J. Rogers Pearcy,

Regional Director, Gulf of Mexico OCS Region.

[FR Doc. 86–18970 Filed 8–21–86; 8:45 am]

BILLING CODE 4310-M-M

National Park Service

Grant Grove and Redwood Mountain Development Concept Plan, Sequoia-Kings Canyon National Parks, Availability of Draft Environmental Impact Statement

Summary: Pursuant to section 102(2)(c) of the National Environmental Policy Act, the National Park Service, Department of the Interior, has prepared a draft environmental impact statement (DEIS) assessing the potential impacts of future development options in conjunction with the Development Concept Plan for the Grant Grove/Redwood Mountain area of Sequoia-Kings Canyon National Parks.

The DEIS addresses a number of alternatives ranging from no action to various levels and types of increased visitor accommodations provided through either refurbishment of existing facilities and/or construction of new facilities in the Grant Grove/Redwood Mountain area of the park.

Dates: Written comments on the DEIS will be accepted until November 7, 1986.

Addresses: Comments on the DEIS should be directed to: Superintendent, Sequoia-Kings Canyon National Parks, Three Rivers, California 93271.

Copies of the DEIS are available for inspection at the park headquarters in Three Rivers, the Grant Grove Visitor Center and in libraries located in the park vicinity.

Copies are also available at the following address: Western Regional Office, National Park Service, Attn: Division of Planning, Grants and Environmental Quality, P.O. Box 36063, 450 Golden Gate Avenue, Room 14033, San Francisco, California 94103.

Dated: August 14, 1986.

Howard H. Chapman,

Regional Director, Western Region.

[FR Doc. 86–19028 Filed 8–21–86; 8:45 am]

BILLING CODE 4310-70-M

Appalachian Trail Route Changed

A proposed relocation of the Appalachian Trail right-of-way, and Trail routes within the right-of-way, was published on July 9, 1986 (51 FR 24941) to provide an opportunity for public review and comment. The only comment received endorsed the proposed relocation. An Environmental Assessment has been prepared, and a Finding of No Significant Impact for the relocation is on file in the Appalachian Trail Project Office, National Park Service, Harpers Ferry, West Virginia 25425. This notice confirms this right-of-

way relocation as the official route of the Appalachian Trail.

Charles R. Rinaldi,

Acting Project Manager.

August 13, 1986.

[FR Doc. 86-19027 Filed 8-21-86; 8:45 am]

BILLING CODE 4310-70-M

Availability of Draft Land Protection Plan, Blue Ridge Parkway

SUMMARY: On May 7, 1982, the Department of the Interior published in the **Federal Register** a new policy statement on use of the Land and Water Conservation Fund to acquire private land. In response to this policy, the National Park Service is preparing a land protection plan for each unit with non-Federal land witin its boundary. These individual land protection plans will provide landowners with more current information about National Park Service (NPS) intentions for buying land or protecting it through other methods.

Locations where plans may be reviewed: The draft land protection plan for the Blue Ridge Parkway may be reviewed at the following parkway offices:

Virginia Offices:

Virginia Unit Office, Rural Route 3, Box 39D, Vinton, Virginia 24179, Milepost 112-(703) 982-6213

Peaks of Otter District, District Office, Route 2, Box 163, Bedford, Virginia 24523, Milepost 85.9, (703) 586-4357

James River District, Montebello Office, RFD 1, Box 17, Vesuvius, Virginia 24483, Milepost 29, (703) 377-2377

Roanoke Valley District, District Office, Rural Route 3, Box 39D, Vinton, Virginia 24179, Milepost 112, (703) 982-6490

Rocky Knob District, District Office, Route 1, Box 465, Floyd, Virginia 24091, Milepost 167.1-(703) 745-3451

North Carolina Offices:

North Carolina Unit Office, P.O. Box 9098-Oteen, Asheville, NC 28815, Milepost 382.3, (704) 259-0713

Cone Park District, District Office (Sandy Flats), Route 1, Box 565, Blowing Rock, NC 28605, Milepost 294.6, (704) 295-7591

Swannanoa District, District Office, P.O. Box 9098-Oteen Asheville, NC 28815, Milepost 382.3, (704) 259-0701

Doughton Park District, District Office (Bluffs), Route 1, Box 50, Laurel Springs, NC 28644, Milepost 245.5 (919) 372-8565

Gillespie Gap District, District Office, Route 1, Box 798, Spruce Pine, NC 28777, Milepost 330.9, (704) 765-6082

Balsam Gap District, District Office, P.O. Box 99, Balsam, NC 28707, Milepost 442.8, (704) 456-9530

FOR FURTHER INFORMATION CONTACT: Gary Everhardt, Superintendent, Blue Ridge Parkway, 700 Northwestern Plaza, Asheville, North Carolina 28801 (704-259-0718).

SUPPLEMENTARY INFORMATION: Under a policy and guideline adopted in 1979 (44 FR 24790), the National Park Service prepared land acquisition plans for approximatley 120 areas. A land acquisition plan was approved for the Blue Ridge Parkway on August 19, 1980, following extensive public review. A new policy statement on land protection was adopted by the Department of the Interior on May 7, 1982 (47 FR 19784). Under this new policy, land acquisition plans are being revised or replaced by land protection plans.

Only minor revisions are being made in the Blue Ridge Parkway's plan to reflect current policy. The land protection plan does not represent any major change in the scope of the 1980 plan.

Public review period: The public review period will expire 30 days from the date that this notice is published in the **Federal Register.**

Dated: August 8, 1986.

Robert M. Baker,

Regional Director, Southeast Region.

[FR Doc. 86-19029 Filed 8-21-86; 8:45 am]

BILLING CODE 4310-70-M

INTERSTATE COMMERCE COMMISSION

Notice of Intent To Engage in Compensated Intercorporate Hauling Operations

This is to provide notice as required by 49 U.S.C. 10524(b)(1) that the named corporations intend to provide or to use compensated intercorporate hauling operations as authorized in 49 U.S.C. 10524(b).

A. 1. Parent corporation and address of principal office: Fort Howard Paper Company (incorporated in Delaware), 1919 South Broadway, Green Bay, WI 54304.

2. Wholly owned subsidiaries which will participate in the operations, and address of their respective principal offices:

(a) HAC Holding Corp. (incorporated in Delaware), 1919 South Broadway, Green Bay, WI 54304;

(b) Harmon Assoc., Corp. (incorporated in New York), 86 Garden Street, Westbury, NY 11590;

(c) Harco Trucking Corp. (incorporated in New York), 86 Garden Street, Westbury, NY 11590;

(d) Lily-Tulip, Inc. (incorporated in Delaware), 209 Seventh Street, Augusta, GA 30901;

(e) Sweetheart Packaging Corporation (incorporated in Delaware), 10100 Reisterstown Road, Owings Mills, MD 21117;

(f) Harmon International Paper Corp. (incorporated in New York), 86 Garden Street, Westbury, NY 11590;

(g) Maryland Cup Corporation (incorporated in Maryland), 10100 Reisterstown Road, Owings Mills, MD 21117;

(h) Lily Cups, Inc. (incorporated Under the Laws of the Province of Ontario, Canada), 300 Danforth Road, Scarborough, Toronto, Ontario, MIL 3X5, Canada.

B. 1. Parent corporation and address of principle office: Grinnell Stamping Company, 22931 Industrial Drive, West, St. Clair Shores, MI 48080.

2. Wholly-owned subsidiary which will participate in the operations, and State of incorporation:

(a) Grinnell-Dixie Brake Mfg. (State of Incorporation: North Carolina), 107 West Grantham Street, Goldsboro, NC 27530;

(b) Grinnell-Dixie Brake Mfg. (State of Incorporation: Michigan), Route 634, Walkerton, VA 23177;

(c) Virginia Friction Products, Inc. (State of Incorporation: Virginia), Route 634, Walkerton, VA 23177.

C. 1. Parent Corporation: Magic Chef, Inc. (a Delaware Corp.), 740 King Edward Ave., Clevelend, TN 37311.

2. Wholly-owned subsidiaries which will participate in the operations:

(a) Dixie Narco, Inc. (a West Virginia Corp.), P.O. Box 460, Ranson, W.VA 25438;

(b) Toastmaster, Inc. (a Delaware Corp.), 1801 North Stadium Blvd., Columbia, MO 65202.

D. 1. Parent corporation and address of principal office: Stone Container Corporation, 150 North Michigan Avenue, Chicago, Illinois 60601.

2. Wholly-owned subsidiaries which will participate in the operations, and State of incorporation:

Name and State of Incorporation

(a) Stone Container Corporation, AZ
(b) Stone Forest Products, Inc., DL
(c) Stone Container Corporation, DL
(d) Stone Packaging Systems, Inc., FL
(e) Stone Container Corporation, GA
(f) Cameo Container Corporation, IL
(g) Stone Container Corporation, IL
(h) Gulf Container Corporation, LA
(i) Stone Container Corporation, MI
(j) Stone Container of Kansas City, Inc., MO
(k) Stone Container Corporation, MO

(l) Sampson Paper Bag Co., Inc., NY
(m) Cousins Leasing Corp., NY
(n) Sampson Mid-America Inc., IN
(o) Sampson Mid-Atlantic Inc., MD
(p) Tarheel Container Corporation, NC
(q) Stone Resource & Energy Corporation, OH
(r) Stone Container Corporation, PA
(s) Orangeburg Trucking, Inc., SC
(t) Dean-Dempsey Corporation, SC
(u) Stone Forest Industries, Inc., DL
(v) Great Plains Bag Corp., DL
(w) Stone Corrugated, Inc., DL
(x) Stone Port Wentworth, Inc., DL
(y) Stone Can Properties, Inc., DL
(z) Stone Hodge, Inc., DL
(aa) North Louisiana & Gulf Railroad, LA
(bb) Central Louisiana & Gulf Railroad, DL
(cc) Stone Hopewell, Inc., DL
(dd) Forest Energy Construction Management Corp., DL
(ee) Stone Lease, Inc., DL
(ff) Stone Container International Corporation, IL
(gg) Dean-Dempsey International Corporation, SC
(hh) Stone Brown Papers, Inc., DL
(ii) Great Southern Box Company, Inc., DL
(jj) Strong-Robinette Bag Company, Inc., VA

E. 1. Parent corporation and address of principal office: WNS, INC., a Texas Corporation, 7915 FM 1960 West, Suite 300, Houston, Texas 77070

2. Wholly-owned subsidiaries which will participate in the operations:

(a) Wicks 'N' Sticks (incorporated in Texas), 6937 Flintlock, Houston, Texas 77040;

(b) Deck the Walls (incorporated in Texas), 6937 Flintlock, Houston, Texas 77040;

(c) Prints 'N Things (incorporated in New Jersey), 299 Route 22 East, Greenbrook, New Jersey 08812;

(d) Wallpapers To Go (incorporated in California), 3700 Inpark Circle, Dayton, Ohio 45414.

Noreta R. McGee,

Secretary.

[FR Doc. 86-18961 Filed 8-21-86; 8:45 am]

BILLING CODE 7035-01-M

[Docket No. AB-3 (Sub-No. 54)]

Missouri Pacific Railroad Co.; Abandonment in Cass and Lancaster Counties, NE

By decision served May 27, 1986, the Commission found that the public convenience and necessity permit Missouri Pacific Railroad Company to abandon its 25.4-mile line of railroad between Omaha Junction (milepost 463.7) and Lincoln (milepost 489.1), in Cass and Lancaster Counties, NE. A certificate authorizing the abandonment was served July 14, 1986.

It has just come to our attention that, through inadvertence, notice of the Commission's findings was not published in the **Federal Register** at the time the decision permitting the abandonment was served. In order to afford interested parties an opportunity to submit offers of financial assistance, the certificate served July 14, 1986, will be vacated and a supplemental certificate will be issued authorizing this abandonment unless within 10 days after this publication the Commission also finds that: (1) A financially responsible person has offered assistance (through subsidy or purchase) to enable the rail service to be continued; and (2) it is likely that the assistance would fully compensate the railroad.

Any financial assistance offer must be filed with the Commission and the applicant no later than 10 days from publication of this Notice. The following notation must be typed in bold face on the lower left-hand corner of the envelope containing the offer: "Rail Section, AB-OFA". Any offer previously made must be remade within this 10-day period.

Information and procedures regarding financial assistance for continued rail service are contained in 49 U.S.C. 10905 and 49 CFR 1152.27.

Noreta R. McGee,

Secretary.

[FR Doc. 86-18960 Filed 8-21-86; 8:45 am]

BILLING CODE 7035-01-M

[Docket No. AB-3 (Sub-No. 59)]

Missouri Pacific Railroad Company—Abandonment—in Memphis, Shelby County, TN; Findings

The Commission has issued a certified authorizing Missouri Pacific Railroad Company to abandon its 3.1-mile rail line between Sargent Yard (milepost 0.6) and the Illinois Central Gulf Railroad connection (milepost 3.7) in Memphis, Shelby County, TN. The abandonment certificate will become effective 30 days after this publication unless the Commission also finds that: (1) A financially responsible person has offered financial assistance (through subsidy or purchase) to enable the rail service to be continued; and (2) it is likely that the assistance would fully compensate the railroad.

Any financial assistance offer must be filed with the Commission and the applicant no later than 10 days from publication of this Notice. The following notation shall be typed in bold face on the lower left-hand corner of the envelope containing the offer: "Rail Section, AB-OFA". Any offer previously made must be remade within this 10-day period.

Information and procedures regarding financial assistance for continued rail service are contained in 49 U.S.C. 10905 and 49 CFR 1152.27.

Noreta R. McGee,

Secretary.

[FR Doc. 86-19040 Filed 8-21-86; 8:45 am]

BILLING CODE 7035-01-M

DEPARTMENT OF JUSTICE

Lodging of Consent Order Pursuant to Clean Air Act

In accordance with Departmental policy, 28 CFR 50.7, notice is hereby given that on August 8, 1986 a proposed Consent Order in *United States* v. *Hoosier Energy Rural Electric Cooperative, Inc.*, Civil Action No. TH 85-8-C was lodged with the United States District Court for the Southern District of Indiana. The proposed Consent Order concerns the operation and maintenance of Defendant's two coal-fired boilers at its generating station, located in Merom, Indiana, in compliance with the Clean Air Act and New Source Performance Standards for fossil-fuel-fired steam generators. The proposed Consent Order requires the defendant to maintain compliance with the New Source Performance Standards requirements, to implement a preventative maintenance program, to maintain a low-sulfur coal stockpile and to conduct audits of the sulfur dioxide continuous emission monitors. The proposed Consent Order also requires the Defendant to pay a civil penalty of $40,000.

The Department of Justice will receive for a period of thirty (30) days from the date of this publication comments relating to the proposed Consent Order. Comments should be addressed to the Assistant Attorney General of the Land and Natural Resources Division, Department of Justice, Washington, D.C. 20530, and should refer to *United States* v. *Hoosier Energy Rural Electric Cooperative, Inc.*, D.J. Ref. 90-5-2-1-750.

The proposed Consent Order may be examined at the office of the United States Attorney, Southern District of Indiana, U.S. Courthouse, 46 E. Ohio Street, Indianapolis, Indiana 46204, and at the Region V office of the Environmental Protection Agency, 230 South Dearborn Street, Chicago, Illinois 60604. Copies of the Consent Order may be examined at the Environmental Enforcement Section, Land and Natural Resources Division of the Department of Justice, Room 1517, Ninth Street and Pennsylvania Avenue, NW, Washington, DC 20530. A copy of the proposed Consent Order may be obtained in person or by mail from the

Environmental Enforcement Section, Land and Natural Resources Division of the Department of Justice. In requesting a copy, please enclose a check in the amount of $2.40 (10 cents per page reproduction costs) payable to the Treasurer of the United States.

F. Henry Habicht II,

Assistant Attorney General, Land and Natural Resources Division.

[FR Doc. 86-18973 Filed 8-21-86; 8:45 am]

BILLING CODE 4401-01-M

Drug Enforcement Administration

Proposed 1986 Aggregate Production Quota for Methylphenidate; Hearing

AGENCY: Drug Enforcement Administration, Department of Justice

ACTION: Notice of Hearing on Formal Proposed Rule Making and Adjudication Methylphenidate Quotas—1986, Docket No. 86-52.

SUMMARY: This is notice of a hearing with respect to a formal proposed rule making to establish the aggregate production quota for 1986 for the Schedule II controlled substance methylphenidate. Notice of the 1986 proposed aggregate production quota for this substance was published in the Federal Register on October 1, 1985 at 50 FR 40070 (1985). Notice of an initial interim 1986 production quota for the substance was published on December 27, 1985 at 50 FR 53025 (1985). Notice of a 1986 proposed revised aggregate production quota for it was published on July 7, 1986 at 51 FR 24590 (1986). This is also notice of an adjudicatory hearing with respect to 1986 individual manufacturing and disposal quotas for methylphenidate.

DATES: Interested persons desiring to participate in the formal rule making hearing must give wirtten notice of such desire as set out below on or before September 22, 1986. The hearing will commence at 10:00 on October 1, 1986 at the place specified below.

ADDRESS: Notices of desire to participate in the hearing are to be sent to: Hearing Clerk, Office of the Administrative Law Judge, Drug Enforcement Administration, 1405 I Street, N.W., Room 1204 Washington, DC 20537.

FOR FURTHER INFORMATION CONTACT: Ms. Melanie Baltz, Hearing Clerk, Drug Enforcement Administration, Washington, DC 20537. Telephone (202) 333-1350.

SUPPLEMENTARY INFORMATION: October 1, 1985 a notice was published in the Federal Register (50 F.R. 40070) announcing the proposed aggregate production quotas for 1986 for Schedule I and Schedule II substances including methylphenidate. Opportunity was provided to submit comments or objections.

In a letter dated October 29, 1985 MD Pharmaceutical, Inc. submitted comments and objections and requested a hearing in the matter of the proposed aggregate production quota for 1986 for methylphenidate. In a letter dated October 30, 1985 CIBA-GEIGY Corporation did the same.

In a notice published in the Federal Register on December 27, 1985 (50 Fed. Reg. 53025), the aggregate production quotas for 1986 for Schedule I and Schedule II substances were established, except for methylphenidate. This notice acknowledged the filing of comments and requests for hearing by MD Pharmaceutical and CIBA-GEIGY on the 1986 aggregate production quota for methylphenidate. The notice went on to say that "during the pendency of the consideration of the matter for hearing, a final initial aggregate production quota will be established for this interim period [in the] amount which was initially proposed, and will be subject to revision upon further consideration and possible hearing."

In a letter dated January 27, 1986 CIBA-GEIGY requested a hearing in the matter of the 1986 individual manufacturing quota and disposal quota granted it for methylphenidate by DEA. In a letter dated May 5, 1986 DEA advised CIBA-GEIGY that its 1986 manufacturing quota was revised upward. On June 4, 1986 CIBA-GEIGY sent a letter to DEA requesting a hearing "in the matter of its 1986 individual manufacturing and 'disposal' quotas for methylphenidate, as adjusted by DEA on May 5, 1986."

On July 7, 1986 notice was published in the Federal Register (51 FR 24590) stating the proposed revised 1986 aggregate production quotas for numerous Schedule II substances, including methylphenidate. Opportunity was provided for the filing of comments and objections. In a letter dated August 4, 1986 CIBA-GEIGY requested a hearing on the proposed revised aggregate production quota.

In a letter dated July 8, 1986 the Acting Deputy Administrator of DEA referred the matter to Administrative Law Judge Francis L. Young and requested that the judge commence administrative proceedings on three issues:

1. "Adequacy of the 1986 methylphenidate manufacturing quota;"

2. "Amount of the quota to be allocated to each manufacturer of methylphenidate" and

3. "Propriety of the disposal allocation".

On July 28, 1986 MD Pharmaceutical requested a hearing on its final 1986 manufacturing and disposal quotas for methylphenidate. In the same letter, MD Pharmaceutical acknowledged the late filing of this request for hearing but asked that the request be granted. As good cause for the late filing, MD Pharmaceutical stated that the revised 1986 aggregate production quota as set in the July 7, 1986 Federal Register notice "represents a substantial and unanticipated (almost 60%) increase . . . greatly affecting MD's view of the degree to which DEA is permitting generic competition in the methylphenidate market" and that the revised figures were not available to the company at the time it was notified of its 1986 individual quotas.

Notice is now hereby given that a hearing with respect to the 1986 aggregate production quota for methylphenidate will be held. This hearing is a formal rule making proceeding and will be conducted pursuant to the provisions of Title 5, U.S.C. 556 and 557, and 21 CFR 1303.31(a). Every interested person desiring to participate in the hearing, including DEA Agency counsel, on behalf of the Agency staff, shall file a written notice of intention to participate, in duplicate, with the Hearing Clerk, Office of the Administrative Law Judge, Drug Enforcement Administration, 1405 I Street, N.W., Room 1204, Washington, DC 20537, within thirty days after the date of publication of this notice of hearing in the Federal Register. Each notice of intention to participate must be in the form prescribed in 21 CFR 1316.48. The entities that have filed requests for hearing herein need not file a notice of intention to participate.

Hearings with respect to 1986 individual manufacturing quotas and disposal quotas for methylphenidate also will be held at the same time as the hearing on the aggregate production quota. The hearing sessions may be held simultaneously. Hearings with respect to individual manufacturing and disposal quotas are adjudication proceedings and will be conducted pursuant to the applicable provisions of Title 5, U.S.C., and of 21 CFR 1303.31(b).

The first hearing session in the formal rulemaking proceeding and in the adjudication proceedings will be held on October 1, 1986 in Room 1213, Drug Enforcement Administration, 1405 I Street, N.W., Washington, DC.

The proceedings at the first hearing session will be limited to a preliminary discussion to identify parties and issues

and positions, and the manner of proceeding, including whether or not the formal rule making and adjudication proceedings should be combined and heard simultaneously.

Dated: August 14, 1986.

John C. Lawn,

Administrator, Drug Enforcement Administration.

[FR Doc. 86-18766 Filed 8-21-86; 8:45 am]

BILLING CODE 4410-09-M

Office of Juvenile Justice and Delinquency Prevention

Coordinating Council; Meeting

The third quarterly meeting of the Coordinating Council on Juvenile Justice and Delinquency Prevention will be held in Washington, DC, on September 24, 1986. The meeting will take place in the Main Auditorium at the Department of Health and Human Services, Hubert Humphrey Building, 200 Independence Avenue, SW., from 9:30 a.m. to 11:30 a.m. The public is welcome to attend.

The agenda will include matters related to the coordination of the Federal effort in the area of juvenile justice and delinquency prevention.

For further information, please contact Roberta Dorn, Office of Juvenile Justice and Delinquency Prevention, 633 Indiana Avenue, NW., Washington, DC 20531, (202) 724-7655.

Dated: August 19, 1986.

Verne L. Speirs,

Acting Administrator, Office of Juvenile Justice and Delinquency Prevention.

[FR Doc. 86-19030 Filed 8-21-86; 8:45 am]

BILLING CODE 4410-18-M

DEPARTMENT OF LABOR

Employment and Training Administration

Renewal of the Federal Committee on Apprenticeship

Notice is given that after consultation with the General Services Administration, it has been determined that the FCA, whose charter expires September 27, 1986, is hereby renewed for the period September 27, 1986, to September 27, 1988. This action is necessary and in the public interest.

The Committee will an effective instrument for providing assistance through advice and counsel to the Secretary of Labor and the Assistant Secretary of Labor for Employment Training in their development and implementation of administration policies addressing critical skill shortage occupations with particular current emphasis in the defense industry; in carrying out their program responsibilities in the apprenticeship and other structured training, and by furnishing recommendations on such matters as training for the unemployed, the disadvantaged, minorities and women.

The Committee will consist of 10 representatives of employers, 10 representatives of organized labor, and 5 representatives of the public, including one or more educators.

The Committee will function solely as an advisory body and in compliance with the provisions of the Federal Advisory Committee Act. Its charter will be filed under the Act 15 days from the date of this publication.

Interested persons are invited to submit comments regarding the reestablishment of the Federal Committee on Apprenticeship. Such comments should be addressed to: Mrs. M. M. Winters, Bureau of Apprenticeship and Training, ETA, U.S. Department of Labor, 601 D Street, NW. (Room 6314), Washington, D.C. 20213.

Signed at Washington, DC, this 18th day of August 1986.

William E. Brock,

Secretary of Labor.

[FR Doc. 86-19063 Filed 8-21-86; 8:45 am]

BILLING CODE 4510-30-M

Migrant and Seasonal Farmworker Programs; Job Training Partnership Act; Preapplications for Federal Assistance, and Solicitation for Grant Application

AGENCY: Employment and Training Administration, Labor.

ACTION: Notice of invitation to submit preapplications and funding applications for migrant and seasonal farmworker training and employment programs.

SUMMARY: The Department of Labor announces preapplication and funding application instructions for Program Year (PY) 1987 (July 1, 1987 through June 30, 1988) Migrant and Seasonal Farmworker Programs funded under Job Training Partnership Act. Applicants selected for funding will be designated as grantees for a 1-PY period, PY 1987, and will not have to compete for funding for PY 1988 (July 1, 1988 to June 30, 1989) if applicable regulatory requirements are met, an acceptable training plan is submitted, and funds are available .

DATES: No exceptions to the mailing and hand-delivery conditions set forth in this notice will be granted. Preapplications and applications not meeting the conditions set forth in this notice will not be accepted.

Preapplications submitted by mail must be posted by certified or registered mail, return receipt requested, and postmarked no later than September 11, 1986. Preapplications submitted by hand-delivery will be accepted daily between the hours of 8:15 a.m. and 4:45 p.m., Eastern Time, but no later than 4:45 p.m., Eastern Time, on September 11, 1986.

Applications submitted by mail must be posted by certified or registered mail, return receipt requested, and postmarked no later than October 6, 1986. Applications submitted by hand-delivery will be accepted daily between the hours of 8:15 a.m. and 4:45 p.m., Eastern Time, but no later than 4:45 p.m., Eastern time, on October 6, 1986.

ADDRESS: Preapplications and applications must be mailed or hand-delivered to Robert D. Parker, Grant Officer, ETA, Room S4203, 200 Constitution Avenue, NW., Washington, DC 20210.

FOR FURTHER INFORMATION CONTACT: Charles C. Kane, Chief, Division of Seasonal Farmworker Programs, 601 D Street, NW., Room 6122, Washington, DC 20213. Phone (202) 376-1226.

SUPPLEMENTARY INFORMATION: This notice consists of: Part I—Introduction, Part II—Preapplication for Federal Assistance, and Part III—Solicitation for Grant Application (SGA). Parts II and III—Solicitation for Grant Application (SGA). Parts II and III constitute invitations from the Department of Labor (DOL) for public agencies, and private nonprofit organizations authorized by their Charters or Articles of Incorporation to provide training and employment, and other services described in this notice, to submit Preapplications for Federal Assistance and funding applications for PY 1987 Job Training Partnership Act (JTPA), Title IV, Section 402, Migrant and Seasonal Farmworker Programs.

Part I—Introduction

The DOL announces preapplication and funding application instructions for PY 1987 (July 1, 1987 through June 30, 1988) Migrant and Seasonal Farmworker Programs funded under JTPA. Applicants selected for funding will be designated as grantees for a 1-PY period, PY 1987, and will not have to compete for funding for PY 1988 (July 1, 1988 to June 30, 1989) if applicable regulatory requirements are met, an acceptable training plan is submitted, and funds are available.

Background

JTPA establishes programs to prepare youth and unskilled adults for entry into the labor force, and to afford job training to those economically disadvantaged individuals and others facing serious barriers to employment who are in special need of such training to obtain productive employment. In accordance with 29 U.S.C. 1501 *et seq.*, regulations promulgated by the DOL to implement JTPA are set forth at Parts 626 through 638 and 684 of Title 20, Code of Federal Regulations.

As stated at 20 CFR 633.102, it is the purpose of Section 402 of JTPA, 29 U.S.C. 1672, to provide job training, employment opportunities, and other services for those individuals who suffer chronic unemployment and underemployment in the agriculture industry. These conditions have been substantially aggravated by continual advancements in technology and mechanization resulting in displacement and contribute significantly to the Nation's rural employment problem. These factors substantially affect the entire national economy. Because of farmworker employment and training problems, such programs shall be centrally administered at the national level. Programs and activities supported under this section shall, in accordance with section 402(c)(3) of JTPA:

(1) Enable farmworkers and their dependents to obtain or retain employment;

(2) Allow participation in other program activities leading to their eventual placement in unsubsidized agricultural or nonagricultural employment;

(3) Allow activities leading to stabilization in agricultural employment; and

(4) Include related assistance and supportive services.

Regulations promulgated by the DOL to implement the provisions of Title IV, Section 402, of JTPA are set forth in 20 CFR Part 633 and Part 636. These Parts contain all the regulations under JTPA applicable to migrant and other seasonally employed farmworker programs. 20 CFR 633.103(a). Should the regulations at Parts 633 and 636 conflict with regulations elsewhere in 20 CFR, the regulations at Parts 633 and 636 shall prevail with respect to programs and activities governed by these Parts. 20 CFR 633.103(b). Further, should any instructions in this notice conflict with the JTPA regulations, the JTPA regulations shall prevail. Applicants should consult and be familiar with 20 CFR Part 633 in its entirety.

Pursuant to 20 CFR 633.201, the DOL will not consider any funding application when fraud or criminal activity has been proven to exist within the applicant organization, or when efforts by the DOL to recover debts established by final agency action have been unsuccessful. Prior to the final selection of an applicant as a potential grantee, the DOL, as provided for in 20 CFR 633.204, will conduct a responsibility review of the available records to establish an organization's overall responsibility to administer federal funds. Any applicant which does not have its application considered or is not selected as a potential grantee because of these provisions shall be advised of its appeal rights.

Comments From the States

Executive Order 12372, "Intergovernmental Review of Federal Programs," and the implementing regulations at 29 CFR Part 17, are applicable to this program. Pursuant to these requirements, in States which have established a consultation process expressly covering this program, applications shall be provided to the State for comment. Since States may also participate as competitors for this program, applications shall be submitted to the State upon the deadline for submission to the DOL. 20 CFR 633.202(d).

To strengthen the implementation of E.O. 12372, the DOL specifies the following timeframe for its treatment of comments from the State's Single Point of Contact (SPOC) on JTPA section 402 applications:

1. As required by 29 CFR 17.8(a)(2), the SPOC must submit comments, if any, to the DOL no later than 60 days after the deadline date for applications;

2. The DOL will forward those comments to the applicant within 10 days of their receipt from the SPOC;

3. The applicant must submit its response to the SPOC's comments, if any, to the DOL no later than 10 days after the date of receipt from the DOL; and

4. The DOL will notify the SPOC of its decision regarding the comments and response, but will not implement that decision for at least 10 days after the SPOC has been notified.

State Planning Estimates

State planning estimates are provided in an Appendix to this notice solely for the purpose of developing the funding applications. These estimates are the same as the PY 1986 allocations. Final allocation levels for PY 1987 will be published at a later date.

Recommendation From the Governor

Following a recent review of JTPA section 402 grantee selection procedures, the DOL decided to award five extra rating points in the competition to the one application for each State that receives a recommendation from the Governor. This practice is consistent with the requirement of JTPA section 402(d) that the DOL consult with State and local officials in the administration of Section 402 programs.

The recommendation must be in writing, and shall be submitted as part of the application package to the Grant Officer. The application deadline date is announced elsewhere in this notice.

Part II—Preapplication for Federal Assistance

All States and the Commonwealth of Puerto Rico are open for competition for section 402 funds for PY 1987. Regulations at 20 CFR 633.105(b)(2) reserve for the DOL the right not to allocate any funds for use in a State whose funding allocation, to be determined by formula at a later date, is less than $120,000.

Applications for Statewide programs are strongly encouraged. Applicants applying for grants shall submit a preapplication consisting of:

(1) A Standard Form 424 described at 41 CFR 29–70.214–4(a);

(2) An attachment indentifying, by State or counties, the target area to be served;

(3) For a private nonprofit organization, a certification from a certified public accountant that its financial management system is capable of properly accounting for and safeguarding federal funds; and

(4) For a public agency, a certification by the Chief Fiscal Officer attesting to the adequacy of the agency's accounting system to properly account for and safeguard federal funds.

Two copies of the Preapplication for Federal Assistance shall be submitted either by mail or hand-delivery, along with two copies of the following:

(a) A statement indicating the legally constituted authority under which the organization functions;

(b) An employer identification number from the Internal Revenue Service and, for nonprofit applicants, proof of the organization's tax-exempt status.

As noted earlier in this announcement, mailings must be requested, and postmarked no later than September 11, 1986. All hand-delivered preapplications will be accepted daily between the hours of 8:15 a.m. and 4:45

p.m., Eastern Time. A receipt will be provided bearing the time and date of delivery. No hand deliveries will be accepted after 4:45 p.m., Eastern Time on September 11, 1986. No exceptions to these mailing and hand-delivery conditions will be granted. Preapplications not meeting these conditions will not be accepted.

Preapplications for Federal Assistance must be mailed or hand-delivered to: Robert D. Parker, Grant Officer, ETA, 200 Constitution Avenue, NW., Room S4203, Washington, DC 20210.

Part III— Solicitation for Grant Application

The DOL is soliciting applications for grants under the provisions of JTPA Title IV, section 402, to provide training, employment opportunities, and other services to migrant and seasonal farmworkers.

Review of Funding Applications

Applications will be reviewed and rated by a competitive review panel, using the specific review standards cited at 20 CFR 633.203. Panel results are advisory in nature and are not binding on the Grant Officer. In addition, prior to the final selection of an applicant as a potential grantee, the DOL will conduct a responsibility review of the available records pursuant to 20 FR 633.204. This review is intended to establish overall responsibility to administer federal funds and is independent of the competitive process. Applicants failing to meet the requirements of this section of the regulations will not be selected as potential grantees irrespective of their standing in the competition.

Specific Rating Criteria

The rating criteria and the weights assigned to each are described below:

(i) *An understanding of the problems of migrant and seasonal farmworkers. Range 0 to 20 points.* This factor rates the applicant's analysis of the needs of the target group, and the proposed program's potential to address those needs. Ratings will be based on a clear and concise narrative demonstrating this understanding, and the appropriateness of the proposed program mix of training and supportive services to be implemented to meet the identified needs.

(ii) *A familiarity with the area to be served. Range 0 to 20 points.* This factor rates the applicant's knowledge of the socioeconomic characteristics and resources of the target area, and the proposed linkages and coordination; *i.e.*, plans for involving appropriate area agencies and programs in the design and delivery of training and other services proposed to meet the needs of participants. Ratings will be based on a clear and concise narrative demonstrating this familiarity, and documented programmatic ties to appropriate area agencies and programs.

(iii) *A previously demonstrated capability to administer effectively a diversified employability development program for migrant and seasonal farmworkers. Range 0 to 30 points.* This factor rates program experience, and capability of meeting or exceeding planned goals. Ratings will be based on the successful past operation of a comprehensive multiactivity training and employment program for farmworkers, and on documentation that planned performance goals were either met or exceeded during the period of performance.

(iv) *General administrative and financial management capability. Range 0 to 30 points.* This factor rates the applicant's managerial experience, and the potential for efficient and effective administration of the proposed program. Ratings will be based on consideration of the administrative expertise of present and proposed managerial and decision-making staff, and the extent to which the management plan demonstrates the ability to capably operate a multiactivity delivery system.

Content and Format of Funding Application

Exclusive of charts or graphs and letters of support and commitment, the funding application should not exceed 75 pages of double-spaced unreduced type. Detailed budgets and planning estimates are not to be a part of the funding application. These will be negotiated later with applicants selected for grant awards. The application format must be followed and contain the sections listed below. The sections correspond to the rating criteria listed in the preceding subpart of this notice, so that information pertinent to rating criterion item (i) is contained in Section I, information pertinent to rating criterion item (ii) is contained in Section II, etc.

Section I—Program Approach

This section should describe the applicant's approach to fulfilling the intent of JTPA section 402. Elements to be included are:

(a) A description of the needs and problems of migrant and seasonal farmworkers in the target area, including the socioeconomic characteristics of the farmworker population to be served;

(b) A detailed description of each major activity and component of the program proposed to meet the identified needs, including a discussion of outreach and recruitment, eligibility verification, and participant assessment; and

(c) The rationale for the program mix of training, employability development, and supportive services activities.

Section II—Linkages/Coordination and Delivery System

This section should describe the applicant's current and proposed programmatic ties to appropriate State and local agencies, private nonprofit organizations, and other groups providing resources and services to farmworkers, and the method of delivering the program proposed in Section I. Elements to be included are:

(a) A description of linkages to agencies, organizations and institutions within the target area that will result in the coordinated delivery of services to the disadvantaged farmworker population. Letters of commitment documenting appropriate programmatic ties should be attached to the application;

(b) A description of the proposed delivery system, including a list of any delivery agents and the services to be provided by each;

(c) A labor market assessment with projections for employment growth and specific job opportunities available in the target area; and

(d) An analysis of the extent to which the proposed employment and training program is consistent with the labor market assessment.

Section III—Program Experience

This section should describe the applicant's experience in capably administering employment and training programs for migrant and seasonal farmworkers. Elements to be included are:

(a) The type of programs operated, including the contract, grant or agreement number, the name of the funding agency, the amount of funding and the period of performance;

(b) The nature of the training, employability development, and supportive services activities which were provided; and

(c) The number of participants involved in each program activity, and the actual vs. planned performance by activity and by any performance standard measurements.

Section IV—Administration and Staff

This section should describe the applicant's organizational and staffing plans. Elements to be included are:

(a) The number of people presently involved in the administration of the organization and the number of people who will be involved in the administration of the proposed program, including job titles. Position descriptions of managerial and decision-making positions should be attached;

(b) A description of the management and administration plan including:

(1) Organizational structure;

(2) Personnel management procedures;

(3) Fiscal accounting system, including a plan for maintaining cash on hand at a reasonable level, not to exceed an average daily need; the allowance payment system, if applicable; and fiscal reporting procedures;

(4) Participant reporting system;

(5) Internal monitoring system;

(6) Program evaluation system;

(7) Property management system;

(8) Participant grievance procedures; and

(9) Equal Employment Opportunity policy.

Submission of Funding Application

Three copies of the funding applications shall be submitted either by mail or hand-delivery. As noted earlier in this announcement, mailings must be posted by registered or certified mail, return receipt requested, no later than October 6, 1986. All hand-delivered applications will be accepted daily between the hours of 8:15 a.m. and 4:45 p.m., Eastern Time. A receipt will be provided bearing the time and date of delivery. No hand-deliveries will be accepted after 4:45 p.m., Eastern Time, on October 6, 1986. No exceptions to these mailing and hand-delivery conditions will be granted. Applications not meeting these conditions will not be accepted.

Funding applications must be mailed or hand-delivered to: Robert D. Parker, Grant Officer, ETA, 200 Constitution Avenue, NW., Room S4203, Washington, DC 20210.

Notification of Selection

The following conditions are applicable, pursuant to 20 CFR 633.205:

(a) Respondents to this SGA which are selected as potential grantees will be notified by the DOL. The notification will invite each potential grantee to negotiate the final terms and conditions of the grants, will establish a reasonable time and place for the negotiation, and will indicate the State or area to be covered by the grant. Grants will be awarded for a 1-PY period (July 1, 1987 to June 30, 1988). Applicants selected will not have to compete for funding for PY 1988 (July 1, 1988 to June 30, 1989) if applicable regulatory requirements are met, an acceptable training plan is submitted, and funds are available.

(b) In the event that no grant applications are received for a specific State or area or those received are deemed to be unacceptable, or where a grant agreement is not successfully negotiated, the DOL may give the Governor first right to submit an acceptable application pursuant to the Precondition for Grant Application and responsibility review tests at 20 CFR 633.201 and 633.204, respectively. Should the Governor not accept the offer within 15 days, the Department may then: (1) Designate another organization or organizations, (2) reopen the area for competitive bidding, or (3) use the funds for national account activities.

(c) An applicant whose grant application is not selected by the DOL to receive JTPA section 402 funds will be notified in writing.

(d) Applicants who submit grant applications which have been rejected may not resubmit a new grant application for the State(s) or area(s) in which they are interested in providing services until the area(s) is announced by the DOL as reopened for competition.

(e) Any applicant whose grant application is denied in whole or part by the DOL will be advised of its appeal rights.

Signed at Washington, DC, this 14th day of August 1986.

Paul A. Mayrand,

Director, Office of Special Targeted Programs.

Robert D. Parker,

Grant Officer, Division of Acquisition and Assistance.

Charles C. Kane,

Chief, Division of Seasonal Farmworker Programs.

Roger D. Semerad,

Assistant Secretary of Labor.

U.S. DEPARTMENT OF LABOR, EMPLOYMENT AND TRAINING ADMINISTRATION, OFFICE OF FINANCIAL CONTROL AND MANAGEMENT SYSTEMS, FY 1986 MSFW ALLOTMENT TO STATES

[7-1-1986]

	Allotment
Alabama	774,193
Alaska	0
Arizona	1,001,566
Arkansas	1,140,959
California	7,881,007
Colorado	705,840
Connecticut	253,520
Delaware	120,000

U.S. DEPARTMENT OF LABOR, EMPLOYMENT AND TRAINING ADMINISTRATION, OFFICE OF FINANCIAL CONTROL AND MANAGEMENT SYSTEMS, FY 1986 MSFW ALLOTMENT TO STATES—Continued

[7-1-1986]

	Allotment
District of Columbia	0
Florida	3,419,487
Georgia	1,515,670
Hawaii	241,161
Idaho	796,276
Illinois	1,059,592
Indiana	806,617
Iowa	1,456,693
Kansas	894,709
Kentucky	1,342,394
Louisiana	781,203
Maine	322,950
Maryland	274,928
Massachusetts	281,121
Michigan	835,651
Minnesota	1,379,565
Mississippi	1,437,736
Missouri	1,080,785
Montana	661,908
Nebraska	1,077,714
Nevada	132,732
New Hampshire	120,000
New Jersey	316,914
New Mexico	463,978
New York	1,373,941
North Carolina	2,825,698
North Dakota	646,628
Ohio	907,535
Oklahoma	599,973
Oregon	831,879
Pennsylvania	1,160,237
Rhode Island	0
South Carolina	1,049,588
South Dakota	688,665
Tennessee	941,977
Texas	4,521,771
Utah	215,105
Vermont	211,483
Virginia	947,703
Washington	1,415,186
West Virginia	215,573
Wisconsin	1,338,296
Wyoming	196,995
Puerto Rico	2,870,098
Formula Total	55,535,000
TA/HOUS	2,227,000
Grand Total	57,762,000

[FR Doc. 88-19064 Filed 8-21-86; 8:45 am]

BILLING CODE 4510-30-M

Employment Standards Administration

Wage and Hour Divsion

Minimum Wages for Federal and Federally Assisted Construction; General Wage Determination Decisions

General wage determination decisions of the Secretary of Labor are issued in accordance with applicable law and are based on the information obtained by the Department of Labor from its study of local wage conditions and data made available from other sources. They specify the basic hourly wage rates and fringe benefits which are determined to be prevailing for the described classes of laborers and mechanics employed on construction projects of a similar

character and in the localities specified therein.

The determinations in these decisions of prevailing rates and fringe benefits have been made in accordance with 29 CFR Part 1, by authority of the Secretary of Labor pursuant to the provisions of the Davis-Bacon Act of March 3, 1931, as amended (46 Stat. 1494, as amended, 40 U.S.C. 276a) and of other Federal statutes referred to in 29 CFR Part 1, Appendix, as well as such additional statutes as may from time to time be enacted containing provisions for the payment of wages determined to be prevailing by the Secretary of Labor in accordance with the Davis-Bacon Act. The prevailing rates and fringe benefits determined in these decisions shall, in accordance with the provisions of the foregoing statutes, constitute the minimum wages payable on Federal and federally assisted construction projects to laborers and mechanics of the specified classses engaged on contract work of the character and in the localities described therein.

Good cause is hereby found for not utilizing notice and public procedure thereon prior to the issuance of these determinations as prescribed in 5 U.S.C. 553 and not providing for delay in the effective date as prescribed in that section, because the necessity to issue current construction industry wage determinations frequently and in large volume causes procedures to be impractical and contrary to the public interest.

General wage determination decisions, and modifications and supersedeas decisions thereto, contain no expiration dates and are effective from their date of notice in the Federal Register, or on the date written notice is received by the agency, whichever is earlier. These decisions are to be used in accordance with the provisions of 29 CFR Parts 1 and 5. Accordingly, the applicable decision, together with any modifications issued, must be made a part of every contract for performance of the described work within the geographic area indicated as required by an applicable Federal prevailing wage law and 29 CFR Part 5. The wage rates and fringe benefits, notice of which is published herein, and which are contained in the Government Printing Office (GPO) document entitled "General Wage Determinations Issued Under The Davis-Bacon And Releted Acts," shall be the minimum paid by contractors and subcontractors to labors and mechanics.

Any person, organization, or governmental agency having an interest in the rates determined as prevailing is encouraged to submit wage rate and fringe benefit information for consideration by the Department. Further information and self-explanatory forms for the purpose of submitting this data may be obtained by writing to the U.S. Department of Labor, Employment Standards Administration, Wage and Hour Division, Division of Wage Determinations, 200 Constitution Avenue, N.W., Room S-3504, Washington, D.C. 20210.

New General Wage Determination Decisions

The numbers of the decisions being added to the Government Printing Office document entitled "General Wage Determination Issued Under the Davis-Bacon and Related Acts" are listed by Volume, State, and page number(s).

Volume II
Michigan:
MI86-18 ..... pp. 487a-487b

Modifications to General Wage Determination Decisions

The numbers of the decisions listed in the Government Printing Office document entitled "General Wage Determinations Issued Under the Davis-Bacon and Related Acts" being modified are listed by Volume, State, and page number(s). Dates of publication in the Federal Register are in parentheses following the decisions being modified.

Volume I
Pennsylvania:
PA86-2 (Jan. 3, 1986) ..... pp. 807,814
PA86-9 (Jan 3, 1986) ..... pp. 872-874
p. 878
PA86-11 (Jan. 3, 1986) ..... p. 885
PA86-20 (Jan. 3, 1986) ..... pp. 926-928
PA86-22 (Jan. 3, 1986) ..... pp. 939-940
pp. 945-946

Volume II
Iowa:
IA86-4 (Jan. 3, 1986) ..... p. 39
IA86-5 (Jan. 3, 1986) ..... pp. 43-50
IA86-6 (Jan.. 3, 1986) ..... pp. 52-53
Illinois:
IL86-1 (Jan. 3, 1986) ..... p. 70
IL86-2 (Jan. 3, 1986) ..... pp. 88,92
IL86-2 (Jan. 3, 1986) ..... p. 105
IL86-4 (Jan. 3, 1986) ..... p. 112
IL86-5 (Jan. 3, 1986) ..... pp. 116, 119
IL86-6 (Jan. 3, 1986) ..... p. 121
IL86-13 (Jan. 3, 1986) ..... p. 162
IL86-15 (Jan. 3, 1986) ..... pp. 183-184
Louisiana:
LA86-5 (Jan. 3, 1986) ..... p. 361
Michigan:
MI86-5 (Jan. 3, 1986) ..... pp. 429-441
Minnesota:
MN86-5 (Jan. 3, 1986) ..... pp. 497-498
MN86-7 (Jan. 3, 1986) ..... pp. 507-523
pp. 523a-523b
MN86-8 (Jan. 3, 1986) ..... pp. 527-531
Missouri:
MO86-1 (Jan. 3, 1986) ..... pp. 540-557
MO86-2 (Jan. 3, 1986) ..... pp. 559-567
MO86-3 (Jan. 3, 1986) ..... p. 570
MO86-5 (Jan. 3, 1986) ..... p. 579
MO86-9 (Jan. 3, 1986) ..... p. 598
pp. 600-602
MO86-10 (Jan. 3, 1986) ..... pp. 606-607
MO86-11 (Jan. 3, 1986) ..... pp. 611-614
Nebraska:
NE86-3 (Jan. 3, 1986) ..... p. 624
Wisconsin:
WI86-1 (Jan. 3, 1986) ..... pp. 946-947
LISTING BY LOCATION (index). p. xxix

Volume III
Arizona
AZ86-1 (Jan. 3, 1986) ..... p. 11
AZ86-2 (Jan. 3, 1986) ..... pp. 17-20
AZ86-3 (Jan. 3, 1986) ..... pp. 30-31
California:
CA86-4 (Jan. 3, 1986) ..... pp. 66-95
Nevada:
NV86-4 (Jan. 3, 1986) ..... p. 247
South Dakota:
SD86-1 (Jan. 3, 1986) ..... p. 276
Utah:
UT86-3 (Jan. 3, 1986) ..... pp. 294-295
p. 297
pp. 297a-297f
Washington:
WA86-1 (Jan. 3, 1986) ..... p. 302

General Wage Determination Publication

General wage determinations issued under the Davis-Bacon and related Acts, including those noted above, may be found in the Government Printing Office (GPO) document entitled "General Wage Determinations Issued Under The Davis-Bacon And Related Acts". This publication is available at each of the 80 Regional Government Depository Libraries and many of the 1,400 Government Depository Libraries across the country. Subscriptions may be purchased from: Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402, (202) 783-3238.

When ordering subscription(s), be sure to specify the State(s) of interest, since subscriptions may be ordered for any or all of the three separate volumes, arranged by State. The subscription cost is $277 per volume. Subscriptions, include an annual edition (issued on or about January 1) which includes all current general wage determinations for the States covered by each volume. Throughout the remainder of the year, regular weekly updates will be distributed to subscribers.

Signed at Washington, DC, this 15th day of August 1986.

James L. Valin,

Assistant Administrator.

[FR Doc. 86-18812 Filed 8-21-86; 8:45 am]

BILLING CODE 4510-27-M

Mine Safety and Health Administration

[Docket No. M-86-89-C]

A. & D. Coal Co.; Petition for Modification of Application of Mandatory Safety Standard

A. & D. Coal Company, R.D. #1, Box 32A, Dornsife, Pennsylvania 17823 has filed a petition to modify the application of 30 CFR 75.1400 (hoisting equipment; general) to its No. 1 Slope (I.D. No. 36-07540) located in Northumberland County, Pennsylvania. The petition is filed under section 101(c) of the Federal Mine Safety and Health Act of 1977.

A summary of the petitioner's statements follows:

1. The petition concerns the requirement that cages, platforms or other devices which are used to transport persons in shafts and slopes be equipped with safety catches or other approved devices that act quickly and effectively in an emergency.

2. Petitioner states that no such safety catch or device is available for the steeply pitching and undulating slopes with numerous curves and knuckles present in the main haulage slopes of this anthracite mine.

3. Petitioner further believes that if "makeshift" safety devices were installed they would be activated on knuckles and curves when no emergency existed and cause a tumbling effect on the conveyance.

4. As an alternate method, petitioner proposes to operate the man cage or steel gunboat with secondary safety connections securely fastened around the gunboat and to the hoisting rope, above the main connecting device. The hoisting ropes would have a factor of safety in excess of the design factor as determined by the formula specified in the American National Standard for Wire Rope for Mines.

5. Petitioner states that the proposed alternate method will provide the same degree of safety for the miners affected as that afforded by the standard.

Request for Comments

Persons interested in this petition may furnish written comments. These comments must be filed with the Office of Standards, Regulations and Variances, Mine Safety and Health Administration, Room 627, 4015 Wilson Boulevard, Arlington, Virginia 22203. All comments must be postmarked or received in that office on or before September 22, 1986. Copies of the petition are available for inspection at that address.

Dated: August 14, 1986.

Patricia W. Silvey,

Director, Office of Standards, Regulations and Variances.

[FR Doc. 86-19065 Filed 8-21-86; 8:45 pm]

BILLING CODE 4510-43-M

[Docket No. M-86-119-C]

The NACCO Mining Co.; Petition for Modification of Application of Mandatory Safety Standard

The NACCO Mining Company, 12800 Shaker Boulevard, Cleveland, Ohio 44120 has filed a petition to modify the application of 30 CFR 75.305 (weekly examinations for hazardous conditions) to its Powhatan No. 6 Mine (I.D. No. 33-01159) located in Belmont County, Ohio. The petition is filed under section 101(c) of the Federal Mine Safety and Health Act of 1977.

A summary of the petitioner's statements follows:

1. The petition concerns the requirement that return aircourses be examined in their entirety on a weekly basis.

2. Petitioner states that due to the continued deterioration of the roof conditions the return aircourses cannot be travelled, and rehabilitation of these areas would be exposing miners to hazardous conditions.

3. As an alternate method, petitioner proposes to establish input and output air measurement stations where methane, air quality, and air quantity readings would be taken by a certified person. These air measurement stations and approaches to them would be maintained in a safe condition. A date board, containing the initials, date and time of each examination would be located at each check point.

4. These return aircourses are located in a non-coal-producing area of the mine. The entries are not used as an escapeway and no miners or materials would pass through them and no methane or other harmful, noxious or poisonous gases will be permitted to accumulate in the airways.

Request for Comments

Persons interested in this petition may furnish written comments. These comments must be filed with the Office of Standards, Regulations and Variances, Mine Safety and Health Administration, Room 627, 4015 Wilson Boulevard, Arlington, Virginia 22203. All comments must be postmarked or received in that office on or before September 22, 1986. Copies of the petition are available for inspection at that address.

Dated: August 14, 1986.

Patricia W. Silvey,

Director, Office of Standards, Regulations and Variances.

[FR Doc. 86-19066 Filed 8-21-86; 8:45 am]

BILLING CODE 4510-43-M

[Docket No. M-86-130-C]

Saginaw Mining Co.; Petition for Modification of Application of Mandatory Safety Standard

Saginaw Mining Company, P.O. Box 275, St. Clairsville, Ohio 43950 has filed a petition to modify the application of 30 CFR 75.305 (weekly examinations for hazardous conditions) to its Saginaw Mine (I.D. No. 33-00941) located in Belmont County, Ohio. The petition is filed under section 101(c) of the Federal Mine Safety and Health Act of 1977.

A summary of the petitioner's statements follows:

1. The petition concerns the requirement that return aircourses be examined in their entirety on a weekly basis.

2. Petitioner states that the high humidity in the main south intake airway is causing excessive spalling from the mine roof and ribs, posing a hazard to persons required to work in or examine the area.

3. As an alternate method, petitioner proposes to establish check points where examinations would be made to assure that the ventilating current is flowing in the proper direction, to test air velocity and volume, and to assure that the ventilating current contains less than 1 percent methane.

4. For these reasons, petitioner requests a modification of the standard.

Request for Comments

Persons interested in this petition may furnish written comments. These comments must be filed with the Office of Standards, Regulations and Variances, Mine Safety and Health Administration, Room 627, 4015 Wilson Boulevard, Arlington, Virginia 22203. All comments must be postmarked or received in that office on or before September 22, 1986. Copies of the petition are available for inspection at that address.

Dated: August 14, 1986.

Patricia W. Silvey,

Director, Office of Standards, Regulations and Variances.

[FR Doc. 86-19067 Filed 8-21-86; 8:45 am]

BILLING CODE 4510-43-M

[Docket No. M-86-92-C]

Three L Coal Co.; Petition for Modification of Application of Mandatory Safety Standard

Three L Coal Company, R.D. #1, Box 952, Shamokin, Pennsylvania 17872 has filed a petition to modify the application of 30 CFR 75.1400 (hoisting equipment; general) to its No. 1 Slope (I.D. No. 36-07262) located in Northumberland County, Pennsylvania. The petition is filed under section 101(c) of the Federal Mine Safety and Health Act of 1977.

A summary of the petitioner's statements follows:

1. The petition concerns the requirement that cages, platforms or other devices which are used to transport persons in shafts and slopes be equipped with safety catches or other approved devices that act quickly and effectively in an emergency.

2. Petitioner states that no such safety catch or device is available for the steeply pitching and undulating slopes with numerous curves and knuckles present in the main haulage slopes of this anthracite mine.

3. Petitioner further believes that if "makeshift" safety devices were installed they would be activated on knuckles and curves when no emergency existed and cause a tumbling effect on the conveyance.

4. As an alternate method, petitioner proposes to operate the man cage or steel gunboat with secondary safety connections securely fastened around the gunboat and to the hoisting rope, above the main connecting device. The hoisting ropes would have a factor of safety in excess of the design factor as determined by the formula specified in the American National Standard for Wire Rope for Mines.

5. Petitioner states that the proposed alternate method will provide the same degree of safety for the miners affected as that afforded by the standard.

Request for Comments

Persons interested in this petition may furnish written comments. These comments must be filed with the Office of Standards, Regulations and Variances, Mine Safety and Health Administration, Room 627, 4015 Wilson Boulevard, Arlington, Virginia 22203. All comments must be postmarked or received in that office on or before September 22, 1986. Copies of the petition are available for inspection at that address.

Dated: August 14, 1986.

Patricia W. Silvey,

Director, Office of Standards, Regulations and Variances.

[FR Doc. 86-19068 Filed 8-21-86; 8:45 am]

BILLING CODE 4510-43-M

[Docket No. M-86-110-C]

Wells Fargo Coal Co., Inc., Petition for Modification of Application of Mandatory Safety Standard

Wells Fargo Coal Company, Inc., 789 Millard Highway, Pikeville, Kentucky 41501 has filed a petition to modify the application of 30 CFR 75.1710 (cabs and canopies) to its No. 1 Mine (I.D. No. 15-08431) located in Pike County, Kentucky. The petition is filed under section 101(c) of the Federal Mine Safety and Health Act of 1977.

A summary of the petitioner's statements follows:

1. The petition concerns the requirement that cabs or canopies be intalled on the mine's electric face equipment.

2. The Elkhorn seam is 47 inches in height with ascending and descending grades creating rolls and dips.

3. Petitioner states that the use of canopies in certain mining heights could strike and dislodge roof bolts and cause the machine to become wedged in place. In addition, the canopies would limit the operator's vision and limit the seating capacity increasing the chances of an accident.

4. For these reasons, petitioner requests a modification of the standard.

Request for Comments

Persons interested in this petition may furnish written comments. These comments must be filed with the Office of Standards, Regulations and Variances, Mine Safety and Health Administration, Room 627, 4015 Wilson Boulevard, Arlington, Virginia 22203. All comments must be postmarked or received in that office on or before September 22, 1986. Copies of the petition are available for inspection at that address.

Dated: August 14, 1986.

Patricia W. Silvey,

Director, Office of Standards, Regulations and Variances.

[FR Doc. 86-19069 Filed 8-21-86; 8:45 am]

BILLING CODE 4510-43-M

NATIONAL TRANSPORTATION SAFETY BOARD

Availability of Safety Recommendations Issued

Recommendation No.	Respondent	Date	Subject
H-86-01-02	MI State Highway Dept	6/17/86	Revise bridge inspection report form to include an entry that denotes if underwater elements inspected.
H-86-03	FHA	6/17/86	Establish criteria for inspecting the underwater elements of bridges.
H-86-04	FHA	6/17/86	Require States to inspect underwater elements of bridges on a 5-year cycle.
H-86-05	FHA	6/17/86	Require State highway officials to determine the safe load capacity for all bridges.
H-86-06	FHA	6/17/86	Develop procedures for examining the elements below water; develop criteria to determine tolerances for bridge span misalignment, expansion joint openings or closures.
H-86-07	Amer. Assoc. of State Highway and Transportation Officials.	7/17/86	Develop a bridge inspection procedure for examining the elements below water; develop criteria to determine tolerances for bridge span misalignment, expansion joint openings or closures.
H-86-08	DOT	7/14/86	Develop a program to administer a National Driver License for commerial truck drivers.
H-86-09	DOT	7/14/86	Develop uniform licensing criteria, performance, test procedures, and a driver's manual.
H-86-10	Amer. Assoc., of Motor Vehicle Administrators.	7/14/86	Develop recommendations on how a National Driver License for truck drivers could be administered.
H-86-11	...do	7/14/86	Urge all States to implement the NDR as soon as possible.
H-86-12	American Insurance Assoc	7/14/86	Undertake a program to offer financial incentives to drivers with formal training.
H-86-13	Canal Ins. Company	7/14/86	Undertake a program to offer financial incentives to drivers with formal training.
H-86-14	Prof. Trucks Driver Inst	7/14/86	Compile views of members about the Revisions in the BMCS Standards.
H-86-15	...do	7/14/86	Develop a program for evaluating training schools.
H-86-16	...do	7/14/86	Develop a guidance program to reach people who are considering a career in commerical truck driving.
H-86-17	NSC	7/14/86	Coordinate a program designed to reach people who are considering a career in commercial truck driving.
H-86-18	Amer. Trucking Assoc	7/14/86	Work with NSC to develop program to reach people who are considering a career in commerical truck driving.
H-86-19	...do	7/14/86	Develop guidelines and requirements for an apprenticeship training program.

Recommendation No.	Respondent	Date	Subject
H-86-20	....do	7/14/86	Undertake a program urging companies to hire drivers who have formal truck driving training.
H-86-21	Private Truck Council of America	7/14/86	Work with NSC to develop a program to reach people who are considering a career in truck driving.
H-86-22	....do	7/14/86	Undertake a program urging companies to hire only drivers who have formal truck driving training.
H-86-23	Owner-Op. Independent Drivers Assoc. of America.	7/14/86	Work with the National Safety Council to develop a program to reach people who are considering a career in commercial truck driving.
H-86-24	Inter. Brotherhood of Teamsters	7/14/86	Work with NSC to develop program to reach people who are considering a career in truck driving.
H-86-25	....do	7/14/86	Develop guidelines and requirements for an apprenticeship training program for truck drivers.
H-86-26	U.S. Dept. of Labor	7/14/86	Draft and issue standards for apprenticeship programs in commercial truck driving.
H-86-27	FHA	7/14/86	Expedite development of questions and procedures for standards for training tractor-trailer drivers.
H-86-28	FHA	7/14/86	Undertake a program to impose licensing requirements on truck driver training schools.
H-86-29	FHA	7/14/86	Develop a program for evaluating truck driver training schools.
H-86-30	FHA	7/14/86	Eliminate the exemption granted to commercial drivers who work within a city zone.
H-86-31	FHA	7/14/86	Clarify the purpose and procedures of the annual review of employee traffic records.
H-86-32	FHA	7/14/86	Stipulate that no driver may screen his own driving record.
H-86-33	FHA	7/14/86	Restructure the examination required of drivers.
H-86-34	FHA	7/14/86	Eliminate exemptions granted to drivers not regularly employed.
H-86-35	NHTSA	7/14/86	Take action to assure the Problem Driver Point System is operational and available by February 1989.
H-86-36	NHTSA	7/14/86	Encourage authorities to use the Rapid Response System to obtain access to records.
H-86-37	NHTSA	7/14/86	Work with States to prepare them to anticipate the Problem Driver Point System.
A-86-30	FAA	5/13/86	Revise training curriculum at ATC Academy.
A-86-31	FAA	5/13/86	Establish program to improve supervision of ATC performance.
A-86-32	FAA	5/13/86	Develop effective memory aids to reduce incidents of controllers forgetting traffic.
A-86-33	FAA	5/13/86	Require controllers to obtain a readback for all hold, takeoff, or crossing clearances.
A-86-34	FAA	5/13/86	Emphasize the importance of reading back taxi, hold-short, runway crossing, and takeoff clearances in proper phraseology.
A-86-35	FAA	5/13/86	Emphasize that a good practice is to monitor only assigned ATC communication frequencies after a clearance onto an active runway.
A-86-36	FAA	5/13/86	Revise controller phraseology when issuing takeoff and landing clearances to include the runway number.
A-86-37	FAA	5/13/86	Issue a GENOT directing the management of all terminal facilities to brief all controllers on attempting to expedite traffic.
A-86-38	FAA	5/13/86	Issue an Advisory Circular delineating pilot and controller roles and responsibilities preventing runway incursions.
A-86-39	FAA	5/13/86	Revise near-midair collision reporting and investigating program.
A-86-40	FAA	5/13/86	Revise and enforce requirements to report and investigate operational errors, pilot deviation, and near-midair collisions.
A-86-41	FAA	5/13/86	Issue a bulletin to require air carrier inspections to review training and operations manuals and pilot training programs.
A-86-42	FAA	5/13/86	Disseminate copies of the Board's report on runway incursions.
A-86-43	FAA	5/13/86	Determine effective signs, markings, and procedures to prevent pilot-induced runway incursions.
A-86-44	FAA	5/27/86	Issue a GENOT to terminal facilities to require that controllers be briefed on issuing traffic information to planes that have been cleared into position.
A-86-45	FAA	5/27/86	Establish local control coordinator positions in O'Hare Int. Airport.
A-86-46	FAA	5/27/86	Evaluate the need for a local control coordinator position at all major airports that use intersection runways in concurrent operations.
A-86-47	FAA	7/1/86	Issue an Airworthiness Directive superseding AD46-38-03 and applicable to Ercoupe Model 415 airplanes.
A-86-48	FAA	7/7/86	Provide surveillance of operators to assure timely accurate adjustment and calibration of fuel quantity.
A-86-49	FAA	7/7/86	Encourage development and application of fuel tank dipsticks for airplanes used in 14 CFR 135 operations.
A-86-50	FAA	7/7/86	Require that air carriers operating general aviation type airplanes under 14 CFR 135 use calibrated dipsticks to verify fuel quantities.
A-86-51	FAA	7/7/86	Issue an AD to require number of flight cycles for the replacement of or inspection and repair of sealed needle bearings of the main landing gear assemblies on Boeing 727 airplanes.
A-86-52	FAA	6/30/86	Issue an Emergency AD: (1) Require an inspection of all tail rotor drive shaft flexible couplings installed on any McDonnell Douglas Model 369 helicopters, (2) any service coupling contain cracks or damage be removed from service; and (3) periodic inspections of the couplings.
A-86-53	FAA	6/30/86	Issue an AD to require: (1) installation of fail-safe components within the tail rotor drive shaft flexible couplings on applicable McDonnell Douglas Model 369 helicopters; (2) that helicopters with the fail-safe system be checked before each flight; and (3) that any broken or damaged couplings be removed from service.
A-86-54	FAA	7/11/86	Conduct a review of the fuel system installed in 1967-1972 Bellanca Viking and Super Viking airplanes.
A-86-55	FAA	7/11/86	Require the Bellanca Aircraft Corporation to review the airplane flight manuals of 1967-1972 Bellanca Viking and Super Viking airplanes.
A-86-56	FAA	7/11/88	Require the Bellanca Aircraft Corporation to prepare and disseminate to all owners of 1967-1972 Bellanca Viking and Super Viking models a Safety Advisory that provides information on the fuel system.
A-86-57	FAA	7/11/86	Revise AD 76-23-03 to require inspection of the exhaust system on Bellanca Viking and Super Vikings.
A-86-58	FAA	7/11/86	Publish details of recent accidents and incidents in which Bellanca Viking and Super Viking airplanes have experienced engine power loss as a result of broken exhaust tailpipe assemblies.
A-86-59	FAA	7/11/86	Issue an AD to require the installation of fuel quick-drain valves in the wing fuel tanks of Bellanca Viking and Super Viking airplanes.
A-86-60	FAA	7/11/86	Issue an AD to require an inspection of the wing fuel filler well drain of the Bellanca Viking and Super Viking airplanes.

Note.—Single copies of these recommendation letters are available on written request to Public Inquiries Section, National Transportation Safety Board, Washington, DC 20594. Please include addressee's name, date of the letter, and the recommendation number(s) in your request. The photocopies will be billed at a cost of 14 cents per page ($1 minimum charge).

Monica Revelle,
Alternate Federal Register Officer.
August 18, 1986.

[FR Doc. 86-18953 Filed 8-21-86; 8:45 am]
BILLING CODE 7533-01-M

NUCLEAR REGULATORY COMMISSION

Advisory Committee on Reactor Safeguards; Subcommittee on Decay Heat Removal Systems; Meeting

The ACRS Subcommittee on Decay Heat Removal Systems will hold a meeting on September 9, 1986, Room 1046, 1717 H Street, NW., Washington, DC.

The entire meeting will be open to public attendance.

The agenda for the subject meeting shall be as follows:

Tuesday, September 9, 1986—1:00 P.M. until the conclusion of business.

The Subcommittee will review NRR's Action Plan to address concerns with the reliability of certain plants' AFW systems.

Oral statements may be presented by members of the public with the concurrence of the Subcommittee Chairman; written statements will be accepted and made available to the Committee. Recordings will be permitted only during those portions of the meeting when a transcript is being kept, and questions may be asked only by members of the Subcommittee, its consultants, and Staff. Persons desiring to make oral statements should notify the ACRS staff member named below as far in advance as is practicable so that appropriate arrangements can be made.

During the initial portion of the meeting, the Subcommittee, along with any of its consultants who may be present, may exchange preliminary views regarding matters to be considered during the balance of the meeting.

The Subcommittee will then hear presentations by and hold discussions with representatives of the NRC Staff, its consultants, and other interested persons regarding this review.

Further information regarding topics to be discussed, whether the meeting has been cancelled or rescheduled, the Chairman's ruling on requests for the opportunity to present oral statements and the time allotted therefor can be obtained by a prepaid telephone call to the cognizant ACRS staff member Mr. Paul Boehnert (telephone 202/634-3267) between 8:15 A.M. and 5:00 P.M. Persons planning to attend this meeting are urged to contact the above named individual one or two days before the scheduled meeting to be advised of any changes in schedule, etc., which may have occurred.

Dated: August 19, 1986.

Morton W. Libarkin,
Assistant Executive Director for Project Review.

[FR Doc. 86-19024 Filed 8-21-86; 8:45 am]
BILLING CODE 7590-01-M

Documents Containing Reporting or Recordkeeping Requirements: Office of Management and Budget Review

AGENCY: Nuclear Regulatory Commission.

ACTION: Notice of the Office of Management and Budget review of information collection.

SUMMARY: The Nuclear Regulatory Commission has recently submitted to the Office of Management and Budget (OMB) for review the following proposal for the collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

1. Type of submission, new, revision or extension: New.

2. The title of the information collection:

10 CFR Part 2—Rules of Practice for Domestic Licensing Proceedings; Appendix B—General Statement of Policy and Procedures Concerning Petitions Pursuant to § 2.802 for Disposal of Radioactive Waste Streams Below Regulatory Concern.

3. The form number if applicable: Not applicable.

4. How often the collection is required: One time, upon submission of a petition.

5. Who will be required or asked to report: Persons submitting petitions for rulemaking to exempt specific radioactive waste streams from regulation by the Commission.

6. An estimate of the number of responses: 6.

7. An estimate of the total number of hours needed to complete the requirement or request: 18,000.

8. An indication of whether section 3504(h), Pub. L. 96-511 applies:

Not applicable.

9. Abstract: The policy statement and staff implementation plan, to be incorporated as Appendix B to 10 CFR Part 2, provides regulatory guidance for obtaining expeditious action on rulemaking petitions to exempt specific radioactive waste streams from NRC regulation because the radionuclides present are in such low concentrations or quantities as to be below regulatory concern.

Copies of the submittal may be inspected or obtained for a fee from the NRC Public Document Room, 1717 H Street, NW., Washington, DC 20555.

Comments and questions should be directed to the OMB, reviewer, Jefferson B. Hill, (202) 395-7340.

The NRC Clearance Officer is R. Stephen Scott, (301) 492-8585.

Dated at Bethesda, Maryland, this 18th day of August 1986.

For the Nuclear Regulatory Commission.

Patricia G. Norry,
Director, Office of Administration.

[FR Doc. 86-19023 Filed 8-21-86; 8:45 am]
BILLING CODE 7590-01-M

[Docket No. 50-252]

University of New Mexico; Consideration of Application for Renewal of Facility Operating License

The United States Nuclear Regulatory Commission (the Commission) is considering renewal of Facility License No. R-102, issued to the University of New Mexico for operation of the University of New Mexico AGN-201M reactor located on the University's campus in Bernalillo County.

The renewal would extend the expiration date of Facility License No. R-102 for twenty years from date of issuance, in accordance with the licensee's timely application for renewal dated June 2, 1986, as supplemented July 14, 1986.

Prior to a decision to renew the license, the Commission will have made findings required by the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations.

By September 22, 1986, the licensee may file a request for a hearing with respect to renewal of the subject facility license and any person whose interest may be affected by this proceeding and who wishes to participate as a party in the proceeding must file a written petition for leave to intervene. Requests for a hearing and petitions for leave to intervene shall be filed in accordance with the Commission's "Rules of Practice for Domestic Licensing Proceedings" in 10 CFR Part 2. If a request for a hearing or petition for leave to intervene is filed by the above date, the Commission or an Atomic Safety and Licensing Board, designated by the Commission or by the Chairman of the Atomic Safety and Licensing Board Panel, will rule on the request and/or petition and the Secretary of the designated Atomic Safety and Licensing Board will issue a notice of hearing or an appropriate order.

As required by 10 CFR § 2.714, a petition for leave to intervene shall set forth with particularity the interest of the petitioner in the proceeding, and how that interest may be affected by the results of the proceeding. The petition should specifically explain the reasons why intervention should be permitted with particular reference to the following factors: (1) The nature of the petitioner's right under the Act to be made a party to the proceeding; (2) the nature and extent of the petitioner's property, financial, or other interest in the proceeding; and (3) the possible effect of any order which may be entered in the proceeding on the petitioner's interest. The petition should also identify the specific aspects(s) of the subject matter of the proceeding as to which petitioner wishes to intervene. Any person who has filed a petition for leave to intervene or who has been admitted as a party may amend the petition without requesting leave of the Board up to fifteen (15) days prior to the first prehearing conference scheduled in the proceeding but such as amended petition must satisfy the specificity requirements described above.

Not later than fifteen (15) days prior to the first prehearing conference scheduled in the proceeding, a petitioner shall file a supplement to the petition to intervene which must include a list of the contentions which are sought to be litigated in the matter, and the bases for each contention set forth with reasonable specificity. Contentions shall be limited to matters within the scope of the renewal action under consideration. A petitioner who fails to file such a supplement which satisfies these requirements with respect to at least one contention will not be permitted to participate as a party.

Those permitted to intervene become parties to the proceeding, subject to any limitations in the order granting leave to intervene, and have the opportunity to participate fully in the conduct of the hearing, including the opportunity to present evidence and cross-examine witnesses.

A request for a hearing or a petition for leave to intervene shall be filed with the Rules and Procedures Branch, Division of Rules and Records, Office of Administration, U.S. Nuclear Regulatory Commission, Washington, DC 20555, or may be delivered to the Commission's Public Document Room, at 1717 H Street NW., Washington, DC 20555 by the above date. Where petitions are filed during the last ten (10) days of the notice period, it is requested that the petitioner or representative for the petitioner promptly so inform the Commission by a toll-free telephone call to Western Union at (800) 325-6000 (in Missouri (800) 342-6700). The Western Union operator should be given Datagram Identification Number 3737 and the following message addressed to Herbert N. Berkow: (petitioner's name and telephone number); (date petition was mailed); (University of New Mexico); and (publication date and page number of this **Federal Register** notice). A copy of the petition should also be sent to the Office of the General Counsel-Bethesda, U.S. Nuclear Regulatory Commission, Washington, DC 20555 and to Nick Estes, University Counsel, Scholes Hall 152, The University of New Mexico, Albuquerque, New Mexico 87131, attorney for the licensee.

Nontimely filings of petitions for leave to intervene, amended petitions, supplemental petitions and/or requests for hearing will not be entertained absent a determination by the Commission or the presiding officer of the Atomic Safety and Licensing Board designated to rule on the petition and/or request, that the petitioner has made a substantial showing of good cause for the granting of a late petition and/or request. That determination will be based upon a balancing of the factors specified in 10 CFR 2.714(a)(1)(i)-(v) and 2.714(d).

For further details with respect to this action, see the application for renewal dated June 2, 1986 as supplemented July 14, 1986, which is available for public inspection at the Commission's Public Document Room at 1717 H Street NW., Washington, DC 20555.

Dated at Bethesda, Maryland, this 18th day of August 1986.

For the Nuclear Regulatory Commission.

Herbert N. Berkow,

Director, Standardization and Special Projects Directorate, Division of PWR Licensing-B, Office of Nuclear Reactor Regulation.

[FR Doc. 86-19026 Filed 8-21-86; 8:45 am]

BILLING CODE 7590-01-M

[Docket Nos. 50-250-OLA-1 and 50-251-OLA-1]

Vessel Flux Reduction; Florida Power & Light Co.; Turkey Point Plant, Units 3 and 4; Assignment of Atomic Safety and Licensing Appeal Board

Notice is hereby given that, in accordance with the authority conferred by 10 CFR 2.787(a), the Chairman of the Atomic Safety and Licensing Appeal Panel has assigned the following Panel members to serve as the Atomic Safety and Licensing Appeal Board for this operating license amendment proceeding:

Gary J. Edles, Chairman
Dr. Reginald L. Gotchy
Howard A. Wilber.

Dated: August 18, 1986.

Barbara A. Tompkins,

Secretary of the Appeals Board.

[FR Doc. 86-19025 Filed 8-21-86; 8:45 am]

BILLING CODE 7590-01-M

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Withdrawal of Increased Rates of Duty on Certain Pasta Articles From the European Economic Community

AGENCY: Office of the United States Representative.

ACTION: Notice.

SUMMARY: This notice withdraws the increased rates of duty on imports of certain pasta articles from the European Economic Community (EEC), following an agreement between the United States and the EEC on EEC citrus preferences.

EFFECTIVE DATE: August 21, 1986.

FOR FURTHER INFORMATION CONTACT: Lynn Candon 202-395-5006.

SUPPLEMENTARY INFORMATION: On June 20, 1985, the President determined, pursuant to section 301(a) of the Trade Act of 1974, that preferential tariffs granted by the EEC on imports of lemons and organges from certain Mediterranean countries deny benefits to the United States under the General Agreement on Tariffs and Trade (GATT), are unreasonable and discriminatory, and constitute a burden or restriction on U.S. commerce. Accordingly, on June 21, 1985, in Proclamation 5354 (50 FR 26143), the President proclaimed increases in the rates of duty on imports into the United States of specified pasta articles the product of any member country of the EEC, effective as of July 6, 1985. The President also directed the United States Trade Representative (USTR) to advise the President when a mutually acceptable solution of the issue had been reached, and to recommend the modification or termination of the duties as appropriate.

In light of continuing discussions between the United States and the EEC, the President issued Proclamation 5363 of August 15, 1985 (50 F.R. 33711), suspending the application of the increased duties until November 1, 1985. The President also authorized the USTR to suspend, modify, or terminate the increased duties upon publication in the

Federal Register of the USTR's determination that such action is justified by EEC actions toward a mutually acceptable solution of the dispute. The increased duties ultimately became effective on November 1, 1985.

On August 10, 1986, following additional discussions, the United States and the EEC reached an agreement on a solution to the dispute concerning citrus products. The agreement provides for the elimination by the United States of the increased duties on EEC pasta, and by the EEC of retaliatory increased duties on U.S. lemons and walnuts.

Action

Accordingly, pursuant to the authority granted in Proclamation 5363, I have determined that, based on the citrus settlement the increased duties on imports from the EEC of the pasta articles provided for in Tariff Schedules of the United States (TSUS) items 945.80 and 945.82 is no longer justified, and that such duties shall not apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after August 21, 1986.

Dated: August 19, 1986.

Michael B. Smith,

Acting U.S. Trade Representative.

[FR Doc. 86-19129 Filed 8-21-86; 8:45 am]

BILLING CODE 3190-01-M

OFFICE OF PERSONNEL MANAGEMENT

Proposed Extension of OPM Forms 1496 and 1496A

AGENCY: Office of Personnel Management.

ACTION: Notice.

SUMMARY: In accordance with the Paperwork Reduction Act of 1980 (title 44, U.S. Code, chapter 35), this notice announces a proposed extension of information collections from the public that were submitted to OMB for clearance. OPM Form 1496, Application for Deferred Annuity (for persons separated on or before September 30, 1956) and OPM Form 1496A, Application for Deferred Annuity (for persons separated on or after October 1, 1956) were developed by the Office of Personnel Management for use by former Federal employees to apply for deferred annuities as established under 5 U.S.C. 8338. For copies of this proposal call James M. Farron, Agency Clearance Officer, on (202) 632-7714.

ADDRESSES: Send or deliver comments within 10 working days from the date of publication to—

James M. Farron, Agency Clearance Officer, U.S. Office of Personnel Management, 1900 E Street, NW., Room 6410, Washington, DC 20415

and

Katie Lewin, Information Desk Officer, Office of Information and Regulatory Affairs, Office of Management and Budget, Room 3235, New Executive Office Building, NW., Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: James L. Bryson, (202) 632-5472.

U.S. Office of Personnel Management.

Constance Horner,

Director.

[FR Doc. 86-18965 Filed 8-21-86; 8:45 am]

BILLING CODE 6325-01-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-15255; File No. 812-6423]

The Evergreen Total Return Fund, Inc. et al.; Application for Order Granting Retroactive Relief in Connection With an Overissuance of Fund Shares

August 15, 1986.

Notice is hereby given that The Evergreen Total Return Fund, Inc. ("Fund"), registered under the Investment Company Act of 1940 ("Act") as an open-end, diversified, management investment company, Saxon Woods Asset Management Corp. ("Adviser") and Lieber & Company ("Sub-Adviser", collectively with Fund and Adviser, "Applicants"), 50 Mamaroneck Avenue, Harrison, New York, NY 10528 filed an application on July 1, 1986, and an amendment thereto on July 30, 1986, requesting an order pursuant to section 6(c) of the Act, granting a retroactive exemption from all provisions of the Act with respect to the transactions described below. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below, and to the Act for the text of the relevant provisions.

According to the application, at all relevant times, the Adviser and Sub-Adviser were investment advisers to the Fund and were registered under the Investment Advisers Act of 1940. Applicants state that the Adviser is a Delaware corporation and is wholly-owned by the Sub-Adviser, a New York partnership consisting of several individuals all of whom are also directors and/or officers of the Fund.

Applicants state that, prior to December 13, 1985, the Fund's Articles of Incorporation authorized the issuance of up to 10,000,000 shares of capital stock with a par value of $.10 per share. Applicants further state that the Fund had issued all 10,000,000 authorized shares as of August 23, 1985. According to the application, due to an administrative error, Fund shares continued to be sold until October 30, 1985, when the Fund's management became aware that the authorized capital had been exceeded, and further sales were thereafter discontinued. Applicants represent that orders for 2,039,420 Fund shares in excess of the 10,000,000 authorized shares were received and accepted through October 30, 1985, with sales made at prices ranging from $15.99 to $16.66 per share.

Applicants state that on November 4, 1985, the Board of Directors of the Fund determined that an amount equal to the current net asset value of all of the unauthorized shares which had not yet been redeemed, should be withdrawn from the Fund and held in a temporary segregated account ("Account"). Applicants further state that those amounts were transferred to such Account as of the close of business on November 26, 1985, with the net asset value per Fund share being $17.23 on said date. Applicants represent that the funds in the Account were invested in short-term money market securities. Applicants further represent that investors were informed that they could immediately request repayment of their investments from the Account and that amounts not so repaid at the time the Fund increased its authorized capital would be invested in Fund shares at the then current net asset value.

According to the application, at a special shareholders' meeting held on December 13, 1985, the Fund's shareholders approved an increase in the Fund's authorized capital stock from 10,000,000 shares with a par value of $.10 per share to 100,000,000 shares with a par value of $.001 per share. Following such approval and the filing of Articles of Amendment on the same date, all amounts held in the Account on December 13, 1985, were reinvested in Fund shares at $17.74 per share, the net asset value per share at the close of business on that date. The Adviser and Sub-Adviser paid in to the Fund a total of $1,011,162.89 on that date so that investors whose funds were held in the Account were made whole in respect of the difference in the Fund's per share net asset value between November 26 and December 13, 1985.

Applicants represent that the overissuance of Fund shares was inadvertent, resulting from a dramatic increase in sales of Fund shares that

began in the spring of 1985. Applicants state that the Adviser entered into an agreement, guaranteed by the Sub-Adviser, to indemnify the Fund from any loss or expense that the Fund may suffer by reason of the continued sale of Fund shares in excess its authorized capital, including but not limited to the costs of establishing and maintaining the Account, excess brokerage fees incurred by the Fund, and other legal and accounting costs involved in resolving the matter. Applicants represent that the Fund's Board of Directors, in particular, the Directors who are not "interested persons" (as that term is defined in section 2(a)(19) of the Act) of the Fund, the Adviser or Sub-Adviser, reviewed and unanimously approved the determination of the amount to be reimbursed to the Fund by the Adviser or the Sub-Adviser under the indemnification arrangement for costs associated with establishing and maintaining the Account.

Applicants seek retroactive exemption from all provisions of the Act to the extent necessary to make lawful thereunder the transfer of Fund assets representing the sale of unauthorized capital stock to the Account, the maintaining of the Account and all activities incidental thereto. Applicants represent that the Account was created solely to serve as a vehicle for preserving the investments of purchasers of over-issued Fund shares and that participation and investment in the Account was limited to those investors. Applicants represent that the Account was maintained only until December 13, 1985, when shareholders approved an increase in the Fund's authorized capital stock and that Articles of Amendment were filed with the State of Maryland, at which time all assets held in the Account were automatically reinvested in the Fund.

Applicants state that during the existence of the Account, funds held therein were invested in short-term money market securities so that investors earned interest, but were not exposed to the risks of market gains or losses of equity securities. Applicants represent that the Account paid no fees or expenses throughout its duration. Applicants note that the formation of, and activities associated with, the Account may have constituted engaging in business in interstate commerce by an investment company without registering under the Act. However, Applicants contend that the limited purposes for which the Account was created, its discrete functions, the nature of its assets, and its short-term duration obviate the need for the regulatory protections afforded by the Act, and that the nature of the Account did not give rise to the types of abuses which the Act was principally designed to remedy.

Notice is further given that any person wishing to request a hearing on the application may, not later than September 8, 1986, at 5:30 p.m., do so by submitting a written request setting forth the nature of his/her interest and the specific issues, if any, of fact or law that are disputed to the Secretary, Securities and Exchange Commission, Washington, DC 20549. A copy of the request should be served personally or by mail upon Applicant at the address stated above. Proof of service (by affidavit or, in the case of an attorney-at-law, by certificate) shall be filed with the request. After said date, an order disposing of the application will be issued unless the Commission orders a hearing upon request or upon its own motion.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-18979 Filed 8-21-86; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-15258; File No. 812-6331]

Fidelity Special Situations Fund; Application for Order Permitting Separate Classes of Shares Representing Interests in the Same Portfolio

August 15, 1986.

Notice is hereby given that Fidelity Special Situations Fund ("Fund"), 82 Devonshire Street, Boston, MA 02109, filed an application on April 1, 1986, and an amendment thereto on July 29, 1986, requesting an order, pursuant to section 6(c) of the Investment Company Act of 1940 ("Act"), granting exemption from the provisions of sections 18(f)(1), 18(g) and 18(i) of the Act to the extent necessary to permit the Fund to issue and sell two classes of securities representing interests in its investment portfolio in the manner described below. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below, and to the Act and the rules thereunder for the text of the relevant provisions.

The Fund states that it is a Massachusetts business trust registered under the Act as an open-end, diversified management investment company. The Fund also states that it currently offers a single class of common stock representing interests in a single investment portfolio ("Class A" shares), which are sold exclusively by its distributor, Fidelity Distributors Corporation ("Distributors"). The Fund represents that Fidelity Management & Research Company ("FMR") is the Fund's investment adviser, Brown Brothers Harriman & Co. acts as its custodian and Fidelity Service Co. ("Fidelity Service") serves as its transfer agent.

According to the application, the Fund intends to create and issue a new class of shares ("Class B" shares) and will thereafter restrict the purchase of Class A shares to holders of such shares who have accounts ("Existing Accounts") on a specified date ("Effective Date") prior to commencement of the offering of Class B shares. The Fund proposes to offer the Class B shares primarily through independent broker-dealers, although the shares may also be purchased from Fidelity Brokerage Services, Inc., a broker-dealer affiliated with FMR. As is the case with Class A shares, the Class B shares would be sold at net asset value with a three percent sales load and no redemption charge would be imposed. The net asset values for Class A and Class B shares would be calculated in the same manner, and would be determined on the same days and at the same times, and both classes would have the same investment objectives, policies and limitations. The Fund asserts that, except for its class designation, the allocation of certain expenses and voting rights associated therewith and the differing exchange privileges, as described below, the Class B shares would be identical in all respects to Class A shares.

First, the Fund states that participating broker-dealers will receive all or a portion of the sales charge collected in connection with the sale of Class B shares. Second, Class B shares would be offered in connection with a distribution plan, which would be approved by the Class B shareholders in accordance with Rule 12b-1 under the Act ("Plan"). Pursuant to the Plan, Distributors would enter into selling agent agreements ("Agreements") with broker-dealers whereby such broker-dealers would provide distribution assistance and related support services in connection with the offer and sale of Class B shares. The Fund represents that the provision of support services and distribution assistance under the Plan would augment (and not duplicate) the services that are currently provided to holders of Existing Accounts by Distributors. The Fund states that

Distributors and FMR will be responsible for all distribution costs, including payments to each broker-dealer for distribution assistance and services provided in accordance with each Agreement. The Fund represents that payments made to broker-dealers pursuant to the Plan will not reimburse such broker-dealers for expenses for which they have already been compensated by the reallowing of the sales load. The Fund further states that Distributors will not participate in selling Class B shares to the public, but will only perform administrative tasks in connection therewith. Should any prospective purchaser tender money to Distributors for the purpose of purchasing Class B shares, the Fund represents that Distributors will return such money to the prospective purchaser, together with a letter identifying the brokers from whom Class B shares may be purchased. The Fund also represents that the expense of the 12b-1 payments under the Plan would be borne entirely by the owners of Class B shares, which payments would equal .65% (on an annualized basis) of the average daily net asset value of the Fund represented by the Class B shares, excluding assets attributable to Class B shares purchased more than 144 months prior to the calculation of such fee.

According to the application, a third difference between Class A shares and Class B shares is that Class A shares will continue to use Fidelity Service as transfer agent, while the transfer agent for Class B shares would be another company unaffiliated with FMR. The Fund represents that Class A and Class B shares would each bear their own transfer agent fees, but that the fees of each transfer agent would be at substantially comparable levels.

Finally, the Fund states that Class A and Class B shares will also differ in that Class A shares will continue to have their existing exchange privilege among all other FMR-advised funds, while the exchange privilege applicable to Class B shares would apply only among certain other FMR-advised funds that have adopted a plan of distribution in accordance with Rule 12b–1 under the Act. Thus, an Existing Account holder of Class A shares on the Effective Date may continue to exchange shares into or out of any other FMR-advised fund, including any such fund with a Plan. If Class A shares are exchanged for Class B shares, however, the Class B shares so acquired may not be re-exchanged for Class A shares. The Fund represents that, in accordance with Rule 22d–1 under the Act, the Class A and Class B prospectuses will fully disclose the sales charges applicable to such exchange privileges.

In sum, the Fund represents that under the contemplated arrangement each Class A and Class B share would represent an equal *pro rata* interest in the same portfolio and would have identical voting, dividend, liquidation and other rights, preferences, powers, restrictions, limitations, qualifications, designations and terms and conditions, except that: (1) Only shareholders outstanding on the Effective Date would be entitled to purchase additional Class A shares for their Existing Accounts; (2) Class A and Class B shares would have different class designations; (3) Class B shares would bear the expense of the 12b–1 payments; (4) only holders of Class B shares would be entitled to vote on matters pertaining to the Plan in accordance with the procedures set forth in Rule 12b–1 under the Act; (5) Class A and Class B shares would have different transfer agents and would bear their transfer agent costs separately, and (6) Class A and Class B shares would have differing exchange privileges. The Fund also represents that the gross income of its portfolio will be allocated on a *pro rata* basis to each outstanding share in the portfolio regardless of class, and that all expenses incurred by the portfolio would be borne on a *pro rata* basis by all outstanding shares, except for the 12b–1 payments and the different transfer agent service fees.

The Fund notes that because the 12b–1 payments would be borne solely by the Class B shares, the net income of (and dividends payable to) the Class B shares would be somewhat lower than the net income of the Class A shares. However, the Fund states that dividends paid to both classes of shares will be declared and paid on the same days and at the same times, and, except as noted with respect to the expense of the 12b–1 payments and differing transfer agent fees, will be determined in the same manner and paid in the same amounts.

The Fund requests an exemptive order pursuant to section 6(c) of the Act to the extent that the proposed issuance and sale of Class B shares might be deemed: (1) To result in a "senior security" within the meaning of Section 18(g) of the Act and to be prohibited by section 18(f)(1) of the Act; and (2) to violate the equal voting provision in section 18(i) of the Act. In support of the requested relief, it is asserted that certain benefits will enure to the Fund. For example, the Fund states that the sale of Class B shares will facilitate the distribution of the Fund's securities and allow it to expand the scope and depth of services to investors without assuming excessive accounting and bookkeeping costs or unnecessary investment risks. The Fund also states that it will be able to compensate broker-dealers for providing distribution and support services that are tailored to the needs of their customers and that these customers will, in turn, enjoy the benefits of such services provided by the broker-dealers they have selected to service their investment needs.

The Fund asserts that the proposed allocation of expenses and voting rights relating to the Plan is equitable and would not discriminate against any group of shareholders. In this regard, the Fund notes that investors purchasing shares offered in connection with the Plan and receiving the services provided thereunder would bear the costs associated with such services, but would also enjoy exclusive shareholder voting rights with respect to matters relating to the Plan. Conversely, shareholders with Existing Accounts on the Effective Date may purchase additional Class A shares and would not bear such expenses or enjoy such voting rights. Also, if a shareholder with an Existing Account wanted the services provided by a broker-dealer, such shareholder could purchase Class B shares by establishing a separate account with a participating broker-dealer. The Fund states that the restriction on the continued sale of Class A shares after the Effective Date is necessary because Distributors will be unable to attract adequate broker-dealer support for the sale of the Class B shares if Class A shares continue to be offered to the general public after the effective date. In this regard, the Fund states that the prospective broker-dealers have indicated to Distributors that they would not sell Class B shares should Distributors continue to offer Class A shares to the general public after the Effective Date.

The Fund also states that the proposed arrangement does not establish a distribution or liquidation preference for either class of shares with respect to particular assets, and does not involve borrowings and does not affect the Fund's existing assets or reserves. Nor, it is asserted, will the proposed arrangement increase the speculative character of the shares in the portfolio because all shares will participate *pro rata* in all of the portfolio's income and all of the portfolio's expenses (with the exception of the proposed 12b–1 payments and with the exception of transfer agent fees, as described above).

The Fund expressly consents to the following conditions with respect to the requested order:

1. The only differences between the Class A and Class B shares representing interests in the same portfolio will relate solely to: (a) Priorities with respect to the payment of dividends and such priority will reflect only the impact of the 12b–1 payments made by the Fund under the Plan relating to particular classes of shares, and the fact that each class will bear its own transfer agent expenses; (b) voting rights on matters which pertain to the Plan and 12b–1 payments thereunder; (c) the restriction on sale of the Class A shares solely to Existing Accounts; (d) the differing exchange privileges described in the prospectus applicable to each class and (e) the designation of each class of shares in the portfolio.

2. The Plan and 12b–1 payments relating to Class B shares will be approved and reviewed by the Fund's Board of Trustees in accordance with the procedures set forth in Rule 12b–1. In addition, the Plan and 12b–1 payments thereunder relating to Class B shares will be approved by those shareholders of the Fund in accordance with said Rule 12b–1. Moreover, the Board of Trustees, in approving and reviewing 12b–1 payments pursuant to the Plan, will conclude in good faith based on information available to them that such expenditures are competitive with those offered in the industry.

3. Dividends paid by the Fund with respect to Class A and Class B shares will be calculated in the same manner and will be in the same amounts except that the expenses of any 12b–1 payments made by the Fund under the Plan relating to the Class B shares and transfer agent fees allocable to each class, will be borne exclusively by that class.

4. The prospectus relating to the Class B shares will describe the services rendered by broker-dealers and their compensation under the Plan and Agreements with respect to such shares and the fees payable by the Fund for such services.

5. The Fund acknowledges that the granting of the requested exemptive order will not imply Commission approval, authorization or acquiescence in any particular level of payments that the Fund may make pursuant to the Plan.

Notice is further given that any interested person wishing to request a hearing on the application may, not later than September 8, 1986, at 5:30 p.m., do so by submitting a written request setting forth the nature of the interest, the reasons for the request, and the specific issues, if any, of fact or law that are disputed, to the Secretary, Securities and Exchange Commission, Washington, DC 20549. A copy of the request should be served personally or by mail upon Applicant(s) at the address stated above. Proof of service (by affidavit or, in the case of an attorney-at-law, by certificate) shall be filed with the request. After said date, an order disposing of the application will be issued unless the Commission orders a hearing upon request or upon its own motion.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86–18978 Filed 8–21–86; 8:45 am]

BILLING CODE 8010–01–M

[Rel. No. IC–15259; 812–6370]

Lyons Funding Corp.; Application for Collateralized Mortgage Obligations

August 15, 1986.

Notice is hereby given that Lyons Funding Corporation ("Applicant"), 1300 King Street, Wilmington, Delaware 19801, filed an application on May 5, 1986, and amendments thereto on July 7 and July 21, 1986, for an order of the Commission, pursuant to section 6(c) of the Investment Company Act of 1940 (the "Act"), exempting Applicant from all provisions of the Act. All interested persons are referred to the applications on file with the Commission for a statement of the representations contained therein, which are summarized below, and to the Act and rules thereunder for the text of the relevant provisions thereof.

Applicant states that it is a Delaware limited purpose corporation created on August 8, 1985. Applicant also states that it is a direct wholly-owned subsidiary of Lyons Savings and Loan Association, an Illinois-chartered savings and loan association. Applicant represents that it was organized for the purpose of issuing and selling one or more series of bonds ("Bonds") secured primarily by mortgage loans and mortgage certificates (as defined below) and investing in certain mortgage loans and mortgage certificates to be purchased with the proceeds of Bonds secured by such mortgage collateral. Applicant further represents that it does not intend to engage in any business or investment activities other than issuing and selling bonds under one or more indentures, acquiring, owning, holding and pledging mortgage loans and mortgage certificates in connection therewith, investing cash balances on an interim basis in certain short-term investments and engaging in any activities incidental to and necessary for such purposes.

Applicant states that each series of Bonds will be issued pursuant to an indenture (the "Indenture") between the Applicant and an independent trustee (the "Trustee"), as supplemented by one or more supplemental indentures. The Indenture for each series of Bonds will be qualified under the Trust Indenture Act of 1939, as amended. Applicant states that each series of Bonds will be secured separately by assignments to the Trustee of any combination of the following collateral: mortgage-backed certificates (the "GNMA Certificates") guaranteed by the Government National Mortgage Association ("GNMA"), Mortgage Participation Certificates (the "FHLMC Certificates") issued by the Federal Home Loan Mortgage Corporation ("FHLMC"), Guaranteed Mortgage Pass-Through Securities (the "FNMA Certificates") issued by the Federal National Mortgage Association ("FNMA") and mortgage loans (the "Mortgage Loans") consisting of conventional mortgage loans, mortgage loans insured by the Federal Housing Administration and mortgage loans partially guaranteed by the Veterans Administration, all of which will be secured by first mortgages or deeds of trust on one-to-four family residences. (As used herein, the term "Mortgage Certificates" includes the GNMA Certificates, the FHLMC Certificates and the FNMA Certificates and the term "Mortgage Collateral" includes the Mortgage Loans and the Mortgage Certificates.) Each series of Bonds may also be secured by certain collateral proceeds accounts, debt service funds and reserve funds. Applicant states that the collateral securing each series of Bonds will serve as collateral only for that series of Bonds, and that the cash flow from such collateral will be sufficient to pay accrued interest on the Bonds and to amortize the entire principal amount of each series by its respective stated maturity.

Applicant states that the Indenture authorizes the Trustee to invest the funds of the collection account, the reserve fund and any debt service reserve funds in certain eligible investments, including but not limited to, obligations of the United States or certain agencies thereof, federal funds sold by, certificates of deposit of, time deposits in, and bankers' acceptances issued by, eligible depository institutions or trust companies; certain repurchase obligations, the collateral

thereof being held by the Trustee or its agent; interest-bearing securities or securities sold at a discount issued by eligible corporations; and commercial paper of eligible issuers. In the absence of a continuing default and with certain specified exceptions, certain amounts in the collection account, the reserve fund and any debt service reserve fund following a payment date will be remitted to the Applicant.

Applicant represents that its future securities offerings will be limited to Bond offerings meeting the following conditions:

(1) Each series of Bonds will be registered under the Securities Act of 1933 ("Securities Act"), unless offered in a transaction exempt from registration pursuant to section 4(2) of the Securities Act.

(2) The Bonds will be "mortgage related securities" within the meaning of section 3(a)(41) of the Securities Exchange Act of 1934, as amended. However, the Mortgage Collateral underlying the Bonds (whether owned by Applicant or pledged pursuant to collaterized obligations) will be limited to: mortgages that are first liens on single (one-to-four) family residences ("Mortgage") and Mortgage Certificates.

(3) If new Mortgage Collateral is substituted, the substitute collateral must: (i) be of equal or better quality than the collateral replaced; (ii) have similar payment terms and cash flow as the collateral replaced; (iii) be insured or guaranteed to the same extent as the collateral replaced; and (iv) meet the conditions set forth in paragraphs (2), (4) and (6) hereof. In addition, new collateral will not be substituted for more than 20% of the aggregate face amount of the Mortgages initially pledged as Mortgage Collateral or for more than 40% of the aggregate face amount of the Mortgage Certificates initially pledged as Mortgage Collateral. New Mortgages may be substituted for Mortgages initially pledged as Mortgage Collateral only in the event of default, late payments or defect in the collateral being replaced. In no event will any new Mortgage Collateral be substituted for any substitute Mortgage Collateral. New collateralized obligations may be substituted for collateral obligations initially pledged only if the substitution of Mortgage Collateral underlying those instruments would be permitted under this condition.

(4) All Mortgage Collateral, funds, accounts or other collateral securing a series of Bonds ("Bond Collateral") will be held by the Trustee or on behalf of the Trustee by an independent custodian (the "Custodian"). The Custodian may not be an affiliate (as the term "affiliate" is defined in Securities Act Rule 405, 17 CFR 230.405) of Applicant, or of the master servicer or originating lender of any Mortgages that are pledged as Mortgage Collateral. If there is no master servicer, no servicer of those Mortgages may be an affiliate of the Custodian. The Trustee will have a first priority perfected security or lien interest in and to all Bond Collateral.

(5) Each series of Bonds will be rated in the highest bond rating category by at least one nationally recognized statistical rating organization that is not affiliated with the Applicant. The Bonds will not be considered redeemable securities within the meaning of section 2(a)(32) of the Act.

(6) The master servicer of any Mortgages that are pledged as Mortgage Collateral may not be an affiliate of the Trustee. If there is no master servicer, no servicer of those Mortgages may be an affiliate of the Trustee. Any master servicer and servicer of such Mortgages will be approved by the "FNMA" or "FHLMC" as an eligible seller/servicer" of conventional, residential mortgage loans. The agreement governing the servicing of Mortgages shall obligate the servicer to provide substantially the same services with respect to those Mortgages as it is then currently required to provide in connection with the servicing of Mortgages insured by Federal Housing Administration, guaranteed by the Veterans Administration or eligible for purchase by FNMA or FHLMC.

(7) No less often than annually, an independent public accountant will audit the books and records of Applicant and in addition will report on whether the anticipated payments of principal and interest on the Mortgage Collateral continue to be adequate to pay the principal and interest on the Bonds in accordance with their terms. Upon completion, copies of the auditor's report(s) will be provided to the Trustee.

Applicant requests that the Commission exempt it from all provisions of the Act because: (1) The Applicant should not be deemed to be an entity to which the provisions of the Act were intended to be applied (and does not concede herein that it is such an entity); (2) the Applicant submits that the safeguards afforded to purchasers of the Bonds fully protect investors; and (3) the Applicant's activities will promote the public interest by expanding the market for mortgage securities, thereby increasing the pool of funds available for mortgage loans and increasing the capacity of mortgage lenders to meet the housing finance needs of the nation.

Notice is further given that any interested person wishing to request a hearing on the application may, not later than September 8, 1986, at 5:30 p.m., do so by submitting a written request setting forth the nature of his interest, the reasons for his request, and the specific issues, if any, of fact or law that are disputed, to the Secretary, Securities and Exchange Commission, Washington DC 20549. A copy of the request should be served personally or by mail upon Applicant at the address stated above. Proof of service (by affidavit or, in the case of an attorney-at-law, by certificate) shall be filed with the request. After said date, an order disposing of the application will be issued unless the Commission orders a hearing upon request or upon its own motion.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-18977 Filed 8-21-86; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-15257; File No. 812-6444]

Mark Pennink and Alan Pitcairn; Application for an Order Declaring That Applicants Are Not Interested Persons

August 15, 1986.

Notice is hereby given, that Mark J. Pennink and Alan Pitcairn (collectively, the "Applicants"), One Pitcairn Place, Jenkintown, Pennsylvania 19046, filed an application on July 29, 1986 for an order of the Commission pursuant to section 6(c) of the Investment Company Act of 1940, as amended, (the "Act") declaring that each Applicant is not an "interested person" as defined in section 2(a)(19) of the Act of an investment company or its investment adviser. All interested persons are referred to the Application on file with the Commission for a statement of the representations contained therein, which are summarized below, and to the Act and the rules thereunder for the text of the applicable provisions.

Applicants state that they plan to serve as Independent General Partners of Pitcairn Group L.P. (the "Partnership"), a limited partnership organized under Delaware law pursuant to a Certificate and Agreement of Limited Partnership (the "Partnership Agreement"), which will elect to become a business development company pursuant to section 54 of the Act. Applicants state that the Partnership plans to register the limited partnership interests (which will be beneficially owned by the direct descendants of John Pitcairn and their immediate families) ("Limited Partners") under the Securities Exchange Act of 1934. Applicants state that the Partnership has been organized as a limited partnership primarily because business development companies organized as corporations do not currently qualify for "pass-through" tax treatment under the Internal Revenue Code.

Applicants expect that the Pitcairn Company will serve as the initial limited partner (the "Initial Limited Partner") of the Partnership. Applicants state that the Initial Limited Partner is currently in liquidation and, in connection therewith,

will contribute approximately $100 million of its cash and assets to the Partnership on or before September 12, 1986. Applicants state that the cash portion of the capital contribution of the Initial Limited Partner is expected to be invested by the Partnership in venture capital investments and it is anticipated that the Partnership will thereby meet the 70% qualifying investments tests of section 55 of the Act. Applicants state that the general partners of the Partnership, including Applicants, will contribute capital to the Partnership in an amount sufficient to cause their aggregate capital contribution to be at least equal to one percent of the aggregate capital contributions of all partners of the Partnership. Thus, Applicants state that they will also be Limited Partners of the Partnership. Applicants state that the Partnership will terminate not later than December 31, 2011.

Applicants state that Valad Partners, L.P., a Delaware limited partnership formed on July 18, 1986, is expected to serve as the managing general partner of the Partnership and as its investment adviser (the "Managing General Partner" or the "Investment Adviser"). Applicants represent that the Managing General Partner will be responsible for investments of the Partnership and is also expected to provide managerial, administrative, and supervisory services for the Partnership. Applicants further state that the Managing General Partner will register as an investment adviser under the Investment Advisers Act of 1940.

Applicants state that under the proposed Partnership Agreement, there will be at least three but no more than eight individual general partners (the "Individual General Partners") (the Managing General Partner and the Individual General Partners being collectively referred to as the "General Partners").

Applicants further state that for so long as the Partnership remains a business development company under the Act, a majority of the Individual General Partners will also be persons who are not an "interested person" of the Partnership as that term is defined in the Act or who have been exempted from that definition by an order of the Commission (the "Independent General Partners"). Applicants state that there are currently expected to be four Individual General Partners, two of whom will be Applicants.

Applicants assert that the exemptive relief requested by them is necessitated in part because the Act defines all partners of a partnership (whether general partners or limited partners) and co-partners of an investment adviser to be an "interested person" of that partnership. Thus, without the requested relief, both Applicants, as partners of the Partnership and co-partners of the General Managing Partner, would be "interested persons" of the Partnership and the Partnership would not comply with the requirement in section 56(a) of the Act that a majority of a business development company's directors or general partners be persons who are not "interested persons" of such company.

Applicants state that their requested exemption from the definition of "interested person" of an investment company, as set forth in section 2(a)(19) of the Act, is necessary and appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act. In support of the exemptive relief requested, Applicants assert that they have full-time employment with entities unrelated to the Partnership, have substantial business experience which they will bring to their positions as Independent General Partners and are, thus, in a position to act capably and independently on behalf of the Partnership and the Limited Partners. Applicants further assert that their actions as the Individual General Partners will be constrained legally by their fiduciary responsibilities to the Limited Partners imposed by applicable partnership law. Finally, Applicants assert that they will diligently protect the interests of all Limited Partners not only because they will be acting within well-established fiduciary standards in representing those interests but also because of their personal investment as Limited Partners in the Partnership.

Notice is further given that any interested person wishing to request a hearing on the application may, not later than September 8, 1986, at 5:30 p.m., do so by submitting a written request setting forth the nature of the interest, the reasons for the request, and the specific issues, if any, of fact or law that are disputed, to the Secretary, Securities and Exchange Commission, Washington, DC 20549. A copy of the request should be served personally or by mail upon Applicants at the address stated above. Proof of service (by affidavit or, in the case of an attorney at law, by certificate) shall be filed with the request. After said date an order disposing of the application will be issued unless the Commission orders a hearing upon request or upon its own motion.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-18975 Filed 8-21-86; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. IC-15256; (812-6109)]

MetLife Holdings, Inc.; Application for an Order Granting Exempting To Finance Subsidiary

August 15, 1986.

Notice is hereby given that MetLife Holdings, Inc. ("Holdings"), One Madison Avenue, New York, NY 10010, filed an application on May 6, 1985, and amendments thereto on April 8 and July 30, 1986, for an order, pursuant to section 6(c) of the Investment Company Act of 1940 ("Act"), exempting MetLife Funding II, Inc. ("Funding"), a direct subsidiary of Holdings currently in formation, from all provisions of the Act. All interested persons are referred to the application on file with the Commission for a statement of the representations contained therein, which are summarized below, and to the Act for the relevant provisions thereof.

Holdings states that it is a Delaware corporation and that it is a holding company and a subsidiary of Metropolitan Tower Corp. ("Tower"), also a Delaware corporation. Holding further states that Tower is a wholly-owned subsidiary of Metropolitan Life Insurance Company ("Metropolitan"), and is the holding company through which Metropolitan conducts the major portion of its non-insurance businesses. According to the application, Metropolitan is a mutual life insurance company organized under New York law and qualified to do business as an insurer in all 50 states, and Metropolitan had total assets of $76.5 billion and total revenues of $14.1 billion in the year ending December 31, 1985.

Holdings represents that Funding will be formed as a Delaware corporation and that all of its outstanding voting stock will initially be owned by Holdings. Holdings states that it may transfer the voting stock of Funding to Metropolitan or to a subsidiary thereof, in which case Holdings will enter into a contract with such transferee whereby such transferee will agree to cause Funding to comply with the representations contained in the application.

According to the application, Funding's primary business will be to borrow money in the United States and foreign debt markets and to lend the

proceeds to Metropolitan and its direct and indirect subsidiaries. Holdings represents that Funding will remit to Metropolitan and/or its direct or indirect subsidiaries at least 85% of the cash or cash equivalents raised by Funding as soon as practicable after receipt thereof, but in no event later than six months after the Funding receives such cash or cash equivalents. Funding will hold no equity securities either of Metropolitan or Metropolitan's direct or indirect subsidiaries to which it will lend money. Further, Funding will not hold securities issued by any persons other than Metropolitan and its direct and indirect subsidiaries, except for temporary investments of amounts borrowed in excess of the needs of the Metropolitan group, which investments will not exceed ten percent of the outstanding principal amount of Funding's securities held by non-affiliates. Such temporary investments will be limited to Government securities and debt securities exempted from the registration requirements of the Securities Act of 1933 ("1933 Act") by section 3(a)(3) thereof.

Holdings states that loans made by Funding to Metropolitan and its subsidiaries will bear interest equal to the amount Funding is required to pay to obtain the funds through its corresponding borrowings, plus a small mark-up sufficient to cover operating costs (or, in the alternative, fees or charges may be assessed by Funding in amounts necessary to cover its operating costs). Holdings also states that the amount and maturities of such loans will allow Funding to make timely payments of principal and interest on such corresponding borrowings.

Holdings represents that before Funding engages in any borrowings, Metropolitan and Funding will enter into a support agreement ("Agreement") providing that:

(i) Metropolitan shall continue to own, directly or indirectly all the outstanding voting stock of Funding and will not pledge, encumber or dispose of such stock;

(ii) Metropolitan will cause Funding to have at all times a tangible net worth of at least $1.00.

(iii) the Agreement is made for the benefit of the holders of all Funding's debt instruments (other than subordinated indebtedness of Funding held by Metropolitan or its subsidiaries) and the holders of all debt instruments guaranteed by Funding (collectively, "Holders");

(iv) Funding will, for the benefit of the Holders, timely take all action under the Agreement to require Metropolitan to perform its obligations thereunder;

(v) each Holder has a direct and immediate right of action against Metropolitan to enforce Metropolitan's obligations under the Agreement should Funding fail to do so;

(vi) The Agreement may be modified or amended only in ways not less favorable to Funding or its creditors, but may be terminated by either Metropolitan or Funding provided that Metropolitan's obligation to maintain at all times Funding's tangible net worth at $1.00 will remain in full force and effect until the retirement of all outstanding debt of, and all outstanding debt guaranteed by, Funding.

Holdings states that the Agreement will provide that it shall not be deemed to constitute a direct or indirect guarantee of Funding's indebtedness. According to the application, although Metropolitan believes that it will never be required to carry out its undertakings under the Agreement, the Agreement provides assurance that Funding will always have sufficient funds to pay principal and interest on its indebtedness.

Holdings represents that Funding may also issue non-voting preferred stock having a fixed dividend rate and providing for mandatory redemption. Holdings represents that before Funding issues such preferred stock, the Agreement will be amended to extend its benefits to the holders of such preferred stock, or, Metropolitan and Funding will enter into a separate support agreement whereby holders of such preferred stock will be provided with the same benefits as holders of securities under the Agreement.

According to the application, Funding's securities will be offered and sold either in transactions exempt from the registration requirements of the 1933 Act or in public offerings of securities registered under the 1933 Act. Holdings represents that, in the case of a public offering of securities, Funding will, prior to offering such securities, file a registration statement under the 1933 Act and will not sell such securities until the registration statement is declared effective by the Commission. Holdings also represents that Funding will comply with the prospectus delivery requirements of the 1933 Act in connection with the offer and sale of such securities.

Holdings further states that, in the case of an offering exempt from registration under the 1933 Act, Funding will provide each offeree with disclosure materials which will include a description of the business of Metropolitan and other data of the character customarily supplied in such offerings. In the event of subsequent offerings, these materials will be updated at the time thereof to reflect material changes in the financial condition of Metropolitan and its subsidiaries.

Holdings represents that prior to any issuance and sale of the Funding's debt securities, such securities shall have received one of the three highest investment grade ratings from at least one nationally recognized rating organization. No such rating shall be required to be obtained, however, if in the opinion of Funding's counsel, an exemption from registration is available with respect to such issue and sale under section 4(2) of the 1933 Act.

Holdings submits that Funding's limited activities as well as the provisions of the Agreement alleviate the concerns addressed by the Act. Accordingly, Holdings asserts that the requested relief is appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

Notice is further given that any interested person wishing to request a hearing on the application may, not later than September 8, 1986, at 5:30 p.m., do so by submitting a written request setting forth the nature of his interest, the reasons for his request, and the specific issues, if any, of fact or law that are disputed, to the Secretary, Securities and Exchange Commission, Washington, DC 20549. A copy of the request should be served personally or by mail upon Applicant at the address stated above. Proof of service (by affidavit or, in the case of an attorney-at-law, by certificate) shall be filed with the request. After said date an order disposing of the application will be issued unless the Commission orders a hearing upon request or upon its own motion.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-18976 Filed 8-21-86; 8:45 am]

BILLING CODE 8010-01-M

[Rel. No. 35-24168]

Filings Under the Public Utility Holding Company Act of 1935 ("Act")

August 14, 1986.

Notice is hereby given that the following filing(s) has/have been made with the Commission pursuant to provisions of the Act and rules promulgated thereunder. All interested

persons are referred to the application(s) and/or declaration(s) for complete statements of the proposed transaction(s) summarized below. The application(s) and/or declaration(s) and any amendment(s) thereto is/are available for public inspection through the Commission's Office of Public Reference.

Interested persons wishing to comment or request a hearing on the application(s) and/or declaration(s) should submit their views in writing by September 8, 1986 to the Secretary, Securities and Exchange Commission, Washington, DC 20549, and serve a copy on the relevant applicant(s) and/or declarant(s) at the addresses specified below. Proof of service (by affidavit, or in case of an attorney at law, by certificate) should be filed with the request. Any request for hearing shall identify specifically the issues of fact or law that are disputed. A person who so requests will be notified of any hearing, if ordered, and will receive a copy of any notice or order issued in the matter. After said date, the application(s) and/or declaration(s), as filed or as amended, may be granted and/or permitted to become effective.

James River Paper Company (31–793)

James River Paper Company, Inc. ("James River"), formerly James River-Groveton, Inc., Tredegar Street, Richmond, Virginia 23217, has filed an application and an amendment thereto pursuant to section 2(a)(3) of the Act for an order declaring it not to be an electric utility company for the purposes of the Act.

James River is a wholly owned subsidiary of James River U.S. Holdings, Inc., which is in turn a wholly owned subsidiary of James River Corporation, an integrated manufacturer and converter of paper and paper-related products and a manufacturer of certain plastic products and coated film with facilities located in twenty-three states, Canada and the United Kingdom. The application is made in connection with the operations of James River in Groveton, New Hampshire. In 1983, James River acquired a tissue and fine paper facility in Groveton which is located in the vicinity of two other facilities owned by parties unrelated to James River or James River Corporation and engaged in the manufacture of paper and paper products: a pulp mill, a related waste treatment facility, and a paper board plant. Because of the interrelationships between the operations of the three facilities, it was considered efficient and cost effective for one party to manage and operate the three facilities. Accordingly, pursuant to contractual arrangements, James River has managed the three facilities since 1983.

As part of its contractual undertaking, James River supplies the pulp mill and the paper board plant with electricity at cost. This electricity is purchased by James River from the Public Service Company of New Hampshire ("NH") or is produced by a steam turbine generating facility owned and operated by James River at Groveton.

It is stated that the power supplied to the three facilities was 132,727,000 KWH in 1982, that is, in the year prior to the acquisition by James River of its Groveton facility. The total cost of such power was $7,300,000. Following the acquisition, James River supplied the following amounts of power to the three facilities in 1983, 1984, and 1985, respectively: 66,058,000 KWH; 137,083,000 KWH; and 147,455,000 KWH. These amounts were produced by James River and by NH: in 1983, James River produced 9,704,000 KWH of the KWH supplied and NH produced 56,354,000 KWH; in 1984, the respective figures were 13,880,000 and 123,203,000 KWH; in 1985, 20,456,000 KWH and 126,999,000 KWH. The total cost of such power supplied was approximately $7,300,000 in 1982, $3,811,000 in 1983 $8,742,000 in 1984 and $7,920,000 in 1985. The respective percentages of power used by the pulp mill and the paper mill, *i.e.*, the nonassociated facilities, during those years were 60.0% in 1982, 41.7% in 1983, 42.4% in 1984 and 42.3% in 1985. The cost of the power supplied to those facilities was $4,380,000 in 1982, $1,590,000 in 1983, $3,710,000 in 1984 and $3,350,000 in 1985.

During this period, the approximate net annual revenues of James River were $118,000,000 in 1982, $66,500,000 in 1983, $150,000,000 in 1984 and $745,800,000 in 1985. If the deliveries of power to the three Groveton facilities were treated as sales rather than as distributions of power reimbursed to James River at cost, the percentages of James River's net annual revenues derived from the supply of power to the non-associated facilities would be approximately as follows: 3.60% in 1982, 2.38% in 1983, 2.46% in 1984 and 0.45% in 1985.

It is asserted that because James River is primarily engaged in non-utility businesses and sells only a small amount of electric energy to the Groveton facilities, it is not necessary in the public interest or for the protection of investors and consumers that it be considered an electric utility company for purposes of the Act.

Central Ohio Coal Company (70–7277)

Central Ohio Coal Company ("COCCo") (c/o American Electric Power Service Corporation, 1 Riverside Plaza, Columbus, Ohio 43215), a coal-mining subsidiary of Ohio Power Company, an electric utility subsidiary of American Electric Power Company, Inc., a registered holding company, has filed an application pursuant to sections 6(b), 9(a), and 10 of the Act.

COCCo proposes to issue short-term notes to banks during the period September 30, 1986, to December 31, 1987, in aggregate amounts not to exceed $20 million outstanding at any one time. The notes will mature not more than 270 days after the date of issuance or renewal, and none will mature later than June 30, 1988. The notes will be sold under various lines of credit with different terms, including rates at prime. Compensating balances may be required. In addition, credit arrangements with the banks generally require the payment of a fee in the approximate amount of ⅜ of 1% per annum of the size of the line of credit. With such fees and with balances maintained solely to fulfill borrowing requirements, no line of credit would result in an effective cost of borrowing exceeding 125% of the prime commercial rate in effect from time to time, or not more than 10.625% based on a prime rate of 8.5%.

The proceeds of the proposed notes will be utilized by COCCo to acquire and erect a new 8200 Dragline for its coal-mining operations. The new dragline will replace certain existing mining equipment which, because of the age thereof and because of present mining conditions at COCCo, is increasingly inefficient to operate. COCCo estimates that the total in-place cost of the new dragline will be approximately $15 million and that, in addition, it will be necessary to spend approximately $1,500,000 for capitalized spare parts and materials and supplies to support the new dragline.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-18974 Filed 8-21-86; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-23541; File No. SR-NASD-86-19]

Self-Regulatory Organizations; National Association of Securities Dealers, Inc.; Order Approving Proposed Rule Change; Relating to Small Order Execution System ("SOES") Fees

The National Association of Securities Dealers, Inc. ("NASD") submitted on July 2, 1986, copies of a proposed rule change pursuant to section 19(b) of the Securities Exchange Act of 1934 ("Act") and Rule 19b-4 thereunder to amend Schedule D of the NASD's By-Laws. The proposal implements a permanent fee structure for NASD's Small Order Execution System ("SOES"). Under the proposal, a 5 cent per share fee will be assessed SOES market makers for all SOES transactions, with a minimum charge per execution of 50 cents and a maximum change per execution of $1.00. In addition, the SOES computer to computer ("CTCI") charge will be rebated on a monthly basis to CTCI subscribers who enter or receive 1000 or more SOES executions during the month.

Notice of the proposed rule change was given by the issuance of a Commission release (Securities Exchange Act Release No. 23411, July 9, 1986) and by publication in the **Federal Register** (51 FR 25627, July 15, 1986). No comments were received with respect to the proposed rule change.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to the NASD and, in particular, the requirements of section 11A and 15A, and the rules and regulations thereunder.

It Is Therefore Ordered, pursuant to section 19(b)(2) of the Act, that the above mentioned proposed rule change be, and hereby is, approved.

For the Commission, by the Division of Market Regulations pursuant to delegated authority, 17 CFR 200.30-3(a)(12).

Dated: August 18, 1986.

Jonathan G. Katz,

Secretary.

[FR Doc. 86-19043 Filed 8-21-86; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-23538; File No. SR-NASD-86-20]

Self-Regulatory Organizations; Proposed Rule Change by National Association of Securities Dealers, Inc. Relating to an Amendment to the Board of Governors' Interpretation With Respect to "Free-Riding and Withholding"

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 16, 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.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change would amend the Board of Governors' Interpretation With Respect to "Free-Riding and Withholding" by establishing an exemption covering conversion offerings by savings and loan associations and certain other organizations.

The following is the full text of the proposed amendment which is to appear as new language at the end of the Interpretation (Text to be added is italicized).

Sales by Issuers in Conversion Offerings

Definitions

(a) For purposes of this subsection, the following terms shall have the meanings stated:

(1) "Conversion offering" shall mean any offering of securities made as part of a plan by which a savings and loan association or other organization converts from a mutual to a stock form of ownership.

(2) "Eligible purchaser" shall mean a person who is eligible to purchase securities pursuant to the rules of the Federal Home Loan Bank Board or other governmental agency or instrumentality having authority to regulate conversion offerings.

Conditions for Exemption

(b) The Interpretation shall not apply to a sale of securities by the issuer on a non-underwritten basis to any person who would otherwise be prohibited or restricted from purchasing a hot issue security if all of the conditions of this Subsection (b) are satisfied.

(1) Sales to Members, Associated Persons of Members and Certain Related Persons.

If the purchaser is a member, person associated with a member, member of the immediate family of any such person to whose support such person contributes, directly or indirectly, or an account in which a member or person associated with a member has a beneficial interest:

(A) the purchaser shall be an eligible purchaser;

(B) the securities purchased shall be restricted from sale or transfer for a period of 150 days following the conclusion of the offering; and

(C) the fact of purchase shall be reported in writing to the member where the person is associated within one day of payment.

(2) Sales to Other Restricted Persons.

If the purchaser is not a person specified in Subsection (b)(1) above, the purchaser shall be an eligible purchaser.

II. Self-Regulatory Organization's Statement Regarding the Proposed 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 the comments it had received. The text of these statements and the comments 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 proposed rule change is to provide limited exemptive relief from the Board of Governors' Interpretation With Respect to Free-Riding and Withholding ("Interpretation") for certain person desiring to purchase publicly offered securities issued in connection with the converson of savings and loan associations and certain other organizations from a mutual to a stock form of ownership. A growing number of savings and loan associations recently have converted to the stock form of ownership and in the process have sold securities to their depositors, officers, directors, employees and residents of the community serviced by the savings and loan association. There is every

reason to believe this development will continue.

The NASD is concerned that the Interpretation has the effect of prohibiting or seriously restricting the ability of such persons from exercising their subscription rights or otherwise purchasing the securities from the converting institutions, if they come within any of the classes of persons now covered by the restrictions and prohibitions of the Interpretation. The proposed exemption would be applicable only to sales of securities by issuing savings and loan associations or other organizations in conversion offerings made directly by the converting institutions to persons who are eligible to purchase as depositors or otherwise under the applicable regulations of the Federal Home Loan Bank Board or other agency having authority to regulate the conversion process. The exemption would not be available for any other types of public offerings of securities by savings and loan associations or to sales of conversion securities made directly by broker/dealer members which would continue to be subject to the existing prohibitions and restrictions of the Interpretation.

The amendment would establish various conditions which must be met before any exemption would be available. In the case of purchasers who are now prohibited under the Interpretation such as members and associated persons of members there are three (3) conditions: (1) The purchaser must be an eligible purchaser, (2) the securities being acquired must be restricted against sale or transfer for a period of 150 days and (3) the purchase must be reported to the person's employer-member. In the case of other persons who are restricted under the Interpretation, the sole condition is that they be eligible purchasers.

The proposed rule change is believed to be consistent with sections 15A(b)(2) and 15A(b)(6) of the Securities Exchange Act of 1934, as amended ("Act").

(B) Self-Regulatory Organization's Statement on Burden on Competition

The NASD believes that the proposed rule change does not impose any burden on competition which is not necessary or appropriate in furtherance of the purposes of the Act.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received from Members, Participants, or Others

In Notice to Members 85–81 (December 2, 1985), the NASD solicited comments on an earlier version of the proposed rule change. A number of commentators objected to the proposal as cumbersome and unnecessarily complex. These comments were reviewed and in Notice to Members 86–26 (April 8, 1986) the present proposed rule change was circulated for comment. The NASD received five (5) comments on the proposal filed, generally favoring adoption.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The NASD requests the Commission to find good cause for approving the proposed rule change prior to the thirtieth day after its publication in the **Federal Register.**

There has been no lessening in the number of savings and loan associations and savings banks which are converting from the mutual to the stock form of ownership. The problems under the present Interpretation without the exemptive relief proposed by the amendment continue to be matters of concern to all affected persons. The present prohibitions and restrictions are also matters of concern to the converting institutions faced with the maintenance of the good will of depositors and borrowers who have legitimate expectations to be given the opportunity to become shareholders of the institutions where they do their banking business. The plans of the converting institutions for encouraging ownership by management and employees are also affected by the limitations upon such plans which may result from application of the present Interpretation. The interests of the individual depositors, borrowers, and community residents are equally at issue to the extent that the present Interpretation limits their opportunity to become shareholders at the time of the conversion.

The inequities and unwarranted discrimination among purchasers who would be entitled to relief under the proposed amendment continues to be widespread and members continue to face the uncertain risk of disciplinary action in the face of the amendment which is generally known to have been adopted subject to approval of the Commission.

The NASD Board of Governors has spent much time and effort to focus on all the issues which it believes require consideration under the applicable provisions of the Act. In summary, it is believed that the membership, savings and loan associations and their depositors and other affected persons deserve to have any continued period of unfairness and uncertainty shortened to the extent possible.

For these reasons, the NASD believes that good cause exists for the Commission to approve the proposed rule change prior to the thirtieth day after publication of notice of the filing.

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—5th Street NW., Washington, DC. 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 September 12, 1986.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.

Dated: August 15, 1986.

Jonathan G. Katz,

Secretary.

[FR Doc. 86–19042 Filed 8–21–86; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[CM–8/990]

Establishment of the Department of State's Advisory Committee on International Law

The Department of State is establishing an Advisory Committee on International Law (to be distinguished from the Secretary of State's Advisory Committee on Private International Law) to obtain the views and advice of outstanding members of this country's legal profession on significant issues of international law.

The Committee will consist of no more than twenty individuals appointed by the Legal Adviser of the Department of State. The Committee will follow the

procedures prescribed by the Federal Advisory Committee Act.

The Committee will provide expertise on a wide range of legal issues. Because of the complexity of the issues involved, and because action on these issues will require continuing consultations, no other effective means of obtaining the expertise of the legal community appears feasible. The Committee will thus serve the public interest.

For further information, contact: Ted A. Borek, Assistant Legal Adviser for United Nations Affairs (202) 647–1320 or George Taft, Attorney Adviser, Office of the Legal Adviser, (202) 653–9852.

Michael G. Kozak,

Principal Deputy Legal Adviser.

[FR Doc 86–19001 Filed 8–21–86; 8:45 am]

BILLING CODE 4710–08–M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

Deadline for Submission of Preapplications for Airport Grant Funds Under the Airport Improvement Program for Fiscal Year 1987

Section 509(e) of the Airport and Airway Improvement Act of 1982 (Act) provides that the sponsor of each airport to which entitlement funds are apportioned shall notify the Secretary, by such time and in a form as prescribed by the Secretary, of the sponsor's intent to apply for entitlement funds. Notification of the sponsor's intent to apply during fiscal year 1987 for any of its entitlement funds, including those unused from prior years, shall be in the form of a project preapplication or application (SF 424 and FAA Forms 5100–30 or 5100–100, as appropriate) submitted to the FAA field office no later than January 31, 1987. FAA field offices, in developing their regional programs, may request sponsors' input at an earlier date. Every effort should be made to meet these regional deadlines.

Approval of preapplications or applications received after the deadline may be deferred by the FAA until the following fiscal year. Although the Act expires on September 30, 1987, section 505(b) authorizes grants to be made after that date with the sponsor's unused entitlement funds which would remain available for the normal two-year carryover period.

The FAA also recommends that all other airports or planning agencies expecting to apply for airport grant funds do so early in the fiscal year. Such prospective applicants should contact the appropriate FAA field office for information on that office's deadlines. These offices will assist in the preparation of preapplications/applications and provide procedural information as needed.

This notice is being published early to allow adequate time for sponsors to prepare their preapplications or applications.

Prompt submission of complete requests will allow earlier funding decisions by the FAA. This, in turn, may be advantageous to sponsors in competing for available funds and in maximizing construction during a construction season.

This notice submitted by Mr. Edgar Williams, APP–510, on (202) 267–8809.

Issued in Washington, DC on August 18, 1986.

Paul L. Galis,

Director, Office of Airport Planning and Programming.

[FR Doc. 86–18936 Filed 8–21–86; 8:45 am]

BILLING CODE 4910–13–M

Radio Technical Commission for Aeronautics (RTCA);

Special Committee 142—Air Traffic Control Radar Beacon System/Mode S (ATCRBS/MODE S) Airborne Equipment; Meeting

Pursuant to section 10(a) of the Federal Advisory Committee Act (Pub. L. 92–463; 5 U.S.C. App. I) notice is hereby given of a meeting of RTCA Special Committee 142 on Air Traffic Control Radar Beacon System/Mode S (ATCRBS/MODE S) Airborne Equipment to be held on September 16–17, 1986, in the RTCA Conference Room, One McPherson Square, 1425 K Street, NW., Suite 500, Washington, DC, commencing at 9:30 a.m.

The Agenda for this meeting is as follows: (1) Chairman's Introductory Remarks; (2) Approval of the Minutes of the Eighteenth Meeting Held on April 15–16, 1986; (3) Review of EUROCAE and Space Working Group-20 Activities; (4) Review of Draft MOPS Material; (5) Report of the Pilot Factors Working Group; (6) Discuss Structure of Committee Final Report; (7) Establish Future Work Program; (8) Assignment of Tasks; and (9) Other Business.

Attendance is open to the interested public but limited to space available. With the approval of the Chairman, members of the public may present oral statements at the meeting. Persons wishing to present statements or obtain information should contact the RTCA Secretariat, One McPherson Square, 1425 K Street NW., Suite 500, Washington, DC 20005; (202) 682–0266. Any member of the public may present a written statement to the committee at any time.

Issued in Washington, DC, on August 18, 1986.

Wendie F. Chapman,

Designated Officer.

[FR Doc. 86–18937 Filed 8–21–86; 8:45 am]

BILLING CODE 4910–13–M

National Highway Traffic Safety Administration

[Docket No. IP86–02; Notice 2]

General Motors Corp; Grant of Petition for Determination of Inconsequential Noncompliance

This notice grants the petition by General Motors Corporation of Detroit, Michigan to be exempted from the notification and remedy requirements of the National Traffic and Motor Vehicle Safety Act (15 U.S.C. 1381 *et seq.*) for an apparent noncompliance with 49 CFR 571.110, Motor Vehicle Safety Standard No. 110, *Tire Selection and Rims.* The bais of the grant is that the noncompliance is inconsequential as it relates to motor vehicle safety.

Notice of the petition was published on February 13, 1986, and an opportunity offered for comment (51 FR 5439).

The petitioner determined that 4,100 Buick Grand National passenger cars manufactured during the 1984 and 1985 model years, with P215/65R15 tires and 7.25 inch rims, do not comply with one of the requirements of Standard No. 110. This tire and rim combination is not listed as an approved combination in the Tire and Rim Association publications, as required by Motor Vehicle Safety Standard No. 109 *New Pneumatic Tires.*

General Motors states that—

"* * * However, the P215/65R15 tire with 7 and 7.5 inch rims are both listed as approved combinations by the Tire and Rim Association. In addition, GM Engineering and GM Tire and Wheel Systems have determined that performance is not affected in any way by use of the 7.25 inch rim, with the P215/65R15 tire. Accordingly, General Motors believes that the specific noncompliance with FMVSS No. 110 is inconsequential as it relates to motor vehicle safety."

The petitioner also indicated that the 7.25 inch rim has been cancelled and is being replaced with a 7 inch rim, and that it is not aware of any customer complaints relative to the performance of the tire and rim combination.

No comments were received on the petition at the end of the comment period.

The agency has no information indicating that a safety problem exists with either the 7.00 or 7.50 inch rims, approved by the Tire and Rim Association when P215/65R15 tires are mounted on them. Therefore there should be no problem when these tires are mounted on a 7.25 inch rim which lies between the 7.00 and 7.50 rims. Accordingly petitioner has met its burden of persuasion that the noncompliance herein described is inconsequential as it relates to motor vehicle safety, and its petition is granted.

(Sec. 102, Pub. L. 98–492, 88 Stat. 1470 (15 U.S.C. 1417) delegations of authority at 49 CFR 150 and 49 CFR 501.8)

Issued on: August 19, 1986.

Barry Felrice,

Associate Administrator for Rulemaking.

[FR Doc. 86–18995 Filed 8–21–86; 8:45 am]

BILLING CODE 4910-59-M

VETERANS ADMINISTRATION

Alabama State Veterans Nursing Home, Alexander City, AL; Finding of No Significant Impact

The Veterans Administration (VA) has assessed the potential environmental impacts that may occur as a result of the proposed construction of a 150-bed Alabama State Veterans Nursing Home in Alexander City, Alabama. The approximate cost of this project is $7.1 million, inclusive of contingencies, professional design services and inflation at the time of construction.

Construction related traffic may cause disruption of nearby traffic flow. In addition, construction noise associated with the development of the new facility is likely to cause annoyance to residents within the area. The impact of dust and fumes that will exist during construction will be of short effect lasting only during that phase of project development. In relation to both construction and operation, the new facility will be built in accordance with applicable Federal, State and local air quality standards.

The significance of the identified impacts has been evaluated relative to the considerations of both context and intensity, as defined by the Council on Environmental Quality (Title 40, CFR 1508.27).

This Environmental Assessment has been performed in accordance with the requirements of the National Environmental Policy Act Regulations, §§ 1501.3 and 1508.9, Title 40, Code of Federal Regulations. A "Finding of No Significant Impact" has been reached based on the information presented in this assessment.

The assessment is being placed for public examination at the Veterans Administration, Washington, DC. Persons wishing to examine a copy of that document may do so at the following office:

Director, Office of Environmental Affairs, Room 653, Veterans Administration, 810 Vermont Avenue, NW., Washington, DC 20420 (202/389–3544). Questions or requests for single copies of the Environmental Assessment may be addressed to the above.

Dated: August 13, 1986.

Thomas K. Turnage,

Administrator.

[FR Doc. 86–19004 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Availability of Report of 38 U.S.C. 219 Program Evaluation; Geriatric Research, Education and Clinical Centers (GRECC) Program

Notice is hereby given that the program evaluation of the Veterans Administration's Geriatric Research, Education and Clinical Centers (GRECC) Program has been completed.

Single copies of the GRECC Program Evaluation are available free. Reproduction of multiple copies can be arranged at the user's expense.

Direct inquiries, specifying the name of the program evaluation desired, to Mrs. Lynn H. Covington, Director, Program Evaluation Service, Veterans Administration (074), 810 Vermont Avenue NW., Washington, DC 20420.

Dated: August 14, 1986.

By direction of the Administrator.

Walter J. Besecker,

Acting Director, Office of Program Analysis and Evaluation.

[FR Doc. 86–19009 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Availability of Report of 38 U.S.C. 219 Program Evaluation; Spinal Cord Injury Program

Notice is hereby given that the program evaluation of the Veterans Administration's Spinal Cord Injury Program has been completed.

Single copies of the Spinal Cord Injury Program Evaluation are available free. Reproduction of multiple copies can be arranged at the user's expense.

Direct inquiries, specifying the name of the program evaluation desired, to Mrs. Lynn H. Covington, Director, Program Evaluation Service, Veterans Administration (074), 810 Vermont Avenue NW., Washington, DC 20420.

Dated: August 14, 1986.

By direction of the Administrator.

Walter J. Besecker,

Acting Director, Office of Program Analysis and Evaluation.

[FR Doc. 86–19010 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Advisory Committee on Former Prisoners of War; Meeting

The Veterans Administration gives notice under Pub. L. 92–463, section 10(a)(2) that a meeting of the Advisory Committee on Former Prisoners of War will be held at the Veterans Administration Central Office, 810 Vermont Avenue, NW., Washington, DC 20420, on September 11 and 12, 1986. The purpose of the Committee is to consult with and advise the Administrator of Veterans' Affairs on the administration of benefits under title 38, United States Code, for veterans who are former prisoners of war and on the need of such veterans for compensation, health care and rehabilitation.

The meeting will convene at 9 a.m. both days in Room 304. This meeting will be open to the public up to the seating capacity of the room. Because this capacity is limited, it will be necessary for those wishing to attend to contact Herbert Mars, Deputy Director, Compensation and Pension Service, Veterans Administration Central Office (202/389–3029) prior to August 30, 1986.

Members of the public may direct questions or submit prepared statements for review by the Committee in advance of the meeting, in writing only to Herbert Mars, Deputy Director, Compensation and Pension Service, Department of Veterans Benefits, Room 400, Veterans Administration Central Office. Submitted material must be received at least five days prior to the meeting. Such members of the public may be asked to clarify submitted material prior to consideration by the Committee.

A summary report of the meeting and rosters of the Committee members may be obtained from Mr. Herbert Mars at the aforementioned address.

Dated: August 11, 1986.

By direction of the Administrator.

Rosa Maria Fontanez,

Committee Management Officer.

[FR Doc 86–19005 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Advisory Committee on Readjustment Problems of Vietnam Veterans; Meeting

The Veterans Administration gives notice under Pub. L. 92–463 that a meeting of the Advisory Committee on Readjustment Problems of Vietnam Veterans will be held September 4 and 5, 1986, in the Omar Bradley Conference Room of Veterans Administration Central Office, 810 Vermont Avenue, NW., Washington, DC 20420. Both meetings will begin at 8:45 a.m. and conclude at 4:30 p.m.

These meetings will be open to the public to the seating capacity of the room. Anyone having questions concerning the meetings may contact Arthur S. Blank, Jr., M.D., Director, Readjustment Counseling Service, Veterans Administration Central Office, (phone number 202–389–3317/3303).

Dated: August 13, 1986.

Rosa Maria Fontanez,

Committee Management Officer.

[FR Doc. 86–19007 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Agency Form Under OMB Review

AGENCY: Veterans Administration.

ACTION: Notice.

The Veterans Administration has submitted to OMB for review the following proposal for the collection of information under the provisions of the Paperwork Reduction Act [44 U.S.C. Chapter 35). This document contains a revision and lists the following information: (1) The department or staff office issuing the form, (2) the title of the form, (3) the agency form number, if applicable, (4) how often the form must be filled out, (5) who will be required or asked to report, (6) an estimate of the number of responses, (7) an estimate of the total number of hours needed to fill out the form, and (8) an indication of whether section 3504(h) of Pub. L. 96–511 applies.

ADDRESSES: Copies of the form and supporting documents may be obtained from Jill Cottine, Agency Clearance Officer (732), Veterans Administration, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 389–2146. Comments and questions about the items on the list should be directed to the VA's OMB Desk Officer, Dick Eisinger, Office of Management and Budget, 726 Jackson Place, NW., Washington, DC 20503, (202) 395–7316.

DATE: Comments on the information collection should be directed to the OMB Desk Officer within 60 days of this notice.

Dated: August 15, 1986.

By direction of the Administrator.

David A. Cox,

Associate Deputy Administrator for Management.

Revision

1. Department of Veterans Benefits.
2. Veterans Supplemental Application for Assistance in Acquiring Specially Adapted Housing.
3. VA Form 26–4555c.
4. On occasion.
5. Individuals or households.
6. 424 responses.
7. 106 hours.
8. Not applicable.

[FR Doc. 86–19002 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Agency Form Under OMB Review

AGENCY: Veterans Administration.

ACTION: Notice.

The Veterans Administration has submitted to OMB for review the following proposal for the collection of information under the provisions of the Paperwork Reduction Act [44 U.S.C. Chapter 35). This document contains a revision and lists the following information: (1) The department or staff office issuing the form, (2) the title of the form, (3) the agency form number, if applicable, (4) how often the form must be filled out, (5) who will be required or asked to report, (6) an estimate of the number of responses, (7) an estimate of the total number of hours needed to fill out the form, and (8) an indication of whether section 3504(h) of Pub. L. 96–511 applies.

ADDRESSES: Copies of the form and supporting documents may be obtained from Jill Cottine, Agency Clearance Officer (732), Veterans Administration, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 389–2146. Comments and questions about the items on the list should be directed to the VA's OMB Desk Officer, Dick Eisinger, Office of Management and Budget, 726 Jackson Place, NW., Washington, DC 20503, (202) 395–7316.

DATE: Comments on the information collection should be directed to the OMB Desk Officer within 60 days of this notice.

Dated: August 14, 1986.

By direction of the Administrator.

David A. Cox,

Associate Deputy Administrator for Management.

Revision

1. Department of Veterans Benefits.
2. Statement of Dependency of Parent(s).
3. VA Form 21–509.
4. On occasion.
5. Individuals or households.
6. 40,000 responses.
7. 20,000 hours.
8. Not applicable.

[FR Doc. 86–19003 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Geriatrics and Gerontology Advisory Committee; Meeting

The Veterans Administration gives notice under Pub. L. 92–463 that a meeting of the Geriatrics and Gerontology Advisory Committee will be held in the Omar Bradley Conference Room on the 10th floor of the Veterans Administration Central Office, 810 Vermont Avenue, NW, Washington, DC, on September 12 and 13, 1986. The purpose of the Geriatrics and Gerontology Advisory Committee is to advise the Administrator and the Chief Medical Director relative to the care and treatment of the aging veterans, and to evaluate the Geriatric Research, Education and Clinical Centers established by the Department of Medicine and Surgery.

The session on September 12 will convene at 8:30 a.m. and conclude at noon. That session will be open to the public up to the seating capacity of the room. Because this capacity is limited, it will be necessary for those wishing to attend to contact Mrs. Jacqueline Holmes, Program Assistant, Office of the Assistant Chief Medical Director for Geriatrics and Extended Care, Veterans Administration Central Office (phone 202/389–3781) prior to August 22, 1986.

The afternoon session will convene at 1:00 p.m. and the following days session will convene at 8:30 a.m. and conclude at noon. Both of these sessions will be closed since they will be evaluating the research, education and clinical services being provided through the Geriatric Research, Education and Clinical Centers as requested by Pub. L. 94–330.

The closed portion of the meetings involve: discussion, examination, reference to, and oral review of site visits, staff and consultant critiques of research protocols, and similar documents. The discussion and recommendations will deal with qualifications of personnel conducting these studies, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy, as well as research information, the premature disclosure of which would be likely to significantly frustrate implementation of

proposed agency action regarding such research projects. Closure of these meetings is in accordance with subsection 10(d) of Pub. L. 92–463, as amended by Pub. L. 94–409, and as cited in U.S.C. 552B(c) and (9)(B).

Dated: August 11, 1986.
By direction of the Administrator.

Rosa Maria Fontanez,

Committee Management Office.

[FR Doc. 86–19006 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Privacy Act of 1974; Report of New Matching Program

AGENCY: Veterans Administration.

ACTION: Notice of Matching Program—Defense Manpower Data Center records of veterans in receipt of readjustment or severance pay.

SUMMARY: The Veterans Administration is providing notice of the intent by the Department of Veterans Benefits to match the BIRLS (Beneficiary Identification and Records Locator Subsystem) master records with readjustment or severance pay data records from Defense Manpower Data Center.

The goal of these matches is to identify VA compensation recipients who have received DOD separation payments and to recoup those payments from VA monthly compensation.

DATES: It is anticipated that matches will commence in approximately September 1986.

ADDRESS: Interested individuals may comment on the proposed matches by writing to the Director, Administrative Services Staff (203C3), Veterans Administration, 810 Vermont Avenue, NW, Washington, DC, 20420.

FOR FURTHER INFORMATION CONTACT: Mr. Clarence Johnson, Chief, Administrative Systems Division (203C3), Veterans Administration, 810 Vermont Avenue, NW, Washington, DC, 20420, area code (202) 389–3461.

SUPPLEMENTARY INFORMATION: Further information regarding the matching program is provided below. This information is required by paragraph 5.f.(1) of the Revised Supplemental Guidance for Conducting Matching Programs, issued by the Office of Management and Budget (47 FR 21656, May 19, 1982). A copy of this notice has been provided to both Houses of Congress and the Office of Management and Budget.

Approved: August 11, 1986.

Thomas K. Turnage,

Administrator.

Report of Matching Program: Veterans Administration Records of Beneficiaries Receiving VA Monthly Compensation/ Defense Manpower Data Center Records of Veterans in Receipt of Readjustment or Severance Pay

a. *Authority:* Title 38, United States Code, section 361, and title 10, United States Code, sections 1174 and 1212(c).

b. *Program Description:*

(1) *Purpose:* The Department of Veterans Benefits plans to match lists of beneficiaries receiving VA monthly compensation with lists, provided by DMDC (Defense Manpower Data Center), of recently discharged veterans who received severance or readjustment pay. The purpose of this match is to identify VA compensation recipients who have received DOD separation payments or applicants for such benefits and to recoup those payments from VA monthly compensation benefits paid.

Title 38, United States Code, section 361, and title 10 United States Code, sections 1174 and 1212(c), specify that any individual who receives severance or readjustment pay when separated from military service shall have an amount equal to the severance and readjustment pay withheld from the VA monthly compensation to which the person is entitled. The matches will identify those individuals who have applied for, or are receiving, VA compensation benefits who also received severance or readjustment pay when they left military service.

(2) *Procedures:* The Department of Veterans Benefits will perform the match using extracts of VA system of records consisting of names and social security numbers and records in a similar format provided by the DMDC. These matches will be performed on a quarterly basis by the Austin VA Data Processing Center. In the event of a "hit", i.e., the determination through the matching program that a veteran is in receipt of readjustment or severance pay, the identity of the individual will be confirmed. When needed to confirm the identity of individuals who may be listed in the records as receiving readjustment or severance pay, DVB will request that additional information be furnished by DMDC or DVB may release additional identifying data to DMDC in accordance with published routine uses. In those instances where matches are made, the data processing center will extract data on readjustment and severance pay and incorporate same into existing BIRLS master records. The VA will then collect any severance or readjustment overpayments from the VA monthly compensation payments in accordance with established VA procedures.

c. *Records to be Matched:* Data extracted from the following system of records will be matched with readjustment or severance pay records from Defense Manpower Data Center:

Veterans and Beneficiaries Identification and Records Location Subsystem—VA (38VA23), as set forth in the **Federal Register** publication, "Privacy Act Issuances," 1984 Comp., Vol. V, pages 722 and 723, and amended at 50 FR 13449 (April 4, 1985).

d. *Period of Match:* Continuously on a quarterly basis beginning in approximately September 1986.

e. *Safeguards:* Access to the basic file in the Austin VA Data Processing Center is restricted to authorized VA employees and vendors. Access to the computer room where the magnetic tape is located within the data processing center is further restricted to specifically authorized employees and is protected by an alarm system, the Federal Protective Service, and other VA security personnel. Records used in the matches and data generated as a result, will be safeguarded from unauthorized disclosure. Access will be limited to those persons who have a need for the information in order to conduct the matches or follow-up actions. All of the material will be stored in locked containers when not in use. The matching files to be used in this project will remain under the control of DVB and will be destroyed upon completion of the match. The matching file will be used and accessed only to match files in accordance with this notice; will not be used to extract information concerning "non-hit" individuals for any purpose; and will not be duplicated or disseminated within or outside the VA unless authorized by the Chief Benefits Director.

f. *Retention and Disposal:* Records not resulting in matches will be destroyed by burning, shredding, or electronic erasing within six months of the completion of the individual match. Records resulting in matches will be retained by Austin VA Data Processing Center until the completion of any necessary administrative action, and will then be disposed of in accordance with approved records control schedules and/or approved disposition authority from the Archivist of the United States.

[FR Doc. 86–19008 Filed 8–21–86; 8:45 am]

BILLING CODE 8320-01-M

Sunshine Act Meetings

Federal Register
Vol. 51, No. 163
Friday, August 22, 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

FARM CREDIT ADMINISTRATION

AGENCY: Farm Credit Administration.

SUMMARY: Notice is hereby given pursuant to the Government in the Sunshine Act (5 U.S.C. 552b(e)(3)), of the forthcoming special meeting of the Farm Credit Administration Board (Board).

DATE AND TIME: The meeting is scheduled to be held at the offices of the Farm Credit Administration in McLean, Virginia, on August 22, 1986, from 3:00 p.m. unitl such time as the Board concludes its business.

FOR FURTHER INFORMATION CONTACT: Kenneth J. Auberger, Secretary to the Farm Credit Administration Board, 1501 Farm Credit Drive, McLean, Virginia 22102-5090.

ADDRESS: Farm Credit Administration, 1501 Farm Credit Drive, McLean, Virginia 22102-5090.

SUPPLEMENTARY INFORMATION: Part of this special meeting of the Board will be open to the public (limited space available), and parts of the meeting will be closed to the public. The matters to be considered at the meeting are:

1. Consideration of Agency Policy Covering Submission of Comments on Regulations by the Farm Credit System;

*2. Examination and Supervisory Matters; and

3. Proposal by the Amarillo Production Credit Association for Voluntary Liquidation.

*Closed session—exempt pursuant to 5 U.S.C. 552b(c) (4), (8) and (9).

Dated: August 20, 1986.

Frank W. Naylor, Jr.,

Chairman.

[FR Doc. 86-19091 Filed 8-20-86; 10:20 am]

BILLING CODE 6705-01-M

2

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Meeting

Pursuant to the provisions of the "Government in the Sunshine Act" (5 U.S.C. 552b), notice is hereby given that the Federal Deposit Insurance Corporation's Board of Directors will meet in open session at 2:00 p.m. on Tuesday, August 26, 1986, to consider the following matters:

Summary Agenda: No substantive discussion of the following items is anticipated. These matters will be resolved with a single vote unless a member of the Board of Directors requests that an item be moved to the discussion agenda.

Disposition of minutes of previous meetings.

Application for Federal deposit insurance:

General Acceptance Company DBA Horizon Thrift and Loan, an operating noninsured industrial bank located at 86 West Center, Cedar City, Utah.

Application for Federal deposit insurance and for consent to merge:

The Bank of Hartford, Inc., Hartford, Connecticut, a noninsured State savings bank, for Federal deposit insurance and for consent to merge, under its charter and title, with TONE Savings Bank, Inc., Hartford, Connecticut, a proposed new bank in organization.

Applications for consent to purchase assets and assume liabilities:

The First National Bank, Sidney, Ohio, for consent to purchase certain assets of and assume the liability to pay deposits made in the Botkins Branch of First Border Savings Bank, Piqua, Ohio, a non-FDIC-insured institution.

Bank of New England—Old Colony, National Association, Providence, Rhode Island, for consent to purchase certain assets of and assume the liability to pay deposits made in the Newport Branch of Old Stone Bank, a Federal Savings Bank, Providence, Rhode Island, a non-FDIC-insured institution.

Recommendations regarding the liquidation of a bank's assets acquired by the Corporation in its capacity as receiver, liquidator, or liquidating agent of those assets:

Case No. 46,601-SR (Amendment)
Security State Bank, Broken Bow, Nebraska
Case No. 46,603-SR (Amendment)
Farmers & Merchants Bank, Comstock, Nebraska
Case No. 46,639-SR
Elba State Bank, Elba, Nebraska

Memorandum regarding the Corporation's liquidation activities.

Reports of committees and officers:

Minutes of actions approved by the standing committees of the Corporation pursuant to authority delegated by the Board of Directors.

Reports of the Division of Bank Supervision with respect to applications,requests, or actions involving administrative enforcement proceedings approved by the Director or an Associate Director of the Division of Bank Supervision and the various Regional Directors pursuant to authority delegated by the Board of Directors.

Report of the Director, Division of Liquidation:

Memorandum re:
Quarterly Report for Actions Approved Under Delegated Authority as of March 31, 1986.

Discussion Agenda:

No matters scheduled.

The meeting will be held in the Board Room on the sixth floor of the FDIC Building located at 550-17th Street, NW., Washington, DC.

Requests for further information concerning the meeting may be directed to Mr. Hoyle L. Robinson, Executive Secretary of the Corporation, at (202) 898-3813.

Dated: August 19, 1986.

Federal Deposit Insurance Corporation.

Hoyle L. Robinson,

Executive Secretary.

[FR Doc. 86-19117 Filed 8-20-86; 11:56 am]

BILLING CODE 6714-01-M

3

FEDERAL DEPOSIT INSURANCE CORPORATION

Agency Meeting

Pursuant to the provisions of the "Government in the Sunshine Act" (5 U.S.C. 552b), notice is hereby given that at 2:30 p.m. on Tuesday, August 26, 1986, the Federal Deposit Insurance Corporation's Board of Directors will meet in closed session, by vote of the Board of Directors, pursuant to sections 552b(c)(2), (c)(4), (c)(6), (c)(8), (c)(9)(A)(i), (c)(9)(A)(ii), and (c)(9(B) of Title 5, United States Code, to consider the following matters:

Summary Agenda: No substantive discussion of the following items is anticipated. These matters will be

resolved with a single vote unless a member of the Board of Directors requests that an item be moved to the discussion agenda.

Recommendations with respect to the initiation, termination, or conduct of administrative enforcement proceedings (cease-and-desist proceedings, termination-of-insurance proceedings, suspension or removal proceedings, or assessment of civil money penalties) against certain insured banks or officers, directors, employees, agents or other persons participating in the conduct of the affairs thereof:

Names of persons and names and locations of banks authorized to be exempt from disclosure pursuant to the provisions of subsections (c)(6), (c)(8), and (c)(9)(A)(ii) of the "Government in the Sunshine Act" (5 U.S.C. 552b(c)(6), (c)(8(, and (c)(9)(A)(ii))

Note.—Some matters falling within this category may be placed on the discussion agenda without further public notice if it becomes likely that substantive discussion of those matters will occur at the meeting.

Discussion Agenda:

Recommendations regarding the Corporation's assistance agreement with an insured bank.

Recommendation regarding the Corporation's corporate activities.

Personnel actions regarding appointments, promotions, administrative pay increases, reassignments, retirements, separations, removals, etc.:

Names of employees authorized to be exempt from disclosure pursuant to the provisions of subsections (c)(2) and (c)(6) of the "Government in the Sunshine Act" (5 U.S.C. 552b(c)(2) and (c)(6)).

The meeting will be held in the Board Room on the sixth floor of the FDIC Building located at 550 — 17th Street, NW., Washington, DC.

Requests for further information concerning the meeting may be directed to Mr. Hoyle L. Robinson, Executive Secretary of the Corporation, at (202) 898–3813.

Dated: August 19, 1986.

Federal Deposit Insurance Corporation.

Hoyle L. Robinson,

Executive Secretary.

[FR Doc. 19118 Filed 8–20–86; 11:56 am]

BILLING CODE 6714–01–M

4

FEDERAL RESERVE SYSTEM BOARD OF GOVERNORS

TIME AND DATE: 10:00 a.m., Wednesday, August 27, 1986.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, N.W., Washington, DC. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, 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 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: August 19, 1986.

William W. Wiles,

Secretary of the Board.

[FR Doc. 86–19060 Filed 8–20–86; 8:59 am]

BILLING CODE 6210–01–M

5

INTERNATIONAL TRADE COMMISSION

TIME AND DATE: Monday, August 25, 1987 at 2:30 p.m.

PLACE: Room 117, 701 E Street, NW., Washington, DC 20436.

STATUS: Open to the public.

MATTERS TO BE CONSIDERED:

1. Agenda
2. Minutes
3. Ratification List 86–29
4. Investigation Numbers 701–TA–280 (P) and 731–TA–337 (P) (Certain paint filters and strainers from Brazil)—briefing and vote.
5. Any items left over from previous agenda.

CONTACT PERSON FOR MORE INFORMATION: Kenneth R. Mason, Secretary (202) 523–0161.

Kenneth R. Mason,

Secretary.

August 11, 1986.

[FR Doc. 86–19089 Filed 8–20–86; 10:15 am]

BILLING CODE 7020–02–M

6

INTERNATIONAL TRADE COMMISSION

TIME AND DATE: Wednesday, August 27, 1987 at 10:00 a.m.

PLACE: Room 117, 701 E Street, NW., Washington, DC 20436.

STATUS: Open to the public.

MATTERS TO BE CONSIDERED:

1. Petitions and Complaints

Certain small aluminum flashlights and components thereof (Docket Number 1335).

2. Investigation Numbers 731–TA–338, 339, and 340 (P) (Urea from German Democratic Republic, Romania and the Union of Soviet Socialist Republics)—briefing and vote.

CONTACT PERSON FOR MORE INFORMATION: Kenneth R. Mason, Secretary (202) 523–0161.

Kenneth R. Mason,

Secretary.

August 11, 1986.

[FR Doc. 86–19090 Filed 8–20–86; 10:16 am]

BILLING CODE 7020–02–M

7

NEIGHBORHOOD REINVESTMENT CORPORATION

TIME AND DATE: 3:30 p.m., Tuesday, August 26, 1986 (Rescheduled from June 6, 1986).

PLACE: 1325 G Street NW., Suite 800, Washington, DC 20005.

STATUS: Open.

CONTACT PERSON FOR MORE IMFORMATION: Timothy McCarthy, Director of Communications, 376–2623.

AGENDA:

I. Call to Order and remarks of the Acting Chairman
II. Approval of minutes, March 17, 1986
III. Executive Director's activity report
IV. Personnel committee report
V. Election of officers and Assistant Secretary
VI. Approval of board committee appointments
  A. Audit Committee
  B. Budget Committee
  C. Personnel Committee
VII. Budget Committee reports, May 16 and August 25, 1986
  A. Approval of FY 1987 line item budget
  B. Approval of FY 1988 budget submission
  C. Recommendation for corporate investments
  D. NHSA secondary market proposal
VIII. Treasurer's report

Carol J. McCabe,

Secretary.

[FR Doc. 86–19056 Filed 8–20–86; 8:58 am]

BILLING CODE 7570–01–M

8

SECURITIES AND EXCHANGE COMMISSION

Agency Meeting.

"FEDERAL REGISTER" CITATION OF PREVIOUS ANNOUNCEMENT: [51 FR 29186/ August 14, 1986].

STATUS: Closed meeting.

PLACE: 450 Fifth Street, NW., Washington, DC.

DATE PREVIOUSLY ANNOUNCED: Tuesday, August 12, 1986.

CHANGE IN THE MEETING: Additional meeting.

The following item was considered at a closed meeting scheduled on Friday, August 15, 1986, at 5:30 p.m.

Administrative proceeding of an enforcement nature.

Commissioner Peters, as duty officer, determined that Commission business required the above change and that no earlier notice thereof was possible.

At times changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: Judith Axe at (202) 272–2092.

Jonathan G. Katz,

Secretary.

August 18, 1986.

[FR Doc. 86–19123 Filed 8–20–86; 8:45 am]

BILLING CODE 8010–01–M

9

TENNESSEE VALLEY AUTHORITY

TIME AND DATE: 11:30 a.m. (edt), Friday, August 22, 1986.

PLACE: TVA West Tower Auditorium, 400 West Summit Hill Drive, Knoxville, Tennessee.

STATUS: Open.

MATTER FOR ACTION:

Budget and Financing

1. Adoption of supplemental resolution authorizing 1986 Series D power bonds.

2. Resolution authorizing the Chairman and other executive offices to take further action relating to issuance and sale of 1986 Series D power bonds.

CONTACT PERSON FOR MORE INFORMATION: Craven H. Crowell, Jr., Director of Information, or a member of his staff can respond to requests for information about this meeting. Call 615–632–8000, Knoxville, Tennessee. Information is also available at TVA's Washington office, 202–245–0101.

SUPPLEMENTARY INFORMATION:

TVA BOARD ACTION

The TVA Board of Directors has found, the public interest not requiring otherwise, that TVA business requires that this meeting be called at the time set out above and that no earlier announcement of the meeting was possible.

The members of the TVA Board voted to approve the above findings and their approvals are recorded below:

Dated: August 19, 1986.

Approved:

C.H. Dean, Jr.,

Director and Chairman.

John B. Waters,

Director.

[FR Doc. 86–19075 Filed 8–21–86; 9:23 am]

BILLING CODE 8120–01–M

federal register

Friday
August 22, 1986

Part II

Environmental Protection Agency

40 CFR Ch. I

Preliminary Approaches to Implementing the Recommendations of the Domestic Sewage Study; Advance Notice of Proposed Rulemaking

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Ch. I

[EN FRL-3046-7]

Preliminary Approaches to Implementing the Recommendations of the Domestic Sewage Study; Advance Notice of Proposed Rulemaking

AGENCY: Environmental Protection Agency (EPA).

ACTION: Advance notice of proposed rulemaking.

SUMMARY: In 1984, Congress enacted the Hazardous and Solid Waste Amendments (HSWA) to the Resource Conservation and Recovery Act (RCRA). Section 3018(a) of RCRA, as amended, directed EPA to submit a report to Congress concerning wastes discharged through sewer systems to publicly owned treatment works (POTWs) that are exempt from RCRA regulation as a result of the Domestic Sewage Exclusion of RCRA. This report (the Domestic Sewage Study, hereinafter referred to as "the Study") was prepared by EPA's Office of Water and submitted to Congress on February 7, 1986. The Study examined the nature and sources of hazardous wastes discharged to POTWs, measured the effectiveness of Agency programs in dealing with such discharges, and recommended ways to improve the programs to achieve better control of hazardous wastes entering POTWs.

As a follow-up to the Study, section 3018(b) of RCRA directs the Administrator to revise existing regulations and promulgate such regulations as are necessary to assure that hazardous wastes discharged to POTWs are adequately controlled to protect human health and the environment. The regulations must be promulgated within eighteen months after submission of the Study to Congress (August 1987).

The Agency is today publishing an Advance Notice of Proposed Rulemaking (ANPR) which will be the first step towards promulgating the regulations required by section 3018(b). EPA wishes to use today's notice primarily to obtain public comments and suggestions on possible ways to implement or address the recommendations of the Study. The Agency will then evaluate the comments and suggestions and use them to help prepare specific proposed rules for publication. Today's notice contains no formal proposals for regulatory amendments. Instead, EPA suggests a range of preliminary approaches to improving the control of hazardous wastes discharged to the nation's POTWs. The Agency solicits comments on these approaches and invites suggestions on any other approaches the public believes appropriate.

DATES: Comments must be received on or before October 21, 1986.

ADDRESS: Comments should be addressed to Ms. Marilyn Goode, Permits Division (EN-336), U.S. Environmental Protection Agency, 401 M Street SW., Washington, D.C. 20460, (202) 475-9534.

FOR FURTHER INFORMATION CONTACT: Ms. Marilyn Goode, Permits Division, (EN-336), U.S. Environmental Protection Agency, 401 M Street SW., Washington, D.C. 20460, (202) 475-9534.

For copies of the Domestic Sewage Study, contact Ms. Carol Swann, Industrial Technology Division (WH-552), U.S. Environmental Protection Agency, 401 M St. S.W., Washington, D.C. 20460, (202) 382-7137.

SUPPLEMENTARY INFORMATION:

I. Statutory Background

The origins of the Study lie in the Domestic Sewage Exclusion of RCRA. The exclusion, established by Congress in section 1004(27) of RCRA, provides that solid or dissolved material in domestic sewage is not solid waste as defined in RCRA. A corollary is that such material also cannot be considered a hazardous waste for purposes of RCRA.

The regulatory exclusion applies to domestic sewage as well as mixtures of domestic sewage and other wastes that pass through the sewer system to a POTW (see 40 CFR 261.4(a)(1)). The exclusion thus covers industrial wastes discharged to POTW sewers which contain domestic sewage, even if the industrial wastes would otherwise be considered hazardous wastes.

Under the exclusion, industrial facilities which discharge such wastes to sewers containing domestic sewage are not subject to RCRA generator and transporter requirements, such as manifesting and reporting. In addition, POTWs receiving such wastes mixed with domestic sewage are not thereby deemed to have received hazardous wastes and therefore need not comply with certain RCRA hazardous waste treatment, storage, and disposal requirements with respect to these wastes. However, the Domestic Sewage Exclusion does not apply to sludge produced by a POTW as a result of wastewater treatment if such sludge is found to be a RCRA characteristic waste under 40 CFR 261 Subpart C. In addition, hazardous wastes delivered to a POTW by truck, rail, or dedicated pipe are not covered by the Domestic Sewage Exclusion, and are subject to regulation under the RCRA permit-by-rule (see 40 CFR Part 270.60(c)).

The legislative history of RCRA indicates that the Domestic Sewage Exclusion stems from the assumption that the pretreatment program of the Clean Water Act (CWA) can ensure adequate control of industrial discharges to sewers. This program, mandated by section 307(b) of the CWA and implemented in 40 CFR Part 403, provides for pretreatment by industrial facilities of pollutants discharged to POTWs, to the extent that such pollutants would interfere with, pass through, or otherwise be incompatible with the operations of POTWs. The Exclusion avoids the potential regulatory redundancy of subjecting hazardous wastes mixed with domestic sewage to RCRA management requirements if these wastes are already subject to appropriate pretreatment requirements under the CWA.

In 1984, Congress enacted the Hazardous and Solid Waste Amendments to RCRA. The legislative history of these amendments reveals that Congress wanted EPA to evaluate the effects of the Domestic Sewage Exclusion. Congressman Molinari (R.N.Y.), one of the sponsors of the amendment, expressed concern about possible gaps in RCRA which could threaten public health and the environment. He stated that EPA should:

> . . . quantify, as accurately as possible, the nature and scope of hazardous waste disposal into domestic sewers . . . the extent to which the exclusion is justified . . . *and the adequacy of pretreatment as a means of dealing with the problem.* [CONG. REC. H9150 (daily ed. November 3, 1983), emphasis added]

To this end, section 3018(a) of the Hazardous and Solid Waste Amendments to RCRA required EPA to prepare:

> . . . a report to Congress concerning those substances identified or listed under section 3001 which are not regulated under this subtitle by reason of the exclusion for mixtures of domestic sewage and other wastes that pass through a sewer system to a publicly owned treatment works. Such report shall include the types, size, and number of generators which dispose of substances in this manner, and the identification of significant generators, wastes, and waste constituents not regulated under existing Federal law or regulated in a manner sufficient to protect human health and the environment.

Section 3018(b) then requires the Administrator to revise existing regulations and to promulgate such additional regulations as are necessary to ensure that hazardous wastes discharged to POTWs are adequately controlled to protect human health and the environment. These regulations are to be promulgated pursuant to RCRA, section 307 of the CWA, or any other appropriate authority possessed by EPA. The regulations must be promulgated within eighteen months after submission of the Study to Congress (August 1987).

II. Summary of the Domestic Sewage Study

EPA submitted the Study to Congress on February 7, 1986. In performing the Study, the Agency reviewed information on 160,000 waste dischargers from 47 industrial categories and the residential sector. Because of the nature of the available data sources, the Study provided estimates for the discharge of 165 specific constituents of hazardous waste (e.g., benzene, acetone, etc.) rather than estimates for hazardous wastes as they are more generally defined under section 3001 of RCRA (i.e., characteristic wastes such as ignitable or reactive materials, or listed wastes such as spent solvents, electroplating baths, etc.).

Data limitations also led the Study to provide more extensive estimates for those hazardous constituents which are also CWA priority pollutants. The CWA priority pollutant list was originally developed as part of a settlement agreement between the Natural Resources Defense Council (NRDC) and EPA (*NRDC* v. *Train*, 8 ERC 2120 (D.D.C. 1976)). This agreement required the Agency to promulgate technology-based standards for 65 compounds or classes of compounds. Congress then incorporated this list of toxic pollutants as part of the 1977 amendments to the CWA. From the list of compounds or classes of compounds, EPA later developed a list of 126 individual priority pollutants.

A more thorough assessment of hazardous waste discharges depends on collecting additional data on discharges of non-priority hazardous wastes to POTWs. Furthermore, the Agency possesses little knowledge about the behavior and effects of many hazardous constituents in aqueous solutions. In particular, the Study determined that little is known about groundwater contamination as a result of exfiltration (leakage) from POTW systems or air emissions due to the volatilization of industrial wastes discharged to sewers.

In spite of these limitations, EPA was able to give estimates in the Study on the types, sources, and quantities of many hazardous constituents discharged to POTWs. The Study provides information on industrial categories ranging from the largest hazardous waste generators (such as the organic chemicals and petroleum refining industries) to small quantity generators (such as laundries and motor vehicle services). In selecting hazardous constituents to be included in the Study, EPA took care to choose those which seemed representative of actual industrial discharges. For example, the Study emphasized hazardous constituents for which national production rates are high (as opposed to specialty chemicals), as well as constituents found in the wastestreams of industries known to be significant generators of hazardous wastes.

The Study also examines the fate of hazardous constituents once they are discharged to POTW collection and treatment systems and discusses the potential for environmental effects resulting from the discharge of these constituents after treatment by POTWs. The Study then measures the effectiveness of government controls in dealing with these discharges, paying particular attention to federal and local pretreatment programs and categorical pretreatment standards applicable to industrial users of POTWs.

After considering all the pertinent data, EPA concluded that the Domestic Sewage Exclusion should be retained at the present time. The Study found that CWA authorities are generally the best method of controlling hazardous waste discharges to POTWs. However, the Study also found that these authorities should be more broadly and effectively employed to regulate these discharges. The Study therefore recommended ways to improve various EPA programs under the CWA to obtain better control of hazardous wastes entering POTWs. In addition, the Study recommended research efforts to fill certain information gaps, and indicated that other statutes (such as RCRA and the Clean Air Act) should be considered along with the CWA to control hazardous waste dischargers and/or receiving POTWs if the recommended research indicates the presence of problems not adequately addressed by the CWA. These recommendations are discussed in Part IV below.

III. Public Participation

As stated earlier, EPA wishes to obtain through this notice suggestions and comments from the public about the best ways to deal with the problem of hazardous wastes discharged into the nation's municipal treatment plants. For this reason, the Agency is not proposing any specific regulatory amendments at this time. Some of the regulatory efforts in which EPA has been and continues to be engaged under the CWA are related directly to the recommendations of the Study. Where relevant, these efforts are described below. Generally, however, EPA is today presenting a range of new ideas that could be starting points for specific future regulatory proposals that, when implemented, would improve control of hazardous wastes discharged to POTWs. EPA invites comment on these ideas and actively solicits comments and suggestions on any other alternative methods of dealing with the problems discussed by the Study.

Besides inviting comments on the merits of all approaches, the Agency also requests comments on the resource implications of all alternative suggestions, since such implications must be taken into account when EPA selects options for formal proposals and final rulemakings.

The Agency believes that wide public participation is essential to help EPA select the best choices among all available options. To this end, the Agency has announced in a separate **Federal Register** notice three public meetings to be held after today's ANPR is published (51 FR 29499, August 18, 1986). The meetings will take place as follows:

Hall of States, Skyline Inn, 10 I St. SW, Washington, D.C. 20024—9:30 a.m., September 11, 1986

Grand Ballroom North, Sheraton International at O'Hare, 6810 North Mannheim Road, Rosemont, Illinois 60018—9:30 a.m., September 17, 1986

Continental Parlor, San Francisco Hilton and Tower, 333 O'Farrell Street, San Francisco, California 94102—10:00 a.m., September 18, 1986

Each meeting will last for approximately four hours. All interested persons are invited to attend.

In addition to holding public meetings and evaluating comments received in response to today's notice, the Agency plans to consult interested groups and organizations (including environmental groups, industry trade associations, and State and local pollution control authorities) to obtain the benefit of their advice and expertise. EPA will then publish formal proposals, followed by promulgation of final rules.

IV. Recommendations of the Domestic Sewage Study and Preliminary Approaches Toward Their Implementation

The Study summarizes its recommendations for improvement of EPA programs as follows:

- Improvements can be made to federal categorical standards and local pretreatment controls to enhance control of hazardous wastes discharged to sewers;
- EPA should emphasize improvement of controls on hazardous wastes through ongoing implementation of water programs, including enforcement, sludge management, and water quality programs;
- Additional research is necessary on the sources and quantities of hazardous wastes, their fate and effects in POTW systems and the environment, and the design of any additional regulatory controls that might be necessary;
- RCRA, CERCLA, and the CAA should be considered along with the CWA to control hazardous waste discharges and/or receiving POTWs if the recommended research indicates the presence of problems.

The specific recommendations of the Study are discussed in more detail below. The Agency's planned approaches to implementing these recommendations are also described. In each case, comments are invited and any other new ideas are requested and welcomed.

A. General Pretreatment Program

1. General and Specific Prohibited Discharge Standards

As part of its evaluation of the national pretreatment program, the Study recommended modifying the prohibited discharge standards of the general pretreatment regulations to improve control of characteristic hazardous wastes and solvents.

The prohibited discharge standards forbid certain types of discharges to POTWs from all industrial users (including those not regulated by categorical pretreatment standards). The general prohibitions (40 CFR 403.5(a)) forbid discharges which pass through the POTW or interfere with its operation or performance. The specific prohibitions (40 CFR 403.5(b)) currently forbid the discharge of specific types of materials which can harm POTW collection and treatment systems. These are:

- Pollutants which create a fire or explosion hazard;
- Pollutants which cause corrosive damage;
- Pollutants which cause obstruction to flow within a POTW;
- Any pollutants discharged in concentrations or flow rates which cause interference with a POTW;
- Heat which inhibits POTW biological activity.

With respect to the specific discharge prohibitions, the Study suggested ways that EPA might amend these prohibitions to improve the control of hazardous wastes. In particular, the Study discussed expanding the list of specific prohibitions to include certain characteristics of hazardous wastes under RCRA (i.e., wastes that are deemed hazardous if they possess certain characteristics). These characteristics of hazardous wastes are ignitability, corrosivity, reactivity, and Extraction Procedure (EP) toxicity.

The existing specific prohibition against pollutants which create a danger of fires and explosions could possibly be used to control discharges of certain RCRA characteristic wastes, particularly ignitable and reactive wastes. However, the current wording of the pretreatment prohibitions is general in nature and may not be fully effective in preventing the discharge of wastes exhibiting these characteristics.

With respect to the EP toxicity characteristic, the Agency will soon propose a rule to expand this characteristic under RCRA to include 38 additional organic chemicals and an improved leaching test (the Toxicity Characteristic Leaching Procedure, or TCLP). The new test method allows better evaluation of organic pollutants (including volatiles), provides enhanced precision and accuracy, solves several operational problems associated with the EP protocol, and models effects of leaching the constituents into the environment. However, there is some question about whether these test procedures are appropriate for determining whether particular pollutants are likely to cause pass through and interference. Materials may be subsequently diluted when mixed with large amounts of domestic sewage, and POTWs are capable of removing many such materials even in small amounts.

EPA believes that the current specific discharge prohibitions for characteristic wastes are probably adequate to control hazardous wastes which exhibit the corrosion characteristic as defined under RCRA. Further, as described above, a specific discharge prohibition against wastes exhibiting the EP toxicity characteristic may be neither appropriate nor necessary. The reactivity and ignitability characteristics may be appropriate additions to the specific discharge prohibitions under the CWA pretreatment program, and EPA currently plans to propose to add these characteristics to 40 CFR 403.5(b). EPA solicits comments on whether to modify the specific prohibitions to include some or all characteristics of hazardous wastes under RCRA. (Comments on the TCLP procedure not related to the specific prohibitions should be submitted in the context of that rulemaking.)

Alternatively, or perhaps in conjunction with this approach, the Agency could prohibit (absolutely or conditionally) the discharge to POTWs of some or all constituents of hazardous waste identified in Appendix VIII of 40 CFR Part 261. Some or all listed hazardous wastes (see 40 CFR 261.31-33) could be prohibited as well. The Agency currently believes that listed hazardous wastes and constituents of hazardous wastes may often be appropriately addressed through local limits. While generally applicable discharge prohibitions may be appropriate for some wastes, constituents or classes of constituents found to cause pass through or interference, EPA does not now plan to develop general or specific discharge prohibitions for all hazardous wastes. Nevertheless, the Agency would like to receive comments on this method of implementing the recommendations of the Study.

With respect to the general prohibitions against pass through and interference (40 CFR 403.5(a)), the Agency solicits comments on whether or how to reconsider the notion of which activities should constitute violations of these prohibitions. The definitions of pass through and interference (40 CFR 403.3 (i) and (n), currently suspended) were proposed on June 19, 1985 at 50 FR 25526. Under these proposed definitions, interference occurs when an industrial user's discharge (alone or in conjunction with other sources) causes a violation of the POTW's NPDES permit or prevents sewage sludge use or disposal by the POTW in accordance with applicable laws. Similarly, pass through occurs when pollutants discharged by an industrial user (alone or in conjunction with other sources) pass through the POTW into navigable waters in quantities or concentrations that, alone or in conjunction with other sources, cause a violation of the POTW's NPDES permit. POTWs are required to establish needed local limits to prevent pass through and interference.

The Study suggested that these definitions are not fully effective in cases where hazardous wastes, though potentially harmful, do not actually

cause a violation of the POTW's NPDES permit or applicable sludge requirements. For example, it is possible for hazardous wastes discharged by an industrial user to impair plant efficiency (producing toxicity or sludge problems) without actually causing the POTW to violate its permit or applicable sludge requirements. The addition of the hazardous waste may also produce toxicity without impairing the plant's treatment efficiency for the pollutants limited in the permit. Likewise, the prohibition against pass through may not be effective in regulating hazardous wastes if water quality-based effluent limitations for toxic pollutants or total toxicity have not been specifically incorporated in the POTW's permit. In that case a permit violation would not occur regardless of the rate of discharge.

The Agency has encountered considerable difficulty in promulgating definitions of pass through and interference that are acceptable to members of the regulated community and that can withstand legal challenge (for a history of the relevent rulemakings and a discussion of the issues raised in litigation, see the preamble of the above-referenced **Federal Register** notice published on June 19, 1985). Nevertheless, EPA solicits useful comments on how these definitions might be amended in a way that strengthens control of hazardous waste discharges while at the same time giving adequate notice to industrial users of their potential responsibilities. One possible approach that the Agency is actively considering is to retain the current definitions of pass through and interference for enforcement purposes, but to require local limits development for pollutants of concern even if no POTW permit violation occurs or is threatened.

A second way to implement the prohibitions against pass through and interference is to move aggressively to set toxicity-based limits in NPDES permits issued to POTWs. Since findings of pass through and interference depend, by EPA's regulatory definition, on a violation of the POTW's NPDES permit, permit limits developed to protect against toxicity or based on toxicity testing would help POTWs develop local limits designed to avoid such violations. EPA has found that the effluents from many POTWs exhibit toxicity, so testing for compliance with toxicity-based limits should often serve as a reliable measure of whether pass through or interference has occurred. Expanding the use of toxicity-based permit limits is one of the Agency's principal goals, and EPA is currently emphasizing this concern in its quality reviews of NPDES State permit programs (for a more detailed discussion of this issue, see Part IV–C–1 below).

A related way to implement these prohibitions is to require that water-quality based permit limits for POTWs be established for additional constituents of hazardous waste likely to cause pass through or interference. These limits, when violated, would serve as a basis for determining instances of pass through or interference and for developing local limits designed to avoid such pass through and interference. Although EPA believes that this method would be more difficult to implement and would prefer to implement the prohibitions by amending the definitions of pass through and interference and by generally expanding the use of toxicity-based permit limits, the Agency nevertheless solicits comments on which constituents (if any) would be appropriate for additional permit limits.

2. Improvement of Controls on Spills and Batch Discharges, Illegal Discharges, and Discharges by Liquid Waste Haulers

Spills and batch discharges, as well as illegal discharges and discharges by liquid waste haulers, present special control and operational challenges to POTWs. Responses to an informal EPA questionnaire submitted by members of the Association of Metropolitan Sewerage Authorities (AMSA) indicated that spills and batch discharges to sewage treatment plants are frequent occurrences. As documented by POTW incidents data, these discharges cause many problems at the treatment plant, including worker illness, actual or threatened explosion, biological upset/inhibition, toxic fumes, corrosion, and contamination of sludge and receiving waters. Although some POTWs have adopted spill control measures, others are poorly prepared to cope with spills and batch discharges of hazardous wastes from industries.

Likewise, many respondents in the AMSA survey indicated concern about discharges from liquid waste haulers (legal and illegal) and "midnight dumpers" who utilize public sewers for illegal waste disposal. To address these problems, the Study recommended strengthening pretreatment regulatory and program controls.

The current general pretreatment regulations do not address these problems comprehensively, although present procedures may minimize some of the risks associated with these sources. The principal pretreatment regulation concerning spills is the requirement that all industrial users notify POTWs of slug loads of pollutant discharges that, because of volume or concentration, will interfere with or pass through the POTW (40 CFR 403.12). The Agency recently proposed to expand this requirement to include notification of slug loads that would violate any of the specific prohibitions of 40 CFR 403.5(b) (see 51 FR 21454, June 12, 1986).

Several options are available to strengthen the general pretreatment regulations to deal with these problems. For example, the pretreatment regulations might also be amended to require all industrial users to undertake preventive measures and institute follow-up on spill incidents. Alternatively, or in addition, the Agency could amend the regulations to require that POTWs develop their own enforceable plans for accidental spill prevention and control. Many POTWs already have such plans, and EPA believes that they hold promise in giving POTWs better control of hazardous wastes entering their treatment and collection systems. EPA's Region X has adopted this approach, and reports that it has been successful.

With respect to discharges from liquid waste haulers, these are subject to the same categorical standards, general and specific prohibitions, and local limits presently in effect for any industrial user. In addition, POTWs that receive RCRA hazardous wastes by truck, rail, or dedicated pipe are not covered by the Domestic Sewage Exclusion of RCRA, and are therefore subject to regulation under the RCRA permit-by-rule (40 CFR 270.60(c)), which includes a requirement that POTWs take corrective action for releases at their own solid waste management units.

One way to strengthen the present controls on discharges from liquid waste haulers would be to amend the general pretreatment regulations to require POTWs to develop and obtain EPA approval of procedures (in addition to those presently required under RCRA) for dealing with trucked-in wastes (whether trucked to the POTW headworks or to the sewer). These procedures could include manifesting, monitoring, and sampling requirements. Another method would be to amend the regulations to ban the introduction of hazardous wastes or constituents of hazardous wastes to sewer systems by truck except at specific points designated by the POTW (in addition to the RCRA requirements already applicable to generators or transporters of hazardous wastes).

EPA believes that each of these options would help improve controls on

spills and batch discharges and discharges by liquid waste haulers, and now plans to propose regulations along the lines described above. The Agency solicits comments or information on the number and types of local programs which already have measures in place to deal with such problems, and requests alternative suggestions on ways to address these concerns.

A related recommendation of the Study was that EPA assess the incidence and effects of "midnight dumping" into sewers. Part of the Agency's follow-up effort on the Study consists of consulting groups such as state and local water pollution control agencies and AMSA who will be able to help EPA review the incidence of illegal discharges of hazardous wastes to sewers. In this way, the Agency hopes to learn more about the number and significance of these discharges to determine whether it needs to develop a more effective program for their control. At present, it is unclear whether more regulatory requirements would be useful, or whether an aggressive policy of monitoring and enforcement is the only effective way to deal with these illegal actions. The Agency invites comment on this question.

In the meantime, EPA is continuing its criminal enforcement effort against these and other violators of the Clean Water Act. Investigators from the EPA National Enforcement Investigations Center's Office of Criminal Investigation continue to follow leads and gather evidence against illegal dischargers. If evidence exists that a crime has been committed, the case is referred first to EPA's Office of Criminal Enforcement and then, if warranted, to the Department of Justice or the appropriate U.S. Attorney's Office. Since 1983, several prosecutions have been initiated for willful illegal discharges into sewers or POTWs, all of which have resulted in convictions and substantial fines. The Agency will vigorously continue this effort to deter similar potential violators.

3. Notification Requirements

Proper notification to POTWs of hazardous waste discharges is essential to the control of such wastes. Without workable notification requirements, any further attempt to regulate hazardous constituents discharged to POTWs is difficult if not impossible.

Section 3010(a) of RCRA requires that any person who generates or transports a RCRA hazardous waste, or who owns or operates a facility for the treatment, storage, or disposal of such waste, must file a notification with EPA or with a State with an authorized hazardous waste permit program. Section 3018(d) of RCRA (enacted as part of the HSWA in 1984) clarifies that wastes mixed with domestic sewage are also subject to this notification requirement.

The Agency has not yet promulgated regulations to implement the Section 3018(d) notification requirements. The Study recommended that these requirements be implemented to ensure that regulatory authorities were aware of discharges of hazardous wastes to POTWs. EPA presently plans to amend the general pretreatment regulations to require that industrial users notify their POTW (rather than EPA or the State) of any constituents of hazardous wastes discharged. In addition, EPA has recently proposed to require industrial users to notify the POTW of certain changes in their discharges (see 51 FR 21454, June 12, 1986). The Agency solicits comments on these and other ways to improve notification requirements (including amendments to the RCRA regulations) to give POTWs greater control of hazardous constituents entering their treatment and collection systems.

4. Enforcement of Categorical Standards

The Study recommended that EPA implement stringent enforcement of categorical pretreatment standards. Such enforcement would cause a significant reduction of pollutant loadings to POTWs, particularly of heavy metals. More stringent enforcement of the standards was also recommended recently by the Pretreatment Implementation Review Task Force (PIRT) which last year gave the Agency recommendations for improving the national pretreatment program.

A series of audits performed by EPA of pretreatment programs at many municipalities has revealed that there is considerable room for improvement in compliance by industry with the categorical standards. One way to address the problem is through the relevant PIRT recommendations. In accordance with those recommendations, EPA has prepared guidance on compliance monitoring and enforcement for POTWs. This guidance will help POTWs set priorities for their local enforcement programs by providing definitions of "significant" industrial users and "significant" noncompliance. The guidance will also recommend monitoring frequencies for industrial users and provide guidance on the semi-annual reports required of industrial users.

The Agency is also conducting audits of all approved local pretreatment programs over a five-year period, as well as conducting pretreatment compliance inspections at POTWs once a year. EPA Regions and States will ensure that compliance is achieved by reviewing annual reports, conducting audits and inspections, ensuring public notice of violations, and, where appropriate, enforcing against industrial users. EPA has already filed many enforcement actions against violations of the pretreatment standards. However, the Agency's enforcement efforts are only one portion of the total effort envisioned by Congress. Improved POTW pretreatment programs are essential to the implementation and enforcement of pretreatment requirements.

The Agency will provide assistance and advice to POTWs experiencing difficulty in the early stages of local pretreatment program implementation. To this end, EPA plans to develop guidance on what constitutes proper implementation of a local program. The guidance would indicate the circumstances under which EPA would take action against a POTW for unacceptable performance. In addition, EPA Regions and States will establish an inventory of industrial users in areas where there is no local program and will establish control mechanisms for these users, as well as initiating enforcement actions where necessary.

EPA also intends to complete existing enforcement cases against any POTWs with unapproved local programs and will initiate new enforcement actions against POTWs that fail to implement approved programs.

The Agency has also recently proposed amendments to the general pretreatment regulations which would clarify and expand the requirements applicable to industrial users for self-monitoring (see 51 FR 21454, June 12, 1986). These amendments will help both POTWs and industrial users to become aware if categorical standards have been violated and to take the appropriate remedial or enforcement measures.

Industrial users must currently submit to the Control Authority (i.e., the POTW, the State, or EPA) a baseline monitoring report containing basic information on the user's discharge and compliance status (this report must be submitted within 180 days after the effective date of the applicable categorical standard). Industrial users must also submit a preliminary report on compliance with categorical pretreatment standards (to be submitted within 90 days of the deadline for compliance with the applicable standard) and subsequent periodic reports on compliance with the standards (to be submitted twice

yearly). The proposed amendments would clarify that the periodic compliance reports must be based on an appropriate amount of sampling and analysis (to be determined by the POTW) performed during the reporting period. The amendments also propose to require that industrial users report the results of sampling and analysis if these results indicate that a violation has occurred (this report must be submitted within three weeks of the apparent violation). The proposed amendments would further require industrial users to inform the Control Authority of any substantial changes in the volume or character of pollutants in the user's discharge. However, they would clarify that the Control Authority may elect to conduct its own monitoring program in lieu of relying solely on self-monitoring by its industrial users. Finally, the proposed amendments require the Control Authority to impose appropriate reporting requirements for pollutants not regulated by categorical standards.

EPA believes that these proposed changes, when promulgated, will substantially improve POTWs' ability to enforce compliance with categorical pretreatment standards. The Agency solicits comments on any additional ways to ensure that these standards are enforced to the fullest extent possible.

5. Local Limits

The Study recommended that local limits be improved and fully implemented at POTWs to control discharges of organic pollutants and other hazardous wastes.

Under the general pretreatment regulations (40 CFR 403.5(c)), POTWs administering local pretreatment programs must develop and enforce local limits to implement the general and specific prohibitions discussed above. All other POTWs must develop specific effluent limits if pollutants contributed by industrial users have resulted in instances of pass through or interference that are likely to recur.

Local limit-setting offers high potential for improved control of hazardous waste discharges. Efforts by POTWs to establish local limits have been successful in the case of toxic metals (cadmium, chromium, copper, lead, nickel, and zinc) which are frequently found in the sludges, the effluent, and the influent at POTWs. In August 1985, EPA Headquarters issued interpretive guidance to EPA Regions and States that clarified EPA's minimum local limits requirements for POTWs, especially the requirements for local limits on the metals mentioned above. Additional technical guidance is available in EPA's *Guidance Manual for Pretreatment Program Development* (October 1983).

Nevertheless, much work remains to be done to develop local limits for other hazardous constituents, especially organic solvents and other organic constituents. It is particularly important that these limits be derived from a sound technical analysis of interference and pass through concerns, so that the requirements of the CWA prohibiting interference and pass through will be more readily enforceable through specific, verifiable numeric effluent limits.

Issuing guidance in certain areas might be useful in helping POTWs to develop effective and enforceable local limits. For example, the Agency could issue guidance on limit-setting methodologies that emphasize pass through or interference concerns, although this is a technically difficult problem which may be best approached by issuing guidance in several steps, beginning with those constituents that are best understood. Likewise, the Agency could provide guidance and information on available technologies for use by POTWs in setting limits based on best professional judgment. EPA is now preparing such guidance, which will include advice on the use of toxicity testing to help POTWs set priorities for local limits by identifying discharges of particular concern.

In addition, the Agency might consider amending the general pretreatment regulations to require POTWs to use a permit system as the basis of their pretreatment programs, unless the POTW could demonstrate an adequate alternative approach. Such a system would involve a written document such as a permit that would reflect a binding agreement between the POTW and the industrial user concerning effluent limitations and monitoring frequency. Such a document, besides being a useful enforcement tool, could serve as a convenient mechanism for POTWs to develop local limits applicable to all industrial users. Although the Agency has not heretofore required POTWs to adopt such an approach, it is possible that many pretreatment programs would benefit from it.

As mentioned above, EPA also intends to propose modifying the regulations relating to pass through and interference to require that local limits be established for hazardous constituents in the absence of NPDES permit limits for these pollutants (for a further discussion of this issue, see Part IV.A.1 above).

EPA solicits comments on these and other ways to help POTWs set specific limits to control hazardous constituents.

B. Categorical Pretreatment Standards

One of the main recommendations of the Study was that EPA review and amend categorical pretreatment standards to achieve better control of the constituents of hazardous wastes. The Study recommended that the Agency modify existing standards to improve control of organic priority pollutants and non-priority pollutants, and that EPA promulgate categorical standards for industrial categories not included in the Natural Resources Defense Council consent decree (*NRDC v. Train*, 8 ERC 2120, D.C.C. 1976). As part of the effort of developing new categorical standards and amending existing standards, the Study also recommended that the Agency evaluate sources of solvents listed as hazardous wastes under RCRA that are discharged to POTWs and develop sampling and analytical protocols for nonpriority pollutants. In addition, the Study recommended that EPA consider including selected RCRA constituents on the CWA priority pollutant list, or adopting an equivalent approach for regulating these constituents.

Categorical pretreatment standards are an important means of reducing toxic loadings to the nation's sewers. EPA has made considerable progress in promulgating these national standards. Currently, categorical pretreatment standards for existing sources which include discharge limits for toxic pollutants apply to 23 specific industrial categories. The Study estimated that roughly 14,000 indirect dischargers are subject to categorical pretreatment standards, including such major contributors of industrial wastes as metal finishers, manufacturers of pesticides, and iron and steel manufacturers. Full compliance with the standards will result in a significant reduction in toxic loadings to POTWs.

The effluent guidelines rulemakings for these standards have concentrated on the control of the 126 compounds on the CWA priority pollutant list. Because heavy metals (e.g., lead, cadmium, nickel) are well represented on this list, the Study found that full compliance with existing categorical standards should significantly reduce loadings to POTWs of metal constituents such as those discharged by the metal finishing, battery manufacturing leather tanning and inorganic chemicals industries.

However, the Study predicted that implementing the standards would not reduce loadings of organic pollutants to

the same extent. The Study found that significant organics sources (e.g., pharmaceutical manufacturers, laundries, equipment manufacturing, wood refinishing, petroleum refining) are largely unregulated for these pollutants under existing categorical pretreatment standards.

Moreover, by authority of paragraph 8 of the NRDC consent decree, EPA determined that national categorical standards for all or part of twelve other industrial categories (including paint formulation, printing and publishing, and auto and other industrial laundries) were not necessary. Sources in these categories are still subject to the prohibited discharge standards of the general pretreatment regulations and may also be specifically regulated by local POTW ordinances, including local limits.

After considering the scope of the NRDC consent decree and the extent of paragraph 8 exemptions, the Study found that potential industrial sources of hazardous waste discharges to POTWs may not be sufficiently regulated by categorical standards. These unregulated sources include emerging industries (e.g., hazardous waste treatment and solvent and oil recovery) that are not addressed in the consent decree, and service-oriented industries (such as industrial laundries and hospitals) that tend to discharge smaller quantities of toxic pollutants on a facility-specific basis.

In addition, EPA has identified three other unregulated industrial categories as potential candidates for regulatory action to control discharges of toxic and hazardous pollutants. These are ferroalloy manufacturing, hot dip coating, and textiles.

In response to the recommendations of the Study, EPA has begun to collect additional data from twelve regulated and unregulated industries to determine which warrant national regulation. The unregulated industries are hazardous waste treaters (including centralized waste treaters), solvent reclaimers, barrel reclaimers, waste oil reclaimers, equipment manufacturers and rebuilders, paint manufacturers, transportation, industrial laundries, and hospitals. The regulated industries are textiles, timber, and pharmaceuticals. The data collection efforts consist of workplan development, characterization of the industry, sampling and analysis, wastestream characterization, determination of wastewater treatability, and environmental impact analyses. Wastestream sampling and analysis will be initiated for most of the twelve industries in FY 1986. Wastewater and sludges from five municipal wastewater treatment facilities will also be collected and analyzed.

The Agency will use the information collected through these efforts to develop decision documents, which will eventually be published for all the industries discussed above (beginning with hazardous waste treaters, solvent reclaimers, and pharmaceuticals in FY 1987). These decision documents will provide a technical basis to determine whether a regulation should be developed for a particular industry, and will also serve as a summary of information to be used by permit writers and POTWs in controlling hazardous wastes until final rules are published.

In response to the Study's recommendations concerning evaluation of solvents and development of sampling and analytical protocols, EPA has already begun to develop analytical techniques for the measurement of hazardous waste constituents, using Gas Chromatography/Mass Spectroscopy methods with new extraction procedures, standards for new compounds, new response time information, and spectra identification information. The Agency will use these techniques to evaluate industrial wastewaters for the presence of heretofore unmeasured pollutants in these wastewaters, including hazardous constituents which are also non-priority pollutants under the CWA. As part of this effort, EPA will be analyzing industrial and municipal wastewaters for over 350 chemicals in 1986.

EPA solicits comments on these and other ways to improve categorical pretreatment standards to achieve better control of hazardous constituents discharged to POTWs.

C. Water Quality Issues and Sludge Control

1. Issuance of Water Quality Criteria; Water Quality-Based Permitting

The Study recommended that EPA develop additional water quality criteria for constituents of RCRA hazardous waste, particularly pollutants that are not listed as priority pollutants under the CWA. The Study further recommended that the Agency expand the use of biomonitoring techniques and water quality-based permitting to improve protection of receiving waters. Expedited issuance of water quality standards was also recommended by PIRT.

Under section 303 of the CWA, water quality standards are developed by States, based either on federal water quality criteria or site specifically-derived criteria. The standards are meant to protect certain uses for receiving waters, such as fishing, swimming, water supply, or industrial use. Using wasteload allocation techniques, these water quality-based pollutant standards, in turn, are translated into effluent limits needed to protect water quality and designated uses pursuant to sections 301 and 302 of the CWA. The standards are also used by POTWs in developing local limits for industrial users to prevent pass through of pollutants which would cause a violation of the water quality-based limits of the POTW's NPDES permit (see 40 CFR 403.3(n), currently suspended). Guidance on the application of water quality criteria and standards and on general water quality-based toxics control is available in the Agency's *Technical Support Document for Water Quality-Based Toxics Control* (September, 1985).

The Agency has published water quality criteria documents for many organic pollutants, including some hazardous constituents evaluated in the Study. These pollutants include benzene, chlorinated benzenes, phenols, and toluene (for copies of the complete documents for individual pollutants, contact the National Technical Information Service [NTIS], 5285 Port Royal Road, Springfield, Virginia 22161). The Agency is presently developing criteria for some additional RCRA constituents (particularly organic pollutants, including solvents) which will help States to implement more water quality standards.

In addition, the Agency is conducting other activities to improve receiving water quality as part of its third round permits strategy. For example, every State and territory now has a water quality standard requiring that discharges must be free from toxic pollutants in toxic amounts. Using the chemical-specific and biological approaches presented in the *Technical Support Document*, EPA plans to encourage permitting authorities to implement these "free from" water quality standards more aggressively in permits to help ensure that hazardous constituents are not discharged from POTWs in toxic amounts. As part of this effort, EPA has begun working with the States to develop a list of waters for which technology-based requirements are not sufficient to protect water quality standards. The Agency's target is for States to develop needed water quality-based controls for twenty percent or more of the waters on the list by September 1987.

The Agency also plans to prepare a methodology for screening chemicals

not specifically covered by regulations promulgated by EPA to date under the Clean Water Act. This methodology would include scientific analysis of the particular chemical, review of toxicity information and ambient levels, treatability analysis, determination of whether the chemical is likely to be removed by technology-based treatment, and a decision about the need for a water quality criterion. Completing and implementing this methodology will continue over several years.

The Agency solicits suggestions on these and other ways to improve the state of water quality-based programs.

2. Sludge Criteria for RCRA Hazardous Wastes; Criteria for the Use and Disposal of Sewage Sludge

The Study recommended that EPA develop sewage sludge criteria for RCRA hazardous constituents, as well as criteria for the use and disposal of sewage sludge. These criteria will help POTWs set local limits to prevent interference with their sludge disposal options (see 40 CFR Part 403.3(i), currently suspended). PIRT also recommended that sludge management and disposal requirements be developed as soon as possible.

Section 405 of the CWA requires EPA to develop regulations providing guidelines for the use and disposal of municipal sludge. These regulations must identify sludge use and disposal options, specify factors to be considered in determining the practices applicable to each option, and identify concentrations of pollutants that interfere with each option. To date, regulations defining acceptable land disposal practices (40 CFR Part 257) have been promulgated under the joint authority of section 405 of the CWA and Subtitle D of RCRA which establish general requirements for the landfilling and land application of sludge and set maximum contaminant levels for cadmium and polychlorinated biphenyls (PCBs). Other laws, such as the Clean Air Act (CAA), RCRA Subtitle C, and the Toxic Substances Control Act (TSCA) also govern municipal sludge use or disposal, depending on the disposal option employed or the constituents and their levels present in the sludge.

EPA is currently preparing comprehensive sludge management regulations under the authority of section 405 of the CWA. This initiative has two parts. The first is programmatic: regulations have been proposed (February 4, 1986; 51 FR 4458) which delineate the roles of Federal and State governments in sludge management and which set forth the minimum criteria for state sludge management programs. The second part is technical: the Agency plans to propose and promulgate in two phases (the first phase is due to be promulgated in 1987) technical regulations addressing certain constituents in sludges managed by different practices (distribution and marketing, ocean dumping, landfilling, land application, and incineration). As a first step towards promulgating the technical sludge criteria, EPA has already developed a list of approximately 41 pollutants to be considered for regulation, many of which are RCRA constituents. The Agency plans to continue research on additional constituents of hazardous waste to be included in the second phase criteria. Promulgating these technical regulations for the use and disposal of sewage sludge should alleviate sludge management problems occasioned by the discharge of hazardous constituents to POTWs.

The Agency solicits comments on these and other ways to improve the quality and management of municipal sewage sludge. Comments concerning the specific proposed rules on state program requirements and technical criteria should be submitted in the context of those rulemakings.

D. Research and Data Collection

In addition to recommending regulatory and program changes to improve control of hazardous constituents, the Study recommended certain research and data collection efforts to fill information gaps on the sources and quantities of hazardous wastes and their fates and effects in POTW systems and the environment. The results of these efforts can then be used to design any additional controls which might prove necessary. If the recommended research indicates the presence of problems, RCRA, the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the Clean Air Act (CAA) may be considered along with the CWA to control hazardous constituents and/or receiving POTWs.

EPA has already begun two of the research efforts recommended by the Study (development and refinement of sampling and analytical protocols for non-priority pollutants, and evaluation of RCRA solvents discharged to POTWs) as part of the process of modifying the categorical pretreatment standards as discussed above. Another research effort (assessment of midnight dumping into sewers) is discussed in Part IV–A–2 above. The remaining recommendations of the Study concerning research and data collection are discussed below.

1. General Pollutant Fate and Effects

The Study recommended that the Agency continue research on pollutant fate within POTW collection and treatment systems, including examination of the effects of biological acclimation on POTW removal efficiencies and pollutant fate. The Study also recommended continued research concerning the effects on human health and the environment of the discharge of hazardous wastes to POTWs.

The Study identified four significant pollutant fates within POTW treatment systems: air stripping, adsorption to sludge, biodegradation, and pass through to receiving waters. The first three of these constitute "removal" of pollutants from wastewaters; however, air stripping and adsorption do not necessarily destroy the pollutant and may result in adverse environmental impacts. Based on laboratory studies, the Study estimated that 92 percent of the pollutants identified in the Study are removed by a fully *acclimated* biological treatment system before discharge to surface waters. Assuming an *unacclimated* biological treatment system at a POTW, an estimated 82 percent of the pollutants identified in the Study are removed before discharge to surface waters. Of course, the actual removals at any site will depend upon the quality of the influent and can vary from little removal to substantial removal. In addition, as indicated by these projections, the degree of biological acclimation in POTW treatment units may significantly affect POTW removal efficiencies. The Agency needs additional information on wastewater discharge patterns and biological acclimation rates at POTWs before it can determine the importance of the individual fate mechanisms and the potential for adverse environmental impacts.

As an additional caveat, the Study also found that significant effects on water quality and sludge are caused as much by toxicity and other characteristics of the pollutants discharged, as by the mere quantities of these pollutants entering the environment. Water quality analyses and bioassays conducted by EPA's Office of Research and Development, EPA Regions, and States indicate that POTW effluent discharges frequently exhibit adverse water quality impacts when measured in terms of toxicity. The results of these studies depend on the particular methodology used and the

circumstances present at each site. There is no general study on the fate and effects of hazardous constituents discharged to POTWs. Therefore, research should be continued to learn more about the causes of toxicity, including hazardous constituents and non-priority pollutants.

EPA intends to continue its research on the fates and effects of hazardous wastes discharged to POTWs. In the meantime, the Agency solicits comments on these and other ways to improve its knowledge in this area.

2. Air Emissions

The Study recommended collecting data on emissions of volatile organic compounds (VOCs) and other potentially toxic air pollutants from POTWs, as well as developing and refining techniques for monitoring air releases at POTWs.

Air emissions from POTWs may emanate from collection and treatment systems in several ways. Organic compounds contained in the discharges from industrial users may volatilize both en route to the POTW and at the POTW itself. These pollutants are emitted as gases to both the ambient air and the workplace (POTW) environment. In addition, the incineration of sewage sludge may emit to the ambient air hazardous constituents (especially VOCs and metals) which have been adsorbed to the sludge during treatment. Both volatilization and incineration may affect worker health and safety and ambient air quality. Worker health and safety might be affected by the increased potential for explosions due to volatile constituents in the wastestream, and by acute and chronic health effects due to contact with volatilized pollutants.

With respect to ambient air quality, EPA estimates that at least 12 million kilograms per year of VOCs are emitted by POTWs to ambient air. POTW emission of VOCs is predicted by mathematical models and has been confirmed by EPA through ambient monitoring at Philadelphia, Pennsylvania as well as in laboratory tests. However, a more thorough evaluation of the health effects of these and other volatile pollutants is hampered substantially by difficulties in measuring emissions from POTWs, limited understanding of pollutant fate in ambient air, lack of exposure assessments, and lack of human health criteria for exposure to toxics in the ambient air environment. In addition, more information is needed on the effect of incineration of contaminated municipal sludges on air quality. To this end, the Agency is preparing a risk assessment methodology which will improve its knowledge of the environmental impacts of sludge incineration.

The Study recommended that EPA conduct further study of air emissions from POTWs before developing regulatory or other strategies to deal with the problems. Strengthening the general pretreatment program as discussed in Parts A and B below should result in improvement of the quality of such emissions. In addition (depending on the results of the recommended research), the Agency may consider expanding the regulation of VOCs under the CAA. For example, emission limits might be established for VOCs from sewers and POTWs (on a State-by-State basis using State Implementation Plans or by means of permits for non-attainment areas) in order to meet the National Ambient Air Quality Standards established under section 109 of the CAA. In addition, the National Emissions Standards for Hazardous Air Pollutants (NESHAPS) under section 112 of the CAA might also be used to control air releases of hazardous wastes. Section 112 of the CAA also provides for imposition of management practices that could be employed to keep volatile materials out of the system before they can pose a problem.

Alternatively, EPA might consider regulating air emissions from POTWs receiving hazardous wastes under section 3004(n) of RCRA, which requires the Agency to promulgate regulations for the monitoring and control of air emissions at RCRA treatment, storage, and disposal facilities (TSDFs). Such an action would require modifying the Domestic Sewage Exclusion. Other possible RCRA regulatory mechanisms for the control of air emissions are section 3004(m), which requires EPA to promulgate treatment standards for wastes subject to the land disposal ban, and section 3005(c), which enables the Agency to add site-specific conditions to RCRA permits as necessary to protect human health and the environment.

EPA solicits comments on these and other ways to improve control of hazardous constituents discharged to the ambient air from POTW treatment and collection systems.

3. Groundwater Contamination

The Study recommended that EPA assess possible sources of groundwater contamination from POTWs, including exfiltration (leakage) from sewers and contamination due to leachates from landfills which handle sewage sludges.

At the present time, the Agency does not know whether leaks from POTW sewer systems have caused groundwater contamination. There are several theoretically possible pathways for the contamination of groundwater by the discharge of hazardous wastes to POTWs, including exfiltration from sewers, leaks from wastewater treatment units, land application of municipal sludge (land filling and land spreading), wastewater treatment lagoons, land treatment of municipal wastewater, and deep well injection.

Of these pathways, the Study singled out exfiltration from sewers as most deserving of further study (because of current lack of knowledge on the subject rather than because contamination from this pathway seemed likely). Municipal sludge disposal and land treatment are already regulated and under consideration for further regulation. With respect to wastewater treatment lagoons, the Agency is conducting a study under the authority of section 3018(c) of the HSWA of 1984 to determine the impact of these lagoons on groundwater contamination. This study is due to be completed in the spring of 1987. Concerning deep well injection, the Study estimated that fewer than 100 POTWs use this method of waste disposal. The Study assumed that injection would in any event produce minimal groundwater impacts because of its regulation under the Safe Drinking Water Act. Therefore, compared to other pathways to contamination discussed by the Study, exfiltration to groundwater from sewers seemed to be the most likely candidate for future research.

After study is completed on the effects (if any) of groundwater contamination resulting from hazardous constituents discharged to POTWs, the Agency will consider regulatory or program strategies to control such contamination. In the meantime, EPA solicits comments on ways to improve its knowledge about groundwater contamination caused by the discharge of hazardous wastes to POTWs.

V. Related Issues

Section 3018(a) and the Study are both concerned with the results of the Domestic Sewage Exclusion of RCRA. Since today's notice is intended by EPA to address the specific recommendations of the Study, it does not discuss all related issues concerning hazardous and other wastes received by POTWs. These peripheral issues include the interpretation of RCRA corrective action requirements, the RCRA mixture rule for the definition of hazardous waste, and the dimensions of the RCRA "permit by rule." Other issues include the application of RCRA financial

responsibility requirements (including the closure and financial assurance provisions for hazardous waste management), the disposal of wastes to POTWs from CERCLA sites, the role of quantitative risk assessment in protecting human health and the environment, and the relation of future regulatory actions to current RCRA delegation to States. EPA is now separately examining these related concerns, and plans to issue policies and propose regulatory changes as appropriate in the future.

In addition, the Agency wishes to point out that, according to the Study, approximately half of all hazardous wastes studied in four organic chemicals industries are treated and discharged directly to surface waters under National Pollutant Discharge Elimination System (NPDES) permits. Such wastes are not deemed hazardous under RCRA section 1004(27) (see 40 CFR 261.4(a)(2)). Although this ANPR addresses mainly hazardous waste disposal to POTWs, the Agency is also interested in receiving comments about the implications of this finding for the NPDES permit program.

VI. Regulatory Impact Analysis

Executive Order 12291 requires that a regulatory impact analysis (RIA) be conducted if certain criteria are met, such as an annual economic impact of a regulation totaling $100 million. Because no regulatory amendments are proposed in today's notice, EPA has not yet evaluated whether or not an RIA is necessary. When formal proposals are developed for publication, the Agency will reconsider the question of the necessity for an RIA.

VII. Regulatory Flexibility Analysis

The Regulatory Flexibility Act of 1980 (RFA) requires an analysis of any significant economic impact of proposed and final regulations on small entities. Because the Agency is proposing no regulatory amendments in today's notice, we have not developed an RFA analysis. When EPA develops formal proposals for publication pursuant to today's notice, we will reconsider whether or not to develop an RFA analysis.

VIII. Paperwork Reduction Act

Today's notice contains no formal proposals for regulatory amendments and therefore contains no information collection requirements which must be reviewed by OMB under Section 3504(h) of the Paperwork Reduction Act of 1980. These requirements will be submitted for review at the time the Agency makes a decision on proposals for publication.

Lee M. Thomas,

Administrator.

August 14, 1986.

[FR Doc. 86-18984 Filed 8-21-86; 8:45 am]

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August 22, 1986

Part III

Department of Housing and Urban Development

Office of the Secretary

24 CFR Part 0
Standards of Conduct; Proposed Rule

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Secretary

24 CFR Part 0

[Docket No. R-86-1303; FR 2146]

Standards of Conduct

AGENCY: Office of the Secretary, HUD.

ACTION: Proposed rule.

SUMMARY: This proposed rule would revise and improve the Department's Standards of Conduct regulations. It would clarify certain provisions of the current regulations and eliminate redundant and outdated material. In addition, it would conform the current regulations to subsequently enacted statutes. During the comment period, this rule will be referred to officials of the American Federation of Government Employees (AFGE) for review. The AFGE may request negotiations concerning certain changes to the rule. In addition, after consideration of the comments received, the rule will be submitted to the Office of Personnel Management for approval prior to publication as a final rule.

DATES: Comments due by October 21, 1986.

ADDRESS: Interested persons are invited to submit comments regarding this proposed rule to the Office of General Counsel, Rules Docket Clerk, Room 10276, Department of Housing and Urban Development, 451 7th Street, SW., Washington, D.C. 20410. Communications should refer to the above docket number and title. A copy of each communication submitted will be available for public inspection during regular business hours at the above address.

FOR FURTHER INFORMATION CONTACT: Mr. David D. White, Assistant General Counsel for Administrative Law, Office of General Counsel, Room 10254, 451 7th Street, SW., Washington, D.C. 20410, (202) 755-7137 (This is not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

This proposed rule would comprehensively amend the Department's Standards of Conduct regulations. The proposed rule would specifically define permissible financial interests and outside activities for Department employees as well as interests which are prohibited by the Ethics in Government Act of 1978 and Office of Personnel Management regulations.

Major Provisions: Major changes which would be made by this proposed rule are as follows:

Subpart A

1. The statement of purpose in § 0.735-101 would be shortened and simplified. In addition, a similar statement now set forth in § 0.735-201 would be deleted entirely.

2. The provisions of § 0.735-104 would be modified to clarify the role and responsibilities of the Department Counselor and to identify the Department's Deputy Counselors.

3. A new provision would be added in § 0.735-106 authorizing waiver of one or more of the regulations' restrictions by the Department Counselor when their application is not necessary to prevent an actual or apparent conflict of interest in a particular case.

4. Section 0.735-201 of the current regulations would be eliminated because it is superfluous and unnecessary. Section 0.735-202 of the current regulations would be renumbered § 0.735-201 and all following sections would be renumbered accordingly. Unless otherwise indicated, all subsequent section references in Subpart B of this preamble are to the renumbered sections.

5. The prohibition in § 0.735-202(a)(3) on accepting gifts from a person or organization whose interests may be substantially affected by the performance of an employee's official duties would be changed to prohibit acceptance when these interests may be substantially affected by "the actions of the Department."

6. In § 0.735-202(b)(2), the present standards under which food and refreshments may be accepted would be modified to cover two situations. First, the existing standard by which food and refreshments of "nominal value" may be accepted by Department employees on infrequent occasions in the ordinary course of business would be changed to permit acceptance "at conferences, seminars, or other similar meetings when payment by the employee would not be practicable." Second, the new regulation would permit the acceptance by HUD employees of food and refreshments at "meetings which do not involve the inspection, monitoring, or selection of grantees, contractors, or others who do business, or are seeking to do business, with the Department."

7. A new paragraph (b)(5) would be added to § 0.735-202 permitting attendance by Department employees "at no charge or at a reduced charge at a broadly attended conference, workshop or seminar, which is related to the work of the Department or a broadly attended social function."

8. A new paragraph (b)(6) would be added to § 0.735-202 permitting acceptance by Department employees of in-kind contributions toward official travel (for example, donated transportation tickets and meals) made by a non-Federal entity, if consistent with the Department's official travel policies. These policies would be intended to permit such acceptance only in circumstances where no actual or apparent conflict of interest would result. The policies would be available for public inspection.

9. In § 0.735-203(b)(4), the prohibition against engaging in outside employment or activities related to the substantive programs of the Department would be clarified so that the prohibition would be against "active participation in, or conduct of, a business dealing with, or related to, real estate or manufactured housing including, but not limited to, real estate brokerage, management and sales, architecture, engineering, mortgage lending, property insurance, appraisal services, construction, construction financing, land planning and real estate development." The new standard would permit employees to engage in isolated transactions in areas that may be related to programs of HUD when there is no actual conflict of interest.

10. In § 0.735-203(b)(5) a provision would be added prohibiting an employee from "serving as an officer or director of any organization which engages in lobbying activities concerning HUD's programs." This provision would codify existing Department policy on this issue.

11. A provision would be added at § 0.735-203(d)(3) prohibiting an employee from using his title or government experience to promote a commercial enterprise.

12. Current provisions concerning honoraria in § 0.735-203(e)(4) would be revised to reflect the statutory limitation (2 U.S.C. 441i) on receipt of honoraria. The limit, with certain exceptions, is $2000 per appearance, speech or article.

13. A new provision would be added in § 0.735-203(f) to reflect the statutory limitation on outside earned income that may be received by Presidential appointees at or above GS-16. That limitation is 15% of annual salary.

14. In § 0.735-203(g) and (h), new provisions would be added incorporating the restrictions on outside activities set forth in 18 U.S.C. 203 and 205. In general, these restrictions pertain to off-duty employee involvement in outside claims, requests for rulings,

contracts and applications or other similar particular matters in which the United States is a party or has a direct and substantial interest and which are pending before a Federal or District of Columbia Department or agency or, in some instances, court.

15. A new § 0.735–203(k) would be added permitting an employee to serve as a member of the Board of a Federal Credit Union or a cooperative or condominium association for a housing project which is not subject to Department regulation or, if so regulated, in which the employee resides. This provision would codify existing Department policy.

16. Section 0.735–204, which deals with permissible holdings, would be substantially revised. Most restrictions on employee investment in non-HUD related properties would be eliminated, but restrictions against employee investment in HUD-related interests or properties would be expanded. Thus, the current restriction on the number of permissible investment units (the so-called "six unit rule") would be eliminated, but restrictions on FHA-financing of properties other than the employee's principal residence would be broadened. Most of the new or revised provisions in this section would reflect this change in emphasis, and would also codify existing Department policy concerning HUD-related financial interests.

17. The primary purpose of § 0.735–204(a) of the new regulation would be to regulate certain financial interests acquired after beginning employment with the Department. Prohibited interests acquired prior to HUD employment would be governed by § 0.735–204(c).

18. The current prohibition in § 0.735–205(a)(3) against the acquisition of GNMA securities would be eliminated. Accordingly, employees would now be able to purchase GNMA securities and funds comprised of GNMA securities. The holding of GNMA-guaranteed securities will not create a potential conflict-of-interest on the part of a HUD employee, because actions that may be taken by GNMA vis-a-vis the issuer after default will not affect the security holder. GNMA's guarantee of timely payment of principal and interest on mortgage-backed securities is backed by the full faith and credit of the United States. From the perspective of the investor, therefore, GNMAs are essentially similar to Treasury securities, which are not prohibited investments. However, an employee who has access to information unavailable to the general public relevant to GNMA securities (such as prepayment trends) still would be prohibited from acquiring, selling, or otherwise dealing in GNMA securities on the basis of this "inside information." GNMA transactions based on inside information would be in violation of § 0.735–201(a) of the new regulation which would prohibit using public office for private gain and § 0.735–206 which would prohibit the use of inside information.

19. The new regulation would continue to prohibit the holding and acquisition of FNMA securities and would also bar the holding of securities collateralized by FNMA securities. See § 0.735–204(a)(1). The obligations of FNMA are not backed by the full faith and credit of the United States, and the interests of holders of FNMA debt obligations (including guaranteed pass-through securities) or equity securities could be affected by actions taken by HUD under its oversight and regulatory responsibility.

20. A new provision would be added at § 0.735–204(a)(4) barring an employee from having any interest in a Department-owned insured, or subsidized project or unit other than an employee's principal residence. This is a departure from the current rule at § 0.735–204(a)(6) which permits an employee, for example, to obtain a HUD-insured loan for an immediate past residence, vacation or retirement home.

21. In § 0.735–204(a)(5), a new provision would be added barring the receipt of HUD subsidies under Section 8 of the United States Housing Act of 1937, as amended except in certain limited situations. The provision would codify existing Department policy.

22. The prohibition against "speculation" in real estate, currently in § 0.735–205(a)(8), would be deleted since it is ambiguous and unenforceable.

23. A new § 0.735–204(a)(6) would be added barring acquisition of a direct creditor interest in mortgages insured by HUD. This restriction would be in addition to that set forth in § 0.735–204(a)(4) which would prohibit an employee from acquiring an interest in a HUD-insured investment property. This provision would not bar the acquisition of an indirect interest in HUD-insured mortgages, such as through GNMA securities.

24. A new provision would be added in § 0.735–204(b)(1) permitting employee investments in widely held mutual or money market funds which have broadly diversified portfolios although these funds may have HUD-related assets. The provision would codify existing Department policy.

25. A new provision would be added in § 0.735–204(b)(2) permitting acquisition or holding of an interest in a publicly traded municipal bond fund or trust if less than 25% of the assets are bonds or notes which financed HUD-related projects. This position would codify existing Department policy.

26. A new § 0.735–204(b)(3) would be added permitting investment as a limited partner in a large public partnership if less than 25% of the partnership assets are involved in HUD-related housing. This also would codify existing Department policy.

27. Section 0.735–204(c) would add a new provision setting forth a procedure to resolve conflicts which may arise because of prohibited interests acquired involuntarily or acquired before employment with the Department. Prohibited interests acquired involuntarily or prior to HUD employment must be reported to, and considered by, a Deputy Counselor. Generally, an employee will be permitted to retain such interests in the absence of an actual conflict of interest. For example, an employee who owned a property with Section 8 tenants in place prior to HUD employment may normally retain the property and the tenants after beginning employment with the Department. However, the employee would not be permitted to take on new Section 8 tenants during HUD employment.

28. A portion of the present regulations implementing 18 U.S.C. 208 would be deleted. Currently, § 0.735–205(b)(2) permits an employee to act in a matter involving a corporation if the employee owns stock in the corporation worth less than $7500, (and which is less than 1% of the total stock in that corporation), and if the employee, his or her spouse, or minor child is not involved in managing the corporation. This provision would be deleted because the $7500 ceiling is arbitrary and is not "inconsequential" within the meaning of 18 U.S.C. 208. Further, retaining this provision would be inconsistent with other portions of the proposed rule which would prohibit the mere acquisition of certain HUD-related interests.

29. The provision of the present regulations (currently in § 0.735–205(c)) which attributes the financial interests of an employee's spouse and minor child to the employee, would be deleted. We believe that this provision is unfair and unenforceable, particularly when an employee's spouse has independent means and the employee has no actual control over the spouse's investments. Of course, sham transactions would still be barred by § 0.735–204. For example, the acquisition of a prohibited interest in

the name of a minor child would be barred as a sham transaction if the employee's funds were used to purchase the interest or if the employee directed purchase of the interest with other funds.

30. Section 0.735–205 would be expanded to include a prohibition against the use of Government personnel for other than official purposes. In addition, the prohibition against the misuse of Government property set forth in this section is intended to include intangible property such as the Government's rights in data, patents, and copyrights, as well as products and services it has under grants, loans, subsidies, and insurance.

31. A new § 0.735–207 would be added prohibiting an employee from misusing his or her supervisory relationship or management position to obtain favors from, encourage a contribution from, or sell to, another HUD employee or someone who has business with the Department.

32. A number of miscellaneous employee conduct provisions contained in §§ 0.735–207 through 0.735–212 of the present regulations would be revised and streamlined.

Subpart C

33. Section 0.735–301 would add a new provision setting forth the groups of employees required to submit public financial disclosure statements.

34. A new provision would be added at § 0.735–302(d) requiring all employees who serve on Source Evaluation Boards and Technical Evaluation Panels to file a confidential disclosure statement.

35. Much of the technical information in the present regulations concerning time and place of filing confidential statements would be deleted. This information would be set forth in a Handbook detailing filing procedures.

Subpart D

36. All provisions relating to special Government employees would be consolidated in Subpart D, §§ 0.735–401–405.

37. Section 0.735–402 would add a new provision prohibiting special Government employees from having financial interests or engaging in outside employment or activities that constitute an actual conflict of interest. This section would codify existing Department policy.

Subpart E

38. Subpart E would be new and would implement the post employment restrictions set forth in the Ethics in Government Act of 1978.

39. Current § 0.735–213 would be transferred to Subpart E, § 0.735–501, to consolidate provisions dealing with conduct and responsibilities of former employees. Section 0.735–501(f) would incorporate the provisions of 25 U.S.C. 450i(f), permitting representation before any Federal Department, agency, court or commission by a former federal employee employed by an Indian tribe.

40. Sections 0.735–502–509 would set forth provisions concerning disciplinary actions that may be initiated against former employees who violate post employment restrictions.

Determinations

HUD regulations published at 24 CFR Part 50, implementing section 102(2)(C) of the National Environmental Policy Act of 1969, contain categorical exclusions for certain actions, activities and programs specified in § 50.20. Since the amendments made by this proposed rule would fall within the categorical exclusions for internal administrative procedures set forth in paragraph (k) of § 50.20, the preparation of an Environmental Impact Statement or a Finding of No Significant Impact is not required for this proposed rule.

Pursuant to the provisions of 5 U.S.C. 605(b) (the Regulatory Flexibility Act), the Undersigned hereby certifies that this proposed rule is not expected to have a significant economic impact on a substantial number of small entities. The proposed rule would affect only present and former Government employees.

This proposed rule does not constitute a "major rule" as the term is defined in section 1(b) of the Executive Order on Federal Regulation issued by the President on February 17, 1981. Analysis of the proposed rule indicates that it would not: (1) Have an annual effect on the economy of $100 million or more; (2) cause a major increase in costs or prices for consumers, individual industries, Federal, State or local government agencies, or geographic regions; or (3) have a significant adverse effect on competition, employment, investment, productivity, innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

This proposed rule is listed as item 786 in the Department's Semiannual Agenda of Regulations published on April 21, 1986 pursuant to Executive Order 12291 and the Regulatory Flexibility Act.

List of Subjects in 24 CFR Part 0

Conflict of interest.

Accordingly, 24 CFR Part 0 is proposed to be revised as follows:

PART 0—STANDARDS OF CONDUCT

Subpart A—General Provisions

Subpart B—Conduct and Responsibilities of Employees

Subpart C—Statements of Employment and Financial Interests

Subpart D—Conduct and Responsibilities of Special Government Employees

Subpart E—Conduct and Responsibilities of Former Employees

Authority: 5 U.S.C. 301; 18 U.S.C. 201–212; E.O. 11222, 3 CFR, 1964–1965 Comp., p. 306; 5 CFR 735.101–412.

Subpart A—General Provisions

§ 0.735–101 Purpose.

The maintenance of high standards of honesty, integrity and impartiality by Government employees is essential for the proper performance of the public business and the maintenance of confidence by citizens in their Government. To inform the public and Department staff as to the specific application of this general principle, this Part sets forth the Department's regulations prescribing standards of conduct for, and governing the submission of statements of employment and financial interests by its employees. All questions about, or requests for, interpretations should be directed to the Department Counselor or to a Deputy Counselor.

§ 0.735–102 Definitions.

(a) "Department" means the Department of Housing and Urban Development.

(b) "Employee" means an employee of the Department, other than a Special Government employee.

(c) "Special Government employee" means a person who is retained, designated, appointed or employed by the Department to perform temporary duties, with or without compensation, for not more than 130 days during any period of 365 consecutive days, either on a full-time or intermittent basis, as defined in 18 U.S.C. 202.

(d) "Person" means an individual human being.

(e) "Business entity" means a corporation, company, firm, partnership, society, joint stock company, or any other organization or institution having a business purpose including, but not limited to:

(1) Non-profit organizations or institutions which own or operate housing units, and

(2) Educational and other institutions doing research and development or related work involving grants or other types of financial assistance from, or contracts with, the Government.

§ 0.735–103 Notification to employees.

The provisions of this Part shall be brought to the attention of, and made available to, each employee and special Government employee at the time of entrance on duty and at least annually thereafter. Each revision of this Part shall be brought promptly to the attention of all employees and special Govenment employees.

§ 0.735–104 Interpretation and advisory service.

(a) Department Counselor: The General Counsel is the Standards of Conduct Counselor for the Department and shall serve as the Department's designee to the Office of Personnel Management on matters covered by this Part. The Department Counselor shall be responsible for directing and coordinating the Department's activities under this Part and assuring that adequate counseling is provided to prospective, present and former employees of the Department.

(b) Deputy Counselors: the Department's Deputy Standards of Conduct Counselors are the Associate General Counsel for Equal Opportunity and Administrative Law, the Assistant General Counsel for Administrative Law, all Regional Counsel and any other employees designated by the Department Counselor. The Department Counselor and the Deputy Counselors shall provide authoritative advice to former, current and prospective Department employees who seek guidance on questions of conflicts of interest and on other matters covered by this Part.

§ 0.735–105 Disciplinary and other remedial actions.

(a) When an actual or apparent conflict of interest or other violation of this Part is not resolved to the satisfaction of a Deputy Counselor, the matter shall be reported by the Deputy Counselor to the employee's supervisor; copies of the report shall also be provided to the Office of Personnel and Training and other concerned offices, such as the Office of the Inspector General, and the Office of the appropriate Assistant Secretary, Regional Administrator or other field office head.

(b) The employee's supervisor must consider the report of the Deputy Counselor, initiate appropriate remedial action, and inform the Deputy Counselor of the action taken. Remedial action may include, but is not limited to:

(1) Changes in assigned duties;

(2) Divestment by the employee of the conflicting interest within a reasonable time, but normally not more than 60 days after notice that a conflict exists;

(3) Disciplinary action; or

(4) Disqualification for a particular assignment.

§ 0.735–106 Waivers.

(a) The Department Counselor, in an individual case, may waive any requirement of this Part not required by law if the Department Counselor finds that application of the requirement is not necessary to prevent an actual or apparent conflict of interest in a particular case.

(b) Each such waiver shall be in writing and supported by a statement of the facts and conclusions on which it is based.

(c) The Department Counselor's authority under this section may not be delegated.

Subpart B—Conduct and Responsibilities of Employees

§ 0.735–201 Proscribed actions.

An employee shall avoid any action, whether or not specifically prohibited by this subpart, which might result in, or create the appearance of:

(a) Using public office or official title for private gain;

(b) Giving preferential treatment;

(c) Impeding Government efficiency or economy;

(d) Losing independence or impartiality;

(e) Making a Government decision outside official channels;

(f) Adversely affecting the confidence of the public in the integrity of the Government;

(g) Discriminating against any other employee, or applicant for employment, on the ground of race, color, religion, national origin, sex, age, or handicap;

(h) Excluding any person from participating in, or denying to any person the benefits of, any program or activity administered by the Department on the ground of race, color, religion, sex, national origin, age, or handicap; or

(i) Knowingly participating in, or attending while on official business, any segregated meetings, or meetings held in segregated facilities, from which persons are excluded because of race, color, religion, national origin, sex, age or handicap.

§ 0.735–202 Gifts, entertainment, and favors.

(a) Except as provided in paragraph (b) of this section, an employee shall not solicit or accept, directly or indirectly, any gift, gratuity, favor, entertainment, loan, or any other thing of value, from a person, State government, local government or business entity, or a group of persons, State governments, local governments or business entities, who or which:

(1) Has, or is seeking, any contractual or other business or financial relationship with the Department;

(2) Conducts operations or activities that are regulated by the Department; or

(3) Has interests, or whose members or clients have interests, that may be

substantially affected by the actions of the Department.

(b) The prohibitions of paragraph (a) of this section do not apply:

(1) When the circumstances make it clear that family or personal relationships are the motivating factors for a gift, entertainment or favor;

(2) To acceptance of food and refreshments (i) at conferences, seminars, or other similar meetings where payment by the employee would not be practicable, and (ii) at meetings which do not include the inspection, monitoring, or selection of grantees, contractors, or others who do business, or are seeking to do business, with the Department;

(3) To acceptance by an employee of loans from banks or other financial institutions on customary terms;

(4) To acceptance by an employee of unsolicited advertising or promotional material, such as pens, pencils, plaques, note pads, calendars, and other items of nominal intrinsic value;

(5) To attendance by an employee at no charge or at a reduced charge at a broadly attended conference, workshop or seminar, which is related to the work of the Department, or a broadly attended social function;

(6) To acceptance by the Department, under its policies governing official travel, of a donation of transportation, lodging or meals from a non-federal entity to permit an employee to attend a meeting or other event in an official duty status.

(c) An employee shall not solicit contributions for a gift to an official superior, make a donation as a gift to an official superior, or accept a gift from an employee receiving less pay than himself or herself (5 U.S.C. 7351). However, this paragraph does not prohibit voluntary gifts or donations of modest value made because of special circumstances such as marriage, illness or retirement.

(d) An employee shall not accept any gift, present, decoration or other item from a foreign government, except as authorized by the Foreign Gifts and Decorations Act (5 U.S.C. 7342).

§ 0.735–203 Outside employment and other activities.

(a) Reference in this section to outside employment and outside activities is not intended to cover employee investments. That subject is covered in § 0.735–204.

(b) An employee shall not engage in outside employment or other outside activity not compatible with the full and proper discharge of the employee's official duties and responsibilities. Incompatible activities include, but are not limited to:

(1) Outside activities which tend to impair the employee's ability or capacity to perform official duties and responsibilities;

(2) Outside activities that may be construed by the public to be the official acts of the Department;

(3) Outside activities that establish relationships or property interests that may result in a conflict between private interests and official duties;

(4) Active participation in, or conduct of, a business dealing with, or related to, real estate or manufactured housing including, but not limited to, real estate brokerage, management and sales, architecture, engineering, mortgage lending, property insurance, appraisal services, construction, construction financing, land planning, and real estate development;

(5) Serving as an officer or director of any organization which engages in lobbying activities concerning Department programs;

(6) Serving as an officer or director of a Department approved mortgagee, lending instutition or organization which services mortgages or other securities for the Department;

(7) Accepting employment, with or without compensation, with any person or business entity doing business with the Department;

(c) An employee shall not receive any salary or any thing of monetary value from a private source as compensation for his or her services to the Government (18 U.S.C. 108).

(d) An employee must obtain the prior approval of the appropriate Deputy Counselor:

(1) Before maintaining a publicly listed place of business, or

(2) Before using his or her title or reference to his or her government employment or experience in order to promote a commercial enterprise, or

(3) Before accepting employment, with or without compensation

(i) With a State or local government, or

(ii) In the same professional field as that of the employee's official position; however, an attorney of this Department may, in off duty hours and consistent with his or her official responsibilities, participate without compensation in an organized program to provide legal assistance and representation to those who do not have meaningful access to counsel.

(e) Employees are encouraged to engage in teaching, lecturing, and writing that is not prohibited by law, Executive order, Office of Personnel Management regulations, or this Part, except that:

(1) An employee may not receive compensation for any lecture, writing, or consultation, the subject matter of which is substantially related to the responsibilities, programs, or operations of the Department;

(2) An employee may not, either with or without compensation, engage in teaching, lecturing or writing that is dependent on information obtained as a result of his or her Government employment, except when that information has been made available to the general public, or will be made available on request, or when the appropriate Assistant Secretary or his or her designee gives written authorization for the use of nonpublic information on the basis that the use is in the public interest;

(3) An employee may use his or her title in connection with writing for publication only if:

(i) The writing contains a statement indicating that the views contained therein are those of the employee as an individual and do not necessarily represent the views of the Department of Housing and Urban Development; or

(ii) Such use of the employee's title is approved in advance by the appropriate Assistant Secretary or equivalent, or his or her designee;

(4) An employee may not accept any honorarium of more than § 2,000 for any appearance, speech or article (2 U.S.C. 441i), except if the honorarium is paid directly to a charitable organization at the request of the employee and selected by the payor from a list of 5 or more charitable organizations provided by the employee. In computing the § 2,000 amount, the following may be excluded:

(i) Actual travel and subsistence expenses for the employee and the employee's spouse or aide; and

(ii) Amounts paid or incurred for any agent's fees or commissions.

(f) Any employee who is compensated at an amount equal to or above GS–16 in the General Schedule and who occupies a full-time position, appointment to which must be made by the President by and with the advice and consent of the Senate, may not have in any calendar year outside earned income attributable to such calendar year which is in excess of 15 percent of the employee's salary (Pub. L. 95–521, section 210, 5 U.S.C. App.).

(g) An employee may not directly or indirectly seek or receive compensation for services, rendered by himself or others, in connection with any proceeding, application, request for ruling, contract, claim, or other

particular matter in which the United States is a party or has a direct and substantial interest and which is before any Federal or District of Columbia department or agency (18 U.S.C. 203).

(h) An employee may not act, with or without compensation, as agent or attorney for another:

(1) In prosecuting a claim against the United States; or

(2) In connection with any proceeding, application, request for ruling, contract or other particular matter in which the United States is a party or has a direct and substantial interest and which is before any Federal or District of Columbia department, agency or court (18 U.S.C. 205).

(i) Permissible exceptions to the prohibitions set forth in paragraphs (g) and (h) of this Section include:

(1) Representation without compensation in connection with a disciplinary, loyalty, or personnel proceeding;

(2) Representation with or without compensation of immediate family members and those to whom the employee owes a fiduciary duty except in those matters in which the employee has participated personally and substantially as a Government employee; and

(3) Statements required to be made under penalty for perjury or contempt.

An employee seeking to engage in one of these excepted activities is encouraged to consult in advance with a Deputy Counselor.

(j) The prohibitions set forth in paragraphs (g) and (h) of this section are in addition to, and not in lieu of, any other restrictions contained in this subpart.

(k) This section does not prohibit an employee from serving in an individual capacity as an officer or a member of the Board of Directors of:

(1) A Federal Credit Union, or

(2) A cooperative or condominium association for a housing project which is not subject to regulation by the Department or, if so regulated, in which the employee personally resides.

(l) When participating in any activity permitted by this section, an employee shall make certain that his or her official title or Department connection is not shown or used in a manner which implies that the employee is acting in an official capacity.

§ 0.735-204 Financial interests.

(a) An employee shall not have a direct or indirect financial interest that conflicts, or appears to conflict, with his or her official duties and responsibilities. Such interests include, but are not limited to, the voluntary acceptance, acquisition or holding of:

(1) Securities issued by the Federal National Mortgage Association and securities collateralized by FNMA securities.

(2) FHA debentures or certificates of claim.

(3) Bonds or notes issued by a local or State government, or an agency thereof, the proceeds of which are to be used to facilitate the construction, rehabilitation, or purchase of housing which is, or will be, insured or subsidized by the Department.

(4) Stock or other interest in a Department-owned, insured or subsidized multifamily project or single family dwelling, cooperative unit, or condominium unit, except to the extent that that stock or other interest represents the employee's principal residence. Employees who wish to purchase a Department-held property as a principal residence must adhere to the procedures established by the Assistant Secretary for Housing for the administration of the property disposition program set forth in Handbook 4310.5.

(5) Any Department subsidy provided pursuant to Section 8 of the United States Housing Act of 1937, as amended, to or on behalf of a tenant of property owned by the employee. However, an employee may accept the benefit of such a subsidy when:

(i) The employee involuntarily acquires a property which at the time of acquisition has a tenant receiving such a subsidy but only as long as that tenant continues to reside in the property, or

(ii) An incumbent tenant who has not previously received such a subsidy becomes the beneficiary thereof but only if there is no increase in that tenant's rent upon the commencement of subsidy payments other than normal annual adjustments.

(6) Any direct creditor interest in a mortgage insured by the Department.

(b) Notwithstanding paragraph (a) of this section, an employee may accept, acquire or hold

(1) An interest in a mutual or money market fund which has holdings listed in paragraph (a) of this section, and which:

(i) Has a broadly diversified portfolio not specializing in any particular industry;

(ii) Is widely held; and

(iii) Is not under the employee's control.

(2) An interest in any publicly traded fund or trust less than 25% of the assets of which are bonds or notes described in paragraph (a) (3) o: tl'is section;

(3) A limited partnership interest in a large public partnership (i.e. one which has at least 5000 partnership interests) less than 25% of the assets of which are Department insured or subsidized projects;

(c) If an employee acquires an interest prior to the commencement of employment with the Department which is prohibited under paragraph (a) of this section, or involuntarily acquires such a prohibited interest after the commencement of employment with the Department, the matter must be reported promptly to a Deputy Counselor. The Deputy Counselor will then determine whether retention of the interest is permissible or whether divestment or other appropriate remedial action is required.

(d)(1) An employee must not participate in his or her capacity as a Government employee in any matter in which, to his or her knowledge, the employee, his or her spouse, minor child, any organization in which the employee is serving as an officer, director, trustee, partner, or staff member, or a partner of the employee has a financial interest. In addition, an employee must not participate in his or her capacity as a Government employee in any matter in which, to the employee's knowledge, a person, business, or nonprofit organization with whom the employee is negotiating, or has an arrangement for, employment has a financial interest. For purposes of this paragraph a "matter" includes an application, contract, claim, request for a ruling, controversy, charge, accusation, arrest, judicial or other proceeding, or other particular matter (18 U.S.C. 208(a)).

(2) Paragraph (d)(1) of this section does not apply:

(i) If a Deputy Counselor first determines that the financial interest is not so substantial as to be deemed likely to affect the integrity of the services which the Government may expect from the employee; or

(ii) If the financial interest is within one of the following categories which are hereby exempted from the requirements of section 208(a) of Title 18, United States Code, as being too remote or too inconsequential to affect the integrity of an employee's service:

(A) Any holding in a widely held mutual or money market fund, or regulated investment company, which is not under the employee's control and which has a broadly diversified portfolio not specializing in any particular industry;

(B) Participation in a bona fide employee benefit plan, other than a profit-sharing or stock-bonus plan, that is maintained by a former employer to the extent that the employee's rights in

the plan are vested and require no additional services by him or her or further payment to the plan by the former employer with respect to the services of the employee.

§ 0.735–205 Misuse of government personnel and property.

An employee shall not directly or indirectly use, or allow the use of, Government property of any kind, including property leased to the Government, or the services of any HUD employee, for other than officially approved activities. An employee has a positive duty to protect and conserve Government property, including equipment and supplies, entrusted to him or her.

§ 0.735–206 Misuse of official information.

For the purpose of furthering a private interest, an employee shall not directly or indirectly use, or allow the use of, official information which has not been made available to the general public.

§ 0.735–207 Misuse of official position.

Except as may be permitted in the course of official business, an employee shall not use his or her supervisory relationship or management position, directly or indirectly, to seek a favor from, encourage a contribution from, or attempt to sell to, another HUD employee or person who has business with HUD.

§ 0.735–208 General conduct and conduct prejudicial to the Government.

(a) Each employee shall be courteous, considerate, and prompt in dealing with the public and with persons or organizations having business with the Department.

(b) An employee shall not engage in criminal, infamous, dishonest, immoral, or notoriously disgraceful conduct, or other conduct prejudicial to the Government.

§ 0.735–209 Intermediaries and product recommendations.

In communicating with any person or organization doing, or seeking to do, business with the Department, an employee shall not recommend or suggest the use of any particular or identified nongovernmental intermediary to deal with the Department, except as required by the employee's official duties.

§ 0.735–210 Membership in organizations in an official capacity.

(a) An employee may not, in his or her official capacity, serve as a member of a non-Federal or private organization except where express statutory authority exists, or statutory language necessarily implies such authority, or where the Secretary has determined in writing that such service would be beneficial to the Department and consistent with the employee's service to the Department.

(b) An employee may be designated to serve as a liaison representative of the Department to a non-Federal or private organization when the Secretary, the Under Secretary, an Assistant Secretary, the General Counsel, or a Regional Administrator, as appropriate, has determined in writing that such service would be beneficial to the Department and provided that:

(1) The activity relates to the work of the Department.

(2) The employee does not participate by vote in the policy determinations of the organization.

(3) The Department is not bound by any vote or action taken by the organization.

§ 0.735–211 Political activities.

Employees are required to observe the prohibitions against partisan political activities in 5 U.S.C. 7321–7327 and 18 U.S.C. 602, 603 and 607. Regulations implementing these restrictions are set forth in 5 CFR Part 733.

§ 0.735–212 Miscellaneous statutory provisions.

The attention of each employee is directed to the following statutory provisions which relate to his or her conduct:

(a) Public Law 96–303, 5 U.S.C. 7301 note, the "Code of Ethics for Government Service."

(b) Chapter 11 of Title 18, United States Code, relating to bribery, graft, and conflicts of interest.

(c) The prohibition against lobbying with appropriated funds (18 U.S.C. 1913).

(d) The prohibitions against disloyalty and striking (5 U.S.C. 7311, 18 U.S.C. 1918).

(e) The prohibition against the employment of a member of a Communist organization (50 U.S.C. 784).

(f) The prohibitions against (1) the disclosure of classified information (18 U.S.C. 798, 50 U.S.C. 783(b); and (2) the disclosure of confidential information (18 U.S.C. 1905).

(g) The provision relating to the habitual use of intoxicants to excess (5 U.S.C. 7352).

(h) The prohibition against the misuse or unauthorized use of a Government vehicle (31 U.S.C. 1344, 18 U.S.C. 641).

(i) The prohibition against the misuse of the franking privilege (18 U.S.C. 1719).

(j) The prohibition against the use of deceit in an examination or personnel action in connection with Government employment (18 U.S.C. 1917).

(k) The prohibition against fraud or false statements in a Government matter (18 U.S.C. 1001).

(l) The prohibition against concealing, removing, mutilating or destroying a public record (18 U.S.C. 2071).

(m) The prohibition against counterfeiting and forging transportation requests (18 U.S.C. 508).

(n) The prohibitions against (1) embezzlement and theft of Government money, property, or records (18 U.S.C. 641); (2) failing to account for public money (18 U.S.C. 643); and (3) embezzlement or wrongful conversion of the money or property of another which comes under the control, or into the possession, of an employee by reason of his employment (18 U.S.C. 654).

(o) The prohibition against unauthorized taking or use of documents relating to claims from or by the Government (18 U.S.C. 285).

(p) The prohibitions against an employee acting as the agent of a foreign principal registered under the Foreign Agents Registration Act of 1938, as amended (18 U.S.C. 219).

(q) The prohibition against the employment of an individual convicted of felonious rioting or related offenses (5 U.S.C. 7313).

Subpart C—Statements of Employment and Financial Interests

§ 0.735–301 Employees required to file under the Ethics in Government Act of 1978.

(a) The following employees shall submit public financial disclosure reports in accordance with the provisions of Title II of the Ethics in Government Act of 1978, as amended:

(1) Officers and employees whose positions are classified at GS–16 or above of the General Schedule, or whose basic rate of pay (excluding "step" increases) under other pay schedules is equal to, or greater than, the rate for GS–16 (step 1);

(2) Officers and employees in any other positions determined by the Director of the Office of Government Ethics to be of equal classification to GS–16;

(3) Administrative Law Judges;

(4) Employees in the excepted service in positions which are of a confidential or policy-making character, unless their positions have been excluded by the Director of the Office of Government Ethics;

(5) Designated agency ethics officials.

(b) Those employees required to file under paragraph (a) of this section are

subject to the provisions of 5 CFR Part 734 regarding procedures for filing, contents of reports, and penalties for failure to file or for falsifying a report.

§ 0.735-302 Employees required to file confidential financial disclosure statements.

The following categories of employees, other than those required to file under § 0.735-301, shall submit confidential statements of employment and financial interests:

(a) Employees classified at GS-13 or above who are in positions which include responsibility for making a Government decision or taking a Government action in regard to:

(1) Contracting or procurement;

(2) Administering or monitoring grants or subsidies;

(3) Regulating or auditing private or other non-Federal enterprises; or

(4) Other activities where the decision or action has an economic impact on the interests of any non-Federal enterprise.

(b) Employees classified at GS-13 or above who are in positions which the Department has determined have duties and responsibilities which require the incumbent to report employment and financial interests in order to avoid involvement in possible conflicts of interest.

(c) Employees classified below GS-13 who are in positions which otherwise meet the criteria in paragraphs (b) or (c) of this Section and for which the Office of Government Ethics has required filing in order to protect the integrity of the Government and to avoid employee involvement in possible conflicts of interest.

(d) Employees, regardless of grade level, who have been selected to serve on a Technical Evaluation Panel or Source Evaluation Board.

§ 0.735-303 Employee's grievance regarding filing requirements.

If an employee believes that his or her position has been improperly designated as one requiring its incumbent to submit a confidential statement of employment and financial interest, the employee may obtain review of the designation through the Department's grievance procedures.

§ 0.735-304 Reporting and review requirements.

(a) Confidential statements of employment and financial interest and supplementary statements:

(1) Shall be submitted on forms prescribed by the Department Counselor;

(2) Shall contain information required by the Department Counselor regarding the employment background and financial interests of the employee, the employee's spouse and family members; and

(3) Shall be submitted at the times and places designated by the Department Counselor.

(b) Notwithstanding paragraph (a) of this section, the Department Counselor shall not require reporting of information relating to the interests of an employee, or his or her spouse and family members, in professional associations or charitable, religious, social, fraternal, recreational, public service, civic, or political organizations or similar organizations not conducted as business enterprises.

(c) The appropriate Deputy Counselor shall review and retain employees' statements and shall advise employees as to corrective action if necessary.

§ 0.735-305 Confidentiality of employees' statements.

To insure the confidentiality of statements filed under § 0.735-302, the appropriate Deputy Counselors shall not allow access to, or allow information to be disclosed from, statements except as the Office of Personnel Management or the Department Counselor may determine for good cause shown.

Subpart D—Conduct and Responsibilities of Special Government Employees

§ 0.735-401 Applicable provisions.

(a) Every special Government employee is subject to the provisions of §§ 0.735-101 through 0.735-106, 0.735-201, 0.735-202, 0.735-204(d), 0.735-205 through 0.735-210.

(b) Every special Government employee should become familiar with the statutes listed at § 0.735-212.

§ 0.735-402 Outside employment, activities and financial interests.

(a) Special Government employees may not engage in outside employment and activities or have financial interests that conflict with the responsibilities and duties of Federal employment. However, because special Government employees usually are employed outside the Department, they may engage in employment or activities prohibited other Federal employees under § 0.735-203 when there is no actual conflict of interest. Special Government employees may also have financial interests prohibited other Federal employees under § 0.735-204(a)(1) through (a)(6) when there is no actual conflict of interest.

(b) Notwithstanding the provisions of paragraph (a) of this section, a special Government employee may not directly or indirectly seek or receive compensation for services rendered by himself, herself or others in connection with any proceeding, application, request for ruling, contract, claim or other particular matter in which: the United States is a party or has a direct and substantial interest and:

(1) Which is before any Federal or District of Columbia department or agency and in which he or she participated personally and substantially for the Government, or

(2) Which is pending before the Department, provided that a special Government employee who has served in the Department no more than 60 days in the previous 365 days shall be bound only as to a matter in which he or she participated personally and substantially (18 U.S.C. 203).

(c) Notwithstanding the provisions of paragraph (a) of this section, a special Government employee may not act, with or without compensation, as an agent or attorney for another in prosecuting a claim against the United States, or in connection with any proceeding, application, request for ruling, contract or other particular matter in which the United States is a party or has a direct and substantial interest, and

(1) Which is before any Federal or District of Columbia department, agency or court and in which he or she participated personally and substantially for the Government, or

(2) Which is pending before the Department, provided that a special Government employee who has served in the Department no more than 60 days in the previous 365 days shall be bound only as to a matter in which he or she participated personally and substantially (18 U.S.C. 205).

(d) Permissible exceptions to the prohibitions set forth in paragraphs (b) and (c) of this section include:

(1) Representation without compensation in connection with a disciplinary, loyalty, or personnel proceeding;

(2) Representation with or without compensation of immediate family members and those to whom the employee owes a fiduciary duty except in those matters in which the employee has participated personally and substantially as a Government employee; and

(3) Statements required to be made under penalty for perjury or contempt.

(e) A special Government employee seeking to engage in one of the excepted activities should consult in advance with a Deputy Counselor.

(f) The Secretary may allow a special Government employee to represent his or her regular employer or another person or organization before the

Department in the performance of work under a grant or a contract. The Secretary must first certify in the Federal Register that such representation is in the national interest (18 U.S.C. 205).

(g) The prohibitions set forth in paragraphs (b) and (c) of this section are in addition to any other restrictions contained in this subpart and do not permit any activities which are otherwise prohibited.

§ 0.735–403 Political activities.

Special Government employees are bound by the political activity restrictions cited in § 0.735–210. Such restrictions apply to a special Government employee engaged on an irregular or occasional basis, however, only on days in which service is rendered and then for the entire 24 hours of such service day.

§ 0.735–404 Financial reporting.

(a) Special Government employees who will work more than 60 days in a calendar year must submit public financial disclosure reports in accordance with the provisions of Title II of the Ethics in Government Act of 1978 when their rate of pay is equal to or greater than the basic rate for GS–16, Step 1. Such employees are covered by the reporting requirements at 5 CFR Part 734.

(b) All special Government employees not required to file under paragraph (a) of this section shall submit Confidential Statements of Employment and Financial Interests and supplementary statements to the appropriate Deputy Counselor for review and custody.

(c) The provisions of §§ 0.735–304 and 0.735–305 are applicable to a special Government employee who is required to file a statement under paragraph (b) of this section.

§ 735–405 Post employment restrictions.

All special Government employees are bound by the restrictions concerning post employment set forth in § 0.735–501 (a) and (b) and are subject to the provisions regarding disciplinary proceedings set forth in Subpart E. However, the restrictions set forth in § 0.735–501 (c) and (d) apply only to special Government employees who serve as Senior Employees, as defined in 5 CFR 737.3(a)(6), over sixty days in any calendar year. The exception to the post employment restrictions set forth in § 0.735–501(f) for former employees employed by an Indian tribe also apply to former special Government employees.

Subpart E—Conduct and Responsibilities of Former Employees

§ 0.735–501 Prohibited activities by former employees.

(a) No former employee, after terminating Government employment, shall knowingly act as agent or attorney for, or otherwise represent another in any formal or informal appearance before, or with the intent to influence, make any oral or written communication on behalf of another to, any agency, employee or court of the United States or the District of Columbia, in connection with any particular Government matter involving a specific party, in which such employee participated personally and substantially as a Department employee.

(b) No former employee, within two years after terminating employment by the United States, shall knowingly act as agent or attorney for, or otherwise represent another in any formal or informal appearance before, or with the intent to influence, make any oral or written communication on behalf of another to, any agency, employee or court of the United States or the District of Columbia, in connection with any particular Government matter involving a specific party, if such matter was actually pending under the employee's official responsibility as an officer or employee within a period of one year prior to the termination of such responsibility.

(c) No former Senior Employee, as defined in 5 CFR 737.3(a)(6), within two years after terminating employment by the United States, shall knowingly represent or aid, counsel, advise, consult, or assist in representing another by personal presence at any formal or informal appearance before any agency, employee or court of the United States or the District of Columbia, in connection with any particular Government matter involving a specific party, in which matter he or she participated personally and substantially.

(d) For a period of one year after terminating employment by the United States, no former Senior Employee shall knowingly act as an agent or attorney for, or otherwise represent, anyone in a formal or informal appearance before, or with the intent to influence, make any written or oral communication on behalf of anyone, to the Department or any of its officers or employees, in connection with any particular Government matter, whether or not involving a specific party, which is pending before the Department, or in which it has a direct and substantial interest.

(e) The prohibitions set forth in paragraphs (a) through (d) of this section will be applied in accordance with regulations of the Office of Government Ethics as set forth in 5 CFR Part 737.

(f) The prohibitions in paragraphs (a) through (d) of this section do not bar a former employee employed by an Indian tribe from representing the tribe in connection with any matter pending before any Federal department, agency, court or commission. However, a former employee who intends to engage in representational activities must advise the head of the department, agency, court, or commission, in writing, of any personal and substantial involvement he or she may have had as a federal employee in the matter (25 U.S.C. 4501(f)).

§ 0.735–502 Disciplinary action.

(a) Disciplinary action may be taken against any former Department employee or special Government employee (hereafter referred to as "former employee") found under this subpart to have violated the post employment restrictions set forth in §§ 0.735–405 and 0.735–501 of this Part.

(b) The Department Counselor or a Deputy Counselor may initiate disciplinary proceedings. For purposes of this subpart, such an official is referred to as an Initiating Official.

(c) Disciplinary action may consist of:

(1) Prohibiting the former employee from making, on behalf of another, except the United States, any informal or formal appearance before, or with the intent to influence, any oral or written communication to the Department, on any matter of business for a period not to exceed five years. This prohibition may be accomplished by directing Department personnel to refuse to participate in any such appearance or to accept any such communication; or

(2) Other appropriate disciplinary actions, including but not limited to:

(i) Prohibiting, for a definite period of not more than five years, the former employee from any representational activity in connection with a specific office in the Department, or with a specific matter, in which the employee had an interest;

(ii) Issuing a letter of warning to the former employee.

§ 0.735–503 Initiating disciplinary proceedings.

(a) The Initiating Official, upon receiving information indicating grounds for disciplinary action, shall request that the Office of the Inspector General conduct an investigation and report all

relevant investigative findings back to the Initiating Official.

(b) The Inspector General shall coordinate all investigations under this subpart with the Department of Justice to avoid prejudicing actual or possible criminal proceedings.

(c) All investigations under this subpart shall be conducted in a manner which protects the privacy of former employees. To ensure privacy, information received as a result of the Inspector General's investigation shall remain confidential except as necessary to carry out the purposes of this subpart.

(d) After the Inspector General reports the facts of the investigation to the Initiating Official, the Initiating Official shall determine either:

(1) That there is reasonable cause to believe that a violation has occurred, in which event the Initiating Official shall expeditiously provide all relevant information, along with any comments or agency regulations, to the Director of the Office of Personnel Management (OPM) and to the Assistant Attorney General for the Criminal or the Civil Division of the Department of Justice (DOJ), as appropriate; in addition, the Initiating Official shall commence disciplinary action against the former employee by serving notice in accordance with § 0.735–504; or

(2) That there is no reasonable basis for believing that a violation has occurred, in which event the Initiating Official shall advise the former employee and the Inspector General's office of that determination.

(e) In the event disciplinary action is initiated, the Department Counselor shall promptly appoint an impartial hearing officer who shall be a member of the HUD Board of Contract Appeals or an Administrative Law Judge. The hearing officer shall not have participated in any manner in the decision to initiate disciplinary action.

§ 0.735–504 Notice.

(a) The Initiating Official shall notify the former employee of the proposed disciplinary action in writing, by registered or certified mail, return receipt requested, or by any other means which gives actual notice or is reasonably calculated to give actual notice.

(b) The Notice shall include:

(1) A statement of allegations and the basis thereof sufficiently detailed to enable the former employee to prepare an adequate defense;

(2) A statement that the former employee is entitled to a hearing with a right to counsel if he or she requests a hearing within 15 days after receiving the notice;

(3) A statement explaining the method by which a hearing may be requested including the name, business address, and telephone number of the person to be contacted if there are further questions;

(4) A statement explaining the right to submit documentary evidence and a report to the hearing officer if a hearing is not requested and the method by which evidence may be submitted; and

(5) The disciplinary action proposed.

§ 0.735–505 Hearings.

(a) Formal rules of evidence and procedure applicable to a proceeding in a court of law will not be applied. Parties may object to clearly irrelevant material, but technical objections to testimony as used in a court of law will not be sustained.

(b) A former employee, against whom disciplinary action is proposed, is entitled to a hearing upon a written request submitted to the hearing officer within 15 days after the former employee receives notice as set forth in § 0.735–504. If no timely request is made, the hearing officer may proceed under § 0.735–506 to make a decision without a hearing.

(c) An attorney from the Department's legal staff shall represent the Department in the matter.

(d) The hearing shall be conducted at a reasonable time, date, and place as set by the hearing officer.

(1) In setting a hearing date, the hearing officer shall give due regard to the former employee's need for adequate time to prepare a defense and to an expeditious resolution of allegations that may be damaging to the former employee's reputation.

(2) Notice of the time, date, and place of such hearing shall be transmitted in writing to all interested parties by the hearing officer and shall include a statement indicating the nature of the proceedings and their purpose.

(e) At a hearing, the former employee shall have the right to:

(1) Represent himself or herself or be represented by counsel;

(2) Introduce and examine witnesses and submit relevant evidence;

(3) Confront and cross-examine adverse witnesses;

(4) Present oral argument; and

(5) Receive a transcript or recording of the proceedings, upon request.

(f) In a hearing, the Department has the burden of proof and must establish substantial evidence of a violation.

(g) The hearing officer shall make a determination based exclusively on matters of record in the proceeding and shall set forth in the decision all findings of fact and conclusions of law relevant to the matters at issue.

§ 0.735–506 Decision without a hearing.

(a) If no hearing is requested under § 0.735–505(b), the hearing officer shall make a decision on the basis of evidence submitted under paragraph (b) of this section. The proposed disciplinary action shall be sustained upon a showing, by substantial evidence, of cause as specified in § 0.735–502. Notice shall be provided to all interested parties stating the findings of fact and conclusions of law, the sanctions to be imposed if a violation has been found, and the procedure for filing an appeal to the Secretary.

(b) If no hearing is requested, the former employee and the Initiating Official may submit relevant information and reports on their behalf to the hearing officer. In making a decision the hearing officer shall consider all evidence and reports received prior to the decision.

§ 0.735–507 Appeals.

(a) The former employee may appeal the hearing officer's decision finding a violation of the post-employment restrictions, as set forth in §§ 0.735–405 and 0.735–501 of this Part, to the Secretary by making a written request within 20 days of the decision.

(b) Upon receiving an appeal, the Secretary or his or her designee shall review the decision of the hearing officer. The decision of the Secretary or designee shall be based solely on:

(1) The record of the proceedings if there has been a hearing;

(2) The record upon which the hearing officer made his or her decision if there has not been a hearing; or

(3) Those portions of the record cited by the parties to limit the issues.

(c) If the decision of the hearing officer is modified or reversed, the decision by the Secretary or designee shall state any findings of fact or conclusions of law which differ from the findings or conclusions of the hearing officer.

§ 0.735–508 Sanctions.

Disciplinary action may be imposed by the hearing officer if there was no appeal, or by the Secretary or his or her designee if there was an appeal, against a former government employee found to have violated the post-employment restrictions set forth in §§ 0.735–405 and 0.735–501 of this Part. The sanctions shall not exceed those proposed by the Initiating Official in the notice which initiated the disciplinary action against the former employee.

§ 0.735–509 Judicial review.

Any person found to have violated the post-employment restrictions set forth in §§ 0.735–405 and 0.735–501 of this Part, may seek judicial review of the Department's final administrative determination.

Dated: August 18, 1986.

Samuel R. Pierce, Jr.,

Secretary, Department of Housing and Urban Development.

[FR Doc 86–18962 Filed 8–21–86; 8:45 am]

BILLING CODE 4210–32–M

Federal Register

Friday
August 22, 1986

Part IV

Department of Education

34 CFR Parts 668 and 690
Student Assistance General Provisions and Pell Grant Program; Proposed Rule

DEPARTMENT OF EDUCATION

34 CFR Parts 668 and 690

Student Assistance General Provisions and Pell Grant Program

AGENCY: Department of Education.

ACTION: Notice of proposed rulemaking.

SUMMARY: Starting with the 1987–88 award year, the Secretary proposes to end the Alternate Disbursement System of making awards to students under the Pell Grant Program. Under that System, the Secretary, rather than the institution the student is attending, calculates and disburses Pell Grant awards to students. The Secretary is thus proposing to amend the Pell Grant Program regulations, 34 CFR Part 690, to revoke Subpart H, "Administration of Grant Payments—Alternate Disbursement System (ADS)" and to eliminate references to the Alternate Disbursement System in the other subparts of Part 690 as well as in the Student Assistance General Provisions regulations, 34 CFR Part 668. The Secretary is proposing to eliminate the Alternate Disbursement System because he believes that the reasons for operating the System no longer justify the cost to the Department of Education (ED) of operating it.

The Pell Grant Program is authorized by section 411 of the Higher Education Act of 1965, as amended (HEA), 20 U.S.C. 1070a.

DATES: Comments must be received on or before October 21, 1986.

ADDRESSES: Comments should be addressed to Mr. Fred Sellers, Office of Student Financial Assistance, U.S. Department of Education, 400 Maryland Avenue SW. [Room 4318, Regional Office Building No. 3], Washington, DC 20202.

FOR FURTHER INFORMATION CONTACT: Carney McCullough, (202) 472–4300.

SUPPLEMENTARY INFORMATION: The Pell Grant Program is authorized by section 411 of the HEA. Section 411(b)(3)(A) of the HEA provides that:

> Payments under this section shall be made in accordance with regulations promulgated by the Secretary for such purpose, in such manner as will best accomplish the purposes of this section.

The Secretary implemented this section by devising two systems of paying Pell Grants to students, the Regular Disbursement System (RDS) and the Alternate Disbursement System (ADS). The Secretary developed the ADS as an accommodation to institutions that did not wish, for philosophical or economic reasons, to involve themselves directly in the administration of the Pell Grant Program.

Under the RDS, an institution determines whether a student is eligible to receive a Pell Grant and the amount of the Pell Grant. The institution further disburses the Pell Grant award to the student for a payment period by either crediting the student's institutional account or paying the award directly to the student. The Secretary provides funds to the institution to make those payments. Under the ADS, the Secretary determines whether a student is eligible to receive a Pell Grant and the amount of the Pell Grant. Further, under the ADS, the Secretary pays the student his or her Pell Grant award for a payment period by mailing a check to the student for that period.

During the 1984–85 award year, approximately 7600 institutions of higher education participated in the Pell Grant Program, of which 6500 institutions participated under the RDS and 1100 institutions participated under the ADS. Almost 3 million students received Pell Grant awards from institutions under the RDS, while only approximately 40,000 students received Pell Grant awards from the Secretary under the ADS.

Under the ADS, ED essentially carries out financial aid office functions for ADS institutions at no cost to these institutions. These same functions are routinely carried out by RDS institutions either directly or through a financial aid consultant and the costs of these functions are paid by the RDS institutions. Under section 489 of the HEA, an institution receives a $5 administrative cost allowance for each Pell Grant Program recipient attending the institution regardless of whether the institution participates in the Pell Grant Program under the RDS or ADS. Thus, institutions participating in the Pell Grant Program under the ADS received approximately $200,000 in administrative cost allowances.

The operation of the ADS costs ED $1,000,000 in addition to the $200,000 the ADS institutions receive in administrative cost allowances. The Secretary believes that it is no longer necessary or appropriate for ED to continue this $1,000,000 subsidy for institutions participating in the Pell Grant Program properly under the RDS by either hiring their own staff or by contracting with financial aid consultants with the expertise to provide that administration.

Executive Order 12291

These proposed regulations have been reviewed in accordance with Executive Order 12291.

They are classified as nonmajor because they do not meet the criteria for major regulations established in the order.

Regulatory Flexibility Act Certification

The Secretary certifies that these regulations will not have a significant impact on a substantial number of small entities. Most of the institutions that participate in ADS have very few Pell Grant recipients. Those institutions which are considered small entities and have a large number of Pell Grant recipients will still be able to participate in the Pell Grant Program by contracting with financial aid services for the calculation and payment of grants rather than expanding its administrative functions.

Invitation to Comment

Interested persons are invited to submit comments and recommendations regarding these proposed regulations. Written comments and recommendations may be sent to the address given at the beginning of this document. All comments submitted on or before the 60th day after publication of this document will be considered before the Secretary issues final regulations. All comments submitted in response to these proposed regulations will be available for public inspection, during and after the comment period, in Room 4318, ROB–3, 7th and D Streets SW., Washington, DC 20202, between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday of each week except Federal holidays.

To assist the Department in complying with the specific requirements of Executive Order 12291 and the overall requirement of reducing regulatory burden, public comment is especially invited on further opportunities to reduce regulatory burden in these proposed regulations.

Paperwork Reduction Act of 1980

These regulations do not contain any information collection requirements and are therefore not subject to the provisions of the Paperwork Reduction Act of 1980 (Pub. L. 96–511) which governs such requirements.

Assessment of Educational Impact

The Secretary requests comments on whether the regulations in this document would require transmission of information that is being gathered by or

is available from any other agency or authority of the United States.

List of Subjects in 34 CFR Part 690

Administrative practice and procedure, Education, Education of disadvantaged, Grant programs—education, Student aid.

Citation of Legal Authority

A citation of statutory or other legal authority is placed in parentheses on the line following each substantive provision of these regulations.

(Catalog of Federal Domestic Assistance: No. 84.063, Pell Grant Program)

Dated: August 19, 1986.

William J. Bennett,

Secretary of Education.

The Secretary proposes to amend Parts 668 and 690 of Title 34 of the Code of Federal Regulations as follows:

PART 668—STUDENT ASSISTANCE GENERAL PROVISIONS

1. The authority citation for Part 668 is revised to read as follows:

Authority: 20 U.S.C. 1085, 1088, 1091, 1092, 1094, and 1141; 50 U.S.C. App. 482, unless otherwise noted.

§ 668.14 [Amended]

2. In § 668.14, "or" is inserted after the semicolon at the end of paragraph (c)(1)(ii), "; or" is removed at the end of paragraph (c)(2) and a period is inserted in that place, and paragraph (c)(3) is removed.

§ 668.21 [Amended]

3. In § 668.21, paragraph (a)(3) is removed.

§ 668.22 [amended]

4. In § 668.22, in paragraph (a)(1), the term "(Regular Disbursement System)" is removed.

5. In § 668.32, paragraph (d) is revised to read as follows:

§ 668.32 Statement of Educational Purpose.

* * * * *

(d) Until a student who is applying for title IV, HEA program assistance under the Pell Grant, campus-based, or State Student Incentive Grant programs files a Statement of Educational Purpose with the institution, an institution may not, for any period of instruction, disburse funds to the student under any title IV, HEA program.

Authority: 20 U.S.C. 1091.

§ 668.33 [Amended]

6. In § 668.33, "or" is inserted after the semicolon at the end of paragraph (a)(1)(i), "; or" is removed at the end of paragraph (a)(1)(ii) and a period is inserted in that place, and paragraph (a)(1)(iii) is removed.

§ 668.41 [Amended]

7. In § 668.41, the phrase ", including the Pell Grant Program under the Alternate Disbursement System (ADS)," is removed.

§ 668.85 [Amended]

8. In § 668.85, in paragraph (c)(1), the phrase "or to the Secretary if the student is attending an institution which is under the alternate disbursement system," is removed.

PART 690—PELL GRANT PROGRAM

9. The authority for Part 690 is revised to read as follows:

Authority: 20 U.S.C. 1070a, unless otherwise noted.

Subpart H—[Removed]

10. Subpart H of Part 690 is removed.

§ 690.2 [Amended]

11. In § 690.2, paragraph (b), the definitions for "ADS institution" and "RDS institution" are removed.

§ 690.3 [Amended]

12. In § 690.3, paragraph (c) is removed.

§ 690.7 [Amended]

13. In § 690.7, paragraph (b), introductory text, the phrase "(or to the Secretary if it is an ADS institution)" is removed, the term "RDS" is removed in paragraph (c) introductory text, and paragraph (d) is removed.

14. Section 690.61 is revised to read as follows:

§ 690.61 Submission process and deadline for student aid report.

(a) *Submission process.* (1) In order to receive a Pell Grant at an institution, a student shall submit a valid Student Aid Report (SAR) to that institution.

(2) An institution is entitled to rely on SAR information except under conditions set forth in §§ 668.16(f) and 668.60.

(b) *Student Aid Report deadline.* (1) Except as noted in § 668.60, to receive a Pell Grant for an award year, a student shall submit the relevant parts of the SAR to his or her institution before June 30 of that award year.

(2) Except as noted in § 668.60, to receive a Pell Grant for an award year, a student shall submit the relevant parts of the SAR to an institution while he or she is still enrolled and eligible for payment at that institution.

Authority: 20 U.S.C. 1070a.

15. In § 690.65, paragraphs (a), (b), and (c) are revised to read as follows:

§ 690.65 Transfer student: attendance at more than one institution during an award year.

(a) If a student who receives a Pell Grant at one institution subsequently enrolls at a second institution in the same award year, the student shall submit an SAR to the second institution to receive a grant at the second institution. (The institution shall follow the procedures regarding transfer students set forth in 34 CFR 668.14.)

(b) The second institution shall calculate the student's award according to § 690.63.

(c) The second institution may pay a Pell Grant for only that portion of the award year in which a student is enrolled at that institution. The grant amount must be adjusted if necessary to ensure that the grant does not exceed the student's Scheduled Pell Grant for that award year.

* * * * *

§ 690.66 [Amended]

16. In § 690.66, paragraph (d) is removed.

17. In §§ 690.3, 690.7, 690.63, 690.66, 690.71, 690.72, 690.73, and 690.74, the terms "Regular Disbursement System" and "RDS" are removed wherever they appear.

[FR Doc. 86-19038 Filed 8-21-86; 8:45 am]

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federal register

Friday
August 22, 1986

Part V

Department of Education

National Direct Student Loan, College Work-Study, and Supplemental Educational Opportunity Grant Programs; Notice

DEPARTMENT OF EDUCATION

Office of Postsecondary Education

National Direct Student Loan, College Work-Study, and Supplemental Educational Opportunity Grant Programs

AGENCY: Department of Education.

ACTION: Notice of Closing Date for Filing the Fiscal-Operations Report and Application to Participate in the National Direct Student Loan (NDSL), College Work-Study (CWS), and Supplemental Educational Opportunity Grant (SEOG) Programs.

SUMMARY: The Secretary gives notice to institutions of higher education of the deadline for an institution to apply for fiscal year 1987 funds—for use in the 1987–88 award year—under the NDSL, CWS and SEOG programs. Under these programs, the Secretary allocates funds to institutions for students who need financial aid to meet the costs of postsecondary education. An institution is not required to establish eligibility prior to applying for funds. Institutions will be notified of the closing date for establishing institutional eligibility to participate in the NDSL, CWS and SEOG programs through a separate notice in the **Federal Register.**

The Secretary further gives notice that an institution that had an NDSL fund or expended CWS or SEOG funds during the 1985–86 award year is required to report its program expenditures as of June 30, 1986, to the Secretary.

The NDSL, CWS, and SEOG programs are authorized by Parts E, C, and Part A Subpart 2, respectively, of title IV of the Higher Education Act of 1965, as amended. (20 U.S.C. 1087aa–1087ii; 42 U.S.C. 2751–2756b; and 20 U.S.C. 1070b–1070b–3.)

Closing Date: To ensure consideration for 1987–88 funds, an institution must submit the 1985–86 Fiscal-Operations Report and the 1987–88 Application to Participate in the National Direct Student Loan, Supplemental Educational Opportunity Grant, and College Work-Study Programs (FISAP–OMB No. 1840–0073) by September 26, 1986.

FISAPs Delivered by Mail: A FISAP sent by mail must be addressed to the Department of Education, Office of Student Financial Assistance, Division of Program Operations, Campus-Based Programs Branch, 400 Maryland Avenue, SW., (Room 4621, Regional Office Building 3), Washington, DC 20202.

An institution must show proof of mailing its FISAP. Proof of mailing consists of one of the following: (1) a legible mail receipt with the date of mailing stamped by the U.S. Postal Service, (2) a legibly dated U.S. Postal Service postmark, (3) a dated shipping label, invoice, or receipt from a commercial carrier, or (4) any other proof of mailing acceptable to the U.S. Secretary of Education.

If a FISAP is sent through the U.S. Postal Service, the Secretary does not accept either of the following as proof of mailing: (1) A private metered postmark, or (2) a mail receipt that is not dated by the U.S. Postal Service. An institution should note that the U.S. Postal Service does not uniformly provide a dated postmark. Before relying on this method, an institution should check with its local post office. An institution is encouraged to use certified or at least first-class mail.

FISAPs Delivered by Hand: A FISAP that is hand-delivered must be taken to the Department of Education, Office of Student Financial Assistance, Division of Program Operations, Campus-Based Programs Branch, 7th and D Streets, SW., Room 4621, Regional Office Building 3, Washington, DC. The Campus-Based Programs Branch will accept hand-delivered FISAPs between 8:00 a.m. and 4:30 p.m. daily (Washington, D.C. time), except Saturdays, Sundays and Federal holidays. A FISAP that is hand-delivered will not be accepted after 4:30 p.m. on the closing date.

FISAP Information: FISAPs were mailed by the program office in mid-July. An institution must prepare and submit its FISAP in accordance with the instructions included in the package.

The program information package is intended to aid applicants in applying for assistance under these programs. Nothing in the program information package is intended to impose any paperwork, application content, reporting, or grantee performance requirement beyond those specifically imposed under the statute and regulations governing the programs.

Applicable Regulations: The following regulations are applicable to these programs:

National Direct Student Loan—34 CFR Parts 674 and 668.

College Work-Study—34 CFR Parts 675 and 668.

Supplemental Educational Opportunity Grant—34 CFR Parts 676 and 668.

Further Information: For further information or to request a FISAP, contact Ms. Gloria Easter, Chief, Financial Management Section, Division of Program Operations, Office of Student Financial Assistance, U.S. Department of Education, 400 Maryland Avenue, SW., (Room 4621, ROB–3), Washington, DC 20202, Telephone (202) 245–2432.

(Catalog of Federal Domestic Assistance Nos. 84.038, National Direct Student Loan Program; 84.033, College Work-Study Program; and 84.007, Supplemental Educational Opportunity Grant Program)

(20 U.S.C. 1087aa *et seq.*; 42 U.S.C. 2751 *et seq.*; and 20 U.S.C. 1070b *et seq.*)

Dated: August 18, 1986.

C. Ronald Kimberling,

Assistant Secretary for Postsecondary Education.

[FR Doc. 86–19039 Filed 8–21–86; 8:45 am]

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federal register

Friday,
August 22, 1986

Part VI

Department of Agriculture Agricultural Marketing Service

7 CFR Part 29

Tobacco Inspection; Final rule

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 29

Tobacco Inspection

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: The Dairy and Tobacco Adjustment Act of 1983, as amended, requires that all flue-cured and burley tobacco offered for importation into the United States not contain any prohibited residue of any pesticide that has been cancelled, suspended, revoked, or otherwise prohibited under the Federal Insecticide, Fungicide and Rodenticide Act, and further requires that all flue-cured or burley tobacco permitted entry into the United States must be accompanied by a written identification of end users or purchasers to whom the importer may transfer such imported tobacco. A notice of proposed rulemaking was published in the Federal Register on April 25, 1986, allowing interested parties a 30-day comment period on the procedures to certify and test for pesticide residues and identification of the end users or purchasers. Based on the comments received and other available information, the proposed rule, with modifications, is adopted as a final rule.

EFFECTIVE DATE: This final rule is effective September 2, 1986.

FOR FURTHER INFORMATION CONTACT: Director, Tobacco Division, Agricultural Marketing Service, United States Department of Agriculture, Washington, DC 20250, telephone (202) 447–2567.

SUPPLEMENTARY INFORMATION: The authority for these regulations is contained in the Dairy and Tobacco Adjustment Act of 1983, as amended (7 U.S.C. 511r) ("the Act"), and the Tobacco Inspection Act (7 U.S.C. 511 *et seq.*). This final rule implements statutory requirements for the certification and testing of imported flue-cured and burley tobacco for pesticide residues and the identification of end users in a manner that, insofar as practicable, does not place an undue burden on the Federal Inspection Service or impede the expeditious movement of the tobacco in commerce. The action was reviewed under USDA procedures established to implement Executive Order 12291 and Departmental Regulation 1512–1 and is hereby classified as a nonmajor rule because the annual economic impact will be less than $100 million. Accordingly, a regulatory impact analysis is not required.

This action was also reviewed under the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*). The Administrator, Agricultural Marketing Service, has determined that this action will not have a significant economic impact on a substantial number of small entities, and will not substantially affect the normal movement of the commodity in the marketplace.

Domestic producers of flue-cured and burley tobacco are required to certify that no pesticide has been used on the tobacco that has not been approved for use on tobacco. It is the intent of the Act that importers of flue-cured and burley tobacco be treated the same. The purposes of the Act are to assure that domestic producers are not placed at an unfair disadvantage, and to protect the public from residues of pesticides not approved for use on tobacco.

The Department currently inspects for grade and quality all tobacco offered for importation into the United States except oriental and cigar types. Most imported tobacco arrives in this country by vessel, typically in 40-foot containers which carry 90–99 packages weighing approximately 500 pounds each. Generally, these containers are transferred to a rail or truck carrier and transported to an inland port of entry where the tobacco is unloaded for warehousing, manipulation, or manufacturing. The majority of imported tobacco is initially stored in bonded warehouses. Shipments are identified by invoices and packing lists which give detailed accountings of the tobacco, including country of origin, weight, and company grade. Virtually no flue-cured and burley tobacco is imported by firms which are small businesses as defined by the RFA.

Beginning September 2, 1986, all flue-cured and burley tobacco offered for importation into the United States, including tobacco entering foreign trade zones, but excluding transshipped tobacco, will be subject to testing for pesticide residues, and information will be collected for the identification of end users. The importer will be required to complete a Pesticide and End User Certification form at the time of importation. On the form the importer will certify either that the tobacco is free of prohibited pesticide residues, or that it will not move in commerce until it is tested pursuant to these regulations and found to be free of prohibited pesticide residues. Tobacco certified as being free of prohibited pesticide residues would be subject to random sampling and testing.

All imported flue-cured and burley tobacco will be assessed fees to cover the costs of sampling and testing under these regulations. The fee for sampling and testing imported flue-cured and burley tobacco in accordance with these regulations shall initially be set at $.0010 per pound. Imported flue-cured and burley tobacco not accompanied by a certification that it is free of prohibited pesticide residues shall be subject to an additional fee of $.0030 per pound. These fees were determined after a thorough review of the procedures to be used, the anticipated volume to be sampled and tested and the number of staff hours necessary to provide and supervise the testing service. Since this is a new program, the costs actually incurred would be closely monitored during the startup phase. Adjustments would be made in the fees as necessary.

Initial review of the regulations contained in 7 CFR Part 29 for need, currentness, clarity, and effectiveness has been completed. During the startup phase of this operation, the Department will closely monitor the procedures established in the final rule to insure that any problems which may arise are promptly addressed.

In compliance with the Office of Management and Budget (OMB) regulations, 5 CFR Part 1320, Controlling Paperwork Burdens on the Public, which implement the Paperwork Reduction Act of 1980, 44 U.S.C. Chapter 35, the information collection and recordkeeping requirements contained in this final rule were submitted to OMB for review as prescribed in Section 1320.13, Clearance of Collection of Information Requirements in Proposed Rules under section 3504(h) of the Paperwork Reduction Act. OMB approved the request under No. 0581–0056.

A total of 13 comments were received concerning the proposed rule, 2 from associations representing domestic producers, 4 from associations representing importers, and 7 from firms which import tobacco. One of the associations representing domestic producers expressed support for the rule as proposed; the other commenters made specific suggestions concerning various aspects of the proposed rule. The substantive comments are discussed below, together with changes made by the agency upon review.

Four commenters (2 importer associations and 2 importers) suggested that pesticide residue levels should be established only for pesticides that have been specifically prohibited under the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) (7 U.S.C. 135 *et*

seq.]. Since the Dairy and Tobacco Adjustment Act provides that all flue-cured and burley tobacco offered for importation into the United States not contain any prohibited residue of any pesticide that has been cancelled, suspended, revoked, *or otherwise prohibited* under the FIFRA, any pesticide not specifically approved under FIFRA is subject to the provisions of this Act. Accordingly, the comment that only pesticides specifically prohibited under FIFRA be subject to the Act cannot be adopted in this final rule.

An importer association and an importer suggested that the establishment of prohibited pesticide residue levels in tobacco should be deferred until data has been obtained from studies specifically relating to residue levels in tobacco. It is the clear intent of the statute that it be implemented by regulations for this sales season. Data specifically relating to pesticide residues in tobacco are not presently available, and it would take years to complete studies to obtain such data. Such a delay would defeat the clear congressional intent. Although data from tests on tobacco would be ideal, prohibited pesticide residue levels for tobacco may be established on a reasonable and informed basis by analogy to levels established for other agricultural commodities by the Environmental Protection Agency (EPA) in 40 CFR Part 180. Accordingly, this suggestion is not adopted in this final rule.

Twelve commenters, including an association representing domestic tobacco growers, 4 importer associations and 7 importers, suggested that the residue levels in the proposed rule were, in general, too low. In particular, the commenters suggested that the levels should be set higher because the EPA allows higher residue levels for various food crops. Pesticide levels allowed by EPA vary for different commodities. In instances where there was a wide variation in EPA levels, the Department selected levels at approximately the mean level for plants or fruits that are consumed directly by humans. Therefore, the residue levels for permethrin and toxaphene have been raised and the residue levels for heptachlor and ethylene dibromide have been lowered. However, no levels are set lower than 0.1 parts per million because accurate testing procedures for lower levels would be prohibitively expensive, and would place an undue burden on importers and domestic producers contrary to the intent of the Act.

Ten commenters, including an association representing domestic producers, 4 importer associations, and 5 importers, suggested that the proposed residue levels for "other (unlisted)" compounds of 4 times the lowest detectable limit would be impractical because the lowest detectable limit would be subject to change as testing methods improve. Further, new compounds will certainly be developed and used in the future. The proposed residue level for "other (unlisted)" compounds would make it impossible for most importers to certify that imported tobacco complies with the regulations and would frustrate the clear congressional intent. Accordingly, this provision has been deleted from this final rule and the regulations will apply only to the pesticides specifically listed.

This change, however, makes it necessary to modify the proposed list of pesticide residues. Four pesticides have been added to that list in this final rule, with residue levels established by analogy to permissible levels established by the EPA for other agricultural commodities. Three of these compounds, dicamba, 2, 4D, and 2, 4, 5T, are herbicides (weed killers) capable of being misused as ripening agents. The fourth compound, heptachlor epoxide, is so closely related to heptachlor that a test for heptachlor might not be conclusive. It should be noted that these pesticides would have been included in the category of "other (unlisted)" pesticides, and that the residue levels established for these pesticides in this final rule are higher than they would otherwise have been if the proposed rule were not modified. The pesticides which have been included in the list are those which might reasonably be expected to be used on tobacco. It would be impractical to establish residue levels for all pesticides used anywhere in the world, since most of them would never be used on tobacco. Also, one pesticide which was listed in the proposed rule, tamaron, has been deleted from the list of pesticides in this final rule. Orthene, a pesticide approved under FIFRA for use on tobacco, breaks down into the equivalent of tamaron, thus making a test for tamaron inconclusive.

In order to keep abreast of additional pesticides that may be prohibited in the United States, the Department will monitor the list of pesticides approved for use on tobacco in the United States and 51 foreign countries maintained and published by the Tobacco Industry Technical Committee at the North Carolina State University. Also, the Department will monitor EPA regulations, trade journals and information issued by Pesticide Residue Research Laboratories at various land grant Universities.

Four commenters suggested that importers be allowed to submit proof of testing and that this be accepted in lieu of testing by the Department in order to save time and expense. However, the Act provides that tobacco which is not certified must be tested by the Department. Four commenters suggested that submitted sample testing be permitted rather than having all samples drawn by the Department. However, the testing of submitted samples would not fulfill the requirement of the Act that the tobacco be tested by the Department. Accordingly, these suggestions are not adopted in this final rule.

Five commenters suggested that if importers are not notified within 20 days after a sample is taken, the tobacco should be presumed to have passed the test and should be allowed to enter the country. However, the Act requires that imported flue-cured or burley tobacco may not be entered unless it has been certified by the importer, or the Department has tested the tobacco and found that it contains no pesticide residue exceeding the established standards. Accordingly, this suggestion is not adopted in this final rule.

Five commenters suggested that imported tobacco placed temporarily in bond for reexport at a later date should not be subject to this rule. However, the Act requires that all flue-cured and burley tobacco offered for importation into the United States must either be certified as being free of prohibited pesticide residues or be tested. Accordingly, this suggestion is not adopted in this final rule.

Eight commenters suggested that regulations for testing imported tobacco should not be established until regulations are established for the testing of domestic tobacco. As stated in the proposal, the testing of domestic flue-cured and burley tobacco required by the Act will be undertaken by the Agricultural Stabilization and Conservation Service (ASCS) of the Department. It may be noted that existing law and regulations require that domestic producers of flue-cured and burley tobacco must certify that no pesticide has been used that has not been approved for use on tobacco, and that no pesticide has been used other than in accordance with the approved label directions.

Three commenters suggested that the term "lot" should be defined. This term is defined in 7 CFR Part 29, 401(e), which applies to this final rule as well as the

existing regulation for the inspection of imported tobacco.

Nine commenters suggested that a provision assuring the confidentiality of the end user certification should be incorporated into the final rule. The Act does not specifically address confidentiality. However, except as required by law, Department personnel are not permitted to disclose details of transactions or records pertaining to individual firms.

One importer suggested that the provisions for end user certification are unnecessary, and should be deleted. However, end user certification is required by the Act. Accordingly, this suggestion is not adopted in this final rule.

An association representing domestic producers suggested that the provisions of end user(s) certification at 29.431 be amended so that continued certification would be required after tobacco has reached the end user(s) and that certification be required for export. This suggestion is not authorized by the Act, and accordingly, is not adopted in this final rule.

Finally, a number of technical changes of a non-substantive nature have been made in style and organization. The separate sections providing for pesticide residue certification and for end user(s) certification have been combined into one section and the certifications will be made on one form.

It is hereby determined that it is impractical, unnecessary, and contrary to the public interest to delay the effective date of this final rule for 30 days after its publication in the **Federal Register** because the domestic flue-cured tobacco sale season has begun and further delay would disrupt domestic marketing and place domestic producers at a competitive disadvantage. The affected industry is aware of the requirements contained in this final rule, and implementation prior to 30 days after publication in the **Federal Register** will not cause any hardship. Accordingly, this final rule will be effective 10 days after publication in the **Federal Register.**

List of Subjects in 7 CFR Part 29

Administrative practices and procedures, Tobacco.

For the reasons set out in the preamble, the regulations contained in 7 CFR Part 29, are amended as follows:

1. The authority citation for 7 CFR Part 29 is revised to read as follows:

Authority: Sec. 19, 49 Stat. 734 as amended, 7 U.S.C. 511m; and Sec. 213, 97 Stat. 1149, as amended, 7 U.S.C. 511r, unless otherwise noted.

2. The heading of § 29.400 is revised to read as follows:

§ 29.400 Inspection, certification, and testing of imported tobacco.

3. The present text of § 29.400 is designated as paragraph (a) and a new paragraph (b) is added as follows:

(b) All flue-cured or burley tobacco, including stems, offered for importation into the United States, including tobacco entering foreign trade zones, but excluding transshipped tobacco, shall be accompanied by a pesticide and end user certification completed by the importer. Any flue-cured or burley tobacco that is not certified as being free of prohibited pesticide residues shall not be permitted entry into the United States until the Secretary has determined that the tobacco meets the pesticide residue requirements in these regulations.

4. In § 29.401 the following definitions are added:

§ 29.401 Definitions.

* * * * *

(m) *End User Certification.* A document issued by the Tobacco Division in a form approved by the Director containing a certification by the importer or subsequent purchaser to identify any and all end users of imported flue-cured or burley tobacco.

(n) *Pesticide.* Any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest, and any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

(o) *Pesticide Certification.* A document issued by the Tobacco Division in a form approved by the Director containing a certification by the importer that flue-cured and burley tobacco offered for importation does not exceed the maximum allowable residue levels of any banned pesticide.

(p) *Banned Pesticide.* Any pesticide that has been cancelled, suspended, revoked, or otherwise prohibited under the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. 135 *et seq.*), or has not been approved or sanctioned by the Environmental Protection Agency (EPA) for use on tobacco.

(q) *Stems.* The midribs or large central veins of tobacco leaves.

(r) *Pesticide Test Sample.* An official sample or samples, collected from a lot of tobacco by the Secretary of Agriculture for analysis by a certified chemist to ascertain the residue levels of banned pesticides.

(s) *Sample Identification Form.* A document approved by the Director that identifies and accompanies the sample to the testing facility on which the test results will be certified by a chemist in charge of testing.

(t) *Subsequent Purchaser.* Any entity that acquires ownership of tobacco after importation.

(u) *Testing.* The chemical analysis of a pesticide test sample to determine residue levels of banned pesticides.

(v) *End User.* A domestic manufacturer of cigarettes or other tobacco products; an entity that mixes, blends, processes, alters in any manner, or stores imported tobacco for export; or any individual that the Secretary may identify as making use of imported tobacco for the manufacture of tobacco products.

(w) *Reexported.* Any imported tobacco not used to manufacture tobacco products that is subsequently exported.

(x) *Blended.* Tobacco that is combined or mixed into a uniform product.

(y) *Leaves.* Whole, undivided tobacco leaves containing lamina and stem.

(z) *Strips.* The sides (including portions of sides) of tobacco leaf from which the stem has been removed or a lot of tobacco composed of strips.

5. The following sections are added.

§ 29.425 Submission and disposition of pesticide residues and end user(s) certification.

(a) Completion of Certification: The importer shall complete a pesticide residue and end user(s) certification on a form approved by the Director for each lot of flue-cured or burley tobacco, including stems, offered for importation. If the importer is unable to identify the end user(s) or purchasers at the time of importation, an amended certification shall be executed within 30 days or at such time as the end user(s) or subsequent purchasers can be identified for any portion of the lot. Subsequent purchasers or end users so identified shall also complete an end user(s) certification until the tobacco is used in the manufacture of tobacco products or is reexported.

(b) Disposition of Copies: The importer shall deliver the original and first copy to the inspector at the time the tobacco is inspected under the provisions of 29.400–29.407. Subsequent purchasers or end users and importers submitting amended forms shall mail the original and first copy to Director, Tobacco Division, AMS, USDA, Washington, DC 20250.

(c) The information collection and recordkeeping requirements contained in this section have been approved by the Office of Management and Budget (OMB) under the provisions of 44 U.S.C.

Chapter 35 and have been assigned OMB control number 0581–0056.

§ 29.426 Collection of pesticide test samples.

Any lot of tobacco not certified by the importer as being free of prohibited pesticide residues shall be sampled in sufficient detail to determine whether the lot conforms with the pesticide residue standards. Lots of imported tobacco certified by the importer shall be sampled on a random basis and tested to determine whether they conform with the pesticide residue standards.

§ 29.4279 Pesticide residue standards.

The maximum allowable residue levels expressed in total parts per million for the following specific pesticides are as follows:

DDT	1.5
TDE	1.0
Toxaphene	3.0
Endrin	.1
Aldrin	.1
Dieldrin	.1
Heptachlor	.1
Heptachlor Epoxide	.1
Chlordane	.3
EDB (Ethylene Dibromide)	.1
Formothion	.5
DBCP (dibromocloropropane)	50.0
Permethrin	3.0
2, 4 D	5.0
2, 4, 5 T	.5
DICAMBA	.5

§ 29.428 Identification of sample for testing.

Samples of imported tobacco shall be identified by the inspector on a form approved by the Director. The original and first two copies shall accompany the sample to the designated testing facility. The remaining copy of the identification form will be sent to the Director. Upon the completion of testing the designated facility will complete the form and mail the original and one copy to the Director and retain one copy for their records.

§ 29.429 Disposition of imported tobacco exceeding pesticide residue standards.

Within 10 days of the receipt of test results from pesticide test samples, the Director shall notify the importer or entity responsible for the lot of tobacco of the test results. If the test results indicate that the lot or any portion of the lot contains a banned pesticide exceeding the standards, the Director will notify the importer or entity responsible for the affected tobacco and the appropriate U.S. Customs officials that the tobacco cannot enter the United States. The importer or other entity shall notify the Director in writing of the methods by which the tobacco will be disposed of and provide 5 days advance notice of the time and place of final disposition. The Department will monitor the disposition procedures to verify that the tobacco has been accurately identified as to lot, kind, type, and grade.

§ 29.430 Appeals.

Appeals of test results for imported tobacco must be made in writing to the Director within 30 days from the receipt of notification. The statement must specify in detail the relief requested. The importer or entity requesting the appeal will bear the cost of any subsequent sampling and testing. Subsequent samples will be selected only from tobacco which is in the original package and from tobacco which has not been mixed, blended, or altered in any manner since the initial sampling.

6. The heading of § 29.500 is revised to read as follows:

§ 29.500 Fees and charges for inspection and testing of imported tobacco.

7. The present text of § 29.500 is designated as paragraph (a) and a new paragraph (b) is added as follows:

(b) The fee for sampling, testing and certification of imported flue-cured and burley tobacco for prohibited pesticide residues is $.0010 per pound, and shall be paid by the importer. The fee for testing imported flue-cured and burley tobacco not accompanied by a certification that it is free of prohibited pesticide residues shall be an additional $.0030 per pound. Fees for services rendered shall be remitted by check or draft in accordance with a statement issued by the Director, and shall be made payable to "Agricultural Marketing Service."

Dated: August 21, 1986.

William T. Manley,

Deputy Administrator, Marketing Programs.

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