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Friday
May 15, 1987

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WHO: The Office of the Federal Register.

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2. The relationship between the Federal Register and Code of Federal Regulations.
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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: June 9, at 9 a.m.
WHERE: Office of the Federal Register,
First Floor Conference Room,
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RESERVATIONS: Gertrude E. Belton, 202-523-5237

CHICAGO, IL

WHEN: July 8, at 9 a.m.
WHERE: Room 204A,
Everett McKinley Dirksen Federal Building,
219 S. Dearborn Street,
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RESERVATIONS: Call the Chicago Federal Information Center, 312-353-0339.

BOSTON, MA

WHEN: July 15, at 9 a.m.
WHERE: Main Auditorium, Federal Building,
10 Causeway Street,
Boston, MA.
RESERVATIONS: Call the Boston Federal Information Center, 617-565-8129

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Presidential Documents

Title 3—

The President

Executive Order 12597 of May 13, 1987

Establishing Procedures for Facilitating Presidential Review of International Aviation Decisions by the Department of Transportation

By the authority vested in me as President by the Constitution and laws of the United States of America, including Section 801 of the Federal Aviation Act, as amended (49 U.S.C. app. § 1461), and in order to provide presidential guidance to department and agency heads and facilitate presidential review of decisions by the Department of Transportation pursuant to the Federal Aviation Act, it is hereby ordered as follows:

Section 1. Executive Order No. 12547 of February 6, 1986, is revoked.

Sec. 2. The Secretary of Transportation is designated and empowered to receive on behalf of the President any decision of the Department of Transportation (hereinafter referred to as the "DOT") subject to Section 801 of the Federal Aviation Act, as amended. The Secretary of Transportation is further designated and empowered to exercise, without the approval, ratification, or other action of the President, the authority of the President under Section 801 of the Federal Aviation Act, as amended, to review and determine not to disapprove any such decision that is not the subject of any written recommendation for disapproval or for a statement of reasons submitted to the Department of Transportation in accordance with section 5(b) of this Order.

Sec. 3. (a) Except as otherwise provided in this section, decisions of the DOT subject to Section 801 of the Federal Aviation Act, as amended, may be made available by the DOT for public inspection and copying following transmission to Executive departments and agencies pursuant to section 3(c) of this Order.

(b) In the interests of national security, and in order to allow for consideration of appropriate action under Executive Order No. 12356, decisions of the DOT transmitted to Executive departments and agencies pursuant to section 3(c) of this Order shall be withheld from public disclosure for a period not to exceed 5 days after said transmission.

(c) At the same time that decisions of the DOT are received by the Secretary of Transportation pursuant to section 2 of this Order, the DOT shall transmit copies thereof to the Secretary of State, the Secretary of Defense, the Secretary of the Treasury, the Attorney General, the Assistant to the President for National Security Affairs, the Director of the Office of Management and Budget, and any other Executive department or agency that the DOT deems appropriate.

(d) The Secretary of State and the Secretary of Defense, or their designees, shall review the decisions of the DOT transmitted pursuant to section 3(c) of this Order and shall promptly advise the Assistant to the President for National Security Affairs or his designee whether action pursuant to Executive Order No. 12356 is deemed appropriate. If, after considering these recommendations, the Assistant to the President for National Security Affairs determines that classification under Executive Order No. 12356 is appropriate, he shall take such action and immediately so inform the DOT. Action pursuant to this subsection shall be completed by the persons designated herein within 5 days of the transmission of the decision.

(e) On and after the 6th day following transmission of a DOT decision pursuant to section 3(c) of this Order, or upon earlier notification by the Assistant to the President for National Security Affairs or his designee, the DOT is authorized to disclose all unclassified portions of the text of such decision. Nothing in this section is intended to affect the ability to withhold material under any Executive order or statute other than Section 801.

Sec. 4. (a) Departments and agencies outside of the Executive Office of the President shall raise only matters of national defense or foreign relations in the course of the presidential review established by this Order. All other matters, including those related to regulatory policy, shall be presented to the DOT in accordance with the procedures of the DOT.

(b) Departments and agencies outside of the Executive Office of the President that identify matters of national defense or foreign relations while a decision is pending before the DOT shall, except as confidentiality is required for reasons of defense or foreign policy, make those matters known to the DOT in the course of its proceedings.

Sec. 5. (a) The DOT shall receive the recommendations, addressed to the President, of the departments and agencies referred to in section 3(c) of this Order.

(b) Departments or agencies outside of the Executive Office of the President making recommendations on matters of national defense or foreign relations with respect to any decision received by the Secretary of Transportation under section 2 of this Order shall submit their recommendations in writing to the DOT: (1) within 4 days of the DOT's issuance of a decision subject to a 10-day statutory review period under Section 801(b); and (2) within 21 days of the DOT's issuance of a decision subject to a 60-day statutory review period under Section 801(a); or (3) in exceptional cases, within the period specified by the DOT in its letter of transmittal.

(c) The DOT shall, as soon as practical after the deadlines specified in section 5(b) of this Order: (1) if no recommendations for disapproval or for a statement of reasons are received from the departments and agencies specified in section 3(c) of this Order, issue its decision to become effective according to its terms; or (2) if recommendations for disapproval or for a statement of reasons are received, transmit them to the Assistant to the President for National Security Affairs, who, upon review, shall transmit a memorandum to the President with a recommendation as to whether or not the President should disapprove the proposed decision.

Sec. 6. (a) In advising the President with respect to his review of a decision pursuant to Section 801, departments and agencies outside of the Executive Office of the President shall identify with particularity the defense or foreign policy implications of the DOT decision that are deemed appropriate for consideration.

(b) If any department or agency that made recommendations to the President pursuant to Section 801 believes that, if the President decides not to disapprove a decision, the letter so advising the DOT should include a statement that the decision not to disapprove was based on national defense or foreign relations reasons, it should so indicate separately and explain why.

Sec. 7. Individuals within the Executive Office of the President shall follow a policy of: (a) refusing to discuss matters relating to the disposition of a case subject to the review of the President under Section 801 with any interested private party, or an attorney or agent for any such party, prior to the decision by the President or his designee; and (b) referring any written communication from an interested private party, or an attorney or agent for any such party, to the appropriate department or agency outside of the Executive Office of the President. Exceptions to this policy may be made only when the head of an appropriate department or agency outside of the Executive Office of the President personally finds, on a nondelegable basis, that direct written or oral

communication between a private party and a person within the Executive Office of the President is needed for reasons of defense or foreign policy.

Sec. 8. Departments and agencies outside of the Executive Office of the President that regularly make recommendations in connection with the presidential review pursuant to Section 801 shall, consistent with applicable law, including the provisions of Chapter 5 of Title 5 of the United States Code:

(a) establish public dockets for all written communications (other than those requiring confidential treatment for defense or foreign policy reasons) between their officers and employees and private parties in connection with the preparation of such recommendations; and

(b) prescribe such other procedures governing oral and written communications as they deem appropriate.

Sec. 9. This Order is intended solely for the internal guidance of the departments and agencies in order to facilitate the presidential review process. This Order does not confer rights on any private parties.

Sec. 10. None of the time deadlines specified in this Order shall be construed as a limitation on expedited presidential review of any decision under Section 801.

Sec. 11. The provisions of this Order shall become effective upon publication in the **Federal Register** and shall govern the review of any proposed decisions of the DOT that have not become final prior to that date under Executive Order No. 12547.

Sec. 12. References in any Executive order to any provision in Executive Order No. 12547 shall be deemed to refer to the corresponding provision in this Order.

Ronald Reagan

THE WHITE HOUSE,
May 13, 1987.

[FR Doc. 87-11317
Filed 5-13-87; 4:44 pm]
Billing code 3195-01-M

Rules and Regulations

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 910

[Lemon Regulation 561]

Lemons Grown in California and Arizona; Limitation of Handling

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: Regulation 561 establishes the quantity of fresh California-Arizona lemons that may be shipped to market at 375,000 cartons during the period May 17–23, 1987. Such action is needed to balance the supply of fresh lemons with market demand for the period specified, due to the marketing situation confronting the lemon industry.

DATES: Regulation 561 (§ 910.861) is effective for the period May 17–23, 1987.

FOR FURTHER INFORMATION CONTACT: James M. Scanlon, Acting Chief, Marketing Order Administration Branch, F&V, AMS, USDA, Washington, DC 20250, telephone: (202) 447–5697.

SUPPLEMENTARY INFORMATION: This final rule has been reviewed under Executive Order 12291 and Departmental Regulation 1512–1 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 behalf. Thus, both statutes have small entity orientation and compatibility.

This regulation is issued under Marketing Order No. 910, as amended (7 CFR Part 910) regulating the handling of lemons grown in California and Arizona. 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 Lemon Administrative Committee and upon other available information. It is found that this action will tend to effectuate the declared policy of the Act.

This regulation is consistent with the marketing policy for 1986–87. The committee met publicly on May 12, 1987, in Los Angeles, California, to consider the current and prospective conditions of supply and demand and recommended by an 11 to 1 vote (with one abstention) a quantity of lemons deemed advisable to be handled during the specified week. The committee reports that the market continues to improve.

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 of insufficient time between the date when information became available upon which this regulation is based and the effective date necessary to effectuate the declared purposes of the Act. Interested persons were given an opportunity to submit information and views on the regulation at an open meeting. It is necessary to effectuate the declared purposes of the Act to make these regulatory provisions effective as specified, and handlers have been apprised of such provisions and the effective time.

List of Subjects in 7 CFR 910

Marketing agreements and orders, California, Arizona, and Lemons.

For the reasons set forth in the preamble, 7 CFR Part 910 is amended as follows:

PART 910—LEMONS GROWN IN CALIFORNIA AND ARIZONA

1. The authority citation for 7 CFR Part 910 continues to read as follows:

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

2. Section 910.861 is added to read as follows:

§ 910.861 Lemon Regulation 561.

The quantity of lemons grown in California and Arizona which may be handled during the period May 17, 1987, through May 23, 1987, is established at 375,000 cartons.

Dated: May 13, 1987.

Ronald L. Cioffi,

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

[FR Doc. 87–11292 Filed 5–14–87; 8:45 am]

BILLING CODE 3410-02-M

7 CFR Part 1040

Milk in the Southern Michigan Marketing Area; Order Suspending Certain Provisions

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Suspension of rule.

SUMMARY: This action suspends for the months of May through August 1987 the requirement in the Southern Michigan Federal milk order that a cooperative association deliver to pool distributing plants at least 50 percent of its members' producer milk in order to qualify its supply plants as pool plants under the order. The suspension was requested by a cooperative association that represents producers supplying milk to the fluid market. The action is needed to avoid inefficient handling of milk and to ensure that dairy farmers historically associated with the Southern Michigan market will continue to share in the market's fluid milk sales.

EFFECTIVE DATE: May 15, 1987.

FOR FURTHER INFORMATION CONTACT: Richard A. Glandt, Marketing Specialist, Dairy Division, Agricultural Marketing Service, U.S. Department of Agriculture, Washington, DC 20250, (202) 447–4829.

SUPPLEMENTARY INFORMATION: Prior document in this proceeding:

Notice of Proposed Suspension: Issued April 10, 1987; published April 17, 1987 (52 FR 12537).

The Regulatory Flexibility Act (5 U.S.C. 601–612) requires the Agency to examine the impact of a proposed rule on small entities. Pursuant to 5 U.S.C. 605(b), the Administrator of the Agricultural Marketing Service has certified that this action will not have a significant economic impact on a substantial number of small entities. This action lessens the regulatory impact of the order on certain milk handlers and tends to ensure that dairy farmers will continue to have their milk priced under the order and thereby receive the beneifts that accrue from such pricing.

This order of suspension is issued pursuant to the provisions of the Agricultural Marketing Service Act of 1937, as amended (7 U.S.C. 601–674), and of the order regulating the handling of milk in the Southern Michigan marketing area.

Notice of proposed rulemaking was published in the **Federal Register** on April 17, 1987 (52 FR 12537) concerning a proposed suspension of certain provisions of the order. Interested parties were afforded an opportunity to file data, views, and arguments thereon. No comments were received.

After consideration of all relevant material, including the proposal in the notice, and other available information, it is hereby found and determined that for the months of May through August 1987 the following provisions of the order do not tend to effectuate the declared policy of the Act:

1. In § 1040.7(b)(2), the words "if transfers from such supply plant to plants described in paragraph (b)(5) of this section and by direct delivery from the farm to plants qualified under paragraph (a) of this section are:"

2. In § 1040.7(b)(2), paragraphs (i) and (ii).

Statement of Consideration

This action makes inoperative for the months of May through August 1987 the provisions requiring a cooperative association to deliver at least 50 percent of its members' producer milk to pool distributing plants, either through its supply plants or directly from farms, in order to qualify the supply plants as pool plants. The suspension was requested by Michigan Milk Producers Association (MMPA), which represents producers supplying the market. MMPA had originally requested that April be included in the suspension period, but indicated later that it was not necessary to include April in the suspension period.

This action is needed because MMPA otherwise would be unable to efficiently pool approximately 55 million pounds of member milk during the period of May through August 1987. Approximately 46 percent of their members' production, which is pooled as part of a supply plant unit, is needed to satisfy the requirements of the distributing plants they supply during May through July. MMPA projects that 48 percent of that supply will be needed at distributing plants in August. For March 1987, at MMPA's request the Department suspended the pooling provision that required a supply plant operator to ship at least 30 percent of its receipts of Grade A milk to distributing plants. At that time, they indicated that their fluid milk sales had declined dramatically in February and no improvement was expected in March. That situation has not changed.

MMPA operates approximately 85 percent of the plant capacity for manufacturing butter and nonfat dry milk in the market. Thus, MMPA is the major handler of reserve milk supplies pooled on the Southern Michigan order.

Accordingly, it is appropriate to suspend the qualification requirement that a cooperative association must deliver to distributing plants at least 50 percent of its members' producer milk in order to qualify its supply plants as pool plants under the order.

If the provisions were not suspended for the months of May through August 1987, MMPA would encounter considerable difficulty in pooling certain supply plants and the milk of producers who historically have been associated with the Southern Michigan fluid market. Without the suspension, milk would be shipped in an inefficient and costly manner merely to assure its continued pooling under the order. This would disrupt the orderly marketing of milk in the Southern Michigan marketing area.

It is hereby found and determined that thirty days' notice of the effective date hereof is impractical, unnecessary and contrary to the public interest in that:

(a) This suspension is necessary to reflect current marketing conditions in the marketing area in that substantial quantities of milk from producers who regularly supply the market otherwise could be excluded from the marketwide pool, or else the milk would have to be shipped in an inefficient and costly manner, thereby causing a disruption in the orderly marketing of milk;

(b) This suspension does not require of persons affected substantial or extensive preparation prior to the effective date; and

(c) Notice of proposed rulemaking was given interested parties and they were afforded an opportunity to file written data, views, or arguments concerning this suspension. No comments were filed.

Therefore, good cause exists for making this order effective upon publication in the **Federal Register**.

List of Subjects in 7 CFR Part 1040

Milk marketing orders, Milk, Dairy products.

It is therefore ordered, That the following language in § 1040.7(b)(2) of the Southern Michigan order is suspended for the months of May through August 1987, as follows:

PART 1040—MILK IN THE SOUTHERN MICHIGAN MARKETING AREA

1. The authority citation for 7 CFR Part 1040 continues to read as follows:

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

§ 1040.7 [Temporarily suspended in part]

2. In 7 CFR Part 1040, the following words in § 1040.7(b)(2) are suspended: "if transfers from such supply plant to plants described in paragraph (b)(5) of this section and by direct delivery from the farm to plants qualified under paragraph (a) of this section are:"

3. In 7 CFR Part 1040, paragraphs (i) and (ii) in § 1040.7(b)(2) are suspended.

Signed at Washington, DC, on: May 8, 1987.

Kenneth A. Gilles,

Assistant Secretary for Marketing and Inspection Services.

[FR Doc. 87–11107 Filed 5–14–87; 8:45 am]

BILLING CODE 3410–02–M

FEDERAL HOME LOAN BANK BOARD

12 CFR Parts 545, 561, 563, 563c and 570

[No. 87–529]

Definition of Regulatory Capital

Dated: May 5, 1987.

AGENCY: Federal Home Loan Bank Board.

ACTION: Final rule.

SUMMARY: The Federal Home Loan Bank Board ("Board"), as the operating head of the Federal Savings and Loan Insurance Corporation ("FSLIC" or "Corporation"), is amending its regulations pertaining to the definition

of regulatory capital applicable to all institutions the accounts of which are insured by the FSLIC ("insured institutions" or "institutions"). First, the Board is requiring that all financial statements issued by insured institutions, including statements of condition required pursuant to 12 CFR 545.115, and all financial reports filed with the Board shall be prepared in accordance with generally accepted accounting principles ("GAAP"). Second, the term "regulatory capital" is defined to mean the sum of equity capital as determined in accordance with GAAP plus certain other items based on risk analysis reporting ("RAR"). These amendments are part of the Board's comprehensive revision of appropriate capital requirements for insured institutions. The Board adopted amendments to its regulatory capital requirements for insured institutions on August 15, 1986. Regulatory Capital Requirements of Insured Institutions, Board Res. No. 86–857, 51 FR 33565 (1986) (to be codified at 12 CFR 563.13). The rules are designed to operate in a complementary manner to further the Board's goals of more effectively monitoring the condition of insured institutions and the related risks to the Corporation.

In addition to adopting this final regulation, the Board today also is proposing a related rule that would revise its current regulation governing classification of assets, which would in certain cases require increased capital, and proposed a rule and policy statement relating to the appraisal policies and practices of insured institutions and service corporations. *See* Board Res. Nos. 87–527, 87–528, published in the Proposed Rules section of this issue.

DATE: The regulation is effective January 1, 1988.

FOR FURTHER INFORMATION CONTACT: Christina M. Gattuso, Attorney, Office of General Counsel, (202) 377–6649; Robert J. Pomeranz, Senior Policy Analyst, Office of Policy and Economic Research, (202) 377–6760, Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552; Thomas R. Bloom, Chief Accountant, (202) 778–2532; or Barefoot Bankhead, Professional Accounting Fellow, (202) 778–2538, Office of Regulatory Policy, Oversight and Supervision, Federal Home Loan Bank System, 900 Nineteenth Street, NW., Washington, DC 20006.

SUPPLEMENTARY INFORMATION: These amendments are adopted pursuant to the provisions of section 403(b) of the National Housing Act ("NHA"), 12 U.S.C. 1726(b), as amended by the Garn-St Germain Depository Institutions Act of 1982 ("DIA"), Pub. L. 97–320, 96 Stat. 1469, which gives the Corporation broad discretion to determine appropriate reserve requirements for insured institutions. Specifically, section 403(b) of the NHA requires all insured institutions to "provide adequate reserves in a form satisfactory to the Corporation, to be established in accordance with regulations made by the Corporation." Pursuant to its authority as operating head of the Corporation, the Board has established regulatory capital requirements for insured institutions and determined those components of capital includable in regulatory capital.

A. Description of the Proposal

On April 24, 1986, the Board proposed to revise its regulation defining "regulatory net worth," 12 CFR 561.13, which includes components of net worth as determined in accordance with GAAP as well as other components the Board has determined constitute net worth in accordance with regulatory accounting practices. Board Res. No. 86–427, 51 FR 16542 (May 5, 1986). In the preamble to the proposed revision, the Board fully described the reasons for and history of the distinctions that exist between equity capital under GAAP and regulatory net worth under regulatory accounting practices.

The proposal would have required all insured institutions to file all financial statements, including statements of condition required pursuant to 12 CFR 545.115, and reports to the Board on a GAAP basis with a reconciliation to regulatory capital, a concept that the proposal would have substituted for regulatory net worth.

In conjunction with this GAAP reporting requirement, the proposal also would have restructured the definition of regulatory capital to reflect the concepts embodied in the proposed risk analysis reporting and to streamline and remove those procedures the Board no longer deemed appropriate for RAR. This feature of the proposal was intended to ensure comprehensive disclosure and to minimize any potential for confusion on behalf of the public.

The Board also proposed to substitute the term "regulatory capital" for the term "regulatory net worth" in section 561.13. This change recognizes that the term "regulatory net worth" does not precisely parallel "net worth" or "equity" as defined by accounting literature and reaffirms the Board's discretion to define the components of regulatory capital for purposes of its regulations in a manner most appropriately suited to the objectives and responsibilities of the Board. The proposal would also have amended 12 CFR Chapter V to clarify that all existing references in the Board's regulations to "regulatory net worth" and "net worth" should be construed to mean "regulatory capital." In Board Resolution 86–857, the Board amended 12 CFR Chapter V to substitute the term "regulatory capital" for "regulatory net worth." *See* 51 FR at 33584.

These structural changes, in the Board's view, best balanced the benefits of GAAP and RAR by revising the provisions of 12 CFR 561.13 to define "regulatory capital" as the sum of (1) equity capital as determined in accordance with GAAP ("equity capital"), (2) items that serve as the functional equivalents of capital for the FSLIC by providing a buffer against losses, as well as specific capital instruments created by congressional action and Board authority ("definitional capital"), (3) certain other components of capital as the Board determines to be consistent with its risk analysis conventions, and (4) risk analysis reporting forbearances. Regulatory capital so computed would be used to determine an institution's compliance with the Board's minimum regulatory capital requirements under § 563.13, as amended in Board Res. No. 86–857, 51 FR 33565 (Sept. 22, 1986).

The Board also proposed to substitute the term "risk analysis reporting" for "regulatory accounting practices" in describing the Board's modification of GAAP in determining the capital components considered appropriate for evaluating risk to the FSLIC.

B. Discussion of the Comments

The Board received 184 public comments in response to the proposal. The majority of comments (138) were submitted by insured institutions. Of the remainder, 20 were submitted by national and commercial banks, 14 by industry trade associations, 4 by law firms representing insured institutions and investment companies, 1 by an economic consultant representing insured institutions, 1 by a state banking regulator, 3 by various entities representing insured institutions, 1 by the American Institute of Certified Public Accountants ("AICPA"), 1 by the Mortgage Securities Corporation of America, Inc., and 1 by the Financial Accounting Standards Board ("FASB").

Most commenters opposed the proposal, although other commenters generally supported the proposal. Both supporters and opponents suggested various substantive and technical modifications to the proposal. A few

commenters suggested alternatives to the proposal. Although the comment period ended on July 7, 1986, the Board has considered late-filed and late-received letters in its efforts to maximize public participation in the rulemaking. After carefully considering the issues raised by the commenters, which are more fully discussed below, the Board has determined to adopt the amendments substantially as proposed with certain modifications and clarifications.

1. Reporting in Accordance With GAAP

Although many commenters supported the GAAP reporting requirement, the majority of commenters opposed immediate implementation of the requirement, especially with respect to statements of condition made publicly available at the institution pursuant to 12 CFR 545.115 ("counter statements") and publicly available reports filed within the Board. The latter believed that an immediate return to GAAP reporting would cause a loss of public confidence in the thrift industry and the FSLIC because many insured institutions that currently report positive capital under RAR would report negative capital under GAAP.

A majority of commenters, both supporters and opponents, agreed with the Board's goal of moving the thrift industry closer to GAAP. They urged, however, that the Board gradually phase in GAAP reporting over a period of time ranging from 2 years to 15 years. They contended that many institutions would not have taken advantage of RAR had they known it would be eliminated over time. Thus, they argued that such a phase-in period would allow insured institutions to continue to restructure their balance sheets and would alleviate any adverse publicity that could thwart the ability of insured institutions to raise additional capital in the financial markets.

Similarly, commenters maintained that GAAP reporting would have a significant impact on an institution attempting to sell stock subscriptions in the local market because individual investors would be reluctant to invest in an institution that reports a low or negative GAAP equity capital. Moreover, several commenters contended that the thrift industry has made significant strides in improving earnings and net worth and that a return to GAAP reporting at this time would cause an unwarranted loss of public confidence in many insured institutions. Such a loss of confidence would in turn cause "disintermediation"—or loss of deposits—to other financial institutions and result in a far greater strain on the FSLIC.

The majority of commenters opposed GAAP reporting because of the accounting treatment of deferred loan losses under GAAP. These commenters noted that many insured institutions, with encouragement from the Board, restructured their portfolios in the early 1980s by selling substantial amounts of low-rate, fixed-rate mortgages and certain other securities at a significant discount and amortized the resulting losses into expense over the remaining contractual term of the asset sold pursuant to 12 CFR 563c.14. Because GAAP requires immediate recognition of the entire loss, many insured institutions would be forced to report a reduced or negative net worth on a GAAP financial statement. The commenters asserted that the long-term accounting treatment of these loan losses under RAR necessitates an extended phase-in period in order to measure fully the benefit of reinvestment and the annual amortization of deferred losses.

Similarly, several commenters opposed GAAP reporting because of the treatment of appraised equity capital under GAAP. Pursuant to 12 CFR 563.13(c), an insured institution may include in regulatory capital an amount that represents the unrecognized appreciation of selected eligible office land, buildings, and improvements used for an institution's own operations. Under GAAP, such unrecognized appreciation is not considered to be capital. Because the amount of capital represented by deferred loan losses and appraised equity capital is substantial in the thrift industry, several commenters suggested that the Board permit the inclusion of deferred loan losses and appraised equity capital in the regulatory capital section of their counter statements and publicly available reports.

One commenter voiced strong opposition to GAAP reporting, arguing that such a requirement will reverse the Board's policy regarding the accounting treatment of net worth certificates ("NWCs") and income capital certificates ("ICCs"). The commenter contended that the Board's reversal of this accounting treatment will violate the rights of those institutions that entered into contracts with the Board to rescue and acquire ailing thrifts and relied on the Board's representations concerning the accounting treatments of NWCs and ICCs. Further, the commenter alleged that the accounting profession is considering whether there should be changes in the accounting treatment of these instruments under GAAP and, therefore, that the Board should delay implementation of any final rule until the Financial Accounting Standards Board ("FASB") makes an authoritative pronouncement on this issue.

Similarly, one commenter opposed GAAP reporting because cash contributions and forbearances acquired in connection with assisted and unassisted mergers would not be included as equity in a GAAP financial statement. The commenter contended that many institutions that merged with troubled institutions did so primarily because of cash assistance and forbearances and because they relied on their continued ability to include these items in their financial statements.

Many commenters specifically opposed GAAP reporting requirements for mutual insured institutions, arguing that such a requirement discriminates against mutual institutions and creates a particular hardship on the large number of mutuals that made major restructuring decisions in the early 1980s based on RAR. Additionally, they contended that GAAP reporting for mutuals does not advance some of the Board's stated goals because mutuals do not have stockholders or investors that have an interest in the institution's GAAP capital position. Therefore, there is no compelling reason to provide investors with a basis on which to analyze and compare the financial statements of mutual institutions with those of stock institutions. Further, they argued that an institution's regulatory capital as reported under RAR is a better measure of risk to the Board and accountholders than that provided by GAAP.

In sum, opponents of GAAP reporting argued that many insured institutions acted in good faith reliance and entered into many transactions, including mergers, on the basis of their continued ability to use RAR in reporting their financial condition. Because many insured institutions devised their long range business plans and made significant financial decisions based on continued availability of RAR, commenters contended that the Board should gradually phase in GAAP reporting to allow the amortization of differentials between GAAP and RAR currently reported on the books of institutions.

In addition to a phase-in period for GAAP reporting, several commenters suggested other alternatives. One commenter suggested that publicly available financial statements be prepared on the basis of a RAR/GAAP dual presentation within the statement,

making specific line item adjustments to RAR to derive financial statements prepared in accordance with GAAP. Several commenters suggested that the Board permit preparation of counter statements and publicly available reports on a RAR basis, with a footnote reconciliation to GAAP. One commenter urged the Board to waive the GAAP reporting requirement for insured institutions with negative GAAP equity capital. Several commenters suggested that the Board exempt mutual institutions from reporting on a GAAP basis. Finally, one commenter suggested that counter statements and publicly available reports should reflect the total regulatory capital within the statement as follows: (1) Equity capital, with a footnote to designate it as equity capital as determined in accordance with GAAP; (2) "definitional capital"; and (3) those capital items recognized by RAR. This commenter contended that such a statement would be an acceptable alternative to a pure GAAP statement and would disclose fully and fairly the financial position of insured institutions.

Although the Board understands the concerns raised by the commenters, the Board continues to believe that GAAP reporting ultimately is in the best interests of the public. As discussed in the proposal, the Board believes that GAAP reporting for all insured institutions will provide the Board with a more consistent, comprehensive basis for analyzing and comparing the financial statements issued by insured institutions and that this method of reporting will also assist the Board in monitoring the performance and soundness of the thrift industry. Further, the Board believes that GAAP reporting will benefit readers and users of financial statements by providing recognized, comparable data and, consequently, will provide credibility for those institutions seeking access to the capital markets.

A number of concerns unique to the Board's regulatory role in evaluating risk to the FSLIC led it to permit insured institutions to depart from GAAP in certain instances. Although insured institutions, especially mutual institutions, claim that they made decisions in reliance on continued use of RAR, the Board does not believe that such reliance provides justification for continued departures from GAAP reporting. The Board emphasizes that even though certain RAR items are not included in GAAP equity capital, these items are included in regulatory capital, and the Board relies primarily upon regulatory capital in assessing an insured institution's financial condition. Further, the Board utilizes regulatory capital to determine an institution's compliance with the Board's regulatory capital requirements under § 563.13, as amended by Board Res. No. 86–857. Because the Board is continuing to allow insured institutions to include both definitional capital and certain RAR items in regulatory capital, the Board is not persuaded by the reliance argument expressed by commenters. Moreover, the Board disagrees that the GAAP reporting requirement will hinder the ability of insured institutions to sell stock subscriptions in the capital markets because institutions must comply with GAAP for such transactions under the federal securities laws and the Board's existing regulations. *See* 12 CFR Part 563c (1986).

The Board recognizes that many insured institutions are reluctant to move immediately to GAAP reporting because they fear that the public will react adversely to the less favorable GAAP financial condition of many insured institutions. The Board believes, however, that public confidence in the thrift industry will be enhanced by the use of consistent GAAP reporting and disclosure. In recent years, the Board and the thrift industry have been criticized for employing regulatory accounting techniques that are perceived to misrepresent the true financial condition of insured institutions. The Board believes that the negative press resulting from this criticism has caused an erosion of public confidence in the thrift industry. In the Board's experience, those insured institutions with low or negative GAAP capital positions have not suffered from severe deposit flights and consequently have not presented a serious threat to the FSLIC because of such flights. The Board generally believes that there is a high degree of public confidence in the FSLIC, and, in the Board's view, full and fair disclosure under GAAP by insured institutions, will better serve the public, the thrift industry, and the FSLIC.

Further, the Board notes that regulatory reports filed with the Board are currently prepared on an RAR basis. Under the Freedom of Information Act such reports are available to the public and, because items such as definitional capital, deferred loan losses, and appraised equity capital are segmented by the reporting system, an approximation of the GAAP equity capital position can be derived from such reports. Therefore, in effect, approximations of the GAAP equity position of individual institutions and the industry as a whole are currently available to the public.

Accordingly, the Board has determined that all financial statements and reports issued by insured institutions or filed with the Board for all periods beginning on or after January 1, 1988, shall be prepared in accordance with GAAP and shall include a footnote reconciliation of GAAP equity capital to regulatory capital. This includes all financial statements issued by insured institutions subject to the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*), all audited financial statements and reports filed pursuant to Bulletin PA–7a, all financial reports that must be filed with the Board, and all counter statements prepared by insured institutions. The Board wishes to emphasize, however, that additional disclosures may be necessary on a case-by-case basis for securities filings.

Moreover, the Board has determined that all counter statements prepared by insured institutions shall include in bold type on the body of the statement the following language: "The Federal Savings and Loan Insurance Corporation ("FSLIC") insures all depositors' savings up to $100,000 in accordance with the rules and regulations of the FSLIC." Additionally, the footnote reconciliation of equity capital to regulatory capital contained in the counter statement shall include the following language: "Regulatory capital is the basis by which the Federal Home Loan Bank Board determines whether an institution is insolvent, and whether an institution is meeting its regulatory capital requirement."

In the Board's view, the inclusion of this additional language in the counter statement prepared by insured institutions will assure depositors that their savings are insured by the FSLIC and will also serve to inform both investors and depositors of the amount of an institution's regulatory capital and that such regulatory capital is the basis by which the Board evaluates an institution's capital position.

2. The Components of Regulatory Capital

The majority of comments supported the proposed calculation of regulatory capital but suggested several modifications to the proposal. Several commenters, while acknowledging the need to revise the current definition of regulatory capital, advocated that the Board require institutions to maintain both a "primary" and "total" capital requirement, thereby adopting the structure employed by the commercial banking regulators. Under one commenter's specific proposal, components of an institution's "primary"

capital would include equity capital (consisting of permanent preferred stock and common stock, paid-in surplus, reserves, and retained earnings), as well as ICCs, mutual capital certificates, appraised equity capital, nonwithdrawable accounts, NWCs, unallocated loan loss reserves, minority interests in consolidated subsidiaries, deferred tax liabilities, deferred loan fees, goodwill and other intangible assets, and an amount of subordinated debt that equals no more than 50 percent of primary capital exclusive of such subordinated debt. Assets classified as loss would be subtracted from primary capital.

"Total" capital would consist of all the components of primary capital plus components of "secondary" capital, which would include all subordinated debt not included in primary capital, as well as nonpermanent preferred stock. Under this proposal, insured institutions would be required to meet a 5.5 percent primary capital ratio and a 6 percent total capital ratio.

The definition of regulatory capital suggested by the commenters included certain items not included in the Board's proposed definition and, in some cases, not included by the bank regulatory agencies. The Board will address most of those items separately below. With respect to the general suggestion that capital be defined as primary capital and total capital, the Board notes that, traditionally and historically, the Board's minimum regulatory capital requirements for insured institutions have been based upon total regulatory capital, as defined by the Board. The components previously included in "net worth" and which continue to be included as regulatory capital include those items that as a whole, in the Board's view, provide adequate protection to insured institutions and serve to buffer the FSLIC from loss. Consequently, the Board believes that the bank regulatory formula for capital is not an appropriate model to use in establishing adequate capital reserves for insured institutions.

Although the Board is revising its definition of regulatory capital and its regulatory capital requirements, the basic principles involved have not changed. The Board continues to believe that certain items do not provide the FSLIC with the same degree of protection as permanent capital items. The commenters' definition of total capital includes all subordinated debt and nonpermanent preferred stock. The Board does not believe that the total amount of these items should be included in computing regulatory capital and the minimal regulatory capital requirements of insured institutions. While the Board recognizes that subordinated debt affords protection to the FSLIC in the event of the insolvency of an insured institution, the Board believes that the use of an amortization schedule that reduces the amount of subordinated debt includable in regulatory capital as the subordinated debt approaches maturity appropriately recognizes that subordinated debt is a nonpermanent liability that must be repaid upon maturity. Similarly, the Board believes that nonpermanent preferred stock, in terms of the degree of protection it affords the FSLIC, should be treated in the same manner as subordinated debt. Accordingly, the Board does not agree that capital should be defined in the manner suggested by the commenters and, therefore, has determined that an insured institution's regulatory capital requirements should continue to be based on regulatory capital, as defined herein.

a. *Deferred loan fees and deferred income taxes.* Several commenters suggested that deferred loan fees and deferred income taxes be included as components of regulatory capital, contending that these items serve to buffer institutions and the FSLIC from losses and thus provide the FSLIC with protection analogous to traditional equity capital and definitional capital. Further, these commenters argued that under the proposed FASB treatment of deferred loan fees and deferred income taxes the true financial condition of an insured institution could be understated.

Since the issuance of the proposal, the FASB has issued Statement of Financial Accounting Standards No. 91, *Accounting for Nonrefundable Fees and Costs Associated With Originating or Acquiring Loans and Initial Direct Costs of Leases* (Dec. 1986) ("SFAS No. 91"). SFAS No. 91 generally requires an institution to defer all loan origination and commitment fees and recognize them by the interest method over the contractual life of the related loan as an adjustment to yield. Incremental direct costs (narrowly defined) of originating or acquiring a loan are capitalized and recognized by the interest method as a reduction of the loan's yield. With respect to deferred income taxes, the FASB proposal on income taxes would reject the indefinite reversal concepts of Accounting Principles Board ("APB") Opinion No. 23 and would require a deferred tax liability to be established for all previous deductions known as bad debt reserves, thereby significantly reducing the net worth of the thrift industry. *See* Proposed Statement of Financial Accounting Standards, *Accounting for Income Taxes Exposure*, Draft (Sept. 2, 1986).[1]

Although the Board recognizes the concerns raised by the commenters, it believes that such concerns are premature. The FASB's adoption of SFAS No. 91 for loan fees will not affect the computation of regulatory capital for insured institutions, because they may continue to include the RAR/GAAP differential for loan origination and commitment fees in computing their regulatory capital. The Board is of the view that deferred loan fees should not be included in regulatory capital because, by definition, any deferred fees have been deemed to be yield adjustments since the insured institution already has recognized the acquisition credits pursuant to 12 CFR 563.23–1. Accordingly, the Board is of the view that deferred loan fees should be recognized over the term of the asset as interest income and, therefore, should not be included as a component of regulatory capital. The Board notes, however, that it may determine at a future date to eliminate the RAR/GAAP differential for loan fees.

Under GAAP, an insured institution must provide amounts for deferred taxes for differences between income that is reflected in financial statements and income that is recognized in the institution's tax returns. These deferred taxes eventually will be used for future tax liabilities. Consequently, such taxes are a liability and as such do not provide additional protection to the FSLIC. Thus, the Board has determined not to include deferred taxes in regulatory capital. The Board notes, however, that if the FASB requires insured institutions to establish a deferred tax liability account for bad debt reserves, the Board will reconsider this issue and determine whether the amount of deferred taxes specifically set aside for bad debt reserves should be added back into regulatory capital. The Board recognizes that amounts for deferred taxes set aside for bad debt reserves typically provide additional protection to the FSLIC because, in practice, such taxes are rarely paid.

b. *Minority interests in consolidated subsidiaries.* A few commenters suggested that the Board include minority interests in consolidated subsidiaries as a component of regulatory capital. They contended that

[1] On January 28, 1987, the FASB tentatively decided to depart from the proposal in the Exposure Draft and retain the indefinite reversal concept of APB Opinion No. 23. However, this issue may be readdressed by the FASB at a later date.

this item is included in the primary capital of commercial banks and, therefore, the Board should allow it as a component of regulatory capital for insured institutions.

The Board acknowledges that the banking regulators allow the inclusion of minority interests in equity accounts of consolidated subsidiaries as a component of primary capital. The Board notes, however, that the bank regulatory agencies allow inclusion of this item in primary capital because banks are required to report their holdings in majority owned subsidiaries on a consolidated basis. *See* 12 CFR 3.2(c)(1) (1986); 12 CFR 325.2(h) (1986); 12 CFR Part 225, App. A (1986). Therefore, the inclusion of such minority interests provides capital support to the risk in the consolidated assets. The Board previously has required and continues to require that insured institutions file their regulatory reports to the Board on an unconsolidated basis and report investments in majority owned subsidiaries by the "equity method of accounting," and as a result insured institutions are only including their pro rata interests in the net assets of the majority owned subsidiaries. Thus, minority interests in consolidated subsidiaries do not provide support to the risk in the institution's assets and may not be included as a component of regulatory capital.

Further, the Board stresses that interests that arise when an insured institution transfers unencumbered or overcollateralized assets to a subsidiary in exchange for common stock of that subsidiary may not be included in regulatory capital. In this type of transaction, the subsidiary then sells preferred stock to third parties. The preferred stock becomes a minority interest in a consolidated subsidiary but, in effect, fails to provide any capital support to the consolidated entity inasmuch as the security holders have a preferred claim on sufficient assets to mitigate their risk. Therefore, transactions of this nature may not be included in insured institutions' regulatory capital. The Board also notes that minority interests in these types of transactions are also excluded from capital by the bank regulatory agencies. *See e.g.*, 50 FR 11138, 11141 (Mar. 19, 1985).

c. *Goodwill and other intangibles.* Several commenters favored the inclusion of goodwill and other intangibles in the definition of regulatory capital. One such commenter advocated such consideration on the ground that goodwill accounting for savings institutions is in accordance with GAAP. This commenter also asserted that from the standpoint of precedent, institutions have operated under the assumption that these items would continue to be considered capital for regulatory purposes. Furthermore, because non-lead bank intangible assets count as capital at the commercial bank holding company level, a similar treatment of intangibles for savings institutions is possibly justified. One commenter opposed the inclusion of goodwill and other intangibles, arguing that if the industry is being encouraged to access the capital markets with GAAP financial statements, the definition of regulatory capital should be consistent for all financial institutions that access those capital markets.

The Board notes that the inclusion of goodwill is in accordance with the precepts of GAAP and therefore is properly includable in equity capital.

d. *Annual income payments on capital certificates.* Finally, in reviewing the proposed components of regulatory capital, the Board has determined that accumulated annual income payments on capital certificates not due and payable ("AIPs") should be included in regulatory capital. While this item is not always considered to be equity capital under GAAP, the Board believes that AIPs provide the FSLIC with protection analogous to traditional equity capital and, thus, is amending section 561.13(b)(1) to include this item in definitional capital. The Board notes that insured institutions must report AIPs on their financial statements and reports in accordance with GAAP, which would reduce retained earnings and net income available to common shareholders. However, such amounts would be included in regulatory capital until such time as the AIPs become due and payable. At that point, such amounts would be included in liabilities, thereby reducing regulatory capital.

3. Pre-Final Rule Risk Analysis Reporting

a. *Appraised equity capital.* The majority of the several commenters that addressed the Board's proposal regarding the treatment of appraised equity capital as a component of regulatory capital favored the continued inclusion of this item. One commenter argued that the inclusion of appraised equity capital is a significantly more economical and workable alternative to requiring insured institutions to sell and leaseback properties that have appreciated. Another commenter reasoned that if appraised equity capital was a reasonable component of capital during a limited recovery period, then it is equally useful at a time when the Board is raising minimum capital requirements. Concern was also expressed that the more conservative GAAP treatment fails to present a true picture of an institution's financial condition.

One commenter opposed the inclusion of appraised equity capital on the ground that this item does not genuinely aid in the assessment of protection afforded to insurers of the institution. Another commenter similarly opposed the inclusion of this item, citing the fact that the volatility of such appraisal values provide the insurer with less protection than commonly assumed. The latter commenter suggested that if the Board nevertheless continues to include appraised equity capital in regulatory capital the Board should require reappraisals every 3 years to ensure the maintenance of appraised equity.

As the Board noted in the proposal, it believes that the current expiration date for the use of the appraised equity capital rule is appropriate. In promulgating the rule authorizing the inclusion of appraised equity capital in regulatory net worth in 1982, the Board recognized that appraised equity capital represented a real, though unrealized, equity value that would serve to protect the interests of the FSLIC in case of merger or liquidation. The Board took this step in an effort to maintain public confidence in the thrift industry in an unfavorable economic climate. Although a minority of institutions continue to experience financial difficulty, the financial climate has improved dramatically. In 1986, more than 70 percent of all insured institutions were profitable. Consequently, because this rule was designed to bolster net worth during a limited recovery period, the Board allowed the rule to expire on December 31, 1986. Institutions that have included the amount of appraised equity capital in regulatory capital prior to the expiration of the rule may continue to include that appraised equity capital in their capital under the final rule.

b. *Deferral of loan gains and losses.* Several commenters favored the deferral of loan gains and losses in computing regulatory capital, arguing that the cutoff date should be extended beyond the effective date of the proposed regulation. The proposal would have authorized such gain and loss deferrals as a component of regulatory capital only if, and to the extent that, the insured institution had excluded such gains and included such losses prior to the effective date of the final rule.

The deferral and amortization of gains and losses from the sale of mortgage

loans and mortgage-related securities was adopted at a time when the sharp rise in mortgage interest rates increased the need of institutions to dispose of such mortgages in economically advantageous ways. This deferral of such loan gains and losses in computing regulatory capital was intended to facilitate the restructuring of insured institutions' portfolios, which were characterized primarily by long-term, fixed-rate mortgage assets. In keeping with the clear intent of this proposal, the Board believes that institutions have had adequate time to reduce future interest-rate risk through well planned mortgage disposition programs. Additionally, in today's favorable interest rate environment, current recognition of gains and losses from asset sales should not significantly inhibit an institution's ability to restructure its portfolio. Accordingly, insured institutions may continue to exclude the unamortized amount of loan gains and to include the unamortized amount of loan losses that were deferred pursuant to 12 CFR 563c.14, provided that the institution has excluded such gains and included such losses in computing its regulatory capital prior to January 1, 1988.

4. Post-Final Rule Risk Analysis Reporting

a. *RAR/GAAP differential for loan origination and commitment fees.* Commenters were divided over the proposal permitting institutions to continue including in regulatory capital an amount representing the RAR/GAAP differential for loan origination and commitment fees. One commenter supporting the proposal asserted that the inclusion of the differential will assist the industry in recapitalizing at a faster pace and in meeting higher regulatory capital requirements. A majority of commenters advocated the continued use of the differential on the ground that the FASB had not yet rendered a final determination of appropriate GAAP treatment of loan origination and commitment fees. These commenters noted, however, that the differential should be used only until such a clearly defined GAAP treatment is enunciated and reviewed.

One commenter argued that the proposed treatment of loan fees does not result in either as conservative a measure of capital as produced under GAAP nor in as meaningful a measure of an institution's ability to absorb future losses, which should be primary objectives of the Board. Finally, one commenter suggested that the Board suspend consideration of this matter pending anticipated clarification from the FASB on the treatment of such fees under GAAP.

The Board recognizes the need to measure accurately both an institution's capital and its ability to absorb future losses. However, the Board is reluctant to abandon the application of RAR to loan origination and commitment fees at this time. As several commenters recognized, the Board would be ill advised to switch to a GAAP treatment for these fees in light of the recent changes adopted by the FASB in SFAS No. 91, specifically with respect to such fees. Until the Board can conduct a considered review of such changes to determine their breadth and likely effect, the Board must conclude that the inclusion of the RAR/GAAP differential in regulatory capital provides a more effective tool for analyzing risk of loss to the FSLIC.

b. *Allowance for loan losses.* Several commenters opposed the continued use of RAR with respect to allowance for loan losses pursuant to the Board's classification of assets rule, reevaluation of assets; adjustment of book value and adjustment charges. 12 CFR 561.16c, 571.1a, 563.17–2. A few commenters contended that the Board should accept GAAP as a unified whole and should not deviate from GAAP in those instances when RAR is more conservative. Some commenters argued that the Board's rationale in adopting its regulations on allowance for loan loses is no longer justified as a result of the Board's new minimum regulatory capital requirements for insured institutions.

Several commenters contended that the inclusion of assets classified Substandard in the definition of scheduled items requires an institution to increase its regulatory capital requirements by an amount equal to 20 percent of scheduled items and, consequently, the Board's regulations effectively require a specific loss reserve equal to 20 percent of substandard assets. They alleged that under GAAP and the accounting principles applied to commercial banks, Substandard assets do not warrant specific reserves and, therefore, do not affect the capital of other entities. Additionally, they argued that the Board's need to include Substandard assets as scheduled items is lessened by the Board's new increased minimal capital requirements.

Moreover, these commenters contended that assets classified Loss or Doubtful pursuant to the Board's regulations should not be deducted in computing regulatory capital. They maintained that such a requirement differs from the treatment of these items by commercial banks because commercial banks are permitted to add back loss reserves in calculating their primary capital.

Many commenters urged the Board to allow insured institutions to include unallocated (general) loan loss reserves as a component of regulatory capital. In Board Resolution 86–857, which was adopted on August 15, 1986, the Board amended § 561.13 to clarify that allowances for loan losses constitute a component of regulatory capital. The Board noted, however, that the allowance for loan losses does not include specific reserves of any kind, including those established pursuant to § 561.16c, § 563.17–2, or § 571.1a.

Several commenters urged the Board to adopt GAAP with respect to allowance for loan loses. Specifically, one trade association requested the Board's Office of Regulatory Policy, Oversight and Supervision to rewrite its Memorandum R–41b to conform with GAAP and allow insured institutions to carry a problem loan at the lower of (1) unpaid principal amount, (2) net realizable value, or (3) a carrying value determined in accordance with the provisions of FASB, Statement of Financial Accounting Standards No. 15, *Accounting by Debtors and Creditors for Troubled Debt Restructurings* (June 1977).

At the outset, the Board notes that in adopting its Classification of Assets Regulation, 12 CFR 561.1a, 561.16c, and 563.17–2(b) ("classification regulations"), the Board found that certain assets present an increased risk to insured institutions and the FSLIC and that the classification regulations were necessary to minimize losses to the FSLIC fund. Although the classification regulations became effective on January 30, 1986, the Board specifically solicited "further comments on the general scope of the classification system" and provided for "a 60-day comment period after which, if appropriate, the scope [of the regulations] may be modified, extended or otherwise addressed." 50 FR 53275, 53281 (Dec. 31, 1985).

Today the Board also has proposed a rule which would revise its current regulation governing classification of assets. Bd. Res. No. 87–527, published in the Proposed Rules section of this issue. Under the proposal, assets classified as substandard would no longer be treated as scheduled items and therefore an insured institution would not have to include twenty percent of substandard items in computing the contingency component of its minimum regulatory capital requirement. Additionally, under the proposal, institutions would no longer be required to establish specific

allowances for loan losses for items classified as doubtful. The proposal would amend the regulation to require that institutions establish general loss allowances for those assets classified as Substandard and Doubtful. As is provided in the current regulation, the proposal would require institutions to establish specific allowances for assets classified as Loss. As proposed, the rule also provides that if an examiner concludes that the general valuation allowances established by the institution are inadequate, the examiner would determine whether an increase in the amount of general allowances is warranted, subject to PSA review. Further, the proposal would amend the regulatory capital regulation to permit the Supervisory Agent to impose an additional capital requirement on an insured institution based on the quality of its asset portfolio. Finally, the proposal would broaden the scope of the classification of assets regulation to include debt and equity securities and to require valuation allowances to be established for such securities in accordance with FASB Statement of Financial Accounting Standards No. 5, *Accounting for Contingencies.*

The Board today also proposed a rule and policy statement relating to its appraisal policies and policies of insured institutions and service corporations. Board Res. No. 87–528, published in the Proposed Rules section of this issue. This proposal would codify the standards to be used by examiner and supervisory staff in determining compliance with the appraisal requirements of 12 CFR 563.17–1 and 563.17–2. Specifically, the proposal would clarify and simplify the current R–41c guidelines with respect to management policies, appraisal content, appraisal management and related consideration.

In the Board's view, these two proposals address many of the concerns raised by commenters with respect to the definition of regulatory capital. The comment period on the proposals is scheduled to end on July 14, 1987. At that time, the Board will determine what, if any, modifications should be made to its classification of assets regulation and its appraisal standards. Consequently, the Board has determined that it is both premature and inappropriate, at this time, to deviate from RAR with respect to allowances for loan losses pursuant to classification of assets and the Board's appraisal policies.

c. *Uncollected interest.* Several commenters suggested that, in defining regulatory capital, the Board should in no way deviate from GAAP, and should consider the elimination of other accounting principles that depart from GAAP in order to assure the integrity of financial statements and to assuage public perceptions that a piecemeal adoption is merely an accounting device serving to mask financial instability. In advocating strict adherence to GAAP, one commenter specifically urged the Board to employ GAAP to permit uncollected interest to be included as an asset, if it is collectible.

The Board concludes that it is prudent to continue to permit the use of RAR with respect to uncollected interest. Whereas Board regulations provide a time limit after which uncollected interest becomes classified uncollectible, and thus not includable in regulatory capital, GAAP relies heavily on managements' judgment as to the probability of collection of delinquent loans. The Board believes that the former approach represents a more objective, conservative accounting practice that provides insured institutions and the Board with uniform evaluation standards and that prevents the overstatement of income.

5. Risk Analysis Reporting Forbearances

Several commenters addressed the Board's proposal to include within regulatory capital RAR forbearances authorized by the Corporation, the Board, or the Principal Supervisory Agents. Some commenters supported the departure from GAAP in this instance because it affords the FSLIC with greater protection and permits the Board to retain needed flexibility to facilitate merger transactions. Other commenters opposed the inclusion of forbearances on the ground that such inclusion would hinder the Board's stated desire to assess risk properly. Two such commenters argued that such forbearances should not be considered as a component of regulatory capital, but should more appropriately be reflected as an adjustment to the minimum regulatory capital requirements set by the Board.

After thorough consideration of the effect such an inclusion of forbearances in regulatory capital may have on its ability to assess risk, the Board has decided to permit insured institutions to include such forbearances in their regulatory capital. Of overriding concern to the Board is the fact that such forbearances are required to facilitate the acquisition of failed institutions. Such a departure from GAAP is consistent with the Board's supervisory objectives and responsibility effectively to monitor risk to the FSLIC. Consequently, the Board's decision to continue to include forbearances as a component of regulatory capital will benefit both the FSLIC and the thrift industry as a whole.

6. Elimination of Certain Risk Analysis Reporting Requirements

As noted earier, several commenters suggested that the Board eliminate all RAR and require strict adherence to GAAP in order to assure the integrity of financial statements. While the Board has determined to permit continued adjustments to regulatory capital for certain items, it may determine at a later date to adjust regulatory capital to include or exclude certain other items that the Board determines to be appropriate or inappropriate for risk analysis.

A number of commenters expressed support for the Board's proposal that institutions determine gains or losses arising from futures transactions in accordance with GAAP. One such commenter noted that the elimination of RAR in this regard is an important step that will communicate to the capital markets and the investing public the Board's intent to follow prudent accounting practices.

Two commenters opposed the requirement that insured institutions record and carry marketable equity securities in accordance with GAAP because other assets and liabilities of insured institutions are not marked to market. One law firm requested that the Board permit insured institutions to deviate from GAAP and carry at cost investments in open-end management investment companies registered with the Securities and Exchange Commission ("mutual funds") the portfolio of which consists solely of debt obligations of the U.S. Government or its agencies with maximum remaining maturities at the time of purchase not in excess of 5 years. This commenter argues that if investments in such mutual funds are required to be carried in accordance with GAAP (the lower of aggregate cost or market value) the economics of the investment decision would force institutions to invest directly in liquid assets, thereby reducing protection to the FSLIC as well as thwarting Congressional intent.

The Board, as it stated in the proposal, believes that GAAP more accurately reflects the attendant risk to the FSLIC and that a variance from GAAP in this area does not result in increased protection to the FSLIC. GAAP considers investments in mutual funds to be investments in marketable equity securities and, therefore, such

investments must be carried at the lower of aggregate cost or market value. Although the Board recognizes the concerns raised by the commenters, it has concluded that there should be no deviations from GAAP unless such a deviation would more accurately assess the risk of loss to the FSLIC. Accordingly, insured institutions must report investments in marketable equity securities—including mutual funds—in accordance with GAAP.

7. Procedural and Technical Comments

Several commenters generally opposed the proposal due to the timing and overall complexity of the regulation in relation to other pending Board regulations and industry developments. More specifically, commenters urged the Board to delay consideration of the definition of regulatory capital proposal in light of ongoing tax code revisions in the United States Congress, pending accounting policy changes to be announced by the FASB, and current proposals to recapitalize the FSLIC. Commenters thought the proposal untimely in light of these pending developments, other recently proposed and final regulations of the Board, and the uncertain future movement of interest rates.

These commenters recommended that the Board delay further consideration of the proposal until the full impact and scope of these pending developments, and their interrelationship with the Board's proposal concerning regulatory capital requirements, could be properly assessed. Several commenters requested the Board to assemble a joint industry-agency committee or task force to analyze these accounting, legislative, and regulatory proposals prior to the implementation of new regulatory capital regulations.

The Board's role as operating head of the FSLIC is to develop a regulatory framework that balances the thrift industry's competitive need for operating flexibility with the FSLIC's continuing need for controlled risk exposure. Although the Board is mindful of pending legislative and policy developments, the Board is equally cognizant of its responsibility to maintain the solvency of the FSLIC fund.

In developing the proposal, the Board considered the potential impact of these pending legislative, regulatory, and industry developments. The Board's Office of Policy and Economic Research ("OPER") conducted a feasibility study to investigate the extent to which thrift institutions could satisfy the capital requirements set forth in the April 1986 Board proposal regarding regulatory capital requirements. *An Analysis of the Proposed Capital Requirements for Thrift Institutions: A Staff Economic Study* (Aug. 15, 1986) (*"Flexibility Study"*). Although any analysis of the future impact of legislative, regulatory or industry changes must rely on uncertain financial, economic, and legal developments, the *Feasibility Study* merits review.

A thrift's ability to raise capital depends on the long-run profitability of the institution. Staff analysis of the proposed plan to recapitalize the FSLIC fund concluded that such a plan will not have a significant, direct effect on thrift profitability. As proposed, the recapitalization plan will raise substantial funds through the use of public financing and FSLIC premium income. Thus, the plan levies no additional assessments on the industry that would not have been levied in the absence of the plan.

Similarly, staff analysis has concluded that other pending Board regulatory proposals will likely have only a small effect on profitability. Although the scope of pending FASB changes are not known at this time, the proposed amendments were drafted with such uncertainty in mind. With specific regard to loan origination and commitment fees, the Board noted that the FASB was defining GAAP for such fees, and thus the Board authorized the continued use of RAR until such time as the Board can effectively evaluate these accounting procedures in light of FASB changes.

Although continued study and evaluation of every conceivable legislative and industry development might shed some additional light on the effect this rule may have on thrift operating latitude and profitability, this cannot be the Board's sole concern. As the Board noted in the preamble to the proposed rule, the amendments will aid its supervisory efforts in evaluating the viability of insured institutions and the related risk to the FSLIC. The Board believes these amendments sufficiently provide the industry with necessary operating flexibility to meet the challenges of intensified competition, while simultaneously meeting the Board's responsibility to limit the risk exposure to the FSLIC. To the extent pending legislative, policy, or industry developments adversely affect or complicate these regulatory capital amendments, the Board could always reconsider such provisions if necessary.

One commenter voiced its concern over the potential effect of the regulation on small insured institutions, arguing that the Board must comply with the Regulatory Flexibility Act. The Board's regulatory flexibility analysis responding to this concern appears below.

C. Description of the Final Rule

The final rule requires that all financial statements issued by insured institutions, including counter statements, and all financial reports filed with the Board, for all periods beginning on or after January 1, 1988, shall be prepared in accordance with GAAP and shall include, in a footnote, a full and fair disclosure of the reconciliation of equity capital, as determined in accordance with GAAP, with regulatory capital.

The final rule defines regulatory capital as the sum of (1) equity capital as determined in accordance with GAAP ("equity capital"), (2) items that serve as the functional equivalents of capital for the FSLIC by providing a buffer against loss, as well as specific capital instruments created by congressional action and Board authority ("definitional capital"), (3) certain other components of capital as the Board determines to be consistent with its risk analysis conventions, and (4) risk analysis reporting forbearances.

1. Equity Capital

Equity capital is determined in accordance with GAAP. Equity capital represents the difference between the recorded values of an institution's assets and its liabilities, as determined under GAAP. *See* FASB *Statement of Financial Accounting Concepts No. 6* (Dec. 1985), which sets forth a detailed discussion of equity capital. The Board notes that institutions will continue to use "push-down" accounting as set forth in OES Memorandum No. R 55 and the Board's current accounting procedures for wash sale transactions as set forth in the OES Memorandum No. T 59–8.

2. Definitional Capital

Definitional capital includes qualified subordinated debt, qualified redeemable preferred stock, ICCs, mutual capital certificates, NWCs, AIPs, pledged certificates of deposit, allowances for loan losses except specific allowances (including those established pursuant to §§ 561.16c, 563.17–2 and 571.1a of this subchapter) and other nonwithdrawable accounts (excluding any treasury shares held by the insured institution) to the extent such nonwithdrawable accounts are not included in equity capital.

3. Pre-Final Rule Risk Analysis Reporting

This category of regulatory capital includes only the components of risk analysis reporting permitted prior to

January 1, 1988 for which further elections cannot be made, including appraised equity capital, the deferral of certain gains and losses pursuant to 12 CFR 563c.14, and certain other practices enumerated in detail below.

a. *Appraised equity capital.* Under this category, an insured institution may add to equity capital the amount of appraised equity capital as defined in 12 CFR 563.13(c), provided that the insured institution had included appraised equity capital as part of its regulatory capital prior to December 31, 1986.

b. *Deferral of asset gains and losses.* In computing its regulatory capital an insured institution may also continue to exclude the unamortized amount of asset gains and to include the unamortized amount of asset losses that were deferred pursuant to 12 CFR 563c.14, provided that the institution has excluded such gains and included such losses in computing its regulatory capital prior to January 1, 1988.

c. *Miscellaneous.* The rule also permits an insured institution to continue to include in regulatory capital amounts reflecting the RAR/GAAP differential for specific items, provided that the insured institution elected to use RAR for these items prior to January 1, 1988. An insured institution may include in its regulatory capital the amount representing the RAR/GAAP differential for the following items: accounting for the sale of real estate developed by the institution or its subsidiary (12 CFR 563.23–1(f)), futures transactions (12 CFR 563.17–4(g)), and accretion of discounts and amortization of premiums on securities (12 CFR 563.23–1(a),(b)).

4. Post-Final Rule Risk Analysis Reporting

Insured institutions may also continue to include in their regulatory capital an amount that represents the difference between the treatment of certain items under GAAP and the treatment of those same items under RAR. An insured institution may compute the items in this category under both RAR and GAAP for purposes of regulatory capital. The amount that represents the RAR/GAAP differential for a particular item would be added to or subtracted from equity capital to arrive at regulatory capital.

First, this category includes amounts reflecting the RAR/GAAP differential treatment of loan origination and commitment fees pursuant to newly redesignated 12 CFR 563.23–1(f)(3). The second item in this category is the amount of the RAR/GAAP differential in the treatment of gains or losses realized on options transactions pursuant to 12 CFR 563.17–5(g). Third, institutions shall continue to use RAR with respect to allowance for loan losses pursuant to the Board's classification of assets rule, 12 CFR 561.16c, reevaluation of assets, adjustment of book value, and adjustment charges 12 CFR 563.17–2, and accounting for uncollectible interest with respect to 1–4 family residential mortgage loans pursuant to 12 CFR 563c.11.

5. Risk Analysis Reporting Forbearances

Insured institutions may also include in their regulatory capital additional items reflecting forbearances previously authorized, or which may be authorized in the future, by the Corporation, the Board, or the Principal Supervisory Agents. Most of the forbearances included in this category result from FSLIC merger transactions.

6. Elimination of Certain Risk Analysis Reporting Requirements

The final rule eliminates altogether prospective authority for insured institutions to rely on five other accounting procedures heretofore permitted by the Board which represent departures from GAAP. First, the Board's accounting regulations, 12 CFR 563.23–1(f) (1986), are eliminated, and insured institutions and their service corporations must account for the sales of real estate developed by the institution or its service corporation in accordance with GAAP. *See* FASB *Statement of Financial Accounting Standards No. 66.* Second, insured institutions must record marketable equity securities in accordance with GAAP. *See* FASB *Statement of Financial Accounting Standards No. 12.* Third, the final rule amends 12 CFR 563.17–4(g) to require institutions to determine gains or losses arising from futures transactions in accordance with GAAP. *See* FASB *Statement of Financial Accounting Standards No. 80.* Fourth, 12 CFR 563.23–1 is amended to require that premiums on securities be amortized and that discounts on securities be accreted in accordance with GAAP. *See* FASB *Statement of Financial Accounting Standards No. 65.* Fifth, the final rule removes obsolete accounting procedures set forth in 12 CFR 563.23–2, which provided for the deferral and amortization of gains and losses on the disposition of securities made for purposes of meeting the Board's liquidity requirements during the period beginning on December 11, 1969, and ending December 31, 1971.

7. Technical and Procedural Matters

As discussed above, the final rule requires that all insured institutions file all financial statements and reports with the Board on a GAAP basis with a reconciliation to regulatory capital. The Board, however, wishes to clarify that, for purposes of regulatory reporting to the Board, insured institutions shall continue to file such reports on an unconsolidated basis and report any investments in majority owned subsidiaries by the "equity method of accounting." Further, pursuant to 12 CFR 563c.10, insured institutions with total assets of $10 million or less are not required to use the accrual basis of reporting.

D. Effective Date of Final Rule

The final rule becomes effective on January 1, 1988, as of which date all insured institutions shall compute their regulatory capital pursuant to § 561.13. With respect to the GAAP reporting requirement, all financial statements issued by insured institutions subject to the Securities Exchange Act of 1934 (15 U.S.C. 78a *et seq.*), all audited financial statements and reports, all financial reports required to be filed with the Board, and all counter statements prepared by insured institutions for all periods beginning on or after January 1, 1988, shall be prepared in accordance with GAAP and shall include a footnote reconciliation of GAAP equity capital to regulatory capital.

Final Regulatory Flexibility Analysis

Pursuant to section 3 of the Regulatory Flexibility Act, 5 U.S.C. 604, the Board is providing the following regulatory flexibility analysis:

1. *Need for and objectives of the rule.* These elements are incorporated above in **SUPPLEMENTARY INFORMATION.**

2. *Issues raised by comments and agency assessment and response.* These elements are incorporated above in **SUPPLEMENTARY INFORMATION.**

3. *Significant alternatives minimizing small-entity impact and agency response.* The Small Business Administration defines a small financial institution as "a commercial bank or savings and loan association, the assets of which, for the preceding fiscal year, do not exceed $100 million." 13 CFR 121.13(a). Therefore, small entities to which the final rule applies include insured institutions which had assets totaling $100 million or less as of December 31, 1986, or 1,651 institutions. Because undercapitalization and its attendant problems are no respecter of size, the final rule treats all institutions identically regardless of their size for

the reasons discussed fully in **SUPPLEMENTARY INFORMATION.** To do otherwise would be fundamentally inconsistent with the objectives of the rule.

List of Subjects in 12 CFR Parts 545, 561, 563, 563c and 570

Accounting, Bank deposit insurance, Consumer protection, Credit, Electronic funds transfers, Investments, Manufactured homes, Mortgages, Reporting and recordkeeping requirements, Savings and loan associations and Securities.

Accordingly, the Board hereby amends Part 545, Subchapter C, Parts 561, 563, 563c, and 570, Subchapter D, Chapter V, Title 12, Code of Federal Regulations, as set forth below.

SUBCHAPTER C—FEDERAL SAVINGS AND LOAN SYSTEM

PART 545—OPERATIONS

1. The authority citation for 12 CFR Part 545 continues to read as follows:

Authority: Sec. 5A, 47 Stat. 727, as added by sec. 1, 64 Stat. 256, sec. 4, 80 Stat. 824, as amended (12 U.S.C. 1425a); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 402–403, 407, 48 Stat. 1256–1257, 1260, as amended (12 U.S.C. 1725–1726, and 1730); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR 1943–1948 Comp., p. 1071.

2. Section 545.115 is amended by revising paragraph (b) to read as follows:

§ 545.115 Statement of condition.

* * * * *

(b) *Format.* The information set forth in a Statement of Condition shall be presented in accordance with generally accepted accounting principles and shall include a full and fair disclosure of the reconciliation of equity capital, as determined in accordance with generally accepted accounting principles, with regulatory capital, as defined in § 561.13 of this chapter. Each statement of condition shall include in bold type in the body of the statement the following language: "The Federal Savings and Loan Insurance Corporation (FSLIC), an agency of the United States Government, insures all depositors' savings up to $100,000 in accordance with the rules and regulations of the FSLIC." In addition, the footnote reconciliation of equity capital to regulatory capital contained in such statements shall include the following language: "Regulatory capital is the basis by which the Federal Home Loan Bank Board determines whether an institution is insolvent, and whether an institution is meeting its regulatory capital requirement."

* * * * *

SUBCHAPTER D—FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

PART 561—DEFINITIONS

3. The authority citation for 12 CFR Part 561 continues to read as follows:

Authority: Sec. 1, 47 Stat. 725, as amended (12 U.S.C. 1421 *et seq.*); sec. 5A, 47 Stat. 727, as added by sec. 1, 64 Stat. 256, as amended (12 U.S.C. 1425a); sec. 5B, 47 Stat. 727, as added by sec. 4, 80 Stat. 824, as amended (12 U.S.C. 1425b); sec. 17, 47 Stat. 736, as amended (12 U.S.C. 1437); sec. 2, 48 Stat. 128, as amended (12 U.S.C. 1462); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 401–407, 48 Stat. 1255–1260, as amended (12 U.S.C. 1724–1730); sec. 408, 82 Stat. 5, as amended (12 U.S.C. 1730a); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR 1943–1948 Comp., p. 1071.

4. Section 561.13 is revised to read as follows:

§ 561.13 Regulatory capital.

Regulatory Capital is the sum of:

(a) Equity capital, as determined in accordance with generally accepted accounting principles ("equity capital");

(b) Definitional capital, which is the sum of:

(1) Income capital certificates, mutual capital certificates (issued pursuant to § 563.7–4 of this subchapter), outstanding net worth certificates issued in accordance with Part 572 of this subchapter or which the Corporation is committed to purchase by virtue of § 572.1(c), accumulated annual income payments on capital certificates not due and payable, pledged certificates of deposit, allowances for loan losses except specific allowances (including those specific allowances established pursuant to §§ 561.16c, 563.17–2, and 571.1a of this subchapter), and any other nonwithdrawable accounts (excluding any Treasury shares held by the insured institution) to the extent such nonwithdrawable accounts are not included in equity capital: *Provided,* that for any nonpermanent instrument qualifying as regulatory capital under paragraph (b)(1) of this § 561.13, either (i) the remaining period to maturity or required redemption (or time of any required sinking fund or other prepayment or reserve allocation with respect to the amount of such prepayment or reserve) is not less than one year, or (ii) the redemption or prepayment is only at the option of the issuing insured institution and such payments would not cause the insured institution to fail or continue to fail to meet its regulatory capital requirement under § 563.13 of this subchapter: *Provided further,* that capital stock may be included as regulatory capital without limitation if it would otherwise qualify but for a provision permitting redemption in the event of a merger, consolidation, or reorganization approved by the Corporation when the issuing institution is not the survivor, or a provision permitting a redemption when the funds for redemption are raised by the issuance of permanent stock;

(2)(i) Subordinated debt securities issued pursuant to § 563.8–1 of this subchapter: *Provided,* that an institution whose application to include subordinated debt in net worth pursuant to § 563.8–1 was approved prior to December 5, 1984, shall be permitted to continue to include 100 percent of the principal amount of such subordinated debt as regulatory capital until the remaining period to maturity (or time of any required sinking fund or other prepayment or reserve allocation with respect to the amount of such prepayment or reserve) is less than one year: *Provided further,* that an institution that had filed a substantially complete application pursuant to § 563.8–1 prior to December 5, 1984, shall be permitted to include 100 percent of the subordinated debt issued pursuant to such application as regulatory capital until the remaining period to maturity (or time of any required sinking fund or other prepayment or reserve allocation with respect to the amount of such prepayment or reserve) is less than one year if such subordinated debt otherwise is in compliance with the requirements of § 563.8–1 and if such application is not amended in any material respect subsequent to December 5, 1984: *Provided further,* that, except as otherwise provided in paragraph (b)(2)(i) of this § 561.13 and unless otherwise approved by the Corporation in writing, subordinated debt securities issued pursuant to § 563.8–1 after December 5, 1984, may be included as regulatory capital only in accordance with the following schedule:

Years to maturity of outstanding subordinated debt	Percent included in regulatory capital
Greater than or equal to 7	100
Less than 7 but greater than or equal to 6	86
Less than 6 but greater than or equal to 5	71
Less than 5 but greater than or equal to 4	57
Less than 4 but greater than or equal to 3	43
Less than 3 but greater than or equal to 2	29
Less than 2 but greater than or equal to 1	14
Less than 1	0

(ii) For purposes of determining the principal amount outstanding of an obligation issued at a discount that exceeds 10 percent of the face amount, the issuing institution shall treat as principal only the gross consideration actually received upon issuance plus the accrued interest not payable until maturity, as of the date of the computation. In the case of an instrument sold at a discount which exceeds 10 percent and which bears no stated rate of interest, the amount which can be added to principal each period is an amount equal to the accrued interest payable computed on the "level-yield" or "interest" method.

(iii) For purposes of computing the amount of subordinated debt includable as regulatory capital pursuant to paragraph (b)(2) of this § 561.13, the issuing institution must determine the effective maturity of each portion of the principal amount outstanding of the subordinated debt which is subject to required sinking fund payments, other required prepayments, and required reserve allocations, and calculate the percentage amount of each portion of the principal amount outstanding which may be included pursuant to the schedule set forth in paragraph (b)(2)(i) of this § 561.13; and

(3)(i) Preferred stock that is redeemable at the option of the issuer (A) which was issued prior to July 23, 1985, or (B) which was issued on or after July 23, 1985: *Provided*, that the form of any security issued on or after July 23, 1985, was approved prior to issuance pursuant to § 563.1 of this subchapter and states that no redemption may be made by the issuing insured institution if, after giving effect to such redemption, the insured institution would fail to meet its regulatory capital requirement under § 563.13 of this subchapter;

(ii) Mandatorily redeemable preferred stock that (A) was issued prior to July 23, 1985, or (B) was issued pursuant to § 563.7–5 of this subchapter on or after July 23, 1985, was approved as to its form prior to issuance pursuant to § 563.1 of this subchapter, and was approved in writing by the Corporation for inclusion as regulatory capital, before or after its issuance, pursuant to § 563.7–5: *Provided*, that unless otherwise approved by the Corporation in writing, mandatorily redeemable preferred stock issued on or after July 23, 1985, may be included as regulatory capital only in accordance with the schedule set forth in paragraph (b)(2)(i) of this § 561.13 and consistent with the provisions of paragraphs (b)(2)(ii) and (2)(iii) of this § 561.13;

(c) The sum of the following items determined in accordance with risk analysis reporting in effect prior to January 1, 1988, and which an insured institution has included in computing and reporting its regulatory capital to the Corporation prior to January 1, 1988:

(1) Appraised equity capital (as defined in § 563.13(c) of this subchapter);

(2) The amount of unamortized loan gains and losses the exclusion or inclusion of which was deferred pursuant to § 563c.14 of this subchapter; and

(3) The amount of the following items computed by an insured institution in accordance with risk analysis reporting in effect prior to January 1, 1988, and included in its financial statements prior to January 1, 1988. An institution may include an amount which represents the sum of the differences between the treatment of the following items under generally accepted accounting principles and the treatment under risk analysis reporting after January 1, 1988:

(i) Sales of real estate developed by the institution or its subsidiary;

(ii) Futures transactions; and

(iii) Accretion of discounts and amortization of premiums on securities.

(d) The amount which represents the sum of the differences between the treatment of the following items under generally accepted accounting principles and the treatment under risk analysis reporting after January 1, 1988:

(1) Loan origination and commitment fees calculated pursuant to § 563.23–1(f)(3) of this subchapter;

(2) Gains or losses realized on options transactions pursuant to § 563.17–5(g) of this subchapter;

(3) Valuation allowances established pursuant to asset classification and appraisals under §§ 561.16c, 563.17–2, and 571.1a of this subchapter;

(4) Uncollectible interest determined pursuant to § 563c.11 of this subchapter; and

(e) Forbearances permitted under risk analysis reporting which shall include all forbearances and other practices authorized by the Corporation, the Board, or its Principal Supervisory Agents.

(f) Notwithstanding paragraphs (a), (b), (c), (d) and (e) of this § 561.13, the term "regulatory capital" does not include any capital instrument or security which may be included as regulatory capital pursuant to any of those paragraphs of § 561.13 if such capital instrument or security is held by a service corporation or other subsidiary, regardless of the organizational form of that entity, in which the insured institution directly or indirectly (1) owns, controls, or holds with power to vote, or holds proxies representing 10 percent or more of the voting shares or rights in such entity, or (2) invested in or contributed to such entity more than 10 percent of such entity's capital, unless inclusion of regulatory capital is specifically approved by the Corporation in writing.

PART 563—OPERATIONS

5. The authority citation for 12 CFR Part 563 continues to read as follows:

Authority: Sec. 1, 47 Stat. 725, as amended (12 U.S.C. 1421 *et seq.*); sec. 5A, 47 Stat. 727, as added by sec. 1, 64 Stat. 256, as amended (12 U.S.C. 1425a); sec. 5B, 47 Stat. 727, as added by sec. 4, 80 Stat. 824, as amended (12 U.S.C. 1425b); sec. 17, 47 Stat. 736, as amended (12 U.S.C. 1437); sec. 2, 48 Stat. 128, as amended (12 U.S.C. 1462); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 401–407, 48 Stat. 1255–1260, as amended (12 U.S.C. 1724–1730); sec. 408, 82 Stat. 5, as amended (12 U.S.C. 1730a); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–1948 Comp., p. 1071.

§ 563.17–4 [Amended]

6. Section 563.17–4 is amended by removing paragraph (g).

7. Section 563.23–1 is amended by revising paragraphs (a) and (b) to read as follows; and by removing paragraph (f) and redesignating paragraph (g) as the new paragraph (f):

§ 563.23–1 Premiums, discounts, charges, and credits with respect to loans; sale of real estate; and related items.

(a) *Purchase at a premium.* A premium paid by an insured institution in connection with the acquisition of a loan shall be accounted for in accordance with generally accepted accounting principles.

(b) *Purchase at a discount.* If an insured institution purchases a loan at a discount, the discount shall be deferred by a credit to an account descriptive of deferred income and shall thereafter be credited to income in accordance with generally accepted accounting principles. For purposes of § 563.23–1 a loan shall be deemed to have been purchased at a discount if the price paid for the loan is less than the amount of the loan balance. Any charges by the purchaser in connection with the purchase of a loan shall be deducted from the purchase price to determine the amount of the discount.

* * * * *

§ 563.23–2 [Removed]

8. Part 563 is amended by removing § 563.23–2.

9. Section 563.23–3 is amended by revising paragraph (c); and by adding a new paragraph (d) to read as follows:

§ 563.23-3 Accounting Principles and Procedures.

* * * * *

(c) Prepare all financial statements and financial reports to the Corporation on the basis of generally accepted accounting principles and include in all such financial statements and reports a full and fair disclosure of the reconciliation of equity capital, as determined in accordance with generally accepted accounting principles, to regulatory capital, as defined in § 561.13 of this subchapter; and

(d) Prepare its Statement of Condition in accordance with generally accepted accounting principles and include in a footnote to such statement a full and fair disclosure of the reconciliation of equity capital, as determined in accordance with generally accepted accounting principles, with regulatory capital, as defined in § 561.13 of this chapter. Each statement of condition shall include in bold type in the body of the statement the following language: "The Federal Savings and Loan Insurance Corporation ("FSLIC"), an agency of the U.S. government, insures all depositors' savings up to $100,000 in accordance with the rules and the regulations of the FSLIC." In addition, the footnote reconciliation of equity capital to regulatory capital contained in such statements shall include the following language: "Regulatory capital is the basis by which the Federal Home Loan Bank Board determines whether an institution is insolvent, and whether an institution is meeting its regulatory capital requirement."

PART 563c—ACCOUNTING REQUIREMENTS

10. The authority citation for Part 563c is revised to read as follows:

Authority: Sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 402–403, 407, 48 Stat. 1256–1257, 1260, as amended (12 U.S.C. 1725–1726, 1730); secs. 3(b), 12–14, 23, 48 Stat. 882, 892, 894–895, 901, as amended (15 U.S.C. 78c(b), m, n, w); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–48 Comp., p. 1071.

11. Section 563c.14 is amended by adding a new paragraph (f) to read as follows:.

§ 563c.14 Accounting for gains and losses on the sale or other disposition of mortgage loans, redeemable ground-rent leases, and certain securities; matching the amortization of discounts and losses.

* * * * *

(f) *"Sunset" and "Grandfather" Provisions.* Authority to exclude the unamortized amount of gain deferrals and to include the unamortized amount of loss deferrals pursuant to § 561.13 in computing an institution's regulatory capital will cease as of January 1, 1988. Any insured institution that has excluded gain deferrals and included loss deferrals in computing its regulatory capital as of January 1, 1988, may continue to exclude the unamortized amount of such gain deferrals and include the unamortized amount of such loss deferrals in computing its regulatory capital after January 1, 1988.

PART 570—BOARD RULINGS

16. The authority citation for Part 570 is revised to read as follows:

Authority: Secs. 552, 559, 80 Stat. 383, 388, as amended (5 U.S.C. 552, 559); sec. 11, 47 Stat. 733, as amended (12 U.S.C. 1431); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 401–403, 405, 407, 48 Stat. 1255–1257, 1259–1260, as amended (12 U.S.C. 1724–1726, 1728, 1730); sec. 414, as added by sec. 522, 94 Stat. 165, as amended (12 U.S.C. 1730g); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–48 Comp., p. 1071.

13. Section 570.4 is amended by revising the heading of the section and paragraph (a) to read as follows:

§ 570.4 Regulatory capital.

(a) The term "regulatory capital" is defined in § 561.13 of this subchapter to mean the sum of equity capital as determined in accordance with generally accepted accounting principles, definitional capital, certain other components of capital as the Board determines consistent with its risk analysis conventions, and risk analysis reporting forbearances. To the extent regulatory capital includes reserves (except specific or valuation reserves), the rules set forth in paragraphs (b) and (c) of this section 570.4 shall apply.

* * * * *

By the Federal Home Loan Bank Board.

Nadine Y. Washington,

Acting Secretary.

[FR Doc. 87-10760 Filed 5-14-87; 8:45 am]

BILLING CODE 6720-01-M

SMALL BUSINESS ADMINISTRATION

13 CFR Part 101

[Revision 2; Amdt. 46]

Delegation of Authority To Conduct Program Activities in Field Offices; Surety Guarantee

AGENCY: Small Business Administration.

ACTION: Final rule.

SUMMARY: This final rule revises 13 CFR Part 101, § 101.3-2, Part III, Section C—Surety Guarantee to conform it to § 18014 of the Consolidated Omnibus Reconciliation Act of 1985 (Pub. L. 99-272, approved April 7, 1986), which increased the amount of the contracts which SBA is permitted to guarantee from $1,000,000 to $1,250,000. This rule increases delegated authority, as applicable, from $1,000,000 to $1,250,000; from $500,000 to $750,000; and from $250,000 to $500,000.

EFFECTIVE DATE: May 15, 1987.

FOR FURTHER INFORMATION CONTACT: Howard F. Huegel, Director, Office of Surety Guarantees, Small Business Administration, 4040 No. Fairfax Drive, Arlington, VA 22203, telephone (703) 235-2900.

SUPPLEMENTARY INFORMATION: Part 101 consists of rules relating to the Agency's organization, management and procedures; therefore, notice of proposed rulemaking, public participation and reviews under Executive Order 12291 or the Regulatory Flexibility Act, 5 U.S.C. 501, et seq., are not required and this amendment is adopted without resort to those procedures. This final rule does not contain recordkeeping requirements subject to the Paperwork Reduction Act 44 U.S.C. Chapter 35.

List of Subjects in 13 CFR Part 101

Authority delegations (Government agencies), Administrative practice and procedure, Organization and functions (Government agencies).

PART 101—[AMENDED]

1. The authority citations for 13 CFR Part 101 continues to read as follows:

Authority: Secs. 4 and 5, Pub. L. 85-536, 72 Stat. 384 and 385 (15 U.S.C. 633 and 634, as amended); Sec. 308, Pub. L. 85-699, 72 Stat. 694 (15 U.S.C. 687, as amended); Sec. 5(b)(11), Pub. L. 93-386 and 5 U.S.C. 552.

§ 101.3-2 [Amended]

In 13 CFR 101.3-2, Part III, Section C—Surety Guarantee Items A through H are revised to read as follows:

1.* * *

a. Regional Administrator	$1,250,000
b. Deputy Regional Administrator	1,250,000
c. Assistant Regional Administrator/F/I, except Atlanta and Seattle R.O.'s	750,000
d. Assistant Regional Administrator/F&I, Atlanta and Seattle R.O.'s only	1,250,000
e. Supervisory Surety Bond Guarantee Specialist, Philadelphia R.O. only	750,000
f. Surety Bond Coordinator, Atlanta and Seattle R.O.'s only	750,000
g. Senior Surety Bond Guarantee Specialist	500,000
h. Surety Bond Officer	500,000

Date: April 28, 1987.

James Abdnor,

Administrator.

[FR Doc. 87-10299 Filed 5-14-87; 8:45 am]

BILLING CODE 8025-01-M

FEDERAL TRADE COMMISSION

16 CFR Part 436

Regulatory Flexibility Act Review of Franchise Rule

AGENCY: Federal Trade Commission.

ACTION: Notice of results of Regulatory Flexibility Act Review of the Franchise Rule.

SUMMARY: In accordance with the Regulatory Flexibility Act, (5 U.S.C. 601 et seq.) the Federal Trade Commission solicited comments during the period February 24, 1986, through April 25, 1986, on whether the Trade Regulation Rule entitled "Disclosure Requirements and Prohibitions Concerning Franchising and Business Opportunity Ventures" (16 CFR Part 436) has had a significant economic impact on a substantial number of small entities and, if it has, whether the Rule should be rescinded or amended to minimize any such significant economic impact on small entities (51 FR 6421). The Commission concluded that no modification of the Rule was warranted.

FOR FURTHER INFORMATION CONTACT: John M. Tifford, Rule Coordinator for Franchising, Federal Trade Commission, 6th and Pennsylvania Avenue, NW., Washington, DC 20580. Telephone: (202) 326-3032.

ADDRESS: Copies of the comments and two impact evaluation studies are available at the Public Reference Room 130 at the above address.

SUPPLEMENTARY INFORMATION: The Regulatory Flexibility Act, Pub. L. 96-354, 94 Stat. 1164, 5 U.S.C. 601 et seq. (RFA) requires that the Federal Trade Commission conduct a periodic review of rules which have or may have a significant economic impact upon a substantial number of small entities.

On December 21, 1978, the Federal Trade Commission promulgated the Franchise Rule (16 CFR Part 436). The Rule, which became effective on October 21, 1979, requires franchisors and franchise brokers to furnish prospective franchisees with information about the franchisor, the franchise business and the terms of the franchise agreement. Franchisors and franchise brokers must furnish additional information if they make any claim about actual or potential earnings, either to the prospective franchisee or in the media. All disclosures must be made: (i) Before any sale is made and (ii) by means of disclosure documents whose form and content are set forth in the Rule.

The Federal Trade Commission, in accordance with the RFA, solicited comments on whether the Rule has had a significant economic impact on a substantial number of small entities and, if it has, whether the Rule should be amended to minimize any significant economic impact on small entities (51 FR 6421). Attention was directed to two impact evaluation studies of the Rule which were conducted for the Commission by independent research organizations.

Questions posed were: (1) Whether the Rule has had a significant economic impact on a substantial number of small entities; (2) whether there was a continued need for the Rule and all its requirements; (3) what burdens, if any, compliance with the Rule places on small entities; (4) what changes, if any, should be made to minimize any economic impact the Rule has on small businesses; (5) to what extent the Rule overlaps, duplicates or conflicts with other federal, state and local government rules; (6) whether any changed conditions have occurred that affect the Rule; and (7) whether three million dollars is an appropriate size standard for the RFA review.

While the comments contained general suggestions concerning possible modifications of the disclosure documents or of the Commission's enforcement policies, no changes to the Rule were suggested that would specifically minimize the impact on small entities. In addition, two commentators suggested that the Rule pre-empt state franchise disclosure laws, alleging that such laws are costly, burdensome, economically inefficient and do not enhance consumer protection or furnish information not now required by the Rule. The Commission considered and rejected pre-emption at the time of the Rule's promulgation in December 1978, choosing, instead, to establish a minimum standard of disclosure application to all states and permitting each state to take whatever additional measures it deemed appropriate for particular local needs. Insufficient evidence has been presented, to date, to demonstrate the need to reevaluate the Commission's current policy, especially in the context of an analysis directed specifically at the impact of the Rule on small entities.

Ten comments were submitted. These comments and the two studies indicate the Rule provides substantial benefits for both franchisors and prospective franchisees, that there is a continuing need for the Rule, that the Rule is accomplishing the objectives contemplated by Congress and the Commission, that the Rule serves the interests of both franchisors and prospective franchisees and that any burdens imposed by the Rule are outweighed by the benefits to both franchisors and prospective franchisees. Accordingly, the Commission has no basis to conclude that the Rule has had a significant economic impact on a substantial number of small entities sufficient to warrant modification.

List of Subjects in 16 CFR Part 436

Franchises, Trade practices.

By Direction of the Commission.

Emily H. Rock,

Secretary.

[FR Doc. 87-10486 Filed 5-14-87; 8:45 am]

BILLING CODE 6750-01-M

EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

29 CFR Part 1601

Filing of Charges; Technical Amendment

AGENCY: Equal Employment Opportunity Commission.

ACTION: Final rule; technical amendment; correction.

SUMMARY: This final rule corrects references in the text of § 1601.13 in order to conform to a recent amendment of that section which redesignated two of its paragraphs.

EFFECTIVE DATE: May 15, 1987.

FOR FURTHER INFORMATION CONTACT: Nicholas M. Inzeo, Assistant Legal Counsel, or Thomas J. Schlageter, Staff Attorney, at (202) 634-6592.

SUPPLEMENTARY INFORMATION: On March 31, 1987 (52 FR 10224), EEOC published a revision of § 1601.13(a) deleting former paragraph (a)(3) and redesignating paragraphs (a)(4) and (a)(5) as paragraphs (a)(3) and (a)(4). This technical amendment is issued to conform the references in the text of the section to the redesignations made by the March 31, 1987 final rule.

List of Subjects in 29 CFR Part 1601

Administrative practice and procedure, Equal Employment

Opportunity, Intergovernmental relations.

For the Commission.

Clarence Thomas,

Chairman.

Accordingly, 29 CFR Part 1601 is amended as follows:

PART 1601—[AMENDED]

1. The authority citation for Part 1601 continues to read as follows:

Authority: Sec. 713(a), Title VII of the Civil Rights Act of 1964, as amended, 42 U.S.C. sec. 2000e–12(a), unless otherwise noted.

§ 1601.13 [Amended]

2. Section 1601.13 is amended as follows:

a. The reference to "paragraph (a)(4)(iii)" in paragraph (a)(4)(ii)(A) is changed to "paragraph (a)(3)(iii)."

b. The reference to "paragraph (a)(4)(iii)" and the reference to "paragraph (a)(5)(i)" in paragraph (a)(4)(ii)(B) are changed to "paragraph (a)(3)(iii)" and "paragraph (a)(4)(i)" respectively.

[FR Doc. 87–11149 Filed 5–14–87; 8:45 am]

BILLING CODE 6750–06–M

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Part 2619

Valuation of Plan Benefits in Single-Employer Plans; Amendment Adopting Additional PBGC Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This amendment to the regulation on Valuation of Plan Benefits in Single-Employer Plans contains the interest rates and factors for the period beginning June 1, 1987. The use of these interest rates and factors to value benefits is mandatory for some terminating single-employer pension plans and optional for others. The PBGC adjusts the interest rates and factors periodically to reflect changes in financial and annuity markets. This amendment adopts the rates and factors applicable to plans that terminate on or after June 1, 1987, and will remain in effect until the PBGC issues new interest rates and factors.

EFFECTIVE DATE: June 1, 1987.

FOR FURTHER INFORMATION CONTACT: John Foster, Attorney, Corporate Policy and Regulations Department, Code 35400, Pension Benefit Guaranty Corporation, 2020 K Street, NW., Washington, DC 20006, 202–778–8850 (202–778–8859 for TTY and TDD). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: The PBGC's regulation on the valuation of plan benefits in single-employer plans (29 CFR Part 2619) sets forth the methods for valuing plan benefits of terminating single-employer plans covered under Title IV of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). Although the amendments to Title IV effected by the Single-Employer Pension Plan Amendments Act of 1986 ("SEPPAA") change significantly the rules for terminating single-employer plans, the valuation rules are much the same. (SEPPAA applies to all plan terminations initiated on or after January 1, 1986.) Under amended ERISA section 4041(c), all plans wishing to terminate in a distress termination (like all insufficient plans under prior law) must value guaranteed benefits and (new under SEPPAA) benefit commitments under the plan using the formulas set forth in Part 2619. Plans terminating in a standard termination may, for purposes of the notice given to the PBGC, use these formulas to value benefit commitments, although this is not required. (Such plans may value benefit commitments that are payable as annuities on the basis of a qualifying bid obtained from an insurer.)

Appendix B in Part 2619 sets forth the interest rates and factors that are to be used in the formulas contained in the regulation. Because these rates and factors are intended to reflect current conditions in the financial and annuity markets, it is necessary to update the rates and factors periodically.

The rates and factors currently in use have been in effect since March 1, 1987 (52 FR 4617 (February 13, 1987)). Changes in the financial and annuity markets now require an increase in those rates. Accordingly, this amendment adds to Appendix B a new set of interest rates and factors for valuing benefits in plans that terminate on or after June 1, 1987, which set reflects an increase of ¼ percent in the immediate interest rate to 7½ percent.

Generally, the interest rates and factors will be in effect for at least one month. However, any published rates and factors will remain in effect until such time as the PBGC publishes another amendment changing them. Any change in the rates normally will be published in the **Federal Register** by the 15th of the month preceding the effective date of the new rates or as close to that date as circumstances permit.

The PBGC has determined that notice and public comment on this amendment are impracticable and contrary to the public interest. This finding is based on the need to determine and issue new interest rates and factors promptly so that the rates can reflect, as accurately as possible, current market conditions.

Because of the need to provide immediate guidance for the valuation of benefits in plans that will terminate on or after June 1, 1987, and because no adjustment by ongoing plans is required by this amendment, the PBGC finds that good cause exists for making the rates set forth in this amendment effective less than 30 days after publication.

The PBGC has determined that this is not a "major rule" under the criteria set forth in Executive Order 12291, because it will not result in an annual effect on the economy of $100 million or more, a major increase in costs for consumers or individual industries, or significant adverse effects on competition, employment, investment, productivity, or innovation.

List of Subjects in 29 CFR Part 2619

Employee benefit plans, Pension insurance, Pensions.

In consideration of the foregoing, Part 2619 of Chapter XXVI, Title 29, Code of Federal Regulations, is hereby amended as follows:

PART 2619—[AMENDED]

1. The authority citation for Part 2619 is revised to read as follows:

Authority: 29 U.S.C. 1301(a), 1302(b)(3), 1341, 1344, 1362, as amended by secs. 11004(a), 11007–11009, 11016(c)(12)–(c)(13) and 11011(a), Pub. L. 99–272, 100 Stat. 239–240, 244–252, 274 and 253–257.

2. Rate Set 67 of Appendix B is revised and Rate Set 68 of Appendix B is added to read as follows. The introductory text is shown for the convenience of the reader and remains unchanged.

Appendix B—Interest Rates and Quantities Used to Value Immediate and Deferred Annuities

In the table that follows, the immediate annuity rate is used to value immediate annuities, to compute the quantity "G_V" for deferred annuities and to value both portions of a refund annuity. An interest rate of 5% shall be used to value death benefits other than the decreasing term insurance portion of a refund annuity. For deferred annuities, k_1, k_2, k_3, n_1, and n_2 are defined in § 2619.45.

good cause exists for making the rates

Rate set	For plans With a Valuation Date		Immediate annuity rate (percent)	Deferred annuities				
	On or after	and before		k_1	k_2	k_3	n_1	n_2
* * * * * * * *								
67	3-1-87	6-1-87	7.25	1.0650	1.0525	1.0400	7	8
68	6-1-87		7.50	1.0675	1.0550	1.0400	7	8

Kathleen P. Utgoff,

Executive Director, Pension Benfit Guaranty Corporation.

[FR Doc. 87-11117 Filed 5-14-87; 8:45 am]

BILLING CODE 7708-01-M

29 CFR Part 2676

Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal; Interest Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This is an amendment to the Pension Benefit Guaranty Corporation's regulation on Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal (29 CFR Part 2676). The regulation prescribes rules for valuing benefits and certain assets of multiemployer plans under sections 4219(c)(1)(D) and 4281(b) of the Employee Retirement Income Security Act of 1974. Section 2676.15(c) of the regulation contains a table setting forth, for each calendar month, a series of interest rates to be used in any valuation performed as of a valuation date within that calendar month. On or about the fifteenth of each month, the PBGC publishes a new entry in the table for the following month, whether or not the rates are changing. This amendment adds to the table the rate series for the month of June 1987.

EFFECTIVE DATE: June 1, 1987.

FOR FURTHER INFORMATION CONTACT: Deborah C. Murphy, Attorney, Corporate Policy and Regulations Department (35400), Pension Benefit Guaranty Corporation 2020 K Street, NW., Washington DC 20006; 202-778-8850 (202-778-8859 for TTY and TDD). (These are not toll-free numbers.)

SUPPLEMENTARY INFORMATION: The PBGC finds that notice of and public comment on this amendment would be impracticable and contrary to the public interest, and that there is good cause for making this amendment effective immediately. These findings are based on the need to have the interest rates in this amendment reflect market conditions that are as nearly current as possible and the need to issue the interest rates promptly so that they are available to the public before the beginning of the period to which they apply. (*See* 5 U.S.C. 533 (b) and (d).)

Because no general notice of proposed rulemaking is required for this amendment, the Regulatory Flexibility Act of 1980 does not apply (5 U.S.C. 601(2)).

The PBGC has also determined that this amendment is not a "major rule" within the meaning of Executive Order 12291 because it will not have an annual effect on the economy of $100 million or more; or create a major increase in costs or prices for consumers, individual industries, or geographic regions; or have significant adverse effects on competiton, employment, investment, or innovation, or on the ability of United States-based enterprises to compete with foreign-based enterprises in domestic or export markets.

List of Subjects in 29 CFR Part 2676

Employee benefit plans, Pensions.

In consideration of the foregoing, Part 2676 of Subchapter H of Chapter XXVI of Title 29, Code of Federal Regulations, is amended as follows:

PART 2676—VALUATION OF PLAN BENEFITS AND PLAN ASSETS FOLLOWING MASS WITHDRAWAL

1. The authority citation for Part 2676 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1399(c)(1)(D), and 1441(b)(1).

2. In § 2676.15, paragraph (c) is amended by adding to the end of the table of interest rates therein the following new entry:

§ 2676.15 Interest.

* * * * *

(c) *Interest rates.*

For valuation dates occurring in the month—	The values of i_t are—															
	i_1	i_2	i_3	i_4	i_5	i_6	i_7	i_8	i_9	i_{10}	i_{11}	i_{12}	i_{13}	i_{14}	i_{15}	i_n
*		*		*		*		*		*		*		*		
June 1987	.08875	.08625	.08375	.08	.07625	.07125	.07125	.07125	.07125	.07125	.065	.065	.065	.065	.065	.05875

Kathleen P. Utgoff,

Executive Director, Pension Benefit Guaranty Corporation.

[FR Doc. 87-11116 Filed 5-14-87; 8:45 am]

BILLING CODE 7708-01-M

VETERANS ADMINISTRATION

38 CFR Part 36

Increase in Maximum Permissible Interest Rates on Guaranteed Manufactured Home Loans, Home and Condominium Loans, and Home Improvement Loans

AGENCY: Veterans Administration.

ACTION: Final regulations.

SUMMARY: The VA (Veterans Administration) is increasing the maximum interest rates on guaranteed manufactured home unit loans, lot loans, and combination manufactured home unit and lot loans. In addition, the maximum interest rates applicable to fixed payment and graduated payment home and condominium loans, and to home improvement and energy conservation loans are also increased. These increases are necessary because previous rates were not competitive enough to induce lenders to make guaranteed or insured home loans without substantial discounts, or to make manufactured home loans. The increase in the interest rates will assure a continuing supply of funds for home mortgages, home improvement and manufactured home loans.

EFFECTIVE DATE: May 11, 1987.

FOR FURTHER INFORMATION CONTACT: Mr. George D. Moerman, Loan Guaranty Service (264), Department of Veterans Benefits, Veterans Administration, 810 Vermont Avenue, NW., Washington, DC 20420, (202) 233-3042.

SUPPLEMENTARY INFORMATION: The Administrator is required by section 1819(f), title 38, United States Code, to establish maximum interest rates for

manufactured home loans guaranteed by the VA as he finds the manufactured home loan capital markets demand. Recent market indicators—including the prime rate, the general increase in interest rates charged on conventional manufactured home loans, and the increase in other short-term and long-term interest rates—have shown that the manufactured home capital markets have become more restrictive. It is now necessary to increase the interest rates on manufactured home unit loans, lot loans, and combination manufactured home unit and lot loans in order to assure an adequate supply of funds from lenders and investors to make these types of VA loans.

The Administrator is also required by section 1803(c), title 38, United States Code, to establish maximum interest rates for home and condominium loans, including graduated payment mortgage loans, and for loans for home improvement purposes. Recent market indicators—including the rate of discount charged by lenders on VA loans and the general increase in interest rates charged by lenders on conventional loans, have shown that the mortgage money market has become more restrictive. The maximum rates in effect for VA guaranteed home and condominium loans and those for energy conservation and home improvement purposes have not been sufficiently competitive to induce private sector lenders to make these types of VA guaranteed or insured loans without imposing substantial discounts. To assure a continuing supply of funds for home mortgages through the VA loan guaranty program, it has been determined that an increase in the maximum permissible rates applicable to home and improvement loans is necessary. The increased return to the lender will make VA loans competitive with other available investments and assure a continuing supply of funds for guaranteed and insured mortgages.

Regulatory Flexibility Act/Executive Order 12291

For the reasons discussed in the May 7, 1981 **Federal Register** (46 FR 25443), it has previously been determined that final regulations of this type which change the maximum interest rates for loans guaranteed, insured, or made pursuant to chapter 37 of title 38, United States Code, are not subject to the provisions of the Regulatory Flexibility Act, 5 U.S.C. 601–612.

These regulatory amendments have also been reviewed under the provisions of Executive Order 12291. The VA finds that they do not come within the definition of a "major rule" as defined in that Order. The existing process of informal consultation among representatives within the Executive Office of the President, OMB, the VA and the Department of Housing and Urban Development has been determined to be adequate to satisfy the intent of this Executive Order for this category of regulations. This alternative consultation process permits timely rate adjustments with minimal risk of premature disclosure. In summary, this consultation process will fulfill the intent of the Executive Order while still permitting compliance with statutory responsibilities for timely rate adjustments and a stable flow of mortgage credit at rates consistent with the market.

These final regulations come within exceptions to the general VA policy of prior publication of proposed rules as contained in 38 CFR 1.12. The publication of notice of a regulatory change in the VA maximum interest rates for VA guaranteed, insured, and direct home and condominium loans, loans for energy conservation and other home improvement purposes, and loans for manufactured home purposes would create an acute shortage of funds pending the final rule publication date which would necessarily be more than 30 days after publication in proposed form. Accordingly, it has been determined that publication of proposed regulations prior to publication of final regulations is impracticable, unnecessary, and contrary to the public interest.

(Catalog of Federal Domestic Assistance Program numbers, 64.113, 64.114, and 64.119)

These regulations are adopted under authority granted to the Administrator by sections 210(c), 1803(c)(1), 1811(d)(1) and 1819 (f) and (g) of title 38, United States Code. The regulations are clearly within that statutory authority and are consistent with Congressional intent.

These increases are accomplished by amending §§ 36.4212(a) (1), (2), and (3), and 36.4311 (a), (b), and (c), and 36.4503(a), title 38, Code of Federal Regulations.

List of Subjects in 38 CFR Part 36

Condominiums, Handicapped, Housing, Loan Programs—housing and community development, Manufactured homes, Veterans.

Approved: May 8, 1987.

By direction of the Administrator:

James E. DeWire,

Chief of Staff, Veterans Administration.

PART 36—[AMENDED]

38 CFR Part 36, Loan Guaranty, is amended as follows:

1. In § 36.4212, paragraph (a) is revised as follows:

§ 36.4212 Interest rates and late charges.

(a) The interest rate charged the borrower on a loan guaranteed or insured pursuant to 38 U.S.C. 1819 may not exceed the following maxima except on loans guaranteed or insured pursuant to guaranty or insurance commitments issued by the Veterans Administration prior to the respective effective date: (38 U.S.C. 1819(f))

(1) Effective May 11, 1987, 12½ percent simple interest per annum for a loan which finances the purchase of a manufactured home unit only.

(2) Effective May 11, 1987, 12 percent simple interest per annum for a loan which finances the purchase of a lot only and the cost of necessary site preparation, if any.

(3) Effective May 11, 1987, 12 percent simple interest per annum for a loan which will finance the simultaneous acquisition of a manufactured home and a lot and/or the site preparation necessary to make a lot acceptable as the site for the manufactured home.

* * * * *

2. In § 36.4311, paragraphs (a), (b), and (c) are revised as follows:

§ 36.4311 Interest rates.

(a) Excepting loans guaranteed or insured pursuant to guaranty or insurance commitments issued by the VA which specify an interest rate in excess of 10 per centum per annum, effective May 11, 1987, the interest rate on any home or condominium loan, other than a graduated payment mortgage loan, guaranteed or insured wholly or in part on or after such date may not exceed 10 per centum per annum on the unpaid principal balance. (38 U.S.C. 1803(c)(1))

(b) Excepting loans guaranteed or insured pursuant to guaranty or insurance commitments issued by the

VA which specify an interest rate in excess of 10¼ per centum per annum, effective May 11, 1987, the interest rate of any graduated payment mortgage loan guaranteed or insured wholly or in part on or after such date may not exceed 10¼ per centum per annum. (38 U.S.C. 1803(c)(1))

(c) Effective May 11, 1987, the interest rate on any loan solely for energy conservation improvements or other alterations, improvements or repairs, which is guaranteed or insured wholly or in part on or after such date may not exceed 11½ per centum per annum on the unpaid principal balance. (38 U.S.C. 1803(c)(1))

* * * * *

3. In § 36.4503, paragraph (a) is revised as follows:

§ 36.4503 Amount and amortization.

(a) The original principal amount of any loan made on or after October 1, 1980, shall not exceed an amount which bears the same ratio to $33,000 as the amount of the guaranty to which the veteran is entitled under 38 U.S.C. 1810 at the time the loan is made bears to $27,500. This limitation shall not preclude the making of advances, otherwise proper, subsequent to the making of the loan pursuant to the provisions of § 36.4511. Except as to home improvement loans, loans made by the VA shall bear interest at the rate of 9½ percent per annum. Loans solely for the purpose of energy conservation improvements or other alterations, improvements, or repairs shall bear interest at the rate of 11 percent per annum. (38 U.S.C. 1811(d)(1) and (2)(A))

* * * * *

[FR Doc. 87-10984 Filed 5-14-87; 8:45 am]

BILLING CODE 8320-01-M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 61

[FRL-3202-6]

National Emission Standards for Hazardous Air Pollutants (NESHAPS); Delegation of Authority to the State of Kansas

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of delegation of authority.

SUMMARY: This notice announces the delegation of authority by the Environmental Protection Agency (i.e., EPA or the agency) to the state of Kansas for the implementation of certain provisions of NESHAPS 40 CFR Part 61, Subpart M. This action is in response to the state's request for delegation of authority. The effect of the delegation is to shift the primary responsibility for implementation of the standard from EPA to the state of Kansas. Under the terms of the delegation, Kansas will implement certain provisions of NESHAPS and EPA will retain the primary authority to enforce against the NESHAPS violations.

EFFECTIVE DATE: May 15, 1987.

ADDRESSES: All requests, reports, applications, submittals, and such other communications, which are required to be submitted under 40 CFR Part 61, Subpart M (including all the notifications required to be submitted under 40 CFR 61.146) for the affected owners or operators in Kansas, should be sent to the Kansas Department of Health and Environment, Forbes Field, Topeka, Kansas 66620. A copy of all related notifications must also be sent to the attention of the Director, Air and Toxics Division, U.S. EPA, Region VII, 726 Minnesota Avenue, Kansas City, Kansas 66101.

FOR FURTHER INFORMATION CONTACT: Charles W. Whitmore, Air Compliance Section, Air Branch, U.S. EPA, Region VII, at the above address or call (913) 236-2896 or FTS: 757-2896.

SUPPLEMENTARY INFORMATION: Section 112(d) of the Clean Air Act allows the Administrator of Environmental Protection Agency (i.e., EPA or the agency) to delegate to any state government authority to implement certain provisions promulgated by the agency under 40 CFR Part 61, Subpart M. When a delegation is issued, the agency retains concurrent authority to implement the delegated standard. This delegation basically shifts the primary responsibility for implementation of the standard from the agency to the state government. The agency maintains the primary responsibility for enforcement of the standard.

The state of Kansas has requested the authority for delegation of 40 CFR Part 61, Subpart M. On November 5, 1986, the agency and the state of Kansas entered into an agreement which delegated authority to implement certain provisions of the NESHAPS Subpart. The provisions which are affected by this delegation are:

Applicability: Section 61.145 (a)–(d); excluding (d)(1)
Notification: Section 61.146
Emission Control: Section 61.147; excluding that portion of (c) dealing with dry removal

Interested individuals are informed that, as of November 5, 1986, the state of Kansas has EPA's authorization to implement the requirements of the certain NESHAPS provisions affected by the delegation agreement. These provisions are listed in the delegation of authority letter dated November 5, 1986, which is reproduced in its entirety as follows:

Barbara J. Sabol,
Secretary, Kansas Department of Health and Environment, Forbes Field, Topeka, Kansas 66620.

Dear Ms. Sabol: This letter is in response to the request by the Kansas Department of Health and Environment (KDHE) for partial delegation of the National Emission Standards for Hazardous Air Pollutants (NESHAPS), 40 CFR Part 61, Subpart M, National Emission Standard for Asbestos.

KDHE was given the authority by the Kansas State Legislature to implement and enforce asbestos control law and regulations (K.S.A. 65-5301 *et seq.*, and Kansas Administrative Regulations 28-50-1 through 28-50-14) which were adopted on April 24, 1985. The regulations became effective on January 1, 1986. The Environmental Protection Agency (EPA) has determined that the state of Kansas asbestos regulations provide adequate and effective procedures for partial implementation of 40 CFR Part 61, Subpart M.

The EPA hereby delegates the authority to implement certain provisions of the asbestos standard at 40 CFR Part 61, Subpart M. The sections of this subpart which are affected by this delegation are:

Applicability: Section 61.145 (a)–(d); excluding (d)(1)
Notification: Section 61.146
Emission Control: Section 61.147; excluding that portion of (c) dealing with dry removal

Since the state's asbestos regulations, effective January 1, 1985, pertaining to proper asbestos removal and disposal, do not apply to building owners, the EPA retains the primary authority to implement and enforce 40 CFR Part 61, Subpart M, for violations involving building owners. KDHE will continue to implement and enforce the state regulations. EPA will use information obtained during KDHE inspections to enforce the NESHAPS regulations.

If the Director, Air and Toxics Division, determines that the NESHAPS asbestos program is not being effectively carried out, this partial delegation may be revoked. In such instances, the regional office will notify the state of this action. The EPA may specify (or suggest) appropriate corrective measures, and will allow the state a reasonable period of time to implement corrective measures. If deficiencies continue to exist after the allotted time, the EPA regional office may revoke the delegation as discussed above. The regional office will notify the state of its intent to revoke the delegation, and will state the reason(s) for the intended action, at least fifteen (15) calendar days prior to the effective date of the action.

If the state determines that it can (or will) no longer implement the NESHAPS regulation for any reason, it may request, by letter, that

the delegation be revoked in whole or in part. To ensure a smooth transfer of primary enforcement responsibilities, the state will continue to implement the delegated provisions until the regional office formally acts on the revocation request, unless the circumstances of the situation absolutely dictate otherwise.

The state and the EPA regional office shall continue to maintain a system of communication sufficient to guarantee that each office is always fully informed regarding the compliance status of the subject facilities and of enforcement actions taken (or being contemplated) by the offices involved. A protocol will be developed by the respective state and EPA staffs concerning the implementation of this delegation. When finalized the protocol will become part of this delegation.

The EPA retains concurrent authority to implement and/or enforce all provisions of the delegated regulation. The agency shall give the state prior notification before it exercises its concurrent authority. However, nothing in this partial delegation shall relieve any person subject to any requirement of 40 CFR Part 61, Subpart M, of the obligation to comply with such requirement.

This delegation is effective immediately, unless otherwise requested by the state of Kansas. Please acknowledge acceptance, in writing, within ten (10) days of receipt of this letter. A notice announcing this partial delegation will appear in the **Federal Register** in the near future.

If you have any questions, please contact Ms. Mary Tietjen at (913) 236-2896.

Sincerely yours,

Morris Kay,

Regional Administrator.

cc: David J. Romano, KDHE

Effective immediately, all reports, correspondence, and such other communications, that are required to be submitted under the NESHAP Subpart for owners or operators in Kansas affected by the delegation of authority, should be sent to the KDHE at the above address. A copy of each notification required to be submitted under 40 CFR 61.146, must also be sent to the attention of the Director, Air and Toxics Division, U.S. EPA Region VII, at the above address.

Each document and letter mentioned in this notice is available for public inspection at the EPA regional office.

This notice is issued under the authority of section 112 of the Clean Air Act, as amended (42 U.S.C. 7412).

Morris Kay,

Regional Administrator.

[FR Doc. 87-11128 Filed 5-14-87; 8:45 am]

BILLING CODE 6560-50-M

40 CFR Part 61

[FRL 3201-4]

National Emission Standards for Hazardous Air Pollutants (NESHAPS); Change of Address

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: The information in 40 CFR 61.04 is being revised to reflect a recent NESHAPS delegation to the state of Kansas. The intended effect of the action is to keep the information in 40 CFR 61.04 current.

EFFECTIVE DATE: May 15, 1987.

FOR FURTHER INFORMATION CONTACT: Charles W. Whitmore, Chief, Air Compliance Section, Air Branch, EPA, Region VII, 726 Minnesota Avenue, Kansas City, Kansas 66101 (913/236-2896 or FTS: 757-2896).

SUPPLEMENTARY INFORMATION: Section 40 CFR 61.04 sets forth the EPA regional offices and state agencies to which all requests, reports, applications, submittals, and other communications must be sent by owners and/or operators of facilities (or activities) affected by the National Emission Standards for Hazardous Air Pollutants (NESHAPS) regulation. The information in 40 CFR 61.04 is being revised to reflect a recent NESHAPS delegation to the state of Kansas. All interested individuals are hereby informed of the new information.

The Administrator finds good cause for foregoing prior public notice of the amendments and for making this rulemaking effective immediately in that the amendments are an administrative change and not one of substantive content. No additional burdens are imposed upon the parties affected by the amendments.

List of Subjects in 40 CFR Part 61

Air pollution control, Hazardous substances control.

Morris Kay,

Regional Administrator.

PART 61—[AMENDED]

Part 61 of Chapter 1, Title 40 of the Code of Federal Regulations is amended as follows:

1. The authority citation for Part 61 continues to read as follows:

Authority: 42 U.S.C. 7401, 7412, 7414, 7416, and 7601.

2. In § 61.04, text is added to reserved paragraph (b)(R) to read as follows:

§ 61.04 Address.

* * * * *

(b) * * *

(R) State of Kansas: Kansas Department of Health and Environment, Bureau of Air Quality and Radiation Control, Forbes Field, Topeka, Kansas 66620.

* * * * *

[FR Doc. 87-11129 Filed 5-14-87; 8:45 am]

BILLING CODE 6560-50-M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Public Health Service

42 CFR Part 64a

Obligated Service Provisions for Mental Health Traineeships

AGENCY: Public Health Service, HHS.

ACTION: Final rule.

SUMMARY: This rule amends regulations implementing the provisions of section 303 of the Public Health Service (PHS) Act (42 U.S.C. 242a), as amended by section 803 of the Mental Health Systems Act, regarding the service payback obligations of individuals who receive clinical traineeships in psychology, psychiatry, social work or nursing (that are not of limited duration or experimental nature). The rule amends Part 64a of Title 42 of the Code of Federal Regulations to establish a uniform rate of interest for all individuals who receive clinical traineeships, clarifies the fact that funds owed to the Government become a debt when the trainee fails to complete the obligation, requires that training institutions conduct entrance and exit interviews with trainees to inform them of the seriousness of their service obligations, and provides guidelines for hardship deferrals.

EFFECTIVE DATE: June 15, 1987.

FOR FURTHER INFORMATION CONTACT: Diana Trunnell, Grants Management Specialist, National Institute of Mental Health, Room 7C-26, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443-4924.

SUPPLEMENTARY INFORMATION: A Notice of Proposed Rulemaking was published on May 28, 1986 (51 FR 19225) to amend 42 CFR Part 64a, regulations implementing the service and monetary payback obligations of individuals receiving mental health clinical traineeships under section 303 of the Public Health Service Act, 42 U.S.C. 242a. These proposed changes would affect the manner in which interest is calculated for monetary payback.

require training institutions to conduct entrance and exit interviews, and establish criteria for granting extensions of time to perform service payback. Because no comments were received on the proposed rules and the Secretary believes their adoption is appropriate, the Final Rule adopts the proposed changes without modification.

Economic Impact of Regulatory Requirements

Because the Final Rule does not impose a significant burden on training institutions, it is anticipated that compliance with the rule will not impose any new major expenditures on their part. The change in the method of calculating the interest rate will solely affect individual trainees and, in the aggregate, is not expected to be substantial although it may be significant in individual cases. Therefore, these regulations will not have a significant economic impact on a substantial number of small entities and a Regulatory Flexibility Analysis under the Regulatory Flexibility Act of 1980 is not required. Further, since these regulations do not meet any criteria for a major regulation under Executive Order 12291, a Regulatory Impact Analysis is not required.

Paperwork Reduction Act

Section 64a.104 of this Final Rule contains information collection requirements which have been approved for use through March 31, 1989 (OMB No. 0930–0120).

List of Subjects in 42 CFR Part 64a

Health professions, Manpower training programs, Mental health programs, Clinical traineeships, Obligated service.

Dated: March 20, 1987.

Robert E. Windom,

Assistant Secretary for Health.

Approved: April 30, 1987.

Otis R. Bowen,

Secretary.

Therefore, Subchapter E of Chapter I of Title 42 of the Code of Federal Regulations is amended in Part 64a as follows:

PART 64a—[AMENDED]

1. The authority citation for Part 64a continues to read as follows:

Authority: Section 803, Pub. L. 96–398, 94 Stat. 1607–1608 (42 U.S.C. 242a).

2. In § 64a.104, paragraphs (b) and (c) are revised and (d) and the OMB control number are added to read as follows:

§ 64a.104 What requirements are imposed upon grantees?

* * * * * *

(b) Before awarding a clinical traineeship, conduct an entrance interview with the individual in order to explain and emphasize the service obligation the individual is incurring, obtain the individual's written assurance that he or she will satisfy the requirements of § 64a.105, and document, in accordance with paragraph (d) of this section, the entrance interview on the form containing the individual's written assurance.

(c) At the time of termination of the clinical traineeship,

(1) Notify the Secretary in writing of the date on which the individual's traineeship is terminated;

(2) Conduct an exit interview with the individual to remind the trainee of the service obligation, to fully explain the consequences that will incur should the trainee fail to satisfy the obligation, and, to tell the individual that the Secretary has been notified of the date of termination of the traineeship; and

(3) Document, in accordance with paragraph (d) of this section, the exit interview on the form notifying the Secretary of the termination of the traineeship.

(d) Document the entrance and exit interviews with at least the following information: The date of the interview, the names of the participants involved in the interview, and a statement that the interview included an explanation to the individual of the service payback requirement and the consequences of failing to fulfill the service payback requirement.

(Approved by the Office of Budget and Management under control number 0930–0120)

3. Section 64a.105(e)(1)(iii) is added and paragraph (g) is revised to read as follows:

§ 64a.105 What are the conditions of obligated service?

* * * * *

(e) *Conditions for deferral or break in service, waiver, or cancellation.* (1) * * *

* * * * *

(iii) In making determinations under § 64a.105(e)(1)(i)(C), the Secretary will take into consideration the following factors:

(A) The individual's present financial resources and obligations;

(B) The individual's estimated future financial resources and obligations;

(C) The reasons for the individual's failure to complete the requirements within the prescribed period, such as problems of a personal nature;

(D) The unavailability of employment opportunities appropriate to the individual's education and training; and

(E) Any other extenuating circumstances.

* * * * *

(g) *Recovery for failure to perform obligated service.* (1) If an individual fails to begin or complete the obligated service in accordance with the requirements of paragraphs (a) through (f) of this section, that individual is obligated to repay the United States an amount equal to three times the cost of the award (including stipends and other trainee allowances) plus interest on that amount calculated for the total period since the trainee failed to perform the obligated service at the rate set by the Secretary of the Treasury for National Research Service Awards prevailing on the date on which the period of appointment begins, multiplied, in any case in which the service that was required has been performed in part, by the percentage which the length of service that was not performed is to the length of the service that was required to be performed. The amount will be determined under the following formula:

$$A = 3\{\theta + mi\theta\}\frac{(t-s)}{(t)}$$

where

A = the amount the United States is entitled to recover;

θ = the cost of the clinical traineeship (including stipends and other trainee allowances);

m = the number of months since the trainee failed to perform obligated service;

i = the National Research Service Award rate on the date which the period of appointment begins divided by twelve;

t = the total number of months of the service obligation;

s = the number of months that have been served.

(2) Unless the Secretary extends the repayment period as provided in paragraph (e) of this section, the individual shall pay to the United States the total amount which the United States is entitled to recover under paragraph (g)(1) immediately upon the date that the individual fails to begin or complete the period of obligated service (including failing to comply with the applicable terms and conditions of an extension or break in service granted the individual) or upon the date that the individual indicates his or her intention not to fulfill the service obligation as determined by the Secretary. The

amount is considered a debt owed to the United States, with interest accruing monthly upon the total debt as provided under paragraph (g)(1).

[FR Doc. 87-10997 Filed 5-14-87; 8:45 am]

BILLING CODE 4160-17-M

DEPARTMENT OF TRANSPORTATION

Coast Guard

46 CFR Parts 32, 77, 92, 96, 190 and 195

[CGD 84-073]

Miscellaneous Changes; Tank Vessels, etc.

AGENCY: Coast Guard, DOT.

ACTION: Final rule.

SUMMARY: This rule makes changes to the regulations in three general areas. First, it modifies regulations for accommodations, rails and guards, and anchors for tank vessels to bring 46 CFR Subchapter D into uniformity with the rules for other vessels found in 46 CFR Subchapters H, I, and U. Since the requirements for radiotelegraph, radiotelephone, and radio direction finder are found in the Federal Communications Commission (FCC) regulations, this rule deletes overlapping regulations from Subchapters D, H, I and U. This action does not, however, change or delete any current requirements for this equipment aboard certain ships. Third, this rule will bring the structural fire protection regulations of Subchapter I and U in conformity with Subchapters D and H, the 1981 amendments to the International Conference on Safety of Life at Sea, 1974 (SOLAS 74), and current marine practice with regard to non-combustible construction in control spaces. The purpose of the rule is to revoke unnecessary regulations, and revise existing regulations to be more uniform in application among the various classes of vessels. The rule results in clearer and more consistent regulations.

EFFECTIVE DATE: April 1, 1987.

FOR FURTHER INFORMATION CONTACT: Mr. John M. Kinsey, Ship Design Branch, Marine Technical and Hazardous Materials Division, Office of Marine Safety, Security and Environmental Protection, (202) 267-2997.

SUPPLEMENTARY INFORMATION: A Notice of proposed rulemaking was published on September 30, 1985 at 50 FR 39729, and public comment was invited for 60 days ending November 29, 1985. Comments were received from two marine trade organizations, and two shipping companies.

Regulatory Background

The **Federal Register** of October 18, 1952 revised, updated, and rearranged the Coast Guard vessel inspection regulations, grouping them into subchapters pertaining to various classes of vessels. The regulations for tank vessels were not revised to the same extent as the regulations for passenger and cargo and miscellaneous vessels. The language and depth of treatment for fire protection, accommodations, and other headings have differed between Subchapter D and Subchapters H, I, and, more recently, U, notwithstanding the fact that many tank, passenger, cargo, and miscellaneous vessels are generally similarly sized, engaged on similar routes, exposed to similar hazards, and have similar manning by crews of similar training and competency. Under the circumstances, similar standards for accommodations, rails and guards, anchors and ground tackle, and structural fire protection are in order in the interests of uniformity and marine safety.

A review of the rules in Subchapter D for rails (46 CFR 32.01-10) revealed there was no provision for storm rails in tank vessels as there is for other vessel classes. Current marine practice dictates, however, that tank vessels are typically furnished with these rails during construction. This rule codifies a good current marine practice that should remain in force.

Under the present tank vessel regulations, anchors, chains, and hawsers are not required as they are for other classes of vessels. Such equipment is clearly necessary for the safe operation of all vessels. This rule corrects this oversight.

A review of Subchapters I and U indicated that specific requirements for non-combustible construction in control spaces (i.e., spaces that contain emergency sources of power, and those spaces in which a continuous watch is maintained and in which navigating, radio, or fire control equipment is located) were not included. In addition, the first set of amendments to SOLAS 74, which have been in effect since September 1, 1984, require that control spaces on new cargo and tank vessels over 500 gross tons on international voyages be constructed with non-combustible materials. In keeping with the Coast Guard's intention to minimize any economic impact of these revisions, the requirements for non-combustible construction in control spaces will not apply to existing vessels, i.e. those for which an initial Application for Inspection was submitted before the effective date of these rules. Similarly, the fire protection requirements for control spaces in oceanographic research vessels will not apply to vessels for which an Application for Inspection was received before the effective date of these rules. A complete revision of all the fire regulations will be forthcoming to bring the rules for all vessel classes into conformity with the international standards.

Drafting Information

The principal persons involved in drafting this rule are Mr. John M. Kinsey, Project Manager, and Commander Ronald C. Zabel, Project Counsel, Office of Chief Counsel.

Discussion of Comments and Changes

Four comments were received related to specific sections of the proposed rules. These comments are discussed below.

One comment from an association representing the offshore marine industry expressed concern that the addition of fire protection requirements for control spaces in Subchapter I would constitute a major change in current marine practice for industrial vessels (offshore supply vessels). The letter stated "By adding a new paragraph (g) to § 92.07-10, the Coast Guard has applied international standards intended for cargo ships of 500 gross tons trading internationally to domestic vessels and cargo ships less than 500 gross tons generally." This impression is not correct. The vessels to which 46 CFR 92.07-10 applies have not been changed. The non-combustible construction requirements apply to all cargo and miscellaneous vessels over 4000 gross tons contracted for on or after January 1, 1962, and industrial vessels over 300 gross tons, contracted for on or after July 1, 1968, carrying more than 12 industrial personnel. The international requirements for non-combustible construction apply to cargo vessels of 500 gross tons and over on international voyages, and they came into effect when the U.S. adopted the 1981 amendments to SOLAS 74 on September 1, 1984.

The addition of § 92.07-10(g) in this rule is intended to require non-combustible construction in control spaces on new domestic Subchapter I (cargo and miscellaneous) and U (oceanographic) vessels whose initial applications for inspection are submitted after publication of this rule. However, the applicability sections in 46 CFR 92.07-1 (a) and (b) and 190.07-1 (a)-(d) with regard to tonnage are not

changed. The Coast Guard, as a matter of policy, has always considered these standards to apply to control spaces on cargo and oceanographic vessels in the past, and has consistently required non-combustible construction. The Coast Guard has only recently noted that "control spaces" were not specifically cited in the regulations in Subchapters I and U, as they are in Subchapters D and H. With regard to the specific concern of this comment, § 92.07–10(g) will require new industrial vessels (offshore supply vessels) to have control spaces constructed with non-combustible materials only if they exceed 300 gross tons and carry more than twelve industrial personnel. Most offshore supply vessels in service today are less than 300 gross tons and below the threshold for non-combustible construction as presently detailed.

The Coast Guard believes that the impact on the industry is not significant. The regulatory policy and application is unchanged from the past, but the language now specifically requires certain cargo, industrial and oceanographic vessels for which initial Applications for Inspection are made on or after the effective date of these regulations to apply non-combustible material standards to control spaces.

One comment suggested "deckhouse sides" be further described as pertaining to weather decks at all deck levels in proposed 46 CFR 32.01–10(d) regarding installation of storm rails. We have added the phrase "on weather decks" after "deckhouse sides" to clarify this.

One comment suggested the last sentence of the proposed 46 CFR 32.15–15(d) be revised to read "If the service of the tank vessel is significantly changed, the suitability of the existing equipment will be evaluated by the Officer in Charge, Marine Inspection." The suggested addition of the word "significantly" is misleading. What is of concern is not the extent of the change in service, but whether the vessel's equipment is suitable for the new service. In view of the many possible circumstances that could arise, the only suitable solution is a case-by-case evaluation. Accordingly, we have substituted the word "evaluated" for the word "established" to clarify the intent of the rule.

One comment suggested paragraph (b) and (c) of 46 CFR 32.40–5 could be deleted since paragraph (a) covers the intent of the section. We agree. Paragraph (b) distinguished between officers and unlicensed crew, but in several places, the word "crew" implies that both officer and non-officer accommodations are affected. In § 32.40–15 "crew quarters" applies to officers as well, and "crew accommodations" in §§ 32.40–70 and 32.40–90 also cover the licensed members. The only specific accommodation standard for officers is § 32.40–25(b), where each licensed officer is to be provided a separate stateroom where practicable. Subparagraph (c) simply enumerated spaces considered under the term "accommodation space." Since these are discussed specifically in the sections that follow, there is no need for such a definition. Therefore, paragraphs (b) and (c) have been omitted and paragraph (a) has been revised to clarify that "crew" includes both officer and unlicensed personnel.

One comment suggested rewriting 46 CFR 32.40–70(a) in a somewhat abbreviated form, but offered no explanation for the suggested change. Since no real substantive change was offered, we have left the wording intact. 46 CFR 32.40–70(b) was suggested for rewording as follows: "Accommodations shall be properly lighted, heated, drained, located, arranged and insulated from undue noise and odors." While we understand the motive was to make the rule a general statement of the construction considerations, we prefer the proposed rule wording which requires the construction to be "consistent with the principles underlying the requirements" for larger tank vessels, thus providing guidance to designers and a discretionary reference to Officers in Charge, Marine Inspection.

One trade operator felt the accommodation regulations for Subchapter D presented a standard below that considered acceptable by the industry, and should be eliminated as unnecessary. Another operator expressed the view that the portions of those regulations dealing with arrangements of sleeping spaces (proposed 46 CFR 32.40–25) and the regulations dealing with requirements for adequate clothes washing facilities and recreation space (proposed 46 CFR 32.40–55) were inappropriate for regulations. The Coast Guard recognizes the standards are lower than what is generally provided today on large oceangoing tankships, as these vessels are able to devote more than ample space to crew accommodations due to their size. We consider it expedient, however, to include in our regulations minimum standards for adequate living oonditions for the crew. Proper ventilation, lighting, toilet and washing facilities, and living quarters free of excessive noise, heat, vibration and noxious odors contribute directly to the health and well being of the crew, and thereby the safety of the vessel. The standards will have a greater bearing on new smaller tank vessels (presently about 25 percent of the fleet of inspected tankships is under 5,000 gross tons and replacements are anticipated). To provide these essential facilities and living conditions, designers may need to pay additional attention to the arrangement of these smaller vessels.

The living conditions of U.S. Merchant seamen were not always what they are today. It was the result of union demands and public awareness that led to the passage of the Seaman's Act of 1915 (The LaFollette Act). This law imposed minimum space allotments and general construction standards for crew spaces. The statutory standards were drafted within the confines of the available knowledge of the times and with regard to the type and limitations of shipbuilding design available to the marine industry seventy years ago. These 1915 standards were the minimums applied to all commercial vessels of 100 gross tons and over until 1952 when the Coast Guard revised the regulations for accommodations for officers and crew of cargo and passenger vessels, specifying somewhat larger spaces than the minimum statutory allotments. The tank vessel regulations (46 CFR Subchapter D) were not similarly amended. This rule now incorporates accommodation requirements for tankships similar to those of cargo and passenger vessels. While there is no indication that these requirements exceed current tank vessel construction and arrangement practices, it makes good sense to incorporate the same modern minimum standard into the tank vessel regulations and provide uniformity with 46 CFR Subchapters H, I and I–A.

One national trade association, representing 24 U.S. flag shipping companies owning or operating ten million deadweight tons of tankers, dry bulk carriers and other ocean going vessels engaged in the domestic and international trades of the United States, expressed unqualified support of the proposed amendments to the regulations for accommodations, rails and guards, and anchors for tank vessels as well as the deletions of requirements for radiotelegraph, radiotelephone and radio direction finders in deference to the similar requirements of the Federal Communications Commission.

E.O. 12291 and DOT Regulatory Policies and Procedures

These regulations are considered to be non-major under Executive Order 12291 and nonsignificant under the Department of Transportation regulatory

policies and procedures (44 FR 11034; February 26, 1979). The regulations contain minor changes that in some cases may appear to be adding requirements for new vessels with a corresponding increase in cost. However, vessels being constructed today meet and often exceed the regulations. There will be no economic impact on existing vessels because the proposal provides for acceptance of current arrangements and equipment on these vessels. Thus, this proposed change to 46 CFR Subchapters D, H, I, and U represents no real cost increase to industry or government. Since the economic impact is expected to be minimal, the Coast Guard has determined that no further evaluation is necessary.

Regulatory Flexibility Act

Since the impact of these regulations is expected to be minimal, the Coast Guard certifies that they will not have a significant economic impact on a substantial number of small entities.

Paperwork Reduction Act

These regulations contain no information collection or recordkeeping requirements.

Environmental Assessment

The Coast Guard has considered the environmental impact of the regulations and concluded that preparation of an environmental impact statement is not necessary.

List of Subjects

46 CFR Part 32

Barges, Fire protection, Marine safety, Tank vessels.

46 CFR Part 77

Marine safety, Navigation (water), Passenger vessels.

46 CFR Part 92

Cargo vessels, Fire protection, Marine safety.

46 CFR Part 96

Cargo vessels, Marine safety, Navigation (water).

46 CFR Part 190

Fire prevention, Marine safety, Oceanographic vessels.

46 CFR Part 195

Marine safety, Navigation (water), Oceanographic vessels.

For the reasons set out in the preamble, Title 46, Chapter 1 of the Code of Federal Regulations, is amended as follows:

PART 32—SPECIAL EQUIPMENT, MACHINERY, AND HULL REQUIREMENTS

1. The authority citation for Part 32 is revised to read as follows and all other authority citations in the part are removed:

Authority: 46 U.S.C. 3306, 3703; 50 U.S.C. 198; 49 CFR 1.46(b) and (n).

2. By adding a new paragraph (d) to § 32.01–10 to read as follows:

§ 32.01–10 Rails—TB/ALL

* * * * *

(d) All tank vessels in ocean and coastwise service, except unmanned tank barges, constructed on or after April 1, 1987, must have suitable storm rails installed in all passageways and at the deckhouse sides on weather decks where persons on board might have normal access. Storm rails must be installed on both sides of passageways which are six feet or more in width. Tank vessels to which this paragraph applies constructed prior to April 1, 1987, may retain previously accepted or approved installations so long as they are maintained in good condition to the satisfaction of the Officer in Charge, Marine Inspection.

3. By revising § 32.15–15 to read as follows:

§ 32.15–15 Anchors, Chains, and Hawsers—TB/ALL

(a) *Application.* The provisions of this section, with the exception of paragraph (d), apply to every tankship and manned seagoing barge constructed on or after April 1, 1987. Tankships and manned seagoing barges constructed prior to April 1, 1987 must meet the requirements of paragraph (d) of this section.

(b) *Ocean, Coastwise, or Great Lakes Service.* Tankships in ocean, coastwise, or Great Lakes service and manned seagoing barges must be fitted with anchors, chains and hawsers in general agreement with the standards established by the American Bureau of Shipping. The current standards of other recognized classification societies may also be accepted upon approval by the Commandant.

(c) *Lakes, Bays, and Sounds, or River Service.* Tankships in lakes, bays, and sounds, or river service must be fitted with such ground tackle and hawsers as deemed necessary by the Officer in Charge, Marine Inspection, depending upon the size of the tankship and the waters on which it operates.

(d) *Tankships and Barges Constructed Prior to April 1, 1987.* For tankships and manned seagoing barges constructed prior to April 1, 1987, the installations previously accepted or approved will be considered satisfactory for the same service so long as they are maintained in good condition to the satisfaction of the Officer in Charge, Marine Inspection. If the service of the tank vessel is changed, the suitability of the equipment will be evaluated by the Officer in Charge, Marine Inspection.

§ 32.15–20 [Removed]

4. By removing § 32.15–20.

§ 32.15–25 [Removed]

5. By removing § 32.15–25.

6. By revising Subpart 32.40 to read as follows:

Subpart 32.40—Accommodations for Officers and Crew

Sec.

Subpart 32.40—Accommodations for Officers and Crew

§ 32.40–1 Application—TB/ALL.

(a) The provisions of this subpart, with the exception of § 32.40–70 and § 32.40–90, apply to all tankships of 100 gross tons and over constructed on or after April 1, 1987.

(b) Tankships of less than 100 gross tons and manned tank barges must meet the requirements of § 32.40–70.

(c) Tankships of 100 gross tons and over constructed prior to April 1, 1987, must meet the requirements of § 32.40–90.

§ 32.40–5 Purpose and definitions—T/ALL.

The accommodations provided for the crew, including both officers and unlicensed members, on all tankships must be securely constructed, properly lighted, heated, drained, ventilated, equipped, located, arranged, and insulated from undue noise and odors.

§ 32.40-10 Restrictions—T/ALL

(a) There must be no direct communication between the accommodation spaces and any chainlocker, stowage, or machinery space, except through solid, close-fitted doors or hatches.

(b) No access, vent, or sounding tube from a fuel or oil tank may open into any accommodation space, except that accesses and sounding tubes may open into corridors.

§ 32.40-15 Location of crew spaces—T/ALL.

Crew quarters must not be located forward of a vertical plane located at five per cent of the tankship's length aft of the stem at the designed summer load line. However, for tankships in other than ocean or coastwise service, this distance does not need to exceed 28 feet. For the purpose of this paragraph, the length defined in § 42.13-15 of Subchapter E (Load Lines) of this chapter is to be used. No section of the deckhead of the crew spaces may be below the deepest load line.

§ 32.40-20 Construction—T/ALL.

(a) Each sleeping, mess, recreational, or hospital space that is adjacent to or immediately above a galley, machinery space, paint locker, drying room, washroom, toilet space, or other odor source must be made odor proof.

(b) Each accommodation space that is adjacent to or immediately above a galley, machinery space, machinery casing, boiler room, or other noise or heat source, must be protected from heat and noise.

(c) Where the shell of an unsheathed weather deck forms a boundary of an accommodation space, the shell of the deck must have a covering that prevents the formation of moisture.

(d) The deckheads of each accommodation space must be light in color.

(e) Each accommodation space in which water may accumulate must have a drain scupper located in the lowest part of the space, considering the average trim of the vessel.

(f) Each public toilet space must be constructed and located so that its odors do not readily enter any sleeping, mess, recreational, or hospital space.

§ 32.40-25 Arrangement of sleeping spaces—T/ALL.

(a) To the extent practicable, each crew department must be berthed together in sleeping spaces arranged to minimize disturbance created by personnel leaving for or arriving from a working period.

(b) Each licensed officer is to be provided with a separate stateroom where practicable.

§ 32.40-30 Size of sleeping spaces—T/ALL.

(a) No sleeping space may berth more than four persons.

(b) Without deducting any equipment used by the occupants, each sleeping space must have for each occupant—

(1) 30 square feet of deck area; and

(2) 210 cubic feet of volume.

(c) Each sleeping space must have at least six feet three inches of headroom over clear deck areas.

§ 32.40-35 Berths and lockers—T/ALL.

(a) Each sleeping space must have a separate berth for each occupant.

(b) No more than one berth may be placed over another.

(c) Each berth must have a framework of hard, smooth material that is not likely to corrode or harbor vermin.

(d) Each berth must be arranged to provide ample room for easy ocqupancy.

(e) Each berth must be at least 30 inches wide by 76 inches long.

(f) Adjacent berths must be separated by a partition that extends at least 18 inches above the sleeping surface.

(g) The bottom of the lower berth must be at least 12 inches above the deck.

(h) The bottom of an upper berth must be at least 30 inches from the bottom of the berth below it and from the deck or any pipe, ventilating duct, or other overhead installation.

(i) Each berth must have a berth light.

(j) Each sleeping space must have a readily accessible locker of hard, smooth material for each occupant.

(k) Each locker must be at least 300 square inches in cross section and 60 inches high.

§ 32.40-40 Wash spaces; toilet spaces; and shower spaces—T/ALL.

(a) For the purposes of this section—

(1) "Private facility" means a toilet, washing, or shower space that is accessible only from one single or double occupancy sleeping space;

(2) "Semi-private facility" means a toilet, washing, or shower space that is accessible from one or two one-to-four person occupancy sleeping spaces; and

(3) "Public facility" means a toilet, washing, or shower space that is not private or semi-private.

(b) Each private facility must have one toilet, one shower, and one washbasin, all of which may be in a single space.

(c) Each semi-private facility must have at least one toilet and one shower, which may be in a aingle space.

(d) Each room adjoining a semi-private facility must have a washbasin if a washbasin is not installed in the semi-private facility.

(e) Each tankship must have enough public facilities to provide at least one toilet, one shower, and one washbasin for each eight persons who occupy sleeping spaces that do not have private or semi-private facilities.

(f) Urinals may be installed in toilet rooms, but no toilet required in this section may be replaced by a urinal.

(g) Each public toilet space and washing space must be convenient to the sleeping space that it serves.

(h) No public facility may open into any sleeping space.

(i) Each washbasin, shower, and bathtub must have hot and cold running water.

(j) Adjacent toilets must be separated by a partition that is open at the top and bottom for ventilation and cleaning.

(k) Public toilet facilities and shower facilities must be separated.

(l) Each public facility that is a toilet space must have at least one washbaain unless the only access to the toilet space is through a washing space.

(m) Each toilet must have an open front seat.

(n) Each washing space and toilet space must be so constructed and arranged that it can be kept in a clean and sanitary condition and the plumbing and mechanical appliances kept in good working order.

(o) Washbasins may be located in sleeping spaces.

§ 32.40-45 Messrooms—T/ALL.

(a) Each messroom that is not adjacent to the galley that serves it must be equipped with a steam table.

(b) Each messroom must seat the number of persons expected to eat in the messroom at one time.

§ 32.40-50 Hospital space—T/ALL.

(a) Except as specifically modified by paragraph (j) of this section, each tankship, which in the ordinary course of its trade makes voyages of more than three days duration between ports and which carries a crew of twelve or more, must have a hospital space. This space is to be situated with due regard for the comfort of the sick so that they may receive proper attention in all weather.

(b) The hospital must be suitably separated from other spaces and used only for the care of the sick and for no other purpose.

(c) The entrance to each hospital space must be wide enough and arranged to readily admit a person on a stretcher.

(d) Each berth in a hospital space must be made of metal.

(e) Berths may be in double tier, provided the upper berth is hinged and arranged to be secured clear of the lower berth when not in use.

(f) Each hospital space must have at least one berth that is accessible from both sides.

(g) Each hospital space must have one berth for every twelve members of the crew or portion thereof who are not berthed in single occupancy rooms, but the number of berths need not exceed six.

(h) Each hospital space must have a toilet, washbasin, and bathtub or shower accessible from the hospital space.

(i) Each hospital space must have a clothes locker, a table, and seats.

(j) On tankships in which the entire crew is berthed in single occupancy rooms, a hospital space is not required if one room is designated and fitted for use as a treatment and/or isolation room, and meets the following standards:

(1) The room must be available for immediate medical use;

(2) The room must be accessible to stretcher cases;

(3) The room must have a single berth or examination table that is accessible from both sides; and

(4) A washbasin with hot and cold running water must be installed either in or immediately adjacent to the space and other required sanitary facilities must be conveniently located.

§ 32.40-55 Miscellaneous accommodation spaces—T/ALL.

(a) Each tankship must have enough facilities for the crew to wash their own clothes, including at least one tub or sink that has hot and cold running water.

(b) Each tankship must have enough equipment for the crew to dry their own clothes.

(c) Each tankship must have an accommodation space that can be used for recreation.

§ 32.40-60 Heating requirements—T/ALL.

(a) Each accommodation space must be heated by a heating system that can maintain at least 68°F.

(b) Radiators and other heating apparatus must be constructed, located or shielded so as to avoid risk of fire or danger and discomfort to the occupants of each accommodation space.

(c) Each exposed pipe in an accommodation space leading to a radiator or other heating apparatus must be insulated.

§ 32.40-65 Insect screens—T/ALL.

(a) Accommodation spaces must be protected against the admission of insects.

(b) Insect screens must be installed when natural ventilation is provided.

§ 32.40-70 Crew accommodations on tankships of less than 100 gross tons and manned tank barges—TB/ALL.

(a) The crew accommodations on all tankships of less than 100 gross tons and all manned tank barges must have sufficient size and equipment, and be adequately constructed to provide for the protection of the crew in a manner practicable for the size, facilities, and service of the tank vessel.

(b) The crew accommodations must be consistent with the principles underlying the requirements for crew accommodations on tankships of 100 gross tons or more.

§ 32.40-90 Crew accommodations on tankships constructed before April 1, 1987—T/ALL.

All tankships of 100 gross tons and over constructed before April 1, 1987 may retain previously accepted or approved installations and arrangements so long as they are maintained in good condition to the satisfaction of the Officer in Charge, Marine Inspection.

PART 77—VESSEL CONTROL AND MISCELLANEOUS SYSTEMS AND EQUIPMENT

7. The authority citation for Part 77 is revised to read as follows and all other authority citations in the part are removed:

Authority: 46 U.S.C. 3306; 50 U.S.C. 198; 46 CFR 1.46 (b) and (n).

§ 77.13 [Removed]

8. By removing § 77.13.

§ 77.15 [Removed]

9. By removing § 77.15.

PART 92—CONSTRUCTION AND ARRANGEMENT

10. The authority citation for Part 92 is revised to read as follows and all other authority citations in the part are removed:

Authority: 46 U.S.C. 3306; 50 U.S.C. 198; 46 CFR 1.46 (b) and (n).

11. By adding a new paragraph (g) to § 92.07-10 to read as follows:

§ 92.07-10 Construction.

* * * * *

(g) The provisions of subparagraphs (1) through (9) of paragraph (d) of this section apply to control spaces on vessels whose initial Application for Inspection is submitted to an Officer in Charge, Marine Inspection on or after April 1, 1987.

PART 96—VESSEL CONTROL AND MISCELLANEOUS SYSTEMS AND EQUIPMENT

12. The authority citation for Part 96 is revised to read as follows and all other authority citations in the part are removed:

Authority: 46 U.S.C. 3306; 50 U.S.C. 198; 46 CFR 1.46 (b) and (n).

§ 96.13 [Removed]

13. By removing § 96.13.

§ 96.15 [Removed]

14. By removing § 96.15.

PART 190—CONSTRUCTION AND ARRANGEMENT

15. The authority citation for Part 190 is revised to read as follows and all other authority citations in the part are removed:

Authority: 46 U.S.C. 3306; 50 U.S.C. 198; 46 CFR 1.46 (b) and (n).

16. By adding a new paragraph (f) to § 190.07-10 to read as follows:

§ 190.07-10 Construction.

* * * * *

(f) The provisions of subparagraphs (1) through (9) of paragraph (d) of this section apply to control spaces on vessels whose initial Application for Inspection is submitted to an Officer in Charge, Marine Inspection on or after April 1, 1987.

PART 195—VESSEL CONTROL AND MISCELLANEOUS SYSTEMS AND EQUIPMENT

17. The authority citation for Part 195 is revised to read as follows and all other authority citations in the part are removed:

Authority: 46 U.S.C. 3306; 50 U.S.C. 198; 46 CFR 1.46 (b) and (n).

§ 195.13 [Removed]

18. By removing § 195.13.

§ 195.15 [Removed]

19. By removing § 195.15.

Dated: March 17, 1987.

W.J. Ecker,

Captain, U.S. Coast Guard, Acting Chief, Office of Marine Safety, Security and Environmental Protection.

[FR Doc. 87-11040 Filed 5-14-87; 8:45 am]

BILLING CODE 4910-14-M

INTERSTATE COMMERCE COMMISSION

49 CFR Part 1160

[Ex Parte No. 55 (Sub-No. 63)]

Technical Revisions

AGENCY: Interstate Commerce Commission.

ACTION: Final rule.

SUMMARY: The Commission's regulations at 49 CFR Part 1160, *How to Apply for Operating Authority*, govern the filing of applications for authority to conduct regulated operations as a motor carrier, as a household goods freight forwarder, as a water carrier, and as a broker of motor vehicle transportation. The Commission here adopts technical revisions, all ministerial in nature, to these regulations. These revisions will bring the regulations up-to-date and will correct certain errors.

EFFECTIVE DATE: June 15, 1987.

FOR FURTHER INFORMATION CONTACT: Paul Markoff, 202–275–7960.

or

Mark Shaffer, 202–275–7292.

SUPPLEMENTARY INFORMATION: Additional information is contained in the Commission's decision. To purchase a copy of the full decision, write to T.S. InfoSystems, Inc., Room 2229, Interstate Commerce Commission Building, Washington, DC 20423, or call 289–4357 (DC Metropolitan area).

Environmental and Energy Considerations

This rule will not significantly affect either the quality of the human environment or the conservation of energy resources.

Regulatory Flexibility Analysis

The Commission certifies that this rule will not have a significant economic impact on a substantial number of small business entities because the changes are ministerial only and do not impose additional requirements on any entity.

List of Subjects in 49 CFR Part 1160

Administrative practice and procedure.

Decided: April 28, 1987.

By the Commission, Chairman Gradison, Vice Chairman Lamboley, Commissioners Sterrett, Andre, and Simmons.

Noreta R. McGee,

Secretary.

Title 49 of the Code of Federal Regulations is amended as follows:

PART 1160—HOW TO APPLY FOR OPERATING AUTHORITY

1. The authority citation for Part 1160 is revised to read as follows:

Authority: 49 U.S.C. 10101, 10305, 10321, 10921, 10922, 10923, 10924, and 11102; 5 U.S.C. 553; 16 U.S.C. 1456.

2. In § 1160.5, the third sentence of paragraph (d)(1) is revised, and paragraph (e) is added, to read as follows:

§ 1160.5 Information to be submitted by applicants (except fitness only applications).

* * * * *

(d) * * *

(1) * * * This evidence shall be submitted in part (9) of applicant's verified statement, as shown in § 1160.6 of this part.

* * * * *

(e) *Water carriers: Compliance with the Coastal Zone Management Act.* An applicant filing an application for a certificate, permit, or exemption for water carrier transportation of property or passengers, to be conducted in the "coastal waters" of a "coastal State" (hereinafter, a "coastal zone water carrier applicant"), must comply with the applicable requirements of the Coastal Zone Management Act of 1972 (CZMA), 16 U.S.C. 1451 et seq., as established in the implementing regulations, 15 CFR Part 930, see especially Subpart D thereof.

(1) The CZMA contains technical definitions of such terms as "coastal zone," "coastal waters," and "coastal State." *See* 16 U.S.C. 1453. For our purposes, it sufficies to say that the CZMA applies to water carrier activities conducted in the waters of the Atlantic, Pacific, or Arctic Oceans, the Gulf of Mexico, Long Island Sound, or one or more of the Great Lakes; and that the coastal States are the States bordering on these waters. The CZMA, which applies to certain water carrier application cases, requires, *inter alia*, (i) that any Federal agency conducting or supporting activities in a coastal zone management area shall ensure to the maximum extent practicable that these activities are consistent with the State's coastal zone management program (CZMP), and (ii) that an applicant conducting an activity affecting land or water lying within a State's designated coastal zone provide the Federal agency with a certification that its proposal is consistent with the State's CZMP. The CZMA further provides that no Federal agency shall issue a permit or license to an applicant seeking authorization affecting a coastal zone until the State whose coastline is involved concurs in the applicant's certification that its proposal is consistent with the State's CZMP. See 16 U.S.C. 1456(c)(3)(A).

(2) Regulations promulgated under the CZMA have different filing requirements for federal licensing applicants depending on whether the proposed activity is subject to consistency review. 15 CFR 930.53(b). If a coastal State has listed, in its approved CZMP, the ICC licensing of water carriers as subject to consistency review, an applicant shall certify in its application that the proposed activity complies with and will be conducted in a manner consistent with the State's approved CZMP. 15 CFR 930.57. Applicant must also file, with the State agency that administers the State's CZMP, a copy of its certification, and the information required by 15 CFR 930.58. These States will then have 6 months from the date of applicant's consistency certification to concur with or object to the certification. Absence of action by a State will be conclusively presumed to be concurrence. 15 CFR 930.60 and 930.63.

(3) If a coastal State has not listed, in its approved CZMP, the ICC licensing of water carriers as subject to consistency review, an applicant must notify the State agency of its application, 15 CFR 930.54, and must thereafter comply with the procedure set out in that section (which varies, depending upon whether or not the State agency seeks to review the application). Applicant must include in its application a copy of its notice to the State agency. If the State agency wants to review the activity and receives the approval of the Assistant Administrator for Coastal Zone Management, National Oceanic and Atmospheric Administration, U.S. Department of Commerce, then applicant must follow the certification process described above. 15 CFR 930.54(a), (c), (e). A State agency's failure to object within the time periods set out in 15 CFR 930.54(e) will be presumed to be concurrence.

3. Section 1160.6 is revised to read as follows:

§ 1160.6 Applicant's verified statement (except fitness only applications).

Applicant shall file the information described in this section. The information shall be provided in separately numbered paragraphs. If a particular item seems inapplicable, write "N/A."

APPLICATIONS COVERED

Motor common carrier of property application.

Motor contract carrier of property application.

Household goods freight forwarder application.
Water common carrier application.
Water contract carrier application.
Water carrier exemption application.

INFORMATION TO BE SUBMITTED

(1) Legal name and domicile of application.
(2) Name of witness presenting evidence of applicant and why this person is qualified to speak for applicant (as, position with applicant and experience).
(3) Authority requested in this application.
(4) Brief description of present ICC regulated operations, or any other transportation experience. Do not submit copies of existing authority unless they are an issue in the application.
(5) *Description of equipment.* It is not necessary to list separately all pieces. A summary is preferred. If applicant has no equipment, it shall specify its plan to obtain equipment (*e.g.*, owner-operators under lease).
(6) *Safety evidence.* Motor carriers holding ICC authority should indicate that they are in compliance with DOT safety regulations. New entrants shall state the following:
I certify that I have access to and am familiar with all applicable regulations of the U.S. Department of Transportation relating to the safe operation of commercial vehicles and the safe transportation of hazardous materials, and I will comply with these regulations.
Note to Applicants.—These regulations are found in Title 49, Code of Federal Regulations, Parts 171 to 179 and Parts 390 to 399. Information concerning safety and hazardous materials regulations may be obtained by calling DOT's Office of Motor Carrier Safety Field Operations, at 202–366–2983 (safety) and at 202–366–1724 (Hazardous materials).
(7) Services now provided to supporting shipper or witness, if any, or service provided within area sought by application.
(8) Description of service that will be provided if this application is granted. State whether services of this type are not now available.
(9) Any other evidence in support of the application. *Motor common carrier of property applicants.* If no shipper support statements are being provided, applicant shall submit other evidence under this paragraph.
(10) Legal argument supporting the application. (Optional.)
(11) Any oral hearing request (Optional).
Verification: Separate verification of this statement is not necessary. Applicant understands that the oath in the application form applies to this statement.

4. In § 1160.8, paragraphs (2), (5), and (7)(vi) under INFORMATION TO BE SUBMITTED are revised to read as follows:

§ 1160.8 The applicant's verified statement in fitness only applications.

* * * * *

(2) Name of witness presenting evidence and why this person is qualified to speak for applicant (as, position with applicant and experience).

* * * * *

(5) *Safety evidence:* Motor carriers holding ICC authority shall indicate that they are in compliance with DOT safety regulations. New entrants shall state the following:
I certify that I have access to and am familiar with all applicable regulations of the U.S. Department of Transportation relating to the safe operation of commercial vehicles and the safe transportation of hazardous materials, and I will comply with these regulations.

Note to Applicants:

These regulations are found in Title 49 of the Code of Federal Regulations, Parts 171 to 179 and Parts 390 to 399. Information concerning safety and hazardous materials regulations may be obtained by calling DOT's Office of Motor Carrier Safety Field Operations, at 202–366–2983 (safety) and at 202–366–1724 (hazardous materials). (1 only.)

* * * * *

(7) * * *
(vi) When the certification in paragraph (5) of this section is made, and applicant has otherwise established its right to a certificate, the Commission will issue a certificate subject to the filing, when rail service is terminated, of another certification that all service has ceased at the granted points.

* * * * *

5. In § 1160.19, paragraph (b) is revised to read as follows:

§ 1160.19 Compliance.

* * * * *

(b) For Motor Contract Carriers of Property: 49 CFR Parts 1043, 1044, and 1053.

* * * * *

6. In § 1160.23, paragraph (e) introductory text is revised to read as follows:

§ 1160.23 Water carrier applicants only.

* * * * *

(e) If applicant is a water common carrier seeking a revised certificate covering extension of service pursuant to 49 U.S.C. 10922(g)(3)(B), the following shall be furnished:

* * * * *

7. In § 1160.64, paragraph (c) is revised to read as follows:

§ 1160.64 Petition to clarify or interpret formally an operating authority.

* * * * *

(c) Notice of the petition will be published in the *ICC Register.* Interested persons may obtain copies of the petition from petitioner's representative in the same manner as provided in §§ 1160.13 and 1160.81. Petitioner may file a rebuttal to any opposing argument.

8. In § 1160.66, paragraph (d) is revised to read as follows:

§ 1160.66 Consolidation of applications.

* * * * *

(d) The applications will be published in the *ICC Register* and their consolidation will be indicated. Protestants may file a single protest which will apply to all the proceedings.

9. In § 1160.71, paragraph (a)(5) is revised to read as follows:

§ 1160.71 Types of proof required for applications for operating authority to perform motor carrier transportation of passengers.

* * * * *

(a) * * *
(5) Motor common carrier of passengers transportation to any community where the only interstate motor common carrier of passengers has applied to discontinue the interstate service under 49 U.S.C. 10925(b) or to reduce intrastate service under 49 U.S.C. 10935 to less than one trip per day (excluding Saturdays and Sundays).

* * * * *

10. In § 1160.73, paragraph (b) is revised to read as follows:

§ 1160.73 Starting the application process.

* * * * *

(b) Obtain the form at Commission regional and field offices, or call either of the following headquarters offices: Publications (202–275–7833) or Public Assistance (202–275–7597).

11. In § 1160.75, paragraphs (g) and (j), and the fifth sentence in paragraph (k), are revised to read as follows:

§ 1160.75 Applicant's verified statement.

* * * * *

(g) Safety evidence: Motor passenger carriers holding ICC authority shall indicate that they are in compliance with DOT safety regulations. New entrants shall state the following:

"I certify that I have access to and am familiar with all applicable regulations of the U.S. Dept. of Transportation relating to the safe operation of commercial vehicles and the safe transportation of hazardous materials, and I will comply with these regulations."

Note to Applicants

These regulations are found in Title 49 of the Code of Federal Regulations, Parts 171 to 179 and Parts 390 to 399. Information concerning safety and hazardous materials regulations may be obtained by calling DOT's Office of Motor Carrier Safety Field Operations, at 202–366–2983 (safety) and at 202–366–1724 (hazardous materials).

* * * * *

(j) Application under § 1160.71(a)(5): If the application is to provide transportation to any community where the only interstate motor common carrier of passengers seeks to

discontinue interstate service under 49 U.S.C. 10925(b) or to reduce intrastate service under 49 U.S.C. 10935 to less than one trip per day (excluding Saturdays and Sundays), certify that the community has only one interstate motor passenger service available, and provide a copy of, or appropriate reference to, the existing carrier's application to the Commission for discontinuance or reduction.

(k) * * * Applicant should submit sufficient information under this paragraph for the Commission to determine readily the precise portions of the existing authorities on which applicant's proposal is based. * * *

* * * * *

12. In § 1160.76, paragraph (a)(1)(iii) introductory text is revised to read as follows:

§ 1160.76 Caption summary.

(a) * * *

(1) * * *

(iii) 49 U.S.C. 10922(c)(4) applications for charter/special authority: * * *

* * * * *

13. In § 1160.78, paragraph (b) is revised to read as follows:

§ 1160.78 Commission review of the application.

* * * * *

(b) The caption summary will be published in the *ICC Register* to give notice to the public in case anyone wishes to oppose the application. The application will be published in the form of a grant of authority.

* * * * *

14. The heading for § 1160.80 is revised to read as follows:

§ 1160.80 After publication in the ICC Register.

15. In § 1160.87, paragraph (a) is revised to read as follows:

§ 1160.87 Appeals.

(a) If a division of the Commission, or an employee board or other decisional body, rejects an application, applicant has a right of appeal. The appeal must be filed at the Commission within 10 days of the date of the letter of rejection.

* * * * *

16. In § 1160.106, paragraph (e)(2) is revised to read as follows:

§ 1160.106 Fitness-only authority.

* * * * *

(e) * * *

(2) For contract carriage.—To operate as a *contract carrier,* by motor vehicle, over irregular routes, transporting *food and other edible products and byproducts intended for human consumption* (except alcoholic beverages and drugs), *agricultural limestone and fertilizer, and other soil conditioners,* by the owner of the motor vehicle in such vehicle, between points in the United States, under continuing contract(s) with _____ (person, class of persons, industry, or industries).

* * * * *

[FR Doc. 87-11148 Filed 5-14-87; 8:45 am]

BILLING CODE 7035-01-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 675

[Docket No. 61225-7052]

Groundfish of the Bering Sea and Aleutian Islands Area

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

ACTION: Notice of inseason adjustment.

SUMMARY: NOAA announces the apportionment of amounts of Alaska groundfish to the joint venture processing (JVP) portion of the domestic annual harvest (DAH) under provisions of the Fishery Management Plan (FMP) for the Groundfish Fishery of the Bering Sea and Aleutian Islands Area. Groundfish are apportioned according to the regulations implementing the FMP. The intent of this action is to assure optimum use of these groundfish by allowing the domestic fishery to proceed without interruption.

EFFECTIVE DATE: May 12, 1987. Comments will be accepted through May 27, 1987.

ADDRESS: Comments should be mailed to Robert W. McVey, Director, Alaska Region, National Marine Fisheries Service, P.O. Box 1668, Juneau, AK 99802, or to be delivered to Room 453, Federal Building, 709 West Ninth Street, Juneau, Alaska.

FOR FURTHER INFORMATION CONTACT: Janet E. Smoker (Resource Management Specialist, NMFS), 907-586-7230.

SUPPLEMENTARY INFORMATION: The FMP governs the groundfish fishery in the exclusive economic zone under the Magnuson Fishery Conservation and Management Act. The FMP was developed by the North Pacific Fishery Management Council (Council) and implemented by rules appearing at 50 CFR 611.93 and Part 675. The total allowable catches (TACs) for various groundfish species are apportioned initially among DAH, reserves and total allowable level of foreign fishing (TALFF). Each reserve amount, in turn, is to be apportioned to DAH and/or TALFF during the fishing year, under 50 CFR 611.93(c) and 675.20(b). Under § 675.20(b)(1)(i), reserves may be apportioned after April 1, June 1, August 1 and other dates as necessary. No action was scheduled for the April 1 date because the need for additional JVP was not apparent at that time.

The initial specifications of domestic annual processing (DAP) and JVP (both components of DAH) for 1987 were based in part on the projected needs of the U.S. industry as assessed by a mail survey sent by the Director, Alaska Region, NMFS (Regional Director), to fishermen and processors in November 1986. The results of the survey indicated that the total DAH capacity for pollock in the Bering Sea subarea exceeded the TAC. After the 15 percent of TAC was placed in the non-specific reserve, as required at § 675.20(a)(3), the initial specifications for Bering Sea pollock were determined as follows: for DAP, 189,987 mt; and for JVP, the remainder, 830,013 mt (52 FR 785, January 9, 1987).

On January 1, JVP was supplemented by 18,339 mt of the non-specific reserve, and TALFF by 10,071 mt of the non-specific reserve, which included 5,000 mt to the Bering Sea pollock TALFF, to provide bycatch in foreign flatfish fisheries. This action supplements DAH by 100,000 mt from the current 271,590 mt non-specific reserve, reducing the non-specific reserve to 171,590 mt.

Reapportionments (Table 1)

The following actions are taken by this notice to reapportion specifications in the BSA fisheries.

To the BSA-JVP

To provide for continued JVP fishing in the Bering Sea for pollock, 100,000 mt of the non-specific reserve is transferred to the Bering Sea pollock JVP. The JVP catch of pollock in the Bering Sea through April 18 was 725,337 mt; at current catch rates, the remainder of the current quota would be taken during the first week of May. About 40 foreign processors and 70 U.S. catcher boats continue to target pollock in the Bering Sea subarea. This apportionment does not result in overfishing of the pollock stock, as the resulting TAC is 1,125,000 mt, less than the equilibrium yield (EY) of 1.2 million mt.

Comments and Responses

In accordance with 50 CFR 611.92(c) and 675.20(b), aggregated reports on U.S. catches of Alaska groundfish and the processing of those groundfish were available for public inspection to

facilitate informed public comment. In addition, those provisions afforded the public an opportunity to submit comments on the extent to which U.S. fishermen will harvest and the extent to which U.S. processors will process Alaska groundfish. Three comments were received, each making the same request.

Comment: Because the remaining allocation for the Bering Sea appears insufficient to carry the JVP pollock fishery beyond the May Council meeting, where the question of JVP pollock allocations will be reviewed, NMFS should transfer adequate pollock reserves to JVP to allow the fishery to continue until that time.

Response: The 100,000 mt of reserves released should be sufficient to allow the JVP pollock fishery to continue until late May, assuming similar catch rates are experienced during May of this year as for that month for the two previous years of the fishery.

Classification

This action is taken under the authority of 50 CFR 675.20(b) and complies with Executive Order 12291.

The Assistant Administrator for Fisheries finds for good cause that it is impractical and contrary to the public interest to provide prior notice and comment. Immediate effectiveness of this notice is necessary to benefit groundfish who otherwise would have to forego substantial amounts of other groundfish species if fishing were closed as a result of achieving previously specified JVPs or TACs. However, interested persons are invited to submit comments in writing to the address above for 15 days after the effective date of this notice.

List of Subjects in 50 CFR Part 675

Fisheries.

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

Dated: May 8, 1987.

James E. Douglas, Jr.,

Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service.

TABLE 1.—BERING SEA/ALEUTIANS ISLANDS REAPPORTIONMENTS OF TAC

		Current	This action	Revised
Pollock (Bering Sea Subarea)	DAP	189,987		189,987
EY=1,200,000; TAC=1,125,000	JVP	830,013	+100,000	930,013
	TALFF	5,000		5,000
Total (TAC=2,000,000)	DAP	416,018		416,018
	JVP	1,248,040	+100,000	1,348,040
	TALFF	64,352		61,352
	Reserves	271,590	−100,000	171,590

[FR Doc. 87-11113 Filed 5-12-87; 1:16 pm]

BILLING CODE 3510-22-M

Proposed Rules

Federal Register
Vol. 52, No. 94
Friday, May 15, 1987

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.

DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR Part 929

Cranberries Grown in the States of Massachusetts et al.; Order Directing That a Referendum Be Conducted, Determination of Representative Period for Voter Eligibility, and Designation of Referendum Agents To Conduct the Referendum

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Referendum order.

SUMMARY: This document directs that a referendum be conducted among eligible growers of cranberries grown in the States of Massachusetts, Rhode Island, Connecticut, New Jersey, Wisconsin, Michigan, Minnesota, Oregon, Washington, and Long Island in the State of New York, to determine whether they favor continuance of the marketing agreement and order program.

DATES: Referendum period May 20 through May 30, 1987.

FOR FURTHER INFORMATION CONTACT: James M. Scanlon, Acting Chief, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, telephone (202) 447-5697.

SUPPLEMENTARY INFORMATION: Pursuant to Marketing Order No. 929, as amended (7 CFR Part 929), and the applicable provisions of the Agricultural Marketing Agreement Act of 1937, as amended (7 U.S.C. 601-674), it is hereby directed that a referendum be conducted within the period May 20 through May 30, 1987, among the growers who, during the period September 1, 1987, through March 31, 1987, (which period is hereby determined to be a representative period for purposes of such referendum), were engaged in the production area in the production of cranberries covered by the said amended marketing agreement and order to ascertain whether continuance of the said amended marketing order is favored by the growers. Section 929.68(d) specifies that such a referendum shall be held during the month of May 1975, and during the month of May every fourth year thereafter, to ascertain whether growers favor such continuance.

The Secretary of Agriculture has determined that continuance referenda are an effective means for ascertaining whether growers favor continuation of marketing order programs. The Secretary would consider termination of the order if less than Two-thirds of the growers of cranberries voting in the referendum and growers of less than two-thirds of the volume of such fruit represented in the referendum favor continuance. However, in evaluating the merits of continuance versus termination, the Secretary will not only consider the results of the continuance referendum but also all other relevant information concerning the operation of the order and the relative benefits and disadvantages to producers, handlers, and consumers in order to detemine whether continued operating of the order would tend to effectuate the declared policy of the Act.

In any event, section 8c(16)(B) of the Act requires the Secretary to terminate an order whenever the Secretary finds that a majority of all growers favor termination, and such majority produced for market more than 50 percent of the commodity covered by such order.

Patricia A. Petrella and Jay N. Guerber, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, Washington, DC 20250, are hereby designated as referendum agents of the Secretary of Agriculture to conduct such referendum. The procedure applicable to the referendum shall be the "Procedure for the Conduct of Referenda in Connection with Marketing Orders for Fruits, Vegetables, and Nuts Pursuant to the Agricultural Marketing Agreement Act of 1937, as Amended" (7 CFR Part 900.400 *et. seq.*).

Copies of the texts of the aforesaid amended marketing order may be examined in the offices of the referendum agents or of the Director, Fruit and Vegetable Division, AMS, USDA, Washington, DC 20250.

Ballots to be cast in the referendum may be obtained from the referendum agents and from their appointees.

Authority: Agricultural Marketing Agreement Act of 1937, as amended, Secs. 1-19, 48 Stat. 31, as amended; 7 U.S.C. 601-674.

Dated: May 12, 1987.

Kenneth A. Gilles,

Assistant Secretary for Marketing and Inspection Services.

[FR Doc. 87-11179 Filed 5-14-87; 8:45 am]

BILLING CODE 3410-02-M

FEDERAL HOME LOAN BANK BOARD

12 CFR Parts 561, 563, and 571

[No. 87-527]

Classification of Assets

Date: May 5, 1987.

AGENCY: Federal Home Loan Bank Board.

ACTION: Proposed rule.

SUMMARY: The Federal Home Loan Bank Board ("Board"), as operating head of the Federal Savings and Loan Insurance Corporation ("FSLIC"), is proposing to revise its present regulations governing the classification of assets of insured institutions. This proposed rule would ensure the use of broader, but judicious, examiner discretion in the classification of assets, consistent with the examination practices of the bank regulatory agencies. Specifically, the proposal employs the existing classification categories of Substandard, Doubtful, and Loss, but significantly alters the consequences of the respective classifications with respect to both reserve requirements and minimum capital requirements.[1] Assets classified Substandard would no longer be treated as scheduled items; thus, twenty percent of Substandard assets would not be included in calculating the contingency component of an insured institution's minimum regulatory capital requirement. Moreover, with respect to assets classified Doubtful, the Board would no longer require institutions to establish specific allowances for loan losses. With respect to assets classified Substandard or Doubtful, if the examiner concludes that the valuation allowances established by the

[1] N.B. This proposal refers to specific and general "allowances for loan losses" or to "valuation allowances" instead of "reserves," since the former designations are more consistent with accepted accounting terminology.

institution are inadequate, the examiner would determine the need for, and extent of, any increase necessary in the insured institution's general allowances for loan losses, subject to review by the Principal Supervisory Agent ("PSA"). For the portion of assets classified Loss, the Board would continue to require institutions either to establish specific allowances for losses of 100 percent of the amount classified, or charge off such amount. Institutions would also be required to classify their own assets and to establish prudent general allowances for loan losses. The Board is soliciting public comment on all aspects of the proposed rule.

This proposal is part of the Board's comprehensive review of its scheme for classification and appraisal of assets of insured institutions. The Board also is proposing today a rule that would codify its appraisal standards with appropriate changes to clarify and simplify existing supervisory directives. Board Res. No. 87–528, published elsewhere in the Proposed Rules section of this issue of the **Federal Register.**

DATES: Comments must be received on or before July 14, 1987.

ADDRESS: Send comments to: Director, Information Services Section, Office of the Secretariat, Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552. Comments will be available for public inspection at this address.

FOR FURTHER INFORMATION CONTACT: Karen Knopp O'Konski, Deputy Director, (202) 377–7240, Daniel G. Lonergan, Staff Attorney, (202) 377–6458, Kathy L. Kresch, Staff Attorney, (202) 377–6417, Regulations and Legislation Division, Office of General Counsel; or Robert J. Pomeranz, Senior Policy Analyst, (202) 377–6760, Jane W. Katz, Senior Policy Analyst, (202) 377–6782, Office of Policy and Economic Research, Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552; Edward J. Taubert, Associate Director—Policy, (202) 778–2511, or Francis E. Raue, Policy Analyst, (202) 778–2517, Office of Regulatory Policy, Oversight and Supervision, Federal Home Loan Bank System, 900 Nineteenth Street, NW., Washington, DC 20006.

SUPPLEMENTARY INFORMATION: The Board, as operating head of the FSLIC, is authorized pursuant to section 403(b) of the National Housing Act ("NHA"), to conduct examinations of institutions the accounts of which are insured by the FSLIC ("insured institutions"). 12 U.S.C. 1726(b). Pursuant to this authority, the Board has the responsibility to examine and evaluate insured institutions' assets, to require reporting, and to prescribe the treatment of such assets for regulatory evaluation purposes. In addition, the NHA requires insured institutions to establish and maintain reserves in accordance with Board regulations. *Id.*

Section 325 of the Garn-St Germain Depository Institutions Act of 1982, Pub. L. 97–320, 96 Stat. 1469, amended section 5(c)(1)(R) of the Home Owners Loan Act of 1933, 12 U.S.C. 1464(c)(1)(R), to authorize federally chartered savings and loan associations and mutual savings banks to invest in secured or unsecured loans for commercial, corporate, business, or agricultural purposes within specified limits. The Board promptly promulgated regulations to implement this new commercial lending authority for federal institutions. *See* 12 CFR 545.46. Moreover, many states subsequently granted state-chartered institutions the authority to engage in commercial lending activity.

The Board's then-existing asset classification system, which had been primarily designed to address the requirements of home lending, emphasized the timely receipt of periodic payments and other features inherent in loans secured by real estate. Because of Board concern that this system of asset classification was not attuned to the characteristics of the newly authorized type of lending and was thus not appropriately suited to gauge the condition of a given asset, the Board sought a better method of evaluating the condition of these loans.

On June 21, 1985, the Board proposed for public comment a new method of classifying certain commercial loans and a revision of its regulation governing examiners' reevaluation of real estate. Board Res. No. 85–504, 50 FR 27290 (July 2, 1985). The Board's proposal adopted the basic asset classification concepts contained in the "Uniform Agreement on the Classification of Assets and Appraisal of Securities Held by Banks" ("Uniform Agreement"), issued in revised form on May 7, 1979, as a Joint Statement of the Office of the Comptroller of the Currency ("OCC"), the Federal Deposit Insurance Corporation ("FDIC"), the Board of Governors of the Federal Reserve System ("FRB"), and the Conference of State Bank Supervisors. In short, the proposed scheme classified problem assets as Substandard, Doubtful, or Loss and prescribed treatment of each problem asset depending on the category to which it was assigned.[2] The proposal also sought to revise the appraisal provisions in the Board's examinations and audit regulation. *See* 12 CFR 563.17–2(b).

On December 9, 1985, the Board adopted as a final rule the proposed classification of assets scheme with some modifications. This regulation, currently in effect, employs the classification categories of the Uniform Agreement, *i.e.*, Substandard, Doubtful, and Loss. Assets classified Substandard are treated as scheduled items, thus increasing the contingency component of an institution's minimum regulatory capital requirement under § 563.13 by an amount equal to 20 percent of the dollar amount of the substandard assets. *See* Board Res. No. 86–857, 51 FR 33565, 33585 (Sept. 22, 1986) (to be codified at 12 CFR 563.13(b)(4)(ii)(B)). *See also* 12 CFR 561.16c(c)(1). In effect, this classification serves to increase an insured institution's capital requirement by 20 percent of the assets classified Substandard, since the contingency component is added to an institution's liability component (minus the maturity matching credit) to determine the minimum regulatory capital requirement. *See* Board Res. No. 86–857, 51 FR 33565, 33584 (Sept. 22, 1986) (to be codified at 12 CFR 563.13(b)). Assets classified as Doubtful require establishment of specific allowances for loan losses of up to 50 percent of the amount of the asset so classified. Assets classified as Loss require establishment of specific allowances for loan losses of 100 percent of book value of the amount of the asset classified as Loss. This scheme permits assets to be "split" for classification purposes: different portions of the same asset may be classified to different categories and a portion of an asset may remain unclassified. 12 CFR 571.1a.

The Board's final rule also authorized examiners to reevaluate assets in accordance with the newly adopted classification system, as reflected in 12 CFR 563.17–2(b). Section 563.17–2(b) was amended to provide that a re-evaluation of real estate is to be based on an appraisal, except in the following instances: (1) If a loan or investment requires an appraisal under the Board's rules but the institution has no appraisal in its files, the asset is to be classified as

[2] These categories are defined in detail in the existing regulation and policy statement. *See* 12 CFR 561.16c(b), 571.1a(a). Generally, assets classified Substandard are inadequately protected by the current net worth and paying capacity of the obligor or of the collateral pledged, and have a well defined weakness or weaknesses. Assets classified Doubtful have all of the weaknesses inherent in those classified Substandard, with the added characteristic that the weaknesses make collection or liquidation in full highly questionable and improbable. Assets classified Loss are considered uncollectible and of such little value that their continuance as assets without establishment of a specific allowance for loan losses is not warranted.

Doubtful; (2) if there is an appraisal in the institution's files that does not conform with the Board's appraisal standards, or if the examiner determines that the assumptions underlying an appraisal (even one that was in compliance when made) are demonstrably incorrect, such assets should be classified as Substandard; and (3) if the examiner and District Appraiser determine that the assumptions underlying an appraisal are demonstrably incorrect, rendering such appraisal inaccurate, and the asset has an additional weakness inherent in an asset classified Substandard, such asset is to be classified Doubtful. In promulgating this final rule, the Board emphasized that its supervisory experience indicated that continued reliance on reappraisals as the sole means for classifying problem real estate assets was not advisable.

The Board also amended § 563.17–2(c) to require adjustments to the book value of assets deemed to be overvalued on the institution's books as a result of asset re-evaluation. At the direction of its supervisory agent, an institution must make such an adjustment to the book value by establishing a specific valuation allowance in an amount equal to the overvaluation.

Although the Board adopted the above classification of assets scheme as a final rule, the Board also provided an additional 60-day comment period to solicit further public comment on the general scope of the classification system which, in its final form, encompassed all assets except consumer loans, loans secured by one-to-four family, owner-occupied homes, and securities.

In response to its solicitation of comments on the scope of the final rule, the Board received fifty-six comment letters. Of these fifty-six letters, only thirty addressed the scope of the classification of assets regulation, while the remainder addressed aspects of the final rule on which comment had not been solicited. Forty-four of the letters were received from insured institutions. Of the remainder, seven letters were received from industry trade associations, two were received from state agencies, one was received from a law firm representing 20 insured institutions, one was received from a mortgage insurance company, and one letter was received from a private citizen.

Although the comments received in response to the scope of the final rule were generally supportive, several criticisms and suggestions were made by more than one commenter. Several commenters recommended that the Board broaden the scope of the regulation specifically to include loans on the security of one-to-four family owner-occupied homes. Several other commenters objected to the breadth of the scope of the final rule, specifically criticizing its application to loans secured by real estate. These commenters generally argued that because loans made on the security of real property are inherently less risky than commercial loans, such loans should not fall within the rule. Several other commenters contended that the rule should properly apply only to those institutions that are of "substantial supervisory concern" to the Board and threaten the industry, and that the Board should not "overregulate" all insured institutions for the excesses of a few.

One trade association commenter supported the broadened scope of the rule contingent upon further regulatory modifications, including granting supervisory personnel discretion to establish loan loss allowance requirements below the stated percentages to take into account the lower loss levels associated with loans secured by real estate. Another trade association asserted that the Board lacked authority under the Administrative Procedure Act, 5 U.S.C. 551 *et seq.*, to broaden the scope of the proposed rule without soliciting additional comment prior to its issuance of the final rule.

In proposing the following revisions of the existing classification of assets provisions, the Board has carefully considered all comments submitted. In view of the fact that further comment is solicited in this proposal, however, the Board has decided to defer responding to the comments just described and consider them together with any additional comments it receives.

Objectives of the Proposal

The Board's current classification regulation became effective on January 30, 1986. Thus, the Board, the Federal Home Loan Bank System supervisory staff, and the field examination staff have had more than a year of experience with the rule. This experience suggests that modifications to the rule are in order. Specifically, by adopting this proposal the Board seeks to encourage greater exercise of discretion, judgment, and flexibility by both supervisory and examination staff, to integrate the classification system with other regulations prescribing treatment of problem assets, to promote the Board's goal of increasing the thrift industry's capital, and, finally, to achieve greater conformity with the classification practices of the bank regulators.

Upon further consideration, the Bank Board believes that the existing classification system could be construed to constrain the broad exercise of judgment, flexibility, and discretion by both supervisory agents and examiners. As written, certain portions of the provisions bearing on asset classification rely heavily on appraisals of collateral. For example, the Board's regulation governing re-evaluation of assets imposes a requirement that, when reevaluation is necessary, most assets should be classified based on an appraisal done in conformity with Board standards. 12 CFR 563.17–2. *See also* Office of Regulatory Policy, Oversight and Supervision ("ORPOS") Memorandum No. R–41c (Sept. 11, 1986). Similarly, the Board's Statement of Policy on classification of assets requires that the amount of specific allowances for loan losses for assets classified Doubtful or Loss be based on a conforming appraisal. 12 CFR 571.1a.

The Board's original classification of assets proposal contained language that would have made reliance on an appraisal in re-evaluating real estate merely permissive, in order to allow for evaluations that take into consideration economic factors that directly affect the immediate value of the assets from the insured institution's point of view. Board Res. No. 85–504, 50 FR 27290 (July 2, 1985). Most commenters opposed this position. "They believed that the proposal might lead to arbitrary decision-making by examiners because it was highly subjective and, consequently, they believed that it would give examiners too much discretionary authority." 50 FR 53280 (summary of comments). The Board responded to these comments by requiring appraisals to support reevaluation of most assets and by providing for the automatic classification of assets unsupported by a conforming appraisal. 12 CFR 563.17–2.

The Board continues to believe that an appraisal of collateral that follows accepted appraisal methodology is an important factor in an examiner's assessment of the risk of non-payment associated with assets in an insured institution's portfolio. Risk of non-payment is also dependent upon other factors, however. These factors include the overall risk involved in the project being financed; the nature and degree of the collateral security; the character, capacity, financial responsibility, and record of the borrower; and the feasibility and probability of orderly liquidation of the asset. Of necessity, the

examiner's arrival at a valuation based on all the relevant factors will involve the exercise of some subjective judgment. The Board recognizes the importance of an appraisal; however, it believes the value of the collateral should not be the sole determinant of asset valuation where, for example, the borrower has other resources for repayment against which the lender has legal recourse.

Nor does the Board believe that the examiner's exercise of discretion and judgment will result in arbitrary valuation. Three reasons support this conclusion. First, the Board notes that additional training has been available to the examiners, especially since July of 1985 when the Board transferred its field examination force to the twelve Federal Home Loan Bank districts under the authority of the PSAs. Second, today's proposal does not give unreviewable discretion to examiners but retains the current approach of vesting the PSA or his designee with authority to review and disapprove or modify the examiner's classification and valuation of assets. Finally, the Board notes that it is also proposing to adopt by regulation appraisal standards that would assist examiners by clarifying and simplifying the appraisal requirements currently imposed by supervisory memorandum. Board Res. No. 87–528.

The approach implicit in today's proposal—that is, the introduction of greater flexibility into the classification process—is more consistent with the practices of the banking regulatory agencies. As a matter of course, bank examiners exercise informed judgment both in determining whether to classify an asset and in determining the appropriate amounts of capital and allowances for loan losses to be maintained by a bank whose portfolio contains classified assets. One virtue of a more flexible approach to classification is that it is more likely to encourage the examiner to identify weaknesses inherent in the institution's ongoing lending strategies and practices, in addition to quantifying current problems.

The Board believes that classification is a crucial tool for protecting both insured institutions and the FSLIC insurance fund. Identification of problem assets enables the FSLIC, through the examination process, to require institutions to maintain adequate allowances for loan losses and, under today's proposal, adequate capital to help insulate the FSLIC from loss. The classification process can serve a second, invaluable function. It can reveal lending patterns or deficiencies in portfolio administration that are consistently causing collectibility problems for an institution. Once the examiner identifies such patterns or deficiencies, his or her discussions with management can focus on avoiding practices that have resulted in the necessity for classifying existing assets. In this way, the classification process can serve a preventive, as well as a protective, function.

By adopting this proposal, the Board also seeks to promote consistency between its classification scheme and other aspects of its regulatory framework. For example, the Board has given high priority to encouraging insured institutions to increase their levels of capital. In August, 1986, some nine months after issuing its rule on classification of assets, the Board instituted a comprehensive revision of its regulatory capital requirements. *See* Board Res. No. 86–857, 51 FR 33565 (Sept. 22, 1986) (to be codified at 12 CFR 563.13). Like the banking regulatory agencies, whose practice it is to vary capital requirements depending on, among other factors, the quality of an institution's asset portfolio, the Board believes that classified assets, which by definition present an increased risk of non-payment, should be supported not only by allowances for loan losses but also by additional capital. Moreover, the Board believes that the amount of additional capital should be determined based on an evaluation of the institution's asset portfolio as a whole. Therefore, this proposal would provide for imposition of a higher capital requirement based on the quality of an institution's asset portfolio.

Description of Proposal

1. Scope

The Board is proposing to broaden the scope of the classification of assets regulation to encompass securities (debt and equity), as defined in § 561.41 of the Board's regulations. In issuing the existing rule, the Board earlier alluded to the desirability of including securities within the scope of the regulation, but recognized the need for further review of the implications of such an expansion of coverage. 50 FR 53275, 53279 (December 31, 1985). Upon further consideration, and in light of supervisory experience, the Board believes it would be appropriate to include securities in its asset classification scheme. In addition, while off-balance-sheet items are not subject to the classification of assets regulation, the Board believes that, as a matter of prudent practice, insured institutions should continue to establish valuation allowances and liabilities for such items in accordance with generally accepted accounting principles ("GAAP") as described in Statement of Financial Accounting Standards No. 5, *Accounting for Contingencies* ("FASB–5").[3] FASB–5, which is attached to this proposal as Attachment 2 provides that an estimated loss shall be accrued when it is probable that the asset has been impaired or a liability incurred, and the amount of loss can be reasonably estimated. The Board has not specifically addressed how debt and equity securities should be valued for purposes of the proposed classification of assets rule, and solicits comment on an appropriate valuation method.

Although the proposed regulation continues the exclusion for consumer credit as defined in § 561.38 and loans secured by one-to-four family, owner-occupied dwellings, the Board specifically solicits comment on whether the latter loans generally should continue to be excluded from classification. The Board also seeks comment on whether real estate owned, which at the time it served as collateral for a loan was one-to-four family, owner-occupied real estate, should continue to be excluded and treated as a scheduled item under § 561.15(c).[4]

2. Effect of classification.

Under today's proposal, the categories to which problem assets may be classified—Substandard, Doubtful, and Loss—would remain the same as they are in the current classification regulation. 12 CFR 561.16c(b). The Board reiterates that, as under the existing rule, a portion of an asset may remain unclassified, or may be classified under a different category than the remainder of the asset. Moreover, this proposal would retain without change the factors used to determine the proper category or categories to which an asset should be classified, except in cases of certain "automatic" classifications related to appraisal deficiencies. 12 CFR 571.la;

[3] Generally, valuation allowances are established for assets and liabilities are established for off-balance-sheet items. Because off-balance-sheet items are typically not assets, it is advised that liabilities be recorded for such items when off-balance-sheet loss becomes probable and estimable.

[4] Section 407 of the NHA provides that, in making examinations of insured institutions, examiners appointed by the Board shall have power, on behalf of the FSLIC, to make such examinations of the affairs of all affiliates of such institutions as shall be necessary to disclose fully the relations between such institutions and their affiliates, and the effect of such relations upon such institutions. 12 U.S.C. 1730(m)(1). In view of this authority, the Board also solicits comment on the extent to which the proposed classification scheme should be applied to the assets of the affiliates of insured institutions.

see discussion at subheading 5., *infra*, "Automatic Classification for Failure to Comply with Appraisal Requirements." This proposal would, however, amend both the classification rule and policy statement to change the effect of classification for two of the three categories.

The proposal would no longer require treating assets classified Substandard as scheduled items. For assets classified Doubtful, establishing specific allowances for loan losses would no longer be required; instead, in cases where assets are classified Substandard or Doubtful, the proposal would authorize the examiner to direct the establishment of general allowances for loan losses based on the assets classified and the overall quality of the asset portfolio. In cases where an examiner has classified an asset Loss, the institution would continue to be required either to establish a specific allowance for loan losses in the amount of 100 percent of the amount classified Loss, or be permitted to charge off that amount. The Board solicits comment on whether institutions should be permitted to charge off such loss amounts as an alternative to establishing specific allowances for loan losses.

In examining an institution's asset portfolio, the examiner will consider the systems and internal controls employed by the institution in classifying assets. By examining those assets classified and the allowances for loan losses established pursuant to the institution's self-classification, the examiner can determine the effectiveness of, and the institution's adherence to, its classification procedures and methods of evaluation, and determine the need to require additional valuation allowances and/or additional capital.

This proposed treatment of classified assets more closely parallels that used by examiners in the commercial banking system. Once assets have been classified Substandard or Doubtful, the thrift examiner would review the adequacy of an insured institution's general allowances for loan losses and, if necessary, direct that an institution increase these allowances. While establishing these allowances reduces GAAP equity, the institution could include general allowances for loan losses in determining its regulatory capital. An increase in general allowances will thus have a different result from the current allocation of amounts to specific allowances for loan losses for Doubtful items, because specific valuation allowances for loan losses do not qualify as regulatory capital.[5] *See* Board Res. No. 86–857, 51 FR 33565, 33584 (Sept. 22, 1986) (to be codified at 12 CFR 561.13(a)).

Treatment of items classified Loss remains the same under this proposal as in the current regulation; the requirement that institutions establish specific allowances or undertake charge-offs for these items is analogous to the practice, employed by banking examiners, of requiring an immediate charge-off for items classified Loss.

In Attachment 1 to this proposal, the Board is providing a simple example of the accounting consequences of classification under today's proposal. Readers are advised that this example is intended only to illustrate the operation of the proposed scheme under regulatory accounting principles. Insured institutions should not rely upon it to predict the consequences of classification on their own capital positions, nor should they conclude that the calculation would be the same under GAAP.

As indicated earlier, the Board believes that, consistent with the current practice of the banking regulators, weak assets (*i.e.*, assets posing significant problems of collectibility) should be supported by additional capital. Accordingly, this proposal would amend the Board's regulation on minimum regulatory capital requirements to permit the PSA to impose an additional capital requirement on an insured institution based on the quality of its asset portfolio.

The amendments contained in today's proposal are silent with regard to the factors that should influence the examiner or the PSA in setting the amount of general allowances for loan losses or the amount of additional capital required as a result of the classification process. The Board believes that such an approach is consistent with the practice of the banking regulatory agencies and the Board's goal of achieving similar flexibility in the administration of its own classification system.[6] In adopting this approach, the Board recognizes its responsibility to ensure that examiners receive necessary training.

3. Self-Classification and Reporting

The Board is also proposing to amend section 561.16c to require that insured institutions independently review their asset portfolios, classify their assets, and set aside appropriate valuation allowances on the basis of such self-classification. This amendment merely sets forth as a regulatory requirement what is commonly regarded as a prudent institutional management policy. This process of self-classification is already widely observed throughout the commercial banking industry.[7]

Pursuant to the Board's authority, as operating head of the FSLIC, to prescribe the manner in which an insured institution reports its affairs to the FSLIC, 12 CFR 563.18, the Board also is proposing to require that an institution reflect its self-classification of assets in its quarterly reports to the Board, in the form of aggregate totals of assets for each of the three asset classifications.

4. Delegations and Interpretations

This portion of the classification regulation would remain substantially unchanged. The Principal Supervisory Agent would retain primary authority (which the PSA could delegate to a supervisory agent) over the examiner's classification of an asset, the examiner's directives with respect to the appropriate amount of allowances for loan losses to be established, and the acceptability of an appraisal made in connection with the re-evaluation of an asset. The amendment would also substitute a delegation to ORPOS for the previous delegation to the Board's former Office of Examination and Supervision ("OES"). *See* Board Res. No. 86–755, 51 FR 27165, 27167 (July 24, 1986) (to be codified at 12 CFR 522.90) (ORPOS succeeds to all delegations of authority from Board to OES).

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[5] The Federal Reserve Board ("FRB"), upon consultation with other federal bank regulatory agencies and the Bank of England, has issued several recent proposals in an effort to establish uniform capital standards. The FRB has issued for comment a revised proposal that would establish a risk-based capital measure (risk asset ratio) to be used in tandem with existing ratios of primary and total capital to total assets. This proposal would also amend the definition of primary capital. 52 FR 5119 (February 19, 1987). As proposed, primary capital would exclude "reserves allocated for identified losses." 50 FR 531, 5121. The Board solicits comment on the extent to which the FRB's treatment of reserves differs from the Board's existing or proposed treatment of valuation allowances, and the extent to which the FRB's proposed approach should be followed.

[6] It should be noted that the Board continues to believe that factors such as the coverage of a loan by private mortgage insurance should be taken into account in determining the appropriate allowances for loan losses when the probability of a full insurance payment is substantial. *See* 12 CFR 571.1a(b)(3).

[7] This self-classification and reporting requirement should not pose a particular problem for insured institutions GAAP financial reporting, since the proposed method of setting aside allowances for loan losses is generally consistent with GAAP.

5. Automatic Classification for Failure to Comply With Appraisal Requirements

The Board also is proposing to amend § 563.17–2 pertaining to the re-evaluation of assets. The proposal would delete those provisions of § 563.17–2(b) requiring "automatic" or mandatory classification where the appraisal is absent or does not conform with the Board's appraisal requirements, or where the assumptions underlying such appraisal are demonstrably incorrect. While the Board recognizes the importance of a properly conducted appraisal to an examiner's assessment of the risk of nonpayment associated with a particular asset, such an amendment is consistent with the Board's recognition that risk of nonpayment is dependent upon other factors as well. Therefore, the Board is deleting this automatic classification mechanism to provide examiners with sufficient flexibility and discretion to consider these other factors and to promote consistency between the Board's classification of assets scheme and the classification practices of the bank regulatory agencies. This is also consistent with the Board's intention to afford examiners adequate discretion to determine the necessity of, and appropriate reliance on, a re-appraisal, subject to review by the PSA.

6. Technical Questions

Today's proposal includes amendments to the scheduled items regulation consistent with the amendments just described to the classification of assets provisions. *See* 12 CFR 561.15. First, the proposal would delete references in the scheduled items regulation to assets classified Substandard, Doubtful, or Loss as unnecessary in view of the revisions to the classification scheme. Second, the proposal would amend § 561.15(c) to clarify that the reference to real estate owned means only real estate that, at the time it served as collateral for a loan, was a one-to-four family, owner-occupied home. These assets are excluded from the coverage of the classification regulation and therefore properly come within the scope of scheduled items. Finally, the proposal would delete the paragraph prescribing scheduled-item treatment for securities in view of the proposed inclusion of those assets in the classification scheme.

In light of the proposal's deletion of the requirement of specific valuation allowances for assets classified Doubtful, questions may arise as to the appropriate treatment of existing specific valuation allowances for assets classified Doubtful under the current regulation. The Board contemplates that, as of the effective date of any final rule, specific allowances for loan losses set aside for assets classified Doubtful will be added to the institution's general valuation allowances. At the institution's next examination following the effective date of the proposal, the examiner will review the institution's asset portfolio to evaluate the adequacy of allowances for loan losses established for such assets. The Board specifically solicits comment as to this treatment of existing specific valuation allowances for assets classified Doubtful, and seeks comment on the need, if any, for institutions to retain those specific allowances set aside for assets classified Doubtful on the basis of a reappraisal.

7. Solicitation of Comment

The Board solicits comment on all aspects of this proposal without limitation. Commenters are invited to suggest alternatives to today's proposal, including retention of the current classification scheme. The Board notes that ORPOS has issued a supervisory memorandum on asset classification that interprets the current regulation to permit the PSAs to require specific allowances for loan losses for Doubtful assets in variable amounts up to 50 percent of book value. ORPOS Memorandum No. SP–68 (Aug. 14, 1986). SP–68 also includes factors for PSAs to consider in classifying assets. SP–68 is set forth as Attachment 3 to this proposal so that commenters may consider whether the Board should adopt the approach SP–68 sets forth in lieu of the modifications contained in today's proposal.

Initial Regulatory Flexibility Analysis

Pursuant to section 3 of the Regulatory Flexibility Act, 5 U.S.C. 603, the Board is providing the following regulatory flexibility analysis:

1. *Reasons, objectives, and legal basis underlying the proposed rule.* These elements are incorporated above in **SUPPLEMENTARY INFORMATION.**

2. *Small entities to which the proposed rule would apply.* The proposed rule would apply to all insured institutions without regard to size.

3. *Impact of the proposed rule on small entities.* The Board believes that the proposed revision of its classification of asset scheme will not have a disparate effect on small entities. Moreover, to the extent that small entities engage to a greater degree than larger insured institutions in one-to-four family, owner-occupied mortgage lending, the impact of the proposal would be minimized since such loans are not within the coverage of the proposal.

4. *Overlapping or conflicting federal rules.* There are no known federal rules that duplicate, overlap, or conflict with this proposal.

5. *Alternatives to the proposed rule.* In the above **SUPPLEMENTARY INFORMATION** the Board is soliciting comment on the rule as proposed.

List of Subjects in 12 CFR Parts 561, 563 and 571

Accounting, Bank deposit insurance, Investments, Reporting and recordkeeping requirements, and Savings and loan associations.

Accordingly, the Federal Home Loan Bank Board hereby proposes to amend Parts 561, 563, and 571, Subchapter D, Chapter V, Title 12, Code of Federal Regulations, as set forth below.

SUBCHAPTER D—FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

PART 561—DEFINITIONS

1. The authority citation for Part 561 continues to read as follows:

Authority: Sec. 1, 47 Stat. 725, as amended (12 U.S.C. 1421 *et. seq.*); sec. 5A, 47 Stat. 727, as added by sec. 1, 64 Stat. 256, as amended (12 U.S.C. 1425a); sec. 5B, 47 Stat. 727, as added by sec. 4, 80 Stat. 824, as amended (12 U.S.C. 1425b); sec. 17, 47 Stat. 736, as amended (12 U.S.C. 1437); sec. 2, 48 Stat. 128, as amended (12 U.S.C. 1462); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 401–407, 48 Stat. 1255–1260, as amended (12 U.S.C. 1724–1730); sec. 408, 82 Stat. 5, as amended (12 U.S.C. 1730a); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–1948 Comp., p. 1071.

2. Amend § 561.15 by revising paragraph (a) to read as follows; by removing the period at the end of paragraph (c) and by inserting the following phrase to read as follows; and by removing paragraph (e) and by redesignating existing paragraphs (f) through (l) as new paragraphs (e) through (k) respectively:

§ 561.15 Scheduled items.

* * * * *

(a) Slow consumer credit and slow loans (other than loans specified in paragraph (b) of § 561.15).

* * * * *

(c) * * *, *Provided,* however, that this paragraph (c) includes only real estate owned that, at the time it served as collateral for a loan, was one-to-four-family, owner-occupied, residential real estate.

* * * * *

3. Amend § 561.16c by revising paragraphs (a), (c), and (d); and by adding a new paragraph (e) to read as follows:

§ 561.16c. Classification of certain assets.

(a) *Scope.* The classification system described in this section applies to all assets or portions thereof held by an insured institution except for loans secured by "homes," as defined in § 541.14, that are owner-occupied, and "consumer credit," as defined in § 561.38 of this chapter.

* * * * *

(c) *Implementation of classification system.* (1) In connection with examinations of an insured institution, the examiner shall have authority to identify problem assets and, if appropriate, classify them.

(2) Each insured institution shall classify its own assets on a regular basis.

(3) In its quarterly reports to the Corporation, each insured institution shall include aggregate totals of assets that the institution has classified in each of the three asset classification categories.

(d) *Effect of classification.* (1) When, pursuant to § 561.16c, an insured institution has classified one or more assets, or portions thereof, Substandard or Doubtful, the insured institution shall establish prudent general allowances for loan losses. When, pursuant to § 561.16c, an examiner has classified one or more assets or portions thereof Substandard or Doubtful, and has determined that the existing valuation allowances are inadequate, the insured institution shall establish general allowances for loan losses in an appropriate amount as determined by the examiner.

(2) When, pursuant to § 561.16c, either an insured institution or an examiner has classified one or more assets or portions thereof Loss, the insured institution shall establish specific allowances for loan losses in the amount of 100 percent of the portion of the asset(s) classified Loss, or charge off such amount.

(e) *Delegations and interpretations.* (1) The Principal Supervisory Agent may approve, disapprove, or modify any classifications of assets made pursuant to § 561.16c and any amounts of general allowances for loan losses established by insured institutions or required by examiners pursuant to § 561.16c.

(2) When an appraisal is required or made in connection with any re-evaluation of assets, the Principal Supervisory Agent may approve or reject the appraisal and any valuation related to it.

(3) The Office of Regulatory Policy, Oversight and Supervision of the Federal Home Loan Bank System shall, from time to time, issue interpretations and other informational material regarding classification of assets. *See* § 571.1a of this subchapter containing the Corporation's statement of policy on the classification of assets.

(4) The Principal Supervisory Agent may delegate functions assigned under § 561.16c to a Supervisory Agent in the same Federal Home Loan Bank district.

PART 563—OPERATIONS

4. The authority citation for Part 563 continues to read as follows:

Authority: Sec. 1, 47 Stat. 725, as amended (12 U.S.C. 1421 *et seq.*); sec. 5A, 47 Stat. 727, as added by sec. 1, 64 Stat. 256, as amended (12 U.S.C. 1425a); sec. 5B, 47 Stat. 727, as added by sec. 4, 80 Stat. 824, as amended (12 U.S.C. 1425b); sec. 17, 47 Stat. 736, as amended (12 U.S.C. 1437); sec. 2, 48 Stat. 128, as amended (12 U.S.C. 1462); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 401–407, 48 Stat. 1255–1260, as amended (12 U.S.C. 1724–1730); sec. 408, 82 Stat. 5, as amended (12 U.S.C. 1730a); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–1948 Comp., p. 1071.

5. Amend § 563.13 by adding a new paragraph (a)(3) to read as follows:

§ 563.13 Regulatory capital requirement.

(a) *Scope.* * * *

(3) In addition to the minimum regulatory capital requirements imposed by this section, the Principal Supervisory Agent may require an insured institution to maintain additional capital, in an amount to be determined by the Principal Supervisory Agent, if the insured institution's asset portfolio contains assets classified pursuant to § 561.16c of this subchapter.

* * * * *

6. Amend § 563.17–2 by revising paragraph (b) to read as follows:

§ 563.17–2 Re-evaluation of assets; adjustment of book value; adjustment charges.

* * * * *

(b) *Re-evaluation of other assets.* In connection with each examination of an insured institution or service corporation, the Board's examiner shall make such re-evaluation of such institution's or service corporation's assets (exclusive of insured or guaranteed loans) as deemed advisable or necessary. Any such re-evaluation of real estate may be based on an appraisal as provided by § 563.17–1, and re-evaluation of parcels of real estate that are similar in all essential respects may be based on an appraisal of one or more of such parcels. When an appraisal is required, it shall conform with § 563.17–1a of the Board's regulations.

* * * * *

PART 571—STATEMENTS OF POLICY

7. The authority citation for Part 571 continues to read as follows:

Authority: Sec. 5A, 47 Stat. 727, as added by sec. 1, 64 Stat. 256, as amended (12 U.S.C. 1425a); sec. 17, 47 Stat. 736, as amended (12 U.S.C. 1437); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 402–403, 407, 48 Stat. 1256–1257, 1260, as amended (12 U.S.C. 1725–1726, 1730); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–48 Comp., p. 1071.

8. Amend § 571.1a by removing the last sentence of the text of the introductory paragraph; and by revising paragraph (d) to read as follows:

§ 571.1a Classification of certain assets.

* * * * *

(d) *Effect of classification.* (1) When, pursuant to § 561.16c of this subchapter, an insured institution has classified one or more assets, or portions thereof, Substandard or Doubtful, the insured institution shall establish prudent general allowances for loan losses. When, pursuant to § 561.16c of this subchapter, an examiner has classified one or more assets, or portions thereof, Substandard or Doubtful, and has determined that the existing valuation allowances are inadequate, the insured institution shall establish general allowances for loan losses in an appropriate amount as determined by the examiner.

(2) When, pursuant to § 561.16c of this subchapter, either an insured institution or an examiner has classified one or more assets, or portions thereof, Loss, the insured institution shall establish specific allowances for losses in the amount of 100 percent of the book value of the asset(s) classified Loss, or charge off such amount.

By the Federal Home Loan Bank Board.

Nadine Y. Washington,

Acting Secretary.

Note.—Attachments 1 through 3 will not appear in the Code of Federal Regulations.

Attachment 1

The following is an example of the application of the proposed classification of assets regulation to the books and records of a $1,000,000 association as noted in I. The association reviews its loan portfolio and classifies its assets which results in the amounts listed in II. The increased capital requirement as noted in the table of $17,500 is determined through a review of asset quality by the PSA. The allowances established for substandard

and doubtful assets of $12,500 are included in determining regulatory capital and the total allowance established under GAAP of $22,500 is charged against earnings in the current period as reflected in the balance sheet shown in III through a reduction to the capital accounts.

I. Institution before allowance for loan losses and classification of assets:

Loans	$900,000
Other assets	100,000
Total	1,000,000
Deposits and liabilities	950,000
Capital	50,000
Total	1,000,000

II. Loans are classified and allowances established by institution and concurred in by FHLBank examination and supervision personnel in the following manner:

Classification	Loan(s) balance	Amount classified	Allowances established	Increased capital
Substandard	100,000	50,000	[1] 5,000	7,500
Doubtful	75,000	25,000	[1] 7,500	10,000
			12,500	17,500
Loss	50,000	10,000	[1 2] 10,000	0
Total			22,500	17,500

[1] Allowance for loan losses established in accordance with generally accepted accounting principles (GAAP), FASB Statement No. 5 *Accounting for Contingencies.**

[2] 100 percent of amount classified Loss is required as a specific allowance for loan losses.

* Statement of Financial Accounting Standards No. 5, *Accounting for Contingencies*, provides that an estimated loss should be accrued when it is probable that the asset has been impaired and if the amount of loss can be reasonably estimated.

III. Institution after allowance for loan losses and classification of assets:

Loans	$900,000
Allowance for loan losses:	
General	(12,500)
Specific	(10,000)
	(22,500)
Net Loans	877,500
Other Assets	100,000
	977,500
Deposits and liabilities	950,000
Capital	27,500
	977,500
Regulatory Capital:	
Capital	27,500
General reserves	12,500
	40,000
Regulatory capital requirement:	
950,000 × 3%	28,500
Increase from classification	17,500
	46,000
Regulatory capital deficiency	(6,000)

Attachment 2.—Statement of Financial Accounting Standards No. 5, Accounting for Contingencies

Contents	Paragraph Nos.
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INTRODUCTION

1. For the purpose of this Statement, a contingency is defined as an existing condition, situation, or set of circumstances involving uncertainty as to possible gain (hereinafter a "gain contingency") or loss [1] (hereinafter a "loss contingency") to an enterprise that will ultimately be resolved when one or more future events occur or fail to occur. Resolution of the uncertainty may confirm the acquisition of an asset or the reduction of a liability or the loss or impairment of an asset or the incurrence of a liability.

2. Not all uncertainties inherent in the accounting process give rise to contingencies as the term is used in this Statement. Estimates are required in financial statements for many on-going and recurring activities of an enterprise. The mere fact that an estimate is involved does not of itself constitute the type of uncertainty referred to in the definition in paragraph 1. For example, the fact that estimates are used to allocate the known cost of a depreciable asset over the period of use by an enterprise does not make depreciation a contingency; the eventual expiration of the utility of the asset is not uncertain. Thus, depreciation of assets is not a contingency as defined in paragraph 1, nor are such matters as recurring repairs, maintenance, and overhauls, which interrelate with depreciation. Also, amounts owed for services received, such as advertising and utilities, are not contingencies even though the accrued amounts may have been estimated; there is nothing uncertain about the fact those obligations have been incurred.

3. When a loss contingency exists, the likelihood that the future event or events will confirm the loss or impairment of an asset or the incurrence of a liability can range from probable to remote. This Statement uses the terms *probable, reasonably possible,* and *remote* to identify three areas within that range, as follows:

a. *Probable.* The future event or events are likely to occur.

b. *Reasonably possible.* The chance of the future event or events occurring is more than remote but less than likely.

c. *Remote.* The chance of the future event or events occurring is slight.

4. Examples of loss contingencies include:

a. Collectibility of receivables.

b. Obligations related to product warranties and product defects.

c. Risk of loss or damage of enterprise property by fire, explosion, or other hazards.

d. Threat of expropriation of assets.

e. Pending or threatened litigation.

f. Actual or possible claims and assessments.

g. Risk of loss from catastrophes assumed by property and casualty insurance companies including reinsurance companies.

h. Guarantees of indebtedness of others.

i. Obligations of commercial banks under "standby letters of credit." [2]

[1] The term *loss* used for convenience to include many charges against income that are commonly referred to as *expenses* and others that are commonly referred to as *losses.*

[2] As defined by the Federal Reserve Board, "standby letters of credit" include "every letter of credit (or similar arrangement however named or designated) which represents an obligation to the beneficiary on the part of the issuer (1) to repay

Continued

j. Agreements to repurchase receivables (or to repurchase the related property) that have been sold.

5. Some enterprises now accrue estimated losses from some types of contingencies by a charge to income prior to the occurrence of the event or events that are expected to resolve the uncertainties while, under similar circumstances, other enterprises account for those losses only when the confirming event or events have occurred.

6. This Statement establishes standards of financial accounting and reporting for loss contingencies (see paragraphs 8–16) and carries forward without reconsideration the conclusions of *Accounting Research Bulletin (ARB) No. 50*, "Contingencies," with respect to gain contingencies (see paragraph 17) and other disclosures (see paragraphs 18–19). The basis for the Board's conclusions, as well as alternatives considered and reasons for their rejection, are discussed in Appendix C. Examples of application of this Statement are presented in Appendix A, and background information is presented in Appendix B.

7. This Statement supersedes both *ARB No. 50* and Chapter 6, "Contingency Reserves," of *ARB No. 43*. The conditions for accrual of loss contingencies in paragraph 8 of this Statement do not amend any other present requirement in an Accounting Research Bulletin or Opinion of the Accounting Principles Board to accrue a particular type of loss or expense. Thus, for example, accounting for pension cost, deferred compensation contracts, and stock issued to employees are excluded from the scope of this Statement. Those matters are covered, respectively, in *APB Opinion No. 8*, "Accounting for the Cost of Pension Plans," *APB Opinion No. 12*, "Omnibus Opinion—1967," paragraphs 6–8, and *APB Opinion No. 25*, "Accounting for Stock Issued to Employees." Accounting for other employment-related costs, such as group insurance, vacation pay, workmen's compensation, and disability benefits, is also excluded from the scope of this Statement. Accounting practices for those types of costs and pension accounting practices tend to involve similar considerations.

STANDARDS OF FINANCIAL ACCOUNTING AND REPORTING

Accrual of Loss Contingencies

8. An estimated loss from a loss contingency (as defined in paragraph 1) shall be accrued by a charge of income[3] if *both* of the following conditions are met:

a. Information available prior to issuance of the financial statements indicates that it is probable that an asset had been impaired or a liability had been incurred at the date of the financial statements.[4] It is implicit in this condition that it must be probable that one or more future events will occur confirming the fact of the loss.

b. The amount of loss can be reasonably estimated.

Disclosure of Loss Contingencies

9. Disclosure of the nature of an accrual[5] made pursuant to the provisions of paragraph 8, and in some circumstances the amount accrued, may be necessary for the financial statements not to be misleading.

10. If no accrual is made for a loss contingency because one or both of the conditions in paragraph 8 are not met, or if an exposure to loss exists in excess of the amount accrued pursuant to the provisions of paragraph 8, disclosure of the contingency shall be made when there is at least a reasonable possibility that a loss or an additional loss may have been incurred.[6] The disclosure shall indicate the nature of the contingency and shall give an estimate of the possible loss or range of loss or state that such an estimate cannot be made. Disclosure is not required of a loss contingency involving an unasserted claim or assessment when there has been no manifestation by a potential claimant of an awareness of a possible claim or assessment unless it is considered probable that a claim will be asserted and there is a reasonable possibility that the outcome will be unfavorable.

11. After the date or an enterprise's financial statements but before those financial statements are issued, information may become available indicating that an asset was impaired or a liability was incurred after the date of the financial statements or that there is at least a reasonable possibility that an asset was impaired or a liability was incurred after that date. The information may relate to a loss contingency that existed at the date of the finanical statement, e.g., an asset that was not insured at the date of the financial statements. On the other hand, the information may relate to a loss contingency that did not exist at the date of the financial statement, e.g., threat of expropriation of assets after the date of the financial statements or the filing for bankruptcy by an enterprise whose debt was guaranteed after the date of the financial statements. In none of the cases cited in this paragraph was an asset impaired or a liability incurred at the date of the financial statements, and the condition for accrual in paragraph 8(a) is, therefore, not met. Disclosure of those kinds or losses or loss contingencies may be necessary , however, to keep the financial statements from being misleading. If disclosure is deemed necessary, the financial statements shall indicate the nature of the loss or loss contingency and give an estimate of the amount or range of loss or possible loss or state that such an estimate cannot be made. Occasionally, in the case of a loss arising after the date of the financial statements where the amount of asset impairment or liability incurrence can be reasonably estimated, disclosure may best be made by supplementing the historical financial statements with pro forma financial data giving effect to the loss as if it had occurred at the date of the financial statements. It may be desirable to present pro forma statements, usually a balance sheet only, in columnar form on the face of the historical financial statements.

12. Certain loss contingencies are presently being disclosed in financial statements even though the possibility of loss may be remote. The common characteristic of those contingencies is a guarantee, normally with a right to proceed against an outside party in the event that the guarantor is called upon to satisfy the guarantee. Examples include (a) guarantees of indebtedness of others, (b) obligations of commercial banks under "standby letters of credit," and (c) guarantees to repurchase receivables (or, in some cases, to repurchase the related property) that have been sold or otherwise assigned. The Board concludes that disclosure of those loss contingencies, and others that in substance have the same characteristic, shall be continued. The disclosure shall include the nature and amount of the guarantee. Consideration should be given to disclosing, if estimable, the value of any recovery that could be expected to result, such as from the guarantor's right to proceed against an outside party.

13. This Statement applies to regulated enterprises in accordance with provisions of the Addendum to *APB Opinion No. 2*, "Accounting for the 'Investment Credit.' " If, in conformity with the Addendum, a regulated enterprise accrues for financial accounting and reporting purposes an estimated loss without regard to the conditions in paragraph 8, the following information shall be disclosed in its financial statements:

a. The accounting policy including the nature of the accrual and the basis for estimation.

b. The amount of any related "liability" or "asset valuation" account included in each balance sheet presented.

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money borrowed by or advanced to or for the account of the account party or (2) to make payment on account of any evidence of indebtedness undertaken by the account party or (3) to make payment on account of any default by the account party in the performance of an obligation." A note to that definition states that "as defined, 'standby letter of credit' would not include (1) commercial letters of credit and similar instruments where the issuing bank expects the beneficiary to draw upon the issuer and which do not 'guaranty' payment of a money obligation or (2) a guaranty or similar obligation issued by a foreign branch in accordance with and subject to the limitations of Regulation M (of the Federal Reserve)." Regulations of the Comptroller of the Currency and the Federal Deposit Insurance Corporation contain similar definitions.

[3] Paragraphs 23–24 of *APB Opinion No. 9*, "Reporting the Results of Operations," describe the "rare" circumstance in which a prior period adjustment is appropriate. Those pargraphs are not amended by this Statement.

[4] *Date of the financial statements* means the end of the most recent accounting period for which financial statements are being presented.

[5] Terminology used shall be descriptive of the nature of the accrual (see paragraphs 57–64 of *Accounting Terminology Bulletin No. 1*, "Review and Resume").

[6] For example, disclosure shall be made of any loss contingency that meets the condition in paragraph 8(a) but that is not accrued because the amount of loss cannot be reasonably estimated (paragraph 8(b)). Disclosure is also required of some loss contingencies that do not meet the condition in paragraph 8(a)—namely, those contingencies for which there is a *reasonable possibility* that a loss may have been incurred even though information may not indicate that it is *probable* that an asset had been impaired or a liability had been incurred at the date of the financial statements.

General or Unspecified Business Risks

14. Some enterprises have in the past accrued so-called "reserves for general contingencies." General or unspecified business risks do not meet the conditions for accrual in paragraph 8, and no accrual for loss shall be made. No disclosure about them is required by this Statement.

Appropriation of Retained Earnings.

15. Some enterprises have classified a portion of retained earnings as "appropriated" for loss contingencies. In some cases, the appropriation has been shown outside the stockholder' equity section of the balance sheet. Appropriation of retained earnings is not prohibited by this Statement provided that is shown within the stockholders' equity section of the balance sheet and is clearly identified as an appropriation of retained earnings. Costs or losses shall not be charged to an appropriation of retained earnings, and no part of the appropriation shall be transferred to income.

Examples of Application of This Statement

16. Examples of application of the conditions for accrual of loss contingencies in paragraph 8 and the disclosure requirements in paragraph 9–11 are presented in Appendix A.

Gain Contingencies

17. The Board has not reconsidered *ARB No., 50* with respect to gain contingencies. Accordingly, the following provisions of paragraphs 3 and 5 of that Bulletin shall continue in effect:

a. Contingencies that might result in gains usually are not reflected in the accounts since to do so might be to recognize revenue prior to its realization.

b. Adequate disclosure shall be made of contingencies that might result in gains, but care shall be exercised to avoid misleading implications as to the likelihood of realization.

Other Disclosures

18. Paragrpah 6 *ARB No. 50* required disclosure of a number of situations including "unused letters of credit, long-term leases, assets pledged as security for loans, pension plans the existence of cumulative preferred stock dividends in arrears, and commitments such as those for plant acquisition or an obligation to reduce debts, maintain working capital, or restrict dividends." Subsequent Opinions issued by the Accounting Principles Board established more explicit disclosure requirements for a number of those items, i.e., lease (see *APB Opinions No. 5* and *31*), pension plans (see *APB Opinion No. 8*), and preferred stock dividend arrearages (see *APB Opinion No. 10*, paragraph 11(b)).

19. Situations of the type described in the proceding paragraph shall continue to be disclosed in financial statements, and this Statement does not alter the present disclosure requirements with respect to those items.

Effective Date and Transition

20. This Statement shall be effective for fiscal years beginning on or after July 1, 1975, although earlier application is encouraged. A change in accounting principle resulting from compliance with paragraph 8 or 14 of this Statement shall be reported in accordance with *APB Opinion No. 20*, "Accounting Changes." Accordingly, except in the special circumstances referred to in paragraphs 29–30 of *APB Opinion No. 20*, the cumulative effect of the change on retained earnings at the beginning of the year in which the change is made shall be included in net income of the year of the change, and the disclosures specified in *APB Option No. 20* shall be made. Reclassification of an appropriation of retained earnings to comply with paragraph 15 of this Statement shall be made in any financial statements for periods before the effective date of this Statesment, or financial summaries or other data derived therefrom, that are presented after the effective date of this Statement.

The provisions of this Statement need not be applied to immaterial items.

This Statement was adopted by the unanimous vote of the seven members of the Financial Accounting Standards Board:

Marshall S. Armstrong, Chairman
Oscar S. Gellein
Donald J. Kirk
Arthur L. Litke
Robert E. Mays
Walter Schuetze
Robert T. Sprouse

Appendix A.—Examples of Application of This Statement

21. This Appendix contains examples of application of the conditions for accrual of loss contingencies in paragraph 8 and of the disclosure requirements in paragraphs 9–11. Some examples have been included in response to questions raised in letters of comment on the Exposure Draft. It should be recognized that no set of examples can encompass all possible contingencies or circumstances. Accordingly, accrual and disclosure of loss contingencies should be based on evaluation of the facts in each particular case.

Collectibility of Receivables

22. The assets of an enterprise may include receivables that arose from credit sales, loans, or other transactions. The conditions under which receivables exist usually involve some degree of uncertainty about their collectibility, in which case a contingency exists as defined in paragraph 1. Losses from uncollectible receivables shall be accrued when both conditions in paragraph 8 are met. Those conditions may be considered in relation to individual receivables or in relation to groups of similar types of receivables. If the conditions are met, accrual shall be made even though the particular receivables that are uncollectible may not be identifiable.

23. If, based on available information, it is probable that the enterprise will be unable to collect all amounts due and, therefore, that at the date of its financial statements the net realizable value of the receivables through collection in the ordinary course of business is less than the total amount receivable, the condition in paragraph 8(a) is met because it is probable that an asset has been impaired. Whether the amount of loss can be reasonably estimated (the condition in paragraph 8(b)) will normally depend on, among other things, the experience of the enterprise, information about the ability of individual debtors to pay, and appraisal of the receivables in light of the current economic environment. In the case of an enterprise that has no experience of its own, reference to the experience of other enterprises in the same business may be appropriate. Inability to make a reasonable estimate of the amount of loss from uncollectible receivables (i.e., failure to satisfy the condition in paragraph 8(b)) precludes accrual and may, if there is significant uncertainty as to collection, suggest that the installment method, the cost recovery method, or some other method of revenue recognition be used (see paragraph 12 of *APB Opinion No. 10*, "Omnibus Opinion—1966"); in addition, the disclosures called for by paragraph 10 of this Statement should be made.

Obligations Related to Product Warranties and Product Defects

24. A warranty is an obligation incurred in connection with the sale of goods or services that may require further performance by the seller after the sale has taken place. Because of the uncertainty surrounding claims that may be made under warranties, warranty obligations fall within the definition of a contingency in paragraph 1. Losses from warranty obligations shall be accrued when the conditions in paragraph 8 are met. Those conditions may be considered in relation to individual sales made with warranties or in relation to groups of similar types of sales made with warranties. If the conditions are met, accrual shall be made even though the particular parties that will make claims under warranties may not be identifiable.

25. If, based on available information, it is probable that customers will make claims under warranties relating to goods or services that have been sold, the condition in paragraph 8(a) is met at the date of an enterprise's financial statements because it is probable that a liability has been incurred. Satisfaction of the condition in paragraph 8(b) will normally depend on the experience of an enterprise or other information. In the case of an enterprise that has no experience of its own, reference to the experience of other enterprises in the same business may be appropriate. Inability to make a reasonable estimate of the amount of a warranty obligation at the time of sale because of significant uncertainty about possible claims (i.e., failure to satisfy the condition in paragraph 8(b)) precludes accrual and, if the range of possible loss is wide, may raise a question about whether a sale should be recorded prior to expiration of the warranty period or until sufficient experience has been gained to permit a reasonable estimate of the obligation; in addition, the disclosures called for by paragraph 10 of this Statement should be made.

26. Obligations other than warranties may arise with respect to products or services that have been sold, for example, claims resulting

from injury or damage caused by product defects. If it is probable that claims will arise with respect to products or services that have been sold, accrual for losses may be appropriate. The condition in paragraph 8(a) would be met, for instance, with respect to a drug product or toys that have been sold if a health or safety hazard related to those products is discovered and as a result it is considered probable that liabilities have been incurred. The condition in paragraph 8(b) would be met if experience or other information enables the enterprise to make a reasonable estimate of the loss with respect to the drug product or the toys.

Risk of Loss or Damage of Enterprise Property

27. At the date of an enterprise's financial statements, it may not be insured against risk of future loss or damage to its property by fire, explosion, or other hazards. The absence of insurance against losses from risks of those types constitutes an existing condition involving uncertainty about the amount and timing of any losses that may occur, in which case a contingency exists as defined in paragraph 1. Uninsured risks may arise in a number of ways, including (a) noninsurance of certain risks or co-insurance or deductible clauses in an insurance contract or (b) insurance through a subsidiary or investee[7] to the extent not reinsured with an inde risks, for all practical purposes, may be noninsurable, and the self-assumption of those risks is mandatory.

28. The absence of insurance does not mean that an asset has been impaired or a liability has been incurred at the date of an enterprise's financial statements. Fires, explosions, and other similar events that may cause loss or damage of an enterprise's property are random in their occurrence.[8] With respect to events of that type, the condition for accrual in paragraph 8(a) is not satisfied prior to the occurrence of the event because until that time there is no diminution in the value of the property. There is no relationship of those events to the activities of the enterprise prior to their occurrence, and no asset is impaired prior to their occurrence. Further, unlike an insurance company, which has a contractual obligation under policies in force to reimburse insureds for losses, an enterprise can have no such obligation to itself and, hence, no liability.

[7] The effects of transactions between a parent or other investor and a subsidiary or investee insurance company shall be eliminated from an enterprise's financial statements (see paragraph 6 of *ARB NO. 51*, "Consolidated Financial Statements," and paragraph 19(a) of *APB Opinion No. 18*, "The Equity Method of Accounting for Investments in Common Stock"). pendent insurer. Some

[8] The Board recognizes that, in practice, experience regarding loss or damage to depreciable assets is in some cases one of the factors considered in estimating the depreciable lives of a group of depreciable assets, along with such other factors as wear and tear, obsolescence, and maintenance and replacement policies. This Statement is not intended to alter present depreciation practices (see paragraph 2).

Risk of Loss from Future Injury to Others, Damage to the Property of Others, and Business Interruption

29. An enterprise may choose not to purchase insurance against risk of loss that may result from injury to others, damage to the property of others, or interruption of its business operations.[9] Exposure to risks of those types constitutes an existing condition involving uncertainty about the amount and timing of any losses that may occur, in which case a contingency exists as defined in paragraph 1.

30. Mere exposure to risks of those types, however, does not mean that an asset has been impaired or a liability has been incurred. The condition for accrual in paragraph 8(a) is not met with respect to loss that may result from injury to others, damage to the property of others, or business interruption that may occur after the date of an enterprise's financial statements. Losses of those types do not relate to the current or a prior period but rather to the *future* period in which they occur. Thus, for example, an enterprise with a fleet of vehicles should not accrue for injury to others or damage to the property of others that may be caused by those vehicles in the future even if the amount of those losses may be reasonably estimable. On the other hand, the conditions in paragraph 8 would be met with respect to uninsured losses resulting from injury to others or damage to the property of others that took place prior to the date of the financial statements, even though the enterprise may not become aware of those matters until after that date, if the experience of the enterprise or other information enables it to make a reasonable estimate of the loss that was incurred prior to the date of its financial statements.

Write-Down of Operating Assets

31. In some cases, the carrying amount of an operating asset not intended for disposal may exceed the amount expected to be recoverable through future use of that asset even though there has been no physical loss or damage of the asset or threat of such loss or damage. For example, changed economic conditions may have made recovery of the carrying amount of a productive facility doubtful. The question of whether, in those cases, it is appropriate to write down the carrying amount of the asset to an amount expected to be recoverable through future operations in not covered by this Statement.

Threat of Expropriation

32. The threat of expropriation of assets is a contingency within the definition of paragraph 1 because of the uncertaintly about its outcome and effect. If information indicates that expropriation is imminent and compensation will be less than the carrying amount of the assets, the condition for accrual in paragraph 8(a) is met. Imminence may be indicated, for example, by public or private declarations of intent by a government to expropriate assets of the enterprise or actual expropriation of assets of other enterprises. Paragraph 8(b) requires that accrual be made only if the amount of loss can be reasonably estimated. If the conditions for accrual are not met, the disclosures specified in paragraph 10 would be made when there is at least a reasonable possibility that an asset has been impaired.

[9] As to injury or damage resulting from products that have been sold, see paragraph 26.

Litigation, Claims, and Assessments

33. The following factors, among others, must be considered in determining whether accrual and/or disclosure is required with respect to pending or threatened litigation and actual or possible claims and assessments:

a. The period in which the underlying cause (i.e., the cause for action) of the pending or threatened litigation or of the actual or possible claim or assessment occurred.

b. The degree of probability of an unfavorable outcome.

c. The ability to make a reasonable estimate of the amount of loss.

34. As a condition for accrual of a loss contingency, paragraph 8(a) requires that information available prior to the issuance of financial statements indicate that it is probable that an asset had been impaired or a liability had been incurred at the date of the financial statements. Accordingly, accrual would clearly be inappropriate for litigation, claims, or assessments whose underlying cause is an event or condition occurring after the date of financial statements but before those financial statements are issued, for example, a suit for damages alleged to have been suffered as a result of an accident that occurred after the date of the financial statements. Disclosure may be required, however, by paragraph 11.

35. On the other hand, accrual may be appropriate for litigation, claims, or assessments whose underlying cause is an event occurring on or before the date of an enterprise's financial statements even if the enterprise does not become aware of the existence or possibility of the law suit, claim, or assessment until after the date of the financial statements. If those financial statements have not been issued, accrual of a loss related to the litigation, claim, or assessment would be required if the probability of loss is such that the condition in paragraph 8(a) is met and the amount of loss can be reasonably estimated.

36. If the underlying cause of the litigation, claim, or assessment is an event occurring before the date of an enterprise's financial statements, the probability of an outcome unfavorable to the enterprise must be assessed to determine whether the condition in paragraph 8(a) is met. Among the factors that should be considered are the nature of the litigation, claim, or assessment, the progress of the case (including progress after the date of the financial statements but before those statements are issued), the opinions or views of legal counsel and other advisers, the experience of the enterprise in similar cases, the experience of other enterprises, and any decision of the enterprise's management as to how the enterprise intends to respond to the lawsuit, claim, or assessment (for example, a decision to contest the case vigorously or a decision to seek an out-of-court settlement). The fact that

legal counsel is unable to express an opinion that the outcome will be favorable to the enterprise should not necessarily be interpreted to mean that the condition for accrual of a loss in paragrah 8(a) is met.

37. The filing of a suit or formal assertion of a claim or assessment does not automatically indicate that accrual of a loss may be appropriate. The degree of probability of an unfavorable outcome must be assessed. The condition for accrual in paragraph 8(a) would be met if an unfavorable outcome is determined to be probable. If an unfavorable outcome is determined to be reasonably possible but not probable, or if the amount of loss cannot be reasonably estimated, accrual would be inappropriate, but disclosure would be required by paragraph 10 of this Statement.

38. With respect to unasserted claims and assessments, an enterprise must determine the degree of probability that a suit may be filed or a claim or assessment may be asserted and the possibility of an unfavorable outcome. For example, a catastrophe, accident, or other similar physical occurrence predictably engenders claims for redress, and in such circumstances their assertion may be probable; similiarly, an investigation of an enterprise by a governmental agency, if enforcement proceedings have been or are likely to be instituted, is often followed by private claims for redress, and the probability of their assertion and the possibility of loss should be considered in each case. By way of further example, an enterprise may believe there is a possibility that it has infringed on another enterprise's patent rights, but the enterprise owning the patent rights has not indicated an intention to take any action and has not even indicated an awareness of the possible infringement. In that case, a judgment must first be made as to whether the assertion of a claim is probable. If the judgment is that assertion is not probable, no accrual or disclosure would be required. On the other hand, if the judgment is that assertion is probable, then a second judgment must be made as to the degree of probability of an unfavorable outcome. If an unfavorable outcome in probable and the amount of loss can be reasonably estimated, accrual of a loss is required by paragraph 8. If an unfavorable outcome is probable but the amount of loss cannot be reasonably estimated, accrual would not be appropriate, but disclosure would be required by paragraph 10. If an unfavorable outcome is reasonably possible but not probable, disclosure would be required by paragraph 10.

39. As a condition for accrual of a loss contingency, paragraph 8(b) requires that the amount of loss can be reasonably estimated. In some cases, it may be determined that a loss was incurred because an unfavorable outcome of the litigation, claim, or assessment is probable (thus satisfying the condition in paragraph 8(a)), but the range of possible loss is wide. For example, an enterprise may be litigating an income tax matter. In preparation for the trial, it may determine that, based on recent decisions involving one aspect of the litigation, it is probable that it will have to pay additional taxes of $2 million. Another aspect of the litigation may, however, be open to considerable interpretation, and depending on the interpretation by the court the enterprise may have to pay taxes of $8 million over and above the $2 million. In that case, paragraph 8 requires accrual of the $2 million if that is considered a reasonable estimate of the loss. Paragrah 10 requires disclosure of the additional exposure to loss if there is a reasonable possibility that additional taxes will be paid. Depending on the circumstances, paragraph 9 may require disclosure of the $2 million that was accrued.

Catastrophe Losses of Property and Casualty Insurance Compaines

40. At the time that a property and casualty insurance company or reinsurance company issues an insurance policy covering risk of loss from catastrophes, a contingency arises. The contingency is the risk of loss *assumed* by the insurance company, that is, the risk of loss from catastrophes that may occur *during the term of the policy*. The insurance company has not assumed risk of loss for catastrophes that may occur *beyond* the term of the policy. Clearly, therefore, no asset has been impaired or liability incurred with respect to catastrophes that may occur beyond the terms of policies in force.

41. The conditions in paragraph 8 should be considered with respect to the risk of loss assumed by an insurance company for catastrophes that may occur during the terms of policies in force to determine whether accrual of a loss is appropriate. To satisfy the condition in paragraph 8(a) that it be probable that a liability has been incurred to existing policyholders, the occurrence of catastrophes (i.e., the confirming future events) would have to be reasonably predictable within the terms of policies in force. Further, to satisfy the condition in paragraph 8(b), the amounts of losses there from would have to be reasonably estimable. Actuarial techniques are employed by insurance companies to predict the rate of occurrence of and amounts of losses from catastrophes over long periods of time for insurance rate-setting purposes. Predictions over relatively short periods of time, such as an individual accounting period or the terms of a large number of existing insurance policies in force, are subject to substantial deviations. Consequently, assumption of risk of loss from catastrophes by property and casualty insurance companies and reinsurance companies fails to satisfy the conditions for accrual in paragraphs 8(a) and 8(b). Moreover, deferral of unearned premiums *within* the terms of policies in force represents the "unknown liabililty" for loss (including catastrophe losses) on unexpired policies, making an accrual inappropriate—see paragraphs 94–96 in Appendix C. Recognition of premium income as earned revenue within the terms of policies in force is discussed in the AICPA Industry Audit Guide, " Audits of Fire and Casualty Insurance Companies."

42. Although some property and causalty insurance companies have accrued an estimated amount for catastrophe losses, other insurance companies have accomplished the same objective by deferring a portion of the premium income. Deferral of any portion of premium income *beyond the terms of policies in force* is, in substance, similar to premature accrual of catastrophe losses and, therefore, also does not meet the conditions of paragraph 8.

43. The conditions for accrual in paragraph 8 do not prohibit a property and casualty insurance company from accruing probable catastrophe losses that have been incurred on or before the date of its financial statements but that have not been reported by its policyholders as of that date. If the amount of loss can be reasonably estimated, paragraph 8 requires accrual of those incurred-but-not-reported losses.

Payments to Insurance Companies That May Not Involve Transfer of Risk

44. To the extent that an insurance contract or reinsurance contract does not, despite its form, provide for indemnification of the insured or the ceding company by the insured or reinsurer against loss or liability, the premium paid less the amount of the premium to be retained by the insurer or reinsurer shall be accounted for as a deposit by the insured or the ceding company. Those contracts may be structured in various ways, but if, regardless of form, their substance is that all of part of the premium paid by the insured or the ceding company is a deposit, it shall be accounted for as such.

45. Operations in certain industries may be subject to such high risks that insurance is unavailable or is available only at what is considered to be prohibitively high cost. Some enterprises in those industries have "pooled" their risks by forming a mutual insurance company in which they retain an equity interest and to which they pay insurance premiums. For example, some electric utility companies have formed such a mutual insurance company to insure risks related to nuclear power plants, and some oil companies have formed a company to insure against risks associated with petroleum exploration and production. Whether the premium paid represents a payent for the transfer of risk or whether it represents merely a deposit will depend on the circumstances surrounding each enterprise's interest in and insurance arrangement with the mutual insurance company. An analysis of the contract is required to determine whether risk has been transferred and to what extent.

Appendix B

BACKGROUND INFORMATION

46. In April 1973, the FASB placed on its technical agenda a project then entitled "Accounting for Future Losses." The project addressed accrual and disclosure of loss contingencies. The Board believes that "Accounting for Contingencies" is a more descriptive title for this Statement than "Accounting for Future Losses."

47. A task force of 16 persons from industry, public accounting, the financial community, and academe was appointed in the summer of 1973 to provide counsel to the Board in preparing a Discussion Memorandum analyzing issues related to the project.

48. The Discussion Memorandum gave examples of various types of contingencies and considered several of those at length to assist in the development of standards of financial accounting and reporting. These included (a) uninsured risks ("self-insurance"), (b) risk of losses from catastrophes assumed by property and casualty insurance companies, and (c) risk of losses from expropriations by foreign governments.

49. Research undertaken in connection with this project included (a) a search of relevant literature, (b) an examination of published financial statements in annual reports to shareholders and in filings with the SEC on Form 10–K, (c) a questionnaire survey conducted by the Financial Executives Institute to which 64 companies responded, and (d) a study of catastrophe reserve accounting methods employed by property and casualty insurance companies. Summaries of research findings are included in appendices to the Discussion Memorandum.

50. On January 3, 1973 (prior to the date the Board placed this subject on its agenda), the Securities and Exchange Commission issued its *Accounting Series Release No. 134*, which pointed out that a number of property and casualty insurance companies had adopted the accounting policy of making a provision from each period's income to cover a portion of major losses expected to occur in future periods. The SEC Release indicated that the Committee on Insurance Accounting and Auditing of the AICPA was working actively on the subject in cooperation with industry groups. The Release set forth certain disclosure requirements pending resolution of the question of accrual.

51. The AICPA committee's report (dated July 17, 1973) was in the form of a memorandum setting forth the views of those committee members favoring and those opposing accrual of losses from future catastrophes. In the course of its study, the AICPA committee had gathered considerable data on the subject, in part from a survey of member companies of the American Insurance Association, and this information was made available to the Board.

52. On August 2, 1973, the SEC announced in *Accounting Series Release No. 145* that property and casualty insurance companies should not change their method of accounting for catastrophe losses "until a single method has been adopted by the Financial Accounting Standard Board."

53. The Board issued the Discussion Memorandum on March 13, 1974, and held a public hearing on the subject on May 13, 1974. The Board received 87 position papers, letters of comment, and outlines of oral presentations in response to the Discussion Memorandum. Eighteen presentations were made at the public hearing.

54. An Exposure Draft of a proposed Statement on "Accounting for Contingencies" was issued on October 21, 1974. The Board received 212 letters of comment on the Exposure Draft.

Appendix C

BASIS FOR CONCLUSIONS

55. This Appendix discusses factors deemed significant by members of the Board in reaching the conclusions in this Statement, including various alternatives considered and reasons for accepting some and rejecting others.

SCOPE OF THIS STATEMENT

56. Some respondents to the Exposure Draft proposed that the Statement not deal with accrual and disclosure of loss contingencies in general but, rather, only with the following three specific matters: "self-insurance," risks of losses from catastrophes assumed by property and casualty insurance companies including reinsurance companies, and threat of expropriation. As the basis for that position, they noted that the Discussion Memorandum considered those three matters at length. Other respondents suggested that catastrophe losses be dealt with in a separate Statement.

57. The Board has concluded, however, that the broad issue of accrual and disclosure of loss contingencies should be dealt with in a single Statement, just as the Discussion Memorandum encompassed "the broad issue of accounting for future losses."[10] As the Discussion Memorandum stated, "future losses of all types presently known to affect enterprises and new types of future losses that may arise are conceptually included in the scope of this project." The three matters dealt with at length in the Discussion Memorandum were used "as examples to assist in the evaluation and development of criteria for accounting for future losses," and other examples were discussed. The Board has concluded that loss contingencies such as those given as examples in paragraph 4 of this Statement have common characteristies and that questions about accounting for and reporting of those contingencies should be resolved comprehensively. It is for that reason, also, that the Board believes it inappropriate to deal with catastrophe losses in a separate Statement.

58. A question has been raised whether uncollectibility of receivables and product warranties constitute contingencies within the scope of this Statement. The Board recognizes that uncertainties associated with uncollectibility of some receivables and some product warranties are likely to be, in part, inherent in making accounting estimates (described in paragraph 2) as well as, in part, the type of uncertainties that give rise to a contingency (described in paragraph 1). The Board believes that no useful purpose would be served by attempting to distinguish between those who types of uncertainties for purposes of establishing conditions for accrual of uncollectible receivables and product warranties. Consequently, those matters are deemed to be contingencies within the definition of paragraph 1 and should be accounted for pursuant to the provisons of this Statement.

ACCRUAL OF LOSS CONTINGENCIES

59. Paragraph 8 requires that a loss contingency be accrued if the two specified conditions are met. The purpose of those conditions is to require accrual of losses when they are reasonably estimable and relate to the current or a prior period. The requirement that the loss be reasonably estimable is intended to prevent accrual in the financial statements of amounts so uncertain as to impair the integrity of those statements. The Board has concluded that disclosure is preferable to accrual when a reasonable estimate of loss cannot be made. Further, even losses that are reasonably estimable should not be accrued if it is not probable that an asset has been impaired or a liability has been incurred at the date of an enterprise's financial statements because those losess relate to a future period rather than the current or a prior period. Attribution of loss to events or activities of the current or prior periods is an element of asset impairment or liability incurrence.

60. In establishing the conditions in paragraph 8, Board members considered the factors discussed in paragraphs 61–101. Individual Board members gave greater weight to some factors than to others.

Accounting Accruals Do Not Provide Protection against Losses

61. Accrual of a loss related to a contingency does not create or set aside funds to lessen the possible financial impact of a loss, although some respondents to the Discussion Memorandum and the Exposure Draft argued to the contrary. The Board believes that confusion exists between accounting accruals (sometimes referred to as "accounting reserves") and the reserving or setting aside of specific assets to be used for a particular purpose or contingency. Accounting accruals are simply a method of allocating costs among accounting periods and have no effect on an enterprise's cash flow. An enterprise may choose to maintain or have access to sufficient liquid assets to replace or repair lost or damaged property or to pay claims in case a loss occurs. Alternatively, it may transfer the risk to others by purchasing insurance. Those are financial decisions, and if enterprise management decides to do neither, the presence or absence of an accrued credit balance on the balance sheet will have no effect on the consequences of that decision. The accounting standards set forth in this Statement do not affect the fundamental business economics of that decision.

62. In that regard, some respondents to the Discussion Memorandum and the Exposure Draft contended that an accounting standard that does not permit periodic accrual of so-called "self-insurance reserves" and, in the case of insurance compaines, so-called "catastrophe reserves" will force enterprises to purchase insurance or reinsurance because the "protection" afforded by the accrual would no longer exist. Those accruals, however, in no way protect the assets available to replace or repair uninsured property that may be lost or damaged, or to satisfy claims that are not covered by insurance, or, in the case of insurance companies, to satisfy the claims of insured parties. Accrual, in and of itself, provides no

[10] The Board believes that *contingencies* is a more descriptive term than *future losses*, and the Discussion Memorandum indicated that the project would necessarily involve reconsideration of both *ARB No. 50* and Chapter 6 of *ARB No. 43*.

financial protection that is not available in the absence of accrual.

63. The sole result of accrual, for financial accounting and reporting purposes, is allocation of costs among accounting periods. Some respondents to the Discussion Memorandum and the Exposure Draft took the position that estimated losses from loss contingencies should be accrued even before available information indicates that it is probable that an asset has been impaired or a liability has been incurred to avoid reporting net income that fluctuates widely from period to period. In their view, financial statement users may be misled by those fluctuations. They believe that estimated losses should be accrued without regard to whether the loss relates to the current period if, based on experience, it is reasonable to expect losses sometime in the future.

64. Financial statement users have indicated, however, that information about earnings variability is important to them. Two elements often cited as basic to the decision models of many financial statement users are (a) expected return—the predicted amount and timing of the return on an investment—and (d) risk—the variability of that expected return. If the nature of an enterprise's operations is such that irregularities in the incurrence of losses cause variations in periodic net income, that fact should not be obscured by accruing for anticipated losses that do not relate to the current period.

65. The Board recognizes that some investors may have a preference for investments in enterprises having a stable pattern of earnings, because that indicates lesser uncertainty or risk than fluctuating earnings. That preference, in turn, is perceived by many as having a favorable effect on the market prices of those enterprises' securities. If accruals for such matters as future uninsured losses and catastrophes were prohibited, some respondents contended, enterprises would be forced to purchase insurance or reinsurance to achieve the more stable pattern of reported earnings that tends to accompany the use of an "accounting reserve." Insurance or reinsurance reduces or eliminates risks and the inherent earnings fluctuations that accompany risks. Unlike insurance and reinsurance, however, the use of "accounting reserves" does not reduce or eliminate risk. The Board rejects the contention, therefore, that the use of "accounting reserves" is an alternative to insurance and reinsurance in protecting against risk. Earnings fluctuations are inherent in risk retention, and they should be reported as they occur. The Board cannot sanction the use of an accounting procedure to create the illusion of protection from risk when, in fact, protection does not exist.

66. The Board has also considered the argument that periodic accrual of losses without regard to whether an asset has been impaired or liability incurred is justified on grounds of comparability of financial statements among enterprises. Some respondents contended, for example, that accrual is necessary to make the financial statements of enterprises that do not purchase insurance comparable to those of enterprises that do purchase insurance (and report the premiums as expenses) and to make the financial statements of property and casualty insurance companies comparable regardless of the extent to which reinsurance has been purchased. In the Board's view, however, to report activity when there has been none would obscure a fundamental difference in circumstance between enterprises that transfer risks to others and those that do not.

Financial Accounting and Reporting Reflects Primarily the Effects of Past Transactions and Existing Conditions

67. Financial accounting and reporting reflects primarily the effects of past transactions and existing conditions, not future transactions or conditions. For example, paragraph 35 of *APB Statement No. 4*, "Basic Concepts and Accounting Principles Underlying Financial Statements of Business Enterprises," states:

> Financial accounting and financial statements are primarily historical in that information about events that have taken place provides the basic data of financial accounting and financial statements.

68. The first condition in paragraph 8—that a loss contingency not be accrued until it is probable that an asset has been impaired or a liability has been incurred—is consistent with this concept of financial accounting and financial statements. That condition is not so past-oriented that accrual of a loss must await the occurrence of the confirming future event, for example, final adjudication or settlement of a lawsuit. The condition requires only that it be probable that the confirming future event will occur. The condition is intended to prohibit the recognition of a liability when it is not probable that one has been incurred and to prohibit the accrual of an asset impairment when it is not probable that an asset of an enterprise has been impaired.

The Concept of a Liability

69. In many cases, the accrual of a loss contingency results in the recording of a liability, for example, accruals for a probable tax assessment, a warranty obligation, or a probable loss resulting from the guarantee of indebtedness of others. In the course of its deliberations, therefore, the Board found it relevant to consider the concept of a liability as expressed in accounting literature.

70. The economic obligations of an enterprise are defined in paragraph 58 of *APB Statement No. 4* as "its present responsibilities to transfer economic resources or provide services to other entities in the future." Two aspects of that definition are especially relevant to accounting for contingencies: first, that liabilities are *present* responsibilities and, second, that they are obligations to *other entities*. Those notions are supported by other definitions of liabilities in published accounting literature, for example:

> Liabilities are claims of creditors against the enterprise, arising out of past activities, that are to be satisfied by the disbursement or utilization of corporate resources.[11]

A liability is the result of a transaction of the past, not of the future.[12]

71. The condition in paragraph 8(a)—that a loss contingency shall be accrued if it is probable that a liability has been incurred—is intended to proscribe recognition of losses that relate to future periods but to require accrual of losses that relate to the current or a prior period (assuming the amount of loss can be reasonably estimated—see paragraph 8(b)).

72. Liability definitions also generally require that the amount of an economic obligation be known or susceptible of reasonable estimation before it is recorded as a liability. For example:

> [Liabilities] are measured by cash received, by the established price of noncash assets or services received, or by estimates of a definitive character when the amount owing cannot be measured more precisely.[13]
>
> The amount of the liability must be the subject of calculation or of close estimation.[14]

73. The condition in paragraph 8(b)—that an estimated loss from loss contingency not be accrued until the amount of loss can be reasonably estimated—is consistent with this feature of the liability concept.

Accounting for Impairment of Value of Assets

74. The accrual of some loss contingencies may result in recording the impairment of the value of an asset rather than in recording a liability, for example, accruals for expropriation of assets or uncollectible receivables. Accounting presently recognizes impairments of the value of assets such as the following:

a. Paragraph 9 of Chapter 3A, "Current Assets and Current Liabilities," of *ARB No. 43* provides that "in the case of marketable securities where market value is less than cost by a substantial amount and it is evident that the decline in market value is not due to a mere temporary condition, the amount to be included as a current asset should not exceed the market value."

b. Statement 5 of Chapter 4, "Inventory Pricing," of *ARB No. 43* states that "a departure from the cost basis of pricing the inventory is required when the utility of the goods is no longer as great as its cost . . . . A loss of utility is to be reflected as a charge against the revenues of the period in which it occurs."

c. Paragraph 19(h) of *APB Opinion No. 18*, "The Equity Method of Accounting for Investments in Common Stock," states that "a loss in value of an investment which is other than a temporary decline should be recognized the same as a loss in value of other long-term assets."

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[11] American Accounting Association, *Accounting and Reporting Standards for Corporate Financial Statements and Preceding Statements and Supplements* (Sarasota, Fla.: AAA, 1957), p. 16.

[12] Maurice Moonitz, "The Changing Concept of Liabilities," *The Journal of Accountancy*, May 1960, p. 44.

[13] American Accounting Association, *Accounting and Reporting Standards for Corporate Financial Statements*, p. 16.

[14] Maurice Moonitz, "The Changing Concept of Liabilities," p. 44.

d. Paragraph 15 of *APB Opinion No. 30*, "Reporting the Results of Operations," states that "if a loss is expected from the proposed sale or abandonment of a segment, the estimated loss should be provided for at the measurement date . . . ." Paragraph 14 states that the measurement date is the date on which management "commits itself to a formal plan to dispose of a segment of the business, whether by sale or abandonment."

e. Paragraph 183 of *APB Statement No. 4* states that "when enterprise assets are damaged by others, asset amounts are writteh down to recoverable costs and a loss is recorded."

75. A recurring principle underlying all of these references to asset impairments in the accounting literature is that a loss should not be accrued until it is probable that an asset *has been* impaired and the amount of the loss can be reasonably estimated. As indicated by those references, impairment is recognized, for instance, when a non-temporary decline in the market price of marketable securities below cost *has taken place*, when the utility of inventory *is no longer* as great as its cost, when a commitment, in terms of a formal plan, *has been made* to abandon a segment of a business or to sell a segment at less than its carrying amount, when enterprise assets *are damaged*, and so forth. The condition in paragraph 8(a) is intended to proscribe accrual of losses that relate to future periods, and the condition in paragrapn 8(b) further requires that the amount of loss be reasonably estimable before it is accrued.

The Matching Concept

76. A number of respondents to the Discussion Memorandum and the Exposure Draft noted that losses from certain types of contingencies are likely to occur irregularly over an extended period of time encompassing a number of accounting periods. In their view, the matching process in accounting requires that estimated losses from those types of contingencies be accrued in each accounting period even if not directly related to events or activities of the period.

77. *APB Statement No. 4* explicitly avoids using the term "matching" because it has a variety of meanings in the accounting literature. In its broadest sense, matching refers to the entire process of income determination—described in paragraph 147 of *APB Statement No. 4* as "identifying, measuring, and relating revenue and expenses of an enterprise for an accounting period." Matching may also be used in a more limited sense to refer only to the process of expense recognition or in an even more limited sense to refer to the recognition of expenses by associating costs with revenue on a cause and effect basis.

78. Three pervasive principles for recognizing costs as expenses are set forth in paragraphs 156–160 of *APB Statement No. 4* as follows:

Associating Cause and Effect . . . . Some costs are recognized as expenses on the basis of a presumed direct association with specific revenue . . . recognizing them as expenses accompanies recognition of the revenue.

Systematic and Rational Allocation . . . . If an asset provides benefits for several periods its cost is allocated to the periods in a systematic and rational manner in the absence of a more direct basis for associating cause and effect.

Immediate Recognition. Some costs are associated with the current accounting period as expenses because (1) costs incurred during the period provide no discernible future benefits, (2) costs recorded as assets in prior periods no longer provide discernible benefits or (3) allocating costs either on the basis of association with revenue or among several accounting periods is considered to serve no useful purpose.

79. Some who believe that matching requires accrual of losses that are likely to occur irregularly over an extended period of time encompassing a number of accounting periods cite the systematic and rational allocation principle of expense recognition as justification for their position. That principle, however, involves the systematic and rational allocation of the cost of an asset (an asset that *has been* acquired) throughout the estimated periods that the asset provides benefits or the systematic and rational accrual of the amount of some obligations (obligations that *have been* incurred) throughout the estimated periods that the obligations are incurred. The customary depreciation of plant and equipment is an example of the former; when reasonably estimable, the accrual of vacation pay is an example of the latter. The systematic and rational allocation principle has no application to assets that are expected to be acquired in the future or to obligations that are expected to be incurred in the future.

80. Matching, in the sense of recognizing expenses by associating costs with specific revenue on a cause and effect basis, is a consideration in relation to accrual for such matters as uncollectible receivables and warranty obligations. For example, most enterprises that make credit sales or warrant their products or services regularly incur losses from uncollectible receivables and warranty obligations. Frequently, those losses can be associated with revenue on a cause and effect basis. If the amount of those losses can be reasonably estimated, paragraph 8 of this Statement requires accrual if it is probable that an asset has been impaired (estimated uncollectible receivables) or that a liability has been incurred (estimated warranty claims).

Spreading the Burden of Irregularly Occurring Costs to Successive Generations of Customers and Shareholders

81. Some respondents to the Discussion Memorandum and the Exposure Draft contended that all costs of doing business should be accrued in each accounting period so that successive generations of customers and shareholders would bear their share of all costs including those that occur irregularly. It would seem, however, that those irregularly occurring costs are usually borne by customers through pricing policy and that pricing is not necessarily dependent upon financial accounting and reporting practices. With regard to accrual on grounds that it enables successive generations of shareholders to bear their share of irregularly occurring costs, see paragraph 63–65.

Conservatism

82. On the grounds of conservatism, some respondents supported accrual of estimated losses from loss contingencies before available information indicates that it is probable that an asset has been impaired or a liability has been incurred. Conservatism is indicated as one of the "characteristics and limitations" of financial accounting in paragraph 35 of *APB Statement No. 4* as follows:

Conservatism. The uncertainties that surround the preparation of financial statements are reflected in a general tendency toward early recognition of unfavorable events and minimization of the amount of net assets and net income.

83. Conservatism is further discussed in paragraph 171 of *APB Statement No. 4:*

Conservatism. Frequently, assets and liabilities are measured in a context of significant uncertainties. Historically, managers, investors, and accountants have generally preferred that possible errors in measurement be in the direction of understatement rather than overstatement of net income and net assets. This has led to the convention of conservatism. . . .

84. The conditions for accrual in paragraph 8 are not inconsistent with the accounting concept of conservatism. Those conditions are not intended to be so rigid that they require virtual certainty before a loss is accrued. They require only that it be *probable* that an asset has been impaired or a liability has been incurred and that the amount of loss be *reasonably* estimable. In the absence of that probability or estimability, however, the Board has concluded that disclosure is preferable to accruing in the financial statements amounts so uncertain as to impair the integrity of the financial statements.

Risk of Future Loss or Damage to Enterprise Property, Injury to Others, Damage to the Property of Others, and Business Interruption

85. Some persons contend that the decision not to purchase insurance against losses that can be reasonably expected some time in the future (such as risk of loss or damage of enterprise property, injury to others, damage to the property of others, and business interruption) justifies periodic accrual for those losses without regard to whether it is probable that an asset has been impaired or a liability incurred at the date of the financial statements. As a basis for their position, they frequently cite the following factors: matching of revenue and expense, spreading the burden of irregularly occurring costs to successive generations of customers, and conservatism. They also believe that accrual of estimated losses from those types of risks improves the comparability of the financial statements of enterprises that do not insure with those of enterprises that purchase insurance. Some contend that a prohibition against periodic accrual for uninsured losses will force enterprises to purchase insurance coverage that would not otherwise be purchased.

86. In the Board's judgment, however, the mere existence of risk, at the date of an

enterprise's financial statements, does not mean that a loss should be accrued. Anticipation of asset impairments or liabilities or losses from business interruption that do not relate to the current or a prior period is not justified by the matching concept.

87. The Board's views regarding the contention that periodic accrual for uninsured losses is a way of providing protection against loss and improving comparability among enterprises that do and do not purchase insurance, and the contention that prohibition of accrual will force enterprises to purchase insurance, are discussed in paragraphs 61–66. The Board's position regarding periodic accrual for uninsured risks and other loss contingencies on the grounds of spreading the burden of irregularly occurring costs to successive generations of customers or on the grounds of conservatism is discussed in paragraph 81–84.

88. Some respondents to the Exposure Draft said that prohibition against periodic accrual for uninsured losses would be detrimental to government contractors because requirements of Federal government agencies in auditing costs subject to procurement regulations currently allow reimbursement for periodic accruals for uninsured losses only if they are included in the contractor's financial statement. Contract reimbursement and financial accounting and reporting may well have different objectives. Accordingly, the provisions of this Statement may not be appropriate for contract reimbursement purposes.

Catastrophe Losses of Property and Casualty Insurance Companies

89. At the time that a property and casualty insurance company or reinsurance company issues an insurance policy covering risk of loss from catastrophes, a contingency arises. The contingency is the risk of loss *assumed* by the insurance company, that is, the risk of loss from catastrophes that may occur *during the term of the policy.*

90. Some respondents to the Discussion Memorandum and the Exposure Draft proposed that insurance companies accrue estimated losses from catastrophes including both those that may occur during the terms of insurance policies in force and those that may occur beyond the terms of policies in force. Other respondents proposed that some portion of the premium revenue of a property and casualty insurance company be deferred beyond the terms of insurance policies in force to provide what, in substance, is an estimated liability for future catastrophe losses. Some respondents proposed that accrual of estimated losses or deferral of premiums be permitted but not required. On the other hand, some respondents to the Discussion Memorandum and the Exposure Draft were opposed to any accrual for future catastrophe losses by means of an estimated liability or deferral of premium revenue. Because those estimated liabilities and revenue deferrals have come to be referred to as "catastrophe reserves," that term will be used in paragraphs 91–101 for convenience.

91. In response to the Exposure Draft, it was recommended that the FASB appoint a special committee to study further the matter of catastrophe reserve accounting and to make recommendations thereon. The Board has concluded, however, that its own research and that of others (mentioned in Appendix B to this Statement and summarized in the Discussion Memorandum), the written responses received to the Discussion Memorandum, the presentations made at the public hearing, and the letters of comment on the Exposure Draft provide the Board with sufficient information with which to reach a conclusion.

92. Proponents of catastrophe reserve accounting generally cite the following reasons for their position:

a. *Catastrophes certain to occur.* Over the long term, catastrophes are certain to occur; therefore, they are not contingencies.

b. *Predictability of catastrophe losses.* On the basis of experience and by application of appropriate statistical techniques, catastrophe losses can be predicted over the long term with reasonable accuracy.

c. *Matching.* Some portion of property and casualty insurance premiums is intended to cover losses that usually occur infrequently and at intervals longer than both the terms of the policies in force and the financial accounting and reporting period. Catastrophe losses should, therefore, be accrued when the revenue is recognized (or premiums should be deferred beyond the terms of policies in force to periods in which the catastrophes occur) to match catastrophe losses with the related revenue.

d. *Stabilization of reported income.* Catastrophe reserve accounting stabilizes reported income and avoids erratic variations caused by irregularly occurring catastrophes.

e. *Comparability.* Reinsurance premiums paid by a prime insurer are said to be similar to accrual of catastrophe losses prior to their occurrence because the reinsurance premiums paid reduce income before a catastrophe loss occurs. Accrual of catastrophe losses as an expense prior to occurrence of a catastrophe makes the financial statements of property and casualty insurance companies comparable regardless of the extent to which reinsurance has been purchased.

f. *Non-accrual would force purchase of reinsurance.* Non-accrual of catastrophe losses will force property and casualty insurance companies to purchase reinsurance.

g. *Generations of policyholders.* Periodic accrual of estimated catastrophe losses charges each generation of policyholders with its share of the loss through the premium structure.

93. The Board does not find those arguments persuasive. The fact that over the long term catastrophes are certain to occur does not justify accrual before the catastrophes occur. As stated in paragraph 59, the purpose of the conditions for accrual in paragraph 8 is to require accrual of losses if they are reasonably estimable *and relate to the current or a prior period.* An enterprise may know with certainty, for example, next year's administrative salaries, but that does not justify accrual in the current accounting period because those salaries do not relate to that period. As indicated in paragraphs 67–68, financial accounting and reporting reflects primarily the effects of past transactions and existing conditions, not future transactions or conditions; accrual for losses from catastrophes that are expected to occur *beyond the terms of insurance policies in force* would amount to accrual of a liability before one has been incurred. Existing policyholders are insured only during the period covered by their insurance contracts; an insurance company is not presently obligated to policyholders for catastrophes that may occur after expiration of their policies. Accrual for those catastrophe losses would record a liability that is inconsistent with the concept of a liability discussed in paragraphs 69–73.

94. The Board recognizes that the costs of catastrophes to insurance companies are large and are incurred irregularly and that insurance companies recoup those costs in the long run through periodic adjustments in the premiums charged to policyholders. It is the view of the Board, however, that the long-run nature of pricing of premiums should not be a determinant of the time when a liability is recorded.

95. The AICPA Industry Audit Guide, "Audits of Fire and Casualty Insurance Companies," describes accounting for premiums as follows (pp. 24–25):

As soon as a policy is issued promising to indemify for loss, the insurance company incurs a potential liability. The company may be called upon to pay the full amount of the policy, a portion of the policy, or nothing. It would be impossible to try to measure the liability under a single policy. However, since insurance is based on the law of averages, one may estimate from experience the loss on a large number of policies.

As state supervision of insurance developed, the insurance departments set about providing a legal basis for determining the potential liability under outstanding policies in order to establish an ample reserve for the protection of policyholders and provide a uniform method of calculation. It was recognized that, since the premium is expected to pay losses and expenses, and provide a margin of profit over the term of the policy, the portion measured by the unexpired term should be adequate to pay policy liabilities (principally losses and loss expenses) and return premiums during the unexpired term on a uniform basis for all companies. Therefore the unearned premium was adopted as the basis for computing the unknown liability on unexpired policies.

96. Because unearned premiums represents the "unknown liability," the Board is of the view that it is inappropriate to accrue an additional amount as en estimate for that same unknown liability. Further, in the Board's view, deferral of premiums beyond the terms of policies in force is inconsistent with the concept of revenue recognition set forth in the Audit Guide and is without any conceptual basis. Moreover, the Board believes that its conclusion regarding the time at which accruals shall be made for catastrophic losses is consistent with the Audit Guide. It should be noted that this Statement does not prohibit (and, in fact, requires) accrual of a *net* loss (that is, a loss in excess of deferred premiums) that

probably will be incurred on insurance policies that are in force, provided that the loss can be reasonably estimated, just as accrual of net losses on long-term construction-type contracts is required (see *ARB No. 45*, "Long-Term Construction-Type Contracts").

97. With respect to catastrophes that may occur within the terms of policies in force, to satisfy the conditions for accrual in paragraph 8, the occurrence of catastrophes would have to be probable during the terms of those policies, and the amounts of losses therefrom would have to be reasonably estimable. The letters of comment and position papers received in response to the Discussion Memorandum and the Exposure Draft and presentations at the public hearing lead the Board to conclude that neither the timing of catastrophes nor the amounts of losses therefrom are reasonably predictable within the terms of policies in force.

98. The Board is of the view that accrual of losses from catastrophes is not justified by the accounting concept of matching. Systematic and rational allocation does not apply to costs that have not been incurred. The Board recognizes that large and irregularly occurring costs must of necessity be considered in systematically and rationally determining premiums to be charged to customers but does not believe that pricing considerations should dictate the accrual of losses for financial accounting purposes. The Board also does not believe that matching in the sense of recognizing expenses by associating losses with specific revenue on a cause and effect basis is, in and of itself, a basis for accrual of catastrophe losses prior to the event causing the loss. The Board believes that, for the reasons stated in paragraphs 94–96, there can be no presumed direct association with specific revenue prior to the event causing the catastrophe loss.

99. The Board's views regarding justification of periodic accrual of catastrophe reserves on grounds of (a) stabilizing reported income, (b) improving comparability among financial statements of insurance companies, and (c) preventing the "forced" purchase of reinsurance are discussed in paragraphs 61–66.

100. The argument that accrual of catastrophe reserves enables each generation of policyholders to bear its share of the losses through the premiums that it is charged is also questionable because amounts established for premiums are not necessarily dependent on financial accounting and reporting practices.

101. The Board considered the proposal that catastrophe reserve accounting be permitted but not made mandatory. Whether it is probable that an asset has been impaired or a liability incurred is determined by the circumstances, not by choice. Accordingly, the conditions for accrual in paragraph 8 apply to all loss contingencies, including risk of loss from catastrophes assumed by property and casualty insurance companies and reinsurance companies. In the Board's view, the use of different methods to report catastrophe losses in similar circumstances cannot be justified.

APPLICABILITY TO LIFE INSURANCE COMPANIES

102. Some respondents to the Exposure Draft inquired as to whether the conditions for accrual in paragraph 8 are intended to change accounting practices of life insurance companies. This Statement does not amend the AICPA Industry Audit Guide, "Audits of Stock Life Insurance Companies."

DISCLOSURE OF NONINSURANCE

103. A number of respondents to the Exposure Draft inquired as to whether it is the Board's intent to require disclosure of noninsurance or underinsurance. Some recommended that the Board require disclosures with respect to uninsured risks that enterprises ordinarily insure against. Others said that they were unable to define risks that would ordinarily be insured against because the insurance practices of enterprises are so varied. Because of the problems involved in developing operational criteria for disclosure of noninsured or underinsured risks, this Statement does not require disclosure of uninsured risks. However, the Board does not discourage those disclosures in appropriate circumstances.

EFFECTIVE DATE AND TRANSITION

104. The Board considered three alternative approaches to a change in the method of accounting for contingencies: (1) prior period adjustment, (2) the "cumulative effect" method described in *APB Opinion No. 20*, "Accounting Changes", and (3) retention-of amounts accrued for contingencies that do not meet the conditions for accrual in paragraph 8 until those amounts are exhausted by actual losses charged thereto. The Exposure Draft had proposed the change be effected by the prior period adjustment method. A large number or respondents to the Exposure Draft, however, opposed the prior period adjustment method for a number of reasons, including significant difficulties involved in determining the degree of probability and estimability that had existed in prior periods as would have been required if the conditions in paragraph 8 were applied retroactively. On further consideration of all the circumstances, the Board has concluded that use of the "cumulative effect" method described in *APB Opinion No. 20* represents a satisfactory solution and has concluded that the effective date in paragraph 20 is advisable.

Attachment 3

Federal Home Loan Bank Board, Office of Examinations and Supervision

MEMORANDUM SP68

TO: Principal Supervisory Agents, August 14, 1986

FROM: Francis M. Passarelli, Classification of Assets

1. This memorandum reiterates the Board's policy and provides clarification for classification of assets and reevaluation of real estate pursuant to 12 CFR 561.16c and 563.17–2(b). The use of this memorandum should aid in efforts to ensure that asset evaluations receive consistent treatment nationwide.

2. It has always been the Board's intent that examination and supervision have maximum flexibility in classifying assets.

3. Principal Supervisory Agents are responsible for implementation and supervision of the classification of assets and reevaluation of real estate. The Principal Supervisory Agent has the final authority on all classifications and valuation reserves. It is the Board's intent that in exercising the discretion available to them under these regulations, the Principal Supervisory Agents may require less than a 50 percent valuation reserve, that is to say 1 to 50%, on Doubtful classifications taking into account appropriate credit and collateral factors, e.g., future prospects, performance, willingness and ability to pay, previous payment record (other than from an interest reserve) of the borrower, and management strength of the institution, its past experience in complying with supervisory directives, supervisory agreements or consent resolutions, and willingness to enter into a supervisory agreement or consent resolution geared toward resolving the problem at issue.

4. It is not the Board's intent that an entire asset be automatically classified because of a single weakness in the credit file. As indicated in the Statement of Policy (§ 571.1a) on classification of assets, it is incumbent upon examination and supervision to avoid classification of sound assets. This duty exists regardless of the type of asset or underwriting deficiency involved, e.g., the absence of any appraisal. Discretion and judgment should be exercised; if only part of the asset is at risk, only that part should be classified. Thus, consideration should be given to, among other things, the overall risk involved; the nature and degree of collateral security; the character, capacity, financial responsibility and record of the borrower; and the probability of orderly liquidation in accordance with the specified terms. Accordingly, an entire credit should not be classified as Doubtful when an analysis of the relevant factors shows that collection of a specific portion appears probable. It is The Principal Supervisory Agent who has the final authority on all classifications and valuation reserves.

5. An appraisal is only one factor to be weighed in credit analysis, and other factors, such as those discussed above in paragraph three, should be evaluated and weighed prior to determining a classification. Sound lending practices dictate that insured institutions obtain appraisals reflecting current market conditions. Memorandum R–41b is the definitive interpretation of the Board's appraisal requirements. The absence of an R–41b appraisal is a weakness because without an appraisal it is very difficult to make a sound credit judgment. The absence of an R–41b appraisal also suggests there may be a problem with the loan. Furthermore, this weakness may be considered unsafe and unsound, as a failure to reflect the asset's true value may result in misrepresentation of the institution's financial condition.

6. In classifying an asset the examiner should document all information required to support the classification and any valuation reserve. In those instances where the

institution disputes the classification or the reserve, the examiner should have available the information supplied by the institution so that all documentation bearing on the classification and reserve is available for decision by the Principal Supervisory Agent.

Francis M. Passarelli,

Director.

cc: Professional Staff—Examination and Supervision

[FR Doc. 87-10758 Filed 5-14-87; 45 am]

BILLING CODE 6720-01-M

12 CFR Parts 563 and 571

[No. 87-528]

Appraisal Policies and Practices of Insured Institutions and Service Corporations

Date: May 5, 1987.

AGENCY: Federal Home Loan Bank Board.

ACTION: Proposed rule.

SUMMARY: The Federal Home Loan Bank Board ("Board") as operating head of the Federal Savings and Loan Insurance Corporation ("FSLIC") proposes to adopt a rule and a statement of policy pertaining to appraisal policies and practices of institutions insured by the FSLIC ("insured institutions") and service corporations of such institutions. The proposal is intended to codify the standards to be used by insured institutions and service corporations of such institutions, as well as examiners and supervisory staff, in determining compliance with the appraisal requirements of 12 CFR 563.17-1 and 563.17-2. The Board invites comment on all aspects of the proposal. This proposal is part of the Board's comprehensive review of its procedures related to classification and appraisal of insured institutions' assets. The Board is also adopting today a proposal designed to enhance its system of asset classification. Board Res. No. 87-527, published elsewhere in the Proposed Rules section of this issue.

DATE: Comments must be received on or before July 14, 1987.

ADDRESS: Send comments to Director, Information Services Section, Office of the Secretariat, Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552. Comments will be available for inspection at this address.

FOR FURTHER INFORMATION CONTACT: Kathy L. Kresch, Attorney, (202) 377-6417, Daniel G. Lonergan, Attorney, (202) 377-6458, or Karen Knopp O'Konski, Deputy Director, (202) 377-7240, Regulations and Legislation Division, Office of General Counsel, Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552; or Diana Garmus, Policy Analyst, (202) 778-2515, Office of Regulatory Policy, Oversight, and Supervision, Federal Home Loan Bank System, 900 Nineteenth Street, NW., Washington, DC 20006.

SUPPLEMENTARY INFORMATION: The soundness of the mortgage loans and real estate investments made by insured institutions and service corporations is dependent upon the adequacy of the appraisals used to support these transactions. Section 563.17-1 of the Board's regulations requires that the records of a loan secured by real estate include "[o]ne or more written appraisal reports, prepared at the request of the lender or its agent . . . by a person or persons duly appointed and qualified as appraisers by the board of directors of such lender, disclosing the market value of the security offered by the borrower and containing sufficient information and data concerning the appraised property to substantiate the market value of the security described in such report . . . ." 12 CFR 563.17-1(c)(1)(iv). To date, standards for compliance with 12 CFR 563.17-1 have been issued in the form of "R" Memoranda by the Office of Regulatory Policy, Oversight, and Supervision of the Federal Home Loan Bank System ("ORPOS"). Today, the Board is proposing to incorporate in its regulations appraisal standards to be used by insured institutions and service corporations in complying with regulatory requirements.

1. Statutory Authority

Among the paramount purposes of Title IV of the National Housing Act ("NHA") (12 U.S.C. 1724-30) and the Federal Home Loan Bank Act ("Bank Act") (12 U.S.C. 1421-29) is the development and maintenance of a system of sound and economical home financing. An additional, closely related purpose of the NHA is protection of the FSLIC fund from exposure to undue risk. The appraisal standards proposal is designed to enable the Board to carry out both statutory objectives.

It has been the Board's longstanding position, supported by legislative history and prior administrative practice, that the NHA authorizes the Board to regulate all institutions the accounts of which are insured by the FSLIC ("insured institutions") in furtherance of these purposes. Section 402(a) of the NHA (12 U.S.C. 1725(a)) empowers the Board, as the operating head of the FSLIC, to prescribe rules and regulations "for carrying out the purposes of this [Act]." Since the appraisal policies and practices proposal is designated to maintain safe, sound, and economical home financing, as well as protect the FSLIC fund from undue risk, the proposal would further the purposes of the NHA.

Moreover, under section 407 of the NHA, the Board has authority to terminate insurance coverage (12 U.S.C. 1730(b)) and to initiate cease-and-desist proceedings for any violation of a law, rule, regulation, or condition imposed by written agreement with the Board or for any unsafe or unsound practice (12 U.S.C. 1730(e)). These powers encompass the less drastic power to prevent unsafe and unsound practices through regulations, such as this appraisal practices rule.

Section 17 of the Bank Act expressly grants the Board the "power to adopt, amend, and require the observance of such rules, regulations, and orders as shall be necessary from time to time for carrying out the purposes of [this Act]." 12 U.S.C. 1437(a). As noted above, one of the paramount purposes of the Bank Act is maintenance of sound and economical home financing. The Board is therefore empowered to adopt regulations, such as this appraisal practices rule, designed to carry out that purpose.

The Board has often cited its authority under the Bank Act as support for regulations governing the deposit-insurance system administered by the FSLIC. This practice is supported by the close interrelationship between the Bank Act and the NHA, including their common purpose and similar design.

The Board also is authorized by sections 403(b) and 407(m) of the NHA to conduct examinations of insured institutions and their service corporations. 12 U.S.C. 1726(b), 1730(m). The Board believes that carefully documented appraisals are essential to accurate evaluation of the asset portfolio of an insured institution or service corporation. The proposed rule and policy statement pertaining to appraisal policies and practices of insured institutions and their service corporations therefore comport with the Board's statutory authority to examine and evaluate the asset portfolio of insured institutions and their service corporations.

A Congressional committee recently endorsed the Board's current substantive approach to appraisal standards. House Report 99-891, entitled "Impact of Appraisal Problems on Real Estate Lending, Mortgage Insurance, and Investment in the Secondary Market," [hereinafter, the "House Report"] issued by the Committee on Government

Operations of the United States House of Representatives on September 25, 1986, states: "Among all the Federal banking agencies, only the [Board] has a highly developed and comprehensive system regarding appraisal policies, practices and procedures. This system includes detailed guidelines for how appraisals are to be performed (Memorandum #R–41b), thorough procedures for reviewing appraisals, and . . . staff appraisers in all district offices." H.R. Rep. No. 99–891, 99th Cong., 2d Sess. 8 (1986). The House Report recommended that the banking agencies establish uniform requirements regarding appraisals and stated that such regulations and procedures should, in part, include "development and dissemination of appraisal guidelines utilizing . . . Memorandum #R–41b as a model." *Id.* at 13. The House Report made several other recommendations specifically regarding the Board's then-current appraisal standards. These recommendations are noted and discussed below.

The appraisal standards proposed by the Board in this proposed rulemaking are similar to those praised in the House Report. They are consistent with accepted appraisal practices and with the uniform standards adopted by the leading national professional appraisal organizations. The Board believes that it is in the public interest to receive public comment on these proposed standards to ensure adoption of appraisal standards that are as current and useful as possible.

2. History of the Board's Appraisal Standards

The Board's first appraisal guidelines were issued as R-Memorandum 41, on June 6, 1977, by its Office of Examinations and Supervision ("OES," now "ORPOS"). At that time, the thrift industry had suggested that the Board emphasize the importance of the appraisal process in prudent loan underwriting. Moreover, the Board's experience with problem loans had revealed that when a loan underwriter did not receive market-based appraisal information loans were based upon inaccurate collateral valuations and, consequently, inappropriate underwriting assumptions. In the worst cases, deficient underwriting was directly responsible for losses. The Board responded by issuing R–41 and its progeny.

The appraisal documentation requirement of R–41 was not new to the industry in 1977. An appraisal report containing a detailed description of the appraiser's reasoning in arriving at an estimate of value had been a requisite portion of a loan record at least since the adoption of 12 CFR 563.17–1 in 1963. This requirement has been continually revised and expanded in R–41a, issued September 15, 1977, R–41a–1, issued March 1, 1979, R–41b, issued March 12, 1982, and R–41c, issued September 11, 1986.

R–41c updated, revised, and replaced R–41b, the Memorandum praised by Congress in House Report 99–891. R–41c elaborated upon the appraisal guidelines of R–41b, adding to its appraisal management procedures requirements used by the leading national appraisal organizations. Additionally, R–41c updated the definition of market value to be consistent with the terminology adopted by the Federal Home Loan Mortgage Corporation ("Freddie Mac") and the Federal National Mortgage Association ("Fannie Mae"). On February 26, 1987, ORPOS issued a memorandum clarifying R–41c. *See* Memorandum from William L. Robertson to Professional Staff, Examinations and Supervision (Feb. 27, 1987) [hereinafter "R–41c Clarifications"]. The referenced documents are attached in Appendix A.

3. Existing Appraisal Standards—Memorandum R–41c as Clarified

R–41c, as clarified, addresses four components of the Board's appraisal standards and reporting requirements: management policies, appraisal management, appraisal content, and related considerations.

a. Management policies

This section of R–41c addresses the responsibility of an institution's board of directors for developing the institution's loan and investment policies and procuring appraisals to support such transactions. The board of directors of an insured institution or service corporation is responsible for establishing loan and investment policies that reflect the institution's operational policies and the regulatory limitations under which it conducts business.

Prudent lending policy must reflect both the credit arrangements offered by an institution and the underwriting procedures for each of its loan transactions. R–41c points out the responsibility of the board of directors and the senior officers to ensure that the different types of appraisal services used by the institution's underwriting staff properly reflect both the collateral lending posture of the institution and its lending policies.

Similarly, the board of directors is responsible for ensuring that appraisal services used by the institution to evaluate investments fulfill its regulatory obligation to operate in a safe and sound manner. "Failure to ensure that appraisal services match the needs of the institution will be considered an abdication of this responsibility and is representative of an unsafe and unsound operating policy." Memorandum R–41c.

Finally, an insured institution or its service corporation should be able to demonstrate that appraisers approved by its board of directors possess the requisite experience, education, and facilities to perform acceptably. Accordingly, R–41c indicates that the board of directors should encourage fee and staff appraisers to join professional appraisal organizations and to undergo continual professional development. Management is also responsible for periodically reviewing the performance of all approved appraisers and taking necessary action to eliminate substandard work

b. Appraisal Management

This section of R–41c, as clarified, describes appraisal components needed to facilitate sound underwriting of an institution's investments.

A conforming appraisal should be prepared by appraisers independent of the borrower or the seller, who have been approved by the institution's board of directors. The appraisal should reflect the market value of the collateral, be sufficiently current to reflect actual market conditions, contain sufficient information to enable the institution to determine the proper loan amount, and support the categorization of an asset as a real estate loan or another type of credit arrangement.

Generally, appraisals must be presented in narrative form. However, the R–41c Clarifications indicate that compliance with the appraisal reporting guidelines and use of standard form reports approved by Freddie Mac and Fannie Mae are sufficient for appraisals on existing and proposed one-to-four family and existing multi-family properties.

An appraisal should be based upon market value and should analyze and disclose the following information: the listing or agreement of sale of the property being appraised; prior sales of the property within one year of the date of the appraisal for one-to-four-family residential property or within three years of the date of the appraisal for all other property; and in a speculative market, a sales history of comparable properties. If an appraisal is based upon preliminary plans or specifications, it must accurately reflect the impact upon value of significant changes in such

plans and specifications. Moreover, the appraisal must contain detailed information regarding the plans and specifications and describe "all value changes projected to occur from the conception of a project to its completion." Memorandum R–41c.

R–41c also requires that an appraisal contain an estimate of the highest and best use of the property appraised, based upon consideration of factors including: existing land use regulations, economic demand, physical adaptability of the property, neighborhood trends, optimal use of the property, and anticipated public and private improvements, on or off site, to the extent that market activity reflects such improvements. Additionally, all appraisals, including those involving proposed construction, development, or changes in use, must include the appraiser's analysis of the anticipated economic feasibility of the property. If an appraiser relies on feasibility or marketability studies prepared by a third party to support the estimate of highest and best use, the appraiser must attest that the study has been thoroughly examined and that he or she fully concurs with its findings and conclusions; the appraiser must specifically identify the study examined and summarize significant data, analyses, and conclusions presented in the study; and, finally, the appraiser must have available for examination a complete copy of the feasibility or marketability study prepared by the third party.

R–41c, as clarified, also requires that an appraisal state the present market value of the appraised property to a single purchaser even though a portion of the property will be sold to its ultimate users at a future date. This figure should account for deductions and discounts that reflect the expenses associated with the disposition of the property as of the date of completion, the cost of capital, and entrepreneurial profit. With regard to rental properties under construction or conversion, the appraisal should realistically state the market value of the property where anticipated market conditions indicate that stabilized occupancy is unlikely as of the date of completion. The value estimate must reflect the impact of rental and other concessions, including costs associated with preparing the improvement for occupancy by tenants.

If the property being appraised is an income-producing property, the appraisal must contain a summary of the income produced and expenses incurred in the operation of this real estate. The appraisal, moreover, should report the "as is" value of the real estate on the date of the appraisal or the last inspection of the property. Finally, where the objective of the report is to estimate the value of a fractional interest in the real estate, the appraiser must consider and report the effect on value of the terms and conditions of any agreement establishing this interest. Accordingly, the appraisal must indicate that the value of any fractional part has been evaluated by an analysis of appropriate market data.

c. Appraisal Content

This section of R–41c reflects the concern that an appraisal set forth, in a clear and accurate manner, the appraiser's analytical process and contain sufficient information to enable persons who must rely on this document to make an accurate decision with respect to a loan or investment transaction. Therefore, under the current standards, the content of each appraisal accepted by an insured institution must conform with the generally accepted written and established appraisal practices and standards of the nationally recognized professional appraisal organizations.

In this regard, R–41c states that each appraisal must be self-contained and possess a cogent analysis such that the appraiser's logic, reasoning, and judgment demonstrate the reasonableness of the market value reported to the reader. The appraisal should identify the property rights being appraised, highlighting the salient features of the real estate. The appraisal should state that its purpose is to estimate the market value of the property and should set forth the effective date of the value conclusion(s), the date of the report, and all relevant data as well as the analytical process employed by the appraiser to arrive at the highest and best use conclusion.

Moreover, the appraiser's analytical process should be presented so that it includes a complete explanation of all comparable data adjustments used in the analysis with appropriate market support for each adjustment and fully detailed descriptive information for all comparable data presented. Additionally, the appraisal must set forth a summary of all assumptions and limiting conditions that affect the analyses, opinions, and conclusions in the report. Finally, R–41c requires an appraiser to sign a certification statement attesting to the veracity of the information and analyses contained in the appraisal as well as his independence from the parties and property involved.

d. Related Considerations

R–41c warns appraisers that they will be subject to criminal prosecution under the provisions of Title 18 of the United States Code if they knowingly make false statements or willfully overvalue land, property, or security in appraisal reports "for the purpose of influencing in any way the action of a Federal Home Loan Bank, the Federal Home Loan Bank Board, a Federal Savings and Loan Association, any institution the accounts of which are insured by the FSLIC, any member of the Federal Home Loan Bank System, or the Federal Savings and Loan Insurance Corporation." *See* 18 U.S.C. 1014. R–41c concludes by emphatically stating that "[i]t is incumbent upon all appraisers to diligently adhere to generally accepted professional appraisal standards of practice and the provisions and requirements of the Federal Home Loan Bank Board's standards and reporting requirements relating to the preparation of appraisal reports prepared for these entities."

4. The Proposed Rule and Policy Statement

The proposed rule and policy statement address the same four components of the Board's appraisal standards and reporting requirements addressed in R–41c as clarified: management policies, appraisal management, appraisal content, and related considerations. This proposal, however, has been designed to clarify and simplify the R–41c guidelines. The chief ways in which this proposal differs from the existing standards are described below.

a. Management Policies

The proposed rule contains a section, entitled *Responsibilities of management,* that sets forth in a general way the obligations of management to oversee the appraisal services. This section also imposes specific requirements upon management to employ written appraisal guidelines and develop procedures for approving appraisers in accordance with lending and appraisal policies developed by the board of directors. More specific guidance concerning appropriate management policies is set forth in the proposed statement of policy.

The responsibilities of the board of directors to develop and implement prudent lending and appraisal practices are similar under the proposed policy statement and under R–41c as clarified. The board of directors would remain primarily responsible for ensuring that the appraisal services provided properly reflect the lending policies and collateral

lending posture of an institution. The board of directors would also remain responsible for approving appraisers who possess the requisite experience, education, and facilities to perform in an acceptable manner and for reviewing their work.

The Board has excluded from the proposed policy statement the language of R–41c stating that "[f]ailure [by the board of directors] to ensure that appraisal services meet the needs of the institution will be considered an abdication of this responsibility [to operate the institution in a safe and sound manner] and is representative of an unsafe and unsound operating policy." Although the responsibilities of the board of directors remain unchanged with regard to the procuring of appraisal services, the Board believes that the quoted statement addressing directors' responsibilities is unnecessary and redundant. Directors are under a fiduciary duty to operate insured institutions in a manner that comports with the requirements of safety and soundness. *See* ORPOS Memorandum No. R 62 (May 8, 1985). This duty includes the duty to oversee the adequacy of appraisal services. Moreover, because institutions will vary in their methods of fulfilling this duty, the Board is of the view that the recommendation, made in House Report 99–891, that it improve existing internal control and review systems to assure appraisal ' quality is best implemented through the examination process, on an institution-by-institution basis.

b. Appraisal Management

The proposed rule would require the management of an insured institution or service corporation to obtain appraisals adequate under the standards it sets forth. The appraisal management portion of the proposal lists twelve factors to guide management in this regard. The Board wishes to make clear, however, that a deficiency in management's ability to demonstrate attention to a single factor will not necessarily be deemed an unsafe and unsound practice. Rather, examiners and supervisory staff will use these factors, taken together, in determining whether an institution's overall appraisal practices conform with principles of safety and soundness.

The proposal simplifies R–41c's list of factors to be contained in appraisals supporting an insured institution's credit and investment decisions. It emphasizes the importance of appraisals in the underwriting process and reiterates the requirement of R–41c, as clarified, that an appraisal conform with recognized appraisal guidelines. In so doing, the appraisal must reflect the market value of the rights in realty offered as security and clearly label and segregate all other values or interests appraised. The proposal eliminates the restriction of R–41c that an appraisal may be deemed "sufficiently current" if it has been made within six months prior to the approval of the loan. In this regard, it is not the Board's intent to encourage the use of out-dated appraisals. Rather, the Board believes that because market conditions are indicative of the timeliness of an appraisal and do not necessarily vary over a specific time period, the underwriter should have discretion to determine whether an appraisal is sufficiently current.

The proposal also excludes the language of R–41c, as clarified, requiring an appraiser to be independent from the borrower and the seller and to have no interest in the real estate. The Board emphasizes that the exclusion of this language does not indicate that independence is no longer required of the appraiser. Rather, it is the Board's view that this language of R–41c is redundant in view of the requirement that the appraiser attest to his independence by signing a certification verifying the facts and analyses contained in the appraisal and stating that he has no present or prospective interest in either the property being appraised or with the parties involved.

Additionally, the proposal retains the R–41c requirement to present an appraisal in a narrative format unless the appraiser uses a form report that is appropriate for the specific appraisal assignment and, when read together with all attachments, results in a totally self-contained appraisal. In accordance with R–41c, as clarified, the proposal provides that, for existing and proposed one-to-four family and existing multi-family properties, compliance with the Freddie Mac and Fannie Mae appraisal reporting guidelines and use of the forms developed and approved by those agencies would satisfy the requirements of this rule.

The Board encourages industry-wide development of standardized appraisal forms and has recently solicited the submission of appraisal forms from the public. In this regard, the Board contemplates that appraisers or professional appraisal organizations will submit proposed appraisal forms for review and clearance by the supervisory staff at the appropriate Federal Home Loan Bank under the overall coordination and supervision of ORPOS.[1] The Board anticipates that the development, approval, and eventual use of forms standardized to comply with the requirements of any final rule on appraisal standards will simplify and expedite the appraisal process.

Additionally, like R–41c as clarified, the proposal requires that an appraisal state the market value of collateral. Market value is defined as:

> The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgably and assuming the price is not affected by undue stimulus.

This definition contemplates consummation of a sale as of a specified date and the passing of title from buyer to seller under open and competitive market conditions requisite to a fair sale. The Board has determined that market value is an accurate measure of the economic potential of security property, because most troubled real estate loans have ultimately resulted in the sale of the property.

In computing market value, the anticipated net cash flows from the operation and/or disposition of a property over time are discounted back to the appraisal date at a market discount rate. The value of the property therefore should reflect the market's economic opportunity costs. Moreover, the discount factors and adjustments unique to the market value computation adjust the value of the property to reflect holding costs, return on investment, and entrepreneural profit so as to translate the future anticipated cash flows of the property back to a present market value.

The Board has also simplified the requirement of R–41c, as clarified, to require the provision of detailed information and calculations with respect to a proposed project improvement or change in use. That requirement, in part, simply repeated professional appraisal standards. Additionally, this portion of the policy statement has been designed to eliminate a frequent misperception of R–41c by emphatically stating that although it is incumbent upon an appraiser to estimate remaining economic life and it is often necessary for an appraiser to estimate an investment holding period for discounted cash flow analyses or similar valuation purposes, it is not the appraiser's obligation to make

[1] The Board intends to provide specific instructions regarding the submission of proposed standardized appraisal forms in the final rule.

projections relating to the life of an institution's investment.

Although the proposal continues to require that an appraisal reflect the value to a single purchaser of property wherein a portion of real property rights would in the future be sold to its ultimate users, the proposal requires that the appraisal report "present market value," and contain sufficient information to enable the underwriter to determine present market value as of the date of completion. Similarly, with respect to properties under construction or conversion and where anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion, the appraisal should set forth "present market value" and sufficient information to enable the underwriter to determine the value of the property upon completion.

Moreover, the Board has simplified the specific language of R–41c that requires an appraisal to contain sufficient information to enable the management and board of directors to determine the loan amount and to support classification of the asset as a real estate loan. Also eliminated is the R–41c requirement that the appraisal contain information relative to current and projected market conditions and their impact on the estimated value of the property so as to enable an institution to determine whether its financial position would be protected over the life of the investment. The Board wishes to eliminate the confusion created by R–41c and to stress that it is not incumbent upon the appraiser to determine the future market value of a project. Rather, the Board recognizes that the final value estimate reflects present production costs and sales prices in addition to future cash flows, and therefore uses a combination of the cost approach, the market approach, and the income approach to derive present market value.

c. Appraisal Content

The proposed rule sets forth specific requirements for information to be included in the appraisal document. The proposal modifies the requirements of R–41c, as clarified, with respect to this information. The proposal requires that the content of each appraisal accepted by an institution follow the Uniform Appraisal Standards of Professional Appraisal Practice and the Board's reporting requirements.

The Board is implementing a recommendation made by Congress in House Report 99–891 by proposing to expand the appraisal content requirements of R–41c to include a form identifying the person at each institution who has reviewed the appraisal file. The information to be included on the form includes the person's name, title, and the date of review. The Board believes that this procedure will improve internal appraisal control and review systems.

The proposal continues to require that an appraisal report contain a legal description of the appraised property and states that it is management's responsibility to ensure that the legal description in the appraisal report is identical to the legal description in the loan documents. Additionally, the proposal permits appraisals made on existing and proposed one-to-four family and existing multi-family properties to be prepared under the Freddie Mac and Fannie Mae appraisal standards and on their standardized appraisal forms.

Additionally, the Board is proposing to remove the explicit certification language set forth in R–41c, as clarified. The Board recognizes that the professional appraisal organizations have several standard certification forms and believes that appraisers should be free to choose certification language from forms sanctioned by a professional appraisal society.

d. Related Considerations

The Board believes that certain components of a loan file are as essential to prudent underwriting as the appraisal report. Therefore, the proposed rule specifically requires inclusion of select information in the loan documentation.

The proposal requires that the loan documentation contain any third party economic feasibility studies utilized by the appraiser. The loan documentation for construction loans should also contain information to indicate that disbursements shall not exceed the present value of the project at any time during the construction period.

The Board is, moreover, implementing another recommendation made by Congress in House Report 99–891 by requiring insured institutions to include in their files of loans purchased a form identifying the person who has inspected the property securing the subject loan. The Board believes that an inspection of the security property would constitute verification that the property is as it is represented to be in the original or any supplemental appraisal and loan documentation. The Board also believes that for loans purchased such an inspection, in conjunction with review of the latest appraisal, is an adequate substitute for securing a new appraisal strictly in conformance with the Board's current regulatory standards. The Board recognizes that there may be considerable expense associated with implementation of this verification procedure. However, the Board is of the opinion that this projected expense is negligible in view of the risk associated with the purchase of out-of-state loans.

The proposal seeks to clarify the language of R–41c regarding the applicability of the criminal code to the preparation of appraisal reports. Therefore, the proposal concludes with a statement warning appraisers that they may be subject to criminal prosecution under the provisions of Title 18 of the United States Code if they knowingly make false statements or willfully overvalue land, property, or security in appraisal reports "for the purpose of influencing in any way the action of a Federal Home Loan Bank, the Federal Home Loan Bank Board, a Federal savings and loan association, any insured institution, any member of the Federal Home Loan Bank System, or the Federal Savings and Loan Insurance Corporation." *See* 18 U.S.C. 1014. The proposal also excludes the last sentence of R–41c as clarified, because the Board believes that the very purpose of codifying its appraisal standards is to emphasize that it is incumbent upon the appraiser to adhere to the appraisal standards of the Board and the national professional appraisal organizations.

5. Appraisal Training for Underwriters

The Board is of the opinion that the recommendation made in House Report 99–891 that loan officers be required to undergo appraisal training is well founded. Through ORPOS, the Board currently conducts appraisal training seminars for examiners at each of its twelve Federal Home Loan District Banks. The Board strongly recommends that insured institutions throughout the Federal Home Loan Bank System institute appraisal training programs for loan officers.

6. Solicitation of Comments

In placing this proposal before the public, the Board's objective is to initiate a process of comment and analysis that will enable the Board to establish appraisal standards designed to promote safety and soundness throughout the thrift industry. The Board therefore solicits public comment on all aspects of the proposed rule. Finally, the Board notes that the policy statement portion of this proposal is an interpretative rule, which is not subject to the notice and comment provisions of the Administrative Procedure Act. 5 U.S.C. 553 *et seq.* The Board believes, however, that the public interest will be best served by considering public

comment on the policy statement as well as the rule that it is proposing to adopt. In this regard, the Board specifically solicits comment on the structure of the proposal as a rule and a policy statement and asks whether its appraisal standards should be combined and adopted in final as a rule alone.

Initial Regulatory Flexibility Analysis

Pursuant to section 3 of the Regulatory Flexibility Act, 5 U.S.C. 603, the Board is providing the following initial regulatory flexibility analysis:

1. *Reasons, objectives, and legal basis underlying the proposed rule.* These elements are incorporated above in **SUPPLEMENTARY INFORMATION.**

2. *Small entities to which the proposed rule would apply.* The proposed rule would apply to all insured institutions without regard to size.

3. *Impact of the proposed rule on small entities.* All institutions, including small ones, should benefit from the safety and soundness resulting from investments in loans secured by property that has been valued in compliance with the revised appraisal standards set forth in the proposal.

4. *Overlapping or conflicting federal rules.* There are no known federal rules that duplicate, overlap, or conflict with this proposal.

5. *Alternatives to the proposed rule.* In the above **SUPPLEMENTARY INFORMATION** the Board is soliciting comment on the rule as proposed.

List of Subjects in 12 CFR Parts 563 and 571

Accounting, Bank deposit insurance, Investments, Reporting and recordkeeping requirements, Savings and loan associations.

Accordingly, the Federal Home Loan Bank Board hereby proposes to amend Parts 563 and 571, Subchapter D, Chapter V, Title 12, Code of Federal Regulations, as set forth below.

SUBCHAPTER D—FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

PART 563—OPERATIONS

1. The authority citation for Part 563 continues to read as follows:

Authority: Sec. 1, 47 Stat. 725, as amended (12 U.S.C. 1421 *et seq.*); sec. 5A, 47 Stat. 727, as added by sec. 1, 64 Stat. 256, as amended (12 U.S.C. 1425a); sec. 5B, 47 Stat. 727, as added by sec. 4, 80 Stat. 824, as amended (12 U.S.C. 1425b); sec. 17, 47 Stat. 736, as amended (12 U.S.C. 1437); sec. 2, 48 Stat. 128, as amended (12 U.S.C. 1462); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 401–407, 48 Stat. 1255–1260, as amended (12 U.S.C. 1724–1730); sec. 408, 82 Stat. 5, as amended (12 U.S.C. 1730a); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–1948 Comp., p. 1071.

2. Amend Part 563 by adding a new § 563.17–1a following § 563.17–1 to read as follows:

§ 563.17–1a Appraisal policies and practices of insured institutions and service corporations.

(a) *Introduction.* The soundness of an insured institution's or service corporation's mortgage loans and real estate investments depends to a great extent upon the adequacy of the appraisals used to support these transactions. This rule sets forth appraisal standards to be used by insured institutions and service corporations of such institutions, as well as the Corporation, in determining compliance with the appraisal requirements of §§ 563.17–1 and 563.17–2 of this subchapter.

(b) *Responsibilities of management.* Management shall take reasonable steps to ensure that all appraisal services provided to the insured institution properly reflect the institution's collateral lending posture and its lending policies. Management shall also take reasonable steps to ensure that all appraisals used to support credit or investment decisions demonstrate professional competence, ethics, and expertise. To achieve these results, management shall prepare and disseminate to appropriate personnel written appraisal policies and guidelines. Management shall also develop and institute procedures for approval of appraisers, whether they are fee or staff appraisers, who perform appraisal services for the insured institution. Compliance with the requirements of § 563.17–1a and with the guidelines set forth in 571.1b, which contains the Corporation's statement of policy on management policies, shall be deemed adequate to demonstrate management's fulfillment of its responsibilities under paragraph (b) of § 563.17–1a. For purposes of § 563.17–1a and 571.1b, the term management means the members of the board of directors and the senior officers of an insured institution or service corporation.

(c) *Appraisal management.* Management shall take reasonable steps to ensure that all appraisals used to support credit and investment decisions demonstrate professional competence, ethics, and expertise. The indicia of acceptable appraisals are as follows:

(1) Appraisals shall be prepared in accordance with regulatory requirements and conform with the institution's written appraisal guidelines. Management shall provide appraisers approved by the institution with a copy of both the Corporation's requirements, as set forth in this § 563.17–1a, and the institution's written guidelines. Management shall also assist appraisers in obtaining information needed to comply with these requirements. Such information includes, when reasonably available, but is not limited to, leases, purchase agreements, and profit and loss statements from the security property.

(2) Appraisals shall be sufficiently current to reduce the likelihood that material changes in actual market conditions may have occurred by the time the loan or investment decision is made.

(3) Appraisals shall reflect the market value of the rights in realty offered as security or as part of the transaction. All other values or interests appraised must be clearly labeled and segregated, *e.g.*, value of chattels, value of financing terms, business value, furnishings, fixtures, and equipment value.

(4) Appraisals shall be presented in a narrative format, unless *both* of the following conditions are met:

(i) The appraiser uses a form report that is appropriate for the specific appraisal assignment, *i.e.*, the form is designed for both the property type and the interests being appraised; and

(ii) The appraiser uses a form report that, when read together with all attachments, results in a totally self-contained appraisal.

For existing or proposed one-to-four family and existing multi-family properties, the requirements of this rule may be met by use of the Federal Home Loan Mortgage Corporation and the Federal National Mortgage Association standardized appraisal forms.

(5) Appraisals shall be based upon the following definition of market value: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgably, and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

(i) Buyer and seller are typically motivated;

(ii) Both parties are well informed or well advised, and each acts in what he considers his own best interest;

(iii) A reasonable time is allowed for exposure in the open market;

(iv) Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

(v) The price represents the normal consideration for the property sold

unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

(6) Appraisals shall contain all recognized approaches to market value unless the appraiser fully explains and supports the rationale for eliminating one or more approaches to such value.

(7) Appraisals shall consider, analyze, and disclose in reasonable detail:

(i) Any current agreement of sale, option, or listing of the property being appraised when the existence and nature of such agreements are known and/or made available to the appraiser.

(ii) Any prior sales of the property being appraised that occurred within the following time periods:

(A) For one-to-four-family residential property, one year preceding the date when the appraisal was prepared;

(B) For all other property types, three years preceding the date when the appraisal was prepared;

(iii) A history of land, market, and sales comparables used, if the subject property is located in a market where many of the comparable sales properties have been atypically resold numerous times prior to the sales used by the appraiser. Such sales analysis should cover the time period of the atypical multiple transactions and address the potential or reality of artificially inflated sales prices.

(8) Appraisals shall accurately reflect the impact upon value of any known material changes in plans and specifications from those used in an appraiser's analysis of a proposed project, improvement, or change in use. In all instances where an institution relies upon an appraisal based on preliminary plans and specifications in a loan or investment decision, it shall take appropriate steps, prior to disbursement of any funds, to ensure the validity of the appraisal. Whenever material changes in plans and specifications occur after a loan or investment decision has been made, management shall take steps to assure the protection of the institution's financial position. Typically, such steps shall involve either having the original appraiser recertify his value estimate after examining the final plans and specifications for the project or obtaining a new appraisal based on the final plans and specifications.

(9) Appraisals shall contain a properly supported estimate of the highest and best use of the property appraised that is consistent with the definition of market value set forth in paragraph (c)(6) of this § 563.17–1a. Such estimate shall consider the effect on use and value of such factors as existing land use regulations, reasonably probable modifications of land use regulations, economic demand and supply, physical adaptability of the property, documentable property value trends, and optimal usage of the property. In addition, the appraisal must consider the effect on the property being appraised of anticipated public or private improvements, located on or off the site, to the extent that market actions reflect such anticipated improvements as of the appraisal date. Where appropriate, and in all cases involving proposed construction, development, or changes in use, the appraiser shall specifically address, consider, and support the anticipated economic feasibility and cite all significant market data used in developing his conclusions. Such analyses shall be presented in sufficient detail to support the appraiser's forecast of probable success and conclusion of highest and best use of the project. Moreover, if a market or economic feasibility study is prepared by someone other than the appraiser, the appraiser shall set forth the reasoning and rationale for accepting or rejecting that study.

(10) Appraisals shall report the present market value to a single purchaser and provide sufficient information to determine value upon completion for all properties for which a portion of the overall real property rights or physical asset would typically be sold to its ultimate users over some future time period. Valuations involving such properties must reflect all appropriate adjustments and discounts as well as the anticipated cash flows to be derived from the disposition of the asset over time. Appropriate adjustments and discounts are considered to be those that reflect all expenses associated with the disposition of the realty, as well as the cost of capital and entrepreneurial profit.

(11) Appraisals shall report the present market value and provide sufficient information to determine value upon completion for properties, other than those described in paragraph (c)(10) of this § 563.17–1a, that are under construction, conversion, or are proposed and where anticipated market conditions indicate that stabilized occupancy is not likely as of the date of completion. In addition, the value estimate shall reflect the impact of rental and other concessions, including the costs of preparing the improvements for occupancy by tenants.

(12) Appraisals shall reflect, in the valuation of fractional interests in the real estate, the accepted premise that it is inappropriate to arrive at the value of the whole by simply summing the fractional interests. Similarly, it is also inappropriate to arrive, without market support, at the value of a fractional interest in the real estate by merely subdividing the value of the whole into proportional parts. All analyses involving fractional interests in the real estate, where the combined value of all interests or estates is not reported, must definitively establish with market evidence whether the terms and conditions of the agreement creating the estate or fractional interest reflect market rates and terms.

(d) *Appraisal content.* The content of each appraisal accepted by an institution shall follow generally acceptable and established appraisal practices as reflected in the uniform appraisal standards of the nationally recognized professional appraisal organizations. Specifically, each appraisal shall:

(1) Be totally self-contained and not misleading so that, when it is read by any third party, the appraiser's logic, reasoning, judgment, and analysis in arriving at a final conclusion indicate to the reader the reasonableness of the market value reported;

(2) Unequivocally identify, by legal description or otherwise, the real estate being appraised (management is obliged to ensure, prior to funding, that the appraised real estate is described in a manner consistent with the description found in the institution's evidence of debt or encumbrance);

(3) Identify the property rights being appraised;

(4) Describe all salient features of the property being appraised;

(5) State that the purpose of the appraisal is to estimate market value as defined in paragraph (c)(6) of this § 563.17–1a;

(6) Set forth the effective date of the value conclusion and the date of the report;

(7) Set forth the appraisal procedures followed and the data considered that support the reasoning, analyses, adjustments, opinions, and conclusions (including highest and best use) arrived at by the appraiser;

(8) As it relates to market comparable data analysis, be presented so that:

(i) It contains descriptive information presented with sufficient detail to demonstrate that the transactions were conducted under the terms and conditions of the definition of value being estimated, or have been adjusted to meet such conditions; have a highest and best use equivalent to the best use of the subject property; and that the selected properties are physically and

economically comparable to the subject property; and

(ii) It includes a presentation and explanation of adjustments used in the analysis together with appropriate market support. In the case of existing and proposed one-to-four family dwellings and existing multi-family properties, appraisals may be prepared in accordance with Freddie Mac and Fannie Mae appraisal standards.

(9) Contain a summary of actual operating statements for existing income producing properties together with a supported forecast of the most likely future financial performance;

(10) Set forth all assumptions and limiting conditions that affect the analyses, opinions, and conclusions in the report. Such assumptions and limiting conditions may not result in either a non-market value estimate or one so limited in scope that the final product will not represent a complete appraisal. A summary of all such assumptions and limiting conditions shall be presented in one separate section within the appraisal;

(11) Include in the appraiser's certification (i) a statement that the appraiser has no present or prospective interest in either the property being appraised or with the parties involved and (ii) a statement indicating that the analyses, opinions, and conclusions were developed, and the report was prepared, in accordance with the standards and reporting requirements of the Federal Home Loan Bank Board and the Federal Savings and Loan Insurance Corporation; including, but not limited to, 12 CFR Part 529, Nondiscrimination in Federally Assisted Programs, and 12 CFR 531.8, Guidelines relating to nondiscrimination in lending;

(12) Contain a form identifying the person at the institution who has reviewed the appraisal, that person's title, and the date of review;

(13) State that it complies with all statutes, rules and regulations prohibiting discrimination on the basis of race, color, religion, sex, national origin, marital status, age of the property and location of the property.

(e) *Related considerations.* (1) Loan documentation shall contain:

(i) Any third party market or economic feasibility studies utilized by the appraiser;

(ii) With respect to loans purchased by an institution, a form identifying the person who has inspected the security property to verify the accuracy of the appraisals and the date of the latest available appraisal; and

(iii) with respect to construction loans, information to indicate that at no time during the construction period will disbursements exceed the present value of the project.

(2) Appraisers or other individuals who knowingly make false statements or willfully overvalue land, property, or security for the purpose of influencing in any way the action of a Federal Home Loan Bank, the Federal Home Loan Bank Board, a Federal savings and loan association, any insured institution, any member of the Federal Home Loan Bank System, or the Federal Savings and Loan Insurance Corporation are subject to criminal prosecution under the provisions of Title 18 of the United States Code.

PART 571— STATEMENT OF POLICY

3. The authority citation for Part 571 continues to read as follows:

Authority: Sec. 5A, 47 Stat. 727, as added by sec. 1, 64 Stat. 256, as amended (12 U.S.C. 1425a); sec. 17, 47 Stat. 736, as amended (12 U.S.C. 1437); sec. 5, 48 Stat. 132, as amended (12 U.S.C. 1464); secs. 402–403, 407, 48 Stat. 1256–1257, 1260, as amended (12 U.S.C. 1725–1726, 1730); Reorg. Plan No. 3 of 1947, 12 FR 4981, 3 CFR, 1943–48 Comp., p. 1071.

4. Amend Part 571 by adding a new § 571.1b to read as follows:

§ 571.1b Appraisal policies and practices of insured institutions and service corporations.

(a) *Purpose.* The purpose of this § 571.1b is to provide guidelines for the managements of insured institutions and service corporations in fulfilling their responsibilities under § 563.17–1a of this subchapter. For purposes of this § 571.1b, the term management has the same meaning as it is given in § 563.17–1a.

(b) *Management policies.* To a great extent, the complexity and diversity of the credit arrangements offered by an insured institution or a service corporation determine the types of appraisal services the institution's underwriting staff require. The board of directors and senior officers have the responsibility to assure that the appraisal services provided, whether by fee or staff appraisers, properly reflect the collateral lending posture of the institution, as well as its lending policies. Each institution or service corporation should be able to demonstrate that the appraisers approved by the board of directors, whether or not upon recommendation of staff, possess the requisite experience, education, and facilities to perform in an acceptable fashion. Appraisal skills and technology are not static, and attendance at courses and participation in the activities of professional organizations are factors to be considered by the board of directors in selecting both fee and staff appraisers. Memberships in professional appraisal organizations as well as continuous professional development should be encouraged to ensure that the appraisers whose services are being used are actively increasing their knowledge and skills over time. Management should periodically review the performance of all approved appraisers for compliance with generally accepted and established appraisal practices as reflected in the uniform appraisal standards adopted by the national professional appraisal organizations and the Board's reporting requirements. Management should take whatever steps are necessary to eliminate poor quality or inappropriate appraisal work products.

By the Federal Home Loan Bank Board.

Nadine Y. Washington,

Acting Secretary.

Appendix A

Note.—This appendix will not appear in the Code of Federal Regulations.

Federal Home Loan Bank Board, Office of Examinations and Supervision

Memorandum #R 41

To: OES Professional Staff, June 6, 1977

From: William Sprague, Appraisal Policies and Practices of Insured Institutions and Service Corporations

Synopsis: Guidelines Regarding Appraisal Procedures and Management.

The soundness of an association's or service corporation's mortgage loans and real estate investments depends to a great extent upon the timeliness and adequacy of the appraisals of the real estate. This memorandum provides guidelines for appraisal management and procedures to this end. It is the responsibility of the examiner at each examination to evaluate the quality of the association's appraisal function in meeting the requirements of Insurance Regulations 563.17–1(c)(1) and, 563.10. The examiner must similarly evaluate the service corporation's appraisal function.

Appraisal Management

The lending policies established by the board of directors determine the association's and service corporation's appraisal staff, fee appraiser and plant requirements. Management should ensure at all times that appraisal services fit both the ordinary and specialized needs of the association and service corporation, whether performed by staff or fee appraisers.

A. Staff and Plant

An appraisal should readily serve an underwriter's needs by providing a documented opinion of the market value of the property as of the date of the estimated market value and should indicate the degree of feasibility/marketability of the property. An accurate and fully useful appraisal is most often the work of a capable and suitably equipped fee or staff appraiser who has

ready access to current market information. Therefore, each association and service corporation must be able to demonstrate that its fee and staff appraisers are capable and have the facilities necessary to perform adequate appraisals.

B. Training

Staff appraisers should continually increase their knowledge and skills through attendance at courses sponsored by universities, colleges and/or professional appraisal organizations. Memberships in professional appraisal organizations should be encouraged.

Appraisal Procedures

The appraisal content shall follow generally accepted and established appraisal practices as reflected in the nationally recognized professional appraisal organizations, such as: The American Institute of Real Estate Appraisers and the Society of Real Estate Appraisers.

Specifically, each appraisal report must:

1. Be totally self-contained so that:

a. It is a useful tool for prudent underwriting, REO and/or LTF decisions.

b. When read by any third party, the appraiser's logic, reasoning, judgment and analysis in arriving at a final conclusion indicate to the reader the reasonableness of the market value reported.

c. It demonstrates professiona1 competence, ethics and expertise.

2. Be of a narrative style for major loans and/or investments of similar magnitude made by the association or affiliates.

3. Contain all recognized approaches to market value unless the appraiser fully explains and documents the rationale for eliminating one or more of the approaches to value.

4. Take into consideration and make provision for all appropriate deductions and discounts for any development type property that requires:

a. Marketing periods in excess of 12 months for total, 100 percent, sell out, or

b. Occupancy build-up periods in excess of 12 months for the property to reach the appraiser's anticipated normal occupancy level.

5. Address itself to the market/economic feasibility prospects for any proposed *major loan/investment* real estate project, in sufficient detail to support the appraiser's forecast of the probable success. If a market/economic feasibility report is prepared by other than the appraiser, the appraiser will set forth the reasoning and rationale for accepting or rejecting said report. All such market/ economic feasibility studies will be made a permanent part of the appraisal report.

6. For properties and investments (other than single family or two family dwellings) assigned a value of $100,000 or more, contain a sales history analysis of the property over the past five years preceding the appraisal report, fully disclosing and verifying:

a. Grantor(s)-grantee(s).

b. Sale date(s).

c. Sale price(s) and terms of financing, discounting the sale to a cash equivalent, where necessary.

d. Any interrelated parties to each transaction.

7. Address itself to "Market Value" as defined and qualified as acceptable to the Federal Home Loan Bank Board. Under no circumstance should the appraiser further qualify, or by assumptions, erode the impact of this definition. All market data inputs should be thoroughly analyzed and/or adjusted in terms of the above definition as qualified. Market value as defined is applicable in all lending/investment circumstances for insured associations and affiliates, including special purpose properties and REO/LTF situations. In REO/LTF situations, defined market value estimates will be derived on an "as is" basis.

The appraiser's "market value" estimate should, in view of the collateral lending posture of the savings and loan industry, reflect the most probable price to be derived should the property be placed on the market for sale, given the previously noted market value definition qualifiers.

William Sprague,

Director.

Distribution to State supervisory authorities to be made by District Directors—Examinations.

Federal Home Loan Bank Board, Office of Examinations and Supervision

Memorandum #R 41a

To: OES Professional Staff, September 15, 1977

From: William Sprague, Appraisal Policies and Practices of Insured Institutions and Service Corporations

Synopsis: Guidelines Regarding Appraisal Procedures and Management. Supercedes Memo #R 41.

(Editor's Note.—Revisions have been made to the introductory paragraph of Appraisal Procedures and item #6.)

The soundness of an association's or service corporation's mortgage loans and real estate investments depends to a great extent upon the timeliness and adequacy of the appraisals of the real estate. This memorandum provides guidelines for appraisal management and procedures to this end. It is the responsibility of the examiner at each examination to evaluate the quality of the association's appraisal function in meeting the requirements of Insurance Regulations 563.17–1(c)(1) and 563.10. The examiner must similarly evaluate the service corporation's appraisal function.

Appraisal Management

The lending policies established by the board of directors determine the association's and service corporation's appraisal staff, fee appraiser and plant requirements. Management should ensure at all times that appraisal services fit both the ordinary and specialized needs of the association and service corporation, whether performed by staff or fee appraisers.

A. Staff and Plant

An appraisal should readily serve an underwriter's needs by providing a documented opinion of the market value of the property as of the date of the estimated market value and should indicate the degree of feasibility/marketability of the property. An accurate and fully useful appraisal is most often the work of a capable and suitably equipped fee or staff appraiser who has ready access to current market information. Therefore, each association and service corporation must be able to demonstrate that its fee and staff appraisers are capable and have the facilities necessary to perform adequate appraisals.

B. Training

Staff appraisers should continually increase their knowledge and skills through attendance at courses sponsored by universities, colleges and/or professional appraisal organizations. Memberships in professional appraisal organizations should be encouraged.

Appraisal Procedures

The appraisal content shall follow generally accepted and established appraisal practices as reflected in the nationally recognized professional appraisal organizations.

Specifically, each appraisal report must:

1. Be totally self-contained so that:

a. It is a useful tool for prudent underwriting, REO and/or LTF decisions.

b. When read by any third party, the appraiser's logic, reasoning, judgment and analysis in arriving at a final conclusion indicate to the reader the reasonableness of the market value reported.

c. It demonstrates professional competence, ethics and expertise.

2. Be of a narrative style for major loans and/or investments of similar magnitude made by the association or affiliates.

3. Contain all recognized approaches to market value unless the appraiser fully explains and documents the rationale for eliminating one or more of the approaches to value.

4. Take into consideration and make provision for all appropriate deductions and discounts for any development type property that requires:

a. Marketing periods in excess of 12 months for total, 100 percent, sell out, or

b. Occupancy build-up periods in excess of 12 months for the property to reach the appraiser's anticipated normal occupancy level.

5. Address itself to the market/economic feasibility prospects for any proposed major loan/investment real estate project, in sufficient detail to support the appraiser's forecast of the probable success. If a market/economic feasibility report is prepared by other than the appraiser, the appraiser will set forth the reasoning and rationale for accepting or rejecting said report. All such market/economic feasibility studies will be made a permanent part of the appraisal report.

6. Appraisals of major loan/investment properties (except for home type properties) located in highly speculative local market areas which have experienced dramatic price increases relative to regional norms, must contain a sales history analysis of the subject property covering the speculative time period.

Said analysis should reasonably disclose and verify:

a. Grantor(s)-grantee(s).

b. Sale date(s).

c. Sale price(s) and terms of financing, discounting the sale to a cash equivalent, where necessary.

d. Any interrelated parties to each transaction.

7. Address itself to "Market Value" as defined and qualified as acceptable to the Federal Home Loan Bank Board. Under no circumstance should the appraiser further qualify, or by assumptions, erode the impact of this definition. All market data inputs should be thoroughly analyzed and/or adjusted in terms of the above definition as qualified. Market value as defined is applicable in all lending/investment circumstances for insured associations and affiliates, including special purpose properties and REO/LTF situations. In REO/LTF situations, defined market value estimates will be derived on an "as is" basis.

The appraiser's "market value" estimate should, in view of the collateral lending posture of the savings and loan industry, reflect the most probable price to be derived should the property be placed on the market for sale, given the previously noted market value definition qualifiers.

Memorandum #R 41 is hereby rescinded.

William Sprague,

Director.

Distribution to State supervisory authorities to be made by District Directors-Examinations.

Federal Home Loan Bank Board, Federal Savings and Loan Insurance Corporation, Department of Examinations

Memorandum #R 41a–1

To: Professional Staff, March 1, 1979

From: Robert J. Moore, Appraisal Policies and Practices of Insured Institutions and Service Corporations

Synopsis: Guidelines Regarding Definition of "Market Value" and "Typical Financing" Valuation Policy

The Federal Home Loan Bank Board's appraisal policy and practice guidelines as contained in Memorandum R–41a, require all appraisal reports for insured associations and affiliates to evaluate market value. Under no circumstances should the appraiser further qualify or erode by assumption the impact of the accepted market value definition. "Market value" as acceptable to the Bank Board is defined as follows:

"The highest price in terms of money which a property will bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

"Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. Buyer and seller are typically motivated.

2. Both parties are well informed or well advised, and each acting in what he/she considers his/her own best interest.

3. A reasonable time is allowed for exposure in the open market.

4. Payment is made in cash or its equivalent.

5. Financing, if any, is on terms generally available in the community at the specified date and typical for the property type in its locale.

Federal Home Loan Bank Board; Office of Examinations and Supervision

Memorandum #R 41b

To: OES Professional Staff, March 12, 1982

From: D. James Croft, Appraisal Policies and Practices of Insured Institutions and Service Corporations

Synopsis: Guidelines Regarding Appraisal Procedures and Management. Supersedes Memo #R 41a and R 41a–1, Incorporates and Rescinds Memo #T 15–1

(Editor's Note.—In addition to consolidating the provisions of Memoranda R 41a and R 41a–1 into a single document and incorporating the content of T 15–1, the following significant revisions have been incorporated in the section entitled "Appraisal Procedures":

Item #4—expands and clarifies requirement that appraisals of development type properties reflect deductions and discounts by eliminating the 12 month sell-out/occupancy threshold formerly provided by R 41a.

Item #5—expands and clarifies expected use of market/economic feasibility assessments to include support of appraiser's conclusion of highest and best use as well as of probable success of the project.

Item #7—revises definition of "Market Value" to reflect terminology currently in use by leading professional appraisal organizations and, consistent with the collateral lending posture of the savings and loan industry, the need to obtain the most probable selling price should the property be placed on the market under the conditions herein specified.)

Introduction

The soundness of an association's or service corporation's mortgage loans and real estate investments depends to a great extent upon the adequacy of the appraisals of the real estate. This memorandum provides guidelines for appraisal management and procedures to assist in determining compliance with the appraisal requirements of Insurance Regulation 563.17– 1(c)(1)(iii).

Appraisal Management

The lending policies established by the board of directors will determine the complexity and diversity of appraisal situations to be encountered and, therefore, the general requirements of the association or service corporation for appraisal staff and facilities. Management should ensure that appraisal services provided, whether by fee or staff appraisers, meet the current needs of the association or service corporation.

An appraisal should serve an underwriter's needs by providing a supported opinion of a property's market value as of a specified date sufficiently current so as to reduce the likelihood of material value fluctuations prior to the loan/investment decision. In addition, to providing estimated market value, the appraisal should give the appraiser's opinion of the property's feasibility and marketability. An accurate and useful appraisal is most often produced by a capable and suitably equipped fee or staff appraiser who has ready access to current market information. Therefore, each association and service corporation should be able to demonstrate that its fee and staff appraisers are competent and knowledgeable of the relevant markets, and have the facilities necessary to perform adequate appraisals.

Appraisal skills and professional requirements are not static. Staff appraisers should continually increase their knowledge and skills through attendance at courses sponsored by universities, colleges, and/or professional organizations. Memberships in professional appraisal organizations should be encouraged. Attendance at courses and participation in the activities of professional organizations are also useful factors for management to consider in selecting independent fee appraisers.

Appraisal Procedures

The appraisal content shall follow generally accepted and established appraisal practices, as reflected in the standards of the nationally recognized professional appraisal organizations.

Specifically, each appraisal report must:

1. Be totally self-contained so that:

a. It is a useful tool for prudent underwriting, REO and/or LTF decisions.

b. When read by any third party, the appraiser's logic, reasoning, judgment and analysis in arriving at a final conclusion indicate to the reader the reasonableness of the market value reported.

c. It demonstrates professional competence, ethics and expertise.

2. Be of a narrative style for major loans and/or investments made by the association or affiliates.

3. Contain all recognized approaches to market value unless the appraiser fully explains and documents the rationale for eliminating one or more of the approaches to value.

4. Take into consideration and make provision for all appropriate deductions and discounts for any development type property.

5. Address itself to the market/economic feasibility prospects for any proposed major loan/investment real estate project, in sufficient detail to support the appraiser's forecast of the probable success and the conclusion(s) of highest and best use. If a market/economic feasibility report is prepared by other than the appraiser, the appraiser will set forth the reasoning and rationale for accepting or rejecting said report. All such market/economic feasibility studies will be made a permanent part of the appraisal report.

6. Contain, if for major loan/investment properties (except for home type properties) located in highly speculative local market areas which have experienced dramatic price increases relative to regional norms, a sales history analysis of the subject property covering the speculative time period. This

analysis should reasonably disclose and verify:

a. Grantor(s)-grantee(s).

b. Sale date(s).

c. Sale price(s) and terms of financing, discounting the sale to a cash equivalent, where necessary.

d. Any interrelated parties to each transaction.

7. Address itself to "Market Value" as hereby defined and qualified:

The most probable price in terms of money which a property should bring in competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus.

Implicit in this definition is the consummation of a sale as of a specified date and the passing of time from seller to buyer under conditions whereby:

a. Buyer and seller are typically motivated.

b. Both parties are well informed or well advised, and each acting in what they consider their own best interest.

c. A reasonable time is allowed for exposure in the open market.

d. Payment is made in cash or its equivalent.

e. Financing, if any, is on terms generally available in the community at the specified date and typical for the property type in its locale.

f. The price represents a normal consideration for the property sold unaffected by special financing amounts and/or terms, services, fees, costs, or credits incurred in the transaction.

Market value as defined is applicable in all lending/investment circumstances for insured associations and affiliates, including special purpose properties and REO/LTF situations. In REO/LTF situations, defined market value estimates will be derived on an "as is" basis. Under no circumstance should the appraiser further qualify or, by assumptions, erode the impact of this definition. All market data inputs should be thoroughly analyzed and, where necessary, adjusted in terms of the above definition, as qualified.

As reflected in qualifications d, e and f of the above definition, all valuations must be couched in terms of "cash or its equivalent" and "typical financing" for that particular property type.

Any valuations which by assumption or qualification effectively utilize any form of specialized, unique and/or subsidized financing assumptions as surrogates for "typical financing" assumptions in the appraisal methodology are not considered to be acceptable. All properties, regardless of the specific nature of the particular financing arrangements then existing and/or as proposed, must be evaluated in a market value context as defined and as qualified relative to "typical financing" and "cash equivalency."

For certain governmental subsidy programs, such as HUD Section 8 Programs, where the real estate project and the ultimate product user represent a distinct and readily identifiable separate market relative to those projects found in the typical market, the appraiser may consider the various subsidized income/vacancy guarantees and/or subsidized aspects of the specific financing/contractual programs. In no case, however, should the final value estimate exceed replacement cost. Replacement cost in this context refers to the sum of the following:

1. Market value of the subject site ("value" conforming to the above referenced market value definition).

2. Current reproduction cost less deterioration and obsolescence of all building and site improvements.

3. A reasonable, market-supportable, entrepreneurial profit.

Please note that the definition of "market value" contained in this memorandum supersedes all older definitions of "market value" or "fair market value" previously deemed acceptable to the Bank Board. Memorandum #T 15–1, which contains a now obsolete definition, is hereby rescinded. It should be understood, however, that the long-standing examining and supervisory policy described in #T 15–1 remains in effect. Substantial variations between the appraised "market value" of a property and its actual selling price (and/or book value in the case of REO) will continue to be carefully scrutinized during the examination process.

D. James Croft,

Director.

Distribution to state supervisory authorities to be made by District Directors-Examinations.

Federal Home Loan Bank System Office of Regulatory Policy, Oversight and Supervision

Memorandum AB 80

To: Professional Staff—Examinations and Supervision, February 26, 1987

From: William L. Robertson, R–41c Clarifications

Synopsis: This Memorandum Serves to Clarify Four Areas of R–41c That Have Been Subject to Repeated Misinterpretations

It has become increasingly clear that at least four issues addressed in the R–41c memorandum need clarification. The following represents the official interpretative views of this Office relative to these issues.

1. Compliance with Freddie Mac and Fannie Mae appraisal and appraisal reporting guidelines (and standard form reports) is sufficient for appraisals on existing one-to-four family dwellings and multi-family properties.

2. In order to assist in cost control of appraisal services and to encourage the further establishment of uniform appraisal standards, the use of other standardized forms will eventually be permitted, provided they are consistent with generally accepted and established written appraisal practices and are preapproved by the Bank Board.

3. It is not intended that the appraiser enmeshed in aspects of the underwriting process other than those necessary to perform the appraisal.

4. An appraiser shall report the present market value for both existing properties and for proposed developments. The appraiser may also report a value as of the conclusion of construction and as of the projected date when stabilized occupancy is achieved.

William L. Robertson,

Director.

Distribution to State supervisory authorities to be made by Principal Supervisory Agents.

Federal Home Loan Bank Board; Office of Examinations and Supervision

Memorandum R 41c

To: Professional Staff—Examinations and Supervision, September 11, 1986

From: Francis M. Passarelli, Appraisal Policies and Practices of Insured Institutions and Service Corporations

Synopsis: This Memorandum Revises and Replaces R–41b. It does not represent any shift in board policy but it does encompass significantly greater detail, specifically with regard to "Appraisal Management," adding guidelines which are appropriate to ensure acceptable appraisal procedures in the current market. The guidelines listed are generally standards of practice utilized by the leading national professional appraisal organizations. The Memorandum also contains the new definition of market value, as recently adopted by both the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Federal National Mortgage Association (Fannie Mae). R–41b is hereby rendered obsolete and is rescinded.

Introduction

The soundness of an association's or service corporation's mortgage loans and real estate investments depends to a great extent upon the adequacy of appraisals utilized to support such transactions. This memorandum sets forth the standards and reporting requirements utilized by the Federal Home Loan Bank Board in determining compliance with the appraisal requirements of Insurance Regulation 563.17–1(c)(1)(iii).

Management Policies

Loan and investment policies established by an institution's board of directors should reflect both the overall operational policies of the institution as well as the regulatory limitations under which it must conduct its business. Such policies should be clearly defined and set forth in a manner that provides effective supervision of the institution's operations by the directors.

Prudent loan policy should identify the types of credit arrangements the institution offers as well as the procedures to be followed in the underwriting of each of these arrangements. In secured credit transactions, such policies should definitively address the need to establish the value of collateral offered by borrowers in order to ensure that the institution is appropriately protected throughout the life of the credit arrangement. To a great extent, the complexity and diversity of the credit arrangements offered will determine the types of appraisal services the institution's underwriting staff will require. It is the board of directors' and

senior officers' responsibility to ensure that the appraisal services provided, whether by fee or staff appraisers, properly reflect the collateral lending posture of the institution, as well as its lending policies.

Similarly, the board of directors is responsible for establishing appropriate guidelines and procedures relative to other investments of an institution. Appraisal services utilized by the institution in evaluating such transactions should reflect the institution's regulatory obligation to operate in a safe and sound manner. Failure to ensure that appraisal services match the needs of the institution will be considered an abdication of this responsibility and is representative of an unsafe and unsound operating policy.

In formulating its loan and investment policies, the board of directors should recognize that appropriate appraisal services are most often produced by fee or staff appraisers, who are both competent and knowledgeable and have properly equipped facilities within which to prepare adequate appraisals. Each association or service corporation should be able to demonstrate that the appraisers approved by the board of directors possess the requisite experience, education and facilities to perform in an acceptable fashion.

Appraisal skills and technology are not static and attendance at courses and participation in the activities of professional organizations are factors to be considered by the board of directors in selecting both fee and staff appraisers. Memberships in professional appraisal organizations as well as continuous professional development should be encouraged to ensure that the appraisers whose services are being utilized are actively increasing their knowledge and skills over time. Management should periodically review the performance of all approved appraisers for compliance with the standards and reporting requirements of the Federal Home Loan Bank Board and take whatever steps are necessary to eliminate poor quality or inappropriate work products.

Appraisal Management

Appraisals serve as an important basis in the decision processes involved in the underwriting of secured credit transactions as well as investment decisions involving interests in real property. Management must ensure that all appraisals utilized in these decisions:

1. Are prepared in accordance with the standards and reporting requirements of the Federal Home Loan Bank Board and conform to the institution's written appraisal guidelines. Management should provide appraisers approved by the institution with a copy of both the Board's requirements, as promulgated herein, and the institution's written guidelines. Management should also assist appraisers in obtaining the information needed to comply with these requirements. Such information includes leases, Purchase agreements, profit and loss statements from the security property, etc.

2. Are sufficiently current to reduce the likelihood of material changes in actual market conditions from those upon which the loan or investment decision were predicated. (Though not exclusively definitive, "suffieiently current" may be deemed to be an appraisal made six months prior to the approval of the loan or investment.)

3. Reflect the market value of the rights in realty offered as security or involved with the transaction. All other values or interests appraised must be clearly labeled and segregated, i.e., value of chattels, value of financing terms, business value, furniture, furnishing and equipment value, etc.

4. Contain sufficient information to assist management and/or the board of directors in establishing the loan amount as well as other significant terms involved in the credit arrangement.

5. Support the classification of the asset as a real estate loan or other type of credit arrangement.

6. Are prepared by appraisers, independent from the borrower or the seller of the real estate, and approved by the institution's board of directors. It is suggested the board review the prior work and references of newly engaged appraisers. Final board of directors' approval should be recorded in the board's minutes.

7. Contain adequate infomation relative to both current and projected market conditions and their resulting impact upon the estimated value of the property to enable an institution to determine whether its financial position will be properly protected over the life of the credit arrangement or term of the investment. The scope of such information will depend upon the property type, the structure of the credit or investment arrangement and the financial realities of the contemplated transaction.

8. Are presented in a narrative style format, unless *both* of the following conditions are met:

a. A form report is utilized which is appropriate for the specific appraisal assignment, i.e., the form is designed for both the property type and the interests being appraised.

b. A form report is utilized, including all attachments, that results in a totally self-contained appraisal, as defined elsewhere in this memorandum.

9. Are based upon the following definition of market value: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

a. Buyer and seller are typically motivated;

b. Both parties are well informed or well advised, and each acting in what he considers his own best interest;

c. A reasonable time is allowed for exposure in the open market;

d. Payment is made in terms of cash in U.S. dollars or in terms of financial arrangements comparable thereto; and

e. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

10. Correctly employ all recognized appraisal methods and techniques that are necessary to produce a credible analysis, opinion, or conclusion. Exclusion or omission of any recognized method for cause must be fully justified.

11. Consider, analyze and disclose in reasonable detail:

a. Any current agreement of sale, option, or listing of the property being appraised.

b. Any prior sales of the property being appraised that occurred within the following time periods:

(1) One year preceding the date when the appraisal was prepared for one to four family residential property, and

(2) Three years preceding the date when the appraisal was prepared for all other property types.

c. A sales history of the comparables, if the subject property is located in a speculative market, which has experienced dramatic price fluctuations relative to regional norms, covering the speculative time period involving the comparable sales.

12. Contain the following information where an analysis, opinion or conclusion of a proposed project, improvement or change in use is involved: (i) Plans, specifications, or other documentation in sufficient detail to identify the scope and character of the proposed improvements; (ii) evidence indicating the probable time of completion of the proposed improvements; (iii) clear and appropriate evidence supporting development costs, anticipated rent levels or per unit sales levels, occupancy projections, and the anticipated competition at the time of completion; and (iv) all value changes projected to occur from the conception of a project to its completion and/or stabilized occupancy should be set forth in sufficient detail so that the continuum of present value estimates over the life of the credit arrangement or investment can be reconciled with the values reported in the appraisal. Included as documentation should be a explanation of how discount and capitalization rates used in generating the present value estimates were deduced.

In addition to the above requirements, whenever value is estimated as of completion and/or stabilized occupancy, the appraisal must contain the following information:

a. The date or dates when the value estimate or estimates apply.

b. Factual data supporting the reasonableness of all conditions and assumptions impacting each value conclusion cited in the apprisal. Such information must be presented in sufficient detail and directly linked to current market information so that the appraiser's logic, reasoning, judgment and analysis indicate to a third-party reader the reasonableness of the value or values reported.

c. An explanation of the appraisal techniques selected and the data used to arrive at the final value estimate(s).

d. A fully documented and supported highest and best use analysis and conclusion which coincides with the date(s) of the value estimate(s).

e. A definitive statement as to whether the value estimate reflects the worth of the

property at stabilized occupancy and whether the appraiser considered and included the effect of income and expenses during the projected absorption period in developing a value estimate as of the date of completion.

13. Accurately reflect the impact upon value of any changes in plans and specifications from those utilized in an appraiser's analysis of a proposed project, improvement or change in use.

In all instances where an institution utilizes an appraisal based upon preliminary plans and specifications in a loan or investment decision, it shall take appropriate steps, prior to the disbursement of any funds, to ensure the validity of the appraisal, relative to the decision, has not been negated. Further, whenever significant changes in plans and specifications occur after a loan or investment decision has been made, the institution's management shall take appropriate steps to ensure its financial position is appropriately protected. Typically, such steps will involve either having the original appraiser recertify his value estimate after examining the final plans and specifications for the project or a new appraisal will be obtained based on the final plans and specifications.

For the purposes of this paragraph, significant changes in plans and specifications are defined as those which directly affect the value of the property, e.g., changes in the scope, character or timing of the proposed improvements.

14. Contain a properly documented and supported estimate of the highest and best use of the property appraised, which is consistent with the definition of market value cited in this memorandum. Such estimate must consider the effect on use and value of the following factors: Existing land use regulations, reasonably probable modifications of such land use regulations, economic demand, the physical adaptability of the property, neighborhood trends, and the optimal usage of the property. In addition, the appraisal must consider the effect on the property being appraised of anticipated public or private improvements, located on or off the site, to the extent that market actions reflect such anticipated improvements as of the appraisal date.

In all appraisals, including those involving proposed construction, development or changes in use, the appraiser must specifically address and consider in his analysis the anticipated economic feasibility, as well as cite all significant market data utilized in developing his/her conclusions. Such analyses must be presented in sufficient detail to support the appraiser's forecast of the probable success and the conclusion of highest and best use of the project.

In all instances where the appraiser relies on feasibility/marketability studies prepared by a third party to support his estimate of the highest and best use, he must:

a. Attest that such study has been thoroughly examined and that he fully concurs with its findings and conclusions, and;

b. Specifically identify both the study examined as well as set forth within the body of the appraisal, a summary of the significant data, analyses and conclusions presented in the study. Such summary must be presented in sufficient detail, so that further reference to the study is unnecessary by a third-party reader of the appraisal, and;

c. Have available for future examination by users of the appraisal, a complete copy of the feasibility/marketability study prepared by the third party.

15. Report the market value to a single purchaser as of the date of completion for all properties, wherein a portion of the overall real property rights or physical asset would typically be sold to its ultimate users over some future time period. Valuations involving such properties must fully reflect all appropriate deductions and discounts as well as the anticipated cash flows to be derived from the disposition of the asset over time. Appropriate deductions and discounts are considered to be those which reflect all expenses associated with the disposition of the realty, as of the date of completion, as well as the cost of capital and entrepreneurial profit.

16. For properties under construction, conversion or proposed, report the market value of the subject property as of the date of completion, excepting those properties described in paragraph 15 immediately above, where anticipated market conditions indicate stabilized occupancy is not likely as of the date of completion. Such valuations shall fully reflect the impact upon the "as if completed value" of all pertinent operating expenses as well as the anticipated pattern of income during the absorption period. In addition, the value estimate must reflect the impact of rental and other concessions, including the costs associated with preparing the improvement for occupancy by tenants.

17. Contain a summary of actual income and expenses experienced by the subject property where it is an existing income or revenue producing property. In sddition, all such appraisals must contain a complete reconciliation of all deviations projected by the appraiser in his forecast of future financial performance from those historically realized by the property.

18. Report the "as is" value of the subject property as of the date when either the appraisal was prepared or when the property was last inspected. The date of the "as is" value estimate should be sufficiently current to reduce the likelihood of material changes in the actual market conditions from those upon which the loan or investment decision were predicated. In addition to any other value estimates contained in an appraisal, the "as is" value must be reported.

19. Consider and report the effect on value, if any, of the terms and conditions of any agreement establishing a fractional interest or estate, where the objective of the report is to estimate the value of such fractional interest or estate. All such appraisals must clearly demonstrate that the value of any fractional part or estate has been evaluated by an analysis of appropriate market data. Such analyses must recognize that it is generally considered inappropriate to arrive at either the value of the whole or its parts by simply summing the fractional interests or subdividing the value of the whole into proportional parts.

All analyses involving fractional interests or estates, where the combined value of all interests or estates is not reported, must definitively establish with market evidence whether the terms and conditions of the agreement creating the estates or fractional interests reflects market rates and terms.

In addition to the above requirements, all analyses involving fractional interests or estates must disclose whether the final value estimate of such fractional interests or estates included non-realty components, i.e., tenant or borrower's credit quality, other non-realty contractual arrangements, etc. Further, whenever such value estimate includes non-realty components, the value assignable to them must be specifically disclosed in the appraisal.

All appraisals, where there is a clear indication that the subject property is encumbered by a lease instrument or legal limitations upon its operation [e.g., when inspection reveals occupancy of the property by tenants or the property is subject to rent control statutes], must consider and report the impact of the terms of the lease or such legal limitations upon the value of the estate being appraised.

Appraisal Content

Prior to the approval of a loan or investment transaction, each appraisal accepted by an institution must be prepared in writing and contain sufficient information to enable the persons who receive or rely on the report to understand it properly. Appraisals which fail to set forth, in a clear and accurate manner, the analytical process followed by the appraiser, in a fashion that will not be misleading to the persons who receive or rely on the report, will be considered unacceptable.

The content of each appraisal accepted by an institution shall follow generally accepted and established appraisal practices, as reflected in the standards of the nationally recognized professional appraisal organizations and as noted in the body of this memorandum.

Specifically, each appraisal must:

1. Be totally self-contained so that when read by any third party, the appraiser's logic, reasoning, judgment and analysis in arriving at a final conclusion indicate to the reader the reasonableness of the market value reported.

2. Identify via a legal description the real estate being appraised.

3. Identify the property rights being appraised.

4. Describe all salient features of the property being appraised.

5. State that the purpose of the appraisal is to estimate market value as defined in this memorandum.

6. Set forth the effective date of the value conclusion(s) and the date of the report.

7. Set forth all relevant data and the analytical process followed by the appraiser in arriving at the highest and best use conclusion.

8. Set forth the appraisal procedures followed, the data considered, and the reasoning that supports the analyses, opinions, and conclusions arrived at by the

appraiser. The analytical process followed by the appraiser must be presented so that:

(a) It includes a complete explanation of all comparable data adjustments utilized in the analysis together with appropriate market support for each adjustment, and;

(b) It contains descriptive information for all comparable data presented with sufficient detail to demonstrate the transactions were conducted under the terms and conditions of the definition of value being estimated or have been adjusted to meet such conditions; have a highest and best use equivalent to the best use of the subject property, and; are physically and economically comparable to the subject property.

9. Set forth all assumptions and limiting conditions that affect the analyses, opinions, and conclusions in the report; however, such assumptions and limiting conditions must not result in either a non-market value estimate or one so limited in scope that the final product will not represent a complete appraisal. A summary of all such assumptions and limiting conditions must be presented in one physical location within the appraisal.

10. Include a manually signed certification by the appraiser that is similar in content to the following form:

I certify that, to the best of my knowledge and belief, . . .

—The statements of fact contained in this report are true and correct.

—The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, opinions, and conclusions.

—I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

—My compensation is not contingent on an action or event resulting from the analyses, opinions, or conclusions in, or the use of, this report.

—My analyses, opinions, snd conclusions were developed, and this report has been prepared, in accordance with the standards and reporting requirements of the Federal Home Loan Bank Board.

—I have made a personal inspection of the property that is the subject of this report. [If more than one person signs the report, this certification must clearly specify which individuals did and which individuals did not make a personal inspection of the appraised property.]

—No one provided significant professional assistance to the person signing this report. [If there are exceptions, the name of each individual providing significant professional assistance must be stated.]

Related Considerations

Appraisal reports prepared for the purpose of influencing in any way the action of a Federal Home Loan Bank, the Federal Home Loan Bank Board, a Federal Savings and Loan Association, any institution the accounts of which are insured by the FSLIC, any member of the Federal Home Loan Bank System, or the Federal Savings and Loan Insurance Corporation are subject to the provisions of Title 18, United States Code. It is incumbent upon all appraisers to diligently adhere to generally accepted professional appraisal standards of practice and the provisions and requirements of the Federal Home Loan Bank Board's standards and reporting requirements relating to the preparation of appraisal reports prepared for these entities.

Francis M. Passarelli,

Director.

Distribution to State supervisory authorities to be made by Directors of Examinations.

[FR Doc. 87-10759 Filed 5-14-87; 8:45 am]

BILLING CODE 6720-01-M

DEPARTMENT OF AGRICULTURE

Forest Service

36 CFR Part 223

National Forest Timber Sales; Control of Skewed Bidding

AGENCY: Forest Service, USDA.

ACTION: Notice; withdrawal of proposed policy.

SUMMARY: The Forest Service published a proposed policy to control skewed bidding on National Forest System timber sales January 30, 1987, at 52 FR 3027. In response to public comments received on that policy, the Forest Service hereby gives notice that it is withdrawing its proposal.

DATE: This decision to withdraw the proposal is effective on May 15, 1987.

FOR FURTHER INFORMATION CONTACT: Questions about this notice should be addressed to Lloyd Olson, Timber Management Staff, Forest Service, USDA, P.O. Box 96090, Washington, DC 20090-6090, (202) 447-4051.

SUPPLEMENTARY INFORMATION: On July 1, 1983, (48 FR 30417) and July 16, 1984, (49 FR 28748), the Forest Service published proposed policies to limit skewed bidding on National Forest timber sales. Based on the extensive comments received and the fact that numerous changes have been implemented in timber sale procedures since the last proposal, the Agency published a third proposal on January 30, 1987, (52 FR 3027). The public comment period closed March 31.

The Agency has received written responses on the 1987 proposal from 4 parties representing individual timber purchasers as well as several oral responses presented at a meeting of an association representing timber purchasers. While the majority of reviewers agreed that a policy on skewed bidding is needed, the preponderance of reviewers strongly objected to the latest proposal on the grounds that it is too complex, fails to adequately address differences among timber sale bidders and geographical areas, and contains factual errors. The strength and substance of these comments have led the Agency to conclude that it needs to take a fresh look at the issue of skewed bidding, to identify alternative approaches, and especially to simplify the procedures if possible. Accordingly, the Forest Service is withdrawing its present proposal. It is uncertain how quickly a new proposal can be developed, but the Agency hopes to be in a position to issue a revised proposal by the end of the year.

Dated: April 27, 1987.

George M. Leonard,

Associate Chief.

[FR Doc. 87-11108 Filed 5-14-87; 8:45 am]

BILLING CODE 3410-11-M

VETERANS ADMINISTRATION

DEPARTMENT OF DEFENSE

38 CFR Part 21

Veterans Education; Effective Date of VEAP Disenrollment and Other Technical Changes

AGENCIES: Veterans Administration and Department of Defense.

ACTION: Proposed regulations.

SUMMARY: This proposed regulatory amendment would permit a veteran who has received a refund of his or her contributions to the Post-Vietnam Era Veterans Educational Assistance Program (VEAP) fund to retain his or her eligibility if the refund check is returned to the Veterans Administration (VA). Current regulations state that such a person is disenrolled from VEAP on the date the VA receives his or her request for a refund. Hence, he or she has lost eligibility by the time of receipt of the refund check. This amendment is the result of many attempts by veterans to return their refund checks, and will result in the VA's treating these veterans in a manner similar to veterans in other programs administered by the VA.

Besides this substantive proposal the VA is also proposing several technical amendments which are necessary to correct erroneous cross-references.

DATES: Comments must be received on or before June 15, 1987.

ADDRESSES: Send written comments to: Administrator of Veterans Affairs (271A), Veterans Administration, 810 Vermont Avenue, NW., Washington, DC

20420. All written comments received will be available for public inspection only in the Veterans Services Unit, room 132 of the above address between the hours of 8 a.m. to 4:30 p.m., Monday through Friday (except holidays) until June 26, 1987.

FOR FURTHER INFORMATION CONTACT: June C. Schaeffer, Assistant Director for Education Policy and Program Administration, Vocational Rehabilitation and Education Service, Department of Veterans Benefits, (202) 233–2092.

SUPPLEMENTARY INFORMATION: The VA is proposing an amendment to 38 CFR 21.5052 to make clear that the VA does not consider the return of a check representing a refund of contributions to the VEAP fund to be a contribution to the fund. Section 21.5062 is amended to state that a participant in VEAP is disenrolled on the date the participant negotiates a refund check. In addition, there are several amendments designed to correct erroneous cross-references. These are not substantive, but are technical only.

The VA has determined that these proposed regulatory amendments do not contain a major rule as that term is defined by E.O. 12291, entitled Federal Regulation. The proposed regulatory amendments will not have a $100 million annual effect on the economy, and will not cause a major increase in costs or prices for anyone. They will have no significant adverse effects 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.

The Administrator of Veterans Affairs and the Secretary of Defense have certified that these proposed regulatory amendments, if promulgated, will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (RFA), 5 U.S.C. 601–612. Pursuant to 5 U.S.C. 605(b), the amended regulations therefore, are exempt from the initial and final regulatory flexibility analyses requirements of sections 603 and 604.

This certification can be made because the proposed regulatory amendments affect only individuals. They will have no significant economic impact on small entities, i.e., small businesses, small private and nonprofit organizations and small governmental jurisdictions.

(The Catalog of Federal Domestic Assistance number for the program affected by these proposed regulatory amendments is 64.120.)

List of Subjects in 38 CFR Part 21

Civil rights, Claims, Education, Grant programs-education, Loan programs-education, Reporting and recordkeeping requirements, Schools, Veterans, Vocational education, Vocational rehabilitation.

Approved: January 20, 1987.

Thomas K. Turnage

Approved: March 9, 1987.

A. Lukeman,

Deputy Assistant Secretary of Defense.

PART 21—[AMENDED]

38 CFR Part 21, Vocational Rehabilitation and Education, is proposed to be amended as follows:

1. In § 21.5001, paragraph (c) is revised to read as follows:

§ 21.5001 Administration of benefits program; Chapter 32.

* * * * *

(c) Section 21.4003—(except paragraphs (d) and (e)—Revision of Decisions. (38 U.S.C. 1641)

* * * * *

2. In § 21.5052, parargaph (e) is revised to read as follows:

§ 21.5052 Contribution requirements.

* * * * *

(e) *Prohibition against contributing.* An individual may not make contributions to the fund after the date of his or her discharge. The Veterans Administration does not consider the return of an unnegotiated refund check to be a contribution. (39 U.S.C. 1622; Pub. L. 94–502)

* * * * *

3. In § 21.5062, paragraph (b) is revised to read as follows:

§ 21.5062 Date of disenrollment.

* * * * *

(b) The date of the individual negotiates the check which represents a refund of his or her remaining contributions to the fund, whichever is earlier. (38 U.S.C. 1621(d); Pub. L. 94–502)

4. In § 21.5130, paragraphs (a), (b), and (d) are revised and paragraph (h) added to read as follows:

§ 21.5130 Payments—educational assistance allowance.

(a) Section 21.4131 (except pars. (c)(3), (e), and (h))—Commencing dates.

(b) Section 21.4133–Notification of suspension or discontiunuance (38 U.S.C. 1641)

* * * * *

(d) Section 21.4135 (except pars. (b), (c), (d), (m), (o), and (v))—Discontinuance dates. (38 U.S.C. 1641)

* * * * *

(h) Section 21.4136(k) (except supar. (3))—Mitigating circumstances. (38 U.S.C. 1641, 1780(a))

5. In § 21.5131, the introductory text is revised to read as follows:

§ 21.5131 Educational assistance allowance.

The VA will pay educational assistance allowance at the rate specified in §§ 21.5136 and 21.5138 while the individual is pursuing a course of education. The VA will make no payment for training in any course if the training is not part of the veteran's program of education. The VA may withhold final payment until it receives proof of the individual's continued enrollment and adjusts the individual's account. (38 U.S.C. 1641; Pub. L. 94–502)

[FR Doc. 87–11089 Filed 5–14–87; 8:45 am]

BILLING CODE 8320–01–M

VETERANS ADMINISTRATION

38 CFR Part 21

Veterans Education; Nonpunitive Grades

AGENCY: Veterans Administration.

ACTION: Proposed regulations.

SUMMARY: A veteran's award of educational assistance allowance must be reduced when he or she withdraws from a course or when he or she receives a nonpunitive grade for a course. Regulations exist for determining the effective date of the reduction. Some readers of the regulations have been uncertain as to which of the pertinent regulations apply when a veteran withdraws from a course and, as a result of that withdrawal, receive a nonpunitive grade for it. This proposal eliminates this problem. It addresses this situation by expanding the regulation which deals with the effective date of reduction and termination of educational assistance allowance.

DATE: Comments must be received on or before June 15, 1987.

ADDRESS: Send written comments to: Administrator of Veterans Affairs (271A), Veterans Administration, 810 Vermont Avenue NW., Washington, DC 20420. All written comments received will be available for public inspection only in the Veterans Services Unit, room 132 of the above address, between the hours of 8 a.m. to 4:30 p.m., Monday

through Friday (except holidays) until June 29, 1987.

FOR FURTHER INFORMATION CONTACT: June C. Schaeffer, Assistant Director for Education Policy and Program Administration, Vocational Rehabilitation and Education Service, Department of Veterans Benefits, (202) 233–2092.

SUPPLEMENTARY INFORMATION: The VA is proposing to amend 38 CFR 21.4135. As proposed, the paragraphs dealing with termination or reduction of a veteran's award of educational assistance allowance due to withdrawal from one or more courses now recognize that a veteran can receive a nonpunitive grade as a result of withdrawing from a course.

The VA has determined that this amended regulation does not contain a major rule as that term is defined by E.O. 12291, entitled Federal Regulation. The regulation will not have a $100 million annual effect on the economy, and will not cause a major increase in costs or prices for anyone. It will have no significant adverse effects 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.

The Administrator or Veterans Affairs has certified that this amended regulation, if promulgated, will not have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act (RFA), 5 U.S.C. 601–612. Pursuant to 5 U.S.C. 605(b), the amended regulation, therefore, is exempt from the initial and final regulatory flexibility analyses requirements of sections 603 and 604.

This certification can be made because the regulation affects only individuals. It will have no significant economic impact on small entities, i.e., small businesses, small private and nonprofit organizations and small governmental jurisdictions.

(The Catalog of Federal Domestic Assistance number for the program affected by this regulation is 64.111)

List of Subjects in 38 CFR Part 21

Civil rights, Claims, Education, Grant programs-education, Loan programs-education, Reporting and recordkeeping requirements, Schools, Veterans, Vocational education, Vocational rehabilitation.

Approved: March 5, 1987.

Thomas K. Turnage,

Administrator.

PART 21—[AMENDED]

In 38 CFR Part 21, *Vocational Rehabilitation and Education*, § 21.4135 is proposed to be amended by revising paragraphs (e)(1), (s), and (w) to read as follows:

§ 21.4135 Discontinuance dates.

* * * * *

(e) *Course discontinued; course interrupted; course terminated; course not satisfactorily completed or withdrawn from §§ 21.4136 and 21.4137.* (1) If the individual withdraws from all courses; received all nonpunitive grades; and there are no mitigating circumstances as provided in §§ 21.4136(k) or 21.4137(h), the VA will terminate the individual's education assistance allowance effective the latter of the following:

(i) The first date of the term in which the withdrawal occurs, or

(ii) December 1, 1976.

* * * * *

(s) *Reduction in rate of pursuit of course (§ 21.4270).* (1) The VA will reduce an individual's educational assistance allowance effective the first date of the term in which the individual reduces training by withdrawing from part of a course, if the reduction occurs at the beginning of the term.

(2) The VA will reduce an individual's educational assistance allowance effective the earlier of the end of the month or end of the term in which an individual reduces training by withdrawing from part of a course when—

(i) The reduction does not occur at the beginning of the term; and

(ii) There are mitigating circumstances, or the individual receives a punitive grade for the portion of the course from which he or she withdraws.

(3) If the individual reduces training by withdrawing from a part of a course; there are no mitigating circumstances; and the individual receives a nonpunitive grade form that portion of the course from which he or she withdrew; the VA will reduce the individual's educational assistance allowance effective the later of the following:

(i) The first date of enrollment of the term in which the reduction occurs; or

(ii) December 1, 1976. See paragraphs (e) and (w) of this section also.

(4) An individual, who enrolls in several subjects and reduces his or her rate of pursuit by completing one or more of them while continuing training in others, may receive an interval payment based on the subjects completed, if the requirements of § 21.4138(f) are met. If those requirements are not met, the VA will reduce the individual's educational assistance allowance effective the date the subject or subjects were completed.

(38 U.S.C. 1780; Pub. L. 96–466)

* * * * *

(w) *Nonpunitive grade assigned without a withdrawal from courses.* (1) If an individual receives a nonpunitive grade for a particular course for any reason other than a withdrawal from it, the VA will reduce the individual's educational assistance allowance effective the last date attendance when mitigating circumstances are found.

(2) If an individual receives a nonpunitive grade in a particular course for any reason other than a withdrawal from it, and there are no mitigating circumstances, the VA will reduce his or her educational assistance effective the later of the following:

(i) The first date of enrollment for the term in which the grade applies, or

(ii) December 1, 1976. See paragraphs (e) and (s) of this section. (38 U.S.C. 1780(a)(4)

* * * * *

[FR Doc. 87–11090 Filed 5–14–87; 8:45 am]

BILLING CODE 8320-01-M

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38 CFR Part 36

Loan Guaranty; Proposed Decrease in Amount of Time VA Will Allow Loan Holder To Begin Terminating Defaulted Loans

AGENCY: Veterans Administration.

ACTION: Proposed regulatory amendment.

SUMMARY: The Veterans Administration (VA) is proposing to amend its loan guaranty regulations (38 CFR Part 36) by decreasing from two months to thirty days the amount of time the VA will allow a loan holder to begin termination proceedings on a defaulted VA-guaranteed home loan when imposing a cutoff date. Interest on, and charges to, the loan after the cutoff date may not be included in the computation of the guaranty claim. Reducing the time allowed to begin proceedings will facilitate the termination of defaulted loans and consequently reduce the average dollar amount per claim paid by the Administrator of Veterans Affairs. It will also reduce veterans debts to the VA resulting from the claims.

DATES: Comments must be received on or before June 15, 1987. The VA proposes to make this regulatory amendment effective 30 days after publication of the final regulations.

ADDRESSES: Interested persons are invited to submit written comments, suggestions, or objections regarding this proposal to the Administrator of Veterans Affairs (271A), Veterans Administration, 810 Vermont Avenue, NE., Washington, DC 20420. All written comments received will be available for public inspection in the Veterans Service Unit, room 132 of the above address, between the hours of 8:00 a.m.and 4:30 p.m., Monday through Friday (except holidays) until June 26, 1987.

FOR FURTHER INFORMATION CONTACT: Mr. Raymond L. Brodie, Assistant Director for Loan Management (261), Loan Guaranty Service, Department of Veterans Benefits, (202) 233–3668.

SUPPLEMENTARY INFORMATION: When a VA-guaranteed loan is in default both the holder of the loan and the VA have servicing responsibilities. Efforts are made to work with the veteran-borrower to bring the loan current and to prevent foreclosure. However in some instances, even after extensive servicing efforts loan defaults are insoluble, and the loan must be foreclosed. VA may incur liability to pay a claim under guaranty in such cases. Section 36.4319(f) of title 38, Code of Federal Regulations, allows the Administrator to set a limit on the time span for which the VA will pay accrued interest and other charges in a claim, when the loan holder fails to begin or complete termination of the loan in a timely manner. The regulation states that in such cases the Administrator must request in writing that the holder take appropriate action to begin or prosecute termination action. The regulation further allows the holder up to two months from the date of request to begin termination proceedings.

During much of the existence of the Loan Guaranty Program this two month allowance had only a minor impact on the dollar amount of claims eventually paid by the VA. However, with the substantial increase in property values and loan amounts between 1975 and 1980, and with the increase in interest rates on loans closed between 1980 and 1985, the costs associated with delay in foreclosure have risen considerably. The purpose of the proposed amendment is to lower these costs by reducing from two months to 30 days the time the loan holder is allowed to begin terminating the loan. The proposed amendment will also reduce veterans debts to the VA which result from claims paid by the VA to the loan holders on the defaulted loan. Holder compliance should not present any difficulty, since 30 days allows reasonable time for normal preparations to begin termination.

The Administrator hereby certifies that this proposed regulatory amendment will not, if promulgated, have a significant economic impact on a substantial number of small entities as they are defined in the Regulatory Flexibility Act, 5 U.S.C. 601 through 612. The provision concerning the amount of time the VA will allow a loan holder to begin termination proceedings will affect guaranty claims only in those cases in which the loan holder fails to take timely action to terminate loans when defaults have become insoluble. When a default is insoluble, and there is no reasonable alternative to foreclosure, prudent loan servicing practice dictates that action be taken to terminate the loan without delay. The loan holder is responsible for foreclosure and is able to avoid unnecessary delays. In addition, only a relatively small percentage of VA-guaranteed loans are held by small entities. For these reasons, this proposed regulatory amendment will not significantly affect small entites. Pursuant to 5 U.S.C. 605(b), this proposed regulatory amendment is exempt from the initial and final regulatory flexibility analysis requirement of sections 603 and 604.

The Administrator has also determined that this proposed regulatory amendment is not a "major rule" within the meaning of Executive Order 12291. It will not have an annual effect on the economy of $100 million or more, and will not cause a major increase in costs or prices for consumers or individual industries; nor will it have other significant adverse effects 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.

The Catalog of Federal Domestic Assistance Program Numbers are 64.114 and 64.119.

List of Subjects in 38 CFR Part 36

Condominiums, Handicapped, Housing loan programs—housing and community development, Manufactured homes, Veterans.

This proposed regulatory amendment is proposed under the authority granted the Administrator by sections 210(c), 1816(c)(1)(D), and 1820 of title 38, United States Code.

Approved: April 21, 1987.

Thomas K. Turnage,

Administrator.

38 CFR Part 36, *Loan Guaranty*, is proposed to be amended as follows:

PART 36—[AMENDED]

1. The authority citation for §§ 36.4300 through 36.4375 continues to read:

Authority: Section 36.3400 through 36.4375 insured under 72 stat. 1114 (38 U.S.C. 210)

2. In § 36.4319, the first sentence of paragraph (f) is revised to read as follows:

§ 36.4319 Legal proceedings.

* * * * *

(f) If following a default the holder does not begin appropriate action within 30 days after requested in writing by the Administrator to do so, or does not prosecute such action with reasonable diligence, the Administrator may at his option intervene in, or begin and prosecute to completion any action or proceeding, in his name or in the name of the holder, which the Administrator deems necessary or appropriate, and may fix a date beyond which no further charges may be included in the computation of the guaranty claim or an insured loss. * * *

[FR Doc. 87–11147 Filed 5–14–87; 8:45 am]

BILLING CODE 8320–01–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[FRL 3201–9]

Approval and Promulgation of Implementation Plans; Seven Districts in California

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of Proposed Rulemaking.

SUMMARY: This notice proposes to approve revisions to the California State Implementation (SIP) concerning the Bay Area Air Quality Management District (AQMD), the Kern County Air Pollution Control District (APCD), the Sacramento County APCD, the San Diego County APCD, the South Coast AQMD, the Stanislaus County APCD and the Yolo-Solano APCD. These revisions were submitted by the State of California on February 6, 1985 and April 12, 1985 and consist of regulations which control emissions of volatile organic compounds (VOC), nitrogen oxides (NOx) and sulfur oxides (SOx). EPA has evaluated each of the regulations

addressed in this notice and determined that they should be approved.

DATES: Comments must be submitted by June 15, 1987.

ADDRESSES: Comments should be sent to: Regional Administrator, Attn: Air Management Division, State Implementation Plan Section (A–2–3), Environmental Protection Agency, Region 9, 215 Fremont Street, San Franciso, CA 94105.

Copies of the submitted regulations are available for public inspection during normal business hours at the EPA Region 9 office and at the following locations:

California Air Resources Board, SIP Section, 1131 "S" Street, Sacramento, CA 95812
Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, CA 94109
Kern County Air Pollution Control District, 1601 "H" Street, Suite 250, Bakersfield, CA 93301
Sacramento County Air Pollution Control District, 9323 Tech Center Drive, Suite 800, Sacramento, CA 95826
San Diego County Air Pollution Control District, 9150 Chesapeake Drive, San Diego, CA 92123
Yolo-Solano Air Pollution Control District, 323 First Street, Suite 5, Woodland, CA 95695

FOR FURTHER INFORMATION CONTACT: Julie A. Rose, State Implementation Plan Section (A–2–3), Air Programs Branch, Air Management Division, Environmental Protection Agency, Region 9, 215 Fremont Street, San Francisco, CA 94105 (415) 974–8066, (FTS) 454–8066.

SUPPLEMENTARY INFORMATION:

Background

On February 6, 1985 and April 12, 1985, the State of California submitted two revisions to its SIP. These revisions consist of new or amended control regulations for volatile organic compounds (VOC) nitrogen oxides (NOx) and sulfur oxides (SOx). A brief description of each of the regulations by submittal date and district is provided below. The affected pollutant is also identified for each rule. EPA's evaluations and proposed action follow the description of the regulations.

Description of Regulations

February 6, 1985 submittal

Kern County APCD

Rule 411.1—Steam Drive Well Vents (VOC)
Rule 414.5—Pump and Compressor Seals (VOC)

Sacramento County APCD

Rule 447—Organic Liquid Loading (VOC)

South Coast AQMD

Rule 1105—Fluid Catalytic Cracking Units (SOx)
Rule 1110.1—Stationary Internal Combustion Engines (NOx)
Rule 1117—Glass Melting Furnances (NOx)
Rule 1128—Paper, Fabric and Film Coating (VOC)

Yolo-Solano APCD

Rule 2.21—Organic Liquid Transfer (VOC) (Paragraphs (a)(7)(a) and (a)(7))

April 12, 1985 submittal

Bay Area AQMD

Regulation 8, Rule 14—Coating Large Appliances (VOC)

San Diego County APCD

Rule 67.3—Coating Metal Parts and Products (VOC)
Rule 67.10—Kelp Processing and Bio-Polymer Manufacturing (VOC)

South Coast AQMD

Rule 1108—Cutback Asphalt (VOC)

Stanislaus County APCD

Rule 409.4—Coating of Metal Parts and Products (VOC)

EPA's Evaluation

EPA has evaluated the above rules for consistency with the Clean Air Act, EPA policy and 40 CFR Part 51. The Clean Air Act requires that areas which have not attained the National Ambient Air Quality Standards (NAAQS) adopt, at a minimum, reasonably available control technology (RACT) for all significant sources of emissions.

EPA has established RACT for several VOC categories through the issuance of Control Techniques Guidelines (CTGs). Areas which have not attained the NAAQS for ozone must, if there are sources within the district, implement control measures (rules) for those source categories which require RACT-level control at a minimum. Implementation of such rules satisfies the requirements of the Clean Air Act, 40 CFR Part 51 and EPA policy.

The following rules have been evaluated by EPA and have been preliminarily found to satisy the requirements of the CTGs: Sacramento County Rule 447, South Coast Rules 1108 and 1128, Bay Area AQMD Regulation 8, Rule 14, San Diego Rule 67.3, and Stanislaus Rule 409.4.

Yolo-Solano APCD submitted only subparagraphs (7)(a) and (7)(b) of paragraph (a) of Rule 2.21. EPA has evaluated these subparagraphs and has found them to be approvable, as they meet the requirements of the Clean Air Act, 40 CFR 51 and EPA policy and they strengthen the SIP. The existing federally-approved version of Rule 2.21 contains only paragraphs 1 through 5. Paragraph 6 has never been submitted to EPA as a SIP revision and is not a part of the SIP. In its enforcement actions, EPA may enforce only those portions of the rule which have been approved by EPA, in this case, paragraphs 1 through 5 and paragraph 7.

San Diego County APCD Rule 67.10 has been evaluated for consistency with CAA requirements, EPA policy and 40 CFR Part 51.

There is no corresponding CTG documents for this rule. Rule 67.10 was found to satisfy Clean Air Act requirements, EPA policy, is consistent with 40 CFR Part 51 and strengthens the SIP.

South Coast Rule 1105, Fluid Catalytic Cracking Units has been evaluated and found to be approvable. The only change to the rule consists of a 6-month delay in an interim compliance date. The revision does not change the final compliance date nor does it change the sulfur dioxide emission limitation.

The following rules were found to strengthen the SIP, and are necessary for attainment and maintenance of the NAAQS: South Coast Rules 1110.1 and 1117, and Kern County APCD Rules 411.1 and 414.5.

EPA Proposed Action

EPA proposes to approve these rules under Section 110 of the Clean Air Act because they satisfy the requirements of the Clean Air Act, 40 CFR 51 and EPA policy, and/or they strengthen the SIP. EPA is not at this time taking action under Part D until we more fully evaluate the rules in relation to EPA's RACT requirements.

Regulatory Process

Under 5 U.S.C. Section 605(b), I certify that this SIP revision will 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 52

Air pollution control, Ozone, Sulfur oxides, Nitrogen dioxide, Hydrocarbons, Intergovernmental relations, Reporting and recordkeeping requirements.

Authority: 42 U.S.C. 7401–7642.

Date: September 30, 1987.

John Wise,

Acting Regional Administrator.

[FR Doc. 87-11130 Filed 5-14-87; 8:45 am]

BILLING CODE 6560-50-M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[AA-650-86-4121-2410]

43 CFR Parts 3420 and 3460

Competitive Leasing and Environment; Amendments to the Federal Coal Management Program

AGENCY: Bureau of Land Management, Interior.

ACTION: Proposed rulemaking.

SUMMARY: This proposed rulemaking would clarify or modify those sections of the Federal coal management program regulations related to the 20 different coal unsuitability criteria and their application during the Bureau of Land Management's land use planning process. The proposed changes arise from the Office of Technology Assessment's study of the Federal coal management program's treatment of environmental issues, and from the Secretary of the Interior's decisions of February 1986 on the Federal coal leasing program.

DATE: Comments should be submitted by June 15, 1987. Comments postmarked or received after the above date may not be considered in the decisionmaking process on the issuance of a final rulemaking.

ADDRESS: Comments should be sent to:

Director (140), Bureau of Land Management, Room 5555, Main Interior Building, 1800 C Street NW., Washington, DC 20240.

Comments will be available for public review in Room 5555 of the above address during regular business hours (7:45 a.m. to 4:15 p.m.), Monday through Friday.

FOR FURTHER INFORMATION CONTACT: Carole Smith, (202) 343-6821, or Robert C. Bruce, (202) 343-8735.

SUPPLEMENTARY INFORMATION: As part of Department of the Interior Fiscal Year 1984 Appropriations Act (Pub. L. 98-63), the Congress directed the Office of Technology Assessment to assess whether the Federal coal management pogramn was ensuring the development of coal leases in an environmentally compatible manner. Among the issues studied and discussed in the resulting report, *Environmental Protection in the Federal Coal Leasing Program* (May 1984), was the Department of the Interior's application of the 20 coal unsuitability criteria during the land use planning process.

The Secretary of the Interior responded to the Office of Technology Assessment report on July 9, 1984, in a document entitled *Review of Planning Considerations in Federal Coal Leasing.* As part of that response, he directed the Bureau of Land Management to study the effects of the regulation changes made in 1982 and 1983 on the coal unsuitability criteria. The Bureau expanded the Secretary's directive to include an evaluation of the application of the criteria and a determination of the results. The resulting document, *A Review of the Unsuitability Criteria In Federal Coal Leasing* (March, 1985), was published for public comment and appeared in the February 1985 Draft Environmental Impact Statement to the 1979 Federal coal management program.

The final document included responses to the comments received and appeared as Appendix I in the Supplement to the Final Environmental Impact Statement to the Federal Coal Management Program in October 1985.

Based on the Environmental Impact Statement and the Secretarial Issue Document of January 1986, the Secretary of the Interior on February 21, 1986, made his decisions on 11 program-related issues, one of which is the subject of this proposed rulemaking. The Secretary also concurred on a number of other program issues, some of them related to the unsuitability criteria and their application during land use planning. This proposed rulemaking incorporates these Secretarial concurrences and responds to proposals made by the task force on unsuitability criteria that prepared the unsuitability report.

This proposed rulemaking would amend §§ 3420.1-4(c) and 3420.1-6 to implement the Secretary of the Interior's decision on issue 3 of the Secretarial Issue Document. The Secretary decided that no new unsuitability criteria would be promulgated through the rulemaking process. Instead, the existing regulations would be revised to specify that such items as wetlands, riparian habitat, sole-source aquifers, reclaimability of lands, and lands adjacent to Class I air quality areas or to units of the National Park System would receive increased emphasis during the multiple use assessment screen of land use planning. (For a description of the coal screens and the land use planning process, see Chapter 2 of the Final Environmental Impact Statement Supplement to the Federal Coal Management Program.) This proposed rulemaking also would provide a stronger consultation process with other affected surface management agencies by requiring a joint determination during land use planning by the Bureau of Land Management and the other surface management agency(s) that the purposes and values of the other agency(s) are considered. Further, as part of this new consultation process, the final land use plan would identify the types of mitigation that might be required if the lands were found eligible for further consideration for coal leasing. This consultation process has already been established through a memorandum of understanding between the Bureau and the National Park Service. The public is requested to consider and comment on the question of whether the planning and program coordination provided in this proposed rulemaking could be implemented through a series of memoranda of understandings similar to that entered into by the Bureau and the Park Service. Copies of the memorandum discussed herein can be obtained by contacting the Washington Office of the Bureau.

The proposed rulemaking would modify § 3420.1-4(c)(3) of the existing regulations by adding additional items to be given increased emphasis during the multiple use assessment screen of land use planning. Section 3420.1-6 of the existing regulations would be amended to add a provision that the Bureau of Land Management and the other surface management agency(s) whose lands might be adversely affected by coal-related land use planning decisions must jointly determine that the Bureau's lands are acceptable for further consideration for Federal coal leasing.

The recommendations of the unsuitability criteria task force appear beginning on page III-33 of Appendix III of the Secretarial Issue Document. The recommendations are discussed later in this preamble in the order in which they appear in Appendix III. The first task force recommendation requiring an amendment to the existing regulations would be a reformatting of the existing unsuitability criteria regulations concerning application procedures as set out in §§ 3461.2 through 3461.5. The proposed reformatting would consolidate the procedural requirements found in those sections and move them to § 3420.1-4, which sets forth the general requirements for land use planning. This change should simplify the regulations by putting in one place all requirements for applying the four screens, one of which is the unsuitability criteria. However, this proposed rulemaking modifies the proposed reformatting. An effort to consolidate all

of the procedural requirements set forth in subpart 3461 into § 3420.1–4 resulted in an unwieldy text which unbalanced the paragraphs in the sections describing the other three coal screens, i.e., development potential, multiple use assessment, and surface owner consultation. The rewrite discussed above and the problems encountered resulted in the proposed rulemaking making changes based on an earlier task force recommendation, found in the review report but not in Appendix III. The recommendation was that the sections within subpart 3461 be reversed so that the procedures for applying the unsuitability criteria, now found at §§ 3461.2 through 3461.5, would appear in §§ 3461.1 through 3461.4, and the list of criteria, now found in § 3461.1 would be moved to § 3461.5.

The second task force recommendation is to define certain terms used within specific unsuitability criteria, i.e., "municipal watershed," "occupied dwelling," "church," "gravesite," "cultural property," and "cultural resource." The change was recommended by the task force because it wanted to assure consistency with the terms as they are defined in the regulations of the Office of Surface Mining Reclamation and Enforcement. Definitions for the terms "occupied dwelling" and "cemetery" are found in the Office of Surface Mining regulations at 30 CFR Chapter VII. The term "church" is covered in the Office of Surface Mining regulations under the definition of the term "community or institutional buildings." The other terms listed by the task force are not defined in the Office of Surface Mining regulations. The following terms recommended for definition are not used in any of the 20 coal unsuitability criteria: "cultural property," "cultural resource" and "gravesite." Because these terms are not used in any specific criterion, there is no need to include definitions of the terms in this proposed rulemaking. Criterion 17, in which the term "municipal watershed" is used, does not require a definition of that term since a "municipal watershed" is established when the surface management agency commits the lands for that purpose.

This proposed rulemaking would define only those terms found in the regulations of the Office of Surface Mining Reclamation and Enforcement by reference to those regulations within the specific criterion concerning the defined term. Detail as to how each unsuitability criterion is to be applied will be set out in manuals and handbooks.

A third task force recommendation was that the Bureau of Land Management should clarify several aspects of the existing coal management regulations as they relate to the application of any unsuitability criteria which are deferred during land use planning. One recommendation was to specify at what point in activity planning (either regional activity planning or lease-by-application activity planning) the deferred unsuitability criterion must be applied or the lands affected by the criterion dropped from further consideration for coal leasing. This proposed rulemaking would amend § 3461.3–1(b)(1) by adding a sentence providing that the application of Criterion 19 (alluvial valley floors) may be deferred until approval of the mining permit. The proposed rulemaking would require that any other unsuitability criteria deferred during land use planning be applied before the environmental analysis is completed for the lands being studied for possible Federal coal leasing.

The task force also recommended that § 3461.3–1(b)(1) be amended to require a public comment period on the application of any unsuitability criterion previously deferred during land use planning. This recommendation has been adopted by the proposed rulemaking by adding language at the end of the section specifying such a public comment period.

The task force recommended that the reference to the plan maintenance provisions at the end of § 3461.3–1(c) be deleted. Plan maintenance is discussed in § 1610.5–4 of the planning regulations, and its inclusion in these regulations was considered by the task force to be redundant. This proposed rulemaking would not change the existing language. While the retention of the language of § 3461.3–1(c) of the existing regulations may appear to be duplicative of the language in the Bureau of Land Management's land use planning regulations, the language serves a useful purpose by placing the public on notice that certain changes in unsuitability designations are considered plan maintenance activities.

All of the remaining task force recommendations concerned modifications of specific unsuitability criteria. The task force suggested that Criterion 2, Federal lands within rights-of-way or easements or within surface leases for commercial, industrial or other public purposes, be modified to add an exception. The exception would clarify that rights-of-way or easements granted after approval of the land use plan would be subject to being moved if the subsurface coal were later leased and mined. The proposed rulemaking has adopted this suggestion and would amend the exception at Criterion 2 in § 3461.1(b)(1) to make the suggested change.

The task force suggested that criteria 2 and 3 be rewritten so that only one of them addresses rights-of-way and easements, including public roads, and the other one addresses public buildings, cemeteries, churches and commercial, industrial and residential land uses and their associated buffers. According to the task force, the primary confusion in applying the two criteria comes from the fact that public roads are discussed in both of them.

A review of criteria 2 and 3 shows that the primary difference between them is not the subject matter of each of them, but whether the rights-of-way or easements are located on private or Federal lands. Criterion 2 concerns only those rights-of-way, easements or surface leases on Federal (public) lands. Criterion 3 concerns public roads, cemeteries, public buildings, churches and commerical, industrial and residential land use on all lands, whether public or private. In other words, Criterion 3 concerns the mandatory, nondiscretionary, unsuitability criteria listed in section 522(e) of the Surface Mining Control and Reclamation Act of 1977. As a result of the review of these two criteria, the proposed rulemaking has not adopted this recommendation.

The task force recommended that Criterion 5, Federal lands designated as Class I scenic areas, be rearranged so that the exception, which now appears as the second sentence in the description of the criterion, be moved so that it would appear in a separate entry as an exception to Criterion 5. The proposed rulemaking has adopted this recommendation and would make a change to § 3461.1(3)(1) of the existing regulations.

Another recommendation of the task force dealt with Criterion 7, which concerns publicly owned sites listed on the National Register of Historic Places, and suggested that the existing regulations be changed to include privately owned National Register sites. Criterion 7 was changed in December 1983 to be consistent with the Office of Surface Mining Reclamation and Enforcement regulations, which had been changed to specifically exclude privately owned sites. The Office of Surface Mining published a final rulemaking in the **Federal Register** of February 11, 1987 (52 FR 4244), that modifies its existing regulations to

exclude mining operations from the vicinity of National Register sites whether on public or private lands. This change resulted from an opinion of the United States District Court for the District of Columbia and from a petition for rulemaking filed by the Society of Professional Archeologists. Because the basis for the Bureau's existing provisions for Criterion 7 was for consistency with the regulations of the Office of Surface Mining, the proposed rulemaking would change the provisions of Criterion 7 to conform them to the final rulemaking issued by the Office of Surface Mining.

Another unsuitability task force recommendation is that Criterion 8 be modified by deleting Exception 1 as it appears in § 3461.1(h)(2) of the existing regulations. That exception allows "an area or site of regional or local significance only" to be further considered for surface coal mining operations with State concurrence. The task force concluded that the exception did not make any sense in its present form becaue a "national" site of regional or local significance only is difficult to envision. A review of the July 1979 Federal coal management regulations shows that this particular exception was placed in the regulations subject to its proving to be useful as part of the land use planning process (See A. Unsuitability Criteria, p. 46, and B. Issue Paper 1, Land Unsuitability Criteria, Volume 1 of the Secretarial Issue Document on the July 1979 Federal Coal Management Program). The task force concluded that in practice, those attempting to apply the criterion found it confusing and unusable. Therefore, the proposed rulemaking adopts the recommendation of the task force and deletes the exception.

The task force recommended that Criterion 9 be modified in two ways. Criterion 9 concerns Federal designated critical habitat and habitat determined by the Fish and Wildlife Service to be of essential value for threatened and endangered species. The task force recommended that the criterion be modified to include proposed threatened and endangered species and proposed critical habitat for those proposed species. The task force made these two recommendations after concluding that existing procedures are perceived as providing inadequate protection for proposed threatened and endangered species and their habitat. The task force could not find any specific examples, however, of any proposed threatened and endangered species being inadequately protected under existing procedure.

When the Fish and Wildlife Service proposes a species for listing as threatened and endangered, it must have evidence demonstrating the necessity for protecting that species under the Endangered Species Act. Section 7(a)(4) of that Act requires all Federal agencies, including the Bureau of Land Management, to confer with the Secretary of the Interior on any action likely to jeopardize the continued existence of any species proposed for listing as threatened and endangered. The Bureau currently confers with the Fish and Wildlife Service, the agency designated by the Secretary to carry out his/her responsibility under the Endangered Species Act, as part of the multiple use assessment screen during land use planning. In this screen, the proposed threatened and endangered species compete with other high priority species for protection, even though the Bureau has a responsibility to ensure the recovery of a species once it has been proposed for listing by the Fish and Wildlife Service. The result has been that treatment of proposed threatened and endangered species has been discretionary with the general management objectives established for individual species. The recommendation for treatment of proposed threatened and endangered species in the existing regulations was designed to achieve consistency of treatment for proposed species. This proposed rulemaking has adopted the recommendation of the task force on this point and would modify Criterion 9 in § 3461.1(i) to include proposed threatened and endangered species and their proposed critical habitat as unsuitable for further consideration for surface coal mining operations.

Criterion 15 as it appears in the existing regulations was the subject of two recommendations of the task force. Criterion 15 deals with Federal lands that are fish and wildlife habitat for resident species of high interest to the State and that are essential for maintaining these high priority wildlife species.The task force recommended that the criterion be amended to include protection for sensitive plants, and that the phrase "most critical" found in § 3461.1(o)(1)(ii) be changed to "crucial" to avoid confusion with the terminology used in connection with threatened and endangered species. The proposed rulemaking has adopted these recommended changes. Criterion 15 in its existing form covers game species of interest to a State because of the revenues generated from hunting licenses issued by the States for those species. Introducing sensitive plants into the criterion would change the criterion from what was originally intended and mix purposes. There is, however, no existing criterion for considering sensitive, that is, high interest, plants in the existing regulations. While the proposed rulemaking would include sensitive plants in Criterion 15, the public is specifically asked to comment on where, in the unsuitability criteria, to include a provision covering sensitive plants, as well as any nonregulatory process that might be used for ensuring that sensitive plants are given adequate consideration in coal land use planning.

A final task force recommendation was that Criterion 20 as it appears in § 3461.1(t)(1) of the existing regulations be expanded to allow Indian tribes, as well as State Governors, to recommend new unsuitablity criteria to the Secretary of the Interior. The task force was of the view that this change to Criterion 20 would facilitate coordination with Indian tribes during land use planning. The proposed rulemaking has adopted this recommendation and would amend the existing regulations to allow Indian tribes to recommend specific unsuitability criteria to the Secretary, who would review the recommendation and either adopt it or not adopt it.

This proposed rulemaking also would make one change recommended by the task force report, but not found in Appendix III to the Secretarial Issue Document. The language contained in the exemption to Criterion 1 which refers to lands proposed for inclusion in the various land systems would be deleted. This language was inadvertently retained when Criterion 1 was changed in July 1982 to conform to the court decision in *Texaco and NCA* v. *Andrus*.

The principal author of this proposed rulemaking is Carole Smith, Division of Solid Mineral Leasing, Bureau of Land Management, assisted by the staff of the Division of Legislation and Regulatory Management, Bureau of Land Management.

It is hereby determined that this rulemaking does not constitute a major Federal action significantly affecting the quality of the human environment and that no detailed statement pursuant to section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is required.

The Department of the Interior has determined that this document is not a major rule under Executive Order 12291 and that it will not have a significant economic effect on a substantial number of small entities under the Regulatory Flexibility Act (5 U.S.C. 601 et seq.).

The changes made by this proposed rulemaking may affect the acreage that the United States may ultimately offer for coal lease sale. However, the effect of the proposed changes on small entities will be no greater and no less than their effect on all other classes of potential lessees.

The information collection requirements for Group 3400 have been approved by the Office of Management and Budget under 44 U.S.C. 3507 and assigned approval number 1004—0073.

List of Subjects

43 CFR Part 3420

Administrative practice and procedure, Coal, Government contracts, Intergovernmental relations, Mines, Public lands—mineral resources, Reporting and recordkeeping requirements.

43 CFR Part 3460

Coal, Environmental protection, Government contracts, Mines, Public lands—mineral resources.

Under the authority of the Mineral Leasing Act of 1920, as amended and supplemented (30 U.S.C. 181 et seq.), the Mineral Leasing Act for Acquired Lands, as amended (30 U.S.C. 351—359), the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.), the Surface Mining Control and Reclamation Act (30 U.S.C. 1201 et seq.), the Multiple Mineral Development Act (30 U.S.C. 521—531), the Department of Energy Organization Act (42 U.S.C. 7101 et seq.), the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.), the Federal Coal Leasing Amendments Act, as amended (90 Stat. 1083—1092) and the Act of October 30, 1978 (92 Stat. 2073—2075), is is proposed to amend Parts 3420 and 3460, Group 3400, Subchapter C, Chapter II of Title 43 of the Code of Federal Reguations as set forth below:

PART 3420—[AMENDED]

1. The authority citation for part 3420 continues to read:

Authority: 30 U.S.C. 181 et seq., 30 U.S.C. 351–359; 30 U.S.C. 521–531; 30 U.S.C. 1201 et seq.; 42 U.S.C. 1701 et seq.; 43 U.S.C. 1701 et seq.; 15 U.S.C. 631–644.

§ 3420.1–4 [Amended]

2. Section 3420.1–4(e) is amended by revising paragraph (3) to read:

"(3) Multiple land use decisions shall be made which may eliminate additional coal deposits from further consideration for leasing to protect other resource values and land uses that are locally, regionally or nationally important or unique and that are not included in the unsuitability criteria discussed in paragraph (e) of this section. Such values and uses include, but are not limited to, those identified in section 522(a)(3) of the Surface Mining Reclamation and Control Act of 1977 and as defined in 30 CFR 762.5. In making these multiple use decisions, the Bureau of Land Management or the surface management agency conducting the land use planning shall place particular emphasis on protecting the following: air and water quality; wetlands, riparian areas and sole-source aquifers; the Federal lands which, if leased, would adversely impact units of the National Park System, the National Wildlife Refuge System, the National System of Trails, and the National Wild and Scenic Rivers System."

3. Section 3420.1–6 is revised to read:

§ 3420.1–6 Consultation with Federal surface management agencies.

Where a Federal surface management agency other than the Bureau of Land Management administers limited areas overlying Federal coal within the boundaries of a comprehensive land use plan or land use analysis being prepared by the Bureau of Land Management, or where the Bureau of Land Management manages lands on which coal devleopment may impact land units of other Federal agencies, the Bureau of Land Management shall consult with the other agency to jointly determine the acceptability for further consideration for leasing of the potentially impacted lands the other agency administers or lands managed by the Bureau of Land Management that may impact lands of another agency.

PART 3460—[AMENDED]

4. The authority citation for part 3460 continues to read:

Authority: 30 U.S.C. 181 et seq.; 30 U.S.C. 351–359; 40 U.S.C. 521–531; 30 U.S.C. 1201 et seq.; 43 U.S.C. 1701 et seq.; unless otherwise noted.

5. Sections 3461.2 through 3461.5 are renumbered §§ 3461.1 through 3461.4 and § 3461.1 is renumbered § 3461.5 and is amended by:

A. Amending paragraph (a)(3) by removing the last sentence of that paragraph in its entirety;

B. Amending paragraph (b)(2) by removing the period at the end of subparagraph (v) and replacing it with a semicolon and the word "or" and by adding a new subparagraph (vi) to read:

"(vi) The right-of-way or easement was granted after the approval of the land use plan in which case the right-of-way or easement would be subject to being moved, if the lands were later leased.";

C. Amending paragraph (c)(1) by adding immediately after the phrase *"Criterion Number 3."* the sentence "The terms used in this criterion have the meaning set out in the Office of Surface Mining Reclamation and Enforcement regulations at Chapter VII of Title 30 of the Code of Federal Regulations.";

D. Revising paragraph (e) to read:

"(e)(1) *Criterion Number 5.* Scenic Federal lands designated by visual resource management analysis as Class I (an areas of outstanding scenic quality or high visual sensitivity) but not currently on the National Register of Natural Landmarks shall be considered unsuitable.

(2) *Exception.* A lease may be issued if the surface management agency determines that surface coal mining operations will not significantly diminish or adversely affect the scenic quality of the designated area.

(3) *Exemptions.* This criterion does not apply to lands: to which the operator has made substantial legal and financial commitments prior to January 4, 1977; on which surface coal mining operations were being conducted on August 3, 1977, or which include operations on which a permit has been issued."

E. Amending paragraph (g)(1) by removing from where it appears the phrase "All publicly owned places on Federal lands which are included" and replacing it with the phrase "All publicly or privately owned places which are included";

F. Amending paragraph (h)(2) by removing subparagraph (i) in its entirety and be renumbering subparagraphs (ii) and (iii) as subparagraphs (i) and (ii), respectively;

G. Amending paragraph (i)(1) by removing from where it appears the phrase "Federally designated critical habitat for threatened or endangered animal and plant species, and habitat" and replacing it with the phrase "Federally designated critical habitat for listed threatened or endangered plant and animal species, and habitat proposed to be designated as critical for listed threated or endangered plant and animal species or species proposed for listing, and habitat";

H. Revising paragraph (o)(1) to read:

"(o)(1) *Criteron Number 15.* Federal lands which the surface management agency and the state jointly agree are habitat for resident species of fish, wildlife and plants of high interest to the state and which are essential for maintaining these priority wildlife and plant species shall be considered

unsuitable. Examples of such lands which serve a critical function for the species involved include:

(i) Active dancing and strutting grounds for sage grouse, sharp-tailed grouse, and prairie chicken;

"(ii) Winter ranges crucial for deer, antelope, and elk;

"(iii) Migration corridor for elk; and

"(iv) Extremes of range for plant species."; and

I. Amending paragraph (t) by:

(1) Revising subparagraph (1)(i) to read:

"(i) Proposed by the state or Indian tribe located in the planning area, and"; and

(2) Amending subparagraph (2)(ii) by removing from where is appears the phrase "the state, the surface management agency" and replacing it with the phrase "the state or affected Indian tribe, the surface management agency".

6. Section 3461.2–1(b)(1), formerly § 2461.3–1, is revised to read:

"(b)(1) The authorized officer shall make his/her assessment on the best available data that can be obtained given the time and resources available to prepare the plan. The comprehensive land use plan or land use analysis shall include an indication of the adequacy and reliability of the data involved. Where either a criterion or exception (when under paragraph (a) of this section the authorized officer decides that application of an exception is appropriate) cannot be applied during the land use planning process because of inadequate or unreliable data, the plan or analysis shall discuss the reasons therefor and disclose when the data needed to make an assessment with reasonable certainty would be generated. In the case of Criterion 19, application shall be made before approval of the mining permit. In the case of other deferred criteria, application shall be made prior to finalizing the environmental analysis for the area being studied for coal leasing. The authorized officer shall make every effort within the time and resources available to collect adequate and reliable data which would permit the application of Criterion 19 in the land use or activity planning process. When those data are obtained, the authorized officer shall make public his/her assessment on the application of the criterion or, if appropriate, the exception and the reasons therefor and allow opportunity for public comment on the adequacy of the application as required by paragraph (a)(2) of this section."

J. Steven Griles,

Assistant Secretary of the Interior.

March 6, 1987.

[FR Doc. 87–10988 Filed 5–14–87; 8:45 am]

BILLING CODE 4310–84–M

FEDERAL MARITIME COMMISSION

46 CFR Part 586

[Docket No. 87–6]

Actions To Adjust or Meet Conditions Unfavorable to Shipping in the United States/Peru Trade

AGENCY: Federal Maritime Commission.

ACTION: Proposed Rule; Extension of Time to Comment.

SUMMARY: The Federal Maritime Commission is extending until July 3, 1987, the period of filing comments in this proceeding.

DATES: Comments due on or before July 3, 1987.

ADDRESS: Send Comments (Original and 15 copies) to: Joseph C. Polking, Secretary, Federal Maritime Commission, 1100 L Street, NW., Washington, DC 20573 (202) 523–5725.

FOR FURTHER INFORMATION CONTACT: Robert D. Bourgoin, General Counsel, Federal Maritime Commission, 1100 L Street, NW., Washington, DC 20573, (202) 523–5740.

SUPPLEMENTARY INFORMATION: The Commission instituted this proceeding by Notice published in the **Federal Register** on April 13, 1987 ("April Notice") (52 FR 11832) to address apparent conditions unfavorable to shipping the United States-Peru trade ("the Trade") pursuant to section 19(1)(b) of the Merchant Marine Act, 1920 ("Section 19") , 46 U.S.C. app. 876. Comments on the proposed rule are presently due May 13, 1987. Three Peruvian-flag carriers, Compania Peruana de Vapores, Naviera Neptuno, S.A., and Emprea Naviera Santa, S.A., ("Petitioners") have now jointly filed a petition to extend the time for comments "until July 1, 1987, or a date not earlier than fourteen (14) days after the promulgation of regulations by the Government of Peru" to implement a Memorandum of Understanding ("MOU") reached between the Government of Peru and the Government of the United States on May 1, 1987. Petitioners contend that conditions in the Trade will be directly affected by the regulations issued pursuant to the MOU and, therefore, any comments submitted in this proceeding should consider and address the regulations and their effect on conditions in the Trade.

The MOU, which is attached to the Petition, states that Peruvian authorities will, upon application from third-flag vessel operators, grant renewable two-year authorizations for free access to the Trade. The MOU states further that consistent with the principle of reciprocity, these authorizations may be denied to third-flag vessel operators whose countries deny Peruvian operators access to their cross-trades. Finally, the MOU provides that within forty-five days of its signing on May 1, 1987, the Government of Peru will promulgate "pertinent regulations" pertaining to the access of third-flag vessels to the Trade.

The section 19 action proposed by the April Notice is intended to address apparent conditions unfavorable to shipping in the Trade resulting from burdens imposed by the Government of Peru on non-Peruvian-flag carriers, which burdens are not experienced by Peruvian-flag carriers. The MOU appears to be a significant development which may be expected to affect access of non-Peruvian-flag carriers to the Trade. For this reason, the Commission believes it appropriate to extend the time for comments on the proposed rule in order to obtain the views of interested parties on this recent development.

Therefore, the time within which interested parties may file comments in this proceeding is extended to July 3, 1987. In addition to the matters previously set forth in the April Notice, such comments may address the Memorandum of Understanding and any regulations promulgated by the Government of Peru pursuant thereto.

By the Commission.

Joseph C. Polking,

Secretary.

[FR Doc. 87–11018 Filed 5–14–87; 8:45 am]

BILLING CODE 6730–01–M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 67

[CC Docket Nos. 78–72 and 80–286; FCC 87J–2]

Common Carrier Services; Allocation of Costs Between the State and Interstate Jurisdictions

AGENCY: Federal Communications Commission; Federal-State Joint Board.

ACTION: Recommended Decision and Order.

SUMMARY: As a result of AT&Ts intention to assume the billing and collecting functions from the local exchange carriers, this action recommends changing the Allocation method for revenue Accounting Expenses.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Michael Wilson or Gary Seigel, Accounting and Audits Division, Common Carrier Bureau, (202) 632–7500.

SUPPLEMENTARY INFORMATION: This is a summary of the Federal-State Joint Board's *Recommended Decision and Order,* MTS and WATS Market Structure, Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board, CC Docket Nos. 78–72 and 80–286, adopted March 12, 1987, released April 9, 1987. The full text of this *Recommended Decision and Order* is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC. The complete text may also be purchased from the Commission's copy contractors, International Transcription Service. (202 857–3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Summary of Recommended Decision and Order

1. The American Telephone and Telegraph Company (AT&T) has stated its intention to discontinue subscribing to a portion of the interexchange billing and collecting services offered by the local exchange carriers (LECs). AT&T is currently the only interexchange carrier (IC) generating significant amounts of billing and collecting revenues for the LECs. The Federal-State Joint Board was concerned that this assumption of the billing and collecting function by AT&T might have an impact on the state and interestate revenue requirements for revenue accounting expense. Therefore, the Joint Board sought comment and data on proposed amendments to Part 67 of the Commission's rules to change the manner in which the revenue accounting expenses in Account 662, Accounting Department Expense, are separated between the state and interstate jurisdictions.[1]

2. After reviewing the comments and on further analysis, the Joint Board recommended that the revenue accounting expenses in Account 662, Accounting Department Expense, for each study area, be segregated into the following categories based on an analysis of job functions: (1) Message Processing Expense; (2) Other Billing and Collecting Expense; and (3) Carrier Access Charge Billing and Collecting Expense. The Joint Board recommended that the Message Processing Expense category be divided into Toll Ticket Processing Expense and Local Message Processing Expense based on the relative number of toll and local messages. Those expenses apportioned to the Toll Ticket Processing Expense subcategory would be allocated between the jurisdictions based on the relative number of state and interstate toll messages. This is the same separations procedure currently used for the uncombined categories of Local Message Processing Expense and Toll Message Processing Expense. The Joint Board suggested that the Other Billing and Collecting Expense category be allocated on the basis of the proportion of users billed for interstate services adjusted to reflect any reduction in the number of interstate users billed by the LECs as AT&T discontinues subscribing to the billing and collecting services offered by the LECs. The Joint Board's further suggested that, for LECs, the allocation to the interstate jurisdiction, for the Other Billing and Collecting Expense category, be limited to a maximum of 33 percent and a minimum of 5 percent. For the Carrier Access Charge Billing and Collecting Expense, the Joint Board recommended retention of the current procedures which assigns all such expense to the interstate jurisdiction if there are no state access charges assessed; if state access charges, other than subscriber line access charges, are assessed, one-half of such expense will be allocated to the interstate jurisdiction and one-half to the state jurisdiction.

3. The Joint Board found that the current procedures for the Message Processing Expense the Carrier Access Charge Billing and Collecting Expense categories provide sound allocation methods and do not require the carriers to conduct additional usage studies. Therefore, the Joint Board recommended the procedures for allocating these categories be left intact. The Joint Board recommended that the Other Billing and Collecting category be changed from the current procedures to allow jurisdictional separations to reflect any reduction in the number of interstate users billed by the LECs as AT&T discontinues subscribing to the billing and collecting services offered by the LECs. The Joint Board stated that assignment of the Other Billing and Collecting category should reflect the three basic services for which the LECs render bills: local, state toll and interstate toll. Therefore, the maximum interstate assignment would be 33 percent of total costs in the Other Billing and Collecting Expense category. As AT&T begins performing its own billing and collecting functions, the 33 percent assignment to the interstate jurisdiction would be adjusted accordingly. The Joint Board recommended a minimum 5 percent assignment of the Other Billing and Collecting Expense category to the interstate jurisdiction to reflect the LEC's cost of billing all users for the federal subscriber line charge. The Joint Board recommended that these new procedures become effective January 1, 1988.

Federal Communications Commission.

William J. Tricarico,

Secretary.

[FR Doc. 87–11103 Filed 5–14–87; 8:45 am]

BILLING CODE 6712-01-M

[1] MTS and WATS Market Structure, Amendment of Part 67 of the Commission's Rules and Establishment of a Joint Board, CC Docket Nos. 78–72 and 80–286, FCC 86J–3, released July 25, 1986.

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47 CFR Part 80

[General Docket 79–144; FCC 87–64]

Protection From Potentially Hazardous Environmental Radiofrequency Radiation From Ship Earth Stations and Ship Radar Stations

AGENCY: Federal Communications Commission (FCC).

ACTION: Proposed rule.

SUMMARY: This item proposes to amend Part 80 of the Commission's Rules to establish rules for ship earth stations and ship radar stations to help prevent excessive human exposure to RF radiation from these facilities. This item follows the Commission's earlier *Report and Order* and *Further Notice of Proposed Rule Making* in this proceeding, and is a consequence of the Commission's responsibilities under the National Environmental Policy Act of 1969 to assess environmental impact of FCC-regulated facilities.

DATES: Comments are due on or before July 17, 1987, and Reply comments are due on or before August 17, 1987.

ADDRESS: Federal Communications Commission, 1919 M Street, NW, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Dr. Robert F. Cleveland, Office of Engineering and Technology, FCC, telephone (202) 653–8169.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's *Third Notice of Proposed Rule Making (NPRM)*, General Docket 79–144, FCC 87–64, Adopted February 12, 1987, and Released May 8, 1987.

The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW, Washington, DC. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Services, Inc., (202) 857–3800, 2100 M Street, NW., Suite 140, Washington, DC 20037.

The collection of information requirement contained in this proposed rule has been submitted to OMB for review under Section 3504(h) of the Paperwork Reduction Act. Persons wishing to comment on this collection of information requirement should direct their comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503, Attention: Desk Officer for Federal Communications Commission.

Summary of Third Notice of Proposed Rulemaking

1. In the first *Report and Order* (50 FR 11151; 3/20/85) in this proceeding the Commission amended its rules in Part 1 implementing the National Environmental Policy Act of 1969 (NEPA). The amendment provided that potential human exposure to environmental RF radiation would be explicitly evaluated at the time of licensing or authorization of designated FCC-regulated services. At the same time, a *Further Notice of Proposed Rule Making* (50 FR 10814; 3/18/85) proposed that most other FCC-regulated services would be categorically excluded from such routine environmental evaluation.

2. In addition to our proposal for categorical exclusion, we also requested comment in the *Further Notice* on a second proposal to require environmental evaluation under Part 1 of the Rules for ship earth stations. This proposal was based on our tentative conclusion that these transmitters might cause excessive exposures to RF radiation. However, we concluded that additional information was needed before a final decision could be made.

3. The *Second Report and Order* in this docket (52 FR 13240; 4/22/87), adopted at the same time as this NPRM, amends Section 1.1307(b) of the FCC Rules and Regulations specifying that routine environmental evaluation, with regard to RF radiation exposure will only be required for services licensed or approved under the following Parts of the Rules: Part 5 (experimental radio), Part 25 (satellite communications), Part 73 (radio and television broadcast), Part 74, Subpart A (experimental broadcast), and Part 74, Subpart G (low power television). All other FCC-regulated services are categorically excluded from routine environmental evaluation for RF radiation outlined in Part 1.

6. We have now modified our original proposal concerning ship earth stations. Through this *NPRM*, we are proposing to amend Part 80 of the FCC Rules to add a requirement that both ship earth stations and ship radar stations not cause excessive exposure to RF radiation. We believe that these facilities could cause potentially hazardous environmental exposure to RF radiation. But we believe that it would be administratively impractical to require routine environmental evaluation of each and every application for these facilities at the time of licensing.

7. By amending Part 80 we would be satisfying the Commission's obligation under NEPA to ensure that these facilities do not cause excessive exposure, and, thus, routine environmental analysis at the time of licensing would not be necessary. Our original proposal had only targeted ship earth stations for evaluation of RF environmental radiation. However, comments received and our own analysis have suggested that ship radar stations should also be evaluated. We invite comment on this proposal.

8. Pursuant to the Regulatory Flexibility Act of 1980, 5 U.S.C. 603, this action should not have significant impact on small entities. Public comment is requested on the initial regulatory flexibility analysis set out in full in the Commission's complete decision.

9. This item has been analyzed with respect to the Paperwork Reduction Act of 1980 and found to contain new or modified form, information collection and/or recordkeeping, labeling, disclosure, or record retention requirements. Implementation of any new or modified requirements will be subject to approval by the Office of Management and Budget as prescribed by the Act.

Ordering Clauses

10. Accordingly, it is ordered that there is hereby instituted a *Third Notice of Proposed Rule Making* to amend Part 80 of the Commission's Rules and Regulations as set forth below. All interested persons may file comments on this specific proposal on or before July 17, 1987. Reply comments shall be filed on or before August 17, 1987. In accordance with § 1.1419 of the Commission's Rules, 47 CFR 1.1419, an original and five (5) copies of all filings shall be furnished to the Commission. Copies of comments and reply comments filed in this proceeding will be available for public inspection during regular business hours in the Commission's Reference Room at 1919 M Street NW., Washington, DC 20554.

11. These actions are taken pursuant to the provisions of sections 4(i), 4(j), and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 154(i), 154(j), and 303(r).

List of Subjects in 47 CFR Part 80

Maritime services, Ship earth stations, Marine radar, Radiofrequency radiation.

Proposed Rule Changes

It is proposed to amend Part 80, Chapter I of Title 47 of the Code of Federal Regulations as follows:

PART 80—STATIONS IN THE MARITIME SERVICES

1. The authority citation for Part 80 continues to read:

Authority: Sections 4(i), 4(j), and 303(r) of the Communications Act of 1934, as amended, 47 U.S.C. 154(i), 154(j), and 303(r).

Subpart C—Operating Requirements and Procedures Station Requirements—Ship Stations

Section 80.83 would be added to Subpart C as follows:

§ 80.83 Protection from potentially hazardous RD radiation.

Transmitters for ship earth stations and ship radar stations must be operated and installed in such a way that no person will be exposed to radiofrequency (RF) radiation in excess of the RF exposure guidelines specified in § 1.1307(b) of the Commission's Rules. Otherwise an Environmental Assessment, as defined in § 1.1311, must be filed at the time of application for a license.

* * * * *

Subpart E—General Technical Standards

* * * * *

Section 80.227 would be added to Subpart E as follows:

§ 80.227 Special requirements for protection from RF radiation.

As part of the information provided with each such unit, manufacturers of transmitters for ship earth stations and ship radar stations must include

installation and operating instructions advising how to prevent human exposure to radiofrequency (RF) radiation in excess of the RF exposure guidelines specified in § 1.1307(b) of the Commission's Rules.

Federal Communications Commission.

William J. Tricarico,

Secretary.

[FR Doc. 87-11096 Filed 5-14-87; 8:45 am]

BILLING CODE 6712-01-M

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Parts 684, 681, 680, and 685

Bottomfish and Seamount Groundfish Fisheries, Western Pacific Spiny Lobster Fisheries, Precious Corals, and Pelagic Fisheries; Change of Public Hearing Date

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

ACTION: Change of date for a public hearing.

SUMMARY: The Western Pacific Fishery Management Council scheduled public hearings on amendments to several fishery management plans, published May 8, 1987 (52 FR 17422), and by this notice is changing the date of the hearing scheduled to be held in Guam. All other information remains the same.

DATE: Hearing date May 20, 1987.

FOR FURTHER INFORMATION CONTACT: Kitty Simonds, Executive Director, Western Pacific Fishery Management Council, 1164 Bishop Street, Room 1405, Honolulu, Hawaii 96813, 808-523-1368, (FTS) 546-8923..

The hearing previously scheduled for May 14, 1987, will be held May 20, 1987, 7:00 p.m., Guam Legislative Session Hall, 165 Chalan Santo Papa, Juan Pablo Des (John Paul II Street), Agana, Guam.

Dated: May 12, 1987.

Richard B. Roe,

Director, Office of Fisheries Management, National Marine Fisheries Service.

[FR Doc. 87-11200 Filed 5-14-87; 8:45 am]

BILLING CODE 3510-22-M

Notices

Federal Register
Vol. 52, No. 94
Friday, May 15, 1987

This section of the FEDERAL REGISTER contains documents other than rules or proposed rules that are applicable to the public. Notices of hearings and investigations, committee meetings, agency decisions and rulings, delegations of authority, filing of petitions and applications and agency statements of organization and functions are examples of documents appearing in this section.

DEPARTMENT OF AGRICULTURE

Food and Nutrition Service

Special Supplemental Food Program for Women, Infants and Children; Poverty Income Guidelines

AGENCY: Food and Nutrition, USDA.

ACTION: Notice.

SUMMARY: The Department announces adjusted poverty income guidelines to be used by State agencies in determining the income eligibility of persons applying to participate in the Special Supplemental Food Program for Women, Infants and Children (WIC Program). These poverty income guidelines are to be used in conjunction with the WIC Regulations, 7 CFR Part 246.

EFFECTIVE DATE: July 1, 1987.

FOR FURTHER INFORMATION CONTACT: Barbara Hallman, Branch Chief, Policy and Program Development Branch, Supplemental Food Programs Division, FNS, USDA, Park Officer Center, Alexandria, Virginia 22302. (703) 756–3730.

SUPPLEMENTARY INFORMATION: This final action has been reviewed under Executive Order 12291, and has been determined to be *not major*. The Department does not anticipate that this notice will have an annual effect on the economy of $100 million or more. This action will not result in a major increase in costs or prices for consumers; individual industries; Federal, State, or local government agencies; or geographic regions. Nor will this action 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.

The action has been reviewed in accordance with the requirements of the Regulatory Flexibility Act (5 U.S.C. 601–612). Pursuant to that review, the Administrator of the Food and Nutrition Service has determined that the action will not have a significant economic impact on a substantial number of small entities. This notice does not contain reporting or recordkeeping requirements subject to approval by the Office of Management and Budget in accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. 3507).

This program is listed in the Catalog of Federal Domestic Assistance Programs under No. 10.577 and is subject to the provisions of Executive Order 12372, which requires intergovernmental consultation with State and local officials (7 CFR Part 3015, Subpart V, 48 FR 29112).

Section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786) requires the Secretary to establish income criteria to be used with nutritional risk criteria in determining a person's eligibility for participation in the WIC Program. The law provides that persons will be eligible for the WIC Program only if they are members of families that satisfy the income standard prescribed for reduced-price school meals under section 9 of the National School Lunch Act (42 U.S.C. 1758). Under section 9, the income limit for reduced-price school meals is 185 percent of the Federal poverty income guidelines, as adjusted.

Section 9 also requires that these guidelines be revised annually to reflect changes in the Consumer Price Index. The annual revision for 1987 was published by the Department of Health and Human Services (DHHS) in the **Federal Register** for February 20, 1987 at 52 FR 5340. The guidelines published by DHHS are referred to as the poverty income guidelines.

The Department published final WIC regulations on February 13, 1985, at 50 FR 6108. Section 246.7(c) specifies that State agencies may prescribe income guidelines either equaling the income guidelines established under section 9 of the National School Lunch Act for reduced-price school meals or identical to State or local guidelines for free or reduced-price health care. However, in conforming WIC income guidelines to State or local health care guidelines, the State cannot establish WIC guidelines which exceed the guidelines established under section 9 of the National School Lunch Act for reduced-price school meals, or are less than 100 percent of the Federal poverty income guidelines.

Consistent with the method used to compute eligibility guidelines for reduced-priced meals under the National School Lunch Program, the poverty income guidelines were multiplied by 1.85 and the results rounded upward to the next whole dollar.

At this time the Department is publishing the maximum and minimum WIC poverty income limits by household size for the period July 1, 1987 to June 30, 1988. The first table of this notice contains the income limits by household size for the 48 contiguous States, the District of Columbia and all Territories, including Guam. Because the poverty income guidelines for Alaska and Hawaii are higher than for the 48 contiguous States, separate tables for Alaska and Hawaii have been included for the convenience of the State agencies.

[Effective July 1, 1987—June 30, 1988]

Family size	Annual poverty income guidelines (PIG)	Annual FNS income guidelines for reduced-price lunches (185% of PIG)
48 States, District of Columbia, Puerto Rico, Virgin Islands, and Territories, including Guam:		
1	5,500	10,175
2	7,400	13,690
3	9,300	17,205
4	11,200	20,720
5	13,100	24,235
6	15,000	27,750
7	16,900	31,265
8	18,800	34,780
For each additional family member add	1,900	3,515
Alaska:		
1	6,860	12,691
2	9,240	17,094
3	11,620	21,497
4	14,000	25,900
5	16,380	30,303
6	18,760	34,706
7	21,140	39,109
8	23,520	43,512
For each additional family member add	2,380	4,403
Hawaii:		
1	6,310	11,674
2	8,500	15,725
3	10,690	19,777
4	12,880	23,828
5	15,070	27,880
6	17,260	31,931
7	19,450	35,983
8	21,640	40,034
For each additional family member add	2,190	4,052

Authority: (42 U.S.C. 1786).

Dated: May 11, 1987.

S. Anna Kondratas,

Acting Administrator, Food and Nutrition Service.

[FR Doc. 87-11095 Filed 5-14-87; 8:45 am]

BILLING CODE 3401-30-M

DEPARTMENT OF COMMERCE

Patent and Trademark Office

Public Advisory Committee for Trademark Affairs; Open Meeting

In accordance with section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463), announcement is made of the following Committee meeting:

The Public Advisory Committee for Trademark Affairs will meet from 10:00 a.m. until 5:00 p.m. on June 2, 1987, at the U.S. Patent and Trademark Office in Room 11C24 of Building 3, Crystal Plaza, located at 2021 Jefferson Davis Highway, Arlington, Virginia.

The agenda for the meeting is as follows:

(1) Automation Activities

(2) Financial Reporting

(3) Quality of the Registration Process

(4) Intent to Use Legislation

The meeting will be open to public observation; approximately twelve (12) seats will be available for the public on a first-come first-served basis.

If time permits, oral comments by the public of three (3) minutes on each topic within the above agenda will be allowed. Written comments and suggestions will be accepted before or after the meeting on any of the matters discussed.

Copies of the minutes will be available upon request.

For further information, contact Ellen J. Seeherman, Office of the Assistant Commissioner for Trademarks, Room CP3-11C17, Patent and Trademark Office, Washington, DC 20231. Telephone: 703-557-7464.

Dated: May 8, 1987.

Approved:

Donald J. Quigg,

Assistant Secretary and Commissioner of Patents and Trademarks.

[FR Doc. 87-11121 Filed 5-14-87; 8:45 am]

BILLING CODE 3510-16-M

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Import Restraint Limits for Certain Cotton, Wool, Man-Made Fiber Silk Blend and Other Vegetable Fiber Textiles and Textile Products, Produced or Manufactured in Sri Lanka

May 12, 1987.

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 June 1, 1987. For further information contact Kim Pham, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 377-4212. For information on the quota status of these limits, please refer to the Quota Status Reports which are posted on the bulletin boards of each Customs port or call (202) 682-3075. For information on embargoes and quota re-openings, please call (202) 377-3715.

Background

The Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of May 10, 1983 as amended between the Governments of the United States and Sri Lanka establishes specific restraint limits for cotton, wool, man-made fiber, silk blend and other vegetable fiber textiles and textile products in Categories 331, 333/633, 334, 335, 336, 337, 338, 339, 340, 341, 342, 345/845, 347, 348, 350, 351, 363, 369-S, 442, 445/446, 631, 634, 635, 636/836, 638/639/838, 640, 641, 642/842, 644, 645/646, 647 and 648, produced or manufactured in Sri Lanka and exported to the United States during the twelve-month period beginning on June 1, 1987 and extending through May 31, 1988. The levels for Categories 335, 336, 340, 341, 641 and 648 have been reduced to account for carryforward used in the previous agreement year.

In the letter published below the Chairman of the Committee for the Implementation of Textile Agreements directs the Commissioner of Customs, in accordance with the terms of the bilateral agreement, to prohibit entry into the United States for consumption, or withdrawal from warehouse for consumption, of textiles and textile products in the foregoing categories, produced or manufactured in Sri Lanka and exported during the twelve-month period beginning on June 1, 1987 and extending through May 31, 1988, in the excess of the designated levels of restraint.

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), July 14, 1986 (51 FR 25386), July 29, 1986 (51 FR 27068) and in Statistical Headnote 5, Schedule 3 of the TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1987).

This letter and the actions taken pursuant to it are not designed to implement all of the provisions of the bilateral agreement, but are designed to assist only in the implementation of certain of its provisions.

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

May 12, 1987.

Committee for the Implementation of Textile Agreements

Commissioner of Customs,
Department of the Treasury, Washington, DC 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 further extended on July 31, 1986; pursuant to the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of May 10, 1983, as amended, between the Governments of the United States and Sri Lanka; and in accordance with the provisions of Executive Order 11651 of March 3, 1972, as amended, you are directed to prohibit, effective on June 1, 1987, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton, wool, man-made fiber, silk blend and other vegetable fiber textiles and textile products in the following categories, produced or manufactured in Sri Lanka and exported during the twelve-month period beginning on June 1, 1987 and extending through May 31, 1988, in excess of the indicated restraint limits:

Category	12-Mo. limit
331	1,082,612 dozen pairs.
333/633	30,740 dozen.
334	211,029 dozen.
335	145,904 dozen.
336	67,416 dozen.
337	119,102 dozen.
338	260,675 dozen.
339	449,442 dozen of which not more than 335,000 dozen shall be in other than tank tops and T-shirts.[1].
340	524,984 dozen.
341	525,256 dozen.
342	202,248 dozen.
345/845	95,400 dozen.
347	417,167 dozen.
348	309,318 dozen.
350	47,700 dozen.
351	111,300 dozen.
363	6,741,600 numbers.
369-S [2]	951,622 pounds.
442	12,120 dozen.
445/446	94,003 dozen.
631	328,244 dozen pairs.
634	126,248 dozen.
635	208,309 dozen.
636/836	145,000 dozen.
638/639/838	485,000 dozen.
640	108,550 dozen.
641	525,256 dozen.
642/842	140,000 dozen.
644	23,320 dozen.
645/646	113,623 dozen of which not more than 75,749 dozen shall be in Category 646.
647	398,878 dozen.
648	178,653 dozen.

[1] In Category 339, all TSUSA numbers except 384.0205, 384.0207, 384.0208, 384.0212, 384.0219, 384.0220, 384.0221, 384.2806, 384.2810, 384.2812, 384.2814, 384.2910, 384.2914 and 384.2915.

[2] In Category 369, only TSUSA number 366.2840.

In carrying out this directive, entries of cotton, wool, man-made fiber, silk blend and other vegetable fiber textiles and textile products in the foregoing categories, produced or manufactured in Sri Lanka, and exported during the control periods extending through May 31, 1987 shall, to the extent of any unfilled balances, be charged to the levels of restraint established for such goods during those periods. In the event the levels of restraint established for those periods have been exhausted by previous entries, such goods shall be subject to the levels set forth in this letter.

The limits set forth above are subject to adjustment in the future according to the provisions of the bilateral agreement of May 10, 1983 between the Governments of the United States and Sri Lanka, which provide, in part, that (1) any specific limit and sublimit may be exceeded by designated percentages of the square yards equivalent total in any agreement period, provided that the amount of the increase is compensated for by an equivalent decrease in one or more other specific limits; (2) specific limits may be increased for carryover and carryforward up to 11 percent of the applicable category limit or sublimit of which not more than 6 percent can be used for carryforward; however, carryover will not be available in the agreement period during which the specific limit is first established; and (3) administrative arrangements or adjustments may be made to resolve minor problems arising in the implementation of the agreement, any of the adjustments referred to above, will be made to you by letter.

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), July 14, 1986 (51 FR 25386), July 29, 1986 (51 FR 27068) and in Statistical Headnote 5, Schedule 3 of the TARIFF SCHEDULES OF THE UNITED STATES ANNOTATED (1987).

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.

Sincerely,

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 87-11166 Filed 5-14-87; 8:45 am]

BILLING CODE 3510-DR-M

[Form ITA-37OP]

Special Access Program CBI Export Declaration

May 12, 1987.

On October 20, 1986, a notice was published in the **Federal Register** (51 FR 37214) which announced the availability of the Special Access Program CBI Export Declaration (Form ITA-37OP).

The purpose of this notice is the advise the public that Form ITA-37OP has been revised. Orders for the revised form may be placed with the Superintendent of Documents, Government Printing Office, Washington, DC 20402-9325 (202/783-3238). The revised form will be sold for $29 per package of 100. Refer to stock number 003-009-00505-1. The earlier version will continue to be accepted until the supply is depleted.

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 87-11165 Filed 5-14-87; 8:45 am]

BILLING CODE 3510-DR-M

Adjustment of Import Limits for Certain Cotton and Man-Made Fiber Textile Products Produced or Manufactured in Indonesia

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 May 18, 1987. For further information contact Pamela Smith, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 377-4212. For information on the qouta status of these limits, please refer to the Quota Status Reports which are posted on the bulletin boards of each Customs port or call (202) 535-9480. For information on embargoes and quota re-openings, please call (202) 377-3515.

Background

A CITA directive dated June 25, 1986 (51 FR 23807) established limits for certain specified categories of cotton, wool and man-made fiber textile products within the Group II limit, including Category 639, produced or manufactured in Indonesia and exported during the agreement year which began on July 1, 1986 and extends through June 30, 1987. A further directive dated April 30, 1987, established limits for certain cotton and man-made fiber textile products, including Category 342/642, produced or manufactured in Indonesia and exported during the six-month period which began on January 1, 1987 and extends through June 30, 1987.

Under the terms of the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of September 25 and October 3, 1985 between the Government of the United States and Indonesia, special carryforward is being applied to the restraint limits established for Categories 639 and 342/642. This adjustment will reopen the limit for Category 639 which is currently embargoed.

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), July 14, 1986 (51 FR 25386), July 29, 1986 (51 FR 27068) and in Statistical Headnote 5, Schedule 3 of the Tariff Schedules of the United States Annotated (1987).

This letter and the actions taken pursuant to it are not designed to implement all of the provisions of the bilateral agreement, but are designed to assist only in the implementation of certain of its provisions.

Ronald L. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

May 12, 1987

Committee for the Implementation of Textile Agreements

Commissioner of Customs,
Department of the Treasury, Washington, D.C. 20229.

Dear Mr. Commissioner: This directive further amends, but does not cancel, the directives of June 25, 1986 and April 30, 1987 from the Chairman, Committee for the Implementation of Textile Agreements, which established restraint limits for certain cotton, wool and man-made fiber textile products, produced or manufactured in Indonesia and exported during the periods which began, in the case of Category 639, on July 1, 1986; and, in the case of Category 342/642, on January 1, 1987; and extend through June 30, 1987.

Effective on May 18, 1987, the directives of June 25, 1986 and April 30, 1987 are hereby amended to adjust the previously established restraint limits for categories 342/642 and 639 under the terms of the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of September 25 and October 3, 1985, as amended: [1]

Category	Adjusted restraint limit [1]
342/642	95,000 dozen.
639	492,142 dozen.

[1] The limits have not been adjusted to reflect any imports exported after June 30, 1986, in the case of Category 639, and December 31, 1986, in the case of Category 342/642.

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,

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 87-11162 Filed 5-14-87; 8:45 am]

BILLING CODE 3510-DR-M

[1] The agreement provides, in part, that: (1) within the group limit specific restraint limits may be exceeded by designated percentages; (2) specific limits may be increased for carryover and carryforward; and (3) administrative arrangements or adjustments may be made to resolve problems arising in the implementation of the agreement.

Adjustment of Import Limits for Certain Cotton and Man-Made Fiber Textile Products Produced or Manufactured in Indonesia

May 12, 1987.

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 May 18, 1987. For further information contact Pamela Smith, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 377-4212. For information on the quota status of these limits, please refer to the Quota Status Reports which are posted on the bulletin boards of each Customs port. For information on embargoes and quota re-openings, please call (202) 377-3715.

Background

A CITA directive dated October 31, 1985 (50 FR 46152) established limits for certain specific categories of cotton, wool and man-made fiber textile products, including categories subject to specific limits (Group I) and categories not subject to specific limits (Group II), produced or manufactured in Indonesia and exported during the agreement year which began on July 1, 1985 and extended through June 30, 1986.

Under the terms of the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of September 25 and October 3, 1985, as amended, between the Governments of the United States and the Republic of Indonesia, swing is being applied to the restraint limits established for Categories 314, 315, 317, 341, 631-W, and 645/646 in Group I for the agreement year July 1, 1985 to June 30, 1986. As a result of swing applied to the above categories, the charges for the 1986-1987 period will be reduced by the amount of the increase to the adjusted restraint limits for Categories 314, 315, 317, 341, 631-W, and 645/646. These same amounts will be charged to the 1985-1986 limits for these categories. The restraint limits for Group I and Group II are being decreased for carryover from the 1985-1986 period, applied to the 1986-1987 period.

Accordingly, in the letter published below the Chairman of the Committee for the Implementation of Textile Agreements directs the Commissioner of Customs to adjust the previously established restraint limits at the designated levels.

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), July 14, 1986 (51 FR 25386), July 29, 1986 (51 FR 27068) and in Statistical Headnote 5, Schedule 3 of the Tariff Schedules of the United States Annotated (1987).

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

May 12, 1987

Committee for the Implementation of Textile Agreements

Commissioner of Customs,
Department of the Treasury,
Washington, D.C. 20229.

Dear Mr. Commissioner: This directive amends, but does not cancel, the directive of October 31, 1985 from the Chairman, Committee for the Implementation of Textile Agreements, which establishes restraint limits for certain cotton, wool, and man-made fiber textile products, produced or manufactured in Indonesia and exported during the agreement year which began on July 1, 1985 and extended through June 30, 1986.

Effective on May 18, 1987, the directive of October 31, 1985 is hereby further amended to adjust the previously established restraint limits for the following categories and groups under the terms of the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of September 25 and October 3, 1985, as amended, between the Governments of the United States and the Republic of Indonesia [1]:

Category	Adjusted 12-mo. limit [1]
Group I	219,571,403 square yards equivalent.
314	14,980,000 square yards.
315	17,013,000 square yards.
317	10,700,000 square yards.
341	448,000 dozen.
631-W [2]	695,500 dozen pairs.
645/646	374,500 dozen.
Group II	43,801,449 square yards equivalent.

[1] The limits have not been adjusted to reflect any imports exported after June 30, 1986.

[2] In Category 631, only TSUSA numbers 704.3215, 704.8525, 704.8550 and 704.9000.

Also effective on May 18, 1987, you are directed to deduct the following charges

[1] The agreement provides, in part, that: (1) within the aggregate limit specific restraint limits may be exceeded by designated percentages; (2) administrative arrangements or adjustments may be made to resolve problems arising in the implementation of the agreement.

made to the restraint limits established in the directive of June 25, 1986 for the period July 1, 1986 through June 30, 1987. These same amounts are to be charged to the limits established for the July 1, 1985–June 30, 1986 period, for goods which had been exported during that period.

Category	Deduct/charge
314	980,000 square yards.
315	1,113,000 square yards.
317	700,000 square yards.
341	28,000 dozen.
631–W	45,500 dozen pairs.
645/646	24,500 dozen.

The Committee for the Implementation of Textile Agreement has determined that these actions fall within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553.

Sincerely,

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 87–11163 Filed 5–14–87; 8:45 am]

BILLING CODE 3510–DR–M

Adjustment of Import Limits for Certain Cotton and Man-Made Fiber Textile Products Produced or Manufactured in Indonesia

May 12, 1987.

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 May 18, 1987 For further information contact Pamela Smith, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 377–4212. For information on the quota status of these limits, please refer to the Quota Status Reports which are posted on the bulletin boards of each Customs port. For information on embargoes and quota re-openings, please call (202) 377–3715.

Background

A CITA directive dated June 25, 1986 (51 FR 23807) establishes limits for certain specific categories of cotton, wool and man-made fiber textile products, including categories subject to specific limits (Group I) and categories not subject to specific limits (Group II) and categories not subject to specific limits (Group II) produced or manufactured in Indonesia and exported during the agreement year which began on July 1, 1986 and extends through June 30, 1987.

Under the terms of the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of September 25 and October 3, 1985, as amended, between the Governments of the United States and the Republic of Indonesia, swing is being applied to the restraint limits established for Categories 339, 341, 347/348, 351, 640, 641 and 645/646 in Group I and for Group II for the agreement year July 1, 1986 to June 30, 1987. The restraint limits for Groups I and II are being increased for carryover for the same period.

Accordingly, in the letter published below the Chairman of the Committee for the Implementation of Textile Agreements directs the Commissioner of Customs to adjust the previously established restraint limits at the designated levels.

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), July 14, 1986 (51 FR 25386) and in Statistical Headnote 5, Schedule 3 of the TARIFF SCHEDULRES OF THE UNITED STATES ANNOTATED (1987).

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

Committee for the Implementation of Textile Agreements

May 12, 1987.

Commissioner of Customs,
Department of the Treasury, Washington, D.C. 20229.

Dear Mr. Commissioner: This directive amends, but does not cancel, the directive of June 25, 1986 from the Chairman, Committee for the Implementation of Textile Agreements, which establishes restraint limits for certain cotton, wool, and man-made fiber textile products, produced or manufactured in Indonesia and exported during the agreement year which began on July 1, 1986 and extends through June 30, 1987.

Effective on May 18, 1987, the directive of June 25, 1986 is hereby amended to adjust the previously established restraint limits for the following categories and groups under the terms of the Bilateral Cotton, Wool and Man-Made Fiber Textile Agreement of September 25 and October 3, 1985, as amended between the Governments of the United States and the Republic of Indonesia: [1]

Category	Adjusted 12-mo. limit [1]
Group I	261,002,556 square yards equivalent.
339	299,600 dozen.
347/348	793,940 dozen.
341	474,880 dozen.
351	124,762 dozen.
640	374,286 dozen.
641	1,246,560 dozen.
645/646	396,970 dozen.
Group II	64,680,638 square yards equivalent.

[1] The limits have not been adjusted to reflect any imports exported after June 30, 1986.

The Committee for the Implementation of Textile Agreement has determined that these actions fall within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553.

Sincerely,

Ronald I. Levin,

Acting Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 87–11164 Filed 5–14–87 8:45 am]

BILLING CODE 3510–DR–M

DEPARTMENT OF DEFENSE

Office of the Secretary

Public Information Collection Requirement Submitted to OMB for Review

ACTION: Public Information Collection Requirement Submitted to OMB for Review.

SUMMARY: The Department of Defense 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). Each entry contains the following information: (1) Type of Submission; (2) Title of Information Collection and Form Numbers, if applicable; (3) Abstract statement of the need for and the uses to be made of the information collected; (4) Type of Respondent; (5) An estimate of the number of responses; (6) An estimate of the total number of hours needed to provide the information; (7) To whom comments regarding the information collection are to be forwarded; and (8) The point of contact from whom a copy of the information proposal may be obtained.

[1] The agreement provides, in part, that: (1) within the aggregate limit specific restraint limits may be exceeded by designated percentages; (2) administrative arrangements or adjustments may be made to resolve problems arising in the implementation of the agreement.

Extension

Application for Uniformed Services Identification Cards, DD Form 1172

DD Form 1172 (0704–0020) is the form used by retired members, survivors, and other qualified persons to apply for the Uniformed Services Identification Card(s).

- Individuals.
- 45,000 respondents.
- 7,500 hours.

ADDRESSES: Comments are to be forwarded to Mr. Edward Springer, Office of Management and Budget, Desk Officer, Room 3235, New Executive Office Building, Washington, DC 20503; and, Mr. Daniel Vitiello, DOD Clearance Officer, WHS/DIOR, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202–4302, telephone (202) 746–0933.

FOR FURTHER INFORMATION CONTACT: A copy of the information collection proposal may be obtained from Mr. Robert L. Newhart, OASD(FM&P), Room 3D937, Pentagon, Washington, DC 20301–4000, telephone (202) 694–8989. This request is for an extension of an approved collection, and not for contract.

Patricia H. Means,

OSD Federal Register Liaison Officer, Department of Defense.

May 11, 1987.

[FR Doc. 87–11118 Filed 5–14–87; 8:45 am]

BILLING CODE 3810–01–M

DOD Advisory Group on Electron Devices; Advisory Committee Meeting

SUMMARY: The DoD Advisory Group on Electron Devices (AGED) announces a closed session meeting.

DATE: The meeting will be held at 0900, Monday, 1 June 1987.

ADDRESS: The meeting will be held at Palisades Institute for Research Services, Inc., 2011 Crystal Drive, Suite 307, Arlington, VA 22202.

FOR FURTHER INFORMATION CONTACT: David Slater, AGED Secretariat, 201 Varick Street, New York, NY 10014.

SUPPLEMENTARY INFORMATION: The mission of the Advisory Group is to provide the Under Secretary of Defense for Acquisition, the Director, Defense Advanced Research Projects Agency and the Military Departments with technical advice on the conduct of economical and effective research and development programs in the area of electron devices.

The AGED meeting will be limited to review of research and development programs which the Military Departments propose to initiate with industry, universities or in their laboratories. The agenda for this meeting will include programs on Radiation Hardened Devices, Microwave Tubes, Displays and Lasers. The review will include details of classified defense programs throughout.

In accordance with section 10(d) of Pub. L. No. 92–463, as amended, (5 U.S.C. App. II 10(d) (1982)), it has been determined that this Advisory Group meeting concerns matters listed in 5 U.S.C. 552(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.

May 11, 1987.

[FR Doc. 87–11119 Filed 5–14–87; 8:45 am]

BILLING CODE 3810–01–M

Department of the Air Force

Public Information Collection Requirement Submitted to OMB for Review

ACTION: Public Information Collection Requirement Submitted to OMB for Review.

SUMMARY: The Department of Defense 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). Each entry contains the following information: (1) Type of submission; (2) Title of Information Collection and Form Number, if applicable; (3) Abstract statement of the need for and the uses to be made of the information collected; (4) Type of Respondent; (5) An estimate of the number of responses; (6) An estimate of the total number of hours needed to provide the information; (7) To whom comments regarding the information collection are to be forwarded; and (8) The point of contact from whom a copy of the information proposal may be obtained.

Extension

DOD Working Dog Program (AFLC Form 4504) (OMB No. 0704–0048).

Prospective donors of DOD working dogs are required to provide information about their animals prior to acquisition by the DOD for training as a military working dog. It is necessary for the animal to meet acceptable standards for health, age, temperament, and breed prior to acceptance by the DOD.

Individuals

Responses—608.
Burden hours—304.

ADDRESSES: Comments are to be forwarded to Mr. Edward Springer, Office of Management and Budget, Desk Officer, Room 3235, New Executive Office Building, Washington, DC 20503 and Mr. Daniel J. Vitiello, DOD Clearance Officer, WHS/DIOR, 1215 Jefferson Davis Highway, Suite 1204, Arlington, Virginia 22202–4302, telephone number (202) 746–0933.

SUPPLEMENTARY INFORMATION: A copy of the information collection proposal may be obtained from Mr. James Tatum, CML, Lackland AFB TX 78236, telephone (512) 671–4291.

Patricia H. Means,

OSD Federal Register Liaison Officer, Department of Defense.

May 11, 1987.

[FR Doc. 87–11120 Filed 5–14–87; 8:45 am]

BILLING CODE 3810–01–M

Department of the Navy

Chief of Naval Operations Executive Panel Advisory Committee; Closed Meeting

Pursuant to the provisions of the Federal Advisory Committee Act (5 U.S.C. app.), notice is hereby given that the Chief of Naval Operations (CNO) Executive Panel Advisory Committee Constrained Resources Task Force will meet May 28, 1987, from 9 a.m. to 5 p.m. each day, at 4401 Ford Avenue, Alexandria, Virginia. All sessions will be closed to the public.

The purpose of this meeting is to review the Navy's approaches to maritime operations and readiness in the management of resources, and related intelligence. These matters constitute classified information that is specifically authorized by Executive order to be kept secret in the interest of national defense and is, in fact, properly classified pursuant to such Executive order. Accordingly, the Secretary of the Navy has determined in writing that the public interest requires that all sessions of the meeting be closed to the public because they will be concerned with matters listed in section 552(b)(1) of title 5, United States Code.

For further information concerning this meeting, contact Lieutenant Paul G. Butler, Executive Secretary of the CNO Executive Panel Advisory Committee, 4401 Ford Avenue, Room 601, Alexandria, Virginia 22302–0268. Phone (703) 756–1205.

Dated: May 18, 1987.

Jane M. Virga,

Lieutenant, JAGC, U.S. Navy Reserve Federal Register Liaison Officer.

[FR Doc. 87–11160 Filed 5–14–87; 8:45 am]

BILLING CODE 3810–AE–M

Naval Research Advisory Committee; Closed Meeting

Pursuant to the provisions of the Federal Advisory Committee Act (5 U.S.C. app.), notice is hereby given that the Naval Research Advisory Committee Panel on Outer ASW Battle will meet on May 21 and 22, 1987. The meeting will be held at the Center for Naval Analyses, 4401 Ford Avenue, Alexandria, Virginia. The meeting will commence at 8:30 A.M. and terminate at 4:30 P.M. on May 21; and commence at 8:30 A.M. and terminate at 3:00 P.M. on May 22, 1987. All sessions of the meeting will be closed to the public.

The purpose of the meeting is to compare the elements of the Outer ASW Battle with the elements of the Outer Air Battle and determine if platforms and sensors can be coordinated to provide information to ASW forces; review and address command, control and communication aspects; review information received from sensor systems, and assess efforts in defensive systems. The agenda will include technical briefings and discussions related to the Outer Air Battle Study, sensor correlation and networking, intelligence support and Soviet concept of operations. These briefings and discussions will contain classified information that is specifically authorized under criteria established by Executive order to be kept secret in the interest of national defense and is in fact properly classified pursuant to such Executive order. The classified and nonclassified matters to be discussed are so inextricably intertwined as to preclude opening any portion of the meeting. Accordingly, the Secretary of the Navy has determined in writing that the public interest requires that all sessions of the meeting be closed to the public because they will be concerned with matters listed in section 552b(c)(1) of title 5, United States Code.

FOR FURTHER INFORMATION CONCERNING THIS MEETING CONTACT: Commander T.C. Fritz, U.S. Navy, Office of Naval Research (Code 100N), 800 North Quincy Street, Arlington, VA 22217–5000, Telephone number (202) 696–4870.

Dated: May 12, 1987.

Jane M. Virga,

Lieutenant, JAGC, U.S. Navy Reserve Federal Register Liaison Officer.

[FR Doc. 87–11161 Filed 5–14–87; 8:45 am]

BILLING CODE 3810-AE-M

DEPARTMENT OF ENERGY

Conduct of Employees; Notice of Post-Employment Restriction Waiver

Section 207(f), Title 18, United States Code, authorizes the Secretary of Energy to waive the post-employment restrictions of subsection (a) of section 207, Title 18, United States Code, to permit a former employee with outstanding scientific or technological qualifications to make appearances before or communications to the Department in connection with a particular matter which requires such qualifications, where it has been determined that such a waiver would serve the national interest.

It has been established to my satisfaction that Charles W. Edington, formerly Associate Director of the Office of Health and Environmental Research, Department of Energy Office of Energy Research, has a unique combination of outstanding scientific qualifications in the field of biological science, including the study of radiation effects upon humans, and extensive experience in management of scientific research and development programs. I am further satisfied that it will serve the national interest to permit him, in his capacity as Principal Staff Officer and Deputy Associate Director for International Affairs of the Commission of Life Sciences of the National Research Council (National Academy of Sciences), to appear before and communicate with employees of the Department of Energy and other Government agencies with respect to funding and operation of the Radiation Effects Research Foundation (RERF), a nonprofit organization that receives funding from the Department of Energy through the National Academy of Sciences. I am satisfied that these activities are in a scientific field and require the qualifications stated.

I have, therefore, waived the post-employment prohibitions of subsection (a) of section 207, title 18, United States Code (in consulation with the Director of the Office of Government Ethics), with respect to contact by Dr. Edington with employees of the Department of Energy and other Government agencies to permit him to undertake the stated activities.

Dated: May 8, 1987.

John S. Herrington,

Secretary of Energy.

[FR Doc. 87–11199 Filed 5–14–87; 8:45 am]

BILLING CODE 6450-01-M

Restricted Eligibility for Morgantown Energy Technology Center; Financial Assistance Award to West Virginia University (Cooperative Agreement)

AGENCY: Department of Energy (DOE), Morgantown Energy Technology Center.

ACTION: Notice of Restricted Eligibility for Cooperative Agreement Award.

SUMMARY: The Department of Energy (DOE), Morgantown Energy Technology Center, in accordance with 10 CFR 600.7(b), gives notice of its plans to restrict eligibility for the award of a cooperative agreement to the West Virginia University , Energy and Waste Research Center, Morgantown, West Virginia. This agreement will support the National Energy Policy Plan by promoting fluidization phenomena-related research that will expand the Nation's Fossil Energy Date Base with an emphasis on direct utilization, conversion, cleanup processes, and ancillary requirements.

The DOE has determined that restriction to West Virginia University is appropriate based on the following information:

- In 1984, the National Science Foundation (NSF) formally recognized WVU's predominant role in fluidization phenomena by sponsoring the establishment of an exclusive research center titled "NSF/WVU/Industry Cooperative Research Center on Fluidization and Fluid Particle Science." This exclusive recognition by NSF represents the culmination of 15 years of dedicated research and development activities and assists WVU in remaining at the forefront of research in fluidization technology and related areas.
- WVU has several individuals that are considered to be unquestionably predominant experts in fields relevant to the fluidization phenomena activity. Dr. H. Kono and Dr. R. C. Bailie along with a technically diverse team of specialist provides the strongest possible support and complement to the DOE activity.

The total estimated project cost for this cooperative agreement shall not exceed $2,500,000 for the proposed 3-year duration, of which the anticipated project cost to the Government is $2,375,000. The distribution and availability of funds is subject to budget limitations, satisfactory definition of WVU's research projects, results of research under the proposed cooperative agreement and other Government-sponsored research, and may deviate from the above projection.

FOR FURTHER INFORMATION CONTACT: Raymond R. Jarr, U.S. Department of

Energy, Morgantown Energy Technology Center, P.O. Box 880, Morgantown, WV 26507-0880, Telephone: (304) 291-4088 or FTS 923-4088, Procurement Request No. 21-87MC24207.000.

Dated: May 4, 1987.

Ronald E. Cone,

Director, Acquisition and Assistance Division, Morgantown Energy Technology Center.

[FR Doc. 87-11195 Filed 5-14-87; 8:45am]

BILLING CODE 6450-01-M

Office of Assistant Secretary for International Affairs and Energy Emergencies

Proposed Subsequent Arrangement; European Atomic Energy Community

Pursuant to Section 131 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2160) notice is hereby given of a proposed "subsequent arrangement" under the Additional Agreement for Cooperation between the Government of the United States of America and the European Atomic Energy Community (EURATOM) concerning Peaceful Uses of Atomic Energy, as amended.

The subsequent arrangement to be carried out under the above-mentioned agreement involves approval of the following sale: Contract Number S-EU-918, for the sale of 5 milligrams of uranium-236 to the Department of Geology, Bedford New College, England, for use as tracer material for analysis of uranium in rock samples.

In accordance with Section 131 of the Atomic Energy Act of 1954, as amended, it has been determined that this subsequent arrangement will not be inimical to the common defense and security.

This subsequent arrangement will take effect no sooner than fifteen days after the date of publication of this notice.

Dated: May 11, 1987.

For the Department of Energy.

George J. Bradley, Jr.,

Principal Deputy Assistant Secretary for International Affairs and Energy Emergencies.

[FR Doc. 87-11197 Filed 5-14-87; 8:45 am]

BILLING CODE 6450-01-M

Proposed Subsequent Arrangement; European Atomic Energy and Sweden

Pursuant to Section 131 of the Atomic Energy Act of 1954, as amended (42 U.S.C. 2160) notice is hereby given of a proposed "subsequent arrangement" under the Additional Agreement for Cooperation between the Government of the United States of America and the European Atomic Energy Community (EURATOM) concerning Peaceful Uses of Atomic Energy, as amended and the Agreement for Cooperation between the Government of the United States of America and the Government of Sweden concerning Peaceful Uses of Nuclear Energy.

The subsequent arrangement to be carried out under the above mentioned-agreements involves approval of the following retransfer: RTD/SW(EU)-141, for the retransfer of 42,000 kilograms of uranium, enriched to 3.12 percent in the isotope uranium-235 from France to Sweden for fabrication of fuel for the Brunsbuettel power reactor in the Federal Republic of Germany.

In accordance with Section 131 of the Atomic Energy Act of 1954, as amended, it has been determined that this subsequent arrangement will not be inimical to the common defense and security.

This subsequent arrangement will take effect no sooner than fifteen days after the date of publication of this notice.

For the Department of Energy.

Dated: May 11, 1987.

George J. Bradley, Jr.,

Principal Deputy Assistant Secretary for International Affairs and Energy Emergencies.

[FR Doc. 87-11198 Filed 5-14-87; 8:45 am]

BILLING CODE 6450-01-M

Federal Energy Regulatory Commission

[Docket Nos. ER87-416-000 et al.]

Arkansas Power & Light Company et al.; Electric Rate and Corporate Regulation Filings

May 11, 1987.

Take notice that the following filings have been made with the Commission:

1. Arkansas Power & Light Company

[Docket No. ER87-416-000]

Notice is hereby given that, effective the 1st day of May 1987, Rate Schedule FERC No. 74, effective date July 31, 1978 and filed with the Federal Energy Regulatory Commission by Arkansas Power & Light Company, is to be cancelled.

Notice of the proposed cancellation has been served upon the following:

Mr. John H. McDaniel, Manager, City Light & Water, P.O. Box 9, Paragould, Arkansas 72451-0009

Arkansas Public Service Commission, P.O. Box C-400, Little Rock, Arkansas 72203.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

2. Boston Edison Company

[Docket No. ER87-345-000]

Take notice that on May 1, 1987, Boston Edison Company (Edison) of Boston, Massachusetts, tendered for filing First Revised Sheet No. 2, First Revised Sheet No. 3 and Original Sheet No. 4 of the rate schedule tendered in the captioned proceeding on March 26, 1987. The revised sheets establish a $5,000 ceiling for the recovery of Boston Edison administrative and related costs, provide for recoveries over that amount by filing with the Commission under Section 205 of the Federal Power Act, insert a billing provision and eliminate the annual informational filing called for by the rate schedule as originally tendered to the Commission.

Edison did not change the effective date as requested in its March 26, 1987 tender to the Commission. Edison states that it has served copies of this rate filing upon each person served with the original rate filing.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

3. Carolina Power and Light Company

[Docket No. ER87-240-001]

Take notice that on April 30, 1987, in compliance with a prior Commission Order Carolina Power and Light Company (CP&L or Company) tendered for filing revised rates and cost statements, as well as revised testimony and exhibits, reflecting a 34 percent Federal income tax rate.

The Company states that it is filing an application for rehearing of the Commission's March 31, 1987, Order. Pending resolution of CP&L's application for rehearing, the Company is complying, under protest, with that Order's requirement concerning the 34 percent tax rate.

CP&L states that by making the filing, CP&L is not waiving any rights it may have with regard to its application for rehearing nor should this filing be construed in any way as evidence of the Company's agreement with, or acquiesence in, those aspects of the March 31, 1987, Order granting summary disposition and requiring the use of a 34 percent Federal income tax rate in the Company's cost of service and resultant rates.

The Company submits the following:

1. Revised Sheet Nos. 5 through 8b of CP&L's FPC Electric Tariff containing Resale Service Schedule RS87–1A for service to Electric Membership Corporations; Resale Service Schedule RS87–2A for service to Municipal customers, Partial Requirements Resale Service Schedule RS87–3A for service to partial requirements customers; and Resale Fuel Adjustment Clause Rider No. 87B, which is applicable to all three rate schedules.

2. Revised statements comparing the sales and revenues under the above-listed rate schedules and rider, by month and for the year, with the following:

a. For Period I, Rate Schedules RS87–1A, and RS87–2A, and RS87–3A, and accompanying rider, are compared with Rate Schedules RS85–1B, RS85–2B and RS85–3B and Resale Fuel Adjustment Clause Rider 85D; and

b. For Period II, Rate Schedules RS87–1A, RS87–2A and RS87–3A, and accompanying rider, are compared with Rate Schedules RS85–1B, RS85–2B, and RS85–3B and Resale Fuel Adjustment Clause Rider 85E.

3. Revised pages as required for revised Statements AK, BG and BK for Period I;

4. Revised pages as required for revised Statements, AA, AB, AC, AF, AG, AH, AK, AL, AN, AO, AP, AR, AT, AU, AV, AW, AY, BG, BJ, BK, and BL for Period II;

5. Supplemental workpapers; and

6. Supplemental testimony and exhibits.

Copies of this entire filing have been mailed to all persons included in the Commission's official Service List in this proceeding.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

4. Cogeneration Coalition American, Inc.

[Docket No. EL87–34–000]

Take notice that on April 28, 1987, the Cogeneration Coalition of America, Inc., ("the Coalition"), pursuant to section 210 of the Public Utility Regulatory Policies Act of 1978 and Rule 207 of the Federal Energy Regulatory Commission's Rules of Practice and Procedure, 18 CFR 385.207, tendered for filing a petition requesting that the Commission initiate an expedited investigation nationwide into current state regulatory commission practices which act to eliminate the opportunity for valid competition among generators of electric energy and to limit the development of energy efficient alternatives to traditional sources of electric energy generation. The Coalition requests that the Commission exercise its authority under section 210(h) of PURPA to oversee the implementation of state regulatory programs.

The Coalition alleges that an investigation is necessitated by the recent approvals by various state regulatory commissions of filings by electric utilities to provide discount rates with cogeneration "buy-out"; features, rights of first refusal, or contractual limitations which are anti-competitive and discriminate against qualifying cogeneration facilities. The Coalition further alleges that approval of contracts, rates and tariff's containing such features, rights or limitations violates PURPA and is contrary to the intent of Congress in enacting this legislation.

Comment date: June 3, 1987, in accordance with Standard Paragraph E at the end of this notice.

5. Consolidated Edison Company of New York, Inc.

[Docket No. ER87–420–000]

Take Notice That on May 1, 1987, Consolidated Edison Company of New York, Inc. ("Con Edison") tendered for filing, as an initial rate schedule, an agreement to provide interruptible transmission service to Baltimore Gas and Electric Company ("BG&E"). The agreement provides for a charge of 2.6 mills per kilowatthour for transmission of power purchased by BG&E from the companies of the Northeast Utilities system.

Con Edison requests waiver of the notice requirements of Section 35.3 of the Commission's regualtions so that the Rate Schedule can be made effective as of November 18, 1986.

Con Edison states that a copy of this filing has been served by mail upon BG&E.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

6. El Paso Electric Comapny

[Docket Nos. ER86–368–006, ER86–368–007, ER86–368–008, ER86–386–012, ER86–368–015, ER86–638–001, ER86–638–002, ER86–638–003, ER86–638–004, ER86–638–005]

Take notice that on April 15, 1987, El Paso Electric Company (EPE) tendered for filing in these dockets a report of refunds pursuant to the Commission's order of March 30, 1987. EPE also tendered for filing in the same transmittal its proposed accounting for various charges and expenses listed in the Commission's order of March 30, 1987.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

7. Gulf States Utilities Company

[Docket No. ER85–538–003]

Take notice that on April 28, 1987, Cajun Electric Power Cooperative, Inc., tendered for filing its comments to Compliance Report filed by Gulf States Utilities Company.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this document.

8. Niagara Mohawk Power Corporation

[Docket No. ER87–418–000]

Take notice that Niagara Mohawk Power Corporation ("Niagara Mohawk"), on May 1, 1987, tendered for filing an application to increase the Company's charges for transmission and delivery of power and energy for the New York Power Authority under Niagara Mohawk FERC Rate Schedule No. 138. The Power Authority customers affected are certain municipal and cooperatives located in Connecticut, Massachusetts, New Jersey, Ohio, Pennsylvania, and Rhode Island. Niagara Mohawk requests an effective date of July 1, 1987.

The proposed change implements a provision of the Settlement Agreement dated December 9, 1986 and approved by the Commission on March 13, 1987 in Docket ER86–354–001 requiring a filing reflecting the Tax Reform Act of 1986, plus other cost-of-service items.

Copies of the filing were served upon NYPA and the New York State Public Service Commission.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

9. New England Power Company

[Docket No. ER87–411–000]

Take notice that on May 1, 1987, New England Power Company (NEP) tendered for filing revisions which reduce the return on equity (ROE) components in the following rate schedules:

FERC Rate Schedule No. 324—Newport Electric Corporation

FERC Rate Schedule No. 325—Vermont Marble Company

FERC Rate Schedule No. 326—Green Mountain Power Company; Central Vermont Public Service Corp.; Vermont Electric Power Company

FERC Rate Schedule Nos. 327 and 328—Boston Edison Company.

NEP states that these rate schedules establish rates in accordance with a cost-of-service formula and provide for unit power sales or transmission support arrangements. NEP further states that the proposed revisions are in compliance with its contractual

obligation to seek adjustment of the currently effective fixed ROE components of these contracts in the event the FERC generic ROE differs from the fixed ROE by more than 1%.

NEP seeks waiver of the Commission's notice requirements so that the proposed reductions may become effective January 1, 1987, for Rate Nos. 324 and 325 and February 1, 1987 for the remainder of the rate schedules, in accordance with the terms of these agreements. NEP states that copies of this filing have been served on all customers under these rate schedules.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this document.

10. Florida Power Corporation

[Docket No. ER87-393-000]

Take notice that on May 1, 1987 Florida Power Corporation (Florida Power) tendered for filing amended revisions to the capacity charges, reservation fees and energy adder for various interchange services provided by Florida Power pursuant to interchange contracts with Florida Power & Light Company, Fort Pierce Utilities Authority, Jacksonville Electric Authority, Kissimmee Utility Authority, Orlando Utilities Commission, Sebring Utilities Commission, Seminole Electric Cooperative, Inc., Tampa Electric Company, and the Cities of Gainesville, Homestead, Key West, Lakeland, Lake Worth, New Smyrna Beach, St. Cloud, Starke, Tallahassee and Vero Beach, Florida. The interchange services which are affected by these revisions are Service Schedule B—Short Term Firm, current negotiated commitments under Service Schedule D—Long Term Firm, Service Schedule F—Assured Capacity and Energy, Service Schedule G—Backup Service, Service Schedule H—Reserve Service, and the Contract for Assured Capacity and Energy with Florida Power & Light Company. Florida Power states that the revised capacity charges, reservation fees, and energy adder were developed using the same methodology as used in the original filings.

Florida Power requests that the amended revised capacity charges, reservation fees and energy adder be made effective on May 1, 1987 through and including June 30, 1987 for the first period and July 1, 1987 for the second period. Florida Power therefore requests waiver of the sixty day notice requirement. According to Florida Power, the filing has been served on each of the affected utilities and the Florida Public Service Commission.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

11. Puget Sound Power and Light Co.

[Docket No. ER87-412-000]

Take notice that on April 10, 1987 Puget Sound Power and Light Co., ("Puget"), tendered for filing pursuant to 18 CFR 35.30(c) relating to the calculation of Average System Cost (ASC) for Puget for the Exchange Period effective October 1, 1986 through January 31, 1987. Puget states that this filing includes the ASC material demonstrating the Energy Cost Adjustment Clause adjustment reflecting Case No. U-86-111 data.

Puget submits copies of the following:

1. The ECAC ASC adjustment demonstrated on Schedule 4 of Appendix 1 to the Residential Purchase and Exchange Agreement, Contract No. DE-MS79-81BP90604 ("Agreement"), between Puget and BPA reflecting Puget's ASC schedules.

2. BPA Report dated April 14, 1987, pertaining to the above ASC filing.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

12. Puget Sound Power & Light Company

[Docket No. ER87-275-000]

Take notice that Puget Sound Power & Light Company ("Puget") on May 1, 1987 tendered for filing an amendment to its filing of February 24, 1987 for proposed changes in its Supplement No. 5 to the General Transfer Agreement between Puget and the United States of America, Department of Interior, acting by and through the Bonneville Power Administrator ("Bonneville"), Contract No. 14-03-110-11487. (Puget Sound Power & Light Company Supplement No. 10 to Rate Schedule FPC No. 16.)

The amendment to filing sets forth cost data supporting the levelized fixed charge rate and loss factor used in determining the proposed rate changes.

Copies of the amendment to filing were served upon Bonneville.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

13. Southern California Edison Company

[Docket No. ER87-377-000]

Take notice that, on April 10, 1987, Southern California Edison Company ("Edison") tendered for filing, as an initial rate schedule, the following agreement, which has been executed by Edison and The Metropolitan Water District of Southern California ("MWD" or "District"): District—Edison, 1987 Service Interchange Agreement between The Metropolitan Water District of Southern California and Southern California Edison Company.

The Service and Interchange Agreement provides for the integration of MWD's electric facilities associated with the providing of electric power for pumping on MWD's Colorado River Aqueduct, and the generating resources available to MWD from the Hoover Power Plant and the Parker Power Plant, with Edison's electric system; for Edison to provide MWD with firm transmission service; for Edison to provide to MWD, if requested by MWD, with energy for pumping Colorado River water; and for Edison to provide MWD with an amount of off-peak energy for water supply purposes.

Edison has requested a waiver of the 60-day notice period in order that the Service Interchange Agreement may become effective on June 1, 1987.

Copies of this filing were served upon the Public Utilities Commission of the State of California and The Metropolitan Water District of Southern California.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

14. Union Electric Company

[Docket No. ER87-419-000]

Take notice than on May 1, 1987, Union Electric Company (Union) tendered for filing proposed changes in its transmission service rate in Transmission Service Transaction 3 of the Transmission Service Agreement between Union Electric Company and the City of Malden, Missouri. The proposed changes would decrease revenues from jurisdictional sales and service by approximately $6,300, based on the 12 month period ending June 30, 1988.

Union states that the decrease in this rate is filed pursuant to a settlement which calls for the filing of an application for a change in the transmission service rate to Malden that will reflect the provisions of the Tax Reform Act of 1986, Pub. L. No. 99-514.

Copies of the filing were served upon the public utility's customer, the City of Malden, as well as the Missouri Public Service Commission.

Comment date: May 26, 1987, in accordance with Standard Paragraph E at the end of this notice.

Standard Paragraphs

E. Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington,

DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 385.214). All such motions or protests should be filed on or before the comment date. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make protestants parties to the proceeding. Any person wishing to become a party must file a motion to intervene. Copies of this filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 87-11135 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-M

[Project Nos. 10335-000 et al.]

Hydroelectric Applications (Peter Renner et al.); Applications Filed With the Commission

Take notice that the following hydroelectric applications have been filed with the Federal Energy Regulatory Commission and are available for public inspection:

1 a. Type of Application: Preliminary Permit.

b. Project No: 10335-000.

c. Date Filed: February 27, 1987.

d. Applicant: Peter Renner.

e. Name of Project: Cedarburg Nail Factory.

f. Location: Cedar Creek, Ozaukee County, Wisconsin.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)-825(r).

h. Contact Person: Mr. Peter Renner, 626 N. Water St., Milwaukee, WI 53202, (414) 273-6637.

i. Comment Date: July 13, 1987.

j. Description of Project: The proposed project would consist of: (1) An existing reinforced concrete gravity dam 80 feet long and 20 feet high; (2) an existing reservoir of 3.6-acre surface area and 35 acre-feet storage capacity at a normal maximum surface elevation of 756 feet msl; (3) an existing 90-foot-long, 8-foot-wide millrace, an existing mill building housing an existing 125-kW capacity turbine-generator (to be refurbished), and an existing 40-foot-long tailrace; (4) a proposed 240-volt transmission line 40 feet long; and (5) appurtenant facilities.

The estimated annual energy production is 0.6 GWh. The net hydraulic head is 23 feet. Power would be sold to Cedarburg Light and Water Commission. The existing facilities are owned by the applicant. Applicant estimates that the cost of the work to be performed under the preliminary permit would be negligible.

k. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, D2.

2 a. Type of Application: Major License, 5MW or Less.

b. Project No: 6459-001.

c. Date Filed: May 31, 1984.

d. Applicant: Southeastern Hydro-Power, Inc.

e. Name of Project: Tar River Water Power.

f. Location: On the Tar River in Nash County, North Carolina.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)-825(r).

h. Contact Person: Mr. Charles B. Mierek, Southeastern Hydro-Power, Inc., Route 2, Box 302 A, One Clifton-Glendale Road, Spartanburg, SC 29302.

i. Comment Date: June 29, 1987.

j. Description of Project: The proposed project would consist of: (1) An existing concrete dam, approximately 450 feet long and having a maximum height of 30 feet; (2) an existing reservoir with an estimated gross storage capacity of 8,000 acre-feet at normal pool elevation of 125 feet, m.s.l.; (3) a proposed intake structure 40 feet wide with three sets of trash racks, each 12 feet wide and 20 feet high; (4) a proposed steel penstock, 14 feet in diameter and 270 feet long, which will bifurcate at the proposed powerhouse into two branches each seven feet in diameter; (5) a proposed concrete powerhouse, 65 feet long and 31 feet wide containing two turbine/generating units with a total installed capacity of 2,100 kW; (6) a proposed tailrace; (7) a new substation; (8) two proposed 23-kV transmission lines, one about 1.7 miles long, the other about .9 miles long; and (9) appurtenant facilities. It is proposed to remove the Old Davenport Mill Dam, located about one mile downstream from the project, which is breached at several locations and in very poor condition. Applicant estimates that the average annual energy generation would be 8,100,000 kWh. Project power would be sold to Carolina Power and Light Company. The project dams are owned by the City of Rocky Mount, North Carolina.

k. This notice also consists of the following standard paragraphs: A3, A9, B, C, and D1.

3 a. Type of Application: Major License (5 MW or Less).

b. Project No: 9988-000.

c. Date Filed: March 2, 1986.

d. Applicant: Spartan Mills.

e. Name of Project: John P. King Mill.

f. Location: Augusta Canal and Savannah River, Richmond County, Georgia.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)-825(r).

h. Contact Person: Mr. J. Lester Eledge, Vice-President, Spartan Mills, P.O. Box 1658, Spartanburg, SC 29304, (803) 574-0211.

i. Comment Date: June 29, 1987.

j. Description of Project: The existing project consists of: (1) A headgate and intake structure, approximately 50 feet long and 15 feet high, located on the east bank of the City-owned Augusta Canal; (2) a concrete lined, masonry open flume headrace, approximately 200 feet long and 40 feet wide; (3) a powerhouse of brick and masonry construction, containing two generating units with a total capacity of 2,050 kW; (4) a tailrace excavated in rock, approximately 435 feet long and 30 feet wide; and (5) appurtenant facilities. The estimated average annual generation of 13.0 GWh is used by the applicant in its textile mill operation.

k. This notice also consists of the following standard paragraphs: A3, A9, B, C, and D1.

4 a. Type of Application: Preliminary Permit.

b. Project No: 10344-000.

c. Date Filed: March 9, 1987.

d. Applicant: Windsor Machinery Company, Inc.

e. Name of Project: Marlboro Mills.

f. Location: On the Lattintown Creek in Ulster County, New York.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)-825(r).

h. Contact Person: Mr. Harry A. Terbush, RD3, Box 157, Orbit Lane, Hopewell Junction, NY 12533, (914) 897-4194.

i. Comment Date: June 26, 1987.

j. Description of Project: The proposed project would consist of: (1) An existing gravity dam 20 feet high and 40 feet long at elevation 180 feet msl owned by William Lyons and Nancy Dalby; (2) a small existing impoundment with a normal surface elevation of 180 feet msl; (3) a proposed 24-inch-diameter penstock approximately 800 feet long; (4) a proposed 12-footwide and 12-foot-long powerhouse to contain one turbine/generator with an installed capacity of 300 kW with flows discharging directly into the stream; (5) an existing three phase 13.2-kV transmission line 300 feet long; and (6) appurtenant facilities. The estimated average annual energy produced by the project would be 984,500 kWh operating under a net hydraulic head of 175 feet. The applicant estimates that the cost of the work to be performed under the preliminary permit would be $15,400.

k. Purpose of Project: Project power will be sold to the Niagara Mohawk Power Corporation.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, & D2.

5 a. Type of Application: Application for Relicense (5MW or Less).

b. Project No: 1510–001.

c. Date Filed: January 29, 1987.

d. Applicant: City of Kaukauna, Wisconsin.

e. Name of Project: Kaukauna Hydro Project.

f. Location: On the Fox River near Kaukauna, Outagamie County, Wisconsin.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Ernest J. Mullen, General Manager, Kaukauna Electric and Water Department, 777 Island Street, Kaukauna, WI 54130, (414) 766–5721.

i. Comment Date: July 10, 1987.

j. Description of Project: The existing project is owned and operated by the City of Kaukauna, and consists of: (1) The Kaukauna City Dam, approximately 2,860 feet long and 25 feet high, which is designed as an overflow spillway with the exception of 2 Tainter gate sections, one of which contains a single 30-foot-wide gate and the second of which contains two 30-foot-wide gates; (2) a 19-acre reservoir having a normal pool elevation of 629 msl; (3) a concrete powerhouse located north of the dam and containing two 2,400-kW generators each rated at a 22-foot head; (4) a downstream tailrace; (5) the 2.4-kV generator leads connected by 68 feet of cable to two 2.4/12-kV, 3,000-kVA transformer banks in the applicant's substation adjacent to the powerhouse; and (6) appurtenant facilities. The applicant estimates that the average annual generation is 34,577 MWh. All of the power generated is utilized by the City of Kaukauna.

k. This notice also consists of the following standard paragraphs: A3, A9, B, C, and D1.

6 a. Type of Application: Transfer of License (Minor).

b. Project No.: 1992–001.

c. Date Filed: January 16, 1987.

d. Applicant: Ken Willis.

e. Name of Project: Fire Mountain Lodge Hydropower Project.

f. Location: On Fern Springs Creek, within the Lassen National Forest, Tehama County, California.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person:

Transferor: Donald R. Townsend, P.O. Box 26, Mineral, CA 96063, (916) 595–3279

Transferee: Ken Willis, Five Mountain Lodge, Mill Creek, CA 96061, (916) 258–2938

i. Comment Date: June 22, 1987.

j. Description of Proposed Transfer of Project: The applicant requests the transfer of the license from Mr. Donald R. Townsend, licensee, since the applicant has purchased the Fire Mountain Project. The project has been completed and is operational. It generates 45 kW for private use purposes. The transferee, Ken Willis, is a resident of the State of California and will comply with all the applicable laws of the State of California as required by section 9(b) of the Federal Power Act.

k. This notice also consists of the following standard paragraphs: B and C.

7 a. Type of Application: Preliminary Permit.

b. Project No.: 10233–000.

c. Date Filed: January 7, 1987.

d. Applicant: Klamath Hydroelectric Company.

e. Name of Project: Klamath Pumped Storage.

f. Location: On U.S. Bureau of Reclamation irrigation canal, in Klamath County, Oregon near the town of Malin.

T.40S., R.13E.,
Sec. 31, SW¼ of NW¼, SW¼, S½ of SE ¼.
T.41S., R.13E.,
Sec. 6
Sec. 7, NE¼ of NW¼, E½;
Sec. 8, SW ¼ of SW ¼;
Sec. 17, W ½ of NW ¼; W ½ of SW ¼; SE ½ of SW¼.
Sec. 18, NE ¼ of NE ¼.
T.41S., R.12.E.,
Sec. 1;
Sec. 2;
Sec. 11;
Sec. 12.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Mr. Bart O'Keeffe, Mutual Energy Company, Inc., P.O. Box 60565, Sacramento, CA 95860, (916) 971–3717.

i. Comment Date: July 13, 1987.

j. Description of Project: The proposed pumped storage project would consist of: (1) A 100-foot-high, 2,000-foot-long earth dam; (2) the Pope Reservoir enlarged to have a surface area of 150 acres, a storage capacity of 10,500 acre-feet at elevation 5,360 feet m.s.l.; (3) an intake structure; (4) a 20-foot-diameter power tunnel consisting of a 1,160-foot-high vertical section from the intake to elevation 4,250 feet and an 8,500-foot-long horizontal section extending to the powerhouse; (5) a powerhouse containing four generating units with a total installed capacity of 200 MW, producing approximately an average annual energy output of 600,000 MWh; (6) a 90-foot-high, 6,000-foot-long earth dam creating; (7) a 210-acre Lower Reservoir at the foot of Bryant Mountain with a storage capacity of 10,500-acre-feet at elevation 4,200 feet m.s.l.; (8) a 36-inch-diameter, 2-mile-long pipeline extending from the pumping plant to the Lower Reservoir; (9) a pumping plant located on the "D" canal; (10) a 3-mile-long transmission line tying into a Pacific Southwest Intertie at the Malin substation. No new access road will be needed to conduct the studies.

The applicant estimates that the cost of the studies to be conducted under the preliminary permit would be $1,000,000.

The proposed project would be located on lands under the administration of the U.S. Bureau of Land Management.

k. Purpose of Project: Project power would be sold to California private utility companies or other purchasers.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C and D2.

8 a. Type of Application: Preliminary Permit.

b. Project No.: 10325–000.

c. Date Filed: February 17, 1987.

d. Applicant: Draper Irrigation Company.

e. Name of Project: Big Willow Creek Water Treatment Plant Supply Penstock Project.

f. Location: On Big Willow Creek, near Draper, in Salt Lake County, Utah.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person:

Noel H. Ennis, President, Draper Irrigation Company, 1201 East 13200 South, Draper, UT 84020, (801) 571–1436

Alden C. Robinson, P.E., Sunrise Engineering, Inc., P.O. Box 186, Fillmore, UT 84631, (801) 743–6151

i. Comment Date: July 13, 1987.

j. Description of Project: The proposed project would consist of: (1) A 10-foot-high, 30-foot-long concrete diversion dam across Big Willow Creek; (2) a 12-inch-diameter, 6,000-foot-long penstock; (3) a powerhouse containing a single turbine-generator unit with a rated capacity of 300 kW, operating under a head of 855 feet and producing an estimated annual generation of 1,645,329 kWh; and (4) a 50-foot-long, 12.5-kV transmission line interconnecting the project to an existing Utah Power and Light Company line. The proposed project would be located in Sections 22, 23, and 26, Township 3 South, Range 1 East, SLB&M, Salt Lake County, Utah.

k. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

l. The applicant estimates the cost of the work to be performed under the preliminary permit would be $7,500.

9 a. Type of Application: Preliminary Permit.

b. Project No.: 10334–000.

c. Date Filed: February 25, 1987.

d. Applicant: Warren T. Jacobson.

e. Name of Project: Boulder Creek No. 2 Project.

f. Location: On Boulder Creek in Garfield County, Utah: Sections 2 & 3, T33S, R4E: SLB&M.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Warren T. Jacobson, P.O. Box 241, Fountain Green, UT 84632.

i. Comment Date: July 10, 1987.

j. Description of Project: The proposed project would be located on lands of the Dixie National Forest, would utilize tailrace canal flows of Garkane Power Association's Boulder Creek Project No. 2219, and would consist of: (1) A small diversion dam at elevation 7,600 feet m.s.l.; (2) a steel pipeline/penstock, 30 inches in diameter and about ¼ mile long; (3) a powerhouse with an installed capacity of 1,200 kW under a head of 390 feet; (4) a tailrace returning flow to Boulder Creek; (5) a 7.2-kV transmission line, about 1.25 miles long; and (6) appurtenant facilities. The applicant estimates that the average annual energy output would be 4,285,000 kWh. The applicant estimates that the cost of studies under the permit would be $7,400.

k. Purpose of Project: Project energy would be sold to the Garkane Power Association.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

10 a. Type of Application: Preliminary Permit.

b. Project No.: 10356–000.

c. Date Filed: March 20, 1987.

d. Applicant: Snoqualmie River Hydro.

e. Name of Project: Middle Fork Snoqualmie River Project.

f. Location: Part of the project is within the Snoqualmie-Mt. Baker National Forest, near the town of North Bend, in King County, Washington. Township 24N and Range 10E and 11E.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Lawrence J. McMurtrey, 12122—196th NE., Redmond, WA 98053, (206) 885–3986.

i. Comment Date: July 13, 1987.

j. Description of Project: The proposed project would consist of the following:

(A) The Middle Fork Snoqualmie River Development would consist of: (1) Seven diversion structures with inlet elevations of 2,800 feet msl; and (2) seven feeder penstocks connected to a main penstock 45,000 feet long and 96 inches in diameter.

(B) The Dingford and Cripple Creek Development would consist of: (1) Two diversion structures with inlet elevations of 2,000 feet msl; and (2) two penstocks 10,000 feet long and 48 inches in diameter.

(C) The Burntboot Creek Development would consist of: (1) A diversion structure with an inlet elevation of 2,300 feet msl; and (2) a penstock 1,000 feet long and 48 inches in diameter.

The Middle Fork Snoqualmie River, Dingford and Cripple Creek, and Burntboot Creek Developments would share a powerplant at elevation 1,200 feet msl containing three turbine/generator units with an installed capacity of 22,703 kW and a 12-mile-long, 115-kV transmission line.

(D) The Taylor River Development would consist of: (1) Eight diversion structures with inlet elevations of 2,000 feet msl; and (2) eight feeder penstocks connected to a main penstock 30,000 feet long and 60 inches in diameter.

(E) The Quartz Creek Development would consist of: (1) A diversion structure with an inlet elevation of 2,000 feet msl; and (2) a penstock 5,000 feet long and 18 inches in diameter.

The Taylor River and Quartz Creek Developments would share a powerplant at elevation 1,200 feet msl containing two turbine/generator units with an installed capacity of 7,684 kW and a 10-mile-long, 115-kV transmission line.

(F) The Pratt River Development would consist of: (1) Five diversion structures with inlet elevations of 2,400 feet msl; (2) five feeder penstocks connected to a main penstock 30,000 feet long and 84 inches in diameter leading to; (3) a powerplant at elevation 1,040 feet msl containing a single turbine/generator unit with a capacity of 11,580 kW; and (4) a 6-mile-long, 115-kV transmission line.

(G) The Granite Creek Development would consist of: (1) A diversion structure with an inlet elevation of 2,400 feet msl; (2) a penstock 7,000 feet long and 18 inches in diameter leading to: (3) a powerplant at elevation 880 feet msl containing a single turbine/generator unit with a capacity of 2,072 kW; and (4) a 3-mile-long, 115-kV transmission line.

The total installed capacity would be 44,039 kW. The applicant estimates the average annual energy production to be 192.91 GWh. The approximate cost of the studies under the permit would be $40,000.

k. Purpose of Project: Applicant intends to sell the power generated at the proposed facility.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

11 a. Type of Application: Preliminary Permit.

b. Project No.: 10359–000.

c. Date Filed: March 25, 1987.

d. Applicant: Snoqualmie River Hydro.

e. Name of Project: Young's Creek No. 1 and 2.

f. Location: In Snoqualmie-Mt. Baker National Forest on Young's Creek, in Snohomish County, Washington. Township 27N and Range 7E.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Lawrence J. McMurtrey, 12122—196th NE., Redmond, WA 98053, (206) 885–3986.

i. Comment Date: July 13, 1987.

j. Description of Project: The proposed project would consist of the following:

(A) The Young's Creek No. 1 Development would consist of: (1) A diversion structure with an inlet elevation of 2,380 feet msl; (2) a penstock 20,000 feet long and 24 inches in diameter leading to: (3) a powerplant at elevation 600 feet msl and containing a single turbine/generator unit with a capacity of 4,010 kW operating at 1,780 feet of hydraulic head; and (4) a 4-mile-long, 115-kV transmission line.

(B) The Young's Creek No. 2 Development would consist of: (1) A diversion structure with an inlet elevation of 600 feet msl; (2) a penstock 5,000 feet long and 84 inches in diameter leading to: (3) a powerplant at elevation 300 feet msl and containing a single turbine/generator unit with a capacity of 1,974 kW operating at 300 feet of hydraulic head; and (4) a 3-mile-long, 115-kV transmission line.

The applicant estimates the average annual energy production to be 26.2 GWh. The approximate cost of the studies under the permit wouid be $40,000.

k. Purpose of Project: Applicant intends to sell the power generated at the proposed facility.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

12 a. Type of Application: Preliminary Permit.

b. Project No.: 10360–000.

c. Date Filed: March 25, 1987.

d. Applicant: Snoqualmie River Hydro.

e. Name of Project: Upper South Fork Snoqualmie.

f. Location: In Snoqualmie-Mt. Baker National Forest on the Upper South Fork Snoqualmie River, in King County, Washington. Township 22N and Range 10E.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Lawrence J. McMurtrey, 12122—196th NE., Redmond, WA 98053, (206) 885–3986.

i. Comment Date: July 13, 1987.

j. Description of Project: The proposed project would consist of: (1) A diversion structure with an inlet elevation of 2,800 feet msl; (2) a penstock 12,000 feet long and 24 inches in diameter leading to: (3) a powerplant at elevation 2,000 feet msl and containing a single turbine/generator unit with a capacity of 1,838 kW operating at 800 feet of hydraulic head; and (4) a one-mile-long, 115-kV transmission line. The applicant estimates the average annual energy production to be 8.05 GWh. The approximate cost of the studies under the permit would be $40,000.

k. Purpose of Project. Applicant intends to sell the power generated at the proposed facility.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

13 a. Type of Application: Preliminary Permit.

b. Project No.: 10361–000.

c. Date Filed: March 25, 1987.

d. Applicant: Snoqualmie River Hydro.

e. Name of Project: North Fork Tolt River Project.

f. Location: In Snoqualmie-Mt. Baker National Forest on the North Fork Tolt River, in King County, Washington. Township 26 N and Range 6 E.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Lawrence J. McMurtrey, 12122—196th NE., Redmond, WA 98053, (206) 885–3986.

i. Comment Date: July 13, 1987.

j. Description of Project: The proposed project would consist of: (1) Two diversion structures with inlet elevations of 1,150 feet msl; (2) a bifurcated penstock 17,000 feet long and 120 inches in diameter leading to; (3) a powerplant at elevation 400 feet msl containing a single turbine/generator unit with a capacity of 10,004 kW operating at 750 feet of hydraulic head; and (4) a 2-mile-long, 115-kV transmission line. The applicant estimates the average annual energy production to be 43.82 GWh. The approximate cost of the studies under the permit would be $40,000.

k. Purpose of Project: Applicant intends to sell the power generated at the proposed facility.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C and D2.

14 a. Type of Application: Declaration of Intention.

b. Project No: EL87–25.

c. Date Filed: March 18, 1987.

d. Applicant: Greyhound Mine.

e. Name of Project: Ronald C. Yanke.

f. Location: On Sulphur Creek, Custer County, Idaho, Sections 4, 5, and 9, T. 14 N., R. 11 E., B.M., and Sections 31 and 32, T. 15 N., R. 11 E., B.M.

g. Filed Pursuant to: Section 23(b) of the Federal Power Act, 16 U.S.C. 817(b).

h. Contact Person: Ronald C. Yanke, P.O. Box 5411, Boise, Idaho 83705.

i. Comment Date: June 22, 1987.

j. Description of Project: The proposed project would consist of: (1) A 15-foot-long, 6-foot-high diversion structure; (2) a 2,800-foot-long, 1-foot-diameter penstock; (3) a powerhouse containing one generating unit with capacity of 50 kW; (4) appurtenant facilities.

When a Declaration of Intention is filed with the Federal Energy Regulatory Commission, the Federal Power Act requires the Commission to investigate and determine if the interests of interstate or foreign commerce would be affected by the project. The Commission also determines whether or not the project: (1) Would be located on a navigable waterway; (2) would occupy or affect public lands or reservations of the United States; (3) would utilize surplus water or water power from a government dam; or (4) if applicable, has involved or would involve any construction subsequent to 1935 that may have increased or would increase the project's head or generating capacity, or have otherwise significantly modified the project's pre-1935 design or operation.

k. Purpose of Project: The proposed project would furnish electric power for the Applicant's mining and milling operation.

l. This notice also consists of the following standard paragraphs: B, C, and D2.

15 a. Type of Application: Preliminary Permit.

b. Project No.: 10280–000.

c. Date Filed: January 29, 1987.

d. Applicant: Washington Hydro Development Company.

e. Name of Project: Cumberland Creek.

f. Location: On Cumberland Creek, tributary of the Skagit River, within the Snoqualmie—Mt. Baker National Forest in Skagit County, Washington near the town of Concrete. T. 35 N., R. 6 E., sec. 23, E½, sec. 24, SW¼; sec. 25.

g. Filed Pursuant to: Federal Power Act 16 U.S.C. 791(a)–825(r).

h. Contact Person: Mr. Lawrence J. McMurtrey, President, Washington Hydro Development Company, 12122 196th Avenue NE., Redmond, WA 98052, (206) 885–3986.

i. Comment Date: June 25, 1987.

j. Description of Project: The proposed project would consist of: (1) A 36-inch-wide diversion-intake structure at elevation 2,000 feet; (2) a 24-inch-diameter, 10,000-foot-long penstock; (3) a powerhouse containing a single generating unit with an installed capacity of 3,702 kW, producing an average annual energy output of 16.29 GWh; (4) a tailrace; (5) a 9-mile-long, 115-kV buried transmission line tying into an existing Puget Sound Power and Light Company line. No new access road will be needed to conduct the studies.

The applicant estimates that the cost of the studies to be conducted under the preliminary permit would be $40,000.

k. Purpose of Project: Project power would be sold to Puget Sound Power and Light Company.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

16 a. Type of Application: Preliminary Permit.

b. Project No: 10286–000.

c. Date Filed: January 29, 1987.

d. Applicant: Washington Hydro Development Company.

e. Name of Project: Lower Pressentin Creek.

f. Location: On Lower Pressentin Creek, tributary of the Skagit River, within Snoqualmie-Mt. Baker National Forest in Skagit County, Washington. T. 35 N., R. 7 E., sec. 31, W½; T. 34 N., R. 7 E., sec. 1, NE¼, E½NW¼; T. 35 N., R. 7 E., sec. 24, SE¼, E½SW¼, S½NE¼, SE¼NW¼; sec. 25, E¾; sec. 36, E¾.

g. Filed Pursuant to: Federal Power Act 16 U.S.C. 791(a)–825(r).

h. Contact Person: Mr. Lawrence J. McMurtrey, President, Washington Hydro Development Company, 12122 196th NE., Redmond, WA 98052, (206) 885–3986.

i. Comment Date: June 25, 1987.

j. Description of Project: The proposed project would consist of: (1) Two 36-inch-wide diversion-intake structure; (2) an 84-inch-diameter, 13,000-foot-long penstock; (3) a powerhouse containing a single generating unit with an installed capacity of 8,193 kW, producing an annual energy output of 35.88 GWh; (4) a tailrace; and (5) a 5-mile-long, 115-kV transmission line tying into an existing Puget Sound Power and Light Company

line. No new access road will be needed to conduct these studies.

The applicant estimates that the cost of the studies to be conducted under the preliminary permit would be $40,000.

k. Purpose of Project: Project power would be sold to Puget Sound Power and Light Company.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

17 a. Type of Application: Preliminary Permit.

b. Project No: 10287–000.

c. Date Filed: January 29, 1987.

d. Applicant: Washington Hydro Development Company.

e. Name of Project: Grandy Creek Trib.

f. Location: On tributaries of Grandy Creek, tributary of the Skagit River, within Snoqualmie-Mt. Baker National Forest in Skagit County, Washington near the town of Hamilton. T. 35 N., R. 7 E., sec. 2, NE¼; T. 36 N., R. 8 E., sec. 19, E½SW¼, W½SE¼; sec. 30, E½W½W ½E½; sec. 31, E½NW¼, W½NE¼.

g. Filed Pursuant to: Federal Power Act 16 U.S.C. 791(a)–825(r).

h. Contact Person: Mr. Lawrence J. McMurtrey, President, Washington Hydro Development Company, 12122 196th NE., Redmond, WA 98052, (206) 885–3986.

i. Comment Date: June 25, 1987.

j. Description of Project: The proposed project would consist of: Two developments on tributaries of Grandy Creek. Tributary No. 1 development would consist of: (1) A 36-inch-wide concrete diversion-intake structure at elevation 2,500 feet; (2) an 18-inch-diameter, 7,000-foot-long penstock; (3) a powerhouse containing a single generating unit with an installed capacity of 2,524 kW, producing an average annual energy output of 11.05 GWh; (4) a tailrace; (5) a 4-mile-long, 115-kV transmission line tying into an existing Puget Sound Power and Light Company line; The Tributary No. 2 development would consist of: (1) a 36-inch-wide concrete diversion-intake structure at elevation 1,000 feet, (2) a 12-inch-diameter, 3,000-foot-long penstock; (3) a powerhouse containing a single generating unit with an installed capacity of 680 kW, producing an average annual energy output of 4.8 GWh; (4) a tailrace; (5) a 2-mile-long, 115-kV transmission line tying into an existing Puget Sound Power and Light Company line. No new access road will be needed to conduct the studies.

The Applicant estimates that the cost of the studies to be conducted under the preliminary permit would be $40,000.

k. Purpose of Project: Project power would be sold to Puget Sound Power and Light Company.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

18 a. Type of Application: New Major License (5 MW or Less).

b. Project No: 663–001.

c. Date Filed: May 4, 1984.

d. Applicant: Puerto Rico Electric Power Authority.

e. Name of Project: Rio Blanco.

f. Location: Rio Blanco River, Naguabo Municipality, Puerto Rico.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Mr. Orlando Anglero, Director of Planning and Environmental Protection, Puerto Rico Electric Power Authority, G.P.O. Box 4267, San Juan, PR 00936, (809) 725–4589.

i. Comment Date: July 10, 1987.

j. Description of Project: The existing project consists of: (1) A concrete gravity dam structure, 32 feet high and 150 feet long, including a 90-foot-long overflow spillway section; (2) four small concrete diversion structures; (3) approximately 9,300 feet of concrete pipeline, 18 to 42 inches in diameter, leading from the various diversions; (4) a 32 inch diameter riveted steel penstock, approximately 3,690 feet in length; (5) a powerhouse containing two generating units with a total capacity of 5,000 kW; (6) a concrete flume tailrace structure, approximately 210 feet long and 6 feet wide; and (7) appurtenant facilities. The average annual generation is 19 GWh. Project power is sold by the applicant to its customers. The existing project is not subject to federal takeover under sections 14 and 15 of the Federal Power Act.

k. This notice also consists of the following standard paragraphs: A3, A9, B, C, and D1.

19 a. Type of Application: License (under 5 MW).

b. Project No.: 9980–000.

c. Date Filed: April 24, 1986.

d. Applicant: Hyrum City, Utah.

e. Name of Project: Blacksmith Fork Power Project No. 2.

f. Location: On Blacksmith Fork River in Cache County, Utah: Section 7 and 8, T10N, R2E; section 12, T10N, R1E: SLB&M.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Honorable Bruce E. Darley, Mayor, Hyrum City, 83 West Main, Hyrum, UT 84319.

i. Comment Date: June 19, 1987.

j. Competing Application: Project No. 9375. Date Filed: March 24, 1986. Due Date: May 29, 1987.

k. Description of Project: The proposed project would be located in the Cache National Forest and would consist of: (1) An earthfill dam, 27 feet high and 125 feet long; (2) a reservoir of minimal pondage at maximum water surface elevation 4,995 feet m.s.l.; (3) a steel penstock, 54 inches in diameter and 1.5 miles long; (4) a powerhouse with an installed capacity of 1,400 kW under a net head of 144 feet; (5) a tailrace returning flow to the Blacksmith Fork River; (6) a 12.5-kV transmission line, 400 feet long; and (7) appurtenant facilities. The Applicant estimates that the average annual energy output would be 7,560.00 kWh.

l. Purpose of Project: Project energy would be utilized by the Applicant.

m. This notice also consists of the following standard paragraphs: A4, B, C, and D1.

20 a. Type of Application: Exemption (5MW or Less).

b. Project No.: 10056–000.

c. Date Filed: August 1, 1986 and supplemented March 6, 1987.

d. Applicant: Michiana Hydroelectric Company and the Village of Bellevue, Michigan.

e. Name of Project: Bellevue Mill Dam Hydro Project.

f. Location: On Battle Creek in Bellevue, Eaton County, Michigan.

g. Filed Pursuant to: Section 408 of the Energy Security Act of 1980, 16 U.S.C. 2705 and 2708 as amended.

h. Contact Persons:

William Stockhousen, Michiana Hydroelectric Company, 218 W. Dunlop Street, Northville, MI 48167, 313–349–2833

Mr. Bernard Otto, Village Hall, 201 N. Main Street, Bellevue, MI 49021, 616–763–9571.

i. Comment Date: June 18, 1987.

j. Description of Project: The proposed project would consist of: (1) The existing Bellevue Mill Dam approximately 165 feet long and 16 feet high; (2) an existing 33-acre reservoir having a storage area of 82 acre-feet at an elevation of 852.5 msl; (3) a new powerhouse containing two 30-kW generator for a total installed capacity of 60 kW; (4) a tailrace; (5) a new 1,300-foot-long, 8.32-kV transmission line; and (6) appurtenant facilities. Applicants estimate that the average annual generation would be 200 MWh. Applicants hold all real estate interests necessary to develop and operate the proposed project.

k. Purpose of Project: All project energy produced would be sold to Consumers Power Company.

l. Purpose of Exemption: An exemption, if issued, gives the Exemptee

priority of control, development, and operation of the project under the terms of exemption from licensing, and protects the Exemptee from the permit or license applicants that would seek to take or develop the project.

m. This notice also consists of the following standard paragraphs: A3, A9, B, C, & D3a.

21 a. Type of Application: Major License (5MW or less).

b. Project No.: 10096–000.

c. Date Filed: September 23, 1986.

d. Applicant: Trafalgar Power, Inc.

e. Name of Project: Saugerties.

f. Location: Esopus Creek in Ulster County, New York.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Persons:

Mr. Neal F. Dunlevy, Stetson-Dale, Architects & Engineers, 185 Genesee Street, Utica, NY 13501, (315) 793–0366

Mr. Arthur H. Steckler, Trafalgar Power, Inc., Smith and Canal Streets, Franklin, NH 03035, (603) 934–4202.

i. Comment Date: July 13, 1987.

j. Description of Project: The proposed project would consist of: (1) An existing 32-foot-high, 346-foot-long concrete gravity dam; (2) a reservoir with a surface area of 140 acres, a storage capacity of 826 acre-feet, and a normal water surface elevation of 48.0 feet m.s.l.; (3) a new 10-foot-diameter, 45-foot-long steel penstock; (4) a new concrete powerhouse containing one generating unit with a capacity of 2,225 kW; (5) a new 60-foot-wide, 80-foot-long tailrace; (6) a new transmission line, 4,000 feet long; and (7) appurtenant facilities. The applicant estimates the average annual generation would be 7,400,000 kWh. The existing dam is owned by Houseboat Realty, Bearsville, New York.

k. Purpose of Project: Project power would be sold to the Central Hudson Gas and Electric Corporation.

l. This notice also consists of the following standard paragraphs: A3, A9, B, C, and D1.

22 a. Type of Application: Exemption (5MW or less).

b. Project No.: 10113–000.

c. Date Filed: October 2, 1986.

d. Applicant: Perpetual Storage, Inc.

e. Name of Project: Whitmore Hydro Project.

f. Location: On Little Cottonwood Creek in Salt Lake County, Utah.

g. Filed Pursuant to: Section 408 of the Energy Security Act of 1980, (16 U.S.C. 2705 and 2708 *as amended).*

h. Contact Person: Mr. Stanley S. Postma, 106 West 500 South, Suite 101, Bountiful, UT 84010.

i. Comment Date: June 19, 1987.

j. Description of Project: The proposed project would be located on private lands leased by the applicant, would utilize and replace existing project works and would consist of: (1) An existing reinforced concrete weir diversion structure; (2) rehabilitated penstock intake works; (3) a new 48-inch-diameter steel pipeline/penstock, about 7,500 feet long; (4) an existing powerhouse to contain new generating units rated at 5,000 kW under a 550 foot head; (5) a rehabilitated tailrace returning flow to Little Cottonwood Creek; (6) an existing 12.5-kV transmission line, about 7 miles long; and (7) appurtenant facilities. The applicant estimates that the average annual energy output would be 19,154,000 kWh.

k. Purpose of Project: Project energy would continue to be utilized by the Applicant and by the Whitmore Oxygen Company; surplus energy would be sold to the Utah Power and Light Company.

l. This notice also consists of the following standard paragraphs: A5, A9, B, C, & D3a.

23 a. Type of Application: Exemption Under 5MW.

b. Project No: 10128–000.

c. Date Filed: October 22, 1986.

d. Applicant: Mr. Ivan D. Davis.

e. Name of Project: St. George River.

f. Location: On the St. George River in Waldo County, Maine.

g. Filed Pursuant to: Section 408 of the Energy Security Act of 1980, 16 U.S.C. 2705 and 2709.

h. Contact Person: Mr. James D. Sysko, Small Hydro East, Star Route 240, Bethel, ME 04217, (207) 824–3244.

i. Comment Date: June 19, 1987.

j. Description of Project: The proposed project would consist of: (1) A proposed inlet utilizing the existing stilling pool; (2) a proposed 18-inch-diameter penstock; (3) replacement of existing fish screen; (4) a proposed powerhouse to contain one turbine/ generator with an installed capacity of 100 kW; (5) a proposed tailrace channel; and (6) appurtenant facilities. The property is owned by the applicant. The estimated average annual energy produced by the project would be 657,000 kWh per year operating under a net hydraulic head of 154 feet.

k. Purpose of Project: Project power will be sold to the Central Maine Power Company.

l. This notice also consists of the following standard paragraphs: A3, A9, B, C, & D3a.

m. Purpose of Exemption: An exemption, if issued, gives the exemptee priority of control, development, and operation of the project under the terms of the exemption from licensing, and protects the exemptee from permit or license applicants that would seek to take or develop the project.

24 a. Type of Application: Preliminary Permit.

b. Project No.: 10328–000.

c. Date Filed: February 17, 1987.

d. Applicant: Skagit River Hydro.

e. Name of Project: Alma/Copper Creek.

f. Location: On Alma and Copper Creeks within Mt. Baker—Snoqualmie National Forest in Skagit County, Washington. Township 36 North, Range 11 East, Williamette Meridian.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Lawrence J. McMurtrey, 12122—196th N.E., Redmond, WA 98052, (206) 885–3986.

i. Comment Date: July 9, 1987.

j. Description of Project: The proposed project would consist of: (1) 3-foot-wide diversion structures in the streambeds at elevation 2,000 feet; (2) a 36-inch-diameter penstock totalling 13,000 feet in length; (3) a powerhouse at elevation 400 feet containing a generating unit rated at 10,478 kW, producing an average annual output of 45.89 GWh; and (4) a 4-mile-long transmission line connecting to a Puget Power distribution line at Marblemount. The estimated cost of permit activities is $40,000.

k. Purpose of Project: Project power would be sold.

l. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

25 a. Type of Application: Preliminary Permit.

b. Project No: 10363–000.

c. Date Filed: March 25, 1987.

d. Applicant: Columbia County Partners.

e. Name of Project: Claverack Creek Project.

f. Location: On the Claverack Creek, in Columbia County, New York.

g. Filed Pursuant to: Federal Power Act, 16 U.S.C. 791(a)–825(r).

h. Contact Person: Mr. J. Kirk Rector, 5041 S. Boabab Drive, Salt Lake City, UT 84117, (801) 272–2030.

i. Comment Date: July 10, 1987.

j. Description of Project: The proposed project would consist of: (1) An existing 200-foot-long, 12-foot-high concrete gravity dam; (2) an impoundment having a surface area of 1 acre with negligible storage and a water surface elevation of 140 feet m.s.l.; (3) a proposed intake structure; (4) a proposed 80-foot-long 40-inch-diameter steel penstock; (5) a proposed powerhouse containing one generating unit with an installed capacity of 400 kW; (6) a proposed tailrace; (7) a proposed 200-foot-long,

12.5-kV transmission line; and (8) appurtenant facilities. The applicant estimates the average annual generation would be 1,800,000 kWh. The applicant intends to acquire all of the necessary property rights from the various property owners. All project energy generated would be sold to the Niagara Mohawk Power Corporation. The applicant estimates the cost of the work to be performed under the preliminary permit would be $155,000.

k. This notice also consists of the following standard paragraphs: A5, A7, A9, A10, B, C, and D2.

Standard Paragraphs:

A3. Development Application—Any qualified development applicant desiring to file a competing application must submit to the Commission, on or before the specified comment date for the particular application, a competing development application, or a notice of intent to file such an application. Submission of a timely notice of intent allows an interested person to file the competing development application no later than 120 days after the specified comment date for the particular application. Applications for preliminary permit will not be accepted in response to this notice.

A4. Development Application—Public notice of the filing of the initial development application, which has already been given, established the due date for filing competing applications or notices of intent. In accordance with the Commission's regulations, any competing development applications, must be filed in response to and in compliance with public notice of the intial development application. No competing applications or notices of intent may be filed in response to this notice.

A5. Preliminary Permit—Anyone desiring to file a competing application for preliminary permit for a proposed project must submit the competing application itself, or a notice of intent to file such an application, to the Commission on or before the specified comment date for the particular application (see 18 CFR 4.36 (1985)). Submission of a timely notice of intent allows an interested person to file the competing preliminary permit application no later than 30 days after the specified comment date for the particular application.

A competing preliminary permit application must conform with 18 CFR 4.30(b) (1) and (9) and 4.36.

A7. Preliminary Permit—Any qualified development applicant desiring to file a competing development application must submit to the Commission, on or before the specified comment date for the particular application, either a competing development application or a notice of intent to file such an application. Submission of a timely notice of intent to file a development application allows an interested person to file the competing application no later than 120 days after the specified comment date for the particular application.

A competing license application must conform with 18 CFR 4.30(b) (1) and (9) and 4.36.

A9. Notice of intent—A notice of intent must specify the exact name, business address, and telephone number of the prospective applicant, include an unequivocal statement of intent to submit, if such an application may be filed, either (1) a preliminary permit application or (2) a development application (specify which type of application), and be served on the applicant(s) named in this public notice.

A10. Proposed Scope of Studies Under Permit—A preliminary permit, if issued, does not authorize construction. The term of the proposed preliminary permit would be 36 months. The work proposed under the preliminary permit would include economic analysis, preparation of preliminary engineering plans, and a study of environmental impacts. Based on the results of these studies the Applicant would decide whether to proceed with the preparation of a development application to construct and operate the project.

B. *Comments, Protests, or Motions to Intervene*—Anyone may submit comments, a protest, or a motion to intervene in accordance with the requirements of the rules of practice and procedure, 18 CFR 385.210, 385.211, 385.214. In determining the appropriate action to take, the Commission will consider all protests or other comments filed, but only those who file a motion to intervene in accordance with the Commission's Rules may become a party to the proceeding. Any comments, protests, or motions to intervene must be received on or before the specified comment date for the particular application.

C. *Filing and Service of Responsive Documents*—Any filings must bear in all capital letters the title "COMMENTS", "RECOMMENDATIONS FOR TERMS AND CONDITIONS", "NOTICE OF INTENT TO FILE COMPETING APPLICATION", "COMPETING APPLICATION", "PROTEST" or "MOTION TO INTERVENE", as applicable, and the Project Number of the particular application to which the filing is in response. Any of the above named documents must be filed by providing the original and the number of copies required by the Commission's regulations to: Kenneth F. Plumb, Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426. An additional copy must be sent to: Mr. Fred E. Springer, Director, Division of Project Management, Federal Energy Regulatory Commission, Room 203–RB, at the above address. A copy of any notice of intent, competing application or motion to intervene must also be served upon each representative of the Applicant specified in the particular application.

D1. *Agency Comments*—States, agencies established pursuant to federal law that have the authority to prepare a comprehensive plan for improving, developing, and conserving a waterway affected by the project, federal and state agencies exercising administration over fish and wildlife, flood control, navigation, irrigation, recreation, cultural and other relevant resources of the state in which the project is located, and affected Indian tribes are requested to provide comments and recommendations for terms and conditions pursuant to the Federal Power Act as amended by the Electric Consumers Protection Act of 1986, the Fish and Wildlife Coordination Act, the Endangered Species Act, the National Historic Preservation Act, the Historical and Archeological Preservation Act, the National Environmental Policy Act, Pub. L. No. 88–29, and other applicable statutes. Recommended terms and conditions must be based on supporting technical data filed with the Commission along with the recommendations, in order to comply with the requirement in section 313(b) of the Federal Power Act, 16 U.S.C. § 825*l*(b), that Commission findings as to facts must be supported by substantial evidence.

All other federal, state, and local agencies that receive this notice through direct mailing from the Commission are requested to provide comments pursuant to the statutes listed above. No other formal requests will be made. Responses should be confined to substantive issues relevant to the issuance of a license. A copy of the application may be obtained directly from the applicant. If an agency does not respond to the Commission within the time set for filing, it will be presumed to have no comments. One copy of an agency's response must also be set to the Applicant's representatives.

D2. *Agency Comments*—Federal, State, and local agencies are invited to file comments on the described

application. (A copy of the application may be obtained by agencies directly from the Applicant.) If an agency does not file comments within the time specified for filing comments, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

D3a. *Agency Comments*—The U.S. Fish and Wildlife Service, the National Marine Fisheries Service, and the State Fish and Game agency(ies) are requested, for the purposes set forth in section 408 of the Energy Security Act of 1980, to file within 60 days from the date of issuance of this notice appropriate terms and conditions to protect any fish and wildlife resources or to otherwise carry out the provisions of the Fish and Wildlife Coordination Act. General comments concerning the project and its resources are requested; however, specific terms and conditions to be included as a condition of exemption must be clearly identified in the agency letter. If an agency does not file terms and conditions within this time period, that agency will be presumed to have none. Other Federal, State, and local agencies are requested to provide any comments they may have in accordance with their duties and responsibilities. No other formal requests for comments will be made. Comments should be confined to substantive issues relevant to the granting of an exemption. If an agency does not file comments within 60 days from the date of issuance of this notice, it will be presumed to have no comments. One copy of an agency's comments must also be sent to the Applicant's representatives.

Dated: May 12, 1987.

Kenneth F. Plumb,

Secretary.

[FR Doc. 87-11112 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. CI87-548-000 and CI87-558-000]

Conoco Inc.; Application

May 11, 1987.

Take notice that on April 30, 1987, Conoco Inc. (Conoco), P.O. Box 2197, Houston, Texas 77252, filed an application pursuant to sections 4 and 7 of the Natural Gas Act (15 U.S.C. 717 c and f) and Part 157 of the Commission's Regulations under the Natural Gas Act (18 CFR Part 157), for authorization to permanently abandon certificates of public convenience and necessity issued to Conoco heretofore authorizing the slaes of natural gas to Southern Natural Gas Company (Southern) under various contracts covering gas sales subject to the Commission's Natural Gas Act jurisdiction as shown in Exhibit "A". Conoco additionally requests the issuance of a permanent blanket certificate with pregranted abandonment authorizing the sale for resale of natural gas in interstate commerce from sources formerly committed to Southern. Conoco also requests abandonment of individual sales made pursuant to the requested blanket certificate upon expiration of the term of such sales.

Conoco states that these authorities are necessary to enable Conoco to implement a comprehensive settlement agreement between Conoco and Southern to settle, compromise and release certain claims arising from various contractual relationships including the mutual understanting and agreement to rescind, terminate and cancel as of April 1, 1987 the contracts covering sales for which abandonment authorization is requested.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 26, 1987, file with the Federal Energy Regulatory Commission, Washington, DC 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 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 protestants parties to the proceeding. Any person wishing to become a party in any proceeding herein must filed a petition to intervne in accordance with the Commission's rule.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for Applicant to appear or to be represented at the hearing.

Kenneth F. Plumb,

Secretary.

EXHIBIT A

Docket No.	Conoco Inc., FERC gas rate schedule No.	Location	Estimated deliverability	NGPA category
G-17520	175	North Bayou Long Field, Iberia Parish, Louisiana	180 Mcfd	104 replacement/recompletion.
G-19437	172	Bayou Long Field, Iberia and St. Martin Parishes, Louisiana	Depleted	
C162-1504	222	Bayou Pigeon Field, Iberia Parish, Louisiana	40 Mcfd	104 replacement/recompletion.
C70-135	351	Bayou Long Field, St. Martin Parish, Louisiana	Lease expired	
C73-860	405	Main Pass Area, Offshore Louisiana	2000 Mcfd	102(d).
C177-606	438	Main Pass Area, Offshore Louisiana	25 Mcfd	102 (d)
C181-239-000	475	Main Pass Area, Offshore Louisiana	4000 Mcfd	102 (d)

[FR Doc. 87-11109 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. C187-547-000]

Enron Gas Marketing, Application

May 11, 1987.

Take notice that on April 29, 1987, Enron Gas Marketing, Inc. (EGM), 1400 Smith Street, Houston, Texas 77002, filed in this proceeding an application pursuant to section 7 of the Natural Gas Act (NGA) and Part 157 of the Commission's regulations requesting blanket certificate authorization for (1) Self-implementing sales for resale of certain natural gas in interstate commerce, without market restriction; (2) self-implementing sales of certain natural gas by others to EGM for resale in interstate commerce, without market restriction; and (3) self-implementing sales for resale of certain natural gas in interstate commerce, without market restriction, by producers through EGM acting as their agent. EGM also seeks pregranted abandonment of all sales for resale for which sales certificate authority is sought herein and a waiver of Parts 154 and 271 of the Commission's Regulations concerning maintenance of rate schedules. Finally, EGM requests that the Commission declare in its order issuing the requested authorizations that the Commission's NGA jurisdiction over the activities and operations of EGM is limited to the transactions for which authorization is sought in the Application.

EGM states that the purpose of its application is to permit EGM to make sales in interstate commerce for resale of gas which is available for sale to markets, but is still subject to the certificate and abandonment provisions of the Natural Gas Act, including natural

gas for which abandonment of service has been granted under section 7 of the NGA and imported natural gas, without market restriction and regardless of classification under the NGPA.

Any person desiring to be heard or to make any protest with reference to said application should on or before May 26, 1987, file with the Federal Energy Regulatory Commission, Washington, DC 20426, a petition to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 385.211, 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. Any person wishing to become a party must file a petition to herein must file a petition to intervene in accordance with the Commission 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.

[FR Doc. 87-11110 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP87-43-002]

MIGC, Inc.; Proposed Changes in FERC Gas Tariff

May 11, 1987.

Take notice that on May 4, 1987, MIGC, Inc. (MIGC) tendered for filing pursuant to § 154.38(d)(4)(vi)(a) of the Commission's regulations and Ordering Paragraph (D) of the order issued March 31, 1987 in the above-captioned proceeding, a Base Tariff Rate restatement restating, effective May 1, 1987, base tariff rates reflected in MIGC's FERC Gas Tariff, Original Volume No. 1. Also included in the filing is a cost and revenue study supporting such restated base tariff rates.

MIGC states that this filing updates and restates MIGC's base cost of purchased gas included in its base tariff rates effective May 1, 1987. MIGC further states that the cost and revenue study included in its filing, which is based on the twelve months of actual experience (as annualized) ending December 31, 1986, indicates an annual revenue deficiency of $751,153 and, thus, more than adequately supports MIGC's restated base tariff rates. MIGC further states that copies of this filing were served upon all of its jurisdictional customers and interested state commissions.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street NE, Washington, DC 20426, in accordance with Rules 214 and 211 of the Commission's rules of practice and procedure. All such motions or protests should be filed on or before May 18, 1987. 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. 87-11136 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. TA87-3-55-000 and -001]

Mountain Fuel Resources, Inc.; Tariff Filing

May 11, 1987.

Take notice that on May 4, 1987, Mountain Fuel Resources, Inc. (MRF) tendered for filing and acceptance revised tariff sheets to its FERC Gas Tariff, First Revised Volume No. 1, as follows:

First Revised Sheet No. 1
Seventh Revised Sheet No. 12
Eighth Revised Sheet No. 12
Sixth Revised Sheet No. 14

Seventh Revised Sheet No. 12 reflects the removal of the $0.02/Dth Moxa Arch surcharge, approved by the Commission's May 20 1986, letter order in Docket Nos. RP85-208-000 and CP80-274-011. The surcharge was to be effective from May 1, 1986, through the earlier of April 30, 1987, or until MFR has accumulated $1,400,000 by virtue of applying the surcharge. MFR has requested an effective date of May 1, 1987.

Eighth Revised Sheet No. 12 reflects a change in MFR's Commodity Base Cost of Purchased Gas As Adjusted of $(0.07001)/Dth from $2.29661/Dth to $2.22660/Dth, and a change in its Uncovered Purchased Gas Cost Adjustment of $(0.19373)/Dth from $(0.02157)/Dth, currently in effect, to $(0.21530)/Dth, resulting in a net decrease in the commodity rate change under Rate Schedule CD-1 of $0.26374/Dth. Also reflected on Eighth Revised Sheet No. 12 is a decrease in the Demand Base Cost of Purchased Gas As Adjusted of $0.00015/Mcf from $1.10944/Mcf to $1.10929/Mcf. Sixth Revised Sheet No. 14 reflects $0.00 projected incremental pricing for the June 1, 1987, through November 30, 1987, PGA period. First Revised Sheet No. 1 updates MFR's Table of Contents to First Revised Volume No. 1 to reflect changes in MFR's tariff from various filings. MFR has requested an effective date of June 1, 1987.

Copies of the filing were served upon Mountain Fuel Supply Company, MFR's sole sale-for-resale customer, and the Public Service Commissions of Utah and Wyoming.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211, 385.214). All such motions or protests should be filed on or before May 18, 1987. 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. 87-11137 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. RP87-13-001]

South Georgia Natural Gas Co.; Proposed Changes in FERC Gas Tariff

May 11, 1987.

Taken notice that South Georgia Natural Gas Company (South Georgia) on May 1, 1987 tendered for filing revised tariff sheets to its FERC Gas Tariff, First Revised Volume No. 1 and First Revised Volume No. 2. The purpose of these tariff sheets is to place into effect the rates accepted, subject to refund, by the Commission's order of November 28, 1986, in Docket No. RP87-13-000, and to update the cost of gas in Docket No. RP87-13-000 to reflect the current level of purchased gas costs as represented in South Georgia's Purchased Gas Adjustment (PGA) filing which became effective January 1, 1987.

In addition, South Georgia has tendered certain revised tariff sheets with a proposed effective date of June 1, 1987, modifying the PGA provisions of its FERC Gas Tariff so as to permit purchases from suppliers other than

Southern Natural Gas Company and to provide for the treatment of nonconcurrent exchange transactions.

Copies of this filing have been served upon South Georgia's jurisdictional customers, interested state public service commissions and all parties of record.

Any person desiring to be heard or to protest said filing should file a motion to intervene or a protest with the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426, in accordance with Rules 214 and 211 of the Commission's rules of practice and procedure (18 CFR 385.214, 385.211). All such motions or protests should be filed on or before May 18, 1987. 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. 87-11138 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. ST87-1653-000 et al.]

Tennessee Gas Pipeline Co. et al.; Self-Implementing Transactions

May 11, 1987.

Take notice that the following transactions have been reported to the Commission as being implemented pursuant to Part 284 of the Commission's Regulations, and sections 311 and 312 of the Natural Gas Policy Act of 1978 (NGPA).[1]

The "Recipient" column in the following table indicates the entity receiving or purchasing the natural gas in each transaction.

The "Part 284 Subpart" column in the following table indicates the type of transaction. A "B" indicates transportation by an interstate pipeline on behalf of an intrastate pipeling or a local distribution company pursuant to Section 284.102 of the Commission's Regulations and section 311(a)(1) of the NGPA.

A "C" indicates transportation by an intrastate pipeline on behalf of an interstate pipeline or a local distribution company served by an interstate pipeline pursuant to § 284.122 of the Commission's Regulations and section 311(a)(2) of the NGPA. In those cases where Commission approval of a transportation rate is sought pursuant to § 284.123(b)(2), the table lists the proposed rate and the expiration date of the 150-day period for staff action. Any person seeking to participate in the proceeding to approve a rate listed in the table should file a petition to intervene with the Secretary of the Commission.

A "D" indicates a sale by an intrastate pipeline to an interstate pipeline or a local distribution company served by an interstate pipeline pursuant to § 284.142 of the Commission's Regulations and section 311(b) of the NGPA. Any interested person may file a complaint concerning such sales pursuant to § 284.147(d) of the Commission's Regulations.

An "E" indicates an assignment by an intrastate pipeline to any interstate pipeline or local distribution company pursuant to § 284.163 of the Commission's Regulations and section 312 of the NGPA.

A "G" indicates transportation by an interstate pipeline on behalf of another interstate pipeline pursuant to Section 284.222 and a blanket certificate issued under §§ 284.221 of the Commission's Regulations.

A "G-S" indicates transportation by an interstate pipeline company on behalf of any shipper pursuant to a §§ 284.223 and a blanket certificate issued under §§ 284.221 of the Commission's Regulations.

A "G(LT)" or "G(LS)" indicates transportation, sales or assignments by a local distribution company on behalf of or to an interstate pipeline or local distribution company pursuant to a blanket certificate issued under § 284.222 of the Commission's Regulations.

A "G(HT)" or "G(HS)" indicates transportation, sales or assignments by a Hinshaw Pipeline pursuant to a blanket certificate issued under § 284.222 of the Commission's Regulations.

Any person desiring to be heard or to make any protest with reference to a transaction reflected in this notice should on or before May 29, 1987, file with the Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, DC 20426, a motion to intervene or a protest in accordance with the requirements of the Commission's rules of practice and procedure (18 CFR 385.214 or 385.211). 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 party to a proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Kenneth F. Plumb,

Secretary.

BILLING CODE 6717-01-M

[1] Notice of a transaction does not constitute a determination that the terms and conditions of the proposed service will be approved or that the noticed filing is in compliance with the Commission's Regulations.

DOCKET NUMBER *	TRANSPORTER/SELLER	RECIPIENT	DATE FILED	SUBPART	EXPIRATION DATE**	TRANSPORTATION RATE (¢/MMBTU)
ST87-1653	TENNESSEE GAS PIPELINE CO.	NORTHERN INTRASTATE PIPELINE CO.	03-02-87	B		
ST87-1654	TENNESSEE GAS PIPELINE CO.	SOUTH JERSEY GAS CO.	03-02-87	B		
ST87-1655	ONG TRANSMISSION CO.	NATURAL GAS PIPELINE CO. OF AMERICA	03-02-87	C	07-30-87	10.00
ST87-1656	NATURAL GAS PIPELINE CO. OF AMERICA	PEOPLES GAS LIGHT & COKE CO.	03-02-87	B		
ST87-1657	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN INDIANA PUBLIC SERVICE CO.	03-02-87	B		
ST87-1658	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN ILLINOIS GAS CO.	03-02-87	B		
ST87-1659	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN ILLINOIS GAS CO.	03-02-87	B		
ST87-1660	NATURAL GAS PIPELINE CO. OF AMERICA	IOWA-ILLINOIS GAS & ELECTRIC CO.	03-02-87	B		
ST87-1661	ARKLA ENERGY RESOURCES	ARKLA ENERGY RESOURCES, (LA INTRA. SEG.)	03-02-87	B		
ST87-1662	ARKLA ENERGY RESOURCES	ARKANSAS LOUISIANA GAS CO.	03-02-87	B		
ST87-1663	ARKLA ENERGY RESOURCES	NORTHERN ILLINOIS GAS CO.	03-02-87	B		
ST87-1664	NORTHERN NATURAL GAS CO.	CHANNEL INDUSTRIES GAS CO.	03-02-87	B		
ST87-1665	NORTHERN NATURAL GAS CO.	THC PIPELINE CO.	03-02-87	B		
ST87-1666	TENNESSEE GAS PIPELINE CO.	SOUTH GEORGIA NATURAL GAS CO.	03-03-87	B		
ST87-1667	TENNESSEE GAS PIPELINE CO.	COMMONWEALTH GAS SERVICES	03-03-87	B		
ST87-1668	TENNESSEE GAS PIPELINE CO.	POLARIS CORP.	03-03-87	B		
ST87-1669	COLORADO INTERSTATE GAS CO.	CITY OF TRINIDAD	05-03-87	B		
ST87-1670	COLORADO INTERSTATE GAS CO.	WESTERN GAS SUPPLY CO.	03-03-87	B		
ST87-1671	COLORADO INTERSTATE GAS CO.	INDIANA GAS CO., ET AL.	03-03-87	B		
ST87-1672	ARKLA ENERGY RESOURCES	ARKANSAS LOUISIANA GAS CO.	03-03-87	B		
ST87-1673	ARKLA ENERGY RESOURCES	ARKANSAS LOUISIANA GAS CO.	03-03-87	B		
ST87-1674	TEJAS GAS CORP.	TEXAS EASTERN TRANSMISSION CORP.	03-03-87	D		
ST87-1675	BLUE DOLPHIN PIPE LINE CO.	DOW CHEMICAL CO.	03-03-87	G-EU		
ST87-1676	OASIS PIPE LINE CO.	EL PASO NATURAL GAS CO.	03-03-87	C		
ST87-1677	HOUSTON PIPE LINE CO.	EL PASO NATURAL GAS CO.	03-03-87	C		
ST87-1678	OASIS PIPE LINE CO.	COLUMBIA GAS OF KY INC., ET AL.	03-03-87	C		
ST87-1679	OASIS PIPE LINE CO.	SOUTHERN CALIFORNIA GAS CO.	03-03-87	C		
ST87-1680	HOUSTON PIPE LINE CO.	FLORIDA GAS TRANSMISSION CO.	03-03-87	C		
ST87-1681	HOUSTON PIPE LINE CO.	FLORIDA GAS TRANSMISSION CO.	03-03-87	C		
ST87-1682	WILLIAMS NATURAL GAS CO.	KANSAS PIPELINE CO.	03-03-87	B		
ST87-1683	NORTHERN NATURAL GAS CO.	COLUMBIA GAS OF PENNSYLVANIA, INC.	03-03-87	B		
ST87-1684	NORTHERN NATURAL GAS CO.	COLUMBIA GAS OF MARYLAND, INC.	03-03-87	B		
ST87-1685	NORTHERN NATURAL GAS CO.	MICHIGAN CONSOLIDATED GAS CO.	03-03-87	B		
ST87-1686	NORTHERN NATURAL GAS CO.	IOWA PUBLIC SERVICE CO.	03-03-87	B		
ST87-1687	NORTHERN NATURAL GAS CO.	AUSTIN UTILITIES	03-03-87	B		
ST87-1688	NORTHERN NATURAL GAS CO.	MIDWEST NATURAL GAS CO., INC.	03-03-87	B		
ST87-1689	TENNESSEE GAS PIPELINE CO.	PONTCHARTRAIN NATURAL GAS SYSTEM	03-04-87	B		
ST87-1690	PANHANDLE EASTERN PIPE LINE CO	CIMARRON RIVER-QUINQUE SYSTEM	03-04-87	B		
ST87-1691	OASIS PIPE LINE CO.	UGI CORP.	03-04-87	C		
ST87-1692	PANHANDLE EASTERN PIPE LINE CO	NORTHERN INDIANA FUEL & LIGHT CO.	03-04-87	B		
ST87-1693	PANHANDLE EASTERN PIPE LINE CO.	KANSAS PIPELINE CO.	03-04-87	B		
ST87-1694	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-04-87	B		
ST87-1695	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-04-87	B		
ST87-1696	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-04-87	B		
ST87-1697	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-04-87	B		
ST87-1698	PANHANDLE EASTERN PIPE LINE CO.	NORTHERN INDIANA FUEL & LIGHT CO.	03-04-87	B		
ST87-1699	PANHANDLE EASTERN PIPE LINE CO.	PRODUCER'S GAS CO.	03-04-87	B		
ST87-1700	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS PUBLIC SERVICE CO.	03-04-87	B		
ST87-1701	PANHANDLE EASTERN PIPE LINE CO.	CITY OF SHELBINA	03-04-87	B		

DOCKET NUMBER *	TRANSPORTER/SELLER	RECIPIENT	DATE FILED	SUBPART	EXPIRATION DATE**	TRANSPORTATION RATE (¢/MMBTU)
ST87-1702	PANHANDLE EASTERN PIPE LINE CO.	NORTHERN INDIANA PUBLIC SERVICE CO.	03-04-87	B		
ST87-1703	PANHANDLE EASTERN PIPE LINE CO.	MICHIGAN GAS UTILITIES	03-04-87	B		
ST87-1704	PANHANDLE EASTERN PIPE LINE CO.	OHIO VALLEY GAS CORP.	03-04-87	B		
ST87-1705	PANHANDLE EASTERN PIPE LINE CO.	OHIO VALLEY GAS CORP.	03-04-87	B		
ST87-1706	WILLIAMS NATURAL GAS CO.	CLEVELAND MUNICIPAL AUTHORITY	03-04-87	B		
ST87-1707	NORTHERN NATURAL GAS CO.	PEOPLES NATURAL GAS CO.	03-04-87	B		
ST87-1708	SNG INTRASTATE, INC.	NORTHERN INDIANA PUB. SERV. CO., ET AL.	03-04-87	C	08-01-87	35.90
ST87-1709	TENNESSEE GAS PIPELINE CO.	PUBLIC SERVICE ELECTRIC AND GAS CO.	03-05-87	B		
ST87-1710	TENNESSEE GAS PIPELINE CO.	ELIZABETHTOWN GAS CO.	03-05-87	B		
ST87-1711	TENNESSEE GAS PIPELINE CO.	CORONADO TRANSMISSION CO.	03-05-87	B		
ST87-1712	TENNESSEE GAS PIPELINE CO.	BRIDGELINE GAS DISTRIBUTION CO.	03-05-87	B		
ST87-1713	TENNESSEE GAS PIPELINE CO.	ALABAMA GAS CORP.	03-05-87	B		
ST87-1714	TENNESSEE GAS PIPELINE CO.	BALTIMORE GAS AND ELECTRIC CO.	03-05-87	B		
ST87-1715	KENTUCKY WEST VIRGINIA GAS CO.	BLUE CIRCLE ATLANTIC	03-05-87	G-EU		
ST87-1716	KENTUCKY WEST VIRGINIA GAS CO.	REYNOLDS METALS CO.	03-05-87	G-EU		
ST87-1717	TEXAS GAS TRANSMISSION CORP.	INDIANA GAS CO.	03-05-87	B		
ST87-1718	TEXAS GAS TRANSMISSION CORP.	INDIANA GAS CO.	03-05-87	B		
ST87-1719	TEXAS GAS TRANSMISSION CORP.	WESTERN KENTUCKY GAS CO.	03-05-87	B		
ST87-1720	TEXAS GAS TRANSMISSION CORP.	SOUTHERN CONNECTICUT GAS CO.	03-05-87	B		
ST87-1721	TEXAS GAS TRANSMISSION CORP.	INDIANA GAS CO.	03-05-87	B		
ST87-1722	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN INDIANA PUBLIC SERVICE CO.	03-05-87	B		
ST87-1723	NATURAL GAS PIPELINE CO. OF AMERICA	SPINDLETOP GAS DISTRIBUTION SYSTEM	03-05-87	B		
ST87-1724	NATURAL GAS PIPELINE CO. OF AMERICA	IOWA-ILLINOIS GAS & ELECTRIC CO.	03-05-87	B		
ST87-1725	COLORADO INTERSTATE GAS CO.	NORTHERN INDIANA PUB. SERV. CO., ET. AL	03-05-87	B		
ST87-1726	COLORADO INTERSTATE GAS CO.	WESTERN GAS SUPPLY CO.	03-05-87	B		
ST87-1727	NATURAL GAS PIPELINE CO. OF AMERICA	PEOPLES NATURAL GAS CO.	03-06-87	B		
ST87-1728	UNITED TEXAS TRANSMISSION CO.	NATURAL GAS PIPELINE CO. OF AMERICA	03-06-87	C		
ST87-1729	UNITED TEXAS TRANSMISSION CO.	TENNESSEE GAS PIPELINE CO.	03-06-87	C		
ST87-1730	UNITED TEXAS TRANSMISSION CO.	EL PASO NATURAL GAS CO.	03-06-87	C		
ST87-1731	NORTHERN NATURAL GAS CO.	V.H.C. PIPELINE CO.	03-06-87	B		
ST87-1732	TENNESSEE GAS PIPELINE CO.	SOUTH JERSEY GAS CO.	03-06-87	B		
ST87-1733	NECHES PIPELINE SYSTEM	SPINDLETOP GAS DISTRIBUTION SYSTEM	03-06-87	C		
ST87-1734	CRANBERRY PIPELINE CORP.	CONSOLIDATED GAS TRANSMISSION CORP.	03-06-87	C	08-03-87	43.00
ST87-1735	TENNESSEE GAS PIPELINE CO.	ATLANTA GAS LIGHT CO., ET AL.	03-06-87	B		
ST87-1736	NORTHERN NATURAL GAS CO.	ILLINOIS POWER CO.	03-09-87	B		
ST87-1737	NATURAL GAS PIPELINE CO. OF AMERICA	SPINDLETOP GAS DISTRIBUTION SYSTEM	03-09-87	B		
ST87-1738	NATURAL GAS PIPELINE CO. OF AMERICA	ALABAMA GAS CORP., ET AL.	03-09-87	B		
ST87-1739	NORTHWEST PIPELINE CORP.	CASCADE NATURAL GAS CORP.	03-09-87	B		
ST87-1740	NORTHWEST PIPELINE CORP.	INTERMOUNTAIN GAS CO.	03-09-87	B		
ST87-1741	NORTHWEST PIPELINE CORP.	WASHINGTON WATER POWER CO.	03-09-87	B		
ST87-1742	NORTHWEST PIPELINE CORP.	WASHINGTON NATURAL GAS CO.	03-09-87	B		
ST87-1743	TRANSWESTERN PIPELINE CO.	SOUTHERN CALIFORNIA GAS CO.	03-09-87	B		
ST87-1744	NORTHWEST PIPELINE CORP.	NORTHWEST NATURAL GAS CO.	03-09-87	B		
ST87-1745	TRANSCONTINENTAL GAS PIPE LINE CORP.	DAYTON POWER AND LIGHT CO.	03-09-87	B		
ST87-1746	TRANSCONTINENTAL GAS PIPE LINE CORP.	EASTEX GAS TRANSMISSION	03-09-87	B		
ST87-1747	TRANSCONTINENTAL GAS PIPE LINE CORP.	ACADIAN NATRUAL GAS COMPANY	03-09-87	B		
ST87-1748	TRANSCONTINENTAL GAS PIPE LINE CORP.	SOUTH CAROLINA PIPELINE CO., ET AL.	03-09-87	B		
ST87-1749	TRANSCONTINENTAL GAS PIPE LINE CORP.	BRIDGELINE GAS DISTRIBUTION CO.	03-09-87	B		
ST87-1750	SUPERIOR OFFSHORE PIPELINE CO.	TENNESSEE RIVER INTRASTATE, ET AL.	03-09-87	B		

DOCKET NUMBER *	TRANSPORTER/SELLER	RECIPIENT	DATE FILED	SUBPART	EXPIRATION DATE**	TRANSPORTATION RATE (¢/MMBTU
ST87-1751	TENNESSEE GAS PIPELINE CO.	MOUNTAINEER GAS CO.	03-09-87	B		
ST87-1752	TENNESSEE GAS PIPELINE CO.	MOUNTAINEER GAS CO., ET AL.	03-09-87	B		
ST87-1753	TRANSCONTINENTAL GAS PIPE LINE CORP.	PHILADELPHIA ELECTRIC CO.	03-09-87	B		
ST87-1754	TRANSCONTINENTAL GAS PIPE LINE CORP.	PEOPLES NATURAL GAS CO., ET AL.	03-09-87	B		
ST87-1755	TRANSCONTINENTAL GAS PIPE LINE CORP.	BALTIMORE GAS AND ELECTRIC CO.	03-09-87	B		
ST87-1756	TRANSCONTINENTAL GAS PIPE LINE CORP.	PUBLIC SERVICE ELECTRIC AND GAS CO.	03-09-87	B		
ST87-1757	TRANSCONTINENTAL GAS PIPE LINE CORP.	ALABAMA GAS CORP.	03-09-87	B		
ST87-1758	NORTHERN NATURAL GAS CO.	OWATONNA PUBLIC UTILITIES	03-09-87	B		
ST87-1759	NORTHERN NATURAL GAS CO.	PENINSULAR GAS CO.	03-09-87	B		
ST87-1760	EL PASO NATURAL GAS CO.	V.H.C. PIPELINE CO.	03-10-87	B		
ST87-1761	EL PASO NATURAL GAS CO.	CITY OF LONG BEACH	03-10-87	B		
ST87-1762	MIGC, INC.	MGTC, INC.	03-10-87	B		
ST87-1763	MIGC, INC.	MGTC, INC.	03-10-87	B		
ST87-1764	EL PASO NATURAL GAS CO.	SOUTHERN CALIFORNIA GAS CO.	03-11-87	B		
ST87-1765	EL PASO NATURAL GAS CO.	PACIFIC GAS AND ELECTRIC CO.	03-11-87	B		
ST87-1766	EL PASO NATURAL GAS CO.	EL PASO HYDROCARBONS CO.	03-11-87	B		
ST87-1767	EL PASO NATURAL GAS CO.	EL PASO GAS TRANSPORTATION CO.	03-11-87	B		
ST87-1768	NORTHWEST PIPELINE CORP.	CP NATIONAL CORP.	03-11-87	B		
ST87-1769	TENNESSEE GAS PIPELINE CO.	BERKSHIRE GAS CO., ET AL.	03-12-87	B		
ST87-1770	TENNESSEE GAS PIPELINE CO.	WASHINGTON GAS LIGHT CO., ET AL.	03-12-87	B		
ST87-1771	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN ILLINOIS GAS CO.	03-12-87	B		
ST87-1772	TEXAS EASTERN TRANSMISSION CORP.	NEW JERSEY NATURAL GAS CO.	03-12-87	B		
ST87-1773	TEXAS EASTERN TRANSMISSION CORP.	COLUMBIA GAS OF VIRGINIA, INC.	03-12-87	B		
ST87-1774	IAFT PIPELINE CO.	NORTHERN NATURAL GAS CO.	03-12-87	C		
ST87-1775	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-12-87	B		
ST87-1776	ARKLA ENERGY RESOURCES	SOUTHERN CALIFORNIA GAS CO.	03-12-87	B		
ST87-1777	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-12-87	B		
ST87-1778	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-12-87	B		
ST87-1779	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-12-87	B		
ST87-1780	PANHANDLE EASTERN PIPE LINE CO.	CONSUMERS POWER CO.	03-12-87	B		
ST87-1781	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-12-87	B		
ST87-1782	PANHANDLE EASTERN PIPE LINE CO.	NORTHERN INDIANA FUEL & LIGHT CO.	03-12-87	B		
ST87-1783	TENNESSEE GAS PIPELINE CO.	RIVERSIDE PIPELINE CO.	03-13-87	B		
ST87-1784	TENNESSEE GAS PIPELINE CO.	NORTHERN INTRASTATE PIPELINE CO.	03-13-87	B		
ST87-1785	TENNESSEE GAS PIPELINE CO.	ROCHESTER GAS & ELECTRIC CORP.	03-13-87	B		
ST87-1786	NORTHWEST PIPELINE CORP.	SAN DIEGO GAS & ELECTRIC CO.	03-13-87	B		
ST87-1787	NORTHWEST PIPELINE CORP.	PACIFIC GAS AND ELECTRIC CO.	03-13-87	B		
ST87-1788	NORTHWEST PIPELINE CORP.	SOUTHWEST GAS CORP.	03-13-87	B		
ST87-1789	NATURAL GAS PIPELINE CO. OF AMERICA	HOUSTON PIPE LINE CO.	03-13-87	B		
ST87-1790	NATURAL GAS PIPELINE CO. OF AMERICA	TEXAS PRODUCTS CORP., INC. (TPC)	03-13-87	B		
ST87-1791	ANR PIPELINE CO.	WISCONSIN NATURAL GAS CO.	03-13-87	B		
ST87-1792	ANR PIPELINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-13-87	B		
ST87-1793	ANR PIPELINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-13-87	B		
ST87-1794	ANR PIPELINE CO.	WISCONSIN NATURAL GAS CO.	03-13-87	B		
ST87-1795	ANR PIPELINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-13-87	B		
ST87-1796	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-13-87	B		
ST87-1797	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-13-87	B		
ST87-1798	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-13-87	B		
ST87-1799	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-13-87	B		

DOCKET NUMBER *	TRANSPORTER/SELLER	RECIPIENT	DATE FILED	SUBPART	EXPIRATION DATE**	TRANSPORTATION RATE (¢/MMBTU)
ST87-1800	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-13-87	B		
ST87-1801	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1802	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1803	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1804	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1805	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1806	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1807	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1808	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1809	MISSISSIPPI VALLEY GAS CO.	PEOPLES NATURAL GAS CO.	03-12-87	C	08-09-87	29.10
ST87-1810	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1811	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1812	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1813	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1814	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1815	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-13-87	B		
ST87-1816	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1817	PANHANDLE EASTERN PIPE LINE CO.	UNION ELECTRIC CO.	03-13-87	B		
ST87-1818	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-13-87	B		
ST87-1819	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1820	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1821	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1822	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1823	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1824	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1825	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1826	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1827	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1828	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1829	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-13-87	B		
ST87-1830	NORTHERN NATURAL GAS CO.	DELHI GAS PIPELINE CORP.	03-13-87	B		
ST87-1831	ARKLA ENERGY RESOURCES	MICHIGAN CONSOLIDATED GAS CO.	03-16-87	B		
ST87-1832	PANHANDLE EASTERN PIPE LINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-16-87	B		
ST87-1833	NORTHWEST PIPELINE CORP.	CITY OF ELLENSBURG	03-16-87	B		
ST87-1834	WILLIAMS NATURAL GAS CO.	KPL GAS SERVICE CO.	03-16-87	B		
ST87-1835	NORTHWEST PIPELINE CORP.	GREELEY GAS CO.	03-16-87	B		
ST87-1836	OASIS PIPE LINE CO.	PACIFIC GAS AND ELECTRIC CO., ET AL.	03-16-87	C		
ST87-1837	OASIS PIPE LINE CO.	SOUTHERN CALIFORNIA GAS CO.	03-16-87	C		
ST87-1838	HOUSTON PIPE LINE CO.	SOUTHERN CALIFORNIA GAS CO.	03-16-87	C		
ST87-1839	HOUSTON PIPE LINE CO.	TEXAS EASTERN TRANSMISSION CORP.	03-16-87	C		
ST87-1840	HOUSTON PIPE LINE CO.	NATURAL GAS PIPELINE CO. OF AMERICA	03-16-87	C		
ST87-1841	ONG TRANSMISSION CO.	NATURAL GAS PIPELINE CO. OF AMERICA	03-16-87	C	08-13-87	24.32
ST87-1842	NATURAL GAS PIPELINE CO. OF AMERICA	NGC INTRASTATE PIPELINE CO.	03-16-87	B		
ST87-1843	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN ILLINOIS GAS CO.	03-16-87	B		
ST87-1844	ARKLA ENERGY RESOURCES	ARKANSAS LOUISIANA GAS CO.	03-16-87	B		
ST87-1845	WESTERN GAS SUPPLY CO.	NORTHWEST PIPELINE CORP.	03-17-87	C		
ST87-1846	WILLIAMS NATURAL GAS CO.	IOWA ILLINOIS GAS AND ELECT. CO., ET AL.	03-17-86	B		
ST87-1847	PRODUCER'S GAS CO.	TENNESSEE GAS PIPELINE CO.	03-17-87	C	08-14-87	25.20
ST87-1848	TRANSCONTINENTAL GAS PIPE LINE CORP.	NORTHERN INDIANA PUBLIC SERVICE CO.	03-17-87	B		

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ST87-1849	TRANSCONTINENTAL GAS PIPE LINE CORP.	COLUMBIA GAS OF KY, INC., ET AL.	03-17-87	B		
ST87-1850	TRANSCONTINENTAL GAS PIPE LINE CORP.	MISSISSIPPI VALLEY GAS CO., ET AL.	03-17-87	B		
ST87-1851	TRANSCONTINENTAL GAS PIPE LINE CORP.	NORTHERN ILLINOIS GAS CO.	03-17-87	B		
ST87-1852	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN ILLINOIS GAS CO.	03-18-87	B		
ST87-1853	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN INDIANA PUBLIC SERVICE CO.	03-18-87	B		
ST87-1854	NORTHWEST PIPELINE CORP.	COASTAL STATES GAS TRANSMISSION CO.	03-18-87	B		
ST87-1855	WILLIAMS NATURAL GAS CO.	TEXOL INDUSTRIAL SALES CO.	03-18-87	B		
ST87-1856	WILLIAMS NATURAL GAS CO.	KANSAS GAS SUPPLY CORP.	03-18-87	B		
ST87-1857	LOUISIANA INTRASTATE GAS CORP.	TEXAS EASTERN TRANSMISSION CORP.	03-19-87	C	08-16-87	22.40
ST87-1858	UNITED GAS PIPE LINE CO.	ENMARK GAS CORP.	03-19-87	B		
ST87-1859	UNITED GAS PIPE LINE CO.	LOUISIANA STATE GAS CORP.	03-19-87	B		
ST87-1860	UNITED GAS PIPE LINE CO.	CHATTANOOGA GAS CO.	03-19-87	B		
ST87-1861	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN ILLINOIS GAS CO.	03-19-87	B		
ST87-1862	EL PASO NATURAL GAS CO.	PACIFIC GAS AND ELECTRIC CO.	03-19-87	B		
ST87-1863	EL PASO NATURAL GAS CO.	SOUTHERN CALIFORNIA GAS CO.	03-19-87	B		
ST87-1864	EL PASO NATURAL GAS CO.	ENERGAS CO.	03-19-87	B		
ST87-1865	COLORADO INTERSTATE GAS CO.	CITY OF COLORADO SPRINGS	03-19-87	B		
ST87-1866	COLORADO INTERSTATE GAS CO.	PEOPLES NATURAL GAS CO.	03-19-87	B		
ST87-1867	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-19-87	B		
ST87-1868	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-19-87	B		
ST87-1869	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-19-87	B		
ST87-1870	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-19-87	B		
ST87-1871	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-19-87	B		
ST87-1872	WILLIAMS NATURAL GAS CO.	KANSAS GAS SUPPLY CORP.	03-19-87	B		
ST87-1873	WILLIAMS NATURAL GAS CO.	TAFT PIPELINE CO.	03-19-87	B		
ST87-1874	TRANSCONTINENTAL GAS PIPE LINE CORP.	SOUTHERN CALIFORNIA GAS CO., ET AL.	03-19-87	B		
ST87-1875	TRANSCONTINENTAL GAS PIPE LINE CORP.	AMOCO GAS CO.	03-19-87	B		
ST87-1876	TRANSCONTINENTAL GAS PIPE LINE CORP.	NORTHERN INDIANA PUBLIC SERVICE CO.	03-19-87	B		
ST87-1877	TRANSCONTINENTAL GAS PIPE LINE CORP.	CAROLINA PIPELINE CO.	03-19-87	B		
ST87-1878	TRANSCONTINENTAL GAS PIPE LINE CORP.	PUBLIC SERVICE ELECTRIC AND GAS CO.	03-19-87	B		
ST87-1879	TENNESSEE GAS PIPELINE CO.	ENERGY NORTH, INC.	03-20-87	B		
ST87-1880	NORTHERN NATURAL GAS CO.	TEXAS PRODUCTS CORP., INC. (TPC)	03-20-87	B		
ST87-1881	NORTHERN NATURAL GAS CO.	PHILADELPHIA ELECTRIC CO.	03-20-87	B		
ST87-1882	NORTHERN NATURAL GAS CO.	NORTHERN ILLINOIS GAS CO.	03-20-87	B		
ST87-1883	NORTHERN NATURAL GAS CO.	IOWA-ILLINOIS GAS & ELECTRIC CO.	03-20-87	B		
ST87-1884	NORTHERN NATURAL GAS CO.	HOUSTON PIPE LINE CO.	03-20-87	B		
ST87-1885	WILLIAMS NATURAL GAS CO.	UNION GAS SYSTEM	03-20-87	B		
ST87-1886	TEXAS GAS TRANSMISSION CORP.	ROCHESTER GAS AND ELECTRIC CO., ET AL.	03-20-87	B		
ST87-1887	TEXAS GAS TRANSMISSION CORP.	WESTERN KENTUCKY GAS CO.	03-20-87	B		
ST87-1888	TAFT PIPELINE CO.	NORTHERN ILLINOIS GAS CO.	03-20-87	C		
ST87-1889	TAFT PIPELINE CO.	IOWA-ILLINOIS GAS & ELECTRIC CO.	03-20-87	C		
ST87-1890	COLUMBIA GAS TRANSMISSION CORP.	PHILADELPHIA ELECTRIC CO.	03-20-87	B		
ST87-1891	NATURAL GAS PIPELINE CO. OF AMERICA	PEOPLES GAS LIGHT & COKE CO.	03-20-87	B		
ST87-1892	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN ILLINOIS GAS CO.	03-20-87	B		
ST87-1893	NATURAL GAS PIPELINE CO. OF AMERICA	YANKEE PIPELINE CO.	03-20-87	B		
ST87-1894	TRANSOK, INC.	SOUTHERN NATURAL GAS CO.	03-20-87	C	08-17-87	26.25
ST87-1895	TEXAS GAS TRANSMISSION CORP.	LOUISVILLE GAS & ELECTRIC CO.	03-20-87	B		
ST87-1896	TEXAS GAS TRANSMISSION CORP.	WESTERN KENTUCKY GAS CO.	03-20-87	B		
ST87-1897	TEXAS GAS TRANSMISSION CORP.	COMMUNITY NATURAL GAS CO., INC.	03-20-87	B		

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ST87-1898	WILLIAMS NATURAL GAS CO.	KPL GAS SERVICE CO.	03-23-87	B		
ST87-1899	WILLIAMS NATURAL GAS CO.	KPL GAS SERVICE CO.	03-23-87	B		
ST87-1900	PANHANDLE EASTERN PIPE LINE CO.	KANSAS PIPELINE CO.	03-23-87	B		
ST87-1901	TRUNKLINE GAS CO.	UGI CORP., ET AL.	03-23-87	B		
ST87-1902	PANHANDLE EASTERN PIPE LINE CO.	WELLHEAD VENTURES CORP.	03-23-87	B		
ST87-1903	PANHANDLE EASTERN PIPE LINE CO.	KANSAS PIPELINE CO.	03-23-87	B		
ST87-1904	PANHANDLE EASTERN PIPE LINE CO.	KANSAS PIPELINE CO.	03-23-87	B		
ST87-1905	PANHANDLE EASTERN PIPE LINE CO.	KANSAS PIPELINE CO.	03-23-87	B		
ST87-1906	PANHANDLE GAS CO.	COLUMBIA GAS OF VIRGINIA, INC.	03-23-87	D		
ST87-1907	NATURAL GAS PIPELINE CO. OF AMERICA	ILLINOIS POWER CO.	03-23-87	B		
ST87-1908	VALERO TRANSMISSION CO.	EL PASO NATURAL GAS CO.	03-24-87	C		
ST87-1909	PANHANDLE GAS CO.	COLUMBIA GAS OF KENTUCKY, INC.	03-23-87	D		
ST87-1910	PANHANDLE GAS CO.	COLUMBIA GAS OF NEW YORK, INC.	03-23-87	D		
ST87-1911	HOUSTON PIPE LINE CO.	ENRON INDUSTRIAL NATURAL GAS CO.	03-23-87	C		
ST87-1912	TRUNKLINE GAS CO.	MICHIGAN GAS UTILITIES	03-24-87	B		
ST87-1913	TRUNKLINE GAS CO.	MICHIGAN GAS UTILITIES	03-24-87	B		
ST87-1914	TRUNKLINE GAS CO.	WELLHEAD VENTURES CORP.	03-24-87	B		
ST87-1915	TRUNKLINE GAS CO.	MICHIGAN CONSOLIDATED GAS CO., ET AL.	03-24-87	B		
ST87-1916	TENNESSEE GAS PIPELINE CO.	TEXLINE GAS CO.	03-24-87	B		
ST87-1917	COLORADO INTERSTATE GAS CO.	QUIVIRA GAS CO.	03-24-87	B		
ST87-1918	TEXAS EASTERN TRANSMISSION CORP.	ASSOCIATED NATURAL GAS CO.	03-25-87	B		
ST87-1919	TEXAS EASTERN TRANSMISSION CORP.	CITY OF RICHMOND, VA	03-25-87	B		
ST87-1920	TEXAS EASTERN TRANSMISSION CORP.	ORANGE AND ROCKLAND UTILITIES, INC.	03-25-87	B		
ST87-1921	TEXAS EASTERN TRANSMISSION CORP.	VIRGINIA NATURAL GAS	03-25-87	B		
ST87-1922	TEXAS EASTERN TRANSMISSION CORP.	COLUMBIA GAS OF PENNSYLVANIA, INC.	03-25-87	B		
ST87-1923	TEXAS EASTERN TRANSMISSION CORP.	CITY OF NORRIS CITY	03-25-87	B		
ST87-1924	TEXAS EASTERN TRANSMISSION CORP.	HAYES ALBION PIPELINE CO.	04-25-87	B		
ST87-1925	TEXAS EASTERN TRANSMISSION CORP.	CITY OF RICHMOND	03-25-87	B		
ST87-1926	TEXAS EASTERN TRANSMISSION CORP.	VILLAGE OF ENFIELD	03-25-87	B		
ST87-1927	TEXAS EASTERN TRANSMISSION CORP.	CITY OF RICHMOND DEPT. OF PUBLIC UTIL.	03-25-87	B		
ST87-1928	NORTHERN NATURAL GAS CO.	NORTHERN INTRASTATE PIPELINE CO.	03-26-87	B		
ST87-1929	WILLIAMS NATURAL GAS CO.	KANSAS PIPELINE CO.	03-26-87	B		
ST87-1930	WILLIAMS NATURAL GAS CO.	MISSOURI PUBLIC SERVICE	03-26-87	B		
ST87-1931	TRANSCONTINENTAL GAS PIPE LINE CORP.	LOUISVILLE GAS AND ELECTRIC CO., ET AL.	03-23-87	B		
ST87-1932	TRANSCONTINENTAL GAS PIPE LINE CORP.	CONNECTICUT LIGHT AND POWER CO., ET AL.	03-23-87	B		
ST87-1933	TRANSCONTINENTAL GAS PIPE LINE CORP.	CORPUS CHRISTI INDUSTRIAL PIPELINE CO.	03-23-87	B		
ST87-1934	TRANSCONTINENTAL GAS PIPE LINE CORP.	BALTIMORE GAS AND ELECTRIC CO., ET AL.	03-23-87	B		
ST87-1935	CONSOLIDATED GAS TRANSMISSION CORP.	EAST OHIO GAS CO.	03-27-87	B		
ST87-1936	NATURAL GAS PIPELINE CO. OF AMERICA	CENTRAL ILLINOIS LIGHT CO.	03-26-87	B		
ST87-1937	PGC PIPELINE, DIV. OF LPC ENERGY INC.	TEXAS GAS TRANSMISSION CORP.	03-26-87	C	08-23-87	21.50
ST87-1938	ONG TRANSMISSION CO.	WILLIAMS NATURAL GAS CO.	03-26-87	C	08-23-87	10.00
ST87-1939	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1940	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1941	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1942	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1943	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1944	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1945	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1946	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		

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ST87-1947	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1948	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1949	GAS CO. OF NM (DIV. PUBLIC SERV. CO. NM)	EL PASO NATURAL GAS CO.	03-27-87	C		
ST87-1950	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1951	CONSOLIDATED GAS TRANSMISSION CORP.	EAST OHIO GAS CO.	03-27-87	B		
ST87-1952	VALERO TRANSMISSION, L. P.	UNITED GAS PIPE LINE CO.	03-27-87	C		
ST87-1953	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1954	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1955	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1956	CONSOLIDATED GAS TRANSMISSION CORP.	WASHINGTON GAS LIGHT CO.	03-27-87	B		
ST87-1957	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1958	CONSOLIDATED GAS TRANSMISSION CORP.	HOPE GAS, INC.	03-27-87	B		
ST87-1959	CONSOLIDATED GAS TRANSMISSION CORP.	HOPE GAS, INC.	03-27-87	B		
ST87-1960	CONSOLIDATED GAS TRANSMISSION CORP.	HOPE GAS, INC.	03-27-87	B		
ST87-1961	CONSOLIDATED GAS TRANSMISSION CORP.	HOPE GAS, INC.	03-27-87	B		
ST87-1962	CONSOLIDATED GAS TRANSMISSION CORP.	EAST OHIO GAS CO.	03-27-87	B		
ST87-1963	CONSOLIDATED GAS TRANSMISSION CORP.	VIRGINIA NATURAL GAS	03-27-87	B		
ST87-1964	CONSOLIDATED GAS TRANSMISSION CORP.	CLINTON NEWBERRY NAT. GAS AUTHORITY	03-27-87	B		
ST87-1965	CONSOLIDATED GAS TRANSMISSION CORP.	HOPE GAS, INC.	03-27-87	B		
ST87-1966	CONSOLIDATED GAS TRANSMISSION CORP.	HOPE GAS, INC.	03-27-87	B		
ST87-1967	WILLIAMS NATURAL GAS CO.	KANSAS POWER AND LIGHT CO.	03-27-87	B		
ST87-1968	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1969	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1970	CONSOLIDATED GAS TRANSMISSION CORP.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1971	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1972	CONSOLIDATED GAS TRANSMISSION CORP.	NIAGARA MOHAWK POWER CORP.	03-27-87	B		
ST87-1973	ANR PIPELINE CO.	NORTHERN INDIANA PUBLIC SERVICE CO.	03-27-87	B		
ST87-1974	ACADIAN GAS PIPELINE SYSTEM	COLUMBIA GAS OF OHIO, INC.	03-27-87	C		
ST87-1975	ANR PIPELINE CO.	WISCONSIN NATURAL GAS CO.	03-27-87	B		
ST87-1976	NORTHERN NATURAL GAS CO.	PEOPLES NATURAL GAS CO.	03-27-87	B		
ST87-1977	NORTHERN NATURAL GAS CO.	HOUSTON PIPE LINE CO.	03-27-87	B		
ST87-1978	ANR PIPELINE CO.	MICHIGAN GAS UTILITIES	03-27-87	B		
ST87-1979	ANR PIPELINE CO.	WISCONSIN NATURAL GAS CO.	03-27-87	B		
ST87-1980	COLORADO INTERSTATE GAS CO.	PUBLIC SERVICE CO. OF COLORADO	03-27-87	B		
ST87-1981	ANR PIPELINE CO.	DELHI GAS PIPELINE CORP.	03-27-87	B		
ST87-1982	ANR PIPELINE CO.	HAYES ALBION PIPELINE CO.	03-27-87	B		
ST87-1983	ANR PIPELINE CO.	HUMBLE GAS TRANSMISSION CO.	03-27-87	B		
ST87-1984	ANR PIPELINE CO.	SOUTHEASTERN MICHIGAN GAS CO.	03-27-87	B		
ST87-1985	ANR PIPELINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-27-87	B		
ST87-1986	ONG TRANSMISSION CO.	PANHANDLE EASTERN PIPE LINE CO.	03-30-87	C	08-27-87	10.00
ST87-1987	NORTHERN NATURAL GAS CO.	NORTHERN ILLINOIS GAS CO.	03-30-87	B		
ST87-1988	NORTHERN NATURAL GAS CO.	GULF SOUTH PIPELINE CO.	03-30-87	B		
ST87-1989	NORTHERN NATURAL GAS CO.	ENRON INDUSTRIAL NATURAL GAS CO.	03-30-87	B		
ST87-1990	COLUMBIA GULF TRANSMISSION CO.	INDIANA GAS CO.	03-30-87	B		
ST87-1991	COLUMBIA GAS TRANSMISSION CORP.	LONG ISLAND LIGHTING CO.	03-30-87	B		
ST87-1992	NATURAL GAS PIPELINE CO. OF AMERICA	CITY OF SALEM	03-31-87	B		
ST87-1993	NATURAL GAS PIPELINE CO. OF AMERICA	IOWA ILLINOIS GAS & ELECTRIC CO.	03-31-87	B		
ST87-1994	NATURAL GAS PIPELINE CO. OF AMERICA	PEOPLES GAS LIGHT & COKE CO.	03-31-87	B		
ST87-1995	NATURAL GAS PIPELINE CO. OF AMERICA	CENTRAL ILLINOIS LIGHT CO.	03-31-87	B		

DOCKET NUMBER *	TRANSPORTER/SELLER	RECIPIENT	DATE FILED	SUBPART	EXPIRATION DATE**	TRANSPORTATION RATE (¢/MMBTU)
ST87-1996	NATURAL GAS PIPELINE CO. OF AMERICA	NORTH SHORE GAS CO.	03-31-87	B		
ST87-1997	NATURAL GAS PIPELINE CO. OF AMERICA	NORTHERN ILLINOIS GAS CO.	03-31-87	B		
ST87-1998	NATURAL GAS PIPELINE CO. OF AMERICA	PEOPLES GAS LIGHT & COKE CO.	03-31-87	B		
ST87-1999	NATURAL GAS PIPELINE CO. OF AMERICA	SOUTHERN INDIANA GAS & ELECTRIC CO.	03-31-87	B		
ST87-2000	TENNESSEE GAS PIPELINE CO.	NASHVILLE GAS CO., ET AL.	03-31-87	B		
ST87-2001	TENNESSEE GAS PIPELINE CO.	CITY OF SPRINGFIELD	03-31-87	B		
ST87-2002	TENNESSEE GAS PIPELINE CO.	CITY OF HOLLY SPRINGS	03-31-87	B		
ST87-2003	TENNESSEE GAS PIPELINE CO.	CITY OF PORTLAND	03-31-87	B		
ST87-2004	TEXAS EASTERN TRANSMISSION CORP.	PENNSYLVANIA GAS AND WATER CO.	03-31-87	B		
ST87-2005	TEXAS EASTERN TRANSMISSION CORP.	TENNESSEE RIVER INTRASTATE GAS CO.	03-31-87	B		
ST87-2006	TEXAS EASTERN TRANSMISSION CORP.	WEST OHIO GAS CO.	03-31-87	B		
ST87-2007	TEXAS EASTERN TRANSMISSION CORP.	WISCONSIN GAS CO.	03-31-87	B		
ST87-2008	TEXAS EASTERN TRANSMISSION CORP.	CENTRAL ILLINOIS PUBLIC SERVICE CO.	03-31-87	B		
ST87-2009	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-31-87	B		
ST87-2010	PANHANDLE EASTERN PIPE LINE CO.	CITY OF COLORADO SPRINGS, CO	03-31-87	B		
ST87-2011	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-31-87	B		
ST87-2012	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-31-87	B		
ST87-2013	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS PUBLIC SERVICE CO.	03-31-87	B		
ST87-2014	PANHANDLE EASTERN PIPE LINE CO.	ONG TRANSMISSION CO.	03-31-87	B		
ST87-2015	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-31-87	B		
ST87-2016	TRUNKLINE GAS CO.	DELHI GAS PIPELINE CORP.	03-31-87	B		
ST87-2017	TRUNKLINE GAS CO.	ATLANTA GAS LIGHT CO., ET AL.	03-31-87	B		
ST87-2018	TRUNKLINE GAS CO.	CONSUMERS POWER CO.	03-31-87	B		
ST87-2019	PANHANDLE EASTERN PIPE LINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-31-87	B		
ST87-2020	PANHANDLE EASTERN PIPE LINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-31-87	B		
ST87-2021	PANHANDLE EASTERN PIPE LINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-31-87	B		
ST87-2022	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-31-87	B		
ST87-2023	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-31-87	B		
ST87-2024	PANHANDLE EASTERN PIPE LINE CO.	CITIZENS GAS AND COKE UTILITY	03-31-87	B		
ST87-2025	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS LIGHT CO.	03-31-87	B		
ST87-2026	PANHANDLE EASTERN PIPE LINE CO.	CENTRAL ILLINOIS PUBLIC SERVICE CO.	03-31-87	B		
ST87-2027	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-30-87	B		
ST87-2028	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-31-87	B		
ST87-2029	PANHANDLE EASTERN PIPE LINE CO.	MICHIGAN CONSOLIDATED GAS CO.	03-31-87	B		
ST87-2030	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-31-87	B		
ST87-2031	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-31-87	B		
ST87-2032	PANHANDLE EASTERN PIPE LINE CO.	INDIANA GAS CO.	03-31-87	B		
ST87-2033	PANHANDLE EASTERN PIPE LINE CO.	CITIZENS GAS AND COKE UTILITY	03-31-87	B		
ST87-2034	PANHANDLE EASTERN PIPE LINE CO.	CITIZENS GAS AND COKE UTILITY	03-31-87	B		
ST87-2035	EL PASO NATURAL GAS CO.	SOUTHERN CALIFORNIA GAS CO.	03-31-87	B		
ST87-2036	TENNESSEE GAS PIPELINE CO.	NORTHERN ILLINOIS GAS CO., ET AL.	03-31-87	B		
ST87-2037	TENNESSEE GAS PIPELINE CO.	NORTH ALABAMA GAS DISTRICT	03-31-87	B		
ST87-2038	TENNESSEE GAS PIPELINE CO.	CITY OF CLARKSVILLE	03-31-87	B		
ST87-2039	EL PASO NATURAL GAS CO.	SOUTHERN CALIFORNIA GAS CO.	03-31-87	B		
ST87-2040	MOUNTAIN FUEL RESOURCES, INC.	MOUNTAIN FUEL SUPPLY CO.	03-31-87	B		
ST87-2041	MOUNTAIN FUEL RESOURCES, INC.	WESTERN GAS SUPPLY CO.	03-31-87	B		
ST87-2042	MOUNTAIN FUEL RESOURCES, INC.	MOUNTAIN FUEL SUPPLY CO.	03-31-87	B		
ST87-2043	ARKLA ENERGY RESOURCES	EAST OHIO GAS CO.	03-31-87	B		
ST87-2044	ARKLA ENERGY RESOURCES	PEOPLES NATURAL GAS CO.	03-31-87	B		

* NOTICE OF TRANSACTIONS DOES NOT CONSTITUTE A DETERMINATION THAT FILINGS COMPLY WITH COMMISSION REGULATIONS IN ACCORDANCE WITH ORDER NO. 436 (FINAL RULE AND NOTICE REQUESTING SUPPLEMENTAL COMMENTS, 50 FR 42,372, 10/18/85).

** THE INTRASTATE PIPELINE HAS SOUGHT COMMISSION APPROVAL OF ITS TRANSPORTATION RATE PURSUANT TO SECTION 284.123(B)(2) OF THE COMMISSION'S REGULATIONS (18 CFR 284.123(B)(2)). SUCH RATES ARE DEEMED FAIR AND EQUITABLE IF THE COMMISSION DOES NOT TAKE ACTION BY THE DATE INDICATED.

[FR Doc. 87-11111 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-C

[Docket No. TA87-4-49-000,001]

Williston Basin Interstate Pipeline Co.; Motion of Williston Basin Interstate Pipeline Co. for Waiver of Requirements To Permit an Additional Sixty Day Extension of Time To File Purchased Gas Adjustment

May 11, 1987.

Take notice that on May 4, 1987, Williston Basin Interstate Pipeline Company (Williston Basin) filed a Motion for Waiver of Requirements to Permit an Additional Sixty Day Extension of Time to File Purchased Gas Adjustment pursuant to Rules 212 and 2008 of the Commission's rules of practice and procedure. Williston Basin requests the waiver to permit it to file its regular semi annual purchased gas adjustment (PGA) on June 30, 1987, to be effective August 1, 1987.

Williston Basin states that it is currently involved in extensive restructuring/renegotiation of gas purchase contracts with its various suppliers. Therefore, sufficient information is not currently available to make the filing required under Section 21.3.3.1 of First Revised Volume No. 1. Williston Basin believes that the additional sixty days provided by the requested extension of time will allow for the development of the information necessary to accurately reflect gas costs in the rates charged its customers. This will serve to mitigate future deferred account adjustments, thus promoting rate stability.

In the alternative, should the Commission deny the request for extension, Williston Basin submitted for filing as part of its FERC Gas Tariff the following sheets:

First Revised Volume No. 1

Third Revised Sheet No. 10
Second Revised Sheet No. 11

Original Volume No. 1-A

Second Revised Sheet No. 11
Fourth Revised Sheet No. 12

Original Volume No. 2

Sixth Revised Sheet No. 10
Seventh Revised Sheet No. 11

The proposed effective date of the tariff sheets is June 1, 1987.

Third Revised Sheet No. 10, Second Revised Sheet No. 11 (First Revised Volume No. 1), Sixth Revised Sheet No. 10 and Seventh Revised Sheet No. 11 (Original Volume No. 2) and the schedules in support thereof were computed in adherence to Williston Basin's PGA clause and the Commission's Rules and Regulations, except that that "proxy" price levels included in the Company's last PGA filing in Docket No. TA87-1-49-000 are reflected n the current gas cost adjustment for those gas supply sources with whom contract negotiations have not yet been completed, as the Company has no basis for specifying either the volumes to be purchased or the price to be paid where settlement has not been reached. The use of such "proxy" pricing was allowed in Docket Nos. TA85-3-49-000, TA85-3-49-001, TA86-1-49-000, TA86-1-49-001 TA86-2-49-000 and TA87-1-49-000. The changes herein reflect a cumulative gas cost adjustment for Rate Schedules G-1, SGS-1, I-1 and X-1 of a negative 16.456 cents per dkt. The surcharge adjustment for Rate Schedules G-1, SGS-1 and I-1, which also reflects "proxy" pricing as allowed in the last PGA, is a negative 6.751 cents per dkt. These changes represent a net increase in rates for Rate Schedules G-l, SGS-1 and I-1 of 12.888 cents per dkt and a net increase of 7.834 cents per dkt for Rate Schedule X-1, from currently effective rates. Rate Schedule X-5 reflects a cumulative gas cost adjustment of a negative 17.561 cents per dkt, an increase of 18.394 cents per dkt.

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 the Commission's Rules 211 and 214. All such motions or protests should be filed on or before May 18, 1987. Protests will be considered by the Commission in determining the appropriate action to be taken, but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to the proceeding or to participate as a party in any hearing therein must file a motion to intervene. Copies of the filing are on file with the Commission and are available for public inspection.

Kenneth F. Plumb,

Secretary.

[FR Doc. 87-11139 Filed 5-14-87; 8:45 am]

BILLING CODE 6717-01-M

Office of Hearings and Appeals

Issuance of Decisions and Orders; Week of March 30 Through April 3, 1987

During the week of March 30 through April 3, 1987, the decisions and orders summarized below were issued with respect to appeals and applications for exception or other relief filed with the Office of Hearings and Appeals of the Department of Energy. The following summary also contains a list of submissions that were dismissed by the Office of Hearings and Appeals.

Appeals

David R. Soler, 3/31/87; KFA-0078

David R. Soler filed an Appeal from a denial by the Freedom of Information Authorizing Official of the Chicago Operations Office of the Department of Energy (DOE) of a Request for Information which he submitted under the Freedom of Information Act (the FOIA). In considering the Appeal, the DOE found that the documents at issue contained pre-decisional evaluative comments and were properly withheld under Exemption 5 of the FOIA. In addition, the DOE found that the Exemption 5 privilege had not been waived by limited release of the report to the contractor operating the facility. Therefore, the Appeal was denied. Important issues considered in the Decision and Order were the agency's deliberative process privilege and waiver of Exemption 5 by disclosure to a person outside the government.

Tooze Marshall Shenker, Holloway & Duden, 3/31/87; KFA-0083

Tooze Marshall Shenker Holloway & Duden filed an Appeal from a partial denial by the Director, Customer Service Division, of the Bonneville Power Administration of a Request for Information which the firm had submitted under the Freedom of Information Act. In considering the Appeal, the DOE generally upheld the initial determination, but found that some of the memoranda which were initially withheld under Exemption 5 did not contain deliberative information and should be released to the public. The Appeal was therefore granted in part.

Requests for Exception

Jasper Oil Company, 3/31/87; KEE-0066

Jasper Oil Company filed an Application for Exception from the requirement to file Form EIA-782B, entitled "Resellers'/Retailers' Monthly Petroleum Product Sales Report." In evaluating the request, the DOE found that the firm had not responded to DOE's repeated requests that it provide documentation of its claim that it was experiencing hardship in filing Form EIA-782B. Accordingly, exception relief was denied.

Kelley Williamson Company, 4/3/87; KEE-0089

The Kelley Williamson Company filed an Application for Exception on November 18, 1986, in which it sought relief from the reporting requirements of Form EIA-782B, entitled "Resellers'/Retailers' Monthly Petroletun Product Sales Report." In considering the request, the DOE found that the firm did not bear an unusual burden as a result of the reporting requirements. Accordingly, exception relief was denied.

Morgan Oil Company, 3/30/87; KEE-0112

Morgan Oil Company filed an Application for Exception from the requirement that it prepare and file Form EIA-782B, entitled "Resellers'/Retailers' Monthly Petroleum Product Sales Report," and Form EIA-663,

"Petroleum Product Sales Identification Survey." In considering the Application, the DOE found that Morgan had not demonstrated that it was particularly adversely affected by the requirement that it file the Forms. Accordingly, exception relief was denied.

Pickett Oil Company, Inc., 3/30/87; KEE-0113

Pickett Oil Company, Inc. filed an Application for Exception from the requirement that it prepare and file Form EIA-782B, entitled "Resellers'/Retailers' Monthly Petroleum Product Sales Report." In considering the Application, the DOE found that Pickett had not demonstrated that it was particularly adversely affected by the requirement that it file the Form. Accordingly, exception relief was denied.

State of Hawaii, 4/2/87; KEE-0102

The State of Hawaii filed an Application for Exception from the provisions of 10 CFR Parts 450 and 455. In particular, Hawaii requested that it be excepted from the requirement that to be eligible for grants under the DOE's Institutional Conservation Program (ICP), buildings must be heated or cooled by mechanical means. In considering the Application, the DOE found that many Hawaii school buildings, which together represent a majority of the State's ICP-related structures, were ineligible to receive ICP grants because they were cooled by the trade winds rather than by mechanical means. The DOE concluded that the exclusion of such a large proportion of the State's ICP-related buildings from participation in the ICP program frustrated the goals of the National Energy Conservation Policy Act and therefore imposed a gross inequity on Hawaii. Accordingly, the Application for Exception was granted.

Motions for Discovery

Dane Energy Company, 4/1/87; HRD-0141, HRX-0141, KRX-0030

The Dane Energy Company filed Motions for Discovery and for Evidentiary Hearing in connection with a Proposed Remedial Order issued to the firm by the Economic Regulatory Administration (ERA) on January 7, 1983. With respect to the Motion for Discovery, OHA found that Dane did not show that there was information in ERA's possession which would assist Dane in establishing the amount of the overcharges stemming from the alleged layered transactions or the validity of the layering rule as interpreted by the DOE. In denying the evidentiary hearing motion, the OHA found that Dane did not explain why such a hearing was necessary to decide any issue in the case. In addition, OHA ruled that the correct method of determining the amount of Dane's overcharges should be a gross profits methodology rather than a methodology of matching purchases and sales. OHA therefore required Dane to submit evidence of its total cost of crude oil and total crude oil sales revenues for the audit period in order for ERA to calculate its gross profits.

Port Petroleum, Inc., 4/3/87; KRD-0150, KRZ-0151

Port Petroleum, Inc. (Port) filed a Motion for Discovery and a Motion to Defer Filing a Motion for Evidentiary Hearing in connection with a Proposed Remedial Order (PRO) issued to it by the Economic Regulatory Administration (ERA) on August 13, 1985. Port sought discovery related to the administrative record and contemporaneous construction of 10 CFR Subpart L (the layering and permissible average markup regulations). The DOE denied these requests in their entirety, finding that Port had failed to show their relevance and materiality. Specifically, it was determined that Port had access to all of the materials in the official administrative records, and contemporaneous construction was not warranted because there had been no inconsistency in the DOE's interpretation of the layering regulation. The DOE also denied Port's Motion to Defer Filing a Request for Evidentiary hearing, finding no reason for such a delay. Notwithstanding this determination, the DOE permitted Port to file a Motion for Evidentiary Hearing within 15 days of the receipt of the Decision and Order.

Refund Applications

Apco Oil Corporation/ Apco Quick Shop, et al., 4/2/87; RF83-149 et al.

The DOE issued a Decision and Order concerning six Applications for Refund filed by Apco Quick Shop, *et al.* Each of the applicants had purchased refined petroleun products from Apco Oil Corporation, and each sought a portion of the settlement fund obtained by the DOE through a consent order with Apco. *Apco Oil Corp.*, 12 DOE ¶ 85,149 (1985). Each of the six applicants applied for refunds of less than $5,000 and followed the small claims procedures outlined in *Apco.* After examining the applications, the DOE concluded that each of the six firms should receive a refund based on its purchases from Apco times the volumetric per gallon refund amount, as described in the Appendix to the Decision. The total amount of refunds granted was $4,541.

Conoco Inc./ Block Oil Company, Inc., et al., 4/2/87; RF220-265 et al.

The DOE issued a Decision and Order concerning five Applications for Refund filed by purchasers of Conoco refined products. Each customer documented the volumes of refined products that it purchased from Conoco and requested a refund based upon the small claims procedures outlined in *Conoco Inc.*, 13 DOE ¶ 85,316 (1985). After examining the claims, the DOE concluded that all five applicants should receive refunds based on the volumetric refund amount established in *Conoco.* The total amount of refunds granted was $1,763.

First Nationwide Corporation, et al., 3/30/87; RF270-1758 et al.

The DOE issued a decision and Order in connection with its administration of the $10.75 million escrow fund established for surface transporters pursuant to the settlement agreement in the DOE Stripper Well Exemption litigation. The DOE approved the purchase volumes of refined petroleum products claimed by twelve trucking companies and will use those volumes as a basis for the refund that will ultimately be issued to the twelve firms. The DOE stated that because the size of a surface transporter applicant's refund will depend upon the total number of gallons that are ultimately approved, the actual amounts of the twelve firms' refunds will be determined at a later date.

Faribault Transportation Company, Inc., et al., 3/31/87; RF270-593 et al.

The DOE issued a Decision and Order in connection with its administration of the $10.75 million escrow fund established for surface transporters pursuant to the settlement agreement in the DOE Stripper Well Exemption litigation. The DOE approved the purchase volumes of refined petroleum products claimed by twelve trucking companies and will use those volumes as a basis for the refund that will ultimately be issued to the six firms. The DOE stated that because the size of a surface transporter applicant's refund will depend upon the total number of gallons that are ultimately approved, the actual amounts of the twelve firms' refunds will be determined at a later date.

Gary Energy Corporation/Vangas, Inc., 3/30/87; RF47-21

The DOE issued a supplemental Decision and Order granting Vangas, Inc., an additional refund from the Gary Energy Corporation deposit escrow account. The additional refund of $4,225 in principal was granted after it appeared that the refund approved for the firm in a Decision and Order issued on March 23, 1987, had been understated.

Gulf Oil Corporation/B. J. McAdams, Inc., et al., 3/30/87; RF40-3679 et al.

The DOE issued a Supplemental Decision and Order concerning six Applications for Refund filed in the Gulf Oil Corporation special refund proceeding. The Decision corrected the interest and total refund amounts calculated for six of the applicants listed in the Appendix to *Gulf Oil Corp./ Laurens Glass*, 15 DOE ¶ 85,415 (1987). The refunds totaled $42,718, representing $34,514 in principal and $8,204 in interest.

Gulf Oil Corporation/Morris Oil Company, et al., 4/3/87; RF40-3574 et al.

In accordance with the procedures outlined in *Gulf Oil Corp.*, 12 DOE ¶ 85,048 (1984), and after examining the evidence and the supporting documentation submitted, the DOE issued a Decision and Order granting seven applications for refund from the Gulf Oil Corporation escrow account. These refund totalled $21,867, representing $17,667 in principal plus $4,200 in interest.

Lewtex Oil & Gas Corporation/Enterprise Products Company, 4/2/87; RF9-2

Enterprise Products Company filed an Application for Refund in the Lewtex Oil Gas Corporation special refund proceeding. The request for a refund of more than $5,000 was based upon the claim that Enterprise had purchased 3,161,251 gallons of mixed LPGs from Lewtex. However, Enterprise failed to demonstrate that it had experienced any economic injury as a result of its purchases. As a result the DOE limited the Enterprise refund to $5,000, plus accrued interest of $4,930.

Macmillan Ring-Free Oil Co. Inc./Cool Fuel, Inc., Delta Petroleum Company, Inc., Armolene Oil Company, 3/31/87; RF217-1, RF217-2, RF217-4

The DOE issued a Decision and Order concerning three Applications for refund in the Macmillan Ring-Free Oil Co., Inc. special refund proceeding. Macmillan Ring-Free Oil Co., Inc., 13 DOE ¶ 85,165 (1985). Each applicant documented the volumes of petroleum products purchased from Macmillan and claimed a refund of less than $5,000. After examining the applications and supporting documentation, the DOE approved refunds totaling $12,857, representing $10,624 in principal and $2,233 in accrued interest.

Marathon Petroleum Company/A. L. Ross & Sons, Inc., et al., 3/30/87; RF250-2652 et al.

The DOE issued a Decision and Order concerning 60 Applications for Refund filed by resellers of products covered by a consent order that the agency entered into with Marathon Petroleum Company. Each applicant submitted information indicating the volume of the Marathon purchases, and none requested a refund greater than the $5,000 small claims refund amount. The sum of the refunds approved in this Decision is $80,070, representing $74,074 in principal and $5,996 in interest.

Marathon Petroleum Company/J&L Oil, Inc., 4/13/87; RF250-2398, RF250-2399

The DOE issued a Decision and Order concerning two Applications for Refund filed by J&L Oil, Inc. (J&L), a reseller of Marathon covered products. Although the firm's purchase of distillates and motor gasoline from Marathon during the consent order period exceeded the threshold refund level established in *Marathon Petroleum Co.*, J&L elected to file its refund applications in accordance with procedures for filing claims of less than $50,000 under the 35 percent presumption method outlined in the Marathon decision. After examining the evidence and supporting data submitted by the firm, the DOE concluded that J&L should receive a refund of $49,999.99 in principal and $3,403.89 in accrued interest for a total refund of $53,403.88.

Marathon Petroleum Company/Kare Oils, Inc., Forest City Oil Co., Inc., Charles P. Addis, 4/3/87, RF250-621, RF250-622, RF250-702

The DOE issued a Decision and Order concerning three Applications for Refund filed on behalf of Kare Oils, Inc., Forest City Oil Co., Inc., and Charles P. Addis, purchasers of products covered by a consent order that the agency entered into with Marathon Petroleum Company. Because the three firms are under common ownership, the DOE determined that their claims should be consolidated for purposes of analysis. Under the medium-range presumption of injury, refunds totaling $8,300 in principal and $711 in interest were approved for the three firms on the basis of 35 percent of their combined allocable shares.

Marathon Petroleum Company/Sellers Oil Company, Inc., 3/31/87, RF250-1298

The DOE issued a Decision and Order concerning an Application for Refund filed on behalf of Sellers Oil Company, Inc. in the Marathon Petroleum Company refund proceeding. According to the procedures outlined in *Marathon Petroleum Co.*, 14 DOE ¶ 85,269 (1986), Sellers demonstrated that it indirectly purchased 1,841,560 gallons of covered product from Marathon through Southwest Georgia Oil Company of Bainbridge, Georgia, a direct Marathon customer. Since the agency granted Southwest a refund under the 35 percent (medium-range) presumption of injury in *Marathon Petroleum Co./Southwest Georgia Oil Co.*, 15 DOE ¶ 85,326 (1987), there was no conclusive finding that Southwest absorbed all of the alleged overcharges. Therefore, Sellers is eligible to receive a small claims refund in this proceeding. Sellers will receive its full allocable share of $773 in principal plus $66 in accrued interest.

Marathon Petroleum Company/ Smith-Shafer Oil Company, 4/3/87; RF250-2385, RF250-2386.

The DOE issued a Decision and Order concerning two Applications for Refund filed by Smith-Shafer Oil, Inc. (Smith-Shafer), a reseller of Marathon covered products. Although the firm's purchase of distillates and motor gasoline from Marathon during the consent order period exceeded the threshold refund level established in *Marathon Petroleum Co.*, Smith-Shafer elected to file its refund applications in accordance with procedures for filing claims of less than $50,000 under the 35 percent presumption method outlined in the Marathon decision. After examining the evidence and supporting data submitted by the firm, the DOE concluded that Smith-Shafer should receive a refund of $10,147.24 in principal and $690.25 in accrued interest for a total refund of $1,938.49.

Market Transport, Ltd, et al., 4/1/87; RF270-1767 et al.

The DOE issued a Decision and Order in connection with its administration of the $10.75 million escrow fund established for surface transporters pursuant to the settlement agreement in the DOE Stripper Well Exemption litigation. The DOE approved the purchase volumes of refined petroleum products claimed by twelve trucking companies and will use those volumes as a basis for the refund that will ultimately be issued to the twelve firms. The DOE stated that because the size of a surface transporter applicant's refund will depend upon the total number of gallons that are ultimately approved, the actual amounts of the twelve firms' refunds will be determined at a later date.

Mobil Oil Corporation/ Ambler Mobil Service, et al., 4/2/87; RF225-7540 et al.

The DOE issued a Decision granting 49 Applications for Refund from the Mobil Oil Corporation escrow account filed by retailers and resellers of Mobil refined petroleum products. Each applicant elected to apply for a refund based upon the presumptions set forth in the *Mobil* decision. *Mobil Oil Corp.*, 13 DOE ¶ 85,339 (1985). The DOE granted refunds totalling $24,208, representing $19,946 in principal and $4,262 in interest.

Mobil Oil Corporation/Bentz Oil Company, et al., 3/31/87; RF225-8344 et al.

The DOE issued a Decision granting 39 Applications for Refund from the Mobil Oil Corporation escrow account filed by retailers and resellers of Mobil refined petroleum products. Each applicant elected to apply for a refund based upon the presumptions set forth in the *Mobil* decision. *Mobil Oil Corp.*, 13 DOE ¶ 85,339 (1985). The DOE granted refunds totalling $61,931, representing $51,020 in principal and $10,911 in interest.

National Helium Corp./Nevada, 4/2/87; RQ3-356

The DOE issued a Decision approving the second-stage refund application submitted by the State of Nevada in the National Helium Corp. refund proceeding. The State will use $110,857 for Energy Extension services. The funds will be used for workshops, publications, public service announcements, a ride-share hotline for Las Vegas commuters, and National Energy Education Day activities. Nevada may not use these oil overcharge monies for energy education activities for grades K-12 because the students would not have been purchasers of refined petroleum products during the period of price controls, 1973-1981.

National Helium Corp./New Jersey, 4/3/87; RQ3-361

The DOE issued a Decision approving the second-stage refund plan of New Jersey for use of funds from the National Helium Corp. escrow account. New Jersey stated that it planned to use its remaining share of National Helium funds, $175,001 plus accrued interest, to expand the state's ridesharing and vanpooling program. The DOE found that New Jersey's plan would reduce motorists' consumption of motor gasoline, thereby providing indirect restitution to injured consumers of refined petroleum products. Accordingly, New Jersey was granted $344,794 ($175,001 principal plus $169,793 interest) for the program.

Standard Oil Company (Indiana)/North Dakota, Coline Gasoline Corporation/ North Dakota, Vickers Energy Corporation/North Dakota, 3/31/87, RQ251-350, RQ1-352, RQ2-352

The DOE issued a Decision and Order approving the second-stage refund application submitted by the State of North Dakota for use of funds from the Standard Oil Company (Indiana), Coline Gasoline Corp. and Vickers Energy Corp. escrow accounts. North Dakota stated that it planned to use $421,002 plus accrued interest to supplement operational funding of three city bus systems and to subsidize state-wide transportation services that benefit the elderly and handicapped. The DOE found that North Dakota's plan would make restitution to injured consumers of refined petroleum products. The total amount of the second-stage funds released to North Dakota was $443,602.

Standard Oil Company (Indiana)/Oglala Sioux Tribe, 3/31/87, RQ251-325, RQ251-326

The Oglala Sioux Tribe filed a second-stage refund application with the Office of Hearings and Appeals, pursuant to a consent order entered into with Standard Oil Co. (Indiana) (Amoco). The Tribe proposed to fund a home energy audit program for all residents of the Pine Ridge Reservation. The application was granted.

Dismissals

The following submissions were dismissed:

Company name	Case No.
Chevron U.S.A. Inc	RF161-68.
J.C. Marsh Oil Co	RF40-3650.
Woodson Oil Co	KEE-0134.

Copies of the full text of these decisions and orders are available in the Public Reference Room of the Office of Hearings and Appeals, Room 1E-234, Forrestal Building, 1000 Independence Avenue, SW., Washington, DC 20585, Monday through Friday, between the hours of 1:00 p.m. and 5:00 p.m., except federal holidays. They are also available in *Energy Management: Federal Energy Guidelines*, a commercially published loose leaf reporter system.

George B. Breznay,

Director, Office of Hearings and Appeals.

May 8, 1987.

[FR Doc. 87-11196 Filed 5-14-87; 8:45 am]

BILLING CODE 6450-01-M

Implementation of Special Refund Procedures

AGENCY: Office of Hearings and Appeals, Department of Energy.

ACTION: Notice of Implementation of Special Refund Procedures.

SUMMARY: The Office of Hearings and Appeals of the Department of Energy solicits comments concerning the appropriate procedures to be followed in refunding a $5 million consent order fund to members of the public. This money is being held in escrow following the settlement of an enforcement proceeding involving Total Petroleum, Inc. of Denver, Colorado (KEF-0081).

DATE AND ADDRESS: Comments must be filed within 30 days of publication of this notice in the **Federal Register** and should be addressed to Total Petroleum, Inc. Consent Order Proceeding, Office of Hearings and Appeals, Department of Energy, 1000 Independence Avenue, SW., Washington, DC 20585. All comments should conspicuously display a reference to Case No. KEF-0081.

FOR FURTHER INFORMATION CONTACT: Richard W. Dugan, Associate Director, Office of Hearings and Appeals, 1000 Independence Avenue, SW., Washington, DC 20585, (202) 586-2860.

SUPPLEMENTARY INFORMATION: In accordance with § 205.282(b) of the procedural regulations of the Department of Energy, 10 CFR 205.282(b), notice is hereby given of the issuance of the Proposed Decision and Order set forth below. The Proposed Decision relates to a consent order entered into by Total Petroleum, Inc. of Denver, Colorado and the DOE which settled a number of outstanding enforcement issues involving Total Petroleum, Inc. and Vickers Petroleum, Inc., a petroleum products reseller acquired by Total in October 1980. Among the issues settled by the consent order was Total's alleged non-compliance with certain provisions of the Crude Oil Entitlements Program, 10 CFR 211.67. The consent order also settled Total's possible regulatory violations in sales of certain refined petroleum products during the period September 1, 1973 through October 31, 1980.

The Proposed Decision sets forth the procedures and standards that the DOE has tentatively formulated to distribute the escrow account funded by Total pursuant to the consent order. The DOE has tentatively established procedures under which purchasers of Total motor gasoline, No. 2 heating oil, and No. 2-D diesel fuel during the period September 1, 1973 through October 31, 1980 may file claims for refunds. In addition, purchasers of crude oil and refined petroleum products may apply for refunds in accordance with the DOE Modified Statement of Restitutionary Policy concerning crude oil overcharges. 51 FR 27899 (August 4, 1986). Applications for Refund should not be filed at this time. Appropriate public notice will be given when the submission of claims is authorized.

Any member of the public may submit written comments regarding the proposed refund procedures. Commenting parties are requested to submit two copies of their comments. Comments should be submitted within 30 days of publication of this notice in the **Federal Register**, and should be sent to the address set forth at the beginning of this notice. All comments received in this proceeding will be available for public inspection between the hours of 1:00 and 5:00 p.m., Monday through Friday, except federal holidays, in the Public Reference Room of the Office of Hearings and Appeals located in Room 1E-234, 1000 Independence Avenue, SW., Washington, DC 20585.

Dated: May 8, 1987.

George B. Breznay,

Director, Office of Hearings and Appeals.

Proposed Decision and Order of the Department of Energy

Implementation of Special Refund Procedures

May 8, 1987.

Name of Firm: Total Petroleum, Inc.
Date of Filing: October 2, 1986.
Case Number: KEF-0081.

Under the procedural regulations of the Department of Energy (DOE), the Economic Regulatory Administration (ERA) may request that the Office of Hearings and Appeals (OHA) formulated and implement special refund procedures in order to remedy the effects of alleged violations of the DOE regulations. *See* 10 C.F.R. Part 205, Subpart V. On October 2, 1986, the ERA requested that the OHA formulate procedures to distribute $5 million which the DOE received pursuant to a Consent Order entered into by Total Petroleum, Inc. (Total) and the DOE.

The general guidelines which the OHA may use to formulate and implement a plan to distribute funds are set forth in 10 C.F.R. Part 205, Subpart V. The Subpart V process may be used in situations where the DOE cannot readily identify the persons who may have been injured as a result of alleged or adjudicated violations or ascertain the amount of each person's injuries. For a more detailed discussion of Subpart V and the authority of the OHA to fashion procedures to distribute refunds, see *Office of Enforcement*, 9 DOE ¶ 82,508 (1981), and *Office of Enforcement*, 8 DOE ¶ 82,597 (1981) (*Vickers*).

We have considered the ERA's request to implement Subpart V procedures with respect to the funds received from Total and have determined that such procedures are appropriate. Accordingly, we will grant the ERA's request. This Proposed Decision and Order sets forth the OHA's tentative plan to distribute these funds. Comments are solicited.

I. Background

During the period January 1, 1973 through January 27, 1981, Total engaged in the production, importation, sale and refining of crude oil, the sale of refined petroleum products, and the extraction, fractionation, and sale of natural gas liquids and natural gas liquid products. Total was therefore subject to the federal petroleum price and allocation regulations.

On June 12, 1986, a Consent Order was executed between Total and the DOE which resolved a number of outstanding enforcement issues involving Total and Vickers Petroleum, Inc. (Vickers), a petroleum products reseller which was acquired by Total in October 1980.[1] The Consent Order

[1] These issues were:

(i) Allegations in a Proposed Remedial Order which the ERA issued to Total on April 25, 1985 alleging non-compliance with certain provisions of

Continued

was finalized on August 5, 1986. Under the terms of the settlement, Total paid $5 million to the DOE. The Consent Order states that the DOE has made no formal findings of violation and that Total does not admit it has committed any regulatory violations. Of the settlement fund, now held in an interest-bearing escrow account maintained by the Department of the Treasury, $2 million is intended to resolve all claims concerning Total's possible crude oil violations. Consent Order ¶ 402. The remaining $3 million is attributable to issues regarding Total's sale of refined products. *Id.* Accordingly, we propose to establish two refund pools, one for crude oil and one for refined products.

II. Proposed Refund Procedures for Crude Oil Pool

As indicated above, Total remitted $2 million to the DOE to settle alleged crude oil regulatory violations. Therefore, we propose that a portion of the settlement fund equivalent to this amount (plus interest) be distributed in accordance with the DOE's Modified Statement of Restitutionary Policy Concerning Crude Oil Overcharges issued on July 28, 1986. 51 Fed. Reg. 27899 (August 4, 1986) (hereinafter referred to as "the DOE Policy").[2] Under that policy, up to 20 percent of alleged crude oil violation amounts will be reserved to satisfy valid claims by eligible purchasers of crude oil and refined petroleum products. Remaining funds are to be disbursed to the state and federal governments for indirect restitution, also in accordance with the DOE Policy. In the present case, we have decided to reserve the full 20 percent—$400,000—of the alleged crude oil violation amount, plus a proportionate share of the accrued interest, for direct refunds to purchasers of refined petroleum products and crude oil who prove that they were injured by these alleged crude oil violations.[3]

The process which the OHA will use to evaluate claims based on alleged crude oil violations will be modeled after the process the OHA has used to evaluate claims based on alleged refined product overcharges pursuant to 10 C.F.R. Part 205, Subpart V. *See Mountain Fuel Supply Co.*, 14 DOE ¶ 85,475 (1986).

As in non-crude oil cases, applicants will be required to document their purchase volumes and to prove that they were injured by the alleged violations (i.e., that they did not pass on alleged overcharges to their own customers). We propose to utilize the standards for showing injury which the OHA has developed in analyzing non-crude oil claims. *See, e.g., Dorchester Gas Corp.*, 14 DOE ¶ 85,240 (1986). These standards include a presumption that end-users and ultimate consumers whose businesses are unrelated to the petroleum industry absorbed the increased costs resulting from a consent order firm's alleged overcharges. *See A. Tarricone, Inc.*, 15 DOE ¶ _____ No. KEF-0049 (April 15, 1987) (*Tarricone*); *O.B. Mobley, Jr.*, 16 DOE ¶ _____ No. HEF-0499 (May 4, 1987) (*Mobley*). Reseller and retailer claimants must submit detailed evidence of injury, and may not rely upon the presumptions of injury utilized in refund cases involving refined petroleum products. *Id.* They can, however, use econometric evidence of the type used in the OHA Report in *In Re: The Department of Energy Stripper Well Exemption Litigation*, 6 Fed. Energy Guidelines ¶ 90,507.

Refunds to eligible claimants will be calculated on the basis of a volumetric refund amount derived by dividing the money available in the crude oil pool ($2 million) by the total consumption of petroleum products in the United States during the period of price controls (2,020,997,335,000 gallons). The crude oil volumetric refund amount in this proceeding is $0.0000009896. In addition, after all valid claims are paid, unclaimed funds from the 20 percent claims reserve will be divided equally between federal and state governments. The federal government's share of the unclaimed funds will ultimately be deposited into the general fund of the Treasury of the United States.

We propose that the remaining 80 percent of the crude oil funds—$1,600,000—be disbursed to the federal and state governments for indirect restitution. We propose to direct the DOE's Office of the Controller to segregate this amount and distribute $400,000 plus appropriate interest to the states and $1,200,000 plus appropriate interest to the federal government.[4] Refunds to the states will be in proportion to the consumption of petroleum products in each state during the period of price controls. The share (ratio) of the funds in the state account which each state will receive if these procedures are adopted is contained in Appendix B to the Settlement Agreement. These funds will be subject to the same limitations and reporting requirements as all other crude oil monies received by the states under the Settlement Agreement.

III. Proposed Refund Procedures for Refined Product Pool

Total remitted $3 million to the DOE to settle allegations regarding its sales of refined products. This portion of the settlement fund (plus interest) should be distributed to wholesale customers of Total who purchased motor gasoline and No. 2 oils (No. 2 heating oil and No. 2-D diesel fuel) from the firm between September 1, 1973 and October 31, 1980 (hereinafter referred to as the consent order period).[5] The principal non-crude oil issue resolved by the Consent Order pertained to Total's pricing of motor gasoline and No. 2 oils in sales to its wholesale customers. This matter was the subject of an earlier Consent Order with which Total did not comply (*see* n.1.). The dispute involving Total's Compliance with that earlier Consent Order is specifically mentioned as an issue which is resolved by the current Consent Order. ¶ 501. *See also* 51 FR 22850 (June 23, 1986) (Notice of Proposed Consent Order). Moreover, the amount of money whith Total originally agreed to remit to the DOE in settlement of claims regarding its wholesale sales of motor gasoline and No. 2 oils, $2 million, plus the interest which accrued on this amount from the date on which it should

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the Crude Oil Entitlements Program, 10 C.F.R. § 211.67.

(ii) Total's compliance with a Consent Order executed in January 1981, requiring Total to make restitution for alleged overcharges by implementing a price rollback in its retail sales of motor gasoline and paying $2 million to the DOE with respect to its wholesale sales of motor gasoline, No. 2 heating oil, and No. 2-D diesel fuel during the period from September 1, 1973 through October 31, 1980. Total implemented the price rollback but did not remit the $2 million to the DOE.

(iii) Vicker's compliance with a Consent Order requiring it to refund $2,850,000 to the DOE and to implement a price rollback of $6,300,000 in its retail sales of motor gasoline. Vickers remitted $2,850,000 to the DOE and implemented a price rollback. However, the ERA and Vickers disagreed as to whether the firm refunded the entire amount required under the Consent Order.

[2] In the Order implementing the DOE Policy, the OHA solicited comments and objections regarding the proper application of the DOE Policy to OHA refund proceedings involving alleged crude oil violations. On April 6, 1987, the OHA issued a notice which analyzes the comments that were submitted and explains the procedures which the Office will follow in processing applications filed under the Subpart V regulations for refunds of the crude oil overcharge funds. 52 Fed. Reg. 11737 (April 10, 1987).

[3] On July 7, 1986, the United States District Court for the District of Kansas approved the Stripper Well Settlement Agreement in *In Re: The Department of Energy Stripper Well Exemption Litigation*, M.D.L. No. 378, 3 Fed. Energy Guidelines ¶ 26,563. That Agreement resolves a number of matters, including the distribution of funds collected by the Court and the distribution of alleged crude oil violation amounts collected by the DOE in order cases. Under the Settlement Agreement, firms which apply for a portion of the Stripper Well Exemption Litigation funds generally must sign a waiver releasing their claims to a portion of the crude oil funds to be distributed by the OHA. Settlement Agreement, Part III.

[4] This distribution reflects a ratio of 25 percent of the state governments and 75 percent of the federal government. Under the terms of the Settlement Agreement, the states received an advance of $200 million from funds which would otherwise have been disbursed to the DOE. In order to reimburse the DOE for one-half of the advance, the Settlement Agreement provides that for amounts which the OHA transfers to the state and federal governments in excess of $100 million, the DOE shall receive 75 percent and the states shall receive 25 percent. This arrangement shall continue until the OHA has distributed the next $400 million. Settlement Agreement, Paragraph II.B.3.c.ii. The first transfer of funds to the states by the OHA occurred on August 7, 1986, when the OHA transferred $104,061,950.61 to the state and federal governments. Stripper Well Exemption Litigation, 14 DOE ¶ 85,382 (1986). The $4 million in excess of $100 million was disbursed 75 percent to the federal government and 25 percent to the states. Under the Agreement, the next $396 million, including the $316 million disbursed to the states and federal government in *Tarricone* and the $9.67 million disbursed in *Mobley*, will be disbursed using the 75/25 percent formula.

[5] Notwithstanding the period of time encompassed by the consent order period, Total customers will only be eligible to receive refunds for their purchases of No. 2 oils through June 30, 1976, the last day on which these products were subject to federal price controls. *See* 41 FR 24516 (June 16, 1976).

have been remitted to the DOE, totals more than the $3 million of available product-related funds.[6] We have therefore determined that the entire $3 million should be available for distribution to Total's wholesale customers.

A. Eligible Claimants

We propose that the funds in the refined product pool be distributed to claimants who can satisfactorily demonstrate that they were injured by Total's alleged regulatory violations in wholesale sales of motor gasoline and/or No. 2 oils during the relevant period.

During the consent order period, Total sold to three groups of wholesale customers. *See* Letter dated November 3, 1986 from L.C. Ross, Total's Vice-President, to Janice Pliner, OHA staff analyst. First, Total sold petroleum products to customers of its Alma, Michigan refinery throughout the entire consent order period. Second, on April 1, 1978, Total acquired another refinery located in Arkansas City, Kansas, from APCO Petroleum Corporation, and began selling to customers of that refinery. Finally, on October 2, 1980, Total purchased Vickers and began selling to Vickers' wholesale customers. We propose that customers in all three groups be eligible to apply for refunds in this proceeding. However, customers who purchased product from the former APCO refinery or who were Vickers' customers may only apply for refunds for the periods beginning April 1, 1978 or October 2, 1980, respectively. Prior to those dates, Total had no relationship with those customers. In addition, as we previously stated, no refunds will be granted for purchases of No. 2 oils made after June 30, 1976. The following chart depicts these parameters.

Site of purchase	Dates of refund eligibility motor gasoline	No. 2 oils
Total refinery.	9/1/73–10/31/80	9/1/73–6/30/76
Former APCO refinery.	4/1/78–10/31/80	Not eligible
Former Vickers refinery.	10/2/80–10/31/80	Not eligible

[6] While the question of the accuracy of the price rollback implemented by Vickers during the period of controls is also a matter resolved by the current Consent Order, we do not believe that setting aside anyof the fund for retail purchasers of Vickers' motor gasoline is appropriate in this case. From the language in the Consent Order, it appears that the issue was simply closed by the execution of the settlement. Moreover, it is indisputed that money has already been refunded to Vickers' customers through the price rollback. In contrast, Total's wholesale customers have received no refunds to date for the pricing violations which they allegedly experienced. Thus, we believe that the entire fund should be allocated for claims arising from matters intended to be settled in the January 1981 Consent Order with Total.

B. Showing of Injury

To demonstrate injury, a reseller claimant (including refiners and retailers) must provide evidence that it would have maintained its prices for the specified petroleum products purchased from Total at the same level had the alleged overcharges not occurred. Accordingly, any claimant should show that at the time it purchased petroleum products from Total, market conditions would not permit it to increase its prices to pass through the additional costs associated with the alleged overcharges. *Office of Enforcement*, 10 DOE ¶ 85,056 (1983); *Office of Enforcement*, 10 DOE ¶ 85,029 (1982). In addition, a reseller must show that it had "banks" of unrecovered increased product costs from the date of purchase through decontrol in order to demonstrate that it did not subsequently recover these costs by increasing its prices.[7]

The maintenance of a bank, however, will not automatically establish injury. *See Tenneco Oil Co./Chevron U.S.A., Inc.*, 10 DOE ¶ 85,014 (1982).

1. Applicants Claiming a Refund of $5,00 or Less

Making a detailed showing of injury may be too complicated and burdensome for resellers who purchased relatively small amounts of covered products from Total. For example, such firms may have limited accounting the data-retrieval capabilities and may therefore be unable to produce the records necessary to prove that they did not pass on the alleged overcharges to their own customers. The cost to the applicant and to the government of compiling and analyzing information sufficient to make a detailed showing of injury should also not exceed the amount of the refund to be gained. We thus propose to adopt a small claims presumption in this case. *See, e.g., Aztex Energy Co.*, 12 DOE ¶ 85,116 (1984); *Marion Corp.*, 12 DOE ¶ 85,014 (1984) (*Marion*). Any reseller applicant claiming a refund of $5,000 or less, based upon the volumetric refund amount established below, need not make a detailed showing of injury in order to be eligible to receive a refund.

2. Spot Purchasers

We further propose that resellers that made spot purchases from Total be ineligible to receive a refund, even a refund below the threshold level, unless they can make a showing that rebuts the presumption that they were not injured. Spot purchasers tend to have considerable discretion in where and when to make purchases and would therefore not have made spot purchases unless they were able to pass through the full amount of the alleged overcharges to their own customers. *See Vickers*, 8 DOE at 85,396–97. Accordingly, any reseller claimant who was a spot purchaser must submit evidence to rebut the spot purchaser presumption and establish the extent to which it was injured as a result of its spot purchase(s).

3. End-Users

We also propose to adopt a finding that end-users (or ultimate consumers) of Total motor gasoline and No. 2 oils whose businesses are unrelated to the petroleum industry were injured by the alleged overcharges addressed in this proceeding. Unlike regulated firms in the petroleum industry, members of this group generally were not subject to price controls during the time covered by the Consent Order, and thus were not required to keep records which justified selling price increases by reference to cost increases. For these reasons, an analysis of the impact of the alleged overcharges on the final price of non-petroleum goods and services would be beyond the scope of a special refund proceeding. *See Office of Enforcement*, 10 DOE ¶ 85,072 (1983); *see also Texas Oil & Gas Corp.*, 12 DOE ¶ 85,069 (1984), and cases cited therein. Thus, in order to qualify for a refund from the Total consent order fund, end-users who purchased Total motor gasoline and No. 2 oils need only document their purchases from the firm.

4. Regulated Firms

In addition, we propose that firms whose prices for goods and services are regulated by a governmental agency or by the terms of a cooperative agreement not be required to demonstrate that they absorbed the overcharges alleged by the ERA. In the case of regulated firms, e.g., public utilities, any overcharges incurred as a result of Total's alleged violations of the DOE regulations would routinely be passed through to the utilities' customers. Similarly, any refunds received by such firms should be reflected in the rates they are allowed to charge their customers. Refunds to agricultural cooperatives should likewise directly influence the prices charged to their member customers. Consequently, we propose adding such firms to the class of claimants that are not required to show that they did not pass through to their customers cost increases resulting from alleged overcharges. *See, e.g., Office of Special Counsel*, 9 DOE ¶ 82,538 (1982) and *Office of Special Counsel*, 9 DOE ¶ 82,545 at 85,244 (1982). Instead, those firms should provide with their application a full explanation of the manner in which refunds will be passed through to their customers and how the appropriate regulatory body or membership group will be advised of the applicant's receipt of any refund money. Sales by a cooperative to non-members, however, will be treated the same as sales by any other reseller.

C. Calculation of Refund Amounts

We propose to use a volumetric method to divide the Total refined products refund pool among the applicants who demonstrate that they are eligible to receive refunds. In this case, there will be a separate volumetric refund amount for motor gasoline purchases and for No. 2 oil purchases.

[7] Retailer applicants will not be required to submit bank information in connection with sales made after July 15, 1979, the date on which the amendment to the price rule eliminating the banking requirement for retailers became effective. 44 Fed. Reg. 42541 (July 19, 1979). Reseller applicants will not be required to submit bank information for the period beginning May 1, 1980, with the exception of the firms who elected not to be subject to the new price rules which became effective on that date. 45 FR 29546 (May 2, 1980); 45 FR 81255 (December 10, 1980).

The January 1981 Consent Order stated that $1,400,000 of the $2 million consent order fund should be used for refunds to motor gaoline purchasers and $600,000 should go to No. 2 oil purchasers. Consent Order at 4. This information, when considered in conjunction with Total sales volume data, leads us to the conclusion that the per gallon amount of alleged overcharges in Total's sales of motor gasoline differs from the per gallon alleged overcharges in No. 2 oil sales. We thus propose to utilize two different volumetric refund amounts in order to distribute the refund monies to firms in a manner which more closely approximates claimant's actual injury. *See, e.g., E.B. Lynn Oil Co.*, 14 DOE ¶ 85,228 (1986); *Blex Oil, Inc.*, 13 DOE ¶ 85,019 (1985).

We have divided the Total refined product refund pool into two pools in proportion to the manner in which the January 1981 settlement amount was divided. Thus, the refund pool for motor gasoline purchases is $2,100,000 and the refund pool for No. 2 oil purchases is $900,000. We have determined the volumetric refund factors by dividing each of Total's refind product refund pools by the estimated total volume of applicable product(s) sold by Total to its wholesale customers during the relevant period. This results in refund amounts of $0.000651 ($2,100,000 divided by 3,225,066,372) for each gallon of motor gasoline and $0.002652 ($900,000 divided by 339,338,279 gallons) for each gallon of No. 2 oils which an applicant purchased from Total during the relevant period. In addition, the interest which has accrued on the money in escrow will be added to the refund of each successful applicant in proportion to the size of its refund.

As in previous cases, we propose to establish a minimum amount of $15 for refund claims. We have found through our experience in prior refund cases that the cost of processing claims in which refunds are sought for amounts less than $15 outweighs the benefits of restitution in those situations. *See e.g., Uban Oil Co.*, 9 DOE ¶ 82,541 at 85,225 (1982). *See also* 10 C.F.R. § 205.286(b).

Refund applications in this proceeding should not be filed until issuance of a final Decision and Order. Detailed procedures for filing applications will be provided in the final Decision and Order. Before disposing any funds received, we intend to publicize the distribution process and to provide an opportunity for any affected party to file a claim. Any funds remaining in the refined product pools after all refund applications have been considered will be distributed to the state and federal governments in accordance with the provisions of the Petroleum Overcharge Distribution and Restitution Act of 1986, Pub. L. 99-509, Title III, Fed. Energy Guidelines ¶ 11,700.

It is therefore ordered that: The refund amount remitted to the Department of Energy by Total Petrolum, Inc. pursuant to the Consent Order finalized on August 5, 1986 will be distributed in accordance with the foregoing Decision.

[FR Doc. 87-11194, Filed 5-14-87; 8:45 am]

BILLING CODE 6450-01-M

ENVIRONMENTAL PROTECTION AGENCY

[ER-FRL-3201-7]

Environmental Impact Statements; Availability

Availability of Environmental Impact Statements Filed May 04, 1987 Through May 08, 1987.

Responsible Agency: Office of Federal Activities, General Information (202) 382-5073 or (202) 382-5075.

EIS No. 870158, DSuppl, COE, MS, Yazoo River Basin Flood Control Plan, Yalobusha River Channel Enlargement, Yazoo Headwater Area, Due: June 30, 1987, Contact: Dan Johnson (601) 634-5453

EIS No. 870159, Final, COE, KS, Great Bend Kansas Local Flood Protection Plan, Construction, Arkansas River, Walnut and Little Walnut Creeks, Barton County, Due: June 15, 1987, Contact Paul Mace (918) 581-7857

EIS No. 870160, Draft, FHW, TX, TX-71/US 290 Improvements, R.M. 1826 to F.M. 973, Travis County, Due: June 29, 1987, Contact: Gamaliel Olvera (512) 482-5966

EIS No. 870161, Final, FHW, IA, US 20/Dodge Street Improvement, Concord Street to Dodge-Locust Street Intersection, Dubuque County, Due: June 15, 1987, Contact: H.A. Willard (515) 233-1664.

EIS No. 870162, Draft, AFS, OR, Mount Ashland Ski Area Development Plan, Rogue River National Forest, Jackson Count, Due: June 29, 1987, Contact: Ronald Waitt (503) 482-3333

EIS No. 870164, Draft, COE, FL, Port Everglades Expansion, Construction and Fill Placement in U.S. Waters and Contiguous Wetlands, sections 10 and 404 Permit, Broward County, Due: June 29, 1987, Contact: Dan Malanchuk (904) 791-1689

EIS No. 870165, Final, FHW, GA, I-20 Widening, Hill Street to Columbia Drive, Dekalb and Fulton Counties, Due: June 15, 1987, Contact: Louis Papet (404) 347-4751

Amended Notices

EIS No. 870093, Draft, FHW, MA, MA-2/Alewife Brook Parkway Improvement, MA-2/Pleasant Street to Alewife Brook Parkway/Fresh Pond Parkway, Middlessex County, Due: June 8, 1987, Published FR 3-30-87—Review period extended

EIS No. 870132, DSuppl, MD, Calvert Road Closure, US-1 to MD-201, Metro Line Construction, Additional Information, Due: June 22, 1987, Published FR 4-24-87—Review period reestablished

EIS No. 870157, DSuppl, BLM, CA, AZ, Devers—Palo Verde #2, 500V Transmission Line Project, Construction and Operation, Additional Alternatives, Due: June 8, 1987, Published FR 5-8-87—Filing date reestablished

EIS No. 870082, Draft, COE, TX, Applewhite Dam and Reservior and Leon Creek Diversion Dam and Lake, Water Supply Project, Bexar County, Due: June 28, 1987, Published FR 3-13-87—Review period extended

Dated: May 12, 1987.

Richard E. Sanderson,

Director, Office of Federal Activities.

[FR Doc. 87-11192 Filed 5-14-87; 8:45 am]

BILLING CODE 6560-50-M

[ER-FRL-3201-6]

Environmental Impact Statements and Regulations; Availability of EPA Comments

Availability of EPA comments prepared April 27, 1987 through May 1, 1987 pursuant to the Environmental Review Process (ERP), under section 309 of the Clean Air Act (CAA) and section 102(2)(c) of the National Environmental Policy Act (NEPA) 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 FR dated April 24, 1987 (52 FR 13749).

Draft EISs

ERP No. D-BLM-L70007-ID, Rating EC2, Pocatello Resource Area, Resource Mgmt. Plan, ID. SUMMARY: EPA has concerns on how Best Management Practices will be implemented and the water quality and fisheries effects from management practices

ERP No. DS-CDB-K85038-AZ, Rating EC2, Rio Nuevo—North Redevelopment Project, Land Use Changes and New Information, CDBG, AZ. SUMMARY: EPA requested that the final supplemental EIS assess whether: (1) There is any soil or water contamination on the project site due to past waste disposal practices at a paint and varnish company; and (2) the project complies with the draft Air Quality Plan for Pima County, Arizona

ERP No. D-COE-C32033-NJ, Rating EC2, Port Jersey Channel Navigation Improvement Plan, NJ. SUMMARY: EPA's review concluded that the proposed channel dredging would have no significant impacts on the channel environment, however,

updated bioassay and bioaccumulation testing is required for approval of ocean disposal of the dredged material

ERP No. D–ICC–D53006–00, Rating EC2, Georgetown Subdivision (Docket No. AB–19) (Sub–No. 112) Rail Line Abandonment, Milepost 0.23 to Milepost 10.98, License, MD and DC. SUMMARY: EPA has concerns and requested additional information on mitigation for impacts resulting from the project, energy projections, impacts of truck traffic, and impacts of possible hazardous wastes

Final EISs

ERP No. F–FHW–F40130–MN, New US 10 Construction and Reconstruction, Egret Blvd. in Coon Rapids to I–35W in Moundsview, 404 Permit, MN. SUMMARY: EPA has concerns regarding the lack of specific wetland or noise mitigation for the second and third phases of this project. A commitment to future coordination was requested. EPA also expressed concerns regarding the value of the proposed wetland mitigation for phase one

Amended Notice

The following review should have appeared in the FR Notice published on May 1, 1987.

ERP No. D–AFS–J61069–CO, Rating EC2, East Fork Ski Area Development, Special Use Permit, San Juan Nat'l Forest, 404 Permit, CO. SUMMARY: EPA has some concerns with wetlands disturbance and portions of air quality modeling and requests additional discussion and modification of modeling methodology to eliminate them

Dated: May 12, 1987.

Richard E. Sanderson,

Director, Office of Federal Activities.

[FR Doc. 87–11193 Filed 5–14–87; 8:45 am]

BILLING CODE 6560–50–M

[FRL 3201–6]

Florida; Reports of Performance Under FY 87 Section 105 Grants

AGENCY: Environmental Protection Agency.

ACTION: Notice of availability of grantee performance evaluation reports.

SUMMARY: EPA's grant regulations (40 CFR 35.150) require the Agency to evaluate the performance of agencies which receive grants. EPA's regulations for regional consistency (40 CFR 56.7) require that the Agency notify the public of the availability of the reports of such evaluations. EPA recently performed midyear evaluations of the Florida Department of Environmental Regulation, the State agency, and one of the local agencies in the State, the Pinellas County Department of Environmental Management. These midyear audits were conducted to assess the agencies' performance under the grants made to them by EPA pursuant to Section 105 of the Clean Air Act. The audits were also conducted as part of the National Air Audit System (NAAS) established by EPA in an effort to assure nationwide consistency in the evaluation of state and local air pollution programs. EPA Region IV has prepared reports for both agencies and these NAAS/Section 105 reports are now available for public inspection.

ADDRESS: The reports may be examined at the EPA's Regional IV Office, 345 Courtland Street NE., Atlanta, GA 30365, in the Air, Pesticides & Toxics Management Division.

FOR FURTHER INFORMATION CONTACT: Walter Bishop (Florida) at 404/347–2864 (FTS: 257–2864) or Jeff Pallas (Pinellas County) at 404/347–2904 (FTS 257–2904).

Dated: May 6, 1987.

Jack E. Rayan,

Regional Administrator.

[FR Doc. 87–11131 Filed 5–14–87; 8:45 am]

BILLING CODE 6560–50–M

[FRL 3201–5]

Science Advisory Board; Environmental Health Committee, Drinking Water Subcommittee; Open Meeting

Under Pub. L. 92–463, notice is hereby given that a two-day meeting of the Drinking Water Subcommittee of the Environmental Health Committee of the Science Advisory Board will be held on June 4–5, 1987, in the basement auditorium at the Andrew Breidenbach Environmental Research Center of the U.S. Environmental Protection Agency, 26 West St. Clair Street, Cincinnati, Ohio 45268. The meeting will start at 8:30 a.m. on June 4th and adjourn no later than 4:00 p.m. on June 5th.

The purpose of the meeting will be to review the Health Effects Research Program on Drinking Water Disinfectants and Disinfectant By-Products. The Subcommittee will hear presentations concerning the research program on June 4th and will discuss the program on June 5th.

An issue paper has been prepared for this review and is available from Mr. David Kleffman, Office of Research and Development (RD–683), U.S. Environnental Protection Agency, 401 M Street SW., Washington, DC, (202) 382–5895.

The meeting will be open to the public. Any member of the public wishing to attend the meeting must contact Dr. C. Richard Cothern, Executive Secretary to the Committee, or Mrs. Frederica Jones, by telephone at (202) 382–2552 or by mail to: Science Advisory Board (A–101–F), 401 M Street SW., Washington, DC 20460 no later than c.o.b. on May 29, 1987.

Dated: May 8, 1987.

Terry F. Yosie,

Director, Science Advisory Board.

[FR Doc. 87–11132 Filed 5–14–87; 8:45 am]

BILLING CODE 6560–50–M

[OPP–30280; FRL 3202–5]

Abbott Laboratories; Application To Register a Pesticide Product

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: This notice announces receipt of an application to register a pesticide product containing an active ingredient not included in any previously registered product pursuant to the provisions of section 3(c)(4) of the Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA), as amended.

DATE: Comment by June 15, 1987.

ADDRESS: By mail submit comments identified by the document control number [OPP–30280] and the file number (275–AO) to:

Information Services Section (TS–757C), Program Management and Support Division, Attn: Product Manager (PM) 17, Office of Pesticide Programs, Environmental Protection Agency, 401 M St. SW., Washington, DC 20460

In person, bring comments to: Rm. 236, CM#2, Attn: PM 17, Registration Division (TS–767C), Environmental Protection Agency, 1921 Jefferson Davis Highway, Arlington, VA.

Information submitted in any comment concerning this notice may be claimed confidential by marking any part or all of that information as "Confidential Business Information" (CBI). Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR Part 2. A copy of the comment that does not contain CBI must be submitted for inclusion in the public record. Information not marked confidential may be disclosed publicly by EPA without prior notice to the submitter. All written comments will be available for

public inspection in Rm. 236 at the address given above, from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays.

FOR FURTHER INFORMATION CONTACT: Arturo Castillo, PM 17, (703–557–2690).

SUPPLEMENTARY INFORMATION: Abbott Laboratories, Chemical and Agricultural Products Division, 14th Street, and Sheridan Road, North Chicago, IL 60064, has submitted an application to EPA to register the pesticide product DiBeta Solution Concentrate an insecticide, EPA File Symbol 275–AO, containing the active ingredient thuringiensin or Beta-exotoxin (2-0-(4'-0-5-L-deoxyadenosine-5'-yl-beta-0-glucopyranosyl)-4-0-phospho-0-allaric acid) at 1.5 percent, pursuant to the provisions of section 3(c)(4) of FIFRA. The application proposes that the product be classified for general use on all raw agricultural commodities and for specific use on cotton, potatoes, and greenhouse ornamentals. Notice of receipt of this application does not imply a decision by the Agency on the application. Notice of approval or denial of an application to register a pesticide product will be announced in the **Federal Register.** The procedure for requesting data will be given in the **Federal Register** if an application is approved.

Comments received within the specified time period will be considered before a final decision is made; comments received after the time specified will be considered only to the extent possible without delaying processing of the application.

Written comments filed pursuant to this notice, will be available in the Program Management and Support Division (PMSD) office at the address provided from 8 a.m. to 4 p.m., Monday through Friday, except legal holidays. It is suggested that persons interested in reviewing the application file, telephone the PMSD office (703–557–3262), to ensure that the file is available on the date of intended visit.

Authority: 7 U.S.C. 136.

Dated: May 7, 1987.

James W. Akerman,

Acting Director, Registration Division, Office of Pesticide Programs.

[FR Doc. 87–11133 Filed 5–14–87; 8:45 am]

BILLING CODE 6560–50–M

[OPTS–59236B; FRL–3200–2]

Certain Chemical; Denial of an Application for a Modification to a Test Marketing Exemption

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: This notice announces EPA's denial of an application for a modification to a test marketing exemption (TME) under section 5(h)(6) of the Toxic Substances Control Act (TSCA), TME–87–5.

EFFECTIVE DATE: April 30, 1987.

FOR FURTHER INFORMATION CONTACT: John G. Davidson, Premanufacture Notice Management Branch, Chemical Control Division (TS–794), Environmental Protection Agency, Rm. E–613, 401 M St., SW., Washington, DC 20460, (202 382–3373).

SUPPLEMENTARY INFORMATION: Section 5(h)(1) of TSCA authorizes EPA to exempt persons from premanufacture notification (PMN) requirements and permit them to manufacture or import new chemical substances for test marketing purposes if the Agency finds that the manufacture, processing, distribution in commerce, use, and disposal of the substances for test marketing purposes will not present any unreasonable risk of injury to health or the environment. EPA may impose restrictions on test marketing activities and may modify or revoke a test marketing exemption upon receipt of new information which casts significant doubt on its finding that the test marketing activity will not present any unreasonable risk of injury. On January 6, 1987, EPA received an application for a modification to TME–87–5. The application requested an increase in the production volume limit of an additional 45,000 kilograms, a 3 month extension of the test marketing period, and the addition of one customer. This substance was previously test marketed under TME–85–31 (50 FR 19228) and under a modification to TME–85–31 (51 FR 19083).

EPA has not been able to determine that test marketing of the TME substance described below, under the conditions set out in the application and the application for modification for additional production volume and time period, will not present any unreasonable risk of injury to the environment. Therefore, . the application for modification is denied.

T–87–5

Date of Receipt: December 15, 1986.

Notice of Receipt: January 6, 1987 (52 FR 44943).

Applicant: Confidential.

Chemical: (G) Functional acrylate type polymer.

Use: (G) Industrial paint ingredient.

Modified Production Volume: 45,000 kilograms.

Number of additional Customers: 1.

Worker Exposure: Manufacturer: dermal, a total of 20 workers up to 8 hours/day up to 26 days/year.

Modified Test Marketing Period: Three Months.

Risk Assessment: EPA identified no significant health concerns. EPA identified potential adverse environmental effects associated with exposure to the TME substance. EPA is unable to determine, in the absence of chronic test data on the test market substance, its potential toxicity to aquatic.species.

Public Comments: None.

Dated: April 30, 1987.

Charles L. Elkins,

Director, Office of Toxic Substances.

[FR Doc. 87–10914 Filed 5–14–87; 8:45 am]

BILLING CODE 6560–50–M

FEDERAL COMMUNICATIONS COMMISSION

Information Collection Requirement Approval by Office of Management and Budget

May 8, 1987.

The following information collection requirements have been approved by the Office of Management and Budget under the Paperwork Reduction Act of 1980 (44 U.S.C. 3507). For further information contact Doris Benz, Federal Communications Commission, telephone (202) 632–7513.

OMB No.: 3060–0084

Title: Ownership Report for Noncommercial Educational Broadcast Station

Form No.: FCC 323–E

The approval on form FCC 323–E has been extended through 4/30/90. The April 1984 edition with a previous expiration date of 4/30/87 will remain in use until updated forms are available.

OMB No.: 3060–0318

Title: Notification of Status of Facilities Under Part 22

Form No.: FCC 489

The approval on form FCC 489 has been extended through 4/30/90. The January 1985 edition with a previous expiration date of 4/30/87 will remain in use until updated forms are available.

OMB No.: 3060–0319

Title: Application for Assignment or Transfer of Control Under Part 22

Form No.: FCC 490

The approval on form FCC 490 has been extended through 4/30/90. The January 1985 edition with a previous expiration date of 4/30/87 will remain in use until updated forms are available.

Federal Communications Commission.
William J. Tricarico,
Secretary.
[FR Doc. 87-11097 Filed 5-14-87; 8:45 am]
BILLING CODE 6712-01-M

[Report No. W-15]

Window Notice; Filing of FM Broadcast Applications

Released: May 6, 1987.

Notice is hereby given that applications for vacant FM broadcast allotment(s) listed below may be submitted for filing during the period beginning May 6, 1987, and ending June 15, 1987, inclusive.

Selection of a permittee from a group of acceptable applicants will be by the Comparative Hearing process.

Channel—300 A:

Bethel	AK
New Haven	IN
Midway	KY
Muskegon	MI
West Point	NE
Delaware	OH
Tobyhanna	PA
East Ridge	TN
West Point	VA

Channel—300 C1:

Key West	FL
Kirksville	MO

Federal Communications Commission.
William J. Tricarico,
Secretary.
[FR Doc. 87-11098 Filed 5-14-87; 8:45 am]
BILLING CODE 6712-01-M

[MM Docket No. 86-484]

Notification of Inquiry Regarding Reexamination of the Commission's Comparative Licensing, Distress Sale and Tax Certificate Policies Premised on Racial, Ethnic or Gender Classifications; Extension of Comment Deadline

AGENCY: Federal Communications Commission.

ACTION: Notice of inquiry; extension of initial comment deadline.

SUMMARY: This action grants a motion for an extension of time for filing comments in response to the *Notice of Inquiry* in MM Docket No. 86-484 (Reexamination of the Commission's Comparative Licensing, Distress Sale and Tax Certificate Policies Premised on Racial, Ethnic or Gender Classifications), 52 FR 596 (January 7, 1987). American Women in Radio and Television, Inc. (AWRT) requested that the deadline for filing initial comments be extended from May 7, 1987, to May 21, 1987, a period of two weeks, to allow for the computerization and compilation of data collected in response to an industry survey and a survey of the Commission's broadcast comparative hearing initial decisions utilizing minority and female enhancement credits. The National Association of Black Owned Broadcasters and other interested parties ("NABOB") filed a motion in support of an extension of time, but suggested that the deadline be extended three weeks to May 28, 1987. NABOB stated in support that a three-week extension would be more appropriate since recent developments, including the Commission's recent instructions to its Administrative Law Judges on the treatment of comparative hearing cases involving enhancement credits, and the required minority ownership report questionnaire, have caused them to reevaluate the direction their comments in this proceeding might take. As the *Notice* in this proceeding specifically requested the type of empirical and statistical data being compiled by AWRT and since the Commission was persuaded that the requested extension was reasonably necessary to facilitate the completion of the subject studies, the Commission is extending the initial comment date in this proceeding. The Commission also granted the additional time requested by NABOB to allow it and other commenters to incorporate into their comments the above-noted developments. Consequently, an extension of time for filing comments until May 28, 1987, was granted.

DATES: Comments are now due by May 28, 1987. Reply comments remain due by July 6, 1987.

ADDRESS: Federal Communications Commission, Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Terry L. Haines, Policy and Rules Division, Mass Media Bureau, (202) 632-7792.

SUPPLEMENTARY INFORMATION: The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street NW., Washington, DC 20554. The complete text of this decision may also be purchased from the Commission's copy contractor, International Transcription Service, (202) 857-3800, 2100 M Street NW., Suite 140, Washington, DC 20037.

Federal Communications Commission.
James C. McKinney,
Chief, Mass Media Bureau.
[FR Doc. 87-11099 Filed 5-14-87; 8:45 am]
BILLING CODE 6712-01-M

Applications for Consolidated Hearing; Boyd W. Fellows et al.

1. The Commission has before it the following mutually exclusive applications for a new FM station:

Applicant, city/State	File No.	MM Docket No.
A. Boyd W. Fellows; Sturgeon Bay, WI.	BPH-850711OZ	87-122
B. Assembly of God; Sturgeon Bay, WI.	BPH-850712YU	
C. Margaret E. Maney; Sturgeon Bay, WI.	BPH-850715MN (dismissed).	
D. James C. Anderson; Sturgeon Bay, WI.	BPH-850715MO (dismissed).	

2. Pursuant to 47 U.S.C. 309(e), the above applications have been designated for hearing in a consolidated proceeding upon the issues whose headings are set forth below. The text of each of these issues has been standardized and is set forth in its entirety under the corresponding headings at 51 FR 19347, May 29, 1986. The letter shown before each applicant's name, above, is used below to signify whether the issue in question applies to that particular applicant.

Issue Heading and Applicant(s)

1. Comparative, A, B
2. Ultimate, A, B

3. If there is any non-standardized issue(s) in this proceeding, the full text of the issue and the applicant(s) to which it applies are set forth in an Appendix to this Notice. A copy of the complete HDO in this proceeding is available for inspection and copying during normal business hours in the FCC Dockets Branch (Room 230), 1919 M Street, NW., Washington, DC. The complete text may also be purchased from the Commission's duplicating contractor, International Transcription Services, Inc., 2100 M. Street, NW., Washington, DC 20037. (Telephone (202) 857-3800).

W. Jan Gay,
Assistant Chief, Audio Services Division, Mass Media Bureau.
[FR Doc. 87-11101 Filed 5-14-87; 8:45 am]
BILLING CODE 6712-01-M

FEDERAL HOME LOAN BANK BOARD

[No. AC-613]

Brandywine Savings and Loan Association, Downingtown, PA; Final Action Approval of Conversion Application

Dated: May 8, 1987.

Notice is hereby given that on April 30, 1987, the Office of the General Counsel of the Federal Home Loan Bank Board, acting pursuant to the authority delegated to the General Counsel or his designee, approved the application of Brandywine Savings and Loan Association, Downingtown, Pennsylvania for permission to convert to the stock form of organization. Copies of the application are available for inspection at the Office of the Secretariat at the Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552 and at the Office of the Supervisory Agent at the Federal Home Loan Bank of Pittsburgh, One Riverfront Center, Twenty Stanwix Street, Pittsburgh, Pennsylvania 15222–4893.

By the Federal Home Loan Bank Board.

Jeff Sconyers,

Secretary.

[FR Doc. 87–11169 Filed 5–14–87; 8:45 am]

BILLING CODE 6720–01–M

[No. AC-614]

Elmwood Federal Savings Bank Media, PA; Final Action Approval of Conversion Application

Dated: May 8, 1987.

Notice is hereby given that on May 1, 1987, the Office of the General Counsel of the Federal Home Loan Bank Board, acting pursuant to the authority delegated to the General Counsel or his designee, approved the application of Elmwood Federal Savings Bank, Media, Pennsylvania, for permission to convert to the stock form of organization. Copies of the application are available for inspection at the Office of the Secretariat at the Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552, and at the Office of the Supervisory Agent at the Federal Home Loan Bank of Pittsburgh, One Riverfront Center, 20 Stanwix Street, Pittsburgh, Pennsylvania 15222–4893.

By the Federal Home Loan Bank Board.

Jeff Sconyers,

Secretary.

[FR Doc. 87–11168 Filed 5–14–87; 8:45 am]

BILLING CODE 6720–01–M

[No. AC-615]

Valley Federal Savings Bank, Terre Haute, IN; Final Action; Approval of Conversion Application

Dated: May 8, 1987.

Notice is hereby given that on May 1, 1987, the Office of the General Counsel of the Federal Home Loan Board, acting pursuant to the authority delegated to the General Counsel or his designee, approved the application of Valley Federal Savings Bank, Terre Haute, Indiana for permission to convert to the stock form of organization. Copies of the application are available for inspection at the Office of the Secretariat at the Federal Home Loan Bank Board, 1700 G Street, NW., Washington, DC 20552, and at the Office of the Supervisory Agent at the Federal Home Loan Bank of Indianapolis, 1350 Merchants Plaza, South Tower, 115 West Washington Street, Indianapolis, Indiana 46204.

By the Federal Home Loan Bank Board.

Jeff Sconyers,

Secretary.

[FR Doc. 87–11169 Filed 5–14–87; 8:45 am]

BILLING CODE 6720–01–M

FEDERAL MARITIME COMMISSION

Filing and Effective Date of Agreement

The Federal Maritime Commission hereby gives notice, that on May 7, 1987, the following agreement was filed with the Commission pursuant to section 5, Shipping Act of 1984, and was deemed effective that date, to the extent it constitutes an assessment agreement as described in paragraph (d) of section 5, Shipping Act of 1984.

Agreement No.: 201–011096

Title: Assessment Agreement Among Marine Terminal Operators in Hawaii

Parties:

C. Brewer Corporation d/ba HT & T Company, Inc.
Honolulu Terminals Co. Ltd.
Matson Terminals, Inc.
McCabe, Hamilton and Renny Co. Ltd.
Hawaii Stevedores, Inc.
Kawaihae Terminals, Inc.

Synopsis: The subject Agreement supersedes the parties current assessment Agreement No. T–2879, as amended, concerning the fair allocation of employer costs of providing fringe benefits for employees in marine terminal operations.

By order of the Federal Maritime Commission.

Joseph C. Polking,

Secretary.

Dated: May 12, 1987.

[FR Doc. 87–11154 Filed 5–14–87; 8:45 am]

BILLING CODE 6730–01–M

Ocean Freight Forwarder License; Rescission of Order of Revocation

Notice is hereby given that the following ocean freight forwarder license revocation has been rescinded by the Federal Maritime Commission pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718) and the regulations of the Commission pertaining to the licensing of ocean freight forwarders, 46 CFR 510.

License No.	Name/address
2721	ABCO Freight Forwarders, Inc., P.O. Box 521010, Miami, FL 33152.

Robert G. Drew,

Director, Bureau of Domestic Regulation.

[FR Doc. 87–11155 Filed 5–14–87; 8:45 am]

BILLIND CODE 6730–01–M

Ocean Freight Forwarder License; Revocations

Notice is hereby given that the following ocean freight forwarder licenses have been revoked by the Federal Maritime Commission pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718) and the regulations of the Commission pertaining to the licensing of ocean freight forwarders, 46 CFR 510.

License Number: 2201
Name: Taub, Hummel & Schnall (California) Inc.
Address: 130 Pine Street, M–102, Long Beach, CA 90802
Date Revoked: April 1, 1987
Reason: Failed to maintain a valid surety bond

License Number: 82
Name: Allen Forwarding Company
Address: 313 Chestnut Street, Philadelphia, PA 19106
Date Revoked: April 9, 1987
Reason: Requested revocation voluntarily

License Number: 1713
Name: Expedair International, Inc.
Address: 153–66 Rockaway Blvd., Jamaica, NY 11434

Date Revoked: April 15, 1987
Reason: Failed to maintain a valid surety bond
License Number: 2700
Name: Starboard Group, Inc.
Address: c/o P.O. Box 3139, Laguna Hills, CA 92654-3139
Date Revoked: April 17, 1987
Reason: Failed to maintain a valid surety bond
License Number: 1487
Name: Woodrow DeWitt dba DeWitt Freight Forwarding
Address: c/o 3360 Country Club Dr., Glendale, CA 91208
Date Revoked: April 18, 1987
Reason: Failed to maintain a valid surety bond

Robert G. Drew,

Director, Bureau of Domestic Regulation.

[FR Doc. 87-11156 Filed 5-14-87; 8:45 am]

BILLING CODE 6730-01-M

Listing of Controlled Carriers Under the Shipping Act of 1984

AGENCY: Federal Maritime Commission.

ACTION: Listing of controlled carriers.

SUMMARY: The Federal Maritime Commission is adding Romanian Shipping Company Constanta, China Resources Transportation & Godown Co., Ltd., Guangdong International Shipping Co., Ltd. and Zhu Sheng Transportation Co., Ltd. to the list of controlled carriers subject to the advance tariff filing and other regulatory requirements of section 9 of the Shipping Act of 1984.

DATE: None.

FOR FURTHER INFORMATION CONTACT: Robert D. Bourgoin, General Counsel, Federal Maritime Commission, 1100 L Street NW., Washington, DC 20573.

SUPPLEMENTARY INFORMATION: Sections 3(8) and 9 of the Shipping Act of 1984, 46 U.S.C. app. 1702(8) and 1708, provide for the regulation of rates and charges by certain state-controlled carriers in the foreign commerce of the United States. The Commission has determined that Romanian Shipping Company Constanta, China Resources Transportation & Godown Co., Ltd. ("China Resources"), Guangdong International Shipping Co., Ltd., and Zhu Sheng Transportation Co., Ltd. meet the definition of a "controlled carrier" as set forth in section 3(8) of the Act. Letters dated February 27, 1987, were sent to each of the carriers named above with copies to their agent or tariff publisher in the United States, notifying them of such determination. Of the four, only China Resources responded to the letter. However, the information contained in the China Resources letter did not alter the Commission's original determination to classify China Resources as a "controlled carrier."

The Commission's list of controlled carriers previously published in the **Federal Register** on Monday, January 26, 1987 [52 FR 2769]. The amended list is shown below:

Baltic Shipping Co.—U.S.S.R.
Bangladesh Shipping Corp.—Bangladesh
Black Sea Shipping Company—U.S.S.R.
Black Star Line—Ghana
China Ocean Shipping Co. (COSCO)—People's Republic of China
China Resources Transportation & Godown Co., Ltd.—People's Republic of China
Compagnie Maritime Zairoise (CMZ)—Zaire
Compagnie Nationale A1gerienne de Navigation—Algeria
Companhia de Navegacao Loide Brasileiro—Brazil
Compania Peruana de Vapores (CPV) (Peruvian State Line)— Peru
Djakarta Lloyd P. T.—Indonesia
Egyptian National Line—Egypt
Empresa Maritima del Estado (Empremar Line)—Chile
Far Eastern Shipping Co. (FESCO)—U.S.S.R.
Flota Bananera Ecuatoriana S.A.—Ecuador
Flota Mercante Gran Centro Americana S.A. (Flomerca)— Guatemala
Guangdong International Shipping Co., Ltd.—Peoples's Republic of China
MISR Shipping Company (MISR)—Egypt
Murmansk Shipping Co. (Arctic Line)—U.S.S.R.
Nauru Pacific Line—Nauru
National Galleon Shipping Corporation—Philippines
National Shipping Corporation of the Philippines— Philippines
Neptune Orient Lines (NOL)—Singapore
Pakistan National Shipping Corporation—Pakistan
Pharaonic Shipping Co. (S.A.E.) (Pharaonic)—Egypt
Polish Ocean Lines (POL)—Poland
Romanian Shipping Company Constanta (NAVROM)—Romania
Shipping Corporation of India (SCI)—India
Sudan Shipping Line Limited—Sudan
Transportes Navieros Ecuatorianos (Transnave)—Ecuador
Zhu Sheng Transportation Co., Ltd.—People's Republic of China

The process of identification and classification of controlled carriers is continuous. The list as shown will be amended as such carriers enter and leave the United States trades.

By the Commission May 7, 1987.

Joseph C. Polking,

Secretary.

[FR Doc. 87-11088 Filed 5-14-87; 8:45 am]

BILLING CODE 6730-01-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 May 8, 1987.

Public Health Service (PHS)

(Call Reports Clearance Officer on 202-245-2100 for copies of Package)

Centers for Disease Control

Subject: Teenage Health Teaching Evaluation—NEW.
Respondents: Individuals or households

National Institutes of Health

Subject: Program Evaluation: Office of Cancer Communications Education Program—NEW
Respondents: Individuals or households
Subject: Final Invention Statement and Certification (For Grant or Award)—Extension—(0925-0159)
Respondents: State or local governments; Businesses or other for-profit; Non-profit institutions; Small businesses or organizations
Subject: Health Professionals' Use of MEDLINE—NEW
Respondents: Individuals or households; State or local governments; Businesses or other for-profit; Federal agencies or employees; Non-profit institutions; Small businesses or organizations

Health Resources Services Administration

Subject: Common Reporting Requirements for IHS Community Health Representative Program—NEW
Respondents: State or local governments
OMB Desk Officer: Shannah Koss

Office of Human Development Services

(Call Reports Clearance Officer on 202-472-4415 for copies of package)
Subject: FY 1988 Coordinated Discretionary Funds Program; Availability of Funds and Request for Applications
Respondents: State or local governments; Non-profit institutions; Small businesses or organizations

OMB Desk Officer: Allison Herron

Social Security Administration

(Call Reports Clearance Officer on 301–594–5706 for copies of package)

Subject: Report on Individuals with Mental Impairment—Revision—(0960–0058)

Respondents: Businesses or other for-profit; Non-profit institutions; Small businesses or organizations

Subject: Application for Mother's or Father's Insurance Benefits—Extension—(0960–0003)

Respondents: Individuals or households

OMB Desk Officer: Elana Nordon

Office of the Secretary

(Call Reports Clearance Officer on 202–245–0509 for copies of package)

Subject: Health Care Program Violations Notification Form—Revision—(0990–0141)

Respondents: State or local governments

OMB Desk Officer: Elana Nordon

As mentioned above, copies of the information collection clearance packages can be obtained by calling the Reports Clearance Officer, on one of the following numbers:

PHS: 202–245–2100
SSA: 301–594–5706
OS: 202–245–0509
OHDS: 202–472–4415

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: May 8, 1987.

James F. Trickett,

Deputy Assistant Secretary, Administrative and Management Services.

[FR Doc. 87–11122 Filed 5–14–87; 8:45 am]

BILLING CODE 4150–04–M

Alcohol, Drug Abuse and Mental Health Administration

Advisory Committee Meetings, June

AGENCY: Alcohol, Drug Abuse, and Mental Health Administration.

ACTION: Notice of meeting.

SUMMARY: This notice sets forth the schedule and proposed agenda of the forthcoming meetings of the agency's initial review committees and one of its national advisory bodies in the month of June 1987. These committees will be open for discussion of administrative announcements and program developments. The committees will be performing initial review of applications for Federal assistance. Therefore, portions of the meetings will be closed to the public as determined by the Administrator, ADAMHA, in accordance with 5 U.S.C. 552(b)(6) and 5 U.S.C. app. 2 10(d). Notice of these meetings is required under the Federal Advisory Committee Act, Pub. L. 92–463.

Committee name: Epidemiology Subcommittee of the Epidemiologic and Services Research Review Committee, NIMH.

Date and time: June 1–3: 9:00 a.m.

Place: Sheraton Washington Hotel, 2660 Woodley Road NW., Washington, DC 20008.

Status of meeting:

Open—June 1: 9:00–10:00
Closed—Otherwise

Contact: Gloria Yockelson, Room 9C14, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443–1367.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research and research training activities as they relate to mental health epidemiology, mental health service systems research, and evaluation of clinical mental health services with recommendations to the National Advisory Mental Health Council for final review.

* * * * *

Committee name: Research Scientist Development Review Committee, NIMH.

Date and time: June 3–5: 9:00 a.m.

Place: Chevy Chase Holiday Inn, 5520 Wisconsin Avenue, Chevy Chase, Maryland 20815.

Status of meeting:

Open—June 3: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Linda Rainey, Room 9C05, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443–6470.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of activities to develop and execute a program of Research Scientists and Research Scientists Development Awards to appropriate institutions for the support of individuals who are engaged full time in research and related activities relevant to mental health with recommendations to the National Advisory Mental Health Council for final review.

* * * * *

Committee name: Behavioral Sciences Subcommittee of the Mental Health Research Education Review Committee, NIMH.

Date and time: June 4–5: 9:00 a.m.

Place: The Marbury Hotel, 3000 M Street NW., Washington, DC 20007.

Status of meeting:

Open—June 4: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Jean Byrne, Room 9C18, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443–3857.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research training activities in the areas of biological sciences, the psychological sciences, and the applied behavioral sciences related to mental health with recommendations to the National Advisory Mental Health Council for final review.

* * * * *

Committee name: Mental Health Small Grant Review Committee, NIMH.

Date and time: June 4–5: 9:30 a.m.

Place: The Canterbury Hotel, 1733 N Street NW., Washington, DC 20036.

Status of meeting:

Open—June 4: 9:30–10:30 a.m.
Closed—Otherwise

Contact: Betty Russell, Room 9C05, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443–4843.

Purpose: The Committee is charged with the initial review of applications for research in all disciplines pertaining to alcohol, drug abuse, and mental health for support of research in the areas of psychology, psychiatry, and the behavioral and biological sciences.

* * * * *

Committee name: National Advisory Council on Alcohol Abuse and Alcoholism, NIAAA.

Date and time: June 4–5: 10:30 a.m.

Place: National Institutes of Health, Building #31, Conference Room 6, 9000 Rockville Pike, Bethesda, MD 20892.

Status of Meeting:

Open—June 4: 10:30 a.m.–5:00 p.m.
Closed—Otherwise

Contact: James Vaughan, Room 16C20, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–4375.

Purpose: The Council advises the Secretary, Department of Health and Human Services regarding policy direction and program issues of national significance in the area of alcohol abuse and alcoholism. Reviews all grant applications submitted, evaluates these

applications in terms of scientific merit and adherence to Department policies, and makes recommendations to the Secretary with respect to approval and amount of award.

* * * * *

Committee name: Child and Family and Prevention Subcommittee of the Life Course and Prevention Research Review Committee, NIMH.

Date and time: June 4–6: 9:00 a.m.

Place: The Canterbury Hotel, 1733 N Street NW., Washington, DC 20036.

Status of Meeting:

Open—June 4: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Dorothy Tengood, Room 9C18, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–3857.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research and research training activities relating to community and developmental psychology with recommendations to the National Advisory Mental Health Council for final review.

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Committee name: Biological and Neurosciences Subcommittee of the Mental Health Research Education Review Committee, NIMH.

Date and time: June 8–9: 9:00 a.m.

Place: Linden Hill Hotel, 5400 Pooks Hill Road, Bethesda, MD 20814.

Status of Meeting:

Open—June 8: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Shirley Maltz, Room 9C26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–3936.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research training activities in the area of biological sciences related to mental health with recommendations to the National Advisory Mental Health Council for final review.

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Committee name: Criminal and Violent Behavior Research Review Committee, NIMH.

Date and time: June 10–11: 9:15 a.m.

Place: The River Inn, 924 25th Street NW., Washington, DC 20037.

Status of Meeting:

Open—June 10: 9:15–10:30 a.m.
Closed—Otherwise

Contact: Peg Lyons, Room 9C18, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–3857.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research grants, individual postdoctoral research fellowships and institutional research training grants, cooperative agreements, and research and development contracts, as they relate to the mental health aspects of criminal, delinquent, and antisocial behavior; individual violent behavior; sexual assault; and law-mental health interactions related to these areas, with recommendations to the National Advisory Mental Health Council for final review.

* * * * *

Committee name: Alchol, Drug Abuse, and Mental Health Advisory Board, ADAMHA.

Date and time: June 11–12: 9:00 a.m.

Place: National Institutes of Health, 9000 Rockville Pike, Building #1, Wilson Hall, 3rd Floor, Bethesda, MD 20892.

Status of Meeting: Open.

Contact: Barbara Wagner, Room 12C05, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–1910.

Purpose: The Board assesses the national needs for alcoholism, alcohol abuse, drug abuse, and mental health treatment and prevention services and the extent to which those needs are being met by State, local, and private programs, and programs receiving funds under Title V and Parts B and C of Title XIX of the Public Health Service Act. The Board provides advice and recommendations to the Secretary and to the Administrator, Alcohol, Drug Abuse, and Mental Health Administration respecting these activities to assist in guiding national strategies aimed at the amelioration of alcohol, drug abuse, and mental health programs.

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Committee name: Psychopharmacological, Biological, and Physical Treatments Subcommittee of the Treatment Development and Assessment Research Review Committee, NIMH.

Date and time: June 11–12: 9:00 a.m.

Place: Grand Hyatt, 666 11th Street NW., Washington, DC 20001.

Status of Meeting:

Open—June 11: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Pamela J. Mitchell, Room 9C14, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–1367.

Purpose: The Subcommittee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research and research training activities in the fields of treatment development and assessment with recommendations to the National Advisory Mental Health Council for final review.

* * * * *

Committee name: Psychosocial and Biobehavioral Treatments Subcommittee of the Treatment Development and Assessment Research Review Committee, NIMH.

Date and time: June 11–12: 9:00 a.m.

Place: Linden Hill Hotel, 5400 Pooks Hill Road, Bethesda, MD 20814.

Status of Meeting:

Open—June 11: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Connie Staliper, Room 9C02, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857.

Purpose: The Subcommittee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research and/or research training activities in the fields of treatment development and assessment and makes recommendations to the National Advisory Mental Health Council for final review.

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Committee name: Mental Health Behavioral Sciences Research Review Committee, NIMH.

Date and time: June 11–13: 9:00 a.m.

Place: The Bethesda Ramada, 8400 Wisconsin Avenue, Bethesda, MD 20814.

Status of Meeting:

Open—June 11: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Naomi Lichtenberg, Room 9C26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–3936.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research and/or research training activities relating to behavioral science areas relevant to mental health and makes recommendations to the National Advisory Mental Health Council for final review.

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Committee name: Neurosciences Research Review Committee, NIMH.

Date and time: June 11–13: 8:30 a.m.

Place: Bethesda Holiday Inn, 8120 Wisconsin Avenue, Bethesda, MD 20814.

Status of meeting:

Open—June 11: 8:30–9:30 a.m.
Closed—Otherwise

Contact: Gerry Perlman, Room 9C26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–3936.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research and research training activities relating to basic psychopharmacology and neuropsychology with recommendations to the National Advisory Mental Health Council for final review.

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Committee name: Psychopathology and Clinical Biology Research Review Committee, NIMH.

Date and time: June 15–17: 9:00 a.m.

Place: The Canterbury Hotel, 1733 N Street NW., Washington, DC 20036.

Status of meeting:

Open—June 15: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Emilie A. Embrey, Room 9C08, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–1340.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of activities in the fields of research and research training activities in the areas of clinical psychopathology and clinical biology as they relate to mental health with recommendations to the National Advisory Mental Health Council for final review.

* * * * *

Committee name: Clinical Program Projects/Clinical Research Centers Subcommittee of the Treatment Development and Assessment Research Review Committee, NIMH.

Date and time: June 18–19: 9:00 a.m.

Place: Grand Hyatt, 666 11th Street NW., Washington, DC 20001.

Status of meeting:

Open—June 18: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Pamela J. Mitchell, Room 9C14, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–1367.

Purpose: The Subcommittee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of Mental Health Clinical Research Centers, clinical program projects, and other large-scale multidisciplinary research projects, and makes recommendations to the National Advisory Mental Health Council for final review.

* * * * *

Committee name: Aging Subcommittee of the Life Course and Prevention Research Review Committee, NIMH.

Date and time: June 18–19: 9:00 a.m.

Place: Shoreham Hotel, 2500 Calvert Street NW., Washington, DC 20008

Status of meeting:

Open—June 18: 9:00–9:30 a.m.
Closed—Otherwise

Contact: Jean Byrne, Room 9C18, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–3857.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research grants, individual postdoctoral research fellowships and institutional research training grants, cooperative agreements, and research and development contracts, as they relate to mental health, in the fields of child, family, and aging with recommendations to the National Mental Health Advisory Mental Health Council for final review.

* * * * *

Committee name: Biochemistry, Physiology, and Medicine Subcommittee of the Alcohol Biomedical Research Review Committee, NIAAA.

Date and time: June 22–24: 9:00 a.m.

Place: Wellington Hotel, 2505 Wisconsin Avenue NW., Washington, DC 20007

Status of meeting:

Open—June 22: 9:00–9:30 a.m.
Closed—Otherwise

Contact: Ronald F. Suddendorf, Room 9C26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–6106.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Alcohol Abuse and Alcoholism for support of research and training activities and makes recommendations to the National Advisory Mental Health Council on Alcohol Abuse and Alcoholism for final review.

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Committee name: Clinical and Treatment Subcommittee of the Alcohol Psychosocial Research Review Committee, NIAAA.

Date and time: June 22–24: 9:00 a.m.

Place: Hyatt Regency Bethesda, One Bethesda Metro Center, Bethesda, MD 20814.

Status of meeting:

Open—June 22: 9:00–9:30 a.m.
Closed—Otherwise

Contact: Thomas D. Sevy Room 9C26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–6106.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute on Alcohol Abuse and Alcoholism for support of research and training activities and makes recommendations to the National Advisory Council on Alcohol Abuse and Alcoholism for final review.

* * * * *

Committee name: Prevention and Epidemiology Subcommittee of the Alcohol Psychosocial Research Review Committee, NIAAA.

Date and time: June 24–26: 9:00 a.m.

Place: Hyatt Regency Bethesda, One Bethesda Metro Center, Bethesda, MD 20814.

Status of meeting:

Open—June 24: 9:00–10:30 a.m.
Closed—Otherwise

Contact: Mary L. Ganikos, Room 16C–26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–6106.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Alcohol Abuse and Alcoholism for support of research and training activities and makes recommendations to the National Advisory Council on Alcohol Abuse and Alcoholism for final review.

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Committee name: Neuroscience and Behavior Subcommittee of the Alcohol Biomedical Research Review Committee, NIAAA.

Date and time: June 28–30: 9:00 a.m.

Place: Hyatt Regency Bethesda, One Bethesda Metro Center, Bethesda, MD 20814.

Status of meeting:

Open—June 28: 9:00–11:00 a.m.
Closed—Otherwise

Contact: Samir Zakhari, Room 16C26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–6106.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Alcohol Abuse and Alcoholism for support of research and training activities and makes recommendations to the National Advisory Council on Alcohol Abuse and Alcoholism for final review.

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Committee name: Basic Behavioral Processes Research Review Committee, NIMH.

Date and time: June 29–30: 9:00 a.m.

Place: The State Plaza Hotel, 2117 E Street NW., Washington, DC 20037.

Status of meeting:

Open—June 29: 9:00–10:00 a.m.
Closed—Otherwise

Contact: Doris East, Room 16C26, Parklawn Building, 5600 Fishers Lane, Rockville, MD 20857, (301) 443–3944.

Purpose: The Committee is charged with the initial review of applications for assistance from the National Institute of Mental Health for support of research and research training activities relating to the fields of personality, cognition, emotion, and higher mental processes with recommendations to the National Advisory Mental Health Council for final review.

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Substantative information may be obtained from the contact persons listed above. Summaries of the meetings and rosters of committee members may be obtained as follows: NIAAA: Ms. Diana Widner, Acting Committee Management Officer, Room 16C20, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443–4375; NIDA: Ms. Camilla Holland, Committee Management Officer, Room 10–22, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443–1644; NIMH: Ms. Joanna Kieffer, Committee Management Officer, Room, 9–95, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857, (301) 443–4333.

Dated: May 12, 1987.

Peggy W. Cockrill,

Committee Management Officer Alcohol, Drug Abuse, and Mental Health Administration.

[FR Doc. 87–11141 Filed 5–14–87; 8:45 am]

BILLING CODE 4160–20–M

Health Resources and Services Administration

Health and Allied Health Professions Eligibility for Scholarship Consideration Under the Health Professions Preparatory and Pregraduate Scholarship Programs for Indians, and the Indian Health Scholarship Program

AGENCY: Health Resources and Services Administration, HHS.

ACTION: Correction of notice.

SUMMARY: On February 25, 1987 a "Notice of Health and Allied Health Professions Which Will be Eligible for Scholarship Support under the Indian Health Service (IHS) Scholarship Programs" was published in the **Federal Register** (52 FR 5586). The "Summary" portion of the notice incorrectly included the statement that "Awards will not be available in health and allied health professional areas not listed". This statement was in conflict with the body of the Notice which correctly stated that:

Applicants for health and allied health professions not on the above priority list will be considered pending the availability of Funds and dependent upon the availability of qualified applicants in the priority areas.

The statement in the Summary should have read: Awards may be available in health and allied health professional areas not listed pending the availability of funds and dependent upon the availability of qualified applicants in the priority areas.

EFFECTIVE DATE: May 15, 1987.

FOR FURTHER INFORMATION CONTACT: Mr. Larry Thomas, Indian Health Service, Parklawn Building, Room 6–12, 5600 Fishers Lane, Rockville, Maryland 20857; telephone 301–443–6197. (This is not a toll-free number.)

Dated: May 11, 1987.

David N. Sundwall,

Administrator.

[FR Doc. 87–11142 Filed 5–15–87; 8:45 am]

BILLING CODE 4160–16–M

National Institutes of Health

Advisory Committee to the Director, Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Advisory Committee to the Director, NIH, on June 15–16, 1987, at the National Institutes of Health, Bethesda, Maryland 20892. The meeting will take place from 8:30 a.m. to 5:00 p.m. on June 15, and from 8:30 to approximately 11:45 a.m. on June 16, in Building 31, Conference Room 10, C Wing. The meeting will be open to the public.

The meeting will be devoted to discussions of "The Health of Biomedical Research Institutions."

The Executive Secretary, Jay Moskowitz, Ph.D., National Institutes of Health, Shannon Building, Room 137, Bethesda, Maryland 20892, (301) 496–3152, will furnish the meeting agenda, rosters of Committee members and consultants, and substantive program information upon request.

Dated: May 4, 1987

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11180 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

Establishment and Reestablishment

Pursuant to the Federal Advisory Committee Act of October 6, 1972 [Pub. L. 92–463, 86 Stat. 770–776] and the Health Research Extension Act of 1985, November 20, 1985 [Pub. L. 99–158, section 402(b)(6)], the Director, NIH, announces the establishment, effective June 1, 1987, of the following committees:

Board of Scientific Counselors, Biometry and Risk Assessment Program, National Institute of Environmental Health Sciences.

Gerontology and Geriatrics Review Committee, National Institute on Aging

The Director, NIH, also announces the reestablishment, effective June 1, 1987, of the Board of Scientific Counselors, National Eye Institute, and the Vision Research Review Committee, National Eye Institute.

The duration of these committees is continuing unless formally determined by the Director, NIH, that termination would be in the best public interest.

Dated: May 12, 1987.

James B. Wyngaarden,

Director, NIH.

[FR Doc. 87–11178 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Cancer Institute; Ad Hoc Acrylonitrile Study Advisory Panel; Meeting

Notice is hereby given of the meeting of the Ad Hoc Acrylonitrile Study Advisory Panel, National Cancer Institute, June 29, 1987, Building 31, C Wing, Conference Room 7, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20892. The meeting will be open from 10 a.m. to adjournment for discussion and review of the study protocol and study progress. Attendance by the public will be limited to space available.

Mrs. Winifred Lumsden, the Committee Management Officer, National Cancer Institute, Building 31, Room 10A06, National Institutes of Health, Bethesda, Maryland 20892 (301/496–5708) will provide summaries of the meeting and rosters of committee members, upon request.

Dr. David McB. Howell, Executive Secretary of the Acrylonitrile Study Advisory Panel, Division of Cancer Etiology, National Cancer Institute, Building 31, Room 11A06, National Institutes of Health, Bethesda, Maryland 20892 (301/496–6972) will provide substantive program information, upon request.

Dated: May 11, 1987.

Betty J. Beveridge,

Committee Management Officer, HIH.

[FR Doc. 87–11183 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Cancer Institute; Ad Hoc Methylene Chloride Study Advisory Panel; Meeting

Notice is hereby given of the meeting of the Ad Hoc Methylene Chloride Study Advisory Panel, National Cancer Institute, June 10, 1987, Building 31, C Wing, Conference Room 7, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20892. The meeting will be open to the public from 9 a.m. to adjournment for discussion and review of the study protocol and the feasibility report. Attendance by the public will be limited to space available.

Mrs. Winifred Lumsden, the Committee Management Officer, National Cancer Institute, Building 31, Room 10A06, National Institutes of Health, Bethesda, Maryland 20892 (301/496–5708) will provide summaries of the meeting and rosters of committee members, upon request.

Dr. David McB. Howell, Executive Secretary of the Methylene Chloride Study Advisory Panel, Division of Cancer Etiology, National Cancer Institute, Building 31, Room 11A06, National Institutes of Health, Bethesda, Maryland 20892 (301/496–6927) will provide substantive program information, upon request.

Dated: May 11, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11182 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Cancer Institute; Board of Scientific Counselors; Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Board of Scientific Counselors, Division of Cancer Etiology on June 11–12, 1987, Building 31, C Wing, Conference Room 10, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20892.

This meeting will be open to the public from 1 p.m. to recess on June 11 and from 9 a.m. to adjournment on June 12 for discussion and review of the Division budget and review of concepts for grants and contracts. Attendance by the public will be limited to space available.

In accordance with the provisions set forth in sec. 552(c)(6), Title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting will be closed to the public from 9 a.m. to approximately 12 p.m. on June 11 for the review, discussion and evaluation of individual programs and projects conducted by the Division of Cancer Etiology. These programs, projects, and discussions could reveal personal information concerning individuals associated with the programs and projects, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Mrs. Winifred Lumsden, Committee Management Officer, National Cancer Institute, Building 31, Room 10A06, National Institutes of Health, Bethesda, Maryland 20892 (301/496–5708) will provide summaries of the meeting and rosters of committee members, upon request.

Dr. David McB. Howell, Executive Secretary of the Board of Scientific Counselors, Division of Cancer Etiology, National Cancer Institute, Building 31, Room 11A06, National Institutes of Health, Bethesda, Maryland 20892 (301/496–6927) will furnish substantive program information.

Dated: May 1, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11184 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Cancer Institute; (Division of Cancer Treatment Board of Scientific Counselors); Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Board of Scientific Counselors, DCT, National Cancer Institute, June 1–2, 1987, Building 31, 6th Floor, "C" Wing, Conference Room 10, Bethesda, Maryland 20892.

This meeting will be open to the public on June 1 from 8:30 a.m. to approximately 5:30 p.m., and again on June 2 from 8:30 a.m. until adjournment, to review program plans, contract recompetitions and budget for the DCT program. In addition, there will be scientific reviews by several programs in the Division. Attendance by the public will be limited to space available.

In accordance with the provisions set forth in sec. 552b(c)(6), title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting will be closed to the public on June 1 from 5:30 p.m. until recess, for the review, discussion and evaluation of individual programs and projects conducted by the National Institutes of Health, including consideration of personnel qualifications and performance, the competence of individual investigators, and similar items, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Mrs. Winifred Lumsden, the Committee Management Officer, National Cancer Institute, Building 31, Room 10A–06, National Institute of Health, Bethesda, Maryland 20892 (301–496–5708) will provide summaries of the meeting and rosters of committee members upon request.

Dr. Bruce A. Chabner, Director, Division of Cancer Treatment, National Cancer Institute, Building 31, Room 3A–52, National Institute of Health, Bethesda, Maryland 20892 (301–496–4291) will furnish substantive program information.

Dated: May 1, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11181 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Cancer Institute; (President's Cancer Panel); Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the President's Cancer Panel, National Cancer Institute, June 22, 1987, at the University of Pittsburgh, School of Medicine-Scaife Hall, Lecture Room 6, 3550 Terrace Street, Pittsburgh, PA 15261.

This meeting will be open to the public on June 22 from 8:30 a.m. to adjournment. Agenda items include reports by the Chairman, President's Cancer Panel and the Director, National Cancer Institute; and reports and discussions from experts to obtain information regarding research programs supported by the National Cancer Institute. Attendance by the public will be limited to space available. Dr. Elliott Stonehill, Executive Secretary, President's Cancer Panel, National Cancer Institute, Building 31, Room 11A23, National Institutes of Health, Bethesda, Maryland 20892 (301/496–1148) will provide an agenda for the meeting, a roster of the Panel members, and substantive program information upon request.

Dated: May 11, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11190 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Eye Institute; Board of Scientific Counselors, NEI; Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Board of Scientific Counselors, National Eye Institute, June 18–19, 1987, Building 31, NEI Conference Room 6A35, National Institutes of Health, Bethesda, Maryland.

This meeting will be open to the public on June 18 from 8:30 a.m. until approximately 4 p.m for general remarks

by the Institute's Scientific Director on matters concerning the intramural programs of the National Eye Institute. Attendance by the public will be limited to space available.

In accordance with provisions set forth in sec. 552b(c)(6), Title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting will be closed to the public on June 18 from approximately 4 p.m. until recess and on June 19 from 8:30 a.m. until adjournment for the review, discussion, and evaluation of individual projects conducted by the Laboratory of Mechanisms of Ocular Diseases. These evaluations and discussions could reveal personal information concerning individuals associated with the projects, including consideration of personnel qualifications and performance, and the competence of individual investigators, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy. Consequently, this meeting is concerned with matters exempt from mandatory disclosure.

Ms. Kay Valeda, Committee Management Officer, National Eye Institute, Building 31, Room 6A03, National Institutes of Health, Bethesda, Maryland 20892, (301) 496–4903, will provide a summary of the meeting, roster of committee members, and substantive program information upon request.

Dated: May 1, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11185 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Institute of Allergy and Infectious Diseases, Board of Scientific Counselors; Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Board of Scientific Counselors, National Institute of Allergy and Infectious Diseases, on June 8, 9 and 10. The meeting will be held in Conference Room 428, Building 5, National Institutes of Health, 9000 Rockville Pike, Bethesda, Maryland 20892.

The meeting will be open to the public on June 8 from 9:00 a.m. until 12:30 p.m. and 1:30 p.m. until 3 p.m. During this open session, the permanent staff of the Laboratories of Immunogenetics, Immunopathology and Microbial Immunity will present and discuss their immediate past and present research activities.

In accordance with the provisions set forth in sec. 552b(c)(6), title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting of the Board will be closed to the public on June 8 from 8:30 a.m. until 9:00 a.m., 12:30 p.m. until 1:30 p.m. and from 3 p.m. until recess, on June 9 from 8:00 a.m. until recess and on June 10 from 8:30 a.m. until adjournment for the review, discussion, and evaluation of individual intramural programs and projects conducted by the National Institute of Allergy and Infectious Diseases, including consideration of personal qualifications and performance, the competence of individual investigators, and similar items, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Ms. Patricia Randall, Office of Research Reporting and Public Response, National Institute of Allergy and Infectious Diseases, Building 31, Room 7A32, National Institutes of Health, Bethesda, Maryland 20892, telephone (301–496–5717), will provide a summary of the meeting and a roster of the committee members upon request.

Dr. John I. Gallin, Executive Secretary, Board of Scientific Counselors, NIAID, National Institutes of Health, Building 10, Room 11C103, telephone (301–496–3006), will provide substantive program information.

(Catalog of Federal Domestic Assistance Program No. 13–301, National Institutes of Health)

Dated: May 1, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11186 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Institute of Child Health and Human Development; Board of Scientific Counselors, NICHD; Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Board of Scientific Counselors, National Institute of Child Health and Human Development, June 5, 1987, in Building 31, Room 2A52.

This meeting will be open to the public from 9:00 a.m. to 12 noon on June 5 for the review of the Intramural Research Program and scientific presentations. Attendance by the public will be limited to space available.

In accordance with the provisions set forth in sec. 552b(c)(6), title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting will be closed to the public on June 5 from 1:00 p.m. to adjournment for the review, discussion, and evaluation of individual programs and projects conducted by the National Institutes of Health, including consideration of personnel qualifications and performance, the competence of individual investigators, and similar items, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Mrs. Marjorie Neff, Committee Management Officer, NICHD, Landow Building, Room 6C08, National Institutes of Health, Bethesda, Maryland, Area Code 301, 496–1485, will provide a summary of the meeting and a roster of Board members, and substantive program information upon request.

Dated: May 1, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11187 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Institute of Diabetes and Digestive and Kidney Diseases; National Digestive Diseases Advisory Board; Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the National Digestive Diseases Advisory Board on June 29, 1987, from 8:30 a.m. to approximately 5 p.m. at the Crystal City Marriott, 1999 Jefferson Davis Highway, Arlington, Virginia 22032. The meeting, which will be open to the public, is being held to discuss the Board's activities and to continue evaluation of the implementation of the longrange digestive diseases plan. Attendance by the public will be limited to space available. Notice of the meeting room will be posted in the hotel lobby.

Mr. Raymond M. Kuehne, Executive Director, National Digestive Diseases Advisory Board, 1801 Rockville Pike, Suite 500, Rockville, Maryland, 20852, (301) 496–6045, will provide on request an agenda and roster of the members. Summaries of the meeting may also be obtained by contacting his office.

Dated: May 11, 1987.

Betty J. Beveridge,

NIH Committee Management Officer.

[FR Doc. 87–11189 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Institute of Diabetes and Digestive and Kidney Diseases; National Kidney and Urologic Diseases Advisory Board; Meeting

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the National Kidney and Urologic Diseases Advisory Board on June 25 and 26, 1987, from 8 a.m. to approximately 5 p.m. on June 25 and from 8 a.m. to approximately 4 p.m. on June 26, at the Crystal City Marriott, 1990 Jefferson Davis Highway, Arlington, Virginia 22032. The meeting, which will be open

to the public, is being held to discuss the Board's activities and the development of a long-range plan to combat kidney and urologic diseases. Attendance by the public will be limited to space available. Notice of the meeting room will be posted in the hotel lobby.

Mr. Raymond M. Kuehne, Executive Director, National Kidney and Urologic Diseases Advisory Board, 1801 Rockville Pike, Suite 500, Rockville, Maryland, 20852, (301) 496–6045, will provide on request an agenda and roster of the members. Summaries of the meeting may also be obtained by contacting his Office.

Dated: May 11, 1987.

Betty J. Beveridge,

NIH Committee Management Officer.

[FR Doc. 87–11188 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

Meeting of the General Clinical Research Centers Committee

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the General Clinical Research Centers (GCRC) Committee, Division of Research Resources (DRR), June 17–19, 1987, Conference Room 10, Bldg. 31, 9000 Rockville Pike, Bethesda, MD 20892.

The meeting will be open to the public on June 19, from 1:30 p.m. to adjournment, during which time there will be comments by the Director, DRR; an update on the GCRC Program; and reports on the Clinical Associate Physician Program, the diffusion of the CLINFO System, possible new technologies for GCRCs, and clinical research data management. Attendance by the public will be limited to space available.

In accordance with the provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting will be closed to the public on June 17 from 1 p.m. to recess and on June 18 from 8 a.m. to recess and on June 19 from approximately 8 a.m. to 1:30 p.m. for the review, discussion, and evaluation of individual grant applications. These applications and the discussions could reveal confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the applications, disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Mr. James Augustine, Information Officer, Division of Research Resources, Bldg. 31, Room. 5B–10, National Institutes of Health, Bethesda, Maryland 20892, (301) 496–5545, will provide a summary of the meeting and a roster of the Committee members upon request. Dr. Stanley L. Slater, Executive Secretary of the General Clinical Research Centers Review Committee, Bldg. 31, Room 5B–51, National Institutes of Health, Bethesda, Maryland 20892, (301) 496–6595, will furnish program information upon request.

(Catalog of Federal Domestic Assistance Program No. 13.333, Clinical Research, National Institutes of Health)

Dated: May 4, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11081 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01M

National Cancer Institute; Meeting Cancer Biology-Immunology Contract Review Committee

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Cancer Biology-Immunology Contract Review Committee, National Cancer Institute, National Institutes of Health, June 15, 1987, Linden Hill Hotel, Forest Hills Conference Room, 5400 Pooks Hill Road, Bethesda, Maryland 20814.

This meeting will be open to the public on June 15 from 9 a.m. to 9:30 a.m. to discuss administrative details. Attendance by the public will be limited to space available.

In accordance with provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting will be closed to the public on June 15 from 9:30 a.m. to adjournment for the review, discussion and evaluation of individual contract proposals. These proposals and the discussions could reveal confidential trade secrets or commercial property such as patentable material and personal information concerning individuals associated with the proposals, disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Mrs. Winifred Lumsden, the Committee Management Officer, National Cancer Institute, Building 31, Room 10A06, National Institutes of Health, Bethesda, Maryland 20892 (301/496–5708) will provide summaries of the meeting and rosters of committee members upon request.

Dr. Wilna A. Woods, Executive Secretary, Cancer Biology-Immunology Contract Review Committee, 5333 Westbard Avenue, Room 807, Bethesda, Maryland 20892 (301/496–7153) will furnish substantive program information.

Dated: May 1, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11082 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Eye Institute; Meeting of the Vision Research Review Committee

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Vision Research Review Committee, National Eye Institute, June 25–26, 1987, Conference Room 8, Building 31, National Institutes of Health, Bethesda, Maryland.

This meeting will be open to the public on June 25 from 8:30 a.m. to 9:30 a.m. for opening remarks and discussion of program guidelines. Attendance by the public will be limited to space available.

In accordance with provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting will be closed to the public from 9:30 a.m. on June 25 until recess and on June 26 from 8:30 a.m. until adjournment for the review, discussion and evaluation of individual grant applications. These applications and the discussions could reveal confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Ms. Kay Valeda, Committee Management Officer, National Eye Institute, Building 31, Room 6A–03, National Institutes of Health, Bethesda, Maryland 20892, (301) 496–4903, will provide summaries of the meeting, rosters of committee members, and substantive program information upon request.

(Catalog of Federal Domestic Assistance Program Nos. 13.867, Retinal and Choroidal Diseases Research; 13.868, Corneal Diseases Research; 13.869, Cataract Research; 13.870, Glaucoma Research; and 13.871, Sensory and Motor Disorders of Visual Research; National Institutes of Health)

Dated: May 4, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11083 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Eye Institute; Meeting of the National Advisory Eye Council

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the

National Advisory Eye Council, National Eye Institute, June 1–2, 1987, Building 31, Conference Room 9, National Institutes of Health, Bethesda, Maryland.

This meeting will be open to the public from 9 a.m. until approximately 12 noon on Monday, June 1. Following opening remarks by the Director, National Eye Institute, there will be presentations by the staff of the Institute concerning Institute programs and various research assistance mechanisms. Attendance by the public will be limited to space available.

In accordance with provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, the meeting will be closed to the public from approximately 12 noon until recess on Monday, June 1, and from 9 a.m. until adjournment on Tuesday, June 2, for the review, discussion and evaluation of individual grant applications. These applications and the discussions could reveal confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

There will also be a meeting of the Vision Research Program Planning Subcommittee on Sunday, May 31, from 7 p.m. to 9 p.m. to discuss further the plans for *Vision Research: A National Plan 1989–90*. The meeting will be held in the Embassy Room at the Hyatt Regency, One Bethesda Metro Center, Bethesda, Maryland. Attendance by the public will be limited to space available.

Ms. Kay Valeda, Committee Management Officer, National Eye Institute, Building 31, Room 6A03, National Institutes of Health, Bethesda, Maryland 20892, (301) 496–4903, will provide summaries of meetings, rosters of committee members, and substantive program information upon request.

(Catalog of Federal Domestic Assistance Programs, Nos. 13.867, Retinal and Choroidal Diseases Research; 13.868, Corneal Diseases Research; 13.869, Cataract Research; 13.870, Glaucoma Research; and 13.871, Sensory and Motor Disorders of Visual Research; National Institutes of Health)

Dated: May 1, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11084 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Institute of Child Health and Human Development; Review Committee Meetings

Pursuant to Pub. L. 92–463, notice is hereby given of meetings of the review committees of the National Institute of Child Health and Human Development for June 1987.

These meetings will be open to the public to discuss items relative to committee activities including announcements by the Director, NICHD, and executive secretaries, for approximately one hour at the beginning of the first session of the first day of the meeting. Attendance by the public will be limited to space available.

These meetings will be closed to the public as indicated below in accordance with the provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C. and sec. 10(d) of Pub. L. 92–463, for the review, discussion and evaluation of individual grant applications. These applications and the discussions could reveal confidential trade secrets or commercial property such as patentable material, and personal information concerning individuals associated with the applications, the disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Mrs. Marjorie Neff, Committee Management Officer, NICHD, Landow Building, Room 6C08, National Institutes of Health, Bethesda, Maryland, Area Code 301, 496–1485, will provide a summary of the meeting and a roster of committee members.

Other information pertaining to the meetings may be obtained from the Executive Secretary indicated.

Name of Committee: Population Research Committee
Executive Secretary: Dr. A.T. Gregoire, Rm. 6C03, Landow Building, Telephone: 301, 496–1696
Date of Meeting: June 18–19, 1987
Place of Meeting: Landow Building, Conference Room A
Open: June 18, 1987, 8:30 a.m.–10:00 a.m.
Closed: June 18, 1987, 10:00 a.m.–5:00 p.m., June 19, 1987, 8:30 a.m.–adjournment

Name of Committee: Maternal and Child Health Research Committee
Executive Secretary: Dr. Scott Andres, Room 6C08, Landow Building, Telephone: 301, 496–1485
Date of Meeting: June 23–24, 1987
Place of Meeting: Landow Building, Conference Room A
Open: June 23, 1987, 9:00 a.m.–10:00 a.m.
Closed: June 23, 1987, 10:00 a.m.–5:00 p.m., June 24, 1987, 9:00 a.m.–adjournment

Name of Committee: Mental Retardation Research Committee
Executive Secretary: Dr. Susan Streufert, Room 6C08, Landow Building, Telephone: 301, 496–1696
Date of Meeting: June 25–26, 1987.
Place of Meeting: Landow Building, Conference Room A
Open: June 25, 1987, 9:00 a.m.–10:00 a.m.
Closed: June 25, 1987, 10:00 a.m.–5:00 p.m., June 26, 1987, 9:00 a.m.–adjournment

(Catalog of Federal Domestic Assistance Program No. 13.864, Population Research and No 13.865, Research for Mothers and Children, National Institutes of Health)

Dated: May 4, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11085 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

National Library of Medicine; Meetings of the Biomedical Library Review Committee and the Subcommittee for the Review of Medical Library Resource Improvement Grant Applications

Pursuant to Pub. L. 92–463, notice is hereby given of the meeting of the Biomedical Library Review Committee on June 17–18, 1987, convening each day at 8:30 a.m. in the Board Room of the National Library of Medicine, Building 38, 8600 Rockville Pike, Bethesda, Maryland, and the meeting of the Subcommittee for the Review of Medical Library Resource Improvement Grant Applications on June 16 from 3 p.m. to 4 p.m. in the 5th-Floor Conference Room of the Lister Hill Center Building.

The meeting on June 17 will be open to the public from 8:30 to 11 a.m. for the discussion of administrative reports and program developments. Attendance by the public will be limited to space available.

In accordance with provisions set forth in secs. 552b(c)(4) and 552b(c)(6), Title 5, U.S.C., and sec. 10(d) of Pub. L. 92–463, the regular meeting and the subcommittee meeting will be closed to the public for the review, discussion, and evaluation of individual grant applications as follows: The regular meeting on June 17 from 11 a.m. to 5 p.m., and on June 18, from 8:30 a.m. to adjournment; and the subcommittee meeting on June 16 from 3 to 4 p.m. These applications and the discussion could reveal confidential trade secrets or commercial property, such as patentable material, and personal information concerning individuals associated with applications, disclosure of which would constitute a clearly unwarranted invasion of personal privacy.

Dr. Roger W. Dahlen, Executive Secretary of the Committee, and Chief, Biomedical Information Support Branch, Extramural Programs, National Library of Medicine, 8600 Rockville Pike, Bethesda, Maryland 20894, telephone number: 301–496–4221, will provide summaries of the meeting, rosters of the committee members, and other information pertaining to the meeting.

(Catalog of Federal Domestic Assistance Program No. 13.879—Medical Library Assistance, National Institutes of Health)

Dated: May 14, 1987.

Betty J. Beveridge,

Committee Management Officer, NIH.

[FR Doc. 87–11086 Filed 5–14–87; 8:45 am]

BILLING CODE 4140–01–M

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[WY–040–06–4220–08; W101899]

Intent To Amend the Big Sandy Management Framework Plan; Sweetwater County, WY

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of intent to amend the Big Sandy management framework plan, Sweetwater County, Wyoming.

SUMMARY: This notice issued pursuant to 43 CFR Part 1600 invites public review and comment on the proposal to amend the Big Sandy MFP to authorize the withdrawal of the following 357.34 acres of public land for the protection of the Natural Corrals archeological site near Superior, Wyoming.

T.21N., R.101W., Sixth Principal Meridian.
Sec. 18: Lots 1–3, W½NE¼, E½NW¼, NE¼SW¼, NW¼SE¼.

Utilizing input received from the public, an interdisciplinary team will prepare an environmental assessment in accordance with 40 CFR Part 1502. Upon approval of the plan amendment by the Wyoming State Director, a public notice will be issued and a thirty day protest period will be allowed (43 CFR 1610.5–2).

DATE: Comments are to be submitted by July 6, 1987.

ADDRESS: Area Manager, Green River Resource Area, P.O. Box 1170, Rock Springs, Wyoming 82902.

FOR FURTHER INFORMATION CONTACT: Sally Haverly, BLM Green River Resource Area, (307) 362–6422.

SUPPLEMENTARY INFORMATION: Preliminary issues identified include: consistency with plans and program of other governmental agencies, rights of existing permittees and lessees, impact on present and future surface and mineral use, level of protection required for the archeological site.

The lands have been segregated for a two-year period from surface entry and mining (52 FR 10954, April 6, 1987).

Donald H. Sweep,

District Manager.

May 7, 1987.

[FR Doc. 87–11092 Filed 5–14–87; 8:45 am]

BILLING CODE 4310–22–M

[OR–010–07–4410–10; GP7–184]

Intent To Amend the Warner Lakes Resource Area Management Framework Plan; Lakeview, OR

AGENCY: Bureau of Land Management, (BLM) Lakeview, Oregon, Interior.

ACTION: Opportunity for public comment: Notice of Intent to amend the Warner Lakes resource area management framework plan (MFP), specifically for wetland management.

SUMMARY: This Notice of Intent is to advise the public that the BLM Lakeview District Office intends to amend an existing planning document to address wetland management opportunities and a potential Area of Critical Environmental Concern.

SUPPLEMENTARY INFORMATION: The BLM is proposing to amend the 1980 Warner Lakes Resource Area MFP to address management of permanently or intermittently flooded wetlands on public lands in Lake and southwestern Harney Counties in south central Oregon. The Warner Lakes Resource Area is bounded by the Fremont National Forest and the (BLM) High Desert Resource Area on the west, Oregon/California/Nevada state lines on the south, and the (BLM) Burns District on the east and north.

The purpose of the amendment would be to identify alternatives which resolve management issues for public wetlands in the Warner Lakes Resource Area. Preliminary management alternatives identified to date include: (1) Maintain present situation (No Action). (2) Emphasize maximum protection of wildlife habitat and watershed values on wetlands. (3) Maximize protection of wildlife (especially waterflow) habitat, while continuing to utilize other existing resources.

The existing plan (MFP) does not adequately address the current management opportunities for wetlands habitat in the Warner Lakes Resource Area. This amendment, when final, will specify management direction and priorities for wetlands on the public lands within the resource area.

The Warner Potholes Allotment, a 39,268 acre are including lakes and wetlands in the vicinity of Flagstaff Lake in the Warner Valley, has been nominated for designation as an Area of Critical Environmental Concern (ACEC). Analysis of the resources and application of the Bureau review criteria for ACEC supports the nomination. The plan amendment will evaluate the nomination to determine whether the area should be designated as an ACEC.

Disciplines to be represented on the interdisciplinary team preparing the plan amendment and environmental assessment are; wildlife, recreation, geology, cultural resources, watershed, range management, lands and realty, and land use planning. More detailed information on planning issues, criteria and preliminary management alternatives is available at the Lakeview District Office, and has also been mailed to known interested parties. The comment period on preliminary issues and planning criteria for the plan amendment and associated Environmental Assessment will close June 30, 1987. Other public participation activities will include a 45 day review of the draft plan amendment and EA and an open house to receive comments and answer questions. Dates, times and locations will be announced through local media and mailings to interested parties. Existing planning documents and information are available at the Lakeview District Office of the BLM, 1000 South Ninth Street, P.O. Box 151, Lakeview, Oregon 97630 during normal working hours. Phone (503) 947–2177.

FOR FURTHER INFORMATION CONTACT: Jerry E. Asher, Lakeview District Manager.

Dated: May 1, 1987.

Jerry E. Asher,

District Manager.

[FR Doc. 87–11106 Filed 5–14–87; 8:45 am]

BILLING CODE 4310–33–M

[NM–030–07–4333–09]

Emergency Closure of Off-Road Travel Within the Horse Mountain Wilderness Study Area (WSA) in Catron County, NM

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of emergency closure.

SUMMARY: Notice is hereby given that effective immediately May 15, 1987, all vehicle use is prohibited on a 2 mile vehicle trail in the Horse Mountain

WSA (NM-020-043). The trail is located in T. 3 S., R. 12 W., Section 31, SW¼; T. 4 S., R. 13 W., Section 1, S½; T. 4 S., R. 12 W., Section 6, N½; T. 4 S., R. 12 W., Section 5, SW¼NW¼.

The purpose of this designation is to prevent impairment of the existing wilderness values, soil erosion, and degradation of the watershed within the WSA which will be caused by off-road travel. The authority for this closure is 43 CFR 8341.2. This designation will remain in effect until further notice.

FOR FURTHER INFORMATION CONTACT: Kevin Carson at the Bureau of Land Management, Socorro Resource Area Office, 198 Neel Avenue, NW., Socorro, New Mexico 87801 or at (505) 835-0412.

Robert R. Calkins,

Acting District Manager.

[FR Doc. 87-11091 Filed 5-14-87; 8:45 am]

BILLING CODE 4310-FB-M

[NM-030-07-4212-13; NM66372]

Realty Action; Exchange of Public Land in Dona Ana County for Private Land in Hidalgo County, NM

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of realty action.

SUMMARY: The following described lands and interests therein have been determined to be suitable for disposal by exchange under section 206 of the Federal Land Policy and Management Act of 1976, 43 U.S.C. 1716.

T. 22 S., R. 3 E., NMPM
Sec. 6, Lots 3, 4, 5, 6, 7, SE¼NW¼, E½SW¼,
Containing 327.93 acres, more or less.

In exchange for these lands, the United States will acquire the following described land from Joe S. Jackson of Animas, New Mexico.

T. 28 S., R. 20 W., NMPM
Sec. 17, W½SW¼;
Sec. 18, E½SE¼;
Sec. 19, E½NE¼, SE¼;
Sec. 20, W½NW¼, SW¼;
Sec. 27, W½;
Sec. 28, All;
Sec. 29, E½;
Sec. 33, N½;
Sec. 34, W½.
T. 28 S., R. 21 W., NMPM
Sec. 26, N½, N½S½, SE¼, SE¼.
T. 29 S., R. 21 W., NMPM
Sec. 3, Lots 1, 2, SE¼NE¼, N½SE¼;
Sec. 10, E½SW¼, SE¼;
Sec. 11, NW¼NE¼, W½;
Sec. 14, NW¼NW¼;
Sec. 15, N½, N½S½, SW¼SW¼;
Sec. 16, N½, N½N½SW¼, SE¼NE¼ NW¼, N½SE¼, E½SE¼SE¼;
Sec. 22, W½NW¼, SE¼NW¼, SW¼;
Sec. 23, NE¼SW¼, S½SW¼, W½SE¼;
Sec. 26, NW¼NE¼, NW¼, W½SW¼, SE¼;
Sec. 27, S½NE¼, NW¼, N½SE¼;
Sec. 34, E½SE¼;
Sec. 35, NE¼NE¼, W½NE¼, E½NW¼, SW¼NW¼, W½SW¼.
Containing 6,549.55 acres, more or less.

DATE: Comments must be submitted on or before June 29, 1987.

ADDRESSES: Comments should be sent to Bureau of Land Management, Las Cruces District Office, 1800 Marquess, Las Cruces, New Mexico 88005.

FOR FURTHER INFORMATION CONTACT: Marvin M. James at the address above or at 505-525-8228, (FTS 571-8350).

SUPPLEMENTARY INFORMATION: The land to be transferred will be subject to:

1. Reservations to the United States for ditches and canals, and all minerals together with the right to prospect for, mine, and remove same.

2. Subject to rights-of-way: (a) NM45805, Dona Ana County Road Department for County Road D067; (b) NM61214, Moongate Water Association for a water pipeline; and (c) Application NM64745, City of Las Cruces for an access road and water pipeline.

3. The grazing permit will be cancelled on that portion of Allotment No. 5007 which is encompassed by the public land described in this Notice. Cancellation will occur 2 years after the date of publication of this Notice unless the 2-year notification period is waived by the grazing allottee.

Private land to be acquired by the United States will be subject to the following conditions:

1. The grazing preference on land to be acquired in the Joe S. Jackson Allotment No. 1514 will be allocated to him.

2. The grazing preference on land that is outside of designated allotments may be allocated to qualified applicants at the discretion of the authorized officer. Grazing use shall be allocated under 43 CFR 4130.1-2 of this title.

3. Mr. Joe S. Jackson will retain 40 acres of private land around each of the base waters.

The purpose of the exchange is to implement the following decisions in the Gila Management Plan: (1) To consolidate public land into areas that provide habitat for desert bighorn sheep, mule and white-tail deer, javelina, small game, and a great variety of nongame species including several listed as threatened or endangered by the State of New Mexico and (2) to consolidate public land for better management opportunities and legal hunter access.

Publication of this notice will segregate the public land from all appropriations under the public land laws, including the mining laws but not mineral leasing laws. This segregation will terminate upon the issuance of a patent or 2 years from the date of publication of this notice in the **Federal Register** or upon publication of a notice of termination.

Any adverse comments will be evaluated by the State Director who may vacate or modify this realty action and issue a final determination. In the absence of any objections, this realty action will become the final determination of the Department of the Interior.

Robert R. Calkins,

Acting District Manager.

[FR Doc. 87-11093 Filed 5-14-87; 8:45 am]

BILLING CODE 4310-FB-M

[CO-010-07-4410-08]

Availability of Approved Piceance Basin Resource Management Plan/ Record of Decision; Colorado

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of Availability of Resource Management Plan/Record of Decision.

SUMMARY: Pursuant to section 102(2)(c) of the National Environmental Policy Act (NEPA) of 1969 (40 CFR 1505.2), the Department of the Interior, Bureau of Land Management (BLM), has prepared a Record of Decision (ROD) for the Piceance Basin Resource Management Plan (RMP). Initiation of actions which implement this plan can begin with the signing of the ROD. Concurrently, with the signing of the ROD, five sites within the Piceance Basin are designated as areas of critical environmental concern (ACECs), pursuant to the Federal Land Policy and Management Act of 1976 (Section 202(c)(3)) and 43 CFR Part 1610.

EFFECTIVE DATE: The Record of Decision and the ACEC designations thereunder became effective with the signing of that document on March 13, 1987, by Neil F. Morck, State Director for Colorado.

ADDRESS: Copies of the ROD/RMP are available upon request at the White River Resource Area Office, Bureau of Land Management, PO Box 928, Meeker, Colorado 81641.

FOR FURTHER INFORMATION CONTACT: B. Curtis Smith, Area Manager, at the above address. Telephone: (303) 878-3601.

SUPPLEMENTARY INFORMATION:

Alternatives Analyzed

Five alternatives for managing 674,370 acres of public land in the Piceance

Basin Planning Area were analyzed in the RMP/environmental impact statement (EIS).

1. The Current Management Alternative maintained present management directions to resolve issues under existing decisions and the Management Framework Plan currently in effect. This was the No Action Alternative required by NEPA.

2. The Wildlife Alternative emphasized the management and use of the public lands for the benefit of wildlife and other renewable resources. Significant surface disturbing activities would be discouraged with management actions directed toward maintaining or enhancing wildlife habitat and other related resource values. Although this alternative was the environmentally preferable alternative, it did not resolve all of the planning issues or balance all land uses and resource values to the greatest benefit of all the public; therefore, it was not BLM's preferred plan.

3. The Oil and Gas Alternative placed management emphasis on planning and providing for oil and gas development and transportation. In addition, management emphasis was directed toward providing access to the public lands for other resource values including forest products, off-road vehicle use, and major linear rights-of-way.

4. The Oil Shale Alternative placed management emphasis on the development, production, and transportation of oil shale and other associated minerals. Management priority would be directed toward making lands available for commercial oil shale leasing by private industry as demand and economics dictate. Minimum management of renewable resources would generally occur under this alternative.

5. The Proposed Resource Management Plan (Preferred Alternative) achieves the combination of management options that is the most acceptable resolution of the planning issues identified during the planning process. It attempts to balance all land uses and resource values and was developed only after considering the impacts to all management options and the long-term public interest and benefits of implementation.

Decision

The decision is to adopt the Proposed Plan as the Piceance Basin Resource Mnagement Plan. Major decisions contained in the plan are to:

—Allow for potential future oil shale leasing for open pit mining on 27,303 acres and for underground mining on 207,295 acres

—Implement a sequential lease offering process for future oil shale leasing whereby critical environmental and socioeconomic carrying capacities are not exceeded

—Reserve the multimineral zone (76,595 acres) from future commercial oil shale leasing until improved recovery rates have been proven, as determined by the BLM State Director

—Allow for potential future coal leasing by underground mining on 29,610 acres. Of this amount, 24,635 acres are also potentially available for coal leasing by surface mining

—Continue oil and gas leasing and development subject to the terms of approval cited in the White River Resource Area Oil and Gas Leasing Umbrella Environmental Assessment (EA). The Umbrella EA will be updated to reflect changes appropriate to implement plan decisions and to comply with current policy

—Continue livestock grazing management as identified in the Proposed Grazing Management Program for the White River Resource Area, Final EIS, and as approved in subsequent Rangeland Program Summaries, providing for a long-term allocation of 64,011 AUMs for livestock grazing

—Continue wild horse management according to decisions approved in the White River Resource Area Herd Management Area Plan to reach a herd management objective of 65 to 100 animals in the Piceance Basin.

—Continue implementation of the Piceance Basin Habitat Management Plan

—Provide for long-term increases to initial wildlife forage allocation of 36,253 AUMs to 40,501 AUMs over a 20-year period. Place off-road vehicle restrictions on approximately 177,000 acres in the Piceance Basin

—Designate the Piceance Basin Special Recreation Management Area

—Designate 16 utility corridors for major linear rights-of-way

—Designate five areas as ACECs (Deer Gulch, Dudley Bluffs, Lower Greasewood Creek, South Cathedral Bluffs, Yanks Gulch/Upper Greasewood Creek. See **Federal Register** Vol. 51, No. 224, Friday, December 19, 1986, for a complete legal description of these units as well as a discussion of the resource value and resource use limitations for each unit)

—Designate the Soldier Creek area as an ACEC if the State of Colorado designates their adjoining acreage

—Designate the School Gulch area as an ACEC if ongoing monitoring indicates the important values present require designation

Mitigation Measures

All practicable measures will be taken to mitigate adverse impacts. These measures will be strictly enforced during implementation. Monitoring will tell how effective these measures are in minimizing environmental impacts. Therefore, additional measures to protect the environment may be taken during or following monitoring.

Dated: April 22, 1987.

Neil F. Morck,

State Director, Colorado.

[FR Doc. 87-10902 Filed 5-15-87; 8:45 am]

BILLING CODE 4310-JB-M

National Park Service

Great Basin National Park, Nevada; Legal Description

AGENCY: National Park Service, Interior.

ACTION: Notice of legal description, correction.

This document corrects an erroneous map reference and certain minor errors contained in the legal description published April 27, 1987, Vol. 52, No. 80, FR Doc. 87-9454, pp 13881-13882.

The first paragraph is corrected to read as follows: Pub. L. 99-565 dated October 27, 1986, established Great Basin National Park as generally depicted on a map titled "Boundary May, Great Basin National Park, Nevada," numbered NA-GB 20,017, and dated October 1986. Pursuant to section 2(c) of that Act a legal description is provided. The lands set forth below comprise approximately 77,109.15 acres and are located in the Mount Diablo Meridian. All sections are unsurveyed and protracted unless otherwise noted. Acreages shown are therefore approximate and subject to survey.

The following corrections are made to the legal description:

1. On page 13881, third column, twenty-fourth line of description "1,258.00" is corrected to read "1,280.00".

2. On page 13882, first column, seventh line, "conrers" is corrected to read "corners".

3. On page 13882, first column, last line, "Secs. 34, and 36" is corrected to read "Secs. 34, 35, and 36".

4. On page 13882, second column, first line, "320.00" is corrected to read "320.05".

W. Lowell White,

Acting Regional Director, Western Region.

[FR Doc. 87-11153 Filed 5-14-87; 8:45 am]

BILLING CODE 4310-70-M

Denali National Park Subsistence Resource Commission Meeting

AGENCY: National Park Service, Alaska Region.

ACTION: Subsistence Resource Commission Meeting.

SUMMARY: The Alaska Regional Office of the National Park Service announces a forthcoming meeting of the Denali National Park Subsistence Resource Commission. The following agenda items will be discussed:

1. Call to order.
2. Reading and approval of minutes.
3. Internal Commission business (election of officers).
4. Subsistence use zones.
5. Time limits for Cantwell residents to apply for permits.
6. Status of hunting plan.
7. Review correspondence addressed to Commission.
8. Update on Park plans that could affect subsistence.
9. Subsistence research data needs.
10. Other business.
11. Adjourn.

The Denali National Park Subsistence Resource Commission is authorized under Title VIII, Section 808, of the Alaska National Lands Conservation Act, Public Law 96–487.

DATE: The meeting will begin at 9:00 a.m. on Friday, June 5, 1987, and conclude the afternoon or the morning of June 6 if needed.

ADDRESS: Denali National Park, Headquarter Recreational Hall.

FOR FURTHER INFORMATION CONTACT: Bob Cunningham, Superintendent, Denali National Park, P.O. Box 9, McKinley Park, Alaska 99755, Phone (907) 683–2294.

SUPPLEMENTARY INFORMATION: The Denali National Park Subsistence Resource Commission is authorized under Title VIII, Section 808, of the Alaska National Interest Lands Conservation Act Pub. L. 96–487 .

Dated: May 4, 1987.

Boyd Evison,

Regional Director Alaska, Region.

[FR Doc. 87–11157 Filed 5–14–87; 8:45 am]

BILLING CODE 4310–70–M

DEPARTMENT OF LABOR

Office of the Secretary

Agency Recordkeeping/Reporting Requirements Under Review by the Office of Management and Budget (OMB)

Background: The Department of Labor, in carrying out its responsibilities under the Paperwork Reduction Act (44 U.S.C. Chapter 35), considers comments on the reporting and recordkeeping requirements that will affect the public.

List of Recordkeeping/Reporting Requirements Under Review

As necessary, the Department of Labor will publish a list of the Agency recordkeeping/reporting requirements under review by the Office of Management and Budget (OMB) since the last list was published. The list will have all entries grouped into new collections, revisions, extensions, or reinstatements. The Departmental Clearance Officer will, upon request, be able to advise members of the public of the nature of the particular submission they are interested in. Each entry may contain the following information:

The Agency of the Department issuing this recordkeeping/reporting requirement.

The OMB and Agency identification numbers, if applicable. How often the recordkeeping/reporting requirement is needed. Who will be required to or asked to report or keep records. Whether small businesses or organizations are affected.

An estimate of the total number of hours needed to comply with the recordkeeping/reporting requirements.

The number of forms in the request for approval, if applicable.

An abstract describing the need for and uses of the information collection.

Comments and Questions

Copies of the recordkeeping/reporting requirements may be obtained by calling the Departmental Clearance Officer, Paul E. Larson, telephone (202) 523–6331. Comments and questions about the items on this list should be directed to Mr. Larson, Office of Information Management, U.S. Department of Labor, 200 Constitution Avenue NW., Room N–1301, Washington, DC 20210. Comments should also be sent to the Office of Information and Regulatory Affairs, Attn: OMB Desk Officer for (BLS/DM/ESA/ETA/OLMS/MSHA/OSHA/PWBA/VETS), Office of Management and Budget, Room 3208, Washington, DC 20503 (Telephone (202) 395–6880).

Any member of the public who wants to comment on a recordkeeping/reporting requirement which has been submitted to OMB should advise Mr. Larson of this intent at the earliest possible date.

Extension

Employment and Training Administration
Job Corps Enrollee Allotment Determination
1205–0030; ETA 658
On occasion
Individuals or households; Federal agencies or employees
16,560 respondents; 3,312 hours; 1 form

Job Corps enrollees may elect to have a portion of their Readjustment Allowance sent to a dependent monthly. This form provides the information necessary to administer those allotments.

Reinstatement

Employment and Training Administration
In-Season Farm Labor Report
1205–0006; ETA 223
On occasion
Individuals or households; State or local governments; Farms
8,047 respondents; 16,094 hours; 1 form

In planning and budgeting for agricultural worker placement programs and programs to provide health and related services to migrant and seasonal farmworkers, it is important to know where seasonal farm jobs are located, level of labor needs, active work periods, tasks to be performed and home bases of workers.

Pension and Welfare Benefits Administration
Class Exemption 77–4 for Certain Transactions
1210–0049
Annually when exemption is used
Business or other for profit; Small Business or Organizations
18,150 responses; 1,633 hours

This class exemption exempts from the prohibited transaction restrictions of ERISA the purchase and sale by an employee benefit plan of shares of a registered open-end mutual fund when a fiduciary with respect to the plan (e.g., an investment manager) is also investment adviser for the mutual fund.

Reinstatement

Pension and Welfare Benefits Administration
DOL Regulation § 2560–503–1 Claims Procedure
1210–0053
On Occasion
individuals or households; Buiness or other for-profit; non-profit institutions; Small business or organizations
73,567 responses; 30,634 hours

The regulation requires employee benefit plans to establish procedures which provide adequate written notice to any participant or beneficiary of an employee benefit plan whose claim has been denied. An opportunity for a review of a denied claim must also be

provided; the decision upon a review must also be in writing.

Reinstatement

Pension and Welfare Benefits Administration
DOL Regulation § 2550.408b–3, Loans to Employee Stock Ownership Plans (ESOP)
On occasion
Individuals or households; business or other for-profit; small businesses or organizations
4,640 responses; 427 hours

The paperwork requirement included in this regulation is a disclosure requirement to furnish certain individuals receiving securities from an ESOP, notices of their right to exercise put options under certain limited circumstances and within a limited time frame.

Reinstatement

Pension and Welfare Benefits Administration
Suspension of Benefits Regulation
1210–0048
Whenever benefits are suspended
Business or other for-profit; Small businesses or organizations
106,188 responses; 26,547 hours; 0 forms

DOL Regulation § 2530.203–3 allows a plan to suspend an individual's pension benefits if the individual continues to work or returns to work. The plan is required to notify the individual during the first calendar month or payroll period in which the plan withholds payment of the reasons for the suspensions.

Reinstatement

Office of Pension and Welfare Benefits Administration
Prohibited Transaction Exemption 78–19
Recordkeeping
Business or other for-profit; small businesses or organizations
1 Respondent; 1 hour

This exemption allows parties in interest of an employee benefit plan that invests in an insured pooled separate account to engage in transactions with the separate account if the plan's participation in the separate account does not exceed specified limits. Six year recordkeeping is required.

Reinstatement

Pension and Welfare Benefits Administration
Prohibited Class Exemption 76–1
Recordkeeping
Business or other for-profit; non-profit institutions; small businesses or organizations
3,203 recordkeepers; 800 hours

The class exemption permits parties in interest, under specified conditions, (A) to make delinquent employer contributions (B) to receive construction loans, and (C) to obtain office space, administrative services, and goods from plans.

Signed at Washington, DC, this 12th day of May, 1987.

Paul E. Larson,

Departmental Clearance Officer.

[FR Doc. 87–11174 Filed 5–14–87; 8:45 am]

BILLING CODE 4510–29–M

Employment and Training Administration

Investigations Regarding Certifications of Eligibility To Apply for Workers Adjustment Assistance; A&E Products Groups et al.

Petitions have been filed with the Secretary of Labor under section 221(a) of the Trade Act of 1974 ("the Act") and are identified in the Appendix to this notice. Upon receipt of these petitions, the Director of the Office of Trade Adjustment Assistance, Employment and Training Administration, has instituted investigations pursuant to section 221(a) of the Act.

The purpose of each of the investigations is to determine whether the workers are eligible to apply for adjustment assistance under Title II, Chapter 2, of the Act. The investigations will further relate, as appropriate, to the determination of the date on which total or partial separations began or theratened to begin and the subdivision of the firm involved.

The petitioners or any other persons showing a substantial interest in the subject matter of the investigations may request a public hearing, provided such request is filed in writing with the Director, Office of Trade Adjustment Assistance, at the address shown below, not later than (10 days after public). May 26, 1987.

Interested persons are invited to submit written comments regarding the subject matter of the investigations to the Director, Office of Trade Adjustment Assistance, at the address shown below, not later than May 26, 1987.

The petition filed in this case are available for inspection at the Office of the Director, Office of Trade Adjustment Assistance, Employment and Training Administration, U.S. Department of Labor, 601 D Street NW., Washington, DC 20213.

Signed at Washington, DC, this 4th day of May 1987.

Marvin M. Fooks,

Director, Office of Trade Adjustment Assistance.

APPENDIX

Petitioner (Union/workers/firm)	Location	Date received	Date of petition	Petition No.	Articles produced
A&E Products Groups (Workers)	Woodbridge, NJ	5/4/87	4/23/87	19,614	Plastic Garment Hangers.
Bailey Controls Co. (U.A.W.)	Wickliffe, OH	5/4/87	4/27/87	19,615	Electronic Control Devices.
Brown Shoe Co. (ACTWU)	Bernie, MO	5/4/87	4/22/87	19,616	Womens Shoes.
CHG Producting Co. (Workers)	New Orleans, LA	5/4/87	4/22/87	19,617	Oil & Gas.
Champion Bldg., Products-Division of Champion Int'l (Workers).	Helena, MT	5/4/87	4/20/87	19,618	Softwood Lumber.
Champion International Bldg. Products Div. (Workers)	Bonner, MT	5/4/87	4/27/87	19,619	Lumber.
Damson Oil Corp. (Workers)	Carmi, IL	5/4/87	4/23/87	19,620	Oil & Gas.
Desco Shoe Corp. (Company)	New York, NY	5/4/87	3/24/87	19,621	Women's Shoes & Boots.
Drilco Industrial (Workers)	Midland, TX	5/4/87	4/12/87	19,622	Mining Equipment & Tools.
Enserch Exploration, Inc. (Workers)	Dallas, TX	5/4/87	4/23/87	19,623	Oil & Gas.
Exxon Company USA, Headquarters (Workers)	Houston, TX	5/4/87	4/21/87	19,624	Crude Oil.
Exxon Company USA, Eastern Production Div. (Workers)	New Orleans, LA	5/4/87	4/21/87	19,625	Crude Oil.
Halliburton Services (Workers)	Lafayette, LA	5/4/87	4/23/87	19,627	Oil Services.
Honeywell Solid State Electronic Div. (Workers)	Plymouth, MN	5/4/87	4/21/87	19,628	Semi-Conductor Chips.
J.E. Carter Energy & Development Corp. (Workers)	Houston, TX	5/4/87	4/22/87	19,629	Oil Exploration.
Koppers Co., Inc. (OCAW)	Youngstown, OH	5/4/87	4/21/87	19,630	Roofing Materials.
Mackintosh-Hemphill International, Inc. (Workers)	Pittsburgh, PA	5/4/87	4/21/87	19,631	Iron & Steel Rolls.
N I Industries, Inc./Auto Trim Div./Mirrex Plant (Teamsters).	Mt. Clemens, MI	5/4/87	4/21/87	19,632	Sideview Mirrors.
Omni Dulralite Co (Company)	S. Grafton, MA	5/4/87	4/21/87	19,633	Lawn Furniture.
Pennsylvania Industrial (Company)	Donora, PA	5/4/87	4/30/87	19,634	Fasteners.
Pilkington-Electro-Opt-Communication System (Company)	Sun Valley, CA	5/4/87	4/13/87	19,635	Data.

APPENDIX—Continued

Petitioner (Union/workers/firm)	Location	Date received	Date of petition	Petition No.	Articles produced
Pogo Producing, Co. (Workers)	Houston, TX	5/4/87	4/21/87	19,636	Crude Oil.
Pogo Producing, Co. (Workers)	Midland, TX	5/4/87	4/21/87	19,637	Do.
Pogo Producing, Co. (Workers)	Oklahoma City, OK	5/4/87	4/21/87	19,638	Do.
Pogo Producing, Co. (Workers)	Denver, CO	5/4/87	4/21/87	19,639	Do.
Pyro Energy Corp. (Workers)	Dallas, TX	5/4/87	4/21/87	19,640	Oil & Gas.
Revelations Shoe Corporation (USWA)	Exeter, PA	5/4/87	4/23/87	19,641	Ladies Footwear.
Robert Shaw Controls (Company)	El Paso, TX	5/4/87	3/16/87	19,642	Thermostats.
Sun Exploration and Production (Workers)	Cropus Christi, TX	5/4/87	4/19/87	19,643	Crude Oil.
Taylor/TCA (Workers)	Arden, NC	5/4/87	4/9/87	19,644	Thermometers.
Texas Insturments, Inc.-Semiconductor Div. 3 (Workers)	Houston, TX	5/4/87	4/6/87	19,645	Semiconductors.
U.S. Steel Mining Co, Inc. (UMWA #2300)	Washington, PA	5/4/87	4/13/87	19,646	Coal.
Unimation Inc. (Workers)	Danbury, CT	5/4/87	4/21/87	19,647	Industrial Robots.
United Technology/Hamilton Standard Control, Inc./Essex Electromechanical Products (USWA).	Flora, IN	5/4/87	4/22/87	19,648	Transformers, Coils, Relays.
Vulcan Patton International (Workers)	Burleson, TX	5/4/87	4/20/87	19,649	Sucker Rods.
Well'tech, Inc. (Workers)	Odessa, TX	5/4/87	4/23/87	19,650	Oil & Gas.

[FR Doc. 87-11177 Filed 5-14-87; 8:45 am]

BILLING CODE 4510-30-M

[TA-W-18,739]

AT&T Technologies, Inc.; AT&T Technology Systems, Reading, PA; Affirmed Determination Regarding Application for Reconsideration

By an application dated March 30, 1987, counsel for the International Brotherhood of Electrical Workers, Local #1898, requested administrative reconsideration of the Department of Labor's Notice of Negative Determination Regarding Eligibility to Apply for Worker Adjustment Assistance on behalf of workers and former workers of AT&T Technologies, Inc., AT&T Technology Systems, Reading, Pennsylvania. The determination was published in the **Federal Register** on March 10, 1987 (52 FR 7330).

Counsel for the union claims, among other things, that the Department did not investigate the Regional Operating Bell Companies. Counsel for the union also does not agree with the Department's negative findings concerning the outsourcing of production to offshore facilities in 1986.

Conclusion

After careful review of the application, I conclude that the claim is of sufficient weight to justify reconsideration of the Department of Labor's prior decision. The application is, therefore, granted.

Signed at Washington, DC, this 8th day of May 1987.

Harold A. Bratt,

Deputy Director, Office of Program Management, UIS.

[FR Doc. 87-11175 Filed 5-14-87; 8:45 am]

BILLING CODE 4510-30-M

[TA-W-18, 115, et al.]

Conoco, Inc., Petroleum Exploration and Production Division and All Other Locations of the Petroleum Exploration and Production Division in Alaska et at.; Amended Certification Regarding Eligibility To Apply for Worker Adjustment Assistance

In the matter of: Conoco, Inc., Petroleum Exploration and Production Division.

Lakewood, Colorado, TA-W-18,115
Houston, Texas, TA-W-18,115A
Midland, Texas, TA-W-18,116
Lafayette, Louisiana, TA-W-18,117
New Orleans, Louisiana, TA-W-18,118

And all other locations of the petroleum exploration and production division in the following states:

Alaska, TA-W-18,118A
Arkansas, TA-W-18,118B
California, TA-W-18,118C
Colorado, TA-W-18,118D
Kansas, TA-W-18,118E
Louisiana, TA-W-18,118F
Mississippi, TA-W-18,118G
Montana, TA-W-18,118H
New Mexico, TA-W-18,118I
North Dakota, TA-W-18,118J
Oklahoma, TA-W-18,118K
Texas, TA-W-18,118L
Utaha, TA-W-18,118M
Wyoming, TA-W-18,118N

In accordance with section 223 of the Trade Act of 1974, the Department of Labor issued a Certification of Eligibility to Apply for Worker Adjustment Assitance on December 19, 1986 applicable to all workers of the Petroleum Exploration and Production Division of Conoco, Incorprated, headquartered in Houstion, Texas and including several other locations. The Certification was published in the **Federal Register** shortly thereafter.

The certification notice is amended to identify the states in which the Petroleum Exploration and Production Division maintains operations. The company has oil fields in numerous states as well as offices which support crude oil production. Worker separations have occured throughout the Division.

The intent of the certification is to cover all workers of the Petroleum Exploration and Production Division in all locations. The amended notice applicable to TA-W-18,115 through TA-W-18,118 is hereby issued as follows:

All workers of the Petroleum Exploration and Production Division of Conoco, Incorporated, headquartered in Houston, Texas, and operating in the states of Alaska; Arkansas; California; Colorado; Kansas; Louisiana; Mississippi; Montana; New Mexico; North Dakota; Oklahoma; Texas; Utah; and Wyoming who became totally or partially separated from employment on or after June 18, 1985 are eligible to apply for adjustment assistance under section 223 of the Trade Act of 1974.

Signed at Washington, DC, this 8th day of May 1987.

Robert O. Deslongchamps,

Director, Office of Legislation and Actuarial Services, UIS.

[FR Doc. 87-11171 Filed 5-14-87; 8:45 am]

BILLING CODE 4510-30-M

[TA-W-18,646 et al.]

Whitaker Division of Ristance Corp. et al.; Dismissals of Applications for Reconsideration

Pursuant to 29 CFR 90-18 applications for administrative reconsideration were filed with the Director of the Office of Trade Adjustment Assistance for workers at the Whitaker Division of Ristance Corporation, St. Joseph, Missouri; Amerada Hess Corporation, Anchorage, Alaska; Halliburton Company, Halliburton Services Manufacturing Center, Oilfield Services Division, Duncan, Oklahoma. The reviews indicated that the applications

contained no new substantial information which would bear importantly on the Department's determinations. Therefore dismissals of the applications were issued.

TA-W-18,646; Whitaker Division of Ristance Corporation, St. Joseph, Missouri (April 23, 1987).

TA-W-18,771; Amerada Hess Corporation, Anchorage, Alaska (May 1, 1987).

TA-W-19,342; Halliburton Company, Halliburton Services Manufacturing Center, Oilfield Services Div., Duncan, Oklahoma (April 23, 1987).

Signed at Washington, DC, this 6th day of May 1987.

Marvin M. Fooks,

Director, Office of Trade Adjustment Assistance.

[FR Doc. 87-11176 Filed 5-14-87; 8:45 am]

BILLING CODE 4510-30-M

Job Training Partnership Act; Native Employment and Summer Youth Employment and Training Programs; Allocations, Distribution Formulas and Rationale

AGENCY: Employment and Training Administration, Labor.

ACTION: Notice.

SUMMARY: The Employment and Training Administration of the Department of Labor is publishing the final Native American programs total allocations, distribution formulas, and rationale for Program Year 1987 (July 1, 1987—June 30, 1988) for regular programs funded under Title IV-A of the Job Training Partnership Act, and for Calendar Year 1987 for Summer Youth Employment and Training Programs funded under Title II-B of the Job Training Partnership Act.

FOR FURTHER INFORMATION CONTACT: Mr. Paul A. Mayrand, Director, Office of Special Targeted Programs, Employment and Training Administration, 200 Constitution Avenue, NW., Room N-4641, Washington, DC 20213; Phone: 202-535-0500.

SUPPLEMENTARY INFORMATION: Pursuant to section 162 of the Job Training Partnership Act (JTPA), The Employment and Training Administration (ETA) of the Department of Labor (DOL) publishes the final allocations and distribution formula for Native American grantees to be funded under JTPA section 401, and JTPA Title II, Part B. The amounts to be distributed are $61,484,000 for JTPA section 401 programs for Program Year (PY) 1987 (July 1, 1987-June 30, 1988); and $11,565,739 for JTPA Title II, Part B, for the Summer Youth Employment and Training Program (SYETP) for the summer of Calendar Year 1987.

This information, along with individual grantee planning estimates, was published in the **Federal Register** as a proposal on December 8, 1986. 51 FR 44132.

Written comments from the public were invited, but none were received.

The formula for JTPA section 401, provides that 25% of the funding will be based on the number of unemployed Native Americans in the grantee's area, and 75% will be based on the number of poverty-level Native Americans in the grantee's area.

The formula for allocating SYETP funds divides the funds among eligible recipients based on the proportion that the number of youths in a recipient's area bears to the total number of youths in all eligible areas.

The rationale for the above formulas is that the number of poverty-level persons, unemployed persons, and youth among the Native American population is indicative of the need for employment and training funds.

No hold-harmless provisions have been applied to the Title IV or the Title II-B allocations. 51 FR 21639 (June 13, 1986); 51 FR 44132 (December 8, 1986).

Statistics on youth, unemployed persons, and poverty-level persons among Native Americans used in the above program are derived from the Decennial Census of the Population, 1980.

Signed at Washington, DC, this 11th day of May 1987.

Roger D. Semerad,

Assistant Secretary of Labor.

BILLING CODE 4510-30-M

U.S. DEPARTMENT OF LABOR - EMPLOYMENT AND TRAINING ADMINISTRATION PAGE 1
OFFICE OF FINANCIAL AND ADMINISTRATIVE MANAGEMENT
PY 1987 TITLE IV-A AND PY 1986 II-B (SUMMER 1987) FINAL ALLOCATIONS FOR NATIVE AMERICANS
03-11-1987

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
POARCH BAND OF CREEK INDIANS ROUTE 3, BOX 243A ATMORE, ALABAMA 36502 GRANT NUMBER:99-7-0648-55-104-02	400,665	320,532	80,133	0	0	0
ALEUTIAN/PRIBILOF ISLANDS ASSOC. 1689 C STREET ANCHORAGE, ALASKA 99501 GRANT NUMBER:99-7-0117-55-071-02	47,787	38,230	9,557	30,986	24,789	6,197
ASSOC. OF VILLAGE COUNCIL PRESIDENTS P.O. BOX 848 BETHEL, ALASKA 99559 GRANT NUMBER:99-7-2713-55-135-02	568,026	454,421	113,605	232,853	186,284	46,571
BRISTOL BAY NATIVE ASSOCIATION P.O. BOX 189 DILLINGHAM, ALASKA 99576 GRANT NUMBER:99-7-0116-55-070-02	140,808	112,646	28,162	70,705	56,564	14,141
CENTRAL COUNCIL OF TLINGIT AND HAIDA INDIAN TRIBES 320 W, WILLOUGHBY, SUITE 300 JUNEAU, ALASKA 99801 GRANT NUMBER:99-7-0114-55-068-02	219,876	175,901	43,975	150,142	120,114	30,028
COOK INLET TRIBAL COUNCIL 900 WEST 5TH AVENUE SUITE 300 ANCHORAGE, ALASKA 99503 GRANT NUMBER:99-7-3402-55-188-02	364,890	291,912	72,978	179,113 (The Title II-B funds above will be awarded to the current grantee, Cook Inlet Native Assn. in accordance with Dept. of Labor policy.)	143,290	35,823
KAWERAK INCORPORATED P.O. BOX 948 NOME, ALASKA 99762 GRANT NUMBER:99-7-0123-55-073-02	221,863	177,490	44,373	82,293	65,834	16,459
KENAITZE INDIAN TRIBE P. O. BOX 988 KENAI, ALASKA 99611 GRANT NUMBER:99-7-0089-55-067-02	30,268	24,214	6,054	15,619	12,495	3,124
KODIAK AREA NATIVE ASSOCIATION 402 CENTER AVENUE KODIAK, ALASKA 99615 GRANT NUMBER:99-7-0115-55-069-02	64,152	51,322	12,830	29,894	23,915	5,979
MANIILAQ MANPOWER P.O. BOX 725 KOTZEBUE, ALASKA 99752 GRANT NUMBER:99-7-0124-55-074-02	174,098	139,278	34,820	79,270	63,416	15,854

U.S. DEPARTMENT OF LABOR - EMPLOYMENT AND TRAINING ADMINISTRATION PAGE 2
OFFICE OF FINANCIAL AND ADMINISTRATIVE MANAGEMENT
PY 1987 TITLE IV-A AND PY 1986 II-B (SUMMER 1987) FINAL ALLOCATIONS FOR NATIVE AMERICANS
03-11-1987

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
METLAKATLA INDIAN COMMUNITY P.O. BOX 8 METLAKATLA, ALASKA 99926 GRANT NUMBER:99-7-0064-55-053-02	15,796	12,637	3,159	16,291	13,033	3,258
NORTH PACIFIC RIM 611 EAST 12TH - SUITE 102 ANCHORAGE, ALASKA 99501 GRANT NUMBER:99-7-0118-55-072-02	57,940	46,352	11,588	23,344	18,675	4,669
TANANA CHIEFS CONFERENCE, INC. 201 FIRST AVENUE - DOYON BLDG. FAIRBANKS, ALASKA 99701 GRANT NUMBER:99-7-3109-55-150-02	387,084	309,667	77,417	192,632	154,106	38,526
AFFILIATION OF ARIZONA IND. CNTRS. INC. 2721 NORTH CENTRAL AVE., SUITE 814 PHOENIX, ARIZONA 85004 GRANT NUMBER:99-7-0268-55-089-02	256,041	204,833	51,208	0	0	0
AMERICAN INDIAN ASSOC. OF TUCSON P.O. BOX 7246 TUCSON, ARIZONA 85725 GRANT NUMBER:99-7-0492-55-096-02	334,105	267,284	66,821	0	0	0
COLORADO RIVER INDIAN TRIBES ROUTE 1, BOX 23-B PARKER, ARIZONA 85344 GRANT NUMBER:99-7-0498-55-097-02	81,827	65,462	16,365	27,879	22,303	5,576
GILA RIVER INDIAN COMMUNITY BOX 97 SACATON, ARIZONA 85247 GRANT NUMBER:99-7-0054-55-049-02	489,268	391,414	97,854	120,080	96,064	24,016
HOPI TRIBAL COUNCIL BOX 123 KYKOTSMOVI, ARIZONA 86039 GRANT NUMBER:99-7-0057-55-050-02	383,398	306,718	76,680	95,560	76,448	19,112
INDIAN DEV. DIST. OF ARIZONA, INC. 1777 W. CAMELBACK ROAD, SUITE A-108 PHOENIX, ARIZONA 85015 GRANT NUMBER:99-7-0053-55-048-02	111,812	89,450	22,362	38,963	31,170	7,793
NATIVE AMERICANS FOR COMMUNITY ACTION 15 NORTH SAN FRANCISCO STREET P.O. BOX 572 FLAGSTAFF, ARIZONA 86002 GRANT NUMBER:99-7-1777-55-119-02	113,968	91,174	22,794	0	0	0

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
NAVAJO TRIBE OF INDIANS P.O. BOX 1889 WINDOW ROCK,ARIZONA 86515 GRANT NUMBER:99-7-0059-55-052-02	6,794,990	5,435,992	1,358,998	2,107,198	1,685,758	421,440
PASQUA YAQUI TRIBE 7474 S. CAMINO DE OESTE TUCSON, ARIZONA 85746 GRANT NUMBER:99-7-3289-55-160-02	38,417	30,734	7,683	8,313	6,650	1,663
PHOENIX INDIAN CENTER, INC. 1337 NORTH 1ST STREET PHOENIX, ARIZONA 85004 GRANT NUMBER:99-7-0195-55-084-02	702,967	562,374	140,593	0	0	0
SALT RIVER PIMA-MARICOPA IND. COMMUN. ROUTE 1, BOX 216 SCOTTSDALE, ARIZONA 85256 GRANT NUMBER:99-7-0476-55-094-02	95,653	76,522	19,131	41,734	33,387	8,347
SAN CARLOS APACHE TRIBE P.O. BOX O SAN CARLOS, ARIZONA 85550 GRANT NUMBER:99-7-0173-55-081-02	312,059	249,647	62,412	105,049	84,039	21,010
TOHONO O'ODHAM NATION P.O. BOX 837 SELLS, ARIZONA 85634 GRANT NUMBER:99-7-0181-55-083-02	426,469	341,175	85,294	113,614	90,891	22,723
WHITE MOUNTAIN APACHE TRIBE P.O. BOX 700 WHITE RIVER, ARIZONA 85941 GRANT NUMBER:99-7-0174-55-186-02	331,436	265,149	66,287	117,813	94,250	23,563
AM. INDIAN CENTER OF ARKANSAS, INC. 2 VAN CIRCLE, SUITE 7 LITTLE ROCK, ARKANSAS 72207 GRANT NUMBER:99-7-1778-55-120-02	464,237	371,390	92,847	0	0	0
CALIFORNIA INDIAN MANPOWER CSRT. 4441 AUBURN BOULEVARD, SUITE J SACRAMENTO, CALIFORNIA 95841 GRANT NUMBER:99-7-2058-55-181-02	2,751,331	2,201,065	550,266	137,043	109,634	27,409
CANDALARIA AMERICAN INDIAN COUNCIL 2635 WAGON WHEEL ROAD OXNARD, CALIFORNIA 93030 GRANT NUMBER:99-7-0086-55-066-02	459,455	367,564	91,891	0	0	0

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	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
CSRT. OF UNITED INDIAN NATIONS 1404 FRANKLIN STREET, SUITE 202 OAKLAND, CALIFORNIA 94612 GRANT NUMBER:99-7-2310-55-133-02	640,481	512,385	128,096	0	0	0
FRESNO AMERICAN INDIAN COUNCIL 283 NORTH FRESNO STREET CLOVIS, CALIFORNIA 93701 GRANT NUMBER:99-7-0079-55-193-02	280,119	224,095	56,024	0	0	0
HOOPA VALLEY BUSINESS COUNCIL P.O. BOX 815 HOOPA, CALIFORNIA 95546 GRANT NUMBER:99-7-1142-55-114-02	51,612	41,290	10,322	20,237	16,190	4,047
INDIAN CENTER OF SAN JOSE, INC. 3485 EAST HILLS DRIVE SAN JOSE, CALIFORNIA 95127 GRANT NUMBER:99-7-0499-55-098-02	235,838	188,670	47,168	0	0	0
INDIAN HUMAN RESOURCES CENTER 4040 30TH STREEET SUITE A SAN DIEGO, CALIFORNIA 92104 GRANT NUMBER:99-7-2441-55-134-02	449,796	359,837	89,959	0	0	0
NORTHERN CALIF. IND. DEV. COUNCIL, INC. 241 F STREET EUREKA, CALIFORNIA 95501 GRANT NUMBER:99-7-0686-55-015-02	323,986	259,189	64,797	13,771	11,017	2,754
ORANGE COUNTY INDIAN CENTER, INC. P.O. BOX 2550 - SUITE 1 GARDEN GROVE, CALIFORNIA 92642-2550 GRANT NUMBER:99-7-0170-55-172-02	1,986,276	1,589,021	397,255	0	0	0
TULE RIVER TRIBE DEPT. OF HEALTH, SAFETY & WELFARE P.O. BOX 589 PORTERVILLE, CALIFORNIA 93257 GRANT NUMBER:99-7-3219-55-153-02	133,261	106,609	26,652	3,779	3,023	756
YA-KA-AMA INDIAN EDUC. AND DEV., INC. 6215 EASTSIDE ROAD HEALDSBURG, CALIFORNIA 95448 GRANT NUMBER:99-7-0082-55-065-02	131,922	105,538	26,384	0	0	0
DENVER INDIAN CENTER, INC. 4407 MORRISON ROAD DENVER, COLORADO 80209 GRANT NUMBER:99-7-0076-55-062-02	615,250	492,200	123,050	0	0	0

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
SOUTHERN UTE INDIAN TRIBE P.O. BOX 800 IGNACIO, COLORADO 81137 GRANT NUMBER:99-7-2714-55-136-02	56,918	45,534	11,384	13,687	10,950	2,737
UTE MOUNTAIN UTE TRIBE P.O. BOX 30 TOWAOC, COLORADO 81334 GRANT NUMBER:99-7-1143-55-115-02	68,627	54,902	13,725	16,543	13,234	3,309
AMERICAN INDIANS FOR DEVELOPMENT, INC. P.O. BOX 117 MERIDEN, CONNECTICUT 06450 GRANT NUMBER:99-7-0361-55-091-02	191,614	153,291	38,323	0	0	0
NUIC d/b/a DELAWARE INDIAN COUNCIL 2258 S. BROADWAY DENVER, COLORADO 80210 GRANT NUMBER:99-7-3403-55-187-02	39,576	31,661	7,915	0	0	0
FLA. GOVERNORS COUNCIL ON IND. AFFAIRS 521 E. COLLEGE AVENUE TALLAHASSEE, FLORIDA 32301 GRANT NUMBER:99-7-0692-55-107-02	867,831	694,265	173,566	0	0	0
MICCOSUKEE CORPORATION P.O. BOX 440021, TAMIAMI STATION MIAMI, FLORIDA 33144 GRANT NUMBER:99-7-0052-55-047-02	121,894	97,515	24,379	35,604	28,483	7,121
SEMINOLE TRIBE OF FLORIDA JTPA DEPARTMENT 6073 STIRLING ROAD HOLLYWOOD, FLORIDA 33024 GRANT NUMBER:99-7-0004-55-009-02	68,650	54,920	13,730	6,970	5,576	1,394
NUIC d/b/a GEORGIA ASSOCIATION OF NATIVE AMERICANS 2258 S. BROADWAY DENVER, COLORADO 80210 GRANT NUMBER:99-7-3406-55-190-02	347,762	278,210	69,552	0	0	0
ALU LIKE, INC. 1024 MAPUNAPUNA STREET HONOLULU, HAWAII 96819-4417 GRANT NUMBER:99-7-1179-55-116-02	2,528,396	2,022,717	505,679	1,848,395	1,478,716	369,679
AMERICAN INDIAN SERVICE CORPORATION 810 NORTH VINEYARD BOULEVARD HONOLULU, HAWAII 96817 GRANT NUMBER:99-7-3404-55-189-02	89,148	71,318	17,830	0	0	0

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	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
KOOTENAI TRIBE OF INDIANS P. O. BOX 1269 BUNNERSFERRY. IDAHO 83805 GRANT NUMBER:99-7-3334-55-161-02	32,928	26,342	6,586	1,176	941	235
NEZ PERCE TRIBE P.O. BOX 365 LAPWAI, IDAHO 83540-0305 GRANT NUMBER:99-7-0065-55-054-02	82,369	65,895	16,474	11,000	8,800	2,200
SHOSHONE-BANNOCK TRIBES FORT HALL INDIAN RESERVATIONS P.O. BOX 306 FORT HALL, IDAHO 83203 GRANT NUMBER:99-7-1780-55-121-02	244,580	195,664	48,916	35,688	28,550	7,138
AMERICAN INDIAN BUSINESS ASSOCIATION 4735 NORTH BROADWAY, SUITE 700 CHICAGO, ILLINOIS 60640 GRANT NUMBER:99-7-0809-55-109-02	1,108,472	886,778	221,694	0	0	0
MID AMERICA ALL INDIAN CENTER, INC. 660 N. SENECA WICHITA, KANSAS 67203 GRANT NUMBER:99-7-0168-55-078-02	165,280	132,224	33,056	0	0	0
UNITED TRIBES OF KANSAS AND S.E. NEB. P.O. BOX 29 HORTON, KANSAS 66439 GRANT NUMBER:99-7-0178-55-082-02	505,423	404,338	101,085	8,733	6,986	1,747
INTER-TRIBAL COUNCIL OF LOUISIANA, INC. 5425 GALERIA DRIVE - SUITE A BATON ROUGE, LOUISIANA 70816 GRANT NUMBER:99-7-0026-55-026-02	458,019	366,415	91,604	4,870	3,896	974
CENTRAL MAINE INDIAN ASSOCIATION, INC. 352 HARLOW STREET BANGOR, MAINE 04401 GRANT NUMBER:99-7-2719-55-182-02	93,272	74,618	18,654	0	0	0
TRIBAL GOVERNORS, INC. 93 MAIN STREET ORONO, MAINE 04473 GRANT NUMBER:99-7-0001-55-167-02	107,298	85,838	21,460	24,436	19,549	4,887
BALTIMORE AMERICAN INDIAN CENTER 113 SO. BROADWAY BALTIMORE, MARYLAND 21231 GRANT NUMBER:99-7-3405-55-192-02	322,496	257,997	64,499	0	0	0

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
BOSTON INDIAN COUNCIL, INC. 105 S. HUNTINGTON AVENUE JAMAICA PLAIN, MASSACHUSETTS 02130 GRANT NUMBER:99-7-0494-55-174-02	242,795	194,236	48,559	0	0	0
MASHPEE-WAMPANOAG INDIAN TRIBAL COUNCIL P.O. BOX 1048 MASHPEE, MASSACHUSETTS 02649 GRANT NUMBER:99-7-0408-55-093-02	84,678	67,742	16,936	0	0	0
GRAND RAPIDS INTER-TRIBAL COUNCIL 45 LEXINGTON AVE. N.W. GRAND RAPIDS, MICHIGAN 49504 GRANT NUMBER:99-7-0694-55-108-02	121,184	96,947	24,237	0	0	0
GRAND TRAVERSE BAND OF OTTAWA AND CHIPPEWA INDIAN ROUTE 1 BOX 135 SUTTONS BAY, MICHIGAN 49682 GRANT NUMBER:99-7-2721-55-137-02	56,143	44,914	11,229	2,183	1,746	437
INTER-TRIBAL COUNCIL OF MICHIGAN, INC. 405 EAST EASTERDAY AVENUE SAULTE ST. MARIE, MICHIGAN 49783 GRANT NUMBER:99-7-0172-55-080-02	67,257	53,806	13,451	27,123	21,698	5,425
MICHIGAN INDIAN EMPLOYMENT AND TRAINING SERVICES, 809 CENTER STREET - SUITE 6 LANSING, MICHIGAN 48906 GRANT NUMBER:99-7-1144-55-179-02	810,425	648,340	162,085	0	0	0
NORTH AMERICAN INDIAN ASSOC. OF DETROIT 600 WOODWARD AVENUE - 7TH FLOOR DETROIT, MICHIGAN 48226 GRANT NUMBER:99-7-0695-55-176-02	408,316	326,653	81,663	0	0	0
POTOWATTOMI INDIAN NATION 53237 TOWNHALL ROAD P. O. BOX 61 DOWAGIAC, MICHIGAN 49047 GRANT NUMBER:99-7-3339-55-164-02	155,103	124,082	31,021	0	0	0
SAULT STE. MARIE TRIBE OF CHIPPEWA INDIANS 2151 SHUNK ROAD SAULT STE. MARIE, MICHIGAN 49783 GRANT NUMBER:99-7-0507-55-100-02	238,539	190,831	47,708	38,039	30,431	7,608
SOUTHEASTERN MICHIGAN INDIANS, INC. P.O. BOX 861 WARREN, MICHIGAN 48090 GRANT NUMBER:99-7-3220-55-154-02	65,733	52,586	13,147	0	0	0

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	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
AMERICAN INDIAN FELLOWSHIP ASSN. 8 EAST FOURTH STREET DULUTH, MINNESOTA 55802 GRANT NUMBER:99-7-0254-55-087-02	138,551	110,841	27,710	1,847	1,478	369
AMERICAN INDIAN OPPORTUNITIES CTR. 2495 - 18TH AVENUE SOUTH MINNEAPOLIS, MINNESOTA 55404 GRANT NUMBER:99-7-3221-55-155-02	532,629	426,103	106,526	0	0	0
BOIS FORTE R. B. C. P.O. BOX 16 NETT LAKE, MINNESOTA 55772 GRANT NUMBER:99-7-0010-55-014-02	39,565	31,652	7,913	7,977	6,382	1,595
FOND DU LAC R.B.C. 105 UNIVERSITY ROAD CLOQUET, MINNESOTA 55720 GRANT NUMBER:99-7-0009-55-013-02	40,435	32,348	8,087	5,710	4,568	1,142
LEECH LAKE R. B. C. ROUTE 3, BOX 100 CASS LAKE, MINNESOTA 56633 GRANT NUMBER:99-7-0012-55-017-02	182,799	146,239	36,560	43,582	34,866	8,716
MILLE LACS BAND OF CHIPPEWA INDIANS STAR ROUTE-BOX 194 ONAMIA, MINNESOTA 56359 GRANT NUMBER:99-7-0008-55-012-02	33,370	26,696	6,674	7,893	6,314	1,579
MINNEAPOLIS AMERICAN INDIAN CENTER 1530 EAST FRANKLIN AVENUE MINNEAPOLIS, MINNESOTA 55404 GRANT NUMBER:99-7-0204-55-085-02	311,865	249,492	62,373	11,000	8,800	2,200
RED LAKE TRIBAL COUNCIL P.O. BOX 310 RED LAKE, MINNESOTA 56671 GRANT NUMBER:99-7-0017-55-020-02	146,372	117,098	29,274	56,177	44,942	11,235
WHITE EARTH R.B.C. BOX 418 WHITE EARTH, MINNESOTA 56591 GRANT NUMBER:99-7-0011-55-016-02	163,849	131,079	32,770	44,841	35,873	8,968
MISSISSIPPI BAND OF CHOCTAW INDIANS ROUTE 7, BOX 21 PHILADELPHIA, MISSISSIPPI 39350 GRANT NUMBER:99-7-0005-55-010-02	317,336	253,869	63,467	46,269	37,015	9,254

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
REGION VII AMERICAN INDIAN COUNCIL, INC. 310 ARMOUR ROAD, SUITE 205 KANSAS CITY, MISSOURI 64116 GRANT NUMBER:99-7-0967-55-177-02	587,960	470,368	117,592	0	0	0
ASSINIBOINE AND SIOUX TRIBES FORT PECK INDIAN RESERVATION P.O. BOX 1027 POPLAR, MONTANA 59255 GRANT NUMBER:99-7-0033-55-031-02	218,944	175,155	43,789	68,353	54,682	13,671
BLACKFEET TRIBAL BUSINESS COUNCIL P.O.BOX 1090 BROWNING, MONTANA 59417 GRANT NUMBER:99-7-0006-55-011-02	253,973	203,178	50,795	82,125	65,700	16,425
CHIPPEWA CREE TRIBE, ROCKY BOYS RESERV. ROCKY BOY ROUTE - P.O. BOX 580 BOX ELDER, MONTANA 59521 GRANT NUMBER:99-7-0035-55-033-02	102,200	81,760	20,440	26,451	21,161	5,290
CONFEDERATED SALISH & KOOTENAI TRIBES P.O. BOX 278 PABLO, MONTANA 59855 GRANT NUMBER:99-7-0031-55-030-02	256,959	205,567	51,392	64,491	51,593	12,898
CROW INDIAN TRIBE P.O. BOX 257 CROW AGENCY, MONTANA 59022 GRANT NUMBER:99-7-0030-55-029-02	215,814	172,651	43,163	72,132	57,706	14,426
AREA SERVED IN PY 1986 BY FT. BELKNAP AGENCY	82,392	65,914	16,478	32,413	25,930	6,483
MONTANA UNITED INDIAN ASSOCIATION 435 NORTH LAST CHANCE GULCH SUITE 2-A HELENA, MONTANA 59601 GRANT NUMBER:99-7-0074-55-060-02	443,107	354,486	88,621	0	0	0
NORTHERN CHEYENNE TRIBE P.O. BOX 368 LAME DEER, MONTANA 59043 GRANT NUMBER:99-7-0034-55-032-02	171,016	136,813	34,203	48,368	38,694	9,674
INDIAN CENTER, INC. 1100 MILITARY ROAD LINCOLN, NEBRASKA 68508 GRANT NUMBER:99-7-2722-55-183-02	176,364	141,091	35,273	0	0	0

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	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
NEBRASKA INDIAN INTER-TRIBAL DEV. CORP. ROUTE 1 - BOX 66-A WINNEBAGO, NEBRASKA 68071 GRANT NUMBER:99-7-0087-55-171-02	319,873	255,898	63,975	48,788	39,030	9,758
INTER-TRIBAL COUNCIL OF NEVADA P.O. BOX 7440 RENO, NEVADA 89510 GRANT NUMBER:99-7-0058-55-051-02	343,318	274,654	68,664	61,468	49,174	12,294
NATIONAL AMERICAN INDIAN CENTER, INC. 2300 BONANZA ROAD LAS VEGAS, NEVADA 89101 GRANT NUMBER:99-7-0687-55-105-02	96,078	76,862	19,216	0	0	0
SHOSHONE PAIUTE TRIBES P.O. BOX 219 OWYHEE, NEVADA 89832 GRANT NUMBER:99-7-2723-55-138-02	169,178	135,342	33,836	17,130	13,704	3,426
POWHATAN RENAPE NATION RANKOKUS RESERVATION - P.O. BOX 225 RANKOKUS, NEW JERSEY 08073 GRANT NUMBER:99-7-3222-55-156-02	303,972	243,178	60,794	0	0	0
ALAMO NAVAJO SCHOOL BOARD P.O. BOX 907 MAGDALENA, NEW MEXICO 87825 GRANT NUMBER:99-7-2724-55-139-02	79,455	63,564	15,891	15,871	12,697	3,174
ALL INDIAN PUEBLO COUNCIL, INC. 1015 INDIAN SCHOOL RD.,NW POBOX 6507 ALBUQUERQUE, NEW MEXICO 87197 GRANT NUMBER:99-7-3341-55-165-02	153,158	122,526	30,632	70,705	56,564	14,141
EIGHT INDIAN PUEBLO COUNCIL P.O. BOX 969 SAN JUAN PUEBLO, NEW MEXICO 87566 GRANT NUMBER:99-7-3223-55-157-02	59,863	47,890	11,973	21,581	17,265	4,316
FIVE SANDOVAL INDIAN PUEBLOS, INC. P.O. BOX 580 BERNALILLO, NEW MEXICO 87004 GRANT NUMBER:99-7-3336-55-162-02	123,178	98,542	24,636	60,796	48,637	12,159
JICARILLA APACHE TRIBE P.O. BOX 507 DULCE,NEW MEXICO 87528 GRANT NUMBER:99-7-2725-55-140-02	55,417	44,334	11,083	27,795	22,236	5,559

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
MESCALERO APACHE TRIBE P.O. BOX 176 MESCALERO, NEW MEXICO 88340 GRANT NUMBER:99-7-3100-55-149-02	77,385	61,908	15,477	27,039	21,631	5,408
NATIONAL INDIAN YOUTH COUNCIL 318 ELM STREET ALBUQUERQUE, NEW MEXICO 87102 GRANT NUMBER:99-7-0077-55-063-02	735,390	588,312	147,078	0	0	0
PUEBLO OF ACOMA P.O.BOX 469 PUEBLO OF ACOMA, NEW MEXICO 87034 GRANT NUMBER:99-7-2199-55-128-02	103,880	83,104	20,776	36,864	29,491	7,373
PUEBLO OF LAGUNA P.O. BOX 194 LAGUNA, NEW MEXICO 87026 GRANT NUMBER:99-7-1583-55-117-02	77,967	62,374	15,593	51,643	41,314	10,329
PUEBLO OF TAOS P.O. BOX 1846 TAOS, NEW MEXICO 87571 GRANT NUMBER:99-7-2200-55-129-02	33,438	26,750	6,688	11,252	9,002	2,250
PUEBLO OF ZUNI ZUNI TRIBAL COUNCIL P.O. BOX 339 ZUNI, NEW MEXICO 87327 GRANT NUMBER:99-7-0021-55-023-02	298,180	238,544	59,636	114,118	91,294	22,824
RAMAH NAVAJO SCHOOL BOARD, INC. DRAWER G PINE HILL, NEW MEXICO 87321 GRANT NUMBER:99-7-0146-55-075-02	95,210	76,168	19,042	20,825	16,660	4,165
SANTA CLARA INDIAN PUEBLO P.O. BOX 580 ESPANOLA, NEW MEXICO 87532 GRANT NUMBER:99-7-3224-55-158-02	19,934	15,947	3,987	5,038	4,030	1,008
SANTO DOMINGO TRIBE GENERAL DELIVERY SANTO DOMINGO, NEW MEXICO 87052 GRANT NUMBER:99-7-1781-55-122-02	129,800	103,840	25,960	36,864	29,491	7,373
AMERICAN INDIAN COMMUNITY HOUSE, INC. 842 BROADWAY, 8TH FLOOR NEW YORK CITY, NEW YORK 10003 GRANT NUMBER:99-7-0348-55-090-02	796,045	636,836	159,209	2,771	2,217	554

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	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
NATIVE AMERICAN CULTURAL CENTER, INC. P. O. BOX 272 ROCHESTER, NEW YORK 14601 GRANT NUMBER:99-7-3407-55-191-02	91,867	73,494	18,373	0	0	0
NATIVE AMERICAN MANPOWER PROGRAM, INC. 1047 GRANT STREET (REAR) - P.O. BOX 86 BUFFALO, NEW YORK 14207-0086 GRANT NUMBER:99-7-0689-55-106-02	237,080	189,664	47,416	9,069	7,255	1,814
THE NORTH AM. IND. CLUB OF SYRACUSE AND VICINITY, P.O. BOX 851 SYRACUSE, NEW YORK 13201 GRANT NUMBER:99-7-2201-55-130-02	200,462	160,370	40,092	6,466	5,173	1,293
ST. REGIS MOHAWK TRIBE COMMUNITY BUILDING HOGANSBURG, NEW YORK 13655 GRANT NUMBER:99-7-0522-55-103-02	169,111	135,289	33,822	24,604	19,683	4,921
SENECA NATION OF INDIANS 1490 RTE. 438 IRVING, NEW YORK 14081 GRANT NUMBER:99-7-0169-55-079-02	314,467	251,574	62,893	48,452	38,762	9,690
CUMBERLAND COUNTY ASSOC. FOR IND. PEOPLE 102 INDIAN DRIVE FAYETTEVILLE, NORTH CAROLINA 28301 GRANT NUMBER:99-7-1782-55-123-02	128,706	102,965	25,741	0	0	0
EASTERN BAND OF CHEROKEE INDIANS P.O. BOX 455 CHEROKEE, NORTH CAROLINA 28719 GRANT NUMBER:99-7-0003-55-008-02	242,580	194,064	48,516	77,254	61,803	15,451
GUILFORD NATIVE AMERICAN ASSOC. P.O. BOX 5623 400 PRESCOTT STREET GREENSBORO, NORTH CAROLINA 27403 GRANT NUMBER:99-7-2727-55-142-02	97,830	78,264	19,566	0	0	0
LUMBEE REG. DEV. ASSOC. P.O. BOX 68 PEMBROKE, NORTH CAROLINA 28372 GRANT NUMBER:99-7-0067-55-055-02	1,322,203	1,057,762	264,441	0	0	0
METROLINA NATIVE AMERICAN ASSN. 800 BRIAR CREEK ROAD CC-513 CHARLOTTE, NORTH CAROLINA 28205 GRANT NUMBER:99-7-2726-55-141-02	99,987	79,990	19,997	0	0	0

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
NORTH CAROLINA COMM. OF IND. AFFAIRS P.O. BOX 27228 RALEIGH, NORTH CAROLINA 27611-7228 GRANT NUMBER:99-7-0070-55-057-02	394,130	315,304	78,826	0	0	0
DEVILS LAKE SIOUX TRIBE P.O. BOX 300 FORT TOTTEN, NORTH DAKOTA 58335 GRANT NUMBER:99-7-0037-55-034-02	121,814	97,451	24,363	34,345	27,476	6,869
STANDING ROCK SIOUX , BOX D GENERAL DELIVERY FORT YATES, NORTH DAKOTA 58538 GRANT NUMBER:99-7-0046-55-041-02	254,926	203,941	50,985	83,468	66,774	16,694
THREE AFFILIATED TRIBES BOX 597 NEW TOWN, NORTH DAKOTA 58763 GRANT NUMBER:99-7-0062-55-170-02	172,291	137,833	34,458	49,628	39,702	9,926
TURTLE MOUNTAIN BAND OF CHIPPEWA IND. TURTLE MOUNTAIN TRIBAL COUNCIL BELCOURT, NORTH DAKOTA 58316 GRANT NUMBER:99-7-0075-55-061-02	346,423	277,138	69,285	96,988	77,590	19,398
UNITED TRIBES - ED. TECH. CNTR. 3315 S. AIRPORT ROAD BISMARCK, NORTH DAKOTA 58501 GRANT NUMBER:99-7-0206-55-173-02	174,757	139,806	34,951	0	0	0
NORTH AMERICAN INDIAN CULTURAL CENTER 1159 LAKESHORE BOULEVARD AKRON, OHIO 44301 GRANT NUMBER:99-7-3349-55-166-02	739,199	591,359	147,840	0	0	0
CADDO TRIBE OF OKLAHOMA P.O. BOX 487 BINGER, OKLAHOMA 73009 GRANT NUMBER:99-7-1783-55-124-02	28,466	22,773	5,693	11,000	8,800	2,200
CENTRAL TRIBES OF THE SHAWNEE AREA, INC. 624 NORTH BROADWAY SHAWNEE, OKLAHOMA 74801 GRANT NUMBER:99-7-0038-55-035-02	82,468	65,974	16,494	43,833	35,066	8,767
CHEROKEE NATION OF OKLAHOMA P.O. BOX 948 TAHLEQUAH, OKLAHOMA 94465 GRANT NUMBER:99-7-0027-55-027-02	1,440,758	1,152,606	288,152	658,090	526,472	131,618

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	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
CHEYENNE-ARAPAHO TRIBES P.O. BOX 38 CONCHO, OKLAHOMA 73022 GRANT NUMBER:99-7-0048-55-043-02	193,484	154,787	38,697	82,377	65,902	16,475
CHICKASAW NATION OF OKLAHOMA P.O. BOX 1548 ADA, OKLAHOMA 74820 GRANT NUMBER:99-7-0042-55-038-02	386,276	309,021	77,255	168,364	134,691	33,673
CHOCTAW NATION OF OKLAHOMA DRAWER 1210 DURANT, OKLAHOMA 74702 GRANT NUMBER:99-7-0041-55-037-02	786,674	629,339	157,335	295,750	236,600	59,150
CITIZENS BAND POTAWATOMI IND. OF OKLA. RT. 5, BOX 151 SHAWNEE, OKLAHOMA 74801 GRANT NUMBER:99-7-2202-55-131-02	194,953	155,962	38,991	138,218	110,574	27,644
COMANCHE TRIBE OF OKLAHOMA P.O. BOX 908 LAWTON, OKLAHOMA 73502 GRANT NUMBER:99-7-3150-55-151-02	160,440	128,352	32,088	106,477	85,182	21,295
CREEK NATION OF OKLAHOMA P.O. BOX 580 OKMULGEE, OKLAHOMA 74447 GRANT NUMBER:99-7-0025-55-025-02	586,215	468,972	117,243	318,087	254,470	63,617
FOUR TRIBES CONSORTIUM OF OKLAHOMA P.O. BOX 1193 ANADARKO, OKLAHOMA 73005 GRANT NUMBER:99-7-2728-55-143-02	73,539	58,831	14,708	33,001	26,401	6,600
INTER-TRIBAL COUNCIL OF N.E. OKLAHOMA P.O. BOX 1308 MIAMI, OKLAHOMA 74335 GRANT NUMBER:99-7-1135-55-110-02	51,393	41,114	10,279	32,077	25,662	6,415
KAW TRIBE OF OKLAHOMA DRAWER 50 KAW CITY, OKLAHOMA 74641 GRANT NUMBER:99-7-2729-55-144-02	2,814	2,251	563	1,260	1,008	252
KIOWA TRIBE OF OKLAHOMA P.O. BOX 361 CARNEGIE, OKLAHOMA 73015 GRANT NUMBER:99-7-0047-55-042-02	208,315	166,652	41,663	76,163	60,930	15,233

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
OKLAHOMA TRIBAL ASSISTANCE PROGRAM, INC. P.O. BOX 2841 TULSA, OKLAHOMA 74101 GRANT NUMBER:99-7-0072-55-058-02	340,091	272,073	68,018	174,746	139,797	34,949
OSAGE TRIBAL COUNCIL P.O. BOX 147 - OSAGE AGENCY CAMPUS PAWHUSKA, OKLAHOMA 74056 GRANT NUMBER:99-7-0022-55-024-02	103,831	83,065	20,766	68,269	54,615	13,654
OTOE-MISSOURIA INDIAN TRIBE OF OKLA. P.O. BOX 68 RED ROCK, OKLAHOMA 74074 GRANT NUMBER:99-7-2730-55-145-02	36,852	29,482	7,370	18,642	14,914	3,728
PAWNEE TRIBE OF OKLAHOMA P.O. BOX 470 PAWNEE, OKLAHOMA 74058 GRANT NUMBER:99-7-1785-55-126-02	23,441	18,753	4,688	14,527	11,622	2,905
PONCA TRIBE OF INDIANS WHITE EAGLE - BOX 2 PONCA CITY, OKLAHOMA. 74601 GRANT NUMBER:99-7-0029-55-028-02	55,269	44,215	11,054	42,910	34,328	8,582
SEMINOLE NATION OF OKLAHOMA P.O. BOX 1481 WEWOKA, OKLAHOMA 74884 GRANT NUMBER:99-7-0051-55-046-02	147,964	118,371	29,593	59,788	47,830	11,958
TONKAWA TRIBE OF OKLAHOMA P.O. BOX 70 TONKAWA, OKLAHOMA 74653 GRANT NUMBER:99-7-1136-55-111-02	40,839	32,671	8,168	40,810	32,648	8,162
UNITED URBAN INDIAN COUNCIL 2720 CLASSEN BLVD., SUITE 101 OKLAHOMA CITY, OKLAHOMA 73106-5435 GRANT NUMBER:99-7-2731-55-146-02	306,394	245,115	61,279	196,243	156,994	39,249
CONFED. TRIBES OF SILETZ INDIANS P.O. BOX 549 SILETZ, OREGON 97380 GRANT NUMBER:99-7-3153-55-152-02	323,392	258,714	64,678	12,344	9,875	2,469
CONFED. TRIBES OF THE UMATILLA IND. RES. P.O. BOX 638 PENDLETON, OREGON 97801 GRANT NUMBER:99-7-3065-55-148-02	45,299	36,239	9,060	14,611	11,689	2,922

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	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
CONFEDERATE TRIBES OF WARM SPRINGS P.O. BOX C - TENINO ROAD WARM SPRINGS, OREGON 97761 GRANT NUMBER:99-7-0256-55-088-02	95,596	76,477	19,119	37,955	30,364	7,591
ORGANIZATION OF FORGOTTEN AMERICANS 4509 SOUTH 56TH STREET, RM. 206 KLAMATH FALLS, OREGON 97601 GRANT NUMBER:99-7-2732-55-147-02	444,614	355,691	88,923	3,695	2,956	739
URBAN INDIAN COUNCIL 1115 S. E. MORRISON PORTLAND, OREGON 97208 GRANT NUMBER:99-7-0164-55-076-02	287,219	229,775	57,444	0	0	0
COUNCIL OF THREE RIVERS 200 CHARLES STREET PITTSBURGH, PENNSYLVANIA 15238 GRANT NUMBER:99-7-0642-55-175-02	451,420	361,136	90,284	0	0	0
UNITED AM. INDIANS OF THE DEL. VALLEY 225 CHESTNUT STREET PHILADELPHIA, PENNSYLVANIA 19106 GRANT NUMBER:99-7-0477-55-095-02	201,812	161,450	40,362	0	0	0
RHODE ISLAND INDIAN COUNCIL 444 FRIENDSHIP ST. PROVIDENCE, RHODE ISLAND 02907 GRANT NUMBER:99-7-0510-55-101-02	147,370	117,896	29,474	0	0	0
PALMETTO INDIAN AFFAIRS COMMISSION EMPLOYMENT AND TRAINING DIVISION 1300 PICKENS STREET COLUMBIA, SOUTH CAROLINA 29201-3430 GRANT NUMBER:99-7-0403-55-092-02	269,569	215,655	53,914	10,245	8,196	2,049
CHEYENNE RIVER SIOUX TRIBE P.O. BOX 768 EAGLE BUTTE, SOUTH DAKOTA 57625 GRANT NUMBER:99-7-0039-55-036-02	230,639	184,511	46,128	73,812	59,050	14,762
AREA SERVED IN PY 1986 BY CROW CREEK SIOUX TRIBE	76,827	61,462	15,365	24,688	19,750	4,938
LOWER BRULE SIOUX TRIBE P.O. BOX 187 LOWER BRULE, SOUTH DAKOTA 57548 GRANT NUMBER:99-7-0073-55-059-02	58,449	46,759	11,690	12,932	10,346	2,586

	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
OGLALA SIOUX TRIBE P.O. BOX 6 PINE RIDGE, SOUTH DAKOTA 57770 GRANT NUMBER:99-7-0043-55-039-02	727,876	582,301	145,575	202,793	162,234	40,559
ROSEBUD SIOUX TRIBE BOX 430 ROSEBUD, SOUTH DAKOTA 57570 GRANT NUMBER:99-7-0044-55-040-02	431,144	344,915	86,229	103,118	82,494	20,624
SISSETON-WAHPETON SIOUX TRIBE P.O. BOX 509 AGENCY VILLAGE, SOUTH DAKOTA 57262 GRANT NUMBER:99-7-0045-55-169-02	167,922	134,338	33,584	43,666	34,933	8,733
UNITED SIOUX TRIBES DEV. CORP. P.O. BOX 1193 PIERRE, SOUTH DAKOTA 57501 GRANT NUMBER:99-7-0165-55-077-02	636,449	509,159	127,290	32,245	25,796	6,449
USET INCORPORATED 1101 KERMIT DRIVE SUITE 800 NASHVILLE, TENNESSEE 37217 GRANT NUMBER:99-7-2737-55-184-02	640,141	512,113	128,028	0	0	0
ALABAMA-COUSHATTA INDIAN TRIBAL COUNCIL BOX 1141 LIVINGSTON,TEXAS 77351 GRANT NUMBER:99-7-1784-55-125-02	668,258	534,606	133,652	4,786	3,829	957
DALLAS INTER-TRIBAL CENTER 209 EAST JEFFERSON BLVD. DALLAS, TEXAS 75203-2690 GRANT NUMBER:99-7-0078-55-064-02	274,247	219,398	54,849	0	0	0
TIGUA INDIAN TRIBE P.O. BOX 17579 - YSLETA STATION EL PASO, TEXAS 79917 GRANT NUMBER:99-7-2099-55-127-02	456,462	365,170	91,292	10,497	8,398	2,099
NIBC d/b/a UNITED TRIBES SERVICE CENTER, INC. 1164 FOLGER STREET SALT LAKE CITY, UTAH 84111 GRANT NUMBER:99-7-3337-55-163-02	419,015	335,212	83,803	0	0	0
UTE INDIAN TRIBE P.O. BOX 190 FORT DUCHESNE, UTAH 84026 GRANT NUMBER:99-7-0049-55-044-02	75,306	60,245	15,061	31,658	25,326	6,332

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	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
ABENAKI SELF-HELP ASSN./N.H.IND. COUNC. BOX 276 SWANTON, VERMONT 05488 GRANT NUMBER:99-7-3064-55-185-02	111,584	89,267	22,317	0	0	0
MATTAPONI PAMUNKEY MONACAN CONSORTIUM ROUTE 2 - P.O. BOX 280 WEST POINT, VIRGINIA 23181 GRANT NUMBER:99-7-3227-55-159-02	242,166	193,733	48,433	1,428	1,142	286
AMERICAN INDIAN COMMUNITY CENTER EAST 801 SECOND AVE. SPOKANE, WASHINGTON 99202 GRANT NUMBER:99-7-1138-55-112-02	720,007	576,006	144,001	106,057	84,846	21,211
COLVILLE CONFEDERATED TRIBES P.O. BOX 150 NESPELEM, WASHINGTON 99155 GRANT NUMBER:99-7-1726-55-118-02	204,253	163,402	40,851	44,925	35,940	8,985
AREA SERVED IN PY 1986 BY LUMMI INDIAN BUSINESS CO	44,814	35,851	8,963	17,802	14,242	3,560
N.W. INTER-TRIBAL COUNCIL P.O. BOX 115 NEAN BAY, WASHINGTON 98357 GRANT NUMBER:99-7-0069-55-056-02	46,502	37,202	9,300	29,390	23,512	5,878
PUYALLUP TRIBE 2002 EAST 28TH ST. TACOMA, WASHINGTON 98404 GRANT NUMBER:99-7-1137-55-178-02	164,904	131,923	32,981	17,886	14,309	3,577
SEATTLE INDIAN CENTER 2222 2ND AVE. SEATTLE, WASHINGTON 98121 GRANT NUMBER:99-7-0511-55-102-02	431,993	345,594	86,399	0	0	0
WESTERN WASH. IND. EMPL. AND TRNG. PROG. 4505 PACIFIC HIGHWAY EAST SUITE C-5 TACOMA, WASHINGTON 98424 GRANT NUMBER:99-7-1933-55-180-02	869,017	695,214	173,803	117,309	93,847	23,462
LAC COURTE OREILLES TRIBAL GOVERNING BOARD ROUTE 2, BOX 2700 HAYWARD, WISCONSIN 54843 GRANT NUMBER:99-7-0018-55-021-02	97,897	78,318	19,579	22,924	18,339	4,585

PY 1987 TITLE IV-A AND PY 1986 II-B (SUMMER 1987) FINAL ALLOCATIONS FOR NATIVE AMERICANS
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	PY 1987 IV-A			PY 1986 II-B		
	TOTAL	PROGRAM	COST POOL	TOTAL	PROGRAM	COST POOL
LAC DU FLAMBEAU P.O. BOX 24 LAC DU FLAMBEAU, WISCONSIN 54538 GRANT NUMBER:99-7-1139-55-113-02	47,134	37,707	9,427	17,634	14,107	3,527
MENOMINEE INDIAN TRIBE P.O. BOX 397 KESHENA, WISCONSIN 54135-0397 GRANT NUMBER:99-7-0013-55-018-02	74,773	59,818	14,955	42,994	34,395	8,599
MILWAUKEE AREA AM. IND. MANPOWER COUNC. 3121 W. WISCONSIN AVE. MILWAUKEE, WISCONSIN 53208 GRANT NUMBER:99-7-0227-55-086-02	231,788	185,430	46,358	0	0	0
ONEIDA TRIBE OF INDIANS OF WIS., INC. P.O. BOX 365 ONEIDA, WISCONSIN 54115 GRANT NUMBER:99-7-0015-55-019-02	205,480	164,384	41,096	28,467	22,774	5,693
STOCKBRIDGE-MUNSEE COMMUNITY ROUTE 1 BOWLER, WISCONSIN 54416 GRANT NUMBER:99-7-0500-55-099-02	62,453	49,962	12,491	8,481	6,785	1,696
WISCONSIN INDIAN CONSORTIUM P.O. BOX 181 ODANAH, WISCONSIN 54861 GRANT NUMBER:99-7-2207-55-132-02	91,809	73,447	18,362	23,932	19,146	4,786
WISCONSIN-WINNEBAGO BUSINESS COMMITTEE P.O. BOX 311 TOMAH, WISCONSIN 54660 GRANT NUMBER:99-7-0019-55-022-02	199,334	159,467	39,867	13,603	10,882	2,721
SHOSHONE/ARAPAHOE TRIBES P.O. BOX 217 FORT WASHAKIE, WYOMING 82514 GRANT NUMBER:99-7-0050-55-045-02	224,585	179,668	44,917	64,155	51,324	12,831
NATIONAL TOTAL	61,484,000	49,187,197	12,296,803	11,565,739	9,252,586	2,313,153

[FR Doc. 87–11170 Filed 5–14–87; 8:45 am]
BILLING CODE 4510-30-C

Employment Standards Administration

Office of Workers' Compensation Programs; Report on Computer Matching Project Involving Certain Beneficiaries Under the Black Lung Benefits Act (BLBA)

SUMMARY: The Department of Labor, Employment Standards Administration, Office of Workers' Compensation Programs (OWCP) announces a computer match to be performed by the Illinois Department of Public Aid (IDPA) of the Department of Labor (DOL) black lung beneficiary data and Illinois Medicaid data. The match will be made under written agreement. The purpose of the data exchange is to identify those DOL black lung beneficiaries who live in Illinois, in order that the IDPA can determine which black lung beneficiaries have been recipients of Illinois Medicaid benefits. It is the responsibility of the State Agency administering the Medicaid program to pursue all liable third party resources prior to the utilization of Medicaid funds for payment of medical services. With the information obtained from this data exchange the IDPA will be able to identify potentially liable third party payors of medical expenses.

a. Authority: Title IV of the Federal Mine Safety and Health Act, 30 U.S.C. 901, *et seq.*, and Title XIX of the Social Security Act, 42 U.S.C. 301, *et seq.*

b. Description of Match: The OWCP will send the IDPA an extract from the DOL Black Lung Benefit Master File of all DOL black lung beneficiaries with an Illinois address. The IDPA will match the DOL black lung beneficiaries living in Illinois with the IDPA's records of recipients of Illinois Medicaid benefits. When a match occurs, the black lung extract data on that individual will be reviewed by the IDPA of determine whether there is potential third party liability. The IDPA will be able to seek reimbursement, if it is found that a third party should have paid for medical expenses that were paid by Medicaid in Illinois. Potential third party payors of these medical expenses include the BLBA Trust Fund and Responsible Coal Mine Operators/Insurance Carriers.

c. Description of Federal Records to be Matched: DOL/ESA–7 Office of Workers' Compensation Programs, Black Lung Benefit Payments File (47 FR 30378, July 13, 1982; as amended in 48 FR 5824, February 8, 1983, and 50 FR 5144, February 6, 1985) will be the source of the Federal black lung data extract. Among the items contained in the DOL source data extract will be: miner Social Security Number and birth date, payee name and address, payee monthly benefit amount, date and amount of last check.

d. Period of Match: The first match should begin on or about June 1, 1987, and recur annually. Follow-up procedures may extend through the calendar year.

e. Security: The personal privacy of individuals identified is protected by strict compliance with the Privacy Act (Pub. L. 93–579) and OMB Circular A–130. Information from the match will be used only for official purposes and will not be released to the public.

The extract files will be used and accessed only for the purposes previously agreed upon. Extract files will not be used to obtain information for any purpose concerning individuals who are not included in the match. Extract files will not be duplicated or disseminated within or outside the matching or source agency, unless agreed upon in writing by both agencies. The IDPA will use the data supplied in a manner prescribed by law and will maintain proper safeguards to prevent unauthorized release or use of all data contained in the source extract and the matching extract.

Access to working spaces and claim file storage areas in the IDPA offices is restricted to Illinois State employees. File areas are locked after normal duty hours and the offices are protected from outside access by security personnel. Strict control measures are enforced to ensure that access to and disclosure of these records is limited to a need-to-know basis.

f. Disposition of Records: The OWCP source data extract will remain the property of the OWCP and will be destroyed by the IDPA upon receipt of the following year's source data extract from the OWCP. The matching extract will become the joint property of the IDPA and the OWCP, and will be kept by the IDPA so long as the administrative audit is active. The matching extract will be destroyed by IDPA upon receipt of the following year's source data extract from the OWCP.

Signed at Washington, DC, this 7th day of May 1987.

Richard Staufenberger,

Acting Director, Office of Workers' Compensation Programs.

[FR Doc. 87–11172 Filed 5–14–87; 8:45 am]

BILLING CODE 4510–27–M

Wage and Hour Division

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 classes 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 I 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 Related Acts," shall be the minimum paid by contractors and subcontractors to laborers 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, NW., Room S-3504, Washington, DC 20210.

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

Connecticut CT87-1 (Jan. 2, 1987) pp. 70-82.
New York NY87-11 (Jan. 2, 1987) p. 782.
Pennsylvania PA87-5 (Jan. 2, 1987) pp. 884-886.

Volume II

Iowa IA87-2 (Jan. 2, 1987) pp. 28-29.
Illinois:
IL87-6 (Jan. 2, 1987) p. 132.
IL87-17 (Jan. 2, 1987) p. 216.
Indiana:
IN87-3 (Jan. 2, 1987) pp. 268-269.
IN87-4 (Jan. 2, 1987) p. 280.
Texas:
TX87-1 (Jan. 2, 1987) p. 915.
TX87-8 (Jan. 2, 1987) p. 942.
Listing by Location (index) p. xxviii.

Volume III

Montana MT87-1 (Jan. 2, 1987) p. 180.
Utah:
UT87-1 (Jan. 2, 1987) p. 307.
UT87-3 (Jan. 2, 1987) pp. 319-320.

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 50 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, DC 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. 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 8th day of May 1987.

Alan L. Moss,

Director, Division of Wage Determinations.

[FR Doc. 87-10455 Filed 5-14-87; 8:45 am]
BILLING CODE 4510-27-M

Occupational Safety and Health Administration

Alaska State Standards; Notification of Approval

1. Background

Part 1953 of Title 29, Code of Federal Regulations prescribes procedures under section 18 of the Occupational Safety and Health Act of 1970 (hereinafter called the Act) by which the Regional Administrator for Occupational Safety and Health (hereinafter called the Regional Administrator) under a delegation of authority from the Assistant Secretary of Labor for Occupational Safety and Health (hereinafter called the Assistant Secretary) (29 CFR 1953.4) will review and approve standards promulgated pursuant to a State plan which has been approved in accordance with section 18(c) of the Act and 29 CFR Part 1902. On August 10, 1973, notice was published in the **Federal Register** (38 FR 21628) of the approval of the Alaska plan and the adoption of Subpart R to Part 1952 containing the decision.

The Alaska plan provides for the adoption of State standards which are at least as effective as comparable Federal standards promulgated under section 6 of the Act. Section 1953.20 provides that where any alteration in the Federal program could have an adverse impact on the at least as effective status of the State program, a program change supplement to a State plan shall be required.

In response to Federal standards changes, the State has submitted by letter dated Decemberr 17, 1982 from Jim Robison, Commissioner, to James W. Lake, Regional Administrator, and incorporated as part of the plan, State standards amendments comparable to 29 CFR Part 1910 Subpart S, Electrical Standards, as published in the **Federal Register** (46 FR 4034) on January 16, 1981, and subsequent correction. The State's original standards were published in the **Federal Register** (46 FR 40183) on August 7, 1981.

Regional review revealed discrepancies in several of the State's responses and the failure of the State to incorporate the corrections that appeared in the **Federal Register** at 46 FR 40183 dated August 7, 1981. The submission was returned to the State on December 8, 1983, for corrective action.

On November 5, 1984, the State resubmitted a corrective amendment to its Electrical Standards and pointed out that an additional amendment was forthcoming to correct an additional deficiency.

On June 28, 1985, a second corrective amendment was forwarded for inclusion in the State's submittal for Electrical Standards.

These State standards, which are contained in AAC 03.001, Electrical, were promulgated after public hearings which were held on July 19, 20, and 23, 1984. Notifications of the hearings were published in statewide media on June 18 and 25, 1984. The public comment period was open for thrity days by Jim Robison, Commissioner, under authority vested by AS 19.60.020. The State incorporated editorial modifications consisting of the replacement of parentheses with commas, the word *shall* has been changed to *must*, and the phrase *the employer shall* has been deleted throughout the standard as the employer's responsibilities are spelled out in Alaska's State Statutes, Section 18.60.075, Safe Employment.

2. Decision.

The above State standard has been reviewed and compared with the relevant Federal standards. OSHA has determined that the State standard is at least as effective as the comparable Federal Standard, as required by section 18(c)(2) of the Act. OSHA has also determined that the differences between the State and Federal standards are minimal and that the standards are thus substantially identical. OSHA therefore approves these standards; however, the right to reconsider this approval is reserved should substantial objections be submitted to the Assistant Secretary.

3. Location of supplement for inspection copying.

A copy of the standards supplement, along with the approve plan, may be inspected and copied during normal business hours at the following locations: Office of Regional Administrator, Occupational Safety and Health Administration, Room 6003, Federal Office Building, 909 First Avenue, Washington 98174; State of Alaska, Department of Labor, Office of the Commissioner, Juneau, Alaska, 99802; and the Office of State Programs, Room N-3476, 200 Constitution Avenue NW., Washington, DC 20210.

4. Public participation.

Under 29 CFR 1953.2(c), the Assistant Secretary may prescribe alternative procedures to expedite the review process or for other good cause which may be consistent with applicable laws. The Assistant Secretary finds that good cause exists for not publishing the supplement to the Alaska State plan as a proposed change and making the Regional Administrator's approval effective upon publication for the following reason:

1. The standards were adopted in accordance with the procedural requirements of State law which included public comments and further public participation would be repetitious.

This decision is effective May 15, 1987.

(Sec 18, Pub. L. 91-596, 84 Stat. 1608 (29 U.S.C. 667))

Signed at Seattle, Washington, this 23rd day of March 1987.

James W. Lake,

Regional Administrator.

[FR Doc. 87-11173 Filed 5-14-87; 8:45 am]

BILLING CODE 4510-26-M

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

[Notice 87-43]

NASA Advisory Council (NAC), Space Systems and Technology Advisory Committee (SSTAC); Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Pub. L. 92-463, as amended, the National Aeronautics and Space Administration announces a forthcoming meeting of the NASA Advisory Council, Space Systems and Technology Advisory Committee, Ad Hoc Task Team on Spacecraft Power for Future Missions.

DATE AND TIME: June 5, 1987, 8:30 a.m. to 4 p.m.

ADDRESS: Room 647, Federal Office Building 10B, National Aeronautics and Space Administration Headquarters, Washington, DC 20546.

FOR FURTHER INFORMATION CONTACT: Mr. Robert Wasel, Office of Aeronautics and Space Technology, National Aeronautics and Space Administration, Washington, DC 20546, 202/453-2855.

SUPPLEMENTARY INFORMATION: The NAC Space Systems and Technology Advisory Committee (SSTAC) was established to provide overall guidance and direction to the Office of Aeronautics and Space Technology (OAST). Special ad hoc teams were formed to address specific topics. The ad hoc team on Spacecraft Power for Future Missions, chaired by Dr. Beno Sternlicht, is comprised of six members. The meeting will be open to the public up to the seating capacity of the room (approximately 25 persons including the team members and other participants).

Type of Meeting: Open.

Agenda

June 5, 1987

8:30 a.m.—Summary of Prior Meeting
9 a.m.—Discussion of Spacecraft Power Report
1p.m.—Drafting of Report
3:30 p.m.—Status Review, Discuss Future Meeting
4 p.m.—Adjourn

May 8, 1987.

Richard L. Daniels,

Advisory Committee Management Officer, National Aeronautics and Space Administration.

[FR Doc. 87-11114 Filed 5-14-87; 8:45 am]

BILLING CODE 7510-01-M

[Notice 87-44]

NASA Advisory Council (NAC), Space Systems and Technology Advisory Committee (SSTAC); Meeting

AGENCY: National Aeronautics and Space Administration.

ACTION: Notice of meeting.

SUMMARY: In accordance with the Federal Advisory Committee Act, Pub. L. 92-463, as amended, the National Aeronautics and Space Administration announces a forthcoming meeting of the NASA Advisory Council, Space Systems and Technology Advisory Committee, Onboard Processing and Data Management Technology Ad Hoc Review Team.

DATE AND TIME: June 9, 1987, 8 a.m. to 5 p.m.; June 10, 1987, 8 a.m. to 3:15 p.m.

ADDRESS: Jet Propulsion Laboratory, National Aeronautics and Space Administration, Building 198, Room 111, 4800 Oak Grove Drive, Pasadena, CA 91109.

FURTHER INFORMATION CONTACT: Mr. Robert D. Kreider, Code RC, Office of Aeronautics and Space Technology, National Aeronautics and Space Administration, Washington, DC 20546, 202/453-2744.

SUPPLEMENTARY INFORMATION: The NAC Space Systems and Technology Advisory Committee was established to provide overall guidance and direction to the space research and technology activities in the Office of Aeronautics and Space Technology (OAST). The Onboard Processing and Data Management Technology Ad Hoc Review Team was established to provide an assessment of the current state of the art in onboard processing and data management system technologies, with an emphasis on reliability. The team, chaired by Dr. Donald C. Fraser, is comprised of 11 members. The meeting will be open to the public up to the seating capacity of the room (approximately 50 persons including the team members and other participants).

Type of Meeting: Open.

Agenda

June 9, 1987

8 a.m.—Introduction, Objectives, Format
8:45 a.m.—General Purpose Computers
9:15 a.m.—Special Purpose Processing
9:45 a.m.—System Issues (Networks)
10:45 a.m.—Flight (data) Recorders
11:15 a.m.—Design, Evaluation and Verification Issues
1:15 p.m.—Revisit Current OAST Programs in Context of Morning Presentations

3:15 p.m.—Discuss/Initiate Refinement of Panel Group Outputs in Order to Coalesce into Focused OAST Program(s)

5 p.m.—Adjourn

June 10, 1987

8 a.m.—Complete Development of Specific OAST Program Recommendations

3:15 p.m.—Adjourn

Richard L. Daniels,

Advisory Committee Management Officer, National Aeronautics and Space Administration.

May 8, 1987.

[FR Doc. 87-11115 Filed 5-14-87; 8:45 am]

BILLING CODE 7510-01-M

NATIONAL SCIENCE FOUNDATION

Advisory Panel for Biological Facilities Centers; Notice of Meeting

The National Science Foundation announces the following meeting:

Name: Advisory Panel for Biological Facilities Centers.

Date and Time: June 3, 4 and 5, 1987—8:30–5:00.

Place: National Science Foundation, Room 540, Washington, DC 20550

Type of Meeting: Closed.

Contact Person: John C. Wooley, Program Director, Biological Instrumentation, Room 325E. Telephone: 202/357–7652.

Purpose of Advisory Panel: To provide advice and recommendations concerning support for research instrumentation.

Agenda: To review and evaluate research proposals as part of the selection process for awards.

Reason for Closing: The proposals being reviewed include information of proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are within exemptions (4) and (6) of 5 U.S.C. 552b(c), Government in the Sunshine Act.

M. Rebecca Winkler,

Committee Management Officer.

May 12, 1987.

[FR Doc. 87-11134 Filed 5-14-87; 8:45 am]

BILLING CODE 7555-01-M

SECURITIES AND EXCHANGE COMMISSION

[Rel. No. IC-15724; 812-6565]

Technology Funding Partners III, L.P. et al.

May 8, 1987.

AGENCY: Securities and Exchange Commission ("SEC").

ACTION: Notice of application for exemption under the Investment Company Act of 1940 (the "1940 Act").

Applicants: Technology Funding Partners III, L.P. (the "Partnership"), Technology Funding Inc. and Technology Funding Ltd. (the "Managing General Partners").

Relevant 1940 Act Sections: Exemption requested under section 6(c) of the 1940 Act from certain provisions of sections 2(a)(3) and 2(a)(19) of the 1940 Act.

Summary of Application: Applicants seek an order determining that (1) under section 2(a)(19) of the 1940 Act, the independent general partners of the Partnership are not "interested persons" of the Partnership solely by reason of being general partners thereof; and (2) under section 2(a)(3) of the 1940 Act, that no limited partner who owns less than 5% of the units of limited partnership interest in the Partnership is an "affiliated person" of the Partnership, any of the other limited partners, or any of the general partners, solely by reason of being a limited partner of the Partnership.

Filing Date: The Application was filed on December 18, 1986, and amended on March 7, April 17, and May 8, 1987.

Hearing or Notification of Hearing: If no hearing is ordered, the application will be granted. Any interested person may request a hearing on this application, or ask to be notified if a hearing is ordered. Any requests must be received by the SEC by 5:30 p.m., on May 29, 1987. Request a hearing in writing, giving the nature of your interest, the reason for the request, and the issues you contest. Serve the Applicants with the request, either personally or by mail, and also send it to the Secretary of the SEC, along with proof of service by affidavit, or, for lawyers, by certificate. Request notification of the date of a hearing by writing to the Secretary of the SEC.

ADDRESSES: Secretary, SEC, 450 5th Street, NW., Washington, DC 20549. The Partnership and the Managing General Partners, 2000 Alameda de las Pulgas, Suite 250, San Mateo, California 94403.

FOR FURTHER INFORMATION CONTACT: Staff Attorney Richard Pfordte at (202) 272–2811 or Special Counsel Curtis R. Hilliard at (202) 272–3026, Office of Investment Company Regulation.

SUPPLEMENTARY INFORMATION: Following is a summary of the application. The complete application is available for a fee from either the SEC's Public Reference Branch in person or the SEC's commercial copier (800) 231–3282 (in Maryland (301) 258–4300).

Applicant's Representations

1. The Partnership is a newly formed Delaware limited partnership that has elected status as a business development company pursuant to section 54 of the 1940 Act. The investment objective of the Partnership is to seek long-term capital appreciation by making venture capital investments.

2. The Partnership's registration statement under the Securities Act of 1933, with respect to a proposed public offering of units of limited partnership interest ("Units") was declared effective on March 25, 1987.[1] The maximum proceeds from the offering will be $40 million which will be invested in 20 to 30 venture capital investments over a period of up to four years.

3. The General Partners of the Partnership initially will consist of three individual general partners (the "Individual General Partners") and the Managing General Partners. The initial Individual General Partners will not be "interested persons" of the Partnership within the meaning of that term under section 2(a)(19) of the 1940 Act ("Independent General Partners"). The Managing General Partners are a California corporation (Technology Funding Inc.) and a California limited partnership (Technology Funding, Ltd.). The Managing General Partners are in the business of organizing and managing limited partnerships. Both Managing General Partners will register as investment advisers under the Investment Advisers Act of 1940 ("Advisers Act") as soon as possible, and Applicants undertake that the Partnership will not commence operations until both are so registered.

4. The three Individual General Partners and one representative from each Managing General Partner will serve on a management committee ("Committee") of the Partnership. The Committee has complete and exclusive authority to manage and control the Partnership except for those specific activities of the Partnership for which,

[1] For further information as to the Partnership, reference is made to its registration statement, as amended (File No. 33–10896), which includes a copy of the Partnership Agreement.

under the supervision of the Committee, the Managing General Partners will be responsible. Such activities are summarized below and are specifically set forth in the Partnership Agreement. The Committee will provide overall guidance and supervision with respect to the operations of the Partnership, will perform all duties of a board of directors of a business development company pursuant to the 1940 Act, and will monitor the activities of companies in which the Partnership invests.

The Partnership Agreement provides that the general partners are elected at the annual meetings of the limited partners and serve for annual terms. The Committee is empowered from time to time to determine the number of persons to be elected as Individual General Partners. If at any time the number of Independent General Partners is reduced to less than a majority of the general partners, the remaining members of the Committee must, within ninety days, designate one or more successor Independent General Partners so as to restore the number of Independent General Partners to such a majority.

5. The Managing General Partners will be responsible and have authority, subject to the supervision of the Committee, to determine and manage the Partnership's venture capital investments and manage day-to-day Partnership operations. The Independent General Partners will assume the responsibilities and obligations under the 1940 Act required of non-interested directors of a business development company in corporate form.

6. The Managing General Partners undertake that they will not resign or withdraw from the Partnership unless successor Managing General Partners have been appointed and consented to by the limited partners in compliance with the Partnership Agreement.

7. Applicants state that the Independent General Partners will have full-time employment with entities unrelated to the Partnership and will have substantial experience that they will bring to their positions as Independent General Partners. Applicants state that the Independent General Partners are in a position to act capably and independently on behalf of the Partnership and the limited partners. The Partnership Agreement requires the Independent General Partners to act, in their good faith judgment, in the best interests of the Partnership. In addition, the actions of the Independent General Partners will be subject to the fiduciary responsibilities imposed on general partners to limited partners of partnerships by applicble partnership laws.

8. The Partnership has been structured so that the Independent General Partners are the functional equivalents of the non-interest directors of an incorporated investment company. Section 2(a)(19) of the 1940 Act excludes from the definition of "interested persons" individual directors of an investment company. However, there is no comparable exclusion for general partners of a partnership. Applicants submit that granting the requested exemption from the provisions of section 2(a)(19) of the 1940 Act is consistent with the purpose fairly intended by the policy and provisions of the 1940 Act.

9. The limited partners, in general, have the right to vote only on certain major Partnership events specifically contemplated by Delaware law (such as dissolution of all or substantially all of the Partnership assets and dissolution of the Partnership) and on certain occasions required by the 1940 Act. The limited partners have no right to participate in the control of the Partnership's business. The Partnership will seek an opinion of counsel that the existence of or exercise of the voting rights granted to limited partners will not subject the limited partners to liability as general partners under the Delaware Revised Uniform Limited Partnership Act.

10. The Partnership Agreement empowers the general partners to take all actions which may be necessary or appropriate to protect the limited liability of the limited partners. The Partnership does not presently have an insurance policy that would provide coverage to persons who become limited partners, but the general partners expressly represent and undertake that they will take all such actions necessary or appropriate to protect the limited liability of the limited partners. Moreover, the Partnership will consider the possiblity of obtaining an errors and omissions insurance policy, and the Individual General Partners will periodically review the appropriateness of obtaining such an insurance policy for the Partnership.

11. The rights of limited partners to vote on certain matters are either equivalent to or more limited that those of corporate shareholders. Section 2(a)(3) of the 1940 Act specifically excludes from the definition of "affiliated persons," shareholders with less than a 5% ownership in such a corporation. Applicants state that limited partner investors may be deemed affiliates of the Partnership because section 2(a)(3) of the 1940 Act contains no comparable exclusion for limited partners of partnerships. Applicants therefore seek exemption from the provisions of section 2(a)(3) of the 1940 Act to the extent that limited partners with less than a 5% interest in the Partnership will not be deemed "affiliated persons" of the Partnership, any of the other limited partners and the General Partners of the Partnership.

12. The Partnership Agreement provides generally that the net profits of the Partnership will be allocated first to those partners with deficit capital account balances until such deficits have been eliminated, and then to the partners as necessary to offset net losses previously allocated to such partners and sales commissions charged to their capital accounts.

13. The Partnership Agreement specifically provides that the cash and securities available for distribution will be distributed 99% to the limited partners and 1% to the general partners until "conversion", i.e., when the amount previously distributed equals the aggregate capital contributions of all limited partners, less any excess capital contributions retured to the limited partners. Thereafter, the Partnership will make distributions, subject to the representations and express conditions agreed to below, 75% to the limited partners (ordinarily in proportion to the number of Units held by each), 5% to the limited partners (to be allocated pursuant to "Unit months" as defined in the Partnership Agreement) and 20% to the Managing General Partners. The Partnership Agreement also provides that securities distributed in kind to the partners will be treated as so sold at the time of distribution. The various allocation provisions in the Partnership Agreement have not been reviewed or approved by the Commission and the Commission expresses no opinion with regard to whether section 205 of the Advisers Act permits such allocations.

Applicants' Conditions

Applicants agree that the following may be made express conditions to the requested order:

1. The Partnership will be structured so that the Independent General Partners are the functional equivalents of the non-interested directors of an investment company registered under the 1940 Act.

2. The Partnership will not make any in-kind distributions of portfolio securities to its partners until it has obtained either a no-action letter from the staff of the Commission confirming the Partnership's interpretation of section 205 of the Advisers Act (i.e., that unrealized gains or losses attributable to

securities distributed in-kind to partners are properly deemed realized upon such distribution) or, in the alternative, the Partnership has obtained an order of exemption from section 205 of the Advisers Act pursuant to section 206A of the Advisers Act, permitting the Partnership to deem such gains or losses to be realized upon any in-kind distributions.

4. The Partnership will not commence operations until both Managing Partners are registered under the Advisers Act as investment advisers.

For the Commission, by the Division of Investment Management, under delegated authority.

Jonathan G. Katz,

Secretary.

[FR Doc. 87-11191 Filed 5-14-87; 8:45 am]

BILLING CODE 8010-10-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster Loan Area #2275]

Louisiana; Declaration of Disaster Loan Area

Terrebonne Parish in the State of Louisiana constitutes a disaster area because of damage from tornadic winds which occurred on March 29, 1987. Applications for loans for physical damage may be filed until the close of business on June 9, 1987, and for economic injury until the close of business on January 11, 1988, at the address listed below:

Disaster Area 3 Office,
Small Business Administration,
2306 Oak Lane, Suite 110,
Grand Prairie, Texas 75051,

or other locally announced locations.

The interest rates are:

	Percent
Homeowners with credit available elsewhere	8.000
Homeowners without credit available elsewhere	4.000
Businesses with credit available elsewhere	7.500
Businesses without credit available elsewhere	4.000
Businesses (EIDL) without credit available elsewhere	4.000
Other (non-profit organizations including charitable and religious organizations)	9.500

The number assigned to this disaster is 227512 for physical damage and for economic injury the number is 652100.

(Catalog of Federal Domestic Assistance Programs Nos. 59002 and 59008)

Date: April 10, 1987.

James Abdnor,

Administrator.

[FR Doc. 87-11144 Filed 5-14-87; 8:45 am]

BILLING CODE 8025-01-M

[Declaration of Disaster Loan Area #6519]

Texas; Declaration of Disaster Loan Area

Galveston and Chambers Counties in the State of Texas constitute a disaster area because of the closure of the oyster grounds from December 20, 1986 to February 20, 1987, due to heavy rains and flooding of the Trinity and San Jacinto Rivers, which began on or about December 18, 1986. Eligible small businesses without credit available elsewhere and small agricultural cooperative without credit elsewhere may file applications for economic injury assistance until the close of business on *January 11, 1988,* at the address listed below:

Disaster Area 3 Office,
Small Business Administration,
2306 Oak Lane, Suite 110,
Grand Prairie, Texas 75051.

or other locally announced locations. The interest rate for eligible small business concerns without credit available elsewhere is 4 percent and 9.5 percent for eligible small agricultural cooperatives without credit available elsewhere.

(Catalog of Federal Domestic Assistance Program No. 59002.

Dated: April 10, 1987.

James Abdnor,

Administrator.

[FR Doc. 87-11145 Filed 5-14-87; 8:45 am]

BILLING CODE 8025-01-M

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE-87-9]

Petitions for Exemption; Summary and Disposition

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petitions for exemption received and of dispositions of prior petitions.

SUMMARY: Pursuant to FAA's rulemaking provisions governing the application, processing, and disposition of petitions for exemption (14 CFR Part 11), this notice contains a summary of certain petitions seeking relief from specified requirements of the Federal Aviation Regulations (14 CFR Chapter I), dispositions of certain petitions previously received, and corrections. The purpose of this notice is to improve the public's awareness of, and participation in, this aspect of FAA's regulatory activities. Neither publication of this notice nor the inclusion or omission of information in the summary is intended to affect the legal status of any petition or its final disposition.

DATE: Comments on petitions received must identify the petition docket number involved and must be received on or before June 4, 1987.

ADDRESS: Send comments on any petition in triplicate to: Federal Aviation Administration, Office of the Chief Counsel, Attn: Rules Docket (AGC-204), Petition Docket No. , 800 Independence Avenue, SW., Washington, DC 20951.

FOR FURTHER INFORMATION: The petition, any comments received, and a copy of any final disposition are filed in the assigned regulatory docket and are available for examination in the Rules Docket (AGC-204), Room 915G, FAA Headquarters Building (FOB 10A), 800 Independence Avenue, SW.,

Washington, DC 20591; telephone (202) 267-3132.

This notice is published pursuant to paragraphs (c), (e), and (g) of § 11.27 of Part 11 of the Federal Aviation Regulations (14 CFR Part 11).

Issued in Washington, DC, on May 12, 1987.

Leonard R. Smith,

Manager, Program Management Staff.

PETITIONS FOR EXEMPTION

Docket No.	Petitioner	Regulations affected	Description of relief sought
25217	Kenmore Air Harbor	§ 135.265	To allow Kenmore Air Harbor, Inc. pilots to operate aircraft more than 34 flight hours in any 7 consecutive days.
25228	MTU Maintenance GmbH	§§ 145.71 and 145.73	To allow MTU Maintenance GmbH to inspect, repair, maintain, overhaul, and return to service aircraft engines, appliances, parts, and components for installation on any U.S. registered aircraft without geographical limitation.
25238	Chromalloy American Corporation	§ 145.1(b)	To allow Chromalloy American Corporation to be a domestic repair station partially located within the U.S. and partially located outside the U.S.
25251	FFV Aerotech	§§ 145.71 and 145.73(a)	To allow FFV Aerotech to perform repair and overhaul of Saab SF-340 aircraft components on U.S.-registered SF-340 aircraft operating solely within the U.S.

[FR Doc. 87-11158 Filed 5-14-87; 8:45 am]

BILLING CODE 4910-13-M

Research and Special Programs Administration

[Docket No. IRA-30]

Inconsistency Ruling No. IR-15—Decision on Appeal; Vermont Rules for Transportation of Irradiated Reactor Fuel and Nuclear Waste; Correction

AGENCY: Research and Special Programs Administration, DOT.

ACTION: Decision on appeal; correction.

In FR Doc. 87-8833 beginning on page 13062 in the issue of Monday, April 20, 1987, make the following correction: On page 13064, in the third column, under "Conclusion" change the first sentence to read: "For the reasons indicated above and for the reasons set forth in IR-15 itself, I affirm the determination by the Associate Director of the Materials Transportation Bureau in IR-15 that Vermont Agency of Transportation Rules III(G), III(J), III(K), V and VII are inconsistent with the HMTA and the HMR."

Issued in Washington, DC, on May 11, 1987.

M. Cynthia Douglass,

Administrator, Research and Special Programs Administration.

[FR Doc. 87-11201 Filed 5-14-87; 8:45 am]

BILLING CODE 4910-60-M

UNITED STATES INFORMATION AGENCY

Culturally Significant Objects Imported for Exhibition; Determination

Notice is hereby given of the following determination: Pursuant to the authority vested in me by the act of October 19, 1965 (79 Stat. 985, 22 U.S.C. 2459), Executive Order 12047 of March 27, 1978 (43 FR 13359, March 29, 1978), and Delegation Order No. 85-5 of June 27, 1985 (50 FR 27393, July 2, 1985), I hereby determine that the objects to be included in the exhibit, "Venus Anadyomene" (see list)[1] imported from abroad for the temporary exhibition without profit within the United States are of cultural significance. These objects are imported pursuant to loan agreements with the foreign lenders. I also determine that the temporary exhibition or display of the listed exhibit objects at the National Gallery of Art, Washington, DC, beginning on or about June 8, 1987, to on or about June 12, 1987, is in the national interest.

Public notice of this determinaton is ordered to be published in the Federal Register.

Dated: May 11, 1987.

R. Wallace Stuart,

Acting General Counsel.

[FR Doc. 87-11151 Filed 5-14-87; 8:45 am]

BILLING CODE 8230-01-M

[1] A copy of this list may be obtained by contacting Mr. John Lindburg of the Office of the General Counsel of USIA. The telephone number is 202-485-7976, and the address is Room 700, U.S. Information Agency, 301 4th Street, SW., Washington, DC 20547.

Sunshine Act Meetings

Federal Register
Vol. 52, No. 94
Friday, May 15, 1987

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).

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 2:00 p.m. on Wednesday, May 6, 1987, the Board of Directors of the Federal Depost Insurance Corporation met in closed session, by telephone conference call, to:

(A)(1) accept the highest acceptable bid which may be submitted in accordance with the "Instructions for Bidding" for a purchase and assumption transaction, or (2) in the event no acceptable bid for a purchase and assumption transaction is submitted, accept the highest acceptable bid for an insured deposit transfer transaction which may be submitted, or (3) in the event no acceptable bid for either type transaction is submitted, make funds available for the payment of the insured deposits of the closed bank, with respect to each of the following: (a) American Bank of Commerce, Denver, Colorado, which was closed by the State Bank Commissioner for the State of Colorado on Wednesday, May 6, 1987; (b) North American National Bank, Littleton, Colorado, which was expected to be closed by the Senior Deputy Comptroller of the Currency, Office of the Comptroller of the Currency, on Thursday, May 7, 1987; (c) First State Bank, Sisseton, South Dakota, which was expected to be closed by the Director of Banking and Finance for the State of South Dakota on Thursday, May 7, 1987; and (d) Moreauville State Bank, Moreauville, Louisiana, which was expected to be closed by the Commissioner for Financial Institutions for the State of Louisiana on Friday, May 8, 1987; and

(B)(1) accept the highest acceptable bid which may be submitted in accordance with the "Instructions for Bidding" for the transfer of insured deposits in Farmers State Bank, Maddock, North Dakota, which was expected to be closed by the Commissioner of Banking and Financial Institutions for the State of North Dakota on Friday, May 8, 1987; or (2) in the event no acceptable bid for a deposit transfer transaction is submitted, make funds available for the payment of the insured deposits of the closed bank.

In calling the meeting, the Board determined, on motion of Director C. C. Hope, Jr. (Appointive), seconded by Mr. Robert J. Herrmann, acting in the place and stead of Director Robert L. Clarke (Comptroller of the Currency), concurred in by Chairman L. William Seidman, that Corporation business required its consideration of the matters on less than seven days' notice to the public; that no earlier notice of the meeting was practicable; that the public interest did not require consideration of the matters in a meeting open to public observation; and that the matters could be considered in a closed meeting pursuant to subsections (c)(8), (c)(9)(A)(ii), and (c)(9)(B) of the "Government in the Sunshine Act" (5 U.S.C. 552b (c)(8), (c)(9)(A)(ii), and (c)(9)(B)).

Dated: May 11, 1987.

Federal Deposit Insurance Corporation.

Hoyle L. Robinson,

Executive Secretary.

[FR Doc. 87-11202 Filed 5-12-87; 5:07 pm]

BILLING CODE 6714-01-M

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 2:50 p.m. on Thursday, May 7, 1987, the Board of Directors of the Federal Deposit Insurance Corporation met in closed session, by telephone conference call, to consider a recommendation regarding an administrative enforcement proceeding against certain individuals of an insured bank: names of persons and name and location of bank authorized to be exempt from disclosure pursuant to the provisions of subsections (c)(6), (c)(8), and (c)(9)(A)(ii)).

In calling the meeting, the Board determined, on motion of Director C.C. Hope, Jr. (Appointive), seconded by Director Robert L. Clarke (Comptroller of the Currency), concurred in by Chairman L. William Seidman, that Corporation business required its consideration of the matter on less than seven days' notice to the public; that no earlier notice of the meeting was practicable; that the public interest did not require consideration of the matter in a meeting open to public observation; and that the matter could be considered in a closed meeting pursuant to 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)).

Dated: May 8, 1987.

Federal Deposit Insurance Corporation.

Margaret M. Olsen,

Deputy Executive Secretary.

[FR Doc. 87-11203 Filed 5-12-87; 5:07 pm]

BILLING CODE 6714-01-M

FEDERAL RESERVE SYSTEM

BOARD OF GOVERNORS

TIME AND DATE: 2:30 p.m., Thursday, May 21, 1987.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street entrance between 20th and 21st Streets, NW., 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: May 13, 1987.

James McAfee,

Associate Secretary of the Board.

[FR Doc. 87-11277 Filed 5-13-87; 3:34 pm]

BILLING CODE 6210-01-M

NEIGHBORHOOD REINVESTMENT CORPORATION

Ninth Annual Meeting

TIME AND DATE: 2:00 p.m.—Wednesday, May 20, 1987.

PLACE: 1325 G Street, NW., Suite 800, Washington, DC 20005.

STATUS: Open.

CONTACT PERSON FOR MORE INFORMATION: Timothy McCarthy, Director of Communications, 376-2623.

AGENDA

I. Call to Order/Corporate Secretary
II. Election of Temporary Chairman
III. Election of Chairman and Vice Chairman
IV. Approval of Minutes, November 24, 1986
V. Executive Director's Activity Report
VI. Personnel Committee Report
VII. Election of Officers and Appointment of Assistant Secretary
VIII. Audit Committee Report: Budget Adjustments and Reallocations
IX. Budget Committee Report
X. Treasurer's Report

Carol J. McCabe,

Secretary.

[FR Doc. 87-11247 Filed 5-13-87; 11:48 am]

BILLING CODE 7570-01-M

Corrections

Federal Register
Vol. 52, No. 94
Friday, May 15, 1987

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents and volumes of the Code of Federal Regulations. These corrections are prepared by the Office of the Federal Register. Agency prepared corrections are issued as signed documents and appear in the appropriate document categories elsewhere in the issue.

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 510, 520, 522, 524, and 529

Animal Drugs, Feeds, and Related Products; Change of Sponsor; Labeler Code Correction

Correction

In rule document 87-5378 beginning on page 7831 in the issue of Friday, March 13, 1987, make the following corrections:

1. On page 7831, in the second column, in the seventh line, "guaiacolate" was misspelled.

2. On the same page, in the same column, in the table, under the heading "Ingredient", in the second line, "luteinizing" was misspelled.

BILLING CODE 1505-01-D

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Part 874

[Docket No. 78N-1549]

Ear, Nose, and Throat Devices; General Provisions and Classifications of 47 Devices

Correction

In rule document 87-25091 beginning on page 40378 in the issue of Thursday, November 6, 1987, make the following correction:

§ 874.1100 [Corrected]

1. On page 40390, in the second column, in the first line, "§ 874.110" should read "§ 874.1100".

BILLING CODE 1505-01-D

DEPARTMENT OF THE INTERIOR

Minerals Management Service

[Lease Sale 120]

Outer Continental Shelf Operations; Oil & Gas Lease Sale Request for Interest; Norton Basin

Correction

In notice document 87-9843 beginning on page 15932 in the issue of Thursday, April 30, 1987, make the following corrections:

1. The subject heading is corrected to read as set forth above with "Sales" corrected to read "Sale".

2. In the first column, in the second paragraph, in the 10th line,"unit"should read "until".

3. In the same column, in the third paragraph, in the 10th line from the bottom, "or" should read "of".

4. In the second column, in the fourth complete paragraph, in the first line, "on" should read "one".

5. In the third column, in the second complete paragraph, in the first line, insert "the" before "review".

6. In the same column, in the third complete paragraph, "Dolores" was misspelled.

BILLING CODE 1505-01-D

federal register

Friday
May 15, 1987

Part II

Postal Rate Commission

Postal Rate and Fee Changes, 1987; Filing of Proposed Changes and Order Designating Officer of the Commission, Fixing Date for Prehearing Conference, and Establishing Procedures; Notice

POSTAL RATE COMMISSION

[Docket No. R87-1; Order No. 756]

Postal Rate and Fee Changes, 1987; Filing of Proposed Changes and Order Designating Officer of the Commission, Fixing Date for Prehearing Conference, and Establishing Procedures

Issued May 12, 1987.

Before Commissioners: Janet D. Steiger, Chairman; Bonnie Guiton, Vice-Chairman; John W. Crutcher; Henry R. Folsom; Patti Birge Tyson.

Notice is hereby given that on May 7, 1987, the United States Postal Service (hereafter Postal Service or Service), pursuant to section 3622 of the Postal Reorganization Act (39 U.S.C. 3622), filed a request with the Postal Rate Commission for a recommended decision on certain proposed changes in rates of postage and fees for postal services, and for certain related changes to the Domestic Mail Classification Schedule. This filing has been assigned Docket No. R87-1.

The Postal Service indicates that its filing is in accordance with the Commission's rules of practice applicable to requests for changes in postage rates and fees (39 CFR 3001.51-3001.55) and classification changes (39 CFR 3001.61-3001.65). The Postal Service also asserts that at current rates, for the fiscal year ending September 30, 1989, it would generate total revenues of approximately $34.5 billion and incur total costs of approximately $39.5 billion, resulting in a total revenue deficiency of approximately $5.0 billion. The Postal Service states that this revenue deficiency contravenes the requirement of 39 U.S.C. 3621 that total estimated income and appropriations will equal as nearly as practical total estimated costs. Therefore, the Postal Service has filed proposed rate and fee changes with the Commission in order that revenues in the test year [1] should approximately equal total estimated costs. According to the Postal Service, implementation of its suggested rates will increase total revenues by approximately $4.3 billion, while decreasing total costs approximately $0.7 billion.

The approximate percentage rate increases proposed for the various major categories of mail service are as follows:

Category	Rate increase proposed by Postal Service
First Class:	
Letters (percent)	15
Cards	14
Priority	7
Express Mail	(1)
Second Class:	
In County (full rates)	22
Outside	
Nonprofit (full rates)	20
Classroom (full rates)	21
Regular Rate	14
Third Class:	
Single Piece	12
Bulk Rate Regular	23
Bulk Rate Nonprofit (full rates)	4
Fourth Class:	
Parcel Post	12
Bound Printed Matter	21
Special Rate	27
Library Rate	13
Overall increase	16

[1] Decrease.

The specific rates and fees, both current and proposed, are cotained in Attachment A to this notice and order.

Included in the Postal Service's filing are proposals for mail classification changes. Among the major classification changes are: (1) Adding an Express Mail letter rate, (2) volume discounts for Express Mail, (3) addition of second-day Express Mail, (4) simplification of the Express Mail rate schedule by eliminating zone-related charges and charging rates in 5-pound increments, (5) simplification of the Priority Mail rate schedule by eliminating zone-related charges for 3-to-5-pound pieces and charging rates for higher weights in 5-pound increments, (6) discount for ZIP + 4 prebarcoded First-Class letters presorted to 5-digit ZIP code areas, (7) discount for second-class regular rate palletized mail, (8) nonadvertising incentive added for nonprofit and classroom second-class mail and increased for regular rate second class, (9) all second-class pound rates to vary with distance, (10) second-class Sectional Center Facility discount to be calculated with regard to pounds rather than pieces, (11) calculating allowable sample and complimentary copies of second class by pieces rather than weight, (12) simplification of the parcel post rate structure by eliminating zone-related charges for 2-pound and for 3-to-5-pound parcels and charging rates for higher weights in 5-pound increments, (13) discount for prebarcoded business reply with advance deposit, (14) return receipt for merchandise as a stand-alone service, and (15) additional stamped envelope options.

Simultaneously with filing this request, Postal Service filed a Request for Waiver of Portions of Rule 54 (39 CFR 3001.54). This rule specifies supporting materials which should accompany a request for a recommended decision on rates. The Service states it has not completed cross-referencing its "roll-forward workpapers" and states its belief that delayed production will not prejudice any party or the Commission.

The request of the United States Postal Service for a recommended decision on changes in rates of postage and fees for postal services is on file with the Commission's docket section and is available for public inspection during regular business hours.

I. Intervention

Hearings will be held on the proposal submitted by the Postal Service in Docket No. R87-1. Any person desiring to be heard in this matter and to become a party to the proceeding or to participate as a party in the hearings, should file a written notice of intervention. Notices of intervention must be filed, with the Secretary, Postal Rate Commission, Washington, DC 20268-0001, on or before June 9, 1987, and must be in accordance with section 20 of the Commission's rules of practice (39 CFR 3001.20). We direct specific attention to § 20(b) which provides that notices of intervention shall affirmatively indicate whether or not the petitioner intends to actively participate in the hearings. Alternatively, those persons seeking limited participation who do not wish to become formal intervenors may, on or before June 9, 1987, file a written notice of intervention as a limited participator, pursuant to section 20a of the Commission's rules of practice (39 CFR 3001.20a). In addition, those persons wishing to express their views informally, not desiring to become either a party or limited participant, may file comments pursuant to section 20b of the Commission's rules (39 CFR 3001.20b).

Intervenors wishing to comment on the Request of the United States Postal Service for Waiver of Portions of Rule 54 should do so, in writing, on or before June 9. All persons filing a notice of intervention, whether generally or on a limited basis, will be permitted to participate in the proceeding pending a final ruling by the Commission, should any written opposition to such notice of intervention be filed.

[1] The Postal Service proposes a test year in this proceeding from October 1, 1988 to September 30, 1989.

II. Representation of the General Public

We designate, to represent the general public [2] in this proceeding, Stephen A. Gold, the Director of the Office of Consumer Advocate (OCA). During this proceeding, the OCA will direct the activities of Commission personnel assigned to assist him and neither he nor any of those designated assigned personnel will participate in or advise as to any Commission decision in this proceeding.[3] The OCA will supply for the record, at the appropriate time, the names of all Commission personnel assigned to assist him in this proceeding. In this proceeding, the OCA shall be separately served with three copies of all filings in addition to, and simultaneously with, service on the Commission of the 24 copies required by section 10(c) of the rules of practice [39 CFR 3001.10(c)].

III. Discovery

The Commission directs the attention of all participants to the provisions of sections 25, 26, 27, and 28 of the rules of practice (39 CFR 3001.25, 3001.26, 3001.27, 3001.28) establishing the availability of, and rules for, discovery requests. The discovery process is one aspect of this general rate filing which we particularly wish to expedite. All interrogatories must be answered promptly in order that the expedited hearing format which we utilize can function as intended. In this regard, we point out that under our rules of practice, interested parties may immediately obtain active status in this proceeding by filing a notice of intervention. Accordingly, all parties filing such notices may immediately engage in discovery of the Postal Service's case-in-chief, without any additional action by the Commission. In accord with our desire for expedition in this proceeding, parties are actively encouraged to do so.

Participants should be aware that the limited time available to the Commission for issuing its decision makes expeditious discovery practice essential. Participants are put on notice that it is the present intention to schedule completion of discovery concerning the evidence presented by the Postal Service for July 10, 1987, although additional discovery may be allowed, especially on testimony or materials where analysis has been delayed as a result of the Service's failure to present complete information as required by Rule 54 (39 CFR 3001.54).

IV. Procedures for Expedition

Section 3624(c)(1) of the Postal Reorganization Act (39 U.S.C. 3624(c)(1)) provides that the Commission is to render its recommended decision within ten months after receiving a request proposing changes in rates and fees. In order to expedite this proceeding and still be consistent with procedural fairness, we are issuing the present detailed order so that all those who contemplate participating in this proceeding will have sufficient time to prepare for the prehearing conference.

In this regard, we direct the attention of the parties and of those who intend to file notices of intervention or notices of intervention as limited participators to Commission rule 24(d) [39 CFR 3001.24(d)], which sets forth the matters which the presiding officer and participants may consider and resolve at the prehearing conference. All interested persons are expected to appear at the prehearing conference fully prepared to discuss in detail and resolve all matters contemplated within section 24(d). All interested persons will have an opportunity to comment, at that time, on a list of suggested procedural dates and proposed special rules of practice, and should have the authority to make commitments with respect to items to be discussed and resolved. The list of suggested procedural dates and proposed special rules of practice will be distributed to intervenors, and available for inspection at the Commission docket section at least seven days prior to the prehearing conference. Before the end of the prehearing conference, all interested persons also will have an opportunity to raise appropriate subjects of concern to them. A participant intending to raise one or more issues at the initial prehearing conference should provide advance written notice explaining its concerns.

In conformity with the requirement of the Postal Reorganization Act and consistent with our past practice in general rate cases, we are resolved to expedite the conduct of this proceeding. We intend to adhere to the procedural requirements and filing deadlines set forth in our rules of practice and in any special rules of practice subsequently promulgated. The parties are forewarned that they should insure, from the outset of this proceeding, that they have provided adequate resources for the timely preparation of and response to discovery requests.

Participants may also inform the Postal Service, informally and promptly, of any desired preliminary clarification in the Service's presentation which the participant believes will assist it in contributing to the expedition of this proceeding. The Postal Service has been cooperative in providing informal clarification of past requests. Participants are urged to utilize these informal off-the-record techniques to the maximum extent feasible in resolving their particular difficulties. Should these informal procedures be used, every two weeks Postal Service is to file (1) a listing of all information given in response to these informal requests, and (2) a copy of such information with the docket section of the Commission. Such a procedure will avoid duplicative requests for information.

In order to reduce or preclude discovery by the parties of information which should have been included in the Postal Service's filing, the Commission will entertain motions requesting an opportunity to engage in a limited amount of "preliminary cross examination" of Postal Service witnesses during prehearing conferences.[4] It is our expectation that promptly scheduled conferences of this type will shorten and simplify formal discovery. However, requests of this nature concerning roll-forward workpapers should not be filed prior to May 21, as the Postal Service has admittedly failed to complete its filing on that subject, and is preparing additional materials as of this date. As opportunity for preliminary cross-examination for clarification of the presentations of other participants will exist following the filling of other participants' cases.

We also shall employ in this docket a procedure to be followed in instances where answers to discovery requests are not filed within the prescribed time. This procedure is the same as that employed in our two most recent omnibus rate cases. If a motion to compel a response is not answered by a showing of cogent and convincing reasons for delay, the presiding officer may prescribe a time at which the witness to whom the discovery request was addressed will appear for oral examination on the subject matter of the request. This examination may be conducted parallel to main hearings, before a special presiding officer to be designated by the Chairman. The special presiding officer will record any objections made, together with the proposed disposition thereof, and transmit both to the presiding officer in

[2] *See* 39 U.S.C. 3624(a), providing for an officer of the Commission for that purpose.

[3] *See* 39 CFR 3001.8.

[4] This procedure would involve a witness explaining how he reached conclusions, not why he did so. *Compare* the notice appearing at 48 FR 51337, November 8, 1983.

this docket. A transcript will be made of all such examination and the responding witness may be represented by counsel. We anticipate that such ancillary proceedings will accelerate the obtaining of responses, while not requiring the main proceeding to be delayed.

While we are not at this time specifying any procedures for the taking of depositions paralled to the main proceeding, we anticipate that the parties and the presiding officer will consider their use, when appropriate, in order to expedite responses to discovery requests and also where attendance of a special presiding officer may not be required.

As we have emphasized above, the Act requires expedited proceedings, subject to procedural fairness. We wish the parties to be on notice that this mandate of expedition applies also to the briefing stage of the proceeding, following close of the evidentiary record. Parties should be prepared to adhere strictly to a briefing schedule which is consonant with this policy.

V. Date of Intial Prehearing Conference

In accordance with the Commission's goal of expeditious consideration, the Commission will conduct all prehearing conferences and hearings en banc (39 CFR 3001.30(b)). An initial prehearing conference will be held on June 11, 1987. Additional prehearing conferences will be held on such further dates as may be scheduled by the presiding officer who will be designated by the Chiarman of the Commission. Conferences and hearings will commence each day at 9:30 a.m. at the Postal Rate Commission's hearing room, Suite 300, 1333 H Street NW., Washington, DC 20268–0001. Hearings shall be on the record and a transcript made except where the presiding officer determines otherwise.

The Commission orders:

(A) The Commission will sit en banc in the above-captioned proceeding.

(B) A prehearing conference in this proceeding will be held on June 11, 1987, commencing at 9:30 a.m. in the Postal Rate Commission hearing room, Suite 300, 1333 H Street NW., Washington, DC 20268–0001. The Conference will be held for the purposes specified in § 24 of the Commission's rules of practice (39 CFR 3001.24) and in this Notice and Order, and also to afford all participants in the proceeding an opportunity to be heard with respect to the procedures to be followed. The prehearing conference proceedings shall be recorded by an official reporter except where the presiding officer otherwise directs.

(C) Stephen A. Gold, the Director of the Office of Consumer Advocate, is designated to represent the general public in this proceeding. Service of documents on the Commission shall not constitute service on the OCA, who shall separately be served three copies of all documents.

(D) The Secretary shall cause this Notice and Order to be published in the **Federal Register.**

By the Commission.

Charles L. Clapp,

Secretary.

ATTACHMENT A.—PRESENT AND PROPOSED RATES OF POSTAGE AND FEES FOR POSTAL SERVICES

[Rate schedule 100—First class mail]

Mail type	Postage rate unit	Current rates		Proposed rates	
		Regular (cents)	Presorted (cents) [1]	Regular (cents)	Presorted (cents) [2]
(1)	(2)	(3)	(4)	(5)	(6)
Letters	1st ounce	22	18/17	25	21.5/20
	Each additional ounce [3]	17	17	20	20
Cards	Piece	14	12/11	16	14/12.5
ZIP+4 Mail: [4]					
Letters	first ounce	21.1	17.5	23	[4] 20.7
	Pre-bar code				20.2
	Each additional ounce [3]	17	17	20	20
Cards	Piece	13.1	11.5	[4] 14.5	13.2
	Pre-bar coded				12.7
Nonstandard Surcharge [5]		10	10	10	10

[1] Presorted First-Class Mail must be presented in a single mailing of at least 500 pieces properly prepared and presorted. The 5-digit presort rate applies only to each piece of a group of ten or more pieces destined for the same 5-digit ZIP Code or each piece of a group of 50 or more pieces destined for the same 3-digit ZIP Code. The lower rate applies only to mail presorted to carrier route, with a minimum of 10 pieces per route. A mailing fee of $50 must be paid once each year at each office of mailing by any person who mails presorted First-Class Mail. [The fee for mailers allows usage of either or both of these rates.]

[2] Presorted First-Class Mail must be presented in a single mailing of at least 500 pieces properly prepared and presorted. The higher rate applies to mail presorted to ZIP Code and prepared as prescribed by the Postal Service. The lower rate applies only to mail presorted to carrier route, and prepared as prescribed by the Postal Service. A mailing fee must be paid once each year at each office of mailing by any person who mails presorted First-Class Mail. [The fee for mailers allows usage of either or both of these rates.]

[3] Rate applies through 12 ounces. Heavier pieces are subject to zone-rated priority mail rates.

[4] ZIP+4 mail must be properly prepared and submitted in a single mailing of at least 250 pieces, except where the presort minimum of 500 applies. ZIP+4 rates are not available for carrier route presort mail.

[5] Applies to the first ounce only. Not applicable to ZIP+4 mail.

BILLING CODE 7715-01-M

RATE SCHEDULE 103(a)

Current Priority Mail Rates
(Dollars)

Postage Rate Units (Pounds)	Rate 1/					
	Zones					
	Local 1, 2 & 3	4	5	6	7	8
2	2.40	2.40	2.40	2.40	2.40	2.40
3	2.74	3.16	3.45	3.74	3.96	4.32
4	3.18	3.75	4.13	4.53	4.92	5.33
5	3.61	4.32	4.86	5.27	5.81	6.37
6	4.15	5.08	5.71	6.31	6.91	7.66
7	4.58	5.66	6.39	7.09	7.80	8.67
8	5.00	6.23	7.07	7.87	8.68	9.68
9	5.43	6.81	7.76	8.66	9.57	10.69
10	5.85	7.39	8.44	9.44	10.45	11.70
11	6.27	7.97	9.12	10.22	11.33	12.71
12	6.70	8.55	9.81	11.01	12.22	13.72
13	7.12	9.12	10.49	11.79	13.10	14.73
14	7.55	9.70	11.17	12.57	13.99	15.74
15	7.97	10.28	11.86	13.36	14.87	16.75
16	8.39	10.86	12.54	14.14	15.75	17.75
17	8.82	11.44	13.22	14.92	16.64	18.76
18	9.24	12.01	13.90	15.70	17.52	19.77
19	9.67	12.59	14.59	16.49	18.41	20.78
20	10.09	13.17	15.27	17.27	19.29	21.79
21	10.51	13.75	15.95	18.05	20.17	22.80
22	10.94	14.33	16.64	18.84	21.06	23.81
23	11.36	14.90	17.32	19.62	21.94	24.82
24	11.79	15.48	18.00	20.40	22.83	25.83
25	12.21	16.06	18.69	21.19	23.71	26.84
26	12.63	16.64	19.37	21.97	24.59	27.84
27	13.06	17.22	20.05	22.75	25.48	28.85
28	13.48	17.79	20.73	23.53	26.36	29.86
29	13.91	18.37	21.42	24.32	27.25	30.87
30	14.33	18.95	22.10	25.10	28.13	31.88
31	14.75	19.53	22.78	25.88	29.01	32.89
32	15.18	20.11	23.47	26.67	29.90	33.90
33	15.60	20.68	24.15	27.45	30.78	34.91
34	16.03	21.26	24.83	28.23	31.67	35.92
35	16.45	21.84	25.52	29.02	32.55	26.93

RATE SCHEDULE 103(a) (Cont'd.)
Current Priority Mail rates
(Dollars)

	Zones					
	Local 1, 2 & 3	4	5	6	7	8
36	16.87	22.42	26.20	29.80	33.43	37.93
37	17.30	23.00	26.88	30.58	34.32	38.94
38	17.72	23.57	27.56	31.36	35.20	39.95
39	18.15	24.15	28.25	32.15	36.09	40.96
40	18.57	24.73	28.93	32.93	36.97	41.7
41	18.99	25.31	29.61	33.71	37.85	42.98
42	19.42	25.89	30.30	34.50	38.74	43.99
43	19.84	26.46	30.98	35.28	39.62	45.00
44	20.27	27.04	31.66	36.06	40.51	46.01
45	20.69	27.62	32.35	36.85	41.39	47.02
46	21.11	38.20	33.03	37.63	42.27	48.02
47	21.54	28.78	33.71	38.41	43.16	49.03
48	21.96	29.35	34.39	39.19	44.04	50.04
49	22.39	29.93	35.08	39.98	44.93	51.05
50	22.81	30.51	35.76	40.76	45.81	52.06
51	23.23	31.09	36.44	41.54	46.69	53.07
52	23.66	31.67	37.13	42.33	47.58	54.08
53	24.08	32.24	37.81	43.11	48.46	55.09
54	24.51	32.82	38.49	43.89	49.35	56.10
55	24.93	33.40	39.18	44.68	50.23	57.11
56	25.35	33.98	39.86	45.46	51.11	58.11
57	25.78	34.56	40.54	46.24	52.00	59.12
58	26.20	35.13	41.22	47.02	52.88	60.13
59	26.63	35.71	41.91	47.81	53.77	61.14
60	27.05	36.29	42.59	48.59	54.65	62.15
61	27.47	36.87	43.27	49.37	55.53	63.16
62	27.90	37.45	43.96	50.16	56.42	64.17
63	28.32	38.02	44.64	50.94	57.30	65.18
64	28.75	38.60	45.32	51.72	58.19	66.19
65	29.17	39.18	46.01	52.51	59.07	67.20
66	29.59	39.76	46.69	53.29	59.95	68.20
67	30.02	40.34	47.37	54.07	60.84	69.21
68	30.44	40.91	48.05	54.85	61.72	70.22
69	30.87	41.49	48.74	55.64	62.61	71.23
70	31.29	42.07	49.42	56.42	63.49	72.24

1/ Exception: Parcels weighing less than 15 pounds, measuring over 84 inches in length and girth combined, are charged a rate equal to that for a 15-pound parcel for the zone to which addressed.

RATE SCHEDULE 103(b)

Proposed Priority Mail Rates
(Dollars)

Postage Rate Units (Pounds)	Rate 1/					
	ZONES					
	Local 1,2,3	4	5	6	7	8
To 2	2.65	2.65	2.65	2.65	2.65	2.65
3- 5 2/	3.80	3.80	3.80	3.80	3.80	3.80
6-10.....	4.80	6.10	6.95	7.50	8.25	9.35
11-15	6.75	8.90	10.35	11.25	12.45	14.35
16-20.....	8.70	11.70	13.75	15.00	16.70	19.30
21-25.....	10.65	14.50	17.15	18.75	20.95	24.30
26-30.....	12.60	17.30	20.55	22.50	25.15	29.30
31-35.....	14.55	20.05	23.90	26.25	29.40	34.25
36-40.....	16.50	22.85	27.30	30.00	33.60	39.25
41-45.....	18.45	25.65	30.70	33.75	37.85	44.20
46-50.....	20.40	28.45	34.10	37.50	42.10	49.20
51-55.....	22.30	31.25	37.50	41.20	46.30	54.20
56-60.....	24.25	34.05	40.85	44.95	50.55	59.15
61-65.....	26.20	36.85	44.25	48.70	54.80	64.15
66-70.....	28.15	39.65	47.65	52.45	59.00	69.15

1/ Exception: Parcels weighing less than 15 pounds, measuring over 84 inches in length and girth combined, are charged a rate equal to that for a 15-pound parcel for the zone to which addressed.

2/ Applies to items weighing greater than 2 pounds up to 5 pounds.

BILLING CODE 7715-01-C

RATE SCHEDULE 200

[Second-class mail: Regular rate publications, outside county [1]]

	Postage rate unit	Rates [2]	
		Current (cents)	Proposed (cents)
Per pound:			
Non-advertising portion	Pound	11.8	([3])
Zoned pound rates:			
Zone:			
SCF	do		11.4
1 and 2 [4]	do	[5] 15.8	14.4
3	do	16.6	14.8
4	do	18.2	15.9
5	do	20.7	17.7
6	do	23.3	19.6
7	do	26.0	21.8
8	do	28.9	23/7
Pallet difference [6]		Pound rate	10%
Per piece:			
A—Prepared [7]	Piece	12.3	15.1
B—Presorted to 3-digit city/5-digit ZIP code	do	9.6	11.9
C—Carrier-route presort	do	7.8	9.7
SCF difference [8]	do	(1.0)	
Non-advertising difference [9]	do	(3.0)	(4.0)

[1] The rates in this schedule apply to commingled non-subscriber, non-requester, complementary, and sample copies in excess of the 10 percent allowance in regular-rate, non-profit, and classroom second-class mail.

[2] Charges are computed by adding the appropriate per-piece charge to the sum of the non-advertising portion and the advertising portion charge, as applicable.

[3] Under proposed rates, the full weight of the publication pays the zoned pound rates shown below.

[4] Under proposed rates, the zones 1 & 2 pound rate does not apply to mail entered under the SCF pound rate.

[5] Full rate for advertising portion of science-of-agriculture publications mailed to zones 1 & 2 is currently 10.1 cents per pound. The proposed full rate is 6.6 cents per pound for zones 1 & 2 and 3.8 cents per pound for SCF.

[6] Palletized publications receive a 10 percent reduction in the total of the pound rate charges of qualifying mail.

[7] Presorted to 3-digit (other than 3-digit city), SCF, states, mixed states.

[8] Applies to mail destinating in the originating SCF area. The difference is subtracted from the applicable piece rate.

[9] Per-piece rate reduction equals this rate times the proportion of the publication which is non-advertising.

RATE SCHEDULE 201

[Second-class mail: In-county]

	Full rates	
	Current (cents)	Proposed (cents)
Per pound	7.9	9.4
Per piece:		
Required presort	4.3	5.3
Carrier route presort	2.5	3.1

RATE SCHEDULE 202

[Second-class mail: Publications of authorized nonprofit organizations, outside county [1]]

	Postage rate unit	Full rates [2]	
		Current (cents)	Proposed (cents)
Per pound:			
Non-advertising portion	Pound	7.6	([8])
Zoned pound rates: [3]			
Zone:			
SCF	do		3.8
1 and 2 [4]	do	10.1	6.6
3	do	11.5	7.1
4	do	13.7	8.4
5	do	17.0	10.3

RATE SCHEDULE 202—Continued

[Second-class mail: Publications of authorized nonprofit organizations, outside county [1]]

	Postage rate unit	Full rates [2]	
		Current (cents)	Proposed (cents)
6	do	20.5	12.3
7	do	24.7	14.7
8	do	28.2	16.7
Per piece			
A—Prepared [5]	Piece	8.4	12.0
B—Presorted to 3-digit city/5-digit ZIP code	do	5.8	8.8
C—Carrier-route presort	do	3.9	6.6
SCF difference [6]	do	(1.0)	
Non-advertising difference [7]	do		(2.0)

[1] These rates apply to second-class mail which is entered by authorized nonprofit organizations or associations.
[2] Charges are computed by adding the per-piece charge to the sum of the non-advertising portion charge and the advertising portion charge, as applicable.
[3] Under current rates, zoned pound rates are not applicable to publications containing 10 percent or less advertising content.
[4] Under proposed rates, the zones 1 & 2 pound rate does not apply to mail entered under the SCF pound rate.
[5] Presorted to 3-digit (other than 3-digit city), SCF, states, mixed states.
[6] Applies to mail destinating in the originating SCF area. The difference is subtracted from the applicable piece rate.
[7] Per-piece rate reduction equals this rate times the proportion of the publication which is non-advertising.
[8] Under proposed rates, the full weight of the publication pays the zoned pound rates shown below.

RATE SCHEDULE 203

[Second-class mail: Classroom publications outside county]

	Postage rate unit	Full rates [1]	
		Current (cents)	Proposed (cents)
Per pound:			
Non-advertising portion	Pound	6.2	([5])
Zoned pound rates:			
Zone:			
SCF	do		3.5
1 and 2 [2]	do	8.2	5.2
3	do	9.4	5.5
4	do	11.5	6.1
5	do	14.8	7.1
6	do	18.2	8.1
7	do	22.3	9.4
8	do	26.0	10.4
Per piece	Piece	5.6	11.9
SCF difference [3]	do	(1.0)	
Non-advertising difference [4]	do		(4.0)

[1] Charges are computed by adding the per-piece charge to the sum of the non-advertising portion charge and the advertising portion charge, as applicable.
[2] Under proposed rates, the zones 1 & 2 pound rate does not apply to mail entered under the SCF pound rate.
[3] Applies to mail destinating in the originating SCF area. The difference is subtracted from the piece rate.
[4] Per-Piece rate reduction equals this rate times the proportion of the publication which is non-advertising.
[5] Under proposed rates, the full weight of the publication pays the zoned pound rates shown below.

RATE SCHEDULE 207

[Second-class mail: Commingled non-subscriber and [1] non-requester]

	Postage rate unit	Rates [2]	
		Current (cents)	Proposed (cents)
Per Pound:			
Non-advertising portion	Pound	11.8	
Zoned pound rates:			
Zone:			
1 and 2	do	15.8	
3	do	16.6	

RATE SCHEDULE 207—Continued

[Second-class mail: Commingled non-subscriber and [1] non-requester]

	Postage rate unit	Rates [2]	
		Current (cents)	Proposed (cents)
4	do	18.2	
5	do	20.7	
6	do	23.3	([6])
7	do	26.0	
8	do	28.9	
Per Piece:			
A—Prepared [3]	Piece	[5] 12.3	
B—Presorted to 3-digit city/5-digit ZIP code	do	[5] 9.6	
C—Carrier route presort	do	[5].78	
SCF difference [4]	do	(1.0)	
Non-advertising difference	do	(3.0)	

[1] Includes sample copies in excess of the 10 percent allowance and complimentary copies.
[2] Charges are computed by adding the appropriate per-piece charge to the sum of the non-advertising portion and the advertising portion charge, as applicable.
[3] Presorted to 3-digit (other than 3-digit city) SCF, states, mixed states.
[4] Applies to mail destinating in the originating SCF area. The difference is subtracted from the applicable piece rate.
[5] For postage calculation, multiply the percentage of non-advertising content by 3.0 cents and subtract from the applicable piece charge.
[6] Under the proposed rates, this schedule is deleted and mailers otherwise paying these rates are referred to Schedule B–4.

RATE SCHEDULE 300

[Third-class mail single piece]

	Rate	
	Current (cents)	Proposed (cents)
Single piece:		
One ounce	22	25
Two ounces	39	45
Three ounces	56	65
Four ounces	73	85
Five and six ounces	88	100
Each additional 2 ounces	10	10
Nonstandard surcharge [1]	10	10
Keys and identification devices:		
First 2 ounces	62	85
Each additional 2 ounces	34	47

[1] Applies only to pieces weighting 1 ounce or less.

RATE SCHEDULE 301

[Third-class mail regular bulk]

	Rate	
	Current (cents)	Proposed (cents)
Bulk Rate Structure: [1]		
Per pound, required presortation	38 plus 4.2 cents per piece	45 plus 6.4 cents per piece.
Per pound, presorted to 5-digit ZIP Code	38 plus 1.8 cents per piece	45 plus 3.1 cents per piece.
Per pound, presorted to carrier route	38.0	45.0.
Minimum per piece, required presortation	12.5	16.5.
Minimum per piece, presorted to 5-digits	10.1	13.2.
Minimum per piece, presorted to carrier route	8.3	10.1.

[1] Currently, a fee of $50 must be paid once each calendar year for each bulk mailing permit. The proposed bulk fee is $60.

RATE SCHEDULE 302

[Third-class mail nonprofit bulk]

	Full rate	
	Current (cents)	Proposed (cents)
Nonprofit Bulk Rate Structure: [1]		
Per pound, required presortation	21.9 plus 2.6 cents per piece	18.1 plus 3.5 cents per piece.
Per pound, presorted to 5-digit ZIP Code	21.9 plus 1.5 cents per piece	18.1 plus 2.6 cents per piece.
Per pound, presorted to carrier route	21.9	18.1.
Minimum per piece, required presortation	7.4	8.0.
Minimum per piece, presorted to 5-digits	6.3	7.1.
Minimum per piece, presorted to carrier route	4.8	4.5.

[1] Currently, a fee of $50 must be paid once each calendar year for each bulk mailing permit. The proposed bulk fee is $60.

RATE SCHEDULE 400

[Fourth-class mail: Parcel post] [1]

Current Rates Are Shown on Schedules 400(a)(1) and 400(a)(2).
Proposed Rates Are Shown on Schedules 400(b)(1) and 400(b)(2).

[1] Bulk parcel post: The bulk fourth-class zone rates are applied to mailings of at least 300 pieces or 2,000 pounds of fourth-class mail of identical weight.

BILLING CODE 7715-01-M

RATE SCHEDULE 400(a)(1)

Parcel Post - Intra BMC/ASF Service
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate				
	Zones				
	Local	1&2	3	4	5
2	1.19	1.25	1.35	1.50	1.73
3	1.25	1.33	1.49	1.71	2.05
4	1.31	1.41	1.62	1.92	2.38
5	1.36	1.49	1.76	2.13	2.70
6	1.42	1.58	1.89	2.34	3.02
7	1.47	1.66	2.03	2.55	3.35
8	1.53	1.74	2.16	2.76	3.67
9	1.59	1.83	2.30	2.97	3.99
10	1.64	1.91	2.43	3.18	4.32
11	1.69	1.97	2.54	3.33	4.55
12	1.74	2.04	2.63	3.49	4.78
13	1.78	2.10	2.73	3.63	4.99
14	1.82	2.16	2.82	3.76	5.19
15	1.86	2.21	2.90	3.88	5.38
16	1.90	2.26	2.98	4.00	5.55
17	1.94	2.32	3.06	4.11	5.72
18	1.98	2.36	3.13	4.22	5.87
19	2.02	2.41	3.20	4.32	6.02
20	2.05	2.46	3.27	4.42	6.17
21	2.09	2.51	3.33	4.51	6.31
22	2.12	2.55	3.40	4.60	6.44
23	2.16	2.59	3.46	4.69	6.57
24	2.19	2.64	3.52	4.78	6.69
25	2.23	2.68	3.58	4.86	6.81
26	2.26	2.72	3.64	4.94	6.92
27	2.29	2.76	3.69	5.02	7.04
28	2.32	2.80	3.75	5.09	7.14
29	2.36	2.84	3.80	5.17	7.25
30	2.39	2.88	3.85	5.24	7.35
31	2.42	2.92	3.91	5.31	7.45
32	2.45	2.96	3.96	5.38	7.55
33	2.48	2.99	4.01	5.45	7.65
34	2.51	3.03	4.06	5.52	7.74
35	2.54	3.07	4.10	5.58	7.83

RATE SCHEDULE 400(a)(1) (Cont'd.)

Parcel Post - Intra BMC/ASF Service
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate				
	Zones				
	Local	1&2	3	4	5
36	2.57	3.10	4.15	5.65	7.92
37	2.60	3.14	4.20	5.71	8.01
38	2.63	3.17	4.25	5.77	8.09
39	2.66	3.21	4.29	5.83	8.18
40	2.69	3.24	4.34	5.89	8.26
41	2.72	3.28	4.38	5.95	8.34
42	2.75	3.31	4.42	6.01	8.42
43	2.78	3.34	4.47	6.07	8.50
44	2.81	3.38	4.51	6.12	8.58
45	2.84	3.41	4.55	6.18	8.65
46	2.86	3.45	4.60	6.23	8.73
47	2.89	3.48	4.64	6.29	8.80
48	2.92	3.51	4.68	6.34	8.87
49	2.95	3.54	4.72	6.39	8.94
50	2.98	3.58	4.76	6.45	9.01
51	3.01	3.61	4.80	6.50	9.08
52	3.03	3.64	4.84	6.55	9.15
53	3.06	3.67	4.88	6.60	9.22
54	3.09	3.70	4.92	6.65	9.29
55	3.12	3.73	4.96	6.70	9.35
56	3.14	3.77	5.00	6.75	9.42
57	3.17	3.80	5.04	6.80	9.48
58	3.20	3.83	5.07	6.85	9.55
59	3.23	3.86	5.11	6.90	9.61
60	3.25	3.89	5.15	6.94	9.67
61	3.28	3.92	5.19	6.99	9.74
62	3.31	3.95	5.22	7.04	9.80
63	3.34	3.98	5.26	7.08	9.86
64	3.36	4.01	5.30	7.13	9.92
65	3.39	4.04	5.33	7.17	9.98
66	3.42	4.07	5.37	7.22	10.03
67	3.44	4.10	5.41	7.26	10.09
68	3.47	4.13	5.44	7.31	10.15
69	3.50	4.16	5.48	7.35	10.21
70	3.52	4.19	5.51	7.40	10.27

RATE SCHEDULE 400(a)(2)

Parcel Post - Inter BMC/ASF Service
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate						
	Zones						
	1&2	3	4	5	6	7	8
2	1.41	1.51	1.66	1.89	2.13	2.25	2.30
3	1.49	1.65	1.87	2.21	2.58	2.99	3.87
4	1.57	1.78	2.08	2.54	3.03	3.57	4.74
5	1.65	1.92	2.29	2.86	3.47	4.16	5.62
6	1.74	2.05	2.50	3.18	3.92	4.74	6.49
7	1.82	2.19	2.71	3.51	4.37	5.32	7.36
8	1.90	2.32	2.92	3.83	4.82	5.91	8.25
9	1.99	2.46	3.13	4.15	5.26	6.49	9.12
10	2.07	2.59	3.34	4.48	5.71	7.07	10.00
11	2.13	2.70	3.49	4.71	6.03	7.49	10.62
12	2.20	2.79	3.65	4.94	6.34	7.89	11.23
13	2.26	2.89	3.79	5.15	6.63	8.27	11.78
14	2.32	2.98	3.92	5.35	6.90	8.62	12.30
15	2.37	3.06	4.04	5.54	7.15	8.94	12.79
16	2.42	3.14	4.16	5.71	7.39	9.25	13.24
17	2.48	3.22	4.27	5.88	7.61	9.54	13.67
18	2.52	3.29	4.38	6.03	7.83	9.81	14.08
19	2.57	3.36	4.48	6.18	8.03	10.07	14.46
20	2.62	3.43	4.58	6.33	8.22	10.32	14.83
21	2.67	3.49	4.67	6.47	8.41	10.56	15.18
22	2.71	3.56	4.76	6.60	8.59	10.79	15.51
23	2.75	3.62	4.85	6.73	8.76	11.01	15.83
24	2.80	3.68	4.94	6.85	8.92	11.22	16.14
25	2.84	3.74	5.02	6.97	9.08	11.42	16.43
26	2.88	3.80	5.10	7.08	9.23	11.61	16.72
27	2.92	3.85	5.18	7.20	9.38	11.80	16.99
28	2.96	3.91	5.25	7.30	9.52	11.98	17.26
29	3.00	3.96	5.33	7.41	9.66	12.16	17.52
30	3.04	4.01	5.40	7.51	9.80	12.33	17.77
31	3.08	4.07	5.47	7.61	9.93	12.50	18.01
32	3.12	4.12	5.54	7.71	10.06	12.66	18.24
33	3.15	4.17	5.61	7.81	10.19	12.82	18.47
34	3.19	4.22	5.68	7.90	10.31	12.97	18.70
35	3.23	4.26	5.74	7.99	10.43	13.12	18.91

RATE SCHEDULE 400(a)(2) (Cont'd.)

Parcel Post - Inter BMC/ASF Service
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate						
	ZONE						
	1&2	3	4	5	6	7	8
36	3.26	4.31	5.81	8.08	10.54	13.27	19.12
37	3.30	4.36	5.87	8.17	10.66	13.41	19.33
38	3.33	4.41	5.93	8.25	10.77	13.55	19.53
39	3.37	4.45	5.99	8.34	10.88	13.69	19.73
40	3.40	4.50	6.05	8.42	10.98	13.83	19.92
41	3.44	4.54	6.11	8.50	11.09	13.96	20.11
42	3.47	4.58	6.17	8.58	11.19	14.09	20.29
43	3.50	4.63	6.23	8.66	11.29	14.21	20.47
44	3.54	4.67	6.28	8.74	11.39	14.34	20.65
45	3.57	4.71	6.34	8.81	11.49	14.46	20.82
46	3.61	4.76	6.39	8.89	11.59	14.58	20.99
47	3.64	4.80	6.45	8.96	11.68	14.69	21.16
48	3.67	4.84	6.50	9.03	11.77	14.81	21.32
49	3.70	4.88	6.55	9.10	11.86	14.92	21.48
50	3.74	4.92	6.61	9.17	11.95	15.03	21.64
51	3.77	4.96	6.66	9.24	12.04	15.14	21.80
52	3.80	5.00	6.71	9.31	12.13	15.25	21.95
53	3.83	5.04	6.76	9.38	12.22	15.36	22.10
54	3.86	5.08	6.81	9.45	12.30	15.46	22.25
55	3.89	5.12	6.86	9.51	12.39	15.57	22.39
56	3.93	5.16	6.91	9.58	12.47	15.67	22.54
57	3.96	5.20	6.96	9.64	12.55	15.77	22.68
58	3.99	5.23	7.01	9.71	12.63	15.87	22.82
59	4.02	5.27	7.06	9.77	12.71	15.97	22.95
60	4.05	5.31	7.10	9.83	12.79	16.06	23.09
61	4.08	5.35	7.15	9.90	12.87	16.16	23.22
62	4.11	5.38	7.20	9.96	12.94	16.25	23.35
63	4.14	5.42	7.24	10.02	13.02	16.35	23.48
64	4.17	5.46	7.29	10.08	13.10	16.44	23.61
65	4.20	5.49	7.33	10.14	13.17	16.53	23.74
66	4.23	5.53	7.38	10.19	13.24	16.62	23.86
67	4.26	5.57	7.42	10.25	13.32	16.71	23.99
68	4.29	5.60	7.47	10.31	13.39	16.80	24.11
69	4.32	5.64	7.51	10.37	13.46	16.88	24.23
70	4.35	5.67	7.56	10.43	13.53	16.97	24.35

For nonmachinable Inter-BMC parcels, add $0.90.

RATE SCHEDULE 400(b)(1)

Parcel Post - Intra BMC/ASF Service
Proposed Rates
(Dollars)

Postage Rate Units (Pounds)	Rate				
	Zones				
	Local	1&2	3	4	5
Up to 2.....	1.40	1.40	1.40	1.40	1.40
3-5	1.55	1.55	1.55	1.55	1.55
6-10	1.70	1.90	2.35	2.85	3.70
11-15	2.05	2.40	3.25	4.20	5.65
16-20	2.30	2.75	3.80	5.05	6.65
21-25	2.55	3.05	4.15	5.50	7.35
26-30	2.75	3.30	4.50	5.90	7.90
31-35	3.00	3.55	4.85	6.30	8.40
36-40	3.20	3.80	5.15	6.70	8.90
41-45	3.40	4.00	5.40	7.00	9.30
46-50	3.60	4.25	5.65	7.35	9.70
51-55	3.80	4.45	5.95	7.65	10.10
56-60	4.00	4.65	6.20	7.95	10.45
61-65	4.20	4.90	6.45	8.25	10.80
66-70	4.40	5.10	6.70	8.50	11.10

RATE SCHEDULE 400(b)(2)

Parcel Post - Inter BMC/ASF Service
Proposed Rates
(Dollars)

Postage Rate Units (Pounds)	Rate						
	Zones						
	1&2	3	4	5	6	7	8
Up to 2 ..	2.05	2.05	2.05	2.05	2.05	2.05	2.05
3-5	2.75	2.75	2.75	2.75	2.75	2.75	2.75
6-10.....	2.80	2.95	3.05	3.90	4.70	6.20	8.40
11-15.....	2.90	3.45	4.40	5.85	7.30	10.10	14.10
16-20.....	2.95	4.00	5.25	6.85	8.50	11.95	16.45
21-25.....	3.25	4.35	5.70	7.55	9.40	13.15	18.35
26-30.....	3.50	4.70	6.10	8.10	10.10	14.15	19.75
31-35.....	3.75	5.05	6.50	8.60	10.80	15.10	20.75
36-40.....	4.00	5.35	6.90	9.10	11.30	15.75	21.85
41-45.....	4.20	5.60	7.20	9.50	11.80	16.45	22.80
46-50.....	4.45	5.85	7.55	9.90	12.25	17.05	23.60
51-55.....	4.65	6.15	7.85	10.30	12.70	17.65	24.40
56-60.....	4.85	6.40	8.15	10.65	13.15	18.20	25.10
61-65.....	5.10	6.65	8.45	11.00	13.55	18.70	25.75
66-70.....	5.30	6.90	8.70	11.30	13.90	19.20	26.40

For Nonmachinable Inter-BMC parcels, add $1.25.

BILLING CODE 7715-01-C

RATE SCHEDULE 402

[Fourth-class mail: Special and library rates]

	Rates	
	Current (cents)	Proposed (cents)
Special:		
First Pound:		
Not presorted	69	87
Presorted to 5-digits [1] [2]	47	57
Presorted to BMC [1] [3]	60	76
Each additional pound through 7 pounds	25	32
Each additional pound over 7 pounds	15	19
Library: [4]		
First pound	50	61
Each additional pound through 7 pounds	17	21
Each additional pound over 7 pounds	9	11

[1] A fee of $50 must be paid once each calendar year for each permit. The proposed fee level is $60.
[2] For mailings of 500 or more pieces properly prepared and presorted to five-digit destination ZIP Codes.
[3] For mailings of 500 or more pieces properly prepared and presorted to Bulk Mail Centers.
[4] Current and proposed Library Rates are full rates.

BILLING CODE 7715-01-M

RATE SCHEDULE 405

Fourth-Class Mail: Single-Piece Bound Printed Matter
(Dollars)

Current

Postage Rate Units (Pounds)	Rate							
	Zones							
	Local	1 & 2	3	4	5	6	7	8
1.5	0.55	0.77	0.81	0.89	1.00	1.11	1.26	1.38
2	0.58	0.81	0.87	0.97	1.12	1.27	1.46	1.62
2.5	0.60	0.85	0.92	1.05	1.23	1.42	1.67	1.86
3	0.63	0.89	0.98	1.12	1.35	1.58	1.87	2.10
3.5	0.65	0.93	1.03	1.20	1.47	1.73	2.07	2.34
4	0.68	0.97	1.09	1.28	1.58	1.89	2.28	2.59
4.5	0.70	1.01	1.14	1.36	1.70	2.04	2.48	2.83
5	0.73	1.06	1.20	1.44	1.82	2.20	2.69	3.07
6	0.77	1.14	1.30	1.60	2.05	2.50	3.09	3.55
7	0.82	1.22	1.41	1.76	2.28	2.81	3.50	4.04
8	0.87	1.30	1.52	1.91	2.51	3.12	3.91	4.52
9	0.92	1.38	1.63	2.07	2.75	3.43	4.31	5.01
10	0.97	1.46	1.74	2.23	2.98	3.74	4.72	5.49

Proposed

Postage Rate Units (Pounds)	Rate							
	Zones							
	Local	1 & 2	3	4	5	6	7	8
1.5	0.73	1.00	1.06	1.15	1.27	1.41	1.57	1.72
2	0.74	1.02	1.10	1.22	1.38	1.56	1.78	1.98
2.5	0.75	1.04	1.14	1.29	1.49	1.72	1.99	2.24
3	0.76	1.06	1.18	1.36	1.60	1.87	2.20	2.50
3.5	0.77	1.08	1.22	1.43	1.71	2.03	2.41	2.76
4	0.78	1.10	1.26	1.50	1.82	2.18	2.62	3.02
4.5	0.79	1.12	1.30	1.57	1.93	2.34	2.83	3.28
5	0.80	1.14	1.34	1.64	2.04	2.49	3.04	3.54
6	0.82	1.18	1.42	1.78	2.26	2.80	3.46	4.06
7	0.84	1.22	1.50	1.92	2.48	3.11	3.88	4.58
8	0.87	1.30	1.58	2.06	2.70	3.42	4.30	5.10
9	0.92	1.38	1.66	2.20	2.92	3.73	4.72	5.62
10	0.97	1.46	1.74	2.34	3.14	4.04	5.14	6.14

BILLING CODE 7715-01-C

RATE SCHEDULE 406

[Fourth-class mail: Bulk bound printed matter [1]]

Zones	Current			Proposed		
	Per-piece		Per pound (cents)	Per-piece		Per pound (cents)
	Required (cents)	Carrier route [2] (cents)		Required (cents)	Carrier route [2] (cents)	
Local	24	19	3.6	35	30	2.0
1 and 2	32	27	6.3	47	42	4.0
3	32	27	9.1	47	42	8.0
4	32	27	14.0	47	42	14.0
5	32	27	21.5	47	42	22.0
6	32	27	29.1	47	42	31.0
7	32	27	38.9	47	42	42.0
8	32	27	46.6	47	42	52.0

[1] Includes both catalogs and similar bound printed matter.
[2] Applies to mailings of at least 300 pieces presorted to carrier route as prescribed by the Postal Service.

BILLING CODE 7715-01-M

RATE SCHEDULE 500(a)

Express Mail - Same Day Airport Service
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate							
	Zones							
	1 & 2	3	4	5	6	7	8	9
1	8.35	8.35	8.35	8.35	8.35	8.35	8.35	8.35
2	8.35	8.35	8.35	8.35	8.35	8.35	8.35	8.35
3	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35
4	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35
5	10.35	10.35	10.35	10.35	10.35	10.35	10.35	10.35
6	10.50	10.55	11.00	11.55	12.20	12.75	13.55	14.70
7	11.05	11.15	11.60	12.30	13.00	13.65	14.60	15.95
8	11.60	11.70	12.25	13.00	13.85	14.60	15.65	17.20
9	12.10	12.25	12.85	13.75	14.65	15.50	16.70	18.40
10	12.65	12.80	13.50	14.45	15.50	16.40	17.75	19.65
11	13.20	13.35	14.10	15.20	16.30	17.35	18.80	20.90
12	13.75	13.90	14.75	15.90	17.15	18.25	19.85	22.15
13	14.30	14.45	15.35	16.65	17.95	19.15	20.90	23.40
14	14.85	15.00	16.00	17.35	18.80	20.10	21.95	24.65
15	15.35	15.55	16.60	18.05	19.60	21.00	23.00	25.85
16	15.90	16.10	17.20	18.80	20.45	21.95	24.05	27.10
17	16.45	16.70	17.85	19.50	21.25	22.85	25.10	28.35
18	17.00	17.25	18.45	20.25	22.10	23.75	26.15	29.60
19	17.55	17.80	19.10	20.95	22.90	24.70	27.20	30.85
20	18.10	18.35	19.70	21.70	23.75	25.60	28.25	32.10
21	18.60	18.90	20.35	22.40	24.55	26.50	29.30	33.30
22	19.15	19.45	20.95	23.10	25.40	27.45	30.35	34.55
23	19.70	20.00	21.60	23.85	26.20	28.35	31.40	35.80
24	20.25	20.55	22.20	24.55	27.05	29.25	32.45	37.05
25	20.80	21.10	22.85	25.30	27.85	30.20	33.50	38.30
26	21.35	21.65	23.45	26.00	28.70	31.10	34.55	39.55
27	21.85	22.25	24.10	26.75	29.50	32.05	35.60	40.75
28	22.40	22.80	24.70	27.45	30.35	32.95	36.65	42.00
29	22.95	23.35	25.35	28.20	31.15	33.85	37.70	43.25
30	23.50	23.90	25.95	28.90	32.00	34.80	38.75	44.50
31	24.05	24.45	26.60	29.60	32.80	35.70	39.80	45.75
32	24.60	25.00	27.20	30.35	33.65	36.60	40.85	47.00
33	25.15	25.55	27.85	31.05	34.45	37.55	41.90	48.25
34	25.65	26.10	28.45	31.80	35.30	38.45	42.95	49.45
35	26.20	26.65	29.10	32.50	36.10	39.35	44.00	50.70

RATE SCHEDULE 500(a) (Cont'd)

Express Mail - Same Day Airport Service
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate							
	Zones							
	1 & 2	3	4	5	6	7	8	9
36	26.75	27.20	29.70	33.25	36.95	40.30	45.05	51.95
37	27.30	27.80	30.35	33.95	37.75	41.20	46.10	53.20
38	27.85	28.35	30.95	34.70	38.60	42.10	47.15	54.45
39	28.40	28.90	31.60	35.40	39.40	43.05	48.20	55.70
40	28.90	29.45	32.20	36.10	40.25	43.95	49.25	56.90
41	29.45	30.00	32.80	36.85	41.05	44.90	50.30	58.15
42	30.00	30.55	33.45	37.55	41.90	45.80	51.35	59.40
43	30.55	31.10	34.05	38.30	42.70	46.70	52.40	60.65
44	31.10	31.65	34.70	39.00	43.55	47.65	53.45	61.90
45	31.65	32.20	35.30	39.75	44.35	48.55	54.50	63.15
46	32.15	32.75	35.95	40.45	45.20	49.45	55.55	64.35
47	32.70	33.35	36.55	41.15	46.00	50.40	56.60	65.60
48	33.25	33.90	37.20	41.90	46.85	51.30	57.65	66.85
49	33.80	34.45	37.80	42.60	47.65	52.20	58.70	68.10
50	34.35	35.00	38.45	43.35	48.50	53.15	59.75	69.35
51	34.90	35.55	39.05	44.05	49.30	54.05	60.80	70.60
52	35.40	36.10	39.70	44.80	50.15	55.00	61.85	71.80
53	35.95	36.65	40.30	45.50	50.95	55.90	62.90	73.05
54	36.50	37.20	40.95	46.25	51.80	56.80	63.95	74.30
55	37.05	37.75	41.55	46.95	52.60	57.75	65.00	75.55
56	37.60	38.30	42.20	47.65	53.45	58.65	66.05	76.80
57	38.15	38.90	42.80	48.40	54.25	59.55	67.10	78.05
58	38.70	39.45	43.45	49.10	55.10	60.50	68.15	79.30
59	39.20	40.00	44.05	49.85	55.90	61.40	69.20	80.50
60	39.75	40.55	44.70	50.55	56.75	62.30	70.25	81.75
61	40.30	41.10	45.30	51.30	57.55	63.25	71.30	83.00
62	40.85	41.65	45.95	52.00	58.40	64.15	72.35	84.25
63	41.40	42.20	46.55	52.75	59.20	65.05	73.40	85.50
64	41.95	42.75	47.20	53.45	60.05	66.00	74.45	86.75
65	42.25	43.30	47.80	54.15	60.85	66.90	75.50	87.95
66	43.00	43.85	48.40	54.90	61.70	67.85	76.55	89.20
67	43.55	44.45	49.05	55.60	62.50	68.75	77.60	90.45
68	44.10	45.00	49.65	56.35	63.35	69.65	78.65	91.70
69	44.65	45.55	50.30	57.05	64.15	70.60	79.70	92.95
70	45.20	46.10	50.90	57.80	65.00	71.50	80.75	94.20

RATE SCHEDULE 501(a)

Express Mail - Custom Designed Service
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate							
	Zones							
	1 & 2	3	4	5	6	7	8	9
1	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75
2	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75
3	12.85	12.85	12.85	12.85	12.85	12.85	12.85	12.85
4	12.85	12.85	12.85	12.85	12.85	12.85	12.85	12.85
5	12.85	12.85	12.85	12.85	12.85	12.85	12.85	12.85
6	12.90	13.65	14.30	14.85	15.45	16.05	16.80	17.95
7	12.95	14.30	15.00	15.70	16.40	17.05	18.00	19.35
8	13.00	14.95	15.75	16.50	17.35	18.10	19.15	20.70
9	13.05	15.55	16.50	17.35	18.30	19.15	20.30	22.05
10	13.15	16.20	17.25	18.20	19.25	20.15	21.50	23.40
11	13.45	16.85	18.00	19.05	20.20	21.20	22.65	24.75
12	13.80	17.50	18.75	19.90	21.10	22.25	23.80	26.15
13	14.10	18.15	19.50	20.70	22.05	23.30	25.00	27.50
14	14.45	18.75	20.20	21.55	23.00	24.30	26.15	28.85
15	14.80	19.40	20.95	22.40	23.95	25.35	27.35	30.20
16	15.10	20.05	21.70	23.25	24.90	26.40	28.50	31.55
17	15.45	20.70	22.45	24.05	25.85	27.40	29.65	32.90
18	15.80	21.30	23.20	24.90	26.80	28.45	30.85	34.30
19	16.10	21.95	23.95	25.75	27.70	29.50	32.00	35.65
20	16.45	22.60	24.70	26.60	28.65	30.50	33.15	37.00
21	16.75	23.25	25.40	27.40	29.60	31.55	34.35	38.35
22	17.10	23.90	26.15	28.25	30.55	32.60	35.60	39.70
23	17.45	24.50	26.90	29.10	31.50	33.65	36.65	41.10
24	17.75	25.15	27.65	29.95	32.45	34.65	37.85	42.45
25	18.10	25.80	28.40	30.75	33.35	35.70	39.00	43.80
26	18.45	26.45	29.15	31.60	34.30	36.75	40.15	45.15
27	18.75	27.05	29.90	32.45	35.25	37.75	41.35	46.50
28	19.10	27.70	30.60	33.30	36.20	38.80	42.50	47.85
29	19.40	28.35	31.35	34.10	37.15	39.85	43.65	49.25
30	19.75	29.00	32.10	34.95	38.10	40.85	44.85	50.60
31	20.10	29.65	32.85	35.80	39.00	41.90	46.00	51.95
32	20.40	30.25	33.60	36.65	39.95	42.95	47.15	53.30
33	20.75	30.90	34.35	37.45	40.90	44.00	48.35	54.65
34	21.05	31.55	35.10	38.30	41.85	45.00	49.50	56.05
35	21.40	32.20	35.85	39.15	42.80	46.05	50.65	57.40

RATE SCHEDULE 501(a) (Cont'd)

Express Mail - Custom Designed Service
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate							
	Zones							
	1 & 2	3	4	5	6	7	8	9
36	21.75	32.80	36.55	40.00	43.75	47.10	51.85	58.75
37	22.05	33.45	37.30	40.85	44.65	48.10	53.00	60.10
38	22.40	34.10	38.05	41.65	45.60	49.15	54.15	61.45
39	22.75	34.75	38.80	42.50	46.55	50.20	55.35	62.80
40	23.05	35.40	39.55	43.35	47.50	51.20	56.50	64.20
41	23.40	36.00	40.30	44.20	48.45	52.25	57.65	65.55
42	23.70	36.65	41.05	45.00	49.40	53.30	58.85	66.90
43	24.05	37.30	41.75	45.85	50.35	54.35	60.00	68.25
44	24.40	37.95	42.50	46.70	51.25	55.35	61.15	69.60
45	24.70	38.60	43.25	47.55	52.20	56.40	62.35	71.00
46	25.05	39.20	44.00	48.35	53.15	57.45	63.50	72.35
47	25.40	39.85	44.75	49.20	54.10	58.45	64.65	73.70
48	25.70	40.50	45.50	50.05	55.05	59.50	65.85	75.05
49	26.05	41.15	46.25	50.90	56.00	60.55	67.00	76.40
50	26.35	41.75	46.95	51.70	56.90	61.55	68.15	77.75
51	26.70	42.40	47.70	52.55	57.85	62.60	69.35	79.15
52	27.05	43.05	48.45	53.40	58.80	63.65	70.50	80.50
53	27.35	43.70	49.20	54.25	59.75	64.70	71.65	81.85
54	27.70	44.35	49.95	55.05	60.70	65.70	72.85	83.20
55	28.05	44.95	50.70	55.90	61.65	66.75	74.00	84.55
56	28.35	45.60	51.45	56.75	62.55	67.80	75.15	85.90
57	28.70	46.25	52.15	57.60	63.50	68.80	76.35	87.30
58	29.00	46.90	52.90	58.40	64.45	69.85	77.50	88.65
59	29.35	47.50	53.65	59.25	65.40	70.90	78.65	90.00
60	29.70	48.15	54.40	60.10	66.35	71.90	79.85	91.35
61	30.00	48.80	55.15	60.95	67.30	72.95	81.00	92.70
62	30.35	49.45	55.90	61.80	68.20	74.00	82.15	94.10
63	30.65	50.10	56.65	62.60	69.15	75.05	83.35	95.45
64	31.00	50.70	57.35	63.45	70.10	76.05	84.50	96.80
65	31.35	51.35	58.10	64.30	71.05	77.10	85.70	98.15
66	31.65	52.00	58.85	65.15	72.00	78.15	86.65	99.50
67	32.00	52.65	59.60	65.95	72.95	79.15	88.00	100.85
68	32.35	53.25	60.35	66.80	73.90	80.20	89.20	102.25
69	32.65	53.90	61.10	67.65	74.80	81.25	90.35	103.60
70	33.00	54.55	61.85	68.50	75.75	82.25	91.50	104.95

Note: Add $5.60 for each custom pickup and delivery stop.

RATE SCHEDULE 502(a)
Express Mail - Next Day Service, Post Office to Post Office
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate							
	Zones							
	1 & 2	3	4	5	6	7	8	9
1.....	$ 8.60	$ 8.60	$ 8.60	$ 8.60	$ 8.60	$ 8.60	$ 8.60	$ 8.60
2.....	8.60	8.60	8.60	8.60	8.60	8.60	8.60	8.60
3.....	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70
4.....	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70
5.....	10.70	10.70	10.70	10.70	10.70	10.70	10.70	10.70
6.....	10.75	11.50	12.15	12.70	13.30	13.90	14.65	15.80
7.....	10.80	12.15	12.85	13.55	14.25	14.90	15.85	17.20
8.....	10.85	12.80	13.60	14.35	15.20	15.95	17.00	18.55
9.....	10.90	13.40	14.35	15.20	16.15	17.00	18.15	19.90
10.....	11.00	14.05	15.10	16.05	17.10	18.00	19.35	21.25
11.....	11.30	14.70	15.85	16.90	18.05	19.05	20.50	22.60
12.....	11.65	15.35	16.60	17.75	18.95	20.10	21.65	24.00
13.....	11.95	16.00	17.35	18.55	19.90	21.15	22.85	25.35
14.....	12.30	16.60	18.05	19.40	20.85	22.15	24.00	26.70
15.....	12.65	17.25	18.80	20.25	21.80	23.20	25.20	28.05
16.....	12.95	17.90	19.55	21.10	22.75	24.25	26.35	29.40
17.....	13.30	18.55	20.30	21.90	23.70	25.25	27.50	30.75
18.....	13.65	19.15	21.05	22.75	24.65	26.30	28.70	32.15
19.....	13.95	19.80	21.80	23.60	25.55	27.35	29.85	33.50
20.....	14.30	20.45	22.55	24.45	26.50	28.35	31.00	34.85
21.....	14.60	21.10	23.25	25.25	27.45	29.40	32.20	36.20
22.....	14.95	21.75	24.00	26.10	28.40	30.45	33.35	37.55
23.....	15.30	22.35	24.75	26.95	29.35	31.50	34.50	38.95
24.....	15.60	23.00	25.50	27.80	30.30	32.50	35.70	40.30
25.....	15.95	23.65	26.25	28.60	31.20	33.55	36.85	41.65
26.....	16.30	24.30	27.00	29.45	32.15	34.60	38.00	43.00
27.....	16.60	24.90	27.75	30.30	33.10	35.60	39.20	44.35
28.....	16.95	25.55	28.45	31.15	34.05	36.65	40.35	45.70
29.....	17.25	26.20	29.20	31.95	35.00	37.70	41.50	47.10
30.....	17.60	26.85	29.95	32.80	35.95	38.70	42.70	48.45
31.....	17.95	27.50	30.70	33.65	36.85	39.75	43.85	49.80
32.....	18.25	28.10	31.45	34.50	37.80	40.80	45.00	51.15
33.....	18.60	28.75	32.20	35.30	38.75	41.85	46.20	52.50
34.....	18.90	29.40	32.95	36.15	39.70	42.85	47.35	53.90
35.....	19.25	30.05	33.70	37.00	40.65	43.90	48.50	55.25

Add: $5.60 for each pickup stop.

RATE SCHEDULE 502(a) (Cont'd.)

Express Mail - Next Day Service, Post Office to Post Office
Current Rates
(Dollars)

Postage Rate Units (Pounds)	Rate							
	Zones							
	1 & 2	3	4	5	6	7	8	9
36.....	19.60	30.65	34.40	37.85	41.60	44.95	49.70	56.60
37.....	19.90	31.30	35.15	38.70	42.50	45.95	50.85	57.95
38.....	20.25	31.95	35.90	39.50	43.45	47.00	52.00	59.30
39.....	20.60	32.60	36.65	40.35	44.40	48.05	53.20	60.65
40.....	20.90	32.25	37.40	41.20	45.35	49.05	54.35	62.05
41.....	21.25	33.85	38.15	42.05	46.30	50.10	55.50	63.40
42.....	21.55	34.50	38.90	42.85	47.25	51.15	56.70	64.75
43.....	21.90	35.15	39.60	43.70	48.20	52.20	57.85	66.10
44.....	22.25	35.80	40.35	44.55	49.10	53.20	59.00	67.45
45.....	22.55	36.45	41.10	45.40	50.05	54.25	60.20	68.85
46.....	22.90	37.05	41.85	46.20	51.00	55.30	61.35	70.20
47.....	23.25	37.70	42.60	47.05	51.95	56.30	62.50	71.55
48.....	23.55	38.35	43.35	47.90	52.90	57.35	63.70	72.90
49.....	23.90	39.00	44.10	48.75	53.85	58.40	64.85	74.25
50.....	24.20	39.60	44.80	49.55	54.75	59.40	66.00	75.60
51.....	24.55	40.25	45.55	50.40	55.70	60.45	67.20	77.00
52.....	24.90	40.90	46.30	51.25	56.65	61.50	68.35	78.35
53.....	25.20	41.55	47.05	52.10	57.60	62.55	69.50	79.70
54.....	25.55	42.20	47.80	52.90	58.55	63.55	70.70	81.05
55.....	25.90	42.80	48.55	53.75	59.50	64.60	71.85	82.40
56.....	26.20	43.45	49.30	54.60	60.40	65.65	73.00	83.75
57.....	26.55	44.10	50.00	55.45	61.35	66.65	74.20	85.15
58.....	26.85	44.75	50.75	56.25	62.30	67.70	75.35	86.50
59.....	27.20	45.35	51.50	57.10	63.25	68.75	76.50	87.85
60.....	27.55	46.00	52.25	57.95	64.20	69.75	77.70	89.20
61.....	27.85	46.65	53.00	58.80	65.15	70.80	78.85	90.55
62.....	28.20	47.30	53.75	59.65	66.05	71.85	80.00	91.95
63.....	28.50	47.95	54.50	60.45	67.00	72.90	81.20	93.30
64.....	28.85	48.55	55.20	61.30	67.95	73.90	82.35	94.65
65.....	29.20	49.20	55.95	62.15	68.90	74.95	83.55	96.00
66.....	29.50	49.85	56.70	63.00	69.85	76.00	84.70	97.35
67.....	29.85	50.50	57.45	63.80	70.80	77.00	85.85	98.70
68.....	30.20	51.10	58.20	64.65	71.75	78.05	87.05	100.10
69.....	30.50	51.75	58.95	65.50	72.65	79.10	88.20	101.45
70.....	30.85	52.40	59.70	66.35	73.60	80.10	89.35	102.80

RATE SCHEDULE 503(a)

Express Mail - Next Day Service, Post Office to Addressee
Current Rates
(Dollars)

Postage Rate Unit (Pounds)	Rate							
	Zones							
	1 & 2	3	4	5	6	7	8	9
1	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75
2	10.75	10.75	10.75	10.75	10.75	10.75	10.75	10.75
3	12.85	12.85	12.85	12.85	12.85	12.85	12.85	12.85
4	12.85	12.85	12.85	12.85	12.85	12.85	12.85	12.85
5	12.85	12.85	12.85	12.85	12.85	12.85	12.85	12.85
6	12.90	13.65	14.30	14.85	15.45	16.05	16.80	17.95
7	12.95	14.30	15.00	15.70	16.40	17.05	18.00	19.35
8	13.00	14.95	15.75	16.50	17.35	18.10	19.15	20.70
9	13.05	15.55	16.50	17.35	18.30	19.15	20.30	22.05
10	13.15	16.20	17.25	18.20	19.25	20.15	21.50	23.40
11	13.45	16.85	18.00	19.05	20.20	21.20	22.65	24.75
12	13.80	17.50	18.75	19.90	21.10	22.25	23.80	26.15
13	14.10	18.15	19.50	20.70	22.05	23.30	25.00	27.50
14	14.45	18.75	20.20	21.55	23.00	24.30	26.15	28.85
15	14.80	19.40	20.95	22.40	23.95	25.35	27.35	30.20
16	15.10	20.05	21.70	23.25	24.90	26.40	28.50	31.55
17	15.45	20.70	22.45	24.05	25.85	27.40	29.65	32.90
18	15.80	21.30	23.20	24.90	26.80	28.45	30.85	34.30
19	16.10	21.95	23.95	25.75	27.70	29.50	32.00	35.65
20	16.45	22.60	24.70	26.60	28.65	30.50	33.15	37.00
21	16.75	23.25	25.40	27.40	29.60	31.55	34.35	38.35
22	17.10	23.90	26.15	28.25	30.55	32.60	35.60	39.70
23	17.45	24.50	26.90	29.10	31.50	33.65	36.65	41.10
24	17.75	25.15	27.65	29.95	32.45	34.65	37.85	42.45
25	18.10	25.80	28.40	30.75	33.35	35.70	39.00	43.80
26	18.45	26.45	29.15	31.60	34.30	36.75	40.15	45.15
27	18.75	27.05	29.90	32.45	35.25	37.75	41.35	46.50
28	19.10	27.70	30.60	33.30	36.20	38.80	42.50	47.85
29	19.40	28.35	31.35	34.10	37.15	39.85	43.65	49.25
30	19.75	29.00	32.10	34.95	38.10	40.85	44.85	50.60
31	20.10	29.65	32.85	35.80	39.00	41.90	46.00	51.95
32	20.40	30.25	33.60	36.65	39.95	42.95	47.15	53.30
33	20.75	30.90	34.35	37.45	40.90	44.00	48.35	54.65
34	21.05	31.55	35.10	38.30	41.85	45.00	49.50	56.05
35	21.40	32.20	35.85	39.15	42.80	46.05	50.65	57.40

Add: $5.60 for each pickup stop.

RATE SCHEDULE 503(a) (Cont'd.)

Express Mail - Next Day Service, Post Office to Addressee
Current Rates
(Dollars)

Postage Rate Unit (Pounds)	Rate							
	Zones							
	1 & 2	3	4	5	6	7	8	9
36	21.75	32.80	36.55	40.00	43.75	47.10	51.85	58.75
37	22.05	33.45	37.30	40.85	44.65	48.10	53.00	60.10
38	22.40	34.10	38.05	41.65	45.60	49.15	54.15	61.45
39	22.75	34.75	38.80	42.50	46.55	50.20	55.35	62.80
40	23.05	35.40	39.55	43.35	47.50	51.20	56.50	64.20
41	23.40	36.00	40.30	44.20	48.45	52.25	57.65	65.55
42	23.70	36.65	41.05	45.00	49.40	53.30	58.85	66.90
43	24.05	37.30	41.75	45.85	50.35	54.35	60.00	68.25
44	24.40	37.95	42.50	46.70	51.25	55.35	61.15	69.60
45	24.70	38.60	43.25	47.55	52.20	56.40	62.35	71.00
46	25.05	39.20	44.00	48.35	53.15	57.45	63.50	72.35
47	25.40	39.85	44.75	49.20	54.10	58.45	64.65	73.70
48	25.70	40.50	45.50	50.05	55.05	59.50	65.85	75.05
49	26.05	41.15	46.25	50.90	56.00	60.55	67.00	76.40
50	26.35	41.75	46.95	51.70	56.90	61.55	68.15	77.75
51	26.70	42.40	47.70	52.55	57.85	62.60	69.35	79.15
52	27.05	43.05	48.45	53.40	58.80	63.65	70.50	80.50
53	27.35	43.70	49.20	54.25	59.75	64.70	71.65	81.85
54	27.70	44.35	49.95	55.05	60.70	65.70	72.85	83.20
55	28.05	44.95	50.70	55.90	61.65	66.75	74.00	84.55
56	28.35	45.60	51.45	56.75	62.55	67.80	75.15	85.90
57	28.70	46.25	52.15	57.60	63.50	68.80	76.35	87.30
58	29.00	46.90	52.90	58.40	64.45	69.85	77.50	88.65
59	29.35	47.50	53.65	59.25	65.40	70.90	78.65	90.00
60	29.70	48.15	54.40	60.10	66.35	71.90	79.85	91.35
61	30.00	48.80	55.15	60.95	67.30	72.95	81.00	92.70
62	30.35	49.45	55.90	61.80	68.20	74.00	82.15	94.10
63	30.65	50.10	56.65	62.60	69.15	75.05	83.35	95.45
64	31.00	50.70	57.35	63.45	70.10	76.05	84.50	96.80
65	31.35	51.35	58.10	64.30	71.05	77.10	85.70	98.15
66	31.65	52.00	58.85	65.15	72.00	78.15	86.65	99.50
67	32.00	52.65	59.60	65.95	72.95	79.15	88.00	100.85
68	32.35	53.25	60.35	66.80	73.90	80.20	89.20	102.25
69	32.65	53.90	61.10	67.65	74.80	81.25	90.35	103.60
70	33.00	54.55	61.85	68.50	75.75	82.25	91.50	104.95

Add: $5.60 for each pickup stop.

BILLING CODE 7715-01-C

RATE SCHEDULES 500(B), 501(B), 502(B), AND 503(B)

[Express mail proposed rates (dollars)]

Postage rate unit (pounds)	Schedule 500(b) same day airport service	Schedule 501(b) custom designed	Schedule 503(b) next day PO to addressee	Schedule 502(b) next day PO to PO
Up to:				
0.5 pound [1]	8.35	7.75	8.75	8.60
1-2 [2]	8.35	9.75	10.75	8.60
3-5 [3]	10.35	11.85	12.85	10.70
6-10	13.00	15.50	16.50	14.35
11-15	16.65	19.70	20.70	18.55
16-20	20.25	23.90	24.90	22.75
21-25	23.85	28.10	29.10	26.95
26-30	27.45	32.30	33.30	31.15
31-35	31.05	36.45	37.45	35.30
36-40	34.70	40.65	41.65	39.50
41-45	38.30	44.85	45.85	43.70
46-50	41.90	49.05	50.05	47.90
51-55	45.50	53.25	54.25	52.10
56-60	49.10	59.00	60.00	57.85
61-65	52.75	64.00	65.00	62.85
66-70	56.35	69.00	70.00	67.85

ADD: $4.00 for each pickup stop and $4.00 for each Custom Designed delivery stop.

[1] Applies to pieces weighing up to 8 ounces.
[2] Applies to pieces weighing more then 8 ounces but not in excess of 2 pounds.
[3] Applies to pieces weighing more then 2 pounds but not in excess of 5 pounds.

RATE SCHEDULES 504(B)

[Express mail proposed rate differential [1] (dollars)]

Minimum monthly volume [2]	Discounts from regular rates			
	Postage pounds			
	½ pound [3]	1-2 pounds [3]	3-5 pounds [3]	6-70 pounds [3]
26-250	$0.50	$1.25	$1.50	$2.25
251-500	.75	1.50	1.75	2.50
501-750	1.00	1.75	2.00	3.00
751-1000	1.25	2.00	2.25	3.50
1001-5000	1.50	2.25	2.75	4.00
5001 and over	1.75	2.75	3.50	5.00

[1] Volume discounts from regular Express Mail rates apply to Express Mail paid through Corporate Account postage payment system.
[2] Discounts based on total monthly volume sent at Express Mail rates.
[3] Discounts applied against available published rates. One-half pound volume discounts are not applicable to Next Day Post Office to Post Office or Same Day Airport service options.

SCHEDULE SS-1

SPECIAL SERVICES: ADDRESS CORRECTION

Description	Fee	
	Current	Proposed
Per Piece	$0.30	$0.30

SCHEDULE SS-2

BUSINESS REPLY MAIL

Description	Fees (in addition to postage)	
	Current (cents)	Proposed (cents)
Business Reply: [1]		
With advance deposit account:		
Regular	7	9
Discount [2]		7
Without advance deposit account	23	40

[1] Rates are applied on a per-piece basis in addition to regular First-Class postage. Currently, a fee of $50 must be paid to each year for each business reply permit. The proposed fee is $60. An accounting charge of $160 must be paid once each year for each business reply advance deposit account. The proposed charge is $200.

[2] Currently there is no rate differential offered for pieces that are bar-coded. It is proposed that a 2¢ discount be offered for bar-coded pieces meeting certain ZIP+4 and additional automated mail processing criteria.

SCHEDULE SS-4

SPECIAL SERVICES: CERTIFICATES OF MAILING

Description	Fees (in addition to postage)	
	Current	Proposed
Individual Pieces:		
Original certificate of mailing for listed pieces of all classes of ordinary mail (per piece)	$0.45	$0.45
Three or more pieces individually listed in a firm mailing book or an approved customer provided manifest (per piece)	.15	.15
Each additional copy of original certificate of mailing or original mailing receipt for registered, insured, certified and C.O.D. mail (each copy)	.45	.45
Bulk pieces:		
Identical pieces of first- and third-class mail paid with ordinary stamps, precanceled stamps, or meter stamps are subject to the following fees:		
Up to 1,000 pieces (1 certificate for total number)	1.60	2.00
Each additional 1,000 pieces or fraction	.20	.25
Duplicate copy	.45	.45

SCHEDULE SS-5

SPECIAL SERVICES: CERTIFIED MAIL

Description	Fee (in addition to postage)	
	Current	Proposed
Per Piece	$0.75	$0.85

SCHEDULE SS-6

SPECIAL SERVICES: COLLECT ON DELIVERY

Amount to be collected or insurance coverage desired	Fees (in addition to postage)	
	Current	Proposed
$0.01 to $25	$1.50	$2.00
25.01 to 50	1.80	2.50
50.01 to 100	2.10	3.00
100.01 to 200	2.40	3.40
200.01 to 300	3.00	4.25
300.01 to 400	3.70	5.25

SCHEDULE SS-6—Continued

Amount to be collected or insurance coverage desired	Fees (in addition to postage)	
	Current	Proposed
400.01 to 500	4.70	6.50
Notice of nondelivery of C.O.D.	1.25	1.75
Alteration of C.O.D. charges or designation of new addressee	1.25	1.75
Registered C.O.D	1.50	2.00

SCHEDULE SS-8

SPECIAL SERVICES: MONEY ORDERS

Amount	Fees (domestic)	
	Current	Proposed
$0.01 to $25	$0.75	$0.80
25.01 to 50	1.00	1.00
50.01 to 700	1.00	1.00
APO-FPO		
$0.01 to $500	.25	.25
Inquiry fee, which includes the issuance of copy of a paid money order	1.40	2.00

SCHEDULE SS-9

SPECIAL SERVICES: INSURED MAIL

Liability	Fees (domestic) (in addition to postage)	
	Current	Proposed
$0.01 to $25	$0.50	$0.60
25.01 to $50	1.10	1.30
50.01 to $100	1.40	1.70
100.01 to $150	1.80	2.15
150.01 to $200	2.10	2.50
200.01 to $300	3.00	3.60
300.01 to $400	3.70	4.50
400.01 to $500	4.40	5.20

SCHEDULE SS-10

SPECIAL SERVICES: LOCKBOX/CALLER SERVICE

A. Rental Rates for Post Office Boxes

Cubic inch capacity of lockboxes	Fee Per Semi-Annual Period				
	Less Than 296	296 to	500 to	1,000 to	2,000 and over
Box Size	1	2	3	4	5
Group I:					
Current	$11.00	$14.50	$26.50	$42.00	$64.00
Proposed	13.00	18.00	36.00	60.00	100.00
Group II:					
Current	2.50	3.50	6.50	10.00	15.00
Proposed	2.75	4.00	8.00	14.00	22.00
Group III: [1]					
Current	1.00	1.00	1.00	1.00	1.00
Proposed	1.00	1.00	1.00	1.00	1.00

[1] Payment on annual basis.

B. Caller Service

Description	Fees	
	Current	Proposed
For caller service (semi-annual)	$130	$170
For each reserved call number (annual)	15	20

SCHEDULE SS-11a

SPECIAL SERVICES: ZIP CODING OF MAILING LISTS

Description	Fee	
	Current	Proposed
Per 1,000 addresses	$36.00	$42.00

SCHEDULE SS-11b

SPECIAL SERVICES: CORRECTION OF MAILING LIST

Description	Fee	
	Current	Proposed
Per submitted address	$0.15	$0.15

SCHEDULE SS-11c

ADDRESS CHANGES FOR ELECTION BOARDS AND REGISTRATION COMMISSIONS

Description	Fee	
	Current	Proposed
Per change of address	$0.15	$0.15

SCHEDULE SS-11d

MAILING LIST SERVICES

	Fee	
	Current (cents)	Proposed (cents)
Corrections associated with arrangement of address cards in sequence of carrier delivery: Per Correction	15	15

When rural routes have been consolidated or changed to another post office, no charge will be made for correction if the list contains only names of persons residing on the route or routes involved

SCHEDULE SS-12

SPECIAL SERVICES: SERVICES: METER SETTING ON SITE

Description	Fees	
	Current	Proposed
Meter company adjustments:		
First meter	$10.00	$30.00
Additional meters (each)	10.00	12.00
All other meter settings:		
First meter:		
By appointment	17.00	25.00
Unscheduled request	19.00	28.00
Additional meters (each)	4.00	4.00

SCHEDULE SS-13

SPECIAL SERVICES: PARCEL AIR LIFT

Description	Fees (in addition to postage)	
	Current	Proposed
Up to 2 pounds	$0.30	$0.30
Over 2 but not exceeding 3 pounds	.60	.60
Over 3 but not exceeding 4 pounds	.90	.90
Over 4 pounds	1.20	1.20

SCHEDULE SS-14(a)

SPECIAL SERVICES: REGISTERED MAIL

Value	Current fees (in addition to postage)	
	For articles covered by insurance	For articles not covered by insurance
	Fees	Fees
$0.00 to $100	$3.60	$3.55
100.01 to 500	3.90	3.80
500.01 to 1,000	4.25	4.15
1,000.01 to 2,000	4.60	4.40
2,000.01 to 3,000	4.95	4.65
3,000.01 to 4,000	5.30	4.90
4,000.01 to 5,000	5.65	5.15
5,000.01 to 6,000	6.00	5.40
6,000.01 to 7,000	6.35	5.65
7,000.01 to 8,000	6.70	5.90
8,000.01 to 9,000	7.05	6.15
9,000.01 to 10,000	7.40	6.40
10,000.01 to 11,000	7.75	6.65
11,000.01 to 12,000	8.10	6.90
12,000.01 to 13,000	8.45	7.15

SCHEDULE SS-14(a)—Continued

Value	Current fees (in addition to postage)	
	For articles covered by insurance	For articles not covered by insurance
	Fees	Fees
13,000.01 to 14,000	8.80	7.40
14,000.01 to 15,000	9.15	7.65
15,000.01 to 16,000	9.50	7.90
16,000.01 to 17,000	9.85	8.15
17,000.01 to 18,000	10.20	8.40
18,000.01 to 19,000	10.55	8.65
19,000.01 to 20,000	10.90	8.90
20,000.01 to 21,000	11.25	9.15
21,000.01 to 22,000	11.60	9.40
22,000.01 to 23,000	11.95	9.65
23,000.01 to 24,000	12.30	9.90
24,000.01 to 25,000	12.65	10.15
25,000 to 1,000,000	[1] 12.65	[1] 10.15
$1,000,000 to $15,000,000	[2] 256.40	[2] 253.90
Over $15,000,000	Additional charges may be made based on considerations of weight, space and value.	

[1] Plus handling charge of 25 cents per $1,000 or fraction over first $25,000.
[2] Plus handling charge of 20 cents per $1,000 or fraction over first $1,000,000.

SCHEDULE SS-14(b)

SPECIAL SERVICES: REGISTERED MAIL

Value	Proposed fees (in addition to postage)	
	For articles covered by insurance	For articles not covered by insurance
	Fees	Fees
$0.00 to $100	$4.90	$4.80
100.01 to 500	5.30	5.15
500.01 to 1,000	5.70	5.50
1,000.01 to 2,000	6.15	5.85
2,000.01 to 3,000	6.60	6.20
3,000.01 to 4,000	7.05	6.55
4,000.01 to 5,000	7.50	6.90
5,000.01 to 6,000	7.95	7.25
6,000.01 to 7,000	8.40	7.60
7,000.01 to 8,000	8.85	7.95
8,000.01 to 9,000	9.50	8.30
9,000.01 to 10,000	9.95	8.65
10,000.01 to 11,000	10.45	9.00
11,000.01 to 12,000	10.95	9.35
12,000.01 to 13,000	11.45	9.70
13,000.01 to 14,000	11.95	10.05
14,000.01 to 15,000	12.45	10.40
15,000.01 to 16,000	12.95	10.75
16,000.01 to 17,000	13.45	11.10
17,000.01 to 18,000	14.00	11.45
18,000.01 to 19,000	14.55	11.80
19,000.01 to 20,000	15.10	12.15
20,000.01 to 21,000	15.70	12.50
21,000.01 to 22,000	16.25	12.85
22,000.01 to 23,000	16.80	13.20
23,000.01 to 24,000	17.35	13.55
24,000.01 to 25,000	17.90	13.90
25,000 to 1,000,000	[1] 17.90	[1] 13.90
$1,000,000 to $15,000,000	[2] 359.15	[2] 355.15

SCHEDULE SS-14(b)—Continued

Value	Proposed fees (in addition to postage)	
	For articles covered by insurance	For articles not covered by insurance
	Fees	Fees
Over $15,000,000	Additional charges may be made based on considerations of weight, space and value.	

[1] Plus handling charge of 35 cents per $1,000 or fraction over first $25,000.
[2] Plus handling charge of 25 cents per $1,000 or fraction over first $1,000,000.

SCHEDULE SS-15

SPECIAL SERVICES: RESTRICTED DELIVERY

Description	Fee (in addition to postage)	
	Current	Proposed
Per piece	$1.25	$2.00

SCHEDULE SS-16

SPECIAL SERVICES: RETURN RECEIPTS

Description	Fee (in addition to postage)	
	Current	Proposed
Showing to whom (signature) and date delivered	$0.70	$0.90
Without another special service-merchandise only		1.00
Showing to whom (signature) and date and address where delivered	0.90	1.20
Without another special service-merchandise only		1.35
Requested after mailing:		
Showing to whom and date delivered	4.50	5.00

SCHEDULE SS-17

SPECIAL SERVICES: SPECIAL DELIVERY

Classs/weight	Fees (in addition to postage)	
	Current	Proposed
First-class and priority mail:		
Not more than 2 pounds	$2.95	$3.70
More than 2 pounds but not more than 10 pounds	3.15	3.95
More than 10 pounds	4.00	5.00
All other classes:		
Not more than 2 pounds	3.10	3.90
More than 2 pounds but not more than 10 pounds	3.60	4.50
More than 10 pounds	4.50	5.60

SCHEDULE SS-18

SPECIAL SERVICES: SPECIAL HANDLING

Weight	Fees (in addition to postage)	
	Current	Proposed
Not more than 10 pound	$1.10	$1.55
More than 10 pounds	1.60	2.25

SCHEDULE SS-19

SPECIAL SERVICES: STAMPED ENVELOPES

Type	Fees (in addition to postage)	
	Current	Proposed
Single sale	$0.05	$0.05
Bulk (500) #6¾ size:		
Regular	5.90	6.40
Window	6.50	7.00
Bulk (500) #10 size: [1]		
Regular	7.40	8.00
Window	8.00	8.50
Multi-color printing (500):		
#6¾ size		8.00
#10 size [1]		11.00
Printing charge per 500 envelopes: [2]		
Minimum order (500 envelopes)	3.50	3.50
Orders for 1,000 or more envelopes	3.50	3.50
Double window (500) #10 size [1]		12.00
Household (50) #6¾ size:		
Regular		2.50
Window		2.60
Household (50) #10 size: [1]		
Regular		2.70
Window		2.80
Printed regular (500) #10 size: [1]		
Minimum order 500,000		11.00
Minimum order 1,000,000		10.50
Minimum order 2,500,000		10.40
Minimum order 5,000,000		10.30
Minimum order 10,000,000		10.20
Printed window (500) #10 size: [1]		
Minimum order 500,000		11.80
Minimum order 1,000,000		11.30
Minimum order 2,500,000		11.20
Minimum order 5,000,000		11.10
Minimum order 10,000,000		11.00

[1] Includes all sizes greater than #6¾ through #10.
[2] Printing charge for all of the above.

SCHEDULE SS–20

FEES: MERCHANDISE RETURN

	Fees	
	Current (cents)	Proposed (cents)
Per Transaction Shipper must have an advance deposit account.	30	20

RATE SCHEDULE 1000 FEES

	Fee	
	Current	Proposed
First-class mailing fees:		
Presort fee	$50	$60
Merchandise return:		
Per facility receiving merchandise return labels	50	60

FEES: SECOND-CLASS MAILING FEES

Type	Fee (one time only)	
	Current	Proposed
Original entry	$220	$265
News agent	35	40
Reentry	35	40
Additional entry	60	70

FEE: PERMIT-IMPRINT FEE

Description	Fee	
	Current	Proposed
Per permit (one time only)	$50	$60

[FR Doc. 87–11094 Filed 5–14–87; 8:45 am]
BILLING CODE 7715–01–M

federal register

Friday
May 15, 1987

Part III

Department of Transportation

Federal Aviation Administration

14 CFR Part 71

Establishment of an Airport Radar Service Area at Luis Munoz Marin International Airport, San Juan, PR; Proposed Rule

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 71

[Airspace Docket No. 86-AWA-43]

Radar Service Area at Luis Munoz Marin International Airport, San Juan, PR

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of proposed rulemaking.

SUMMARY: This notice proposes to establish an Airport Radar Service Area (ARSA) at Luis Munoz Marin International Airport, San Juan, PR. This location is a public airport at which a nonregulatory Terminal Radar Service Area (TRSA) is currently in effect. Establishment of an ARSA would require that pilots maintain two-way radio communication with air traffic control (ATC) while in the ARSA. Implementation of ARSA procedures at the affected location would promote the efficient control of air traffic and reduce the risk of midair collision in terminal areas.

DATES: Comments must be received on or before August 17, 1987. The informal airspace meeting date is July 16, 1987.

ADDRESSES: Send comments on the proposal in triplicate to: Federal Aviation Administration, Office of the Chief Counsel, Attention: Rules Docket [AGC-204], Airspace Docket No. 86-AWA-43, 800 Independence Avenue, SW., Washington, DC 20591.

The informal airspace meeting place is as follows:

Luis Munoz Marin International Airport, San Juan, PR, ARSA

Time: 7:30 p.m.

Location: Muniz Air National Guard Base, Dining Facility, Luis Munoz Marin International Airport, San Juan, PR.

The official docket may be examined in the Rules Docket, weekdays, except Federal holidays, between 8:30 a.m. and 5:00 p.m. The FAA Rules Docket is located in the Office of the Chief Counsel, Room 916, 800 Independence Avenue, SW., Washington, DC.

The informal docket may also be examined during normal business hours at the office of the Regional Air Traffic Division.

FOR FURTHER INFORMATION CONTACT: Robert L. Laser, Airspace Branch (ATO-240), Airspace-Rules and Aeronautical Information Division, Air Traffic Operations Service, Federal Aviation Administration, 800 Independence Avenue, SW., Washington, DC 20591; telephone: (202) 267-9255.

SUPPLEMENTARY INFORMATION:

Comments Invited

This notice involves one location. Interested parties are invited to participate in this proposed rulemaking by submitting such written data, views, or arguments as they may desire. Comments that provide the factual basis supporting the views and suggestions presented are particularly helpful in developing reasoned regulatory decisions on the proposal. Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposal. Communications should identify the airspace docket and be submitted in triplicate to the address listed above. Commenters wishing the FAA to acknowledge receipt of their comments on this notice must submit with those comments a self-addressed, stamped postcard on which the following statement is made: "Comments to Airspace Docket No. 86-AWA-43." The postcard will be date/time stamped and returned to the commenter. All communications received before the specified closing date for comments will be considered before taking action on the proposed rule. The proposal contained in this notice may be changed in the light of comments received. All comments submitted will be available for examination in the Rules Docket both before and after the closing date for comments. A report summarizing each substantive public contact with FAA personnel concerned with this rulemaking will be filed in the docket.

Availability of NPRM's

Any person may obtain a copy of this Notice of Proposed Rulemaking (NPRM) by submitting a request to the Federal Aviation Administration, Office of Public Affairs, Attention: Public Inquiry Center, APA-230, 800 Independence Avenue, SW., Washington, DC 20591, or by calling (202) 267-3484. Communications must identify the notice number of this NPRM. Persons interested in being placed on a mailing list for future NPRM's should also request a copy of Advisory Circular No. 11-2 which describes the application procedure.

Meeting Procedures

In addition to seeking written comments on this proposal, the FAA will hold an informal airspace meeting for the proposed ARSA location in order to receive additional input with respect to the proposal. The date, time, and place for this meeting is listed above. Persons who plan to attend the meeting should be aware of the following procedures to be followed:

(a) The meeting will be informal in nature and will be conducted by the designated representative of the Administrator. Each participant will be given an opportunity to make a presentation.

(b) There will be no admission fee or other charge to attend and participate. The meeting will be open to all persons on a space-available basis. The FAA representative may accelerate the agenda to enable early adjournment if the progress of the meeting is more expeditious than planned.

(c) The meeting will not be recorded. A summary of the comments made at this meeting will be filed in the docket.

(d) Position papers or other handout material relating to the substance of the meeting may be accepted at the discretion of the FAA representative. Participants submitting handout materials should present an original and two copies to the presiding officer for approval before distribution. If approved by the presiding officer, there should be an adequate number of copies provided for further distribution to all participants.

(e) Statements made by FAA participants at the meeting should not be taken as expressing a final FAA position.

Agenda

Presentation of Meeting Procedures
FAA Presentation of Proposal
Public Presentations and Discussion

Background

On April 22, 1982, the National Airspace Review (NAR) plan was published in the **Federal Register** (47 FR 17448). The plan encompassed a review of airspace use and procedural aspects of the ATC system. Among the main objectives of the NAR was the improvement of the ATC system by increasing efficiency and reducing complexity. In its review of terminal airspace, NAR Task Group 1-2 concluded that TRSA's should be replaced. Four types of airspace configurations were considered as replacement candidates, of which Model B, since redesignated ARSA, was the consensus recommendation.

In response, the FAA published NAR Recommendation 1-2.2.1, "Replace Terminal Radar Service Areas with Model B Airspace and Service" in Notice 83-9 (July 28, 1983; 48 FR 34286) proposing the establishment of ARSA's at the Robert Mueller Municipal Airport, Austin, TX, and the Port of Columbus

International Airport, Columbus, OH. ARSA's were designated at these airports on a temporary basis by SFAR No. 45 (October 28, 1983; 48 FR 50038) in order to provide an operational confirmation of the ARSA concept for potential application on a national basis.

Following a confirmation period of more than a year, the FAA adopted the NAR recommendation and, on February 27, 1985, issued a final rule (50 FR 9252; March 6, 1985) defining an ARSA and establishing air traffic rules for operation within such an area. Concurrently, by separate rulemaking action, ARSA's were permanently established at the Austin, TX, and Columbus, OH, airports and also at the Baltimore/Washington International Airport, Baltimore, MD, (50 FR 9250; March 6, 1985). The FAA has stated that future notices would propose ARSA's for other airports at which TRSA procedures were in effect.

Additionally, the NAR Task Group recommended that the FAA develop quantitative criteria for proposing to establish ARSA's at locations other than those which are included in the TRSA replacement program. The task group recommended that these criteria take into account, among other things, traffic mix, flow and density, airport configuration, geographical features, collision risk assessment, and ATC capabilities to provide service to users. This criteria has been developed and is being published via the FAA directives system.

The FAA has established ARSA's at 86 locations under a paced implementation plan to replace TRSA's with ARSA's. This is one of a series of notices to implement ARSA's at locations with TRSA's.

Related Rulemaking

This notice proposes ARSA designation at one of the locations identified as candidates for an ARSA in the preamble to Amendment No. 71–10 (50 FR 9252). Other candidate locations will be proposed in future notices published in the **Federal Register.**

The Current Situation at the Proposed ARSA Location

A TRSA is currently in effect at Luis Munoz Marin International Airport. A TRSA consists of the airspace surrounding a designated airport where ATC provides radar vectoring, sequencing, and separation for all aircraft operating under instrument flight rules (IFR) and for participating aircraft operating under visual flight rules (VFR). TRSA airspace and operating rules are not established by regulation, and participation by pilots operating under VFR is voluntary, although pilots are urged to participate. This level of service is known as Stage III and is provided at all locations identified as TRSA's. The NAR task group recommended the replacement of most TRSA's with ARSA's.

A number of problems with the TRSA program were identified by the task group. The task group stated that because there are different levels of service offered within the TRSA, users are not always sure of what restrictions or privileges exist, or how to cope with them. According to the task group, there is a shared feeling among users that TRSA's are often poorly defined, are generally dissimilar in dimensions, and encompass more area than is necessary or desirable. There are other users who believe that the voluntary nature of the TRSA does not adequately address the problems associated with nonparticipating aircraft operating in relative proximity to the airport and associated approach and departure courses. There is strong advocacy among user organizations that terminal radar facilities should provide all pilots the same service, in the same way, and, to the extent feasible, within standard size airspace designations.

Certain provisions of FAR 91.87 add to the problem identified by the task group. For example, aircraft operating under VFR to or from a satellite airport and within the airport traffic area (ATA) of the primary airport are excluded from the two-way radio communications requirement of § 91.87. This condition is acceptable until the volume and density of traffic at the primary airport dictates further action.

The Proposal

The FAA is considering an amendment to § 71.501 of Part 71 of the Federal Aviation Regulations (14 CFR Part 71) to establish an ARSA at Luis Munoz Marin International Airport, San Juan, PR. The above location is a public airport at which a nonregulatory TRSA is currently in effect. The proposed location is depicted on a chart in Appendix 1 to this notice.

The FAA has published a final rule (50 FR 9252; March 6, 1985) which defines ARSA and prescribes operating rules for aircraft, ultralight vehicles, and parachute jump operations in airspace designated as an ARSA.

The final rule provides in part that any aircraft arriving at any airport in an ARSA or flying through an ARSA, prior to entering the ARSA must: (1) Establish two-way radio communications with the ATC facility having jurisdiction over the area, and (2) while in the ARSA, maintain two-way radio communications with that ATC facility. For aircraft departing from the primary airport within the ARSA, two-way radio communications must be maintained with the ATC facility having jurisdiction over the area. For aircraft departing a satellite airport within the ARSA, two-way radio communications must be established as soon as practicable after takeoff with the ATC facility having jurisdiction over the area, and thereafter maintained while operating with the ARSA.

All aircraft operating within an ARSA are required to comply with all ATC clearances and instructions and any FAA arrival or departure traffic pattern for the airport of intended operation. However, the rule permits ATC to authorize appropriate deviations to any of the operating requirements of the rule when safety considerations justify the deviation or more efficient utilization of the airspace can be attained. Ultralight vehicle operations and parachute jumps in an ARSA may only be conducted under the terms of an ATC authorization.

The FAA adopted the NAR task group recommendation that each ARSA be of the same airspace configuration insofar as practicable. The standard ARSA consists of airspace within 5 nautical miles of the primary airport extending from the surface to an altitude of 4,000 feet above that airport's elevation, and that airspace between 5 and 10 nautical miles from the primary airport from 1,200 feet above the surface to an altitude of 4,000 feet above that airport's elevation. Proposed deviation from the standard has been necessary at some airports due to adjacent regulatory airspace, international boundaries, topography, or unusual operational requirements.

Definitions, operating requirements, and specific airspace designations applicable to ARSA may be found in 14 CFR Part 71, §§ 71.14 and 71.501, and Part 91, §§ 91.1 and 91.88.

The FAA has determined that this proposed regulation is not a "significant rule" under DOT Regulatory Policies and Procedures (44 FR 11034; February 26, 1979). Further, for the reasons discussed under "Regulatory Evaluation," the FAA has determined that this proposed regulation is not a "major rule" under Executive Order 12291.

Regulatory Evaluation

The FAA has conducted a Regulatory Evaluation of the proposed establishment of additional ARSA sites. The major findings of that evaluation

are summarized below, and the evaluation is available in the regulatory docket.

a. Costs

Costs which potentially could result from the ARSA program fall into the following categories:

(1) Air traffic controller staffing, controller training, and facility equipment costs incurred by the FAA.

(2) Costs associated with the revision of charts, notification of the public, and pilot education.

(3) Additional operating costs for circumnavigating or flying over the ARSA.

(4) Potential delay costs resulting from operations within an ARSA rather than a TRSA.

(5) The need for some operators to purchase radio transceivers.

(6) Miscellaneous costs.

It has been the FAA's experience, however, that these potential costs do not materialize to any appreciable degree, and when they do occur, they are transitional, relatively low in magnitude, or attributable to specific implementation problems that have been experienced at a very small minority of ARSA sites. The reasons for these conclusions are presented below.

FAA expects that the ARSA program can be implemented without requiring additional controller personnel above current authorized staffing levels because participation at most TRSA locations is already quite high, and the reduced separation standards permitted in ARSA's will allow controllers to absorb the slight increase in participating traffic by handling all traffic much more efficiently. Further, because controller training will be conducted during normal working hours, and existing TRSA facilities already operate the necessary radar equipment, FAA does not expect to incur any appreciable implementation costs. Essentially, the FAA is modifying its terminal radar procedures in the ARSA program in a manner that will make more efficient use of existing resources.

No additional costs are expected to be incurred because of the need to revise sectional charts to remove TRSA airspace depictions and incorporate the new ARSA airspace boundaries. Changes of this nature are routinely made during charting cycles, and the planned effective dates for newly established ARSA's are scheduled to coincide with the regular 6-month chart publication intervals.

Much of the need to notify the public and educate pilots about ARSA operations will be met as a part of this rulemaking proceeding. The informal public meeting being held at each location where an ARSA is being proposed provides pilots with the best opportunity to learn both how an ARSA works and how it will affect their local operations. Because the expenses associated with these public meetings will be incurred regardless of whether or not an ARSA is ultimately established at a proposed site, they are more appropriately considered costs attributable to the rulemaking process rather than costs of the ARSA program. Once the decision has been made to establish an ARSA through a final rule issued in this proceeding, however, any public information costs which follow are strictly attributable to the ARSA program. The FAA expects to distribute a Letter to Airmen to all pilots residing within 50 miles of ARSA sites explaining the operation and configuration of the ARSA finally adopted. The FAA will also issue an Advisory Circular on ARSA's. The combined Letter to Airmen and prorated Advisory Circular costs for the airport at which an ARSA is being proposed by this notice is estimated to be approximately $450. This cost will be incurred only once upon the initial establishment of the ARSA.

Information on ARSA's following implementation of the program will also be disseminated at aviation safety seminars conducted throughout the country by various district offices. These seminars are regularly provided by the FAA to discuss a variety of aviation safety issues, and therefore will not involve additional costs strictly as a result of the ARSA program. Additionally, no significant costs are expected to be incurred as a result of the follow-on user meetings that will be held at each site following implementation of the ARSA to allow users to provide feedback to the FAA on local ARSA operations. These meetings are being held at public or other facilities which are being provided free of charge or at nominal cost. Further, because these meetings are being conducted by local FAA facility personnel, no travel, per diem, or overtime costs will be incurred by regional or headquarters personnel.

FAA anticipates that some pilots who currently transit a TRSA without establishing radio communications or participating in radar services may choose to circumnavigate the mandatory participation airspace of an ARSA rather than participate. Some minor delay costs will be incurred by these pilots because of the additional aircraft variable operating cost and lost crew and passenger time resulting from the deviation. Other pilots may elect to overfly the ARSA, or transit below the 1,200 feet above ground level (AGL) floor between the 5- and 10-nautical-mile rings. Although this will not result in any appreciable delay, a small additional fuel burn will result from the climb portion of the altitude adjustment (which will be offset somewhat by the descent).

FAA recognizes that the potential exists for delay to develop at some locations following establishment of an ARSA. The additional traffic that the radar facilities will be handling as a result of the mandatory participation requirement may, in some instances, result in minor delays to aircraft operations. FAA does not expect such delay to be appreciable. FAA expects that the greater flexibility afforded controllers in handling traffic as a result of the reduced separation standards will keep delay problems to a minimum. Those that do occur will be transitional in nature, diminishing as facilities gain operating experience with ARSA's and learn how to tailor procedures and allocate resources to take fullest advantage of the efficiencies that an ARSA will permit. This has been the experience at the locations where ARSA's have been in effect for the longest period of time, and is the trend at most of the locations that have been more recently designated.

The FAA does not expect that any operators will find it necessary to install radio transceivers as a result of establishing the ARSA proposed in this notice. Aircraft operating to and from primary airports already are required to have two-way radio communications capability because of existing airport traffic areas and, therefore, will not incur any additional costs as a result of the proposed ARSA. Further, the FAA has made an effort to minimize these potential costs throughout the ARSA program by providing airspace exclusions, or cutouts, for satellite airports located within 5 nautical miles of the ARSA center where the ARSA would otherwise have extended down to the surface. Procedural agreements between the local ATC facility and the affected airports have also been used to avoid radio installations costs.

At some proposed ARSA locations, special situations might exist where establishment of an ARSA could impose certain costs on users of that airspace. However, exclusions, cutouts, and special procedures have been used extensively throughout the ARSA program to alleviate adverse impacts on local fixed base and airport operators. Similarly, the FAA has eliminated potential adverse impacts on existing flight training practice areas, as well as

soaring, ballooning, parachuting, ultralight and banner towing activities, by developing special procedures to accommodate these activities through local agreements between ATC facilities and the affected organizations. For these reasons, the FAA does not expect that any such adverse impact will occur at the candidate ARSA site proposed in this notice.

b. Benefits

Much of the benefit that will result from ARSA's is nonquantifiable, and is attributable to simplification and standardization of ARSA configurations and procedures, which will eliminate much of the confusion pilots currently experience when operating in nonstandard TRSA's. Further, once experience is gained in ARSA operations, the greater flexibility allowed air traffic controllers in handling traffic within an ARSA will enable them to move traffic more efficiently than they currently are able to under TRSA's. These expected savings may or may not offset the delay that some sites may experience after the initial establishment of an ARSA, but are expected to eventually provide overall time savings to all traffic, IFR as well as VFR, as both pilots and controllers become more familiar with ARSA operating procedures.

Some of the benefits of the ARSA cannot be specifically attributed to individual candidate airports, but rather will result from the overall improvements in terminal area ATC procedures realized as ARSA's are implemented throughout the country. ARSA's have the potential of reducing both near and actual midair collisions at the airports where they are established. Based upon the experience at the Austin and Columbus ARSA confirmation sites, FAA estimates that near midair collisions may be reduced by approximately 35 to 40 percent. Further, FAA estimates that implementation of the ARSA program nationally may prevent approximately one midair collision every 1 to 2 years throughout the United States. The quantifiable benefits of preventing a midair collision can range from less than $100,000, resulting from the prevention of a minor nonfatal accident between general aviation aircraft, to $300 million or more, resulting from the prevention of a midair collision involving a large air carrier aircraft and numerous fatalities. Establishment of an ARSA at the site proposed in this notice will contribute to these improvements in safety.

c. Comparison of Costs and Benefits

A direct comparison of the costs and benefits of this proposal is difficult for a number of reasons. Many of the benefits of the rule are nonquantifiable, and it is difficult to specifically attribute the standardization benefits, as well as the safety benefits, to individual candidate ARSA sites.

FAA expects that any adjustment problems that may be experienced at new ARSA locations will only be temporary, and that once established, the ARSA program will result in an overall improvement in efficiency in terminal area operations at those airports where ARSA's are established. This has been the experience at the vast majority of ARSA sites that have already been implemented. In addition to these operational efficiency improvements, establishment of the proposed ARSA site will contribute to a reduction in near and actual midair collisions. For these reasons, FAA expects that establishment of the ARSA site proposed in this notice will produce long term, ongoing benefits that will far exceed its costs, which are essentially transitional in nature.

International Trade Impact Analysis

This proposed regulation will only affect terminal airspace operating procedures at selected airports within the United States. As such, it will have no affect on the sale of foreign aviation products or services in the United States, nor will it affect the sale of United States aviation products or services in foreign countries.

Regulatory Flexibility Determination

The Regulatory Flexibility Act of 1980 (RFA) was enacted by Congress to ensure that small entities are not unnecessarily and disproportionately burdened by government regulations. Small entities are independently owned and operated small businesses and small not-for-profit organizations. The RFA requires agencies to review rules that may have "a significant economic impact on a substantial number of small entities."

The small entities that potentially could be affected by implementation of the ARSA program include the fixed-base operators, flight schools, agricultural operators and other small aviation businesses located at satellite airports within 5 nautical miles of the ARSA center. If the mandatory participation requirement were to extend down to the surface at these airports, where under current regulations participation in the TRSA and radio communication with ATC is voluntary, operations at these airports might be altered, and some business could be lost to airports outside of the ARSA core. FAA has proposed to exclude many satellite airports located within 5 nautical miles of the primary airport at candidate ARSA sites to avoid adversely impacting their operations, and to simplify coordinating ATC responsibilities between the primary and satellite airports. In some cases, the same purposes will be achieved through letters of Agreement between ATC and the affected airports that establish special procedures for operating to and from these airports. In this manner, FAA expects to eliminate any adverse impact on the operations of small satellite airports that potentially could result from the ARSA program. Similarly, FAA expects to eliminate potentially adverse impacts on existing flight training practice areas, as well as soaring, ballooning, parachuting, ultralight, and banner towing activities, by developing special procedures that will accommodate these activities through local agreements between ATC facilities and the affected organizations. FAA has utilized such arrangements extensively in implementing the ARSA's that have been established to date.

Further, because the FAA expects that any delay problems that may initially develop following implementation of an ARSA will be transitory, and because the airports that will be affected by the ARSA program represent only a small proportion of all the public use airports in operation within the United States, small entities of any type that use aircraft in the course of their business will not be adversely impacted.

For these reasons, the FAA certifies that the proposed regulation will not result in a significant economic impact on a substantial number of small entities, and a regulatory flexibility analysis is not required under the terms of the RFA.

List of Subjects in 14 CFR Part 71

Aviation safety, airport radar service areas.

The Proposed Amendment

PART 71—[AMENDED]

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

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

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

2. Section 71.501 is amended as follows:

§ 71.501 [Amended]

San Juan Luis Munoz Marin International Airport, PR [New]

That airspace extending upward from the surface to and including 4,000 feet MSL within a 5-mile radius of the Luis Munoz Marin International Airport (lat. 18°26'29"N., long. 66°00'08"W.); and that airspace extending upward from 2,800 feet MSL to 4,000 feet MSL within a 10-mile radius of the Luis Munoz Marin International Airport from the 129°T(140°M) bearing from the airport clockwise to the 189°T(200°M) bearing from the airport and that airspace extending upward from 1,700 feet MSL to 4,000 feet MSL within a 10-mile radius of the airport from the 189°T(200°M) bearing from the airport clockwise to the 229°T(240°M) bearing from the airport and that airspace extending upward from 1,200 feet MSL to 4,000 feet MSL within a 10-mile radius of the airport from the 229°T(240°M) bearing from the airport clockwise to the 129°T(140°M) bearing from the airport.

Issued in Washington, DC, on May 8, 1987.

Daniel J. Peterson,

Manager, Airspace—Rules and Aeronautical Information Division.

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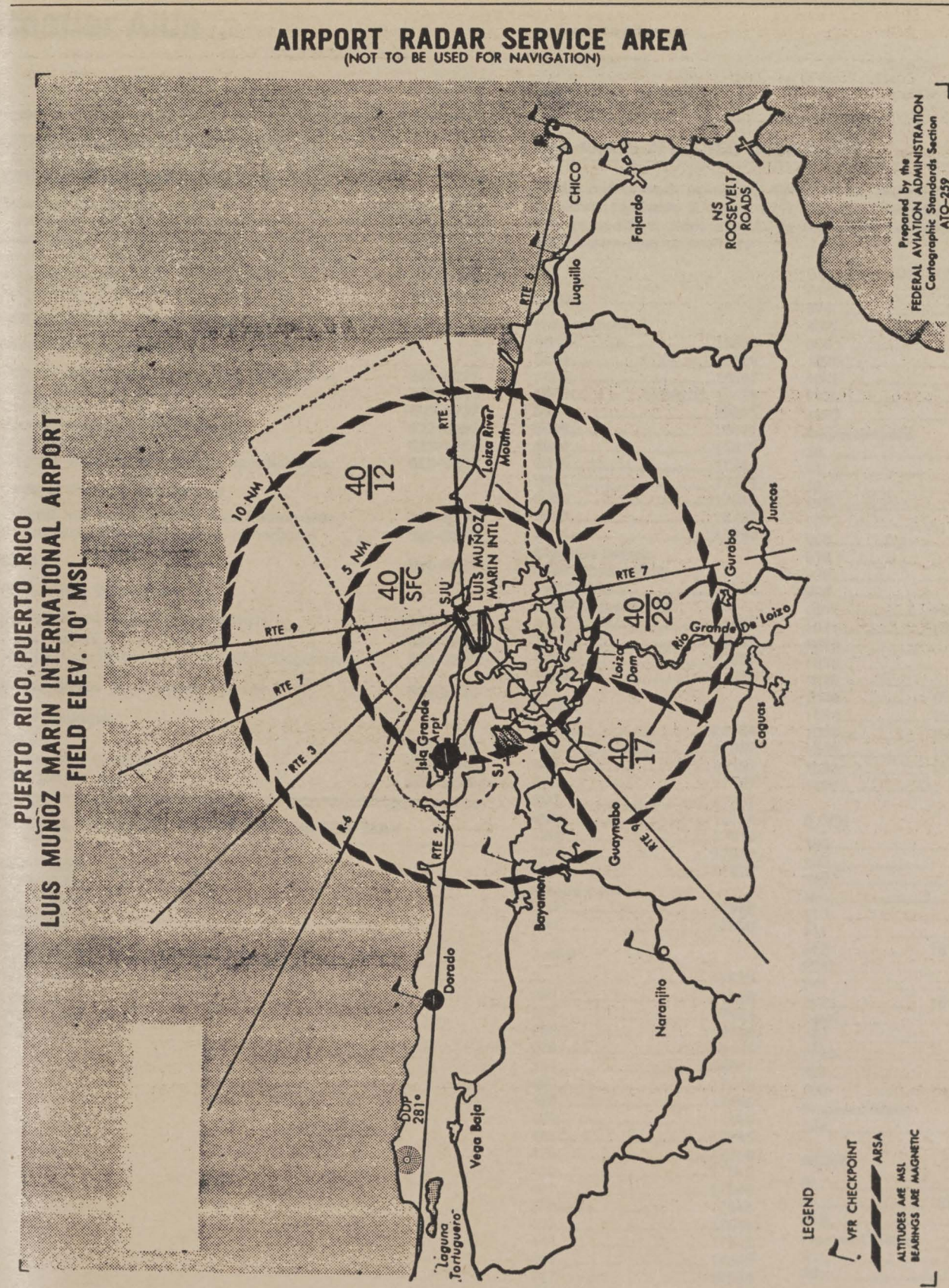

[FR Doc. 87-11208 Filed 5-14-87; 8:45 am]

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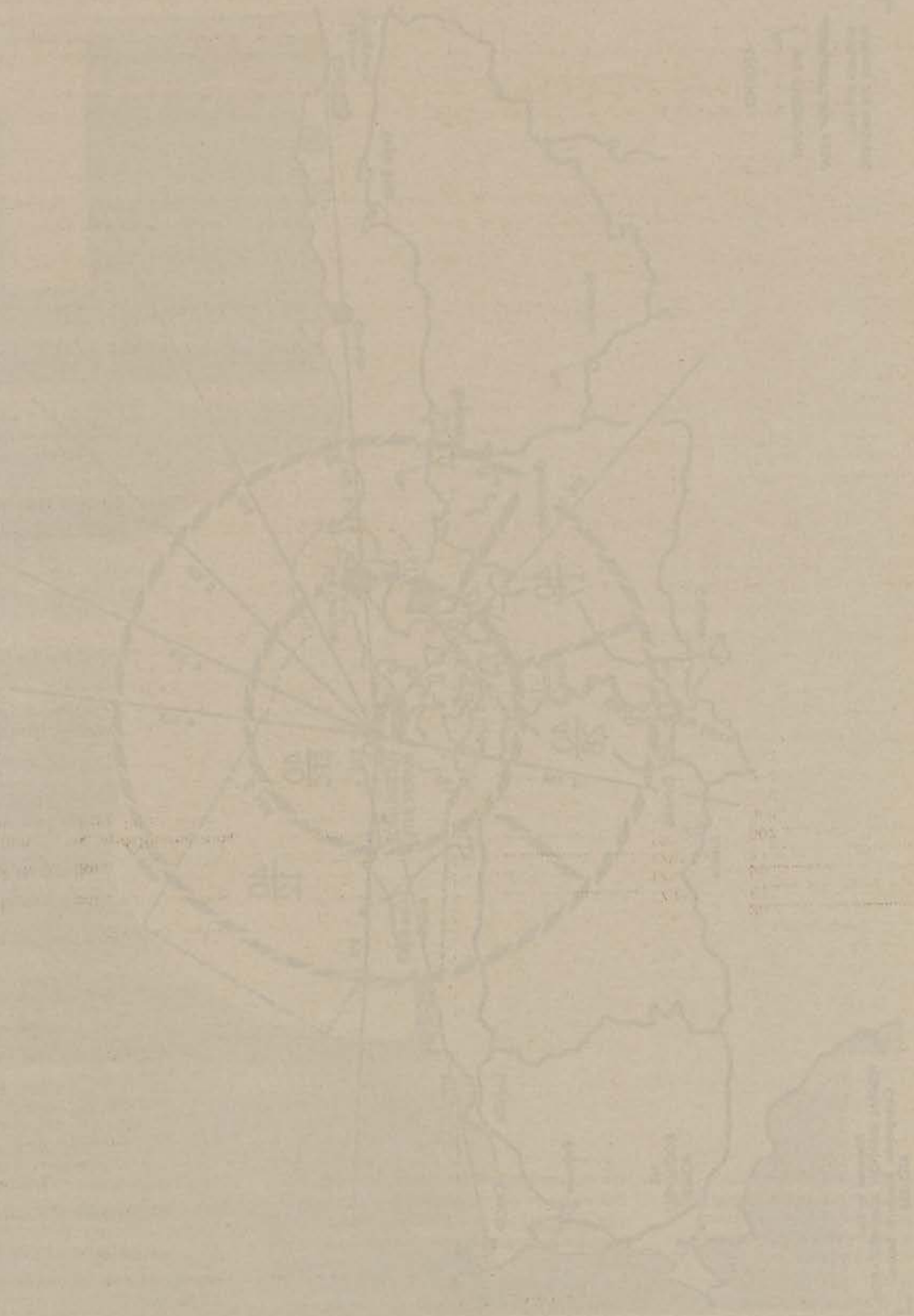

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S.J. Res. 55 / Pub. L. 100-36

Designating the week of May 10, 1987, through May 16, 1987, as "National Osteoporosis Prevention Week of 1987." (May 12, 1987; 101 Stat. 303; 2 pages) Price: $1.00

S.J. Res. 124 / Pub. L. 100-37

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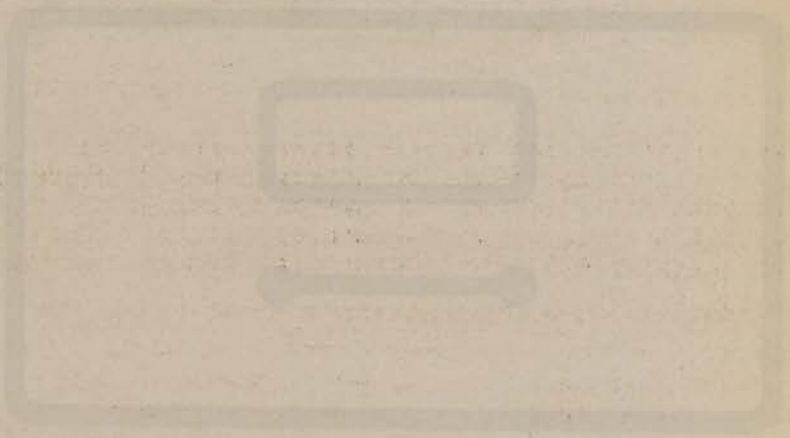

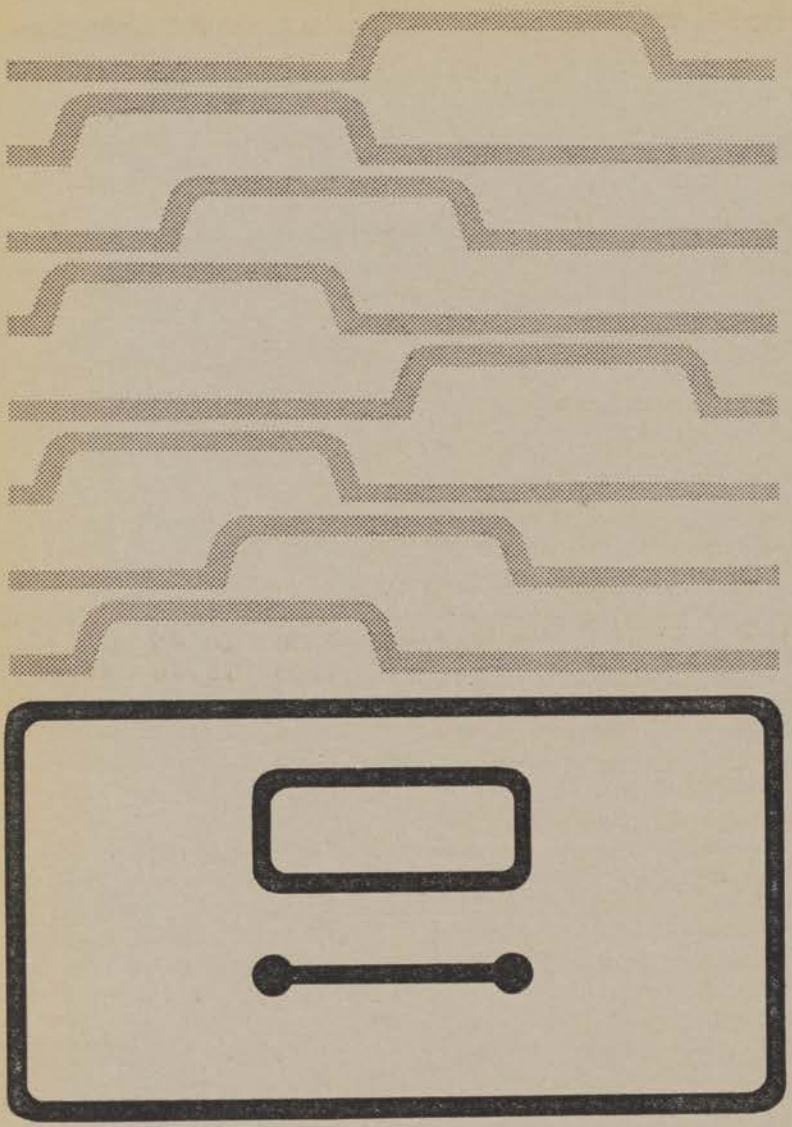

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in the Code of Federal Regulations (CFR)

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