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WASHINGTON, DC

(TWO BRIEFINGS)

WHEN: March 23 at 9:00 am and 1:30 pm
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Reader Aids

Additional information, including a list of public laws, telephone numbers, and finding aids, appears in the Reader Aids section at the end of this issue.

Electronic Bulletin Board

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CFR PARTS AFFECTED IN THIS ISSUE

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

Rules and Regulations

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This section of the FEDERAL REGISTER contains regulatory documents having general applicability and legal effect, most of which are keyed to and codified in the Code of Federal Regulations, which is published under 50 titles pursuant to 44 U.S.C. 1510.

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DEPARTMENT OF AGRICULTURE

Animal and Plant Health Inspection Service

7 CFR Part 319

[Docket No. 94–042–2]

True Potato Seed From Chile

AGENCY: Animal and Plant Health Inspection Service, USDA.

ACTION: Final rule.

SUMMARY: We are allowing, under certain conditions, the importation of true potato seed from Chile. The true potato seed imported from Chile under this rule will originate from certified virus-free plantlets from the United States, be produced under the supervision of Chilean plant protection authorities, and be tested for seedborne viruses prior to being offered for entry into the United States. Allowing the importation of true potato seed from Chile will give potato producers in the United States another means of producing disease-free tubers.

EFFECTIVE DATE: March 20, 1995.

FOR FURTHER INFORMATION CONTACT: Mr. Peter M. Grosser or Mr. Frank E. Cooper, Senior Operations Officers, Port Operations, Plant Protection and Quarantine, APHIS, USDA, P.O. Drawer 810, Riverdale, MD 20738. The telephone number for the agency contact will change when agency offices in Hyattsville, MD, move to Riverdale, MD, during February. Telephone: (301) 436–6799 (Hyattsville); (301) 734–6799 (Riverdale).

SUPPLEMENTARY INFORMATION:

Background

The regulations in 7 CFR part 319 prohibit or restrict the importation into the United States of certain plants and plant products to prevent the introduction of plant pests. The regulations contained in ''Subpart—Nursery Stock, Plants, Roots, Bulbs, Seeds, and Other Plant Products,'' §§ 319.37 through 319.37–14 (referred to below as the regulations), restrict, among other things, the importation of living plants, plant parts, and seeds for propagation.

One of the articles restricted in the regulations is *Solanum* species (spp.) true seed, also known as true potato seed. ''*Solanum* spp. true seed'' is defined in § 319.37–1 as ''seed produced by flowers of *Solanum* capable of germinating and producing new *Solanum* plants, as distinguished from *Solanum* tubers, whole or cut, that are referred to as *Solanum* seeds or seed potatoes.''

On September 9, 1994, we published in the **Federal Register** (59 FR 46572–46574, Docket No. 94–042–1) a proposed rule to allow, under certain conditions, the importation of true potato seed from Chile. We proposed that the true potato seed imported from Chile would have to originate from certified virus-free plantlets from the United States, be produced in the country's Tenth (X) Region under the supervision of Chilean plant protection authorities, and be tested for seedborne viruses prior to being offered for entry into the United States.

We solicited comments concerning our proposal for a 30-day comment period ending October 11, 1994. We received 31 comments by that date, from State universities and university extension services; plant researchers and geneticists; potato breeders, growers, and marketers; State agriculture departments; seed companies; an agronomist; a member of the U.S. House of Representatives; and the Chilean government trade bureau. Twenty one of the commenters supported the proposed rule as written, 8 commenters supported the proposed rule but suggested changes, and 2 commenters were opposed to the proposed rule. The suggested changes and the comments of those opposed to the proposal are discussed below.

Comment: Although the disease is already present in the United States, the regulations should include safeguards to prevent the introduction of potato spindle tuber viroid (PSTV), which is transmitted by true potato seed.

Response: As discussed in the proposed rule, the plants that would produce the true potato seed would originate from plantlets from the United States that have been tested for viruses (including PSTV) and certified virus-free. Additionally, PSTV is not known to exist in the X Region, and, because the X Region is a quarantined area for potatoes, the entry of potato seeds, true seed, plants, and tubers is restricted in order to prevent the introduction of PSTV and other potato pests or diseases. Therefore, we believe that it is unlikely that the true potato seed would introduce PSTV into the United States and have made no changes in this final rule as a result of that comment.

Comment: The growing season inspection discussed in the proposed rule should be conducted within six weeks of harvest to maximize the ability to detect infected plant material. Surveys conducted earlier in the growing season might not detect infected plants.

Response: Diseases with visible symptoms would likely be more easily recognized later in the growing season, but the viruses for which the plants, tubers, and true potato seed will be tested may be asymptomatic in potatoes. The testing protocol presented by Chile's ministry of agriculture, the Servicio Agricola y Ganadero (SAG), and accepted by the Animal and Plant Health Inspection Service (APHIS) calls for plant samples to be collected for testing between 30 days after planting up to the flowering phase. APHIS agrees with that time frame because we believe that the most accurate testing results would be obtained from samples gathered during the active phase of the plants' growth. We have, therefore, made no changes in this final rule as a result of that comment.

Comment: Our literature indicates that potato smut occurs in parts of Chile. If that disease is present in the X Region, it could be carried with the true potato seed as a contaminant.

Response: Potato smut is not reported to occur in the X Region and, as mentioned above, there are quarantine measures in place to prevent its introduction into the region. Because we believe that it is unlikely that potato smut would be carried into the United States as a contaminant on the true potato seed from Chile, we have made no changes in this final rule based on that comment.

Comment: For the sake of clarity, APHIS should specify ''*Solanum tuberosum*,'' rather than the more general ''*Solanum* spp.,'' when referring to the potato species from which the true potato seed may be derived.

Response: We agree that using ''*Solanum tuberosum*'' instead of the more general ''*Solanum* spp.'' would be clearer. We have, therefore, changed the regulatory text of this final rule to refer to the potato species from which the true potato seed may be derived as ''*Solanum tuberosum*.''

Comment: Specifically requiring that the nitro-cellulose membrane (NCM) enzyme-linked immunosorbent assay (ELISA) be used to test for the viruses of concern leaves no room for the use of other tests that are also recommended by the International Potato Center. Other ELISA tests, as well as the nucleic acid spot hybridization (NASH) non-reagent test, should be allowed.

Response: In the testing protocol presented by SAG and accepted by APHIS, the NCM ELISA test was specified as the method that would be used to test for the viruses of concern. We recognize, however, that the other tests recommended by the International Potato Center are equally accurate and could be used to test for the viruses of concern without compromising the integrity of the testing program in any way. Therefore, we have changed the regulatory text of this final rule to allow the use of other ELISA tests and the NASH non-reagent test for the purposes of testing the tubers, plants, and true potato seed for the viruses of concern.

Comment: With regard to the sample sizes specified in proposed paragraph § 319.37–5(h)(iii), the sampling rate should be 500 tubers and 500 plantlets per hectare (2.5 acres) rather than per 30 acres in order to detect 1 percent contamination with a 99 percent confidence level. The sampling level for the true potato seed should be made according to International Potato Center's guidelines for laboratory tests.

Response: The 500/500/500 sampling rate discussed in the proposed rule for the testing of plants, tubers, and true potato seed actually should, as pointed out by the commenter, be 500/500/500 per hectare, and not per 30-acre field as stated in the proposed rule. We have changed the regulatory text in this final rule to correct that error. With regard to the sampling to the true potato seed, the testing protocol presented by SAG and accepted by APHIS dictated that the true potato seed would be sampled at the same rate as the plants and tubers in order to detect 1 percent contamination with a 99 percent confidence level. It is the contamination level/confidence level equation that is of the greatest importance to APHIS; if SAG would prefer to establish a different sampling procedure for true potato seed that could detect the same level of contamination with the same level of confidence, APHIS is willing to review the new sampling procedure and, if warranted, publish a proposal in the **Federal Register** to add the procedure to the regulations.

Comment: APHIS should recognize Chile's VIII and IX regions as also being free from the four viruses of concern and allow the importation of true potato seed from those regions as well. Once such recognition has been established, APHIS should allow the use of parental material from those regions to produce the true potato seed and eliminate the requirement for the pre-export inspection and testing of true potato seed from the VIII, IX, and X regions of Chile.

Response: APHIS is open to working with SAG to expand the range of areas in Chile from which true potato seed may be imported into the United States; similarly, we are open to relaxing or eliminating inspection or testing requirements as circumstances warrant. However, we must first be able to establish that such actions would not result in an increased risk of plant pest introduction or dissemination in the United States. Once adequate protocols had been established and agreed upon, we could publish a proposal in the **Federal Register** to add any new areas or inspection requirements to the regulations. We cannot, however, make any such changes in this final rule.

Comment: The proposed requirement to test at three levels (plantlet, tuber, and true potato seed) for Andean Potato Latent Virus (APLV), Arracacha Virus B (AVB), and the Andean Potato Calico Strain of Tobacco Ringspot Virus (TRV-Ca) is unnecessarily stringent because there is no evidence to confirm that any of the three viruses can be transmitted by true potato seed under natural conditions. Additionally, the International Potato Center has analyzed true potato seed from the Peruvian Andean area—where AVB and TRV-Ca have been found to exist—and from the Center's own germplasm stock for a continued term of 8 years and has never found any of the three viruses in the true potato seed tested.

Response: The testing protocol presented by SAG and accepted by APHIS prescribed that plants, tubers, and true potato seed would all be tested for the viruses of concern. If alternative testing protocols are presented by SAG, and APHIS determines that they would not result in an increased risk of plant pest introduction or dissemination in the United States, we could publish a proposal in the **Federal Register** to relax or replace the requirement to test all three levels (plants, tubers, and true potato seed) for all viruses of concern.

Comment: The proposed criteria of sampling to detect 1 percent contamination at a 99 percent confidence level is not adequate for quarantine purposes. Zero tolerance is the desired goal of quarantine, and anything less creates an unacceptable level of risk that is not in the best interest of the potato industry. Under ideal conditions, most quarantines only delay the spread of regulated pests. The potato industry does not need to face the threat of diseases not currently in the United States.

Response: If ''zero tolerance'' for pest risk was the standard applied to international trade in agricultural commodities, it is quite likely that no country would ever be able to export a commodity to any other country. There will always be some degree of pest risk associated with the movement of agricultural products; APHIS' goal is to reduce that risk to an insignificant level. In the case of true potato seed from Chile, we believe factors such as the low incidence of disease transmission by seeds and the absence of potato viruses in the seed production area, as well as the origin, certification, and testing requirements contained in this final rule, reduce the pest risk associated with its importation to an acceptable level.

Comment: The proposed rule contains a requirement for SAG to provide certain phytosanitary certifications. Before further consideration is given to the proposal, a formal review of the SAG's phytosanitary certification program should be conducted by U.S. officials to determine whether SAG can in fact provide reliable and credible certification.

Response: APHIS has a longstanding working relationship with SAG, and we are fully confident in their ability to provide reliable and credible phytosanitary certification for Chile's agriculture products, including true potato seed.

Comment: Potato producers in the United States do not need another means of producing disease-free tubers, especially if that means would not provide a genetically pure potato variety. True potato seed is already produced in the United States and is available to domestic potato research personnel and the seed potato industry. If there is a need for additional true potato seed, it could be produced in the United States.

Response: Whether the domestic potato industry will buy and use the true potato seed imported from Chile will be the decision of the domestic potato industry. APHIS is concerned with plant pest risk; marketing risks would be the concern of the true potato seed's producers, exporters, and importers.

Comment: The economic well-being of pre-nuclear seed potato producers and their associated industries may be jeopardized by allowing cheaper foreign material to enter the market.

Response: As discussed in the Regulatory Flexibility analysis in the proposed rule and in this final rule, we expect that it will take several years before true potato seed imported into the United States from Chile and its products will be in a position to capture any significant market share. Thus, its potential impact on price and competition in the potato seed market remains uncertain. If consumer response is favorable and true potato seed imported from Chile becomes competitive with the seed potatoes currently available in the United States, the price of seed potatoes may be driven down. However, because U.S. seed potato prices are influenced more by domestic production and market conditions than by imports, it is likely that any economic impact on domestic seed potato producers will be small.

Addition of New Virus

In addition to the comments discussed above, a representative of the Food Production and Inspection Branch of Agriculture and Agri-Food Canada informed APHIS of recent research that indicated the presence of Potato Yellowing Virus (PYV) in Chile. Because PYV can be transmitted through true potato seed, SAG informed APHIS that it will include PYV testing in its pre-export virus testing. Therefore, we have added PYV as a virus of concern in the listings for *Solanum* spp. and *Solanum* spp. true seed in § 319.37–2(a), and we have added PYV to the list in § 319.37–5(o)(3) of viruses for which the samples of *Solanum tuberosum* tubers, plants, and true seed must be tested.

Miscellaneous

In addition to those changes discussed above, we have also made two nonsubstantive changes to the paragraph designations in § 319.37–5. First, the regulatory text that we had proposed to add to the section as paragraph § 319.37–5(h) are added in this final rule as paragraph § 319.37–5(o). Second, the subordinate paragraphs in that same paragraph were incorrectly designated in the proposed rule as (i), (ii), and (iii); they are now correctly designated as (1), (2), and (3).

Therefore, based on the rationale set forth in the proposed rule and in this document, we are adopting the provisions of the proposal as a final rule with the changes discussed above.

Executive Order 12866 and Regulatory Flexibility Act

This rule has been reviewed under Executive Order 12866. The rule has been determined to be not significant for the purposes of Executive Order 12866 and, therefore, has not been reviewed by the Office of Management and Budget.

This rule will allow, under certain conditions, the importation of true potato seed from Chile. True potato seed imported from Chile under this rule will originate from certified virus-free plantlets from the United States, will be grown under the supervision of Chilean plant protection authorities, and a sample of the plants, tubers, and true potato seeds will be tested for seedborne viruses prior to the true potato seed being offered for entry into the United States. Allowing the importation of true potato seed from Chile will give potato producers in the United States another means of producing disease-free tubers.

The United States produced approximately 2,880 million pounds of seed potatoes in 1992 (U.S. Department of Agriculture [USDA], Economic Research Service). During that same period, the United States imported approximately 128 million pounds of seed potatoes, which represents about 4.4 percent of U.S. production. Because imports represent such a small portion of the domestic seed potato supply, fluctuations in import levels and prices do not appear to have a significant effect on domestic seed potato prices.

For example, U.S. imports of seed potatoes declined by more than a third between 1990 and 1992, dropping from 201 million pounds in 1990 to 128 million pounds in 1992. This decline in imports did not, however, result in an increase in U.S. grower or retail prices for seed potatoes. In fact, the price of imported seed potatoes also fell by more than a third during that time, dropping from $11 per 100 pounds in 1990 to $7 per 100 pounds in 1992 (USDA, ''Agricultural Statistics 1992,'' Table 371, page 239). Based on the decline in both import levels and price during the same 2-year period, it appears that domestic seed potato prices are influenced more by the volume of U.S. production.

The import levels and prices discussed above do not reflect any imports of true potato seed from anywhere in the world, nor is there any record of true potato seed being imported into the United States. Our records indicate that true potato seed is a product that has not been commercially available in the United States. We expect that it will take several years before true potato seed imported into the United States from Chile and its products will be in a position to capture any significant market share. Thus, its potential impact on price and competition in the potato seed market remains uncertain.

We have identified domestic seed potato producers and seed potato importers as the entities potentially affected by this rule. According to the Small Business Administration's criteria, an agricultural producer with annual sales of less than $500,000 is considered to be a small entity; an importer is considered to be a small entity if it employs fewer than 100 people. According to the U.S. Department of Commerce's ''1987 Census of Agriculture,'' there were about 14,732 farms that produced potatoes in the United States, and about 96 percent of those farms reported sales of less than $100,000. The exact percentage of those farms that produced only seed potatoes or a combination of seed potatoes and table potatoes is not known, but it is likely that the number is small, based on the total production of seed potatoes versus table potatoes (2,880 million pounds vs. 42,500 million pounds, respectively).

Information regarding the total number of seed potato importers and the percentage of those importers that would be considered small entities was unavailable. It is unlikely, however, that allowing the importation of true potato seed from Chile will have a significant impact on seed potato import levels. The true potato seed imported from Chile may be used by potato producers in the United States to produce potatoes of a different variety than those potatoes currently grown in the United States; the economic impact of the imported true potato seed will thus be affected by consumer response to the new variety of potatoes. If consumer response is favorable and true potato seed imported from Chile becomes competitive with the seed potatoes currently available in the United States, the price of seed potatoes may be driven down. However, because U.S. seed potato prices are influenced more by domestic production and market conditions than by imports, it is likely that any economic impact on domestic seed potato producers will be small. Any slight negative impact will likely be offset by the positive impact on

domestic potato producers, who will benefit from lower seed potato prices, and consumers will benefit from any resulting lower prices.

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

Executive Order 12778

This rule has been reviewed under Executive Order 12778, Civil Justice Reform. This rule will allow true seed of *Solanum* spp. to be imported into the United States from Chile. State and local laws and regulations regarding true seed imported under this rule will be preempted while the true seed is in foreign commerce. Seeds are generally imported for immediate distribution and sale to the public, and remain in foreign commerce until sold to the ultimate consumer. The question of when foreign commerce ceases in other cases must be addressed on a case-by-case basis. This rule has no retroactive effect and does not require administrative proceedings before parties may file suit in court.

Paperwork Reduction Act

In accordance with the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*), the information collection or recordkeeping requirements included in this rule have been approved by the Office of Management and Budget (OMB), and there are no new requirements. The assigned OMB control number is 0579–0049.

List of Subjects in 7 CFR Part 319

Bees, Coffee, Cotton, Fruits, Honey, Imports, Incorporation by reference, Nursery stock, Plant diseases and pests, Quarantine, Reporting and recordkeeping requirements, Rice, Vegetables.

Accordingly, 7 CFR part 319 is amended as follows:

PART 319—FOREIGN QUARANTINE NOTICES

1. The authority citation for part 319 continues to read as follows:

Authority: 7 U.S.C. 150dd, 150ee, 150ff, 151–167, and 450; 21 U.S.C. 136 and 136a; 7 CFR 2.17, 2.51, and 371.2(c).

§ 319.37–2 [Amended]

2. In § 319.37–2(a), in the table, the listing for *Solanum* spp. is amended in the third column by adding the words ''; Arracacha Virus B; Potato Yellowing Virus'' at the end of the entry, immediately before the period.

3. In § 319.37–2(a), in the table, the listing for *Solanum* spp. true seed is amended in the second column by removing the words ''Canada and New Zealand'' and adding the words ''Canada, New Zealand, and the X Region of Chile (that area of Chile between 39° and 44° South latitude—see § 319.37–5(o))'' in their place, and in the third column by adding the words '', Arracacha Virus B, Potato Yellowing Virus'' at the end of the entry, immediately before the period.

4. In § 319.37–3, paragraph (a)(3) is amended by removing the words ''true seed of *Solanum* spp. (tuber bearing species only—Section Tuberarium) from New Zealand;'', and a new paragraph (a)(17) is added to read as set forth below:

§ 319.37–3 Permits.

(a) * * *

(17) *Solanum tuberosum* true seed from New Zealand and the X Region of Chile (that area of Chile between 39° and 44° South latitude—see § 319.37–5(o)).

* * * * *

5. In § 319.37–5, a new paragraph (o) is added to read as follows:

§ 319.37–5 Special foreign inspection and certification requirements.

* * * * *

(o) Any *Solanum tuberosum* true seed imported from Chile shall, at the time of arrival at the port of first arrival in the United States, be accompanied by a phytosanitary certificate of inspection issued in Chile by the Servicio Agricola y Ganadero (SAG), containing additional declarations that:

(1) The *Solanum* spp. true seed was produced by *Solanum* plants that were propagated from plantlets from the United States;

(2) The *Solanum* plants that produced the *Solanum tuberosum* true seed were grown in the Tenth (X) Region of Chile (that area of the country between 39° and 44° South latitude); and

(3) *Solanum tuberosum* tubers, plants, and true seed from each field in which the *Solanum* plants that produced the *Solanum tuberosum* true seed were grown have been sampled by SAG once per growing season at a rate to detect 1 percent contamination with a 99 percent confidence level (500 tubers/500 plants/500 true seeds per 1 hectare/2.5 acres), and that the samples have been analyzed by SAG using an enzyme-linked immunosorbent assay (ELISA) test or nucleic acid spot hybridization (NASH) non-reagent test, with negative results, for Andean Potato Latent Virus, Arracacha Virus B, Potato Virus T, the Andean Potato Calico Strain of Tobacco Ringspot Virus, and Potato Yellowing Virus.

(Approved by the Office of Management and Budget under control number 0579–0049)

Done in Washington, DC, this 9th day of February 1995.

Lonnie J. King,

Acting Administrator, Animal and Plant Health Inspection Service.

[FR Doc. 95–3843 Filed 2–15–95; 8:45 am]

BILLING CODE 3410–34–P

Agricultural Marketing Service

7 CFR Parts 905 and 944

[Docket No. FV94–905–4–FIR]

Oranges, Grapefruit, Tangerines, and Tangelos Grown in Florida and Imported Grapefruit; Relaxation of the Minimum Size Requirement for Red Seedless Grapefruit

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule.

SUMMARY: The Department of Agriculture (Department) is adopting as a final rule, without change, the provisions of an interim final rule which relaxed the minimum size requirement for domestic shipments of Florida red seedless grapefruit and for red seedless grapefruit imported into the United States to 3 5/16 inches in diameter (size 56) through November 12, 1995. This rule enables handlers in Florida and importers to continue to ship size 56 red seedless grapefruit for the entire 1994–95 season.

EFFECTIVE DATE: March 20, 1995.

FOR FURTHER INFORMATION CONTACT: William G. Pimental, Southeast Marketing Field Office, USDA/AMS, P.O. Box 2276, Winter Haven, Florida 33883; telephone: 813–299–4770; or Mark Kreaggor, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, P.O. Box 96456, Room 2523–S, Washington, DC 20090–6456; telephone: 202–720–2431.

SUPPLEMENTARY INFORMATION: This final rule is issued under Marketing Order No. 905 [7 CFR Part 905], as amended, regulating the handling of oranges, grapefruit, tangerines, and tangelos grown in Florida, hereinafter referred to as the ''order''. This order is effective under the Agricultural Marketing Agreement Act of 1937, as amended [7 U.S.C. 601–674], hereinafter referred to as the Act.

This rule is also issued under section 8e of the Act, which provides that whenever specified commodities, including grapefruit, are regulated under a Federal marketing order,

imports of these commodities into the United States are prohibited unless they meet the same or comparable grade, size, quality, or maturity requirements as those in effect for the domestically produced commodities. Section 8e also provides that whenever two or more marketing orders regulate the same commodity produced in different areas of the United States, the Secretary shall determine which area the imported commodity is in most direct competition with and apply regulations based on that area to the imported commodity. The Secretary has determined that grapefruit imported into the United States are in most direct competition with grapefruit grown in Florida regulated under Marketing Order No. 905, and has found that the minimum grade and size requirements for imported grapefruit should be the same as those established for grapefruit under Marketing Order No. 905.

The Department of Agriculture (Department) is issuing this rule in conformance with Executive Order 12866.

This rule has been reviewed under Executive Order 12778, Civil Justice Reform. This rule is not intended to have retroactive effect. This rule will not preempt any state or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with the Secretary a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and requesting a modification of the order or to be exempted therefrom. A handler is afforded the opportunity for a hearing on the petition. After the hearing, the Secretary would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction in equity to review the Secretary's ruling on the petition, provided a bill in equity is filed not later than 20 days after the date of the entry of the ruling.

There are no administrative procedures which must be exhausted prior to any judicial challenge to the provisions of import regulations issued under section 8e of the Act.

Pursuant to the requirements set forth in the Regulatory Flexibility Act (RFA), the Administrator of the Agricultural Marketing Service (AMS) has considered the economic impact of this action on 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 Act, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility. Import regulations issued under the Act are based on those established under Federal marketing orders.

There are approximately 110 Florida citrus handlers subject to regulation under the marketing order covering oranges, grapefruit, tangerines, and tangelos grown in Florida, about 11,970 producers of these citrus fruits in Florida, and about 25 grapefruit importers. Small agricultural service firms, which include grapefruit handlers and importers, have been defined by the Small Business Administration [13 CFR 121.601] as those whose annual receipts are less than $5,000,000, and small agricultural producers are defined as those whose annual receipts are less than $500,000. A majority of these handlers, importers, and producers may be classified as small entities.

The order for Florida citrus provides for the establishment of minimum grade and size requirements. The minimum grade and size requirements are designated to provide fresh markets with fruit of acceptable quality, thereby maintaining consumer confidence for fresh Florida citrus. This helps create buyer confidence and contributes to stable marketing conditions. This is in the interest of producers, packers, and consumers, and is designed to increase returns to Florida citrus growers.

The Citrus Administrative Committee (committee), which administers the order locally, makes recommendations to the Secretary of Agriculture as to the grade and size of fruit that should garner consumer acceptance. The committee meets prior to and during each season to review the handling regulations effective on a continuous basis for each citrus fruit regulated under the order. Committee meetings are open to the public, and interested persons may express their views at these meetings. The Department reviews committee recommendations and information, as well as information from other sources, and determines whether modification, suspension, or termination of the handling regulations would tend to effectuate the declared policy of the Act.

The committee met on September 13, 1994, and unanimously recommended that the minimum size requirement for domestic shipments of fresh red seedless grapefruit be relaxed from size 48 to size 56 for the period November 7, 1994, to November 12, 1995. Size 56 ($3\frac{5}{16}$ inches diameter) is the minimum size until November 6, 1994. At that time, absent this revision of the rules and regulations under the order, the minimum size will revert to size 48 ($3\frac{9}{16}$ inches diameter).

Section 905.52, Issuance of regulations, authorizes the committee to recommend minimum grade and size regulations to the Secretary. Section 905.306 (7 CFR 905.306) specifies minimum grade and size requirements for different varieties of fresh Florida grapefruit. Such requirements for domestic shipments are specified in § 905.306 in Table I of paragraph (a), and for export shipments in Table II of paragraph (b).

Minimum grade and size requirements for grapefruit imported into the United States are currently in effect under § 944.106 (7 CFR 944.106), as reinstated on July 26, 1993 (58 FR 39428, July 23, 1993). Export requirements are not changed by this rule.

In making its recommendation, the committee considered estimated supply and current shipments. The committee reports that it expects that fresh market demand will be sufficient to permit the shipment of size 56 red seedless grapefruit grown in Florida during the entire 1994–95 season.

The committee recommended this relaxation in size to enable Florida grapefruit shippers to continue shipping size 56 red seedless grapefruit to the domestic market. This is consistent with current and anticipated demand in those markets for the 1994–95 season, and provides for the maximization of shipments to fresh market channels.

There are several exemption provisions under the order. Handlers may ship up to 15 standard packed cartons (12 bushels) of fruit per day, and up to two standard packed cartons of fruit per day in gift packages which are individually addressed and not for resale under these provisions. Fruit shipped for animal feed is also exempt under specific conditions. Fruit shipped to commercial processors for conversion into canned or frozen products or into a beverage base are not subject to the handling requirements.

This rule reflects the committee's and the Department's appraisal of the need to relax the minimum size requirement for red seedless grapefruit as specified. This rule has a beneficial impact on

producers, handlers and importers since it permits Florida grapefruit handlers and importers to make available those sizes of fruit needed to meet consumer needs consistent with this season's crop and market conditions.

The interim final rule concerning this action was published in the November 8, 1994, **Federal Register** (59 FR 55571), with a 30-day comment period ending December 8, 1994. No comments were received.

Section 8e of the Act provides that when certain domestically produced commodities, including grapefruit, are regulated under a Federal marketing order, imports of that commodity must meet the same or comparable grade, size, quality, and maturity requirements. Since this rule relaxes the minimum size requirement under the domestic handling regulations, a corresponding change to the import regulations is necessary.

This rule relaxes the minimum size requirements for imported red seedless grapefruit to 3$^{5}/_{16}$ inches in diameter (size 56) through November 12, 1995, to reflect the relaxation being made under the order for grapefruit grown in Florida.

In accordance with section 8e of the Act, the United States Trade Representative has concurred with the issuance of this final rule.

Based on the above, the Administrator of the AMS has determined that this rule will not have a significant economic impact on a substantial number of small entities.

After consideration of all relevant material presented, the information and recommendations submitted by the committee, and other information, it is found that finalizing the interim final rule without change, as published in the **Federal Register** (59 FR 55571) will tend to effectuate the declared policy of the Act.

List of Subjects 7 CFR Parts 905 and 944

Grapefruit, Marketing agreements, Oranges, Reporting and recordkeeping requirements, Tangelos, Tangerines.

PART 905—ORANGES, GRAPEFRUIT, TANGERINES, AND TANGELOS GROWN IN FLORIDA

Accordingly, the interim final rule amending 7 CFR Part 905 which was published at 59 55571 on November 8, 1994, is adopted as a final rule without change.

PART 944—FRUIT; IMPORT REGULATIONS

The interim final rule amending 7 CFR Part 944 which was published at 59 FR 55571 on November 8, 1994, is adopted as a final rule without change.

Dated: February 8, 1995.

Sharon Bomer Lauritsen,

Deputy Director, Fruit and Vegetable Division.

[FR Doc. 95–3838 Filed 2–15–95; 8:45 am]

BILLING CODE 3410–02–P

7 CFR PART 915

[Docket No. FV93–911–1FR; Amendment]

Increase in Expenses for Marketing Order Covering Avocados Grown in South Florida

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Final rule; amendment.

SUMMARY: The Department of Agriculture (Department) is amending the final rule that authorized expenses and established an assessment rate for the Florida Avocado Administrative Committee (Committee) under Marketing Order No. 915 for the 1994–95 fiscal year. This final rule authorizes an increased level of expenses for the 1994–95 fiscal year. Authorization of this budget enables the Committee to incur expenses that are reasonable and necessary to administer its program. Funds to administer the program are derived from assessments on handlers.

EFFECTIVE DATE: April 1, 1994, through March 31, 1995.

FOR FURTHER INFORMATION CONTACT: Britthany E. Beadle, Marketing Order Administration Branch, F&V, AMS, USDA, P.O. Box 96456, Room 2524–S, Washington, DC 20090–6456; telephone: (202) 720–5127; or Aleck Jonas, Southeast Marketing Field Office, Marketing Order Administration Branch, Fruit and Vegetable Division, AMS, USDA, P.O. Box 2276, Winter Haven, Florida 338833, telephone: (813) 299–4770.

SUPPLEMENTARY INFORMATION: This final rule is issued under Marketing Agreement and Order No. 915 (7 CFR Part 915), as amended, regulating the handling of avocados grown in south Florida. The marketing agreement and order are effective under the Agricultural Marketing Agreement Act of 1937, as amended [7 U.S.C. 601–674], hereinafter referred to as the Act.

The Department is issuing this rule in conformance with Executive Order 12866.

This final rule has been reviewed under Executive Order 12778, Civil Justice Reform. This rule increases the authorized level of expenses for the 1994–95 fiscal year which began April 1, 1994, and ends March 31, 1995. This final rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule.

The Act provides that administrative proceedings must be exhausted before parties may file suit in court. Under section 608c(15)(A) of the Act, any handler subject to an order may file with the Secretary a petition stating that the order, any provision of the order, or any obligation imposed in connection with the order is not in accordance with law and requesting a modification of the order or to be exempted therefrom. Such handler is afforded the opportunity for a hearing on the petition. After the hearing the Secretary would rule on the petition. The Act provides that the district court of the United States in any district in which the handler is an inhabitant, or has his or her principal place of business, has jurisdiction in equity to review the Secretary's ruling on the petition, provided a bill in equity is filed not later than 20 days after date of the entry of the ruling.

Pursuant to requirements set forth in the Regulatory Flexibility Act (RFA), the Administrator of the Agricultural Marketing Service (AMS) has considered the economic impact of this action on 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 Act, and rules issued thereunder, are unique in that they are brought about through group action of essentially small entities acting on their own behalf. Thus, both statutes have small entity orientation and compatibility.

There are approximately 95 producers of avocados grown in south Florida, and approximately 65 handlers who are subject to regulation under the avocado marketing order. Small agricultural producers have been defined by the Small Business Administration [13 CFR 121.601] as those having annual receipts of less than $500,000, and small agricultural service firms are defined as those whose annual receipts are less than $5,000,000. The majority of the avocado producers and handlers may be classified as small entities.

The marketing order requires that the assessment rate for a particular fiscal year shall apply to all assessable avocados handled from the beginning of

such year. An annual budget of expenses is prepared by the Committee and submitted to the Department for approval. The members of the Committee are producers and handlers of avocados. They are familiar with the Committee's needs and with the costs for goods, services, and personnel in its area and are thus in a position to formulate an appropriate budget. The budget is formulated and discussed in a public meeting. Thus, all directly affected persons have an opportunity to participate and provide input.

The assessment rate recommended by the Committee is derived by dividing anticipated expenses by expected shipments of avocados. Because this rate is applied to actual shipments, it must be established at a rate which will produce sufficient income to pay the Committee's expected expenses. Expenses for the Committee are incurred on a continuous basis. Therefore, the budget and assessment rate approval must be expedited so that the Committee will have funds to pay its expenses.

The Committee met on December 8, 1993, and unanimously recommended 1994–95 marketing order expenditures of $97,000 and an assessment rate of $0.16 per 55-pound bushel of avocados. In comparison, 1993–94 fiscal year budgeted expenditures were $113,846, which is $16,846 more than the $97,000 recommended for the 1994–95 fiscal year. The assessment rate of $0.16 per bushel remained the same as last year's assessment rate of $0.16. The major budget categories for 1994–95 were $28,000 for administrative staff salaries, $15,600 for compliance, and $10,100 for employee benefits.

Assessment income for 1994–95 was estimated to total $96,000 based on anticipated fresh domestic shipments of 600,000 55-pound bushels of avocados. Interest on savings was expected to add an additional $1,000 to income. Sufficient reserve funds were available to cover any unexpected shortfall in projected income. Funds in the reserve at the end of the 1994–95 fiscal year were estimated to be $100,000. These reserve funds will be within the maximum permitted by the order of three fiscal years' expenses.

The expenses and assessment rate were authorized by an interim final rule issued on January 25, 1994, and published in the **Federal Register** (59 FR 5073, February 3, 1994). A 30-day comment period was provided for interested persons. No comments were received.

The Committee met again on March 9, 1994, and unanimously recommended to increase expenses from $97,000 to $99,500, an increase of $2,500 in expenses from the previously authorized amount. The additional funds provided money for increased monitoring of water table levels in south Florida. No change was recommended for the assessment rate. Sufficient reserve funds were available to cover the increased expenses.

The increase in expenses was authorized in the finalization of the interim final rule issued on April 15, 1994, and published in the **Federal Register** (59 FR 18943, April 21, 1994).

The Committee met again on November 9, 1994, and unanimously recommended to further increase expenses by $16,920. This increases the total 1994–95 expense amount from $99,500 to $116,420. The additional increase in expenses was recommended to provide funding for the Avocado Lace Bug Research Project. The avocado lace bug has been the most persistent pest of the avocado and its population numbers have been increasing for the last two years. No change was recommended in the approved assessment rate. Adequate funds exist in the Committee's reserve to cover the increase in expenses.

This action will not impose additional costs on handlers. Therefore, the Administrator of the AMS has determined that this action will not have a significant economic impact on a substantial number of small entities.

After consideration of all relevant matter presented, including the information and recommendations submitted by the Committee and other available information, it is hereby found that this rule, as hereinafter set forth, will tend to effectuate the declared policy of the Act.

Pursuant to 5 U.S.C. 553, it is also found and determined upon good cause that it is impracticable, unnecessary, and contrary to the public interest to give preliminary notice or to engage in further public procedure prior to putting this rule into effect and that good cause exists for not postponing the effective date of this action until 30 days after publication in the **Federal Register** because: (1) The fiscal year began on April 1, 1994, and the Committee needs to have approval to pay its expenses which are incurred on a continuous basis; (2) handlers are aware of this action which was unanimously recommended by the Committee at a public meeting; and (3) no increase in the assessment rate is being recommended so no additional funds will need to be collected from handlers.

List of Subjects in CFR Part 915

Avocados, Marketing agreements, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR Part 915 is hereby amended as follows:

PART 915—AVOCADOS GROWN IN SOUTH FLORIDA

1. The authority citation for 7 CFR Part 915 continues to read as follows:

Authority: 7 U.S.C. 601–674.

Note: This section will not appear in the annual Code of Federal Regulations.

§ 915.232 [Amended]

2. Section 915.232 is amended by removing the number ''$99,500'' and adding in its place ''$116,420''.

Dated: February 8, 1995.

Sharon Bomer Lauritsen,

Deputy Director, Fruit and Vegetable Division.

[FR Doc. 95–3837 Filed 2–15–95; 8:45 am]

BILLING CODE 3410–02–P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

14 CFR Part 39

[Docket No. 94–NM–118–AD; Amendment 39–9142; AD 95–03–05]

Airworthiness Directives; Fokker Model F28 Mark 0100 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to certain Fokker Model F28 Mark 0100 series airplanes, that requires an inspection to detect cracks in the cleats at certain rib stations of the wing, and replacement of the cracked cleats with new cleats. This amendment is prompted by a report that, during manufacture of the wings of these airplanes, cracks were discovered in the cleats at the left- and right-hand rib station 8200 of the wing due to improper installation of certain bolts. The actions specified by this AD are intended to prevent cracking of the cleats, which could result in reduced structural integrity of the wing.

DATES: Effective March 20, 1995.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of March 20, 1995.

ADDRESSES: The service information referenced in this AD may be obtained

from Fokker Aircraft USA, Inc., 1199 North Fairfax Street, Alexandria, Virginia 22314. This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Tim Dulin, Aerospace Engineer, Standardization Branch, ANM–113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (206) 227–2141; fax (206) 227–1320.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to certain Fokker Model F28 Mark 0100 series airplanes was published in the **Federal Register** on October 18, 1994 (59 FR 52481). That action proposed to require a one-time high-frequency eddy current inspection to detect cracks of the cleats at the left- and right-hand rib station 8200 of the wing, and replacement of the cracked cleats with new cleats.

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the single comment received.

The commenter supports the proposed rule.

As a result of recent communications with the Air Transport Association (ATA) of America, the FAA has learned that, in general, some operators may misunderstand the legal effect of AD's on airplanes that are identified in the applicability provision of the AD, but that have been altered or repaired in the area addressed by the AD. The FAA points out that all airplanes identified in the applicability provision of an AD are legally subject to the AD. If an airplane has been altered or repaired in the affected area in such a way as to affect compliance with the AD, the owner or operator is required to obtain FAA approval for an alternative method of compliance with the AD, in accordance with the paragraph of each AD that provides for such approvals. A note has been added to this final rule to clarify this requirement.

The FAA has recently reviewed the figures it has used over the past several years in calculating the economic impact of AD activity. In order to account for various inflationary costs in the airline industry, the FAA has determined that it is necessary to increase the labor rate used in these calculations from $55 per work hour to $60 per work hour. The economic impact information, below, has been revised to reflect this increase in the specified hourly labor rate.

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the changes previously described. The FAA has determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.

The FAA estimates that 12 airplanes of U.S. registry will be affected by this AD, that it will take approximately 55 work hours per airplane to accomplish the required actions, and that the average labor rate is $60 per work hour. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be $39,600, or $3,300 per airplane.

The total cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) Is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

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

Authority: 49 U.S.C. App. 1354(a), 1421 and 1423; 49 U.S.C. 106(g); and 14 CFR 11.89.

§ 39.13 [Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

95–03–05 Fokker: Amendment 39–9142. Docket 94–NM–118–AD.

Applicability: Model F28 Mark 0100 series airplanes; as listed in Fokker Service Bulletin SBF100–57–018, dated September 23, 1993; certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must use the authority provided in paragraph (b) to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition; or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification, alteration, or repair remove any airplane from the applicability of this AD.

Compliance: Required as indicated, unless accomplished previously.

To prevent reduced structural integrity of the wing, accomplish the following:

(a) Prior to the accumulation of 16,000 total flight cycles or within 3 months after the effective date of this AD, whichever occurs later, perform a one-time high-frequency eddy current inspection to detect cracks in the cleats at the left- and right-hand rib station 8200 of the wing, in accordance with Fokker Service Bulletin SBF100–57–018, dated September 23, 1993. If any cracked cleat is detected, prior to further flight, replace it with a new cleat, in accordance with the service bulletin.

(b) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Standardization Branch, ANM–113, FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then

send it to the Manager, Standardization Branch, ANM–113.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Standardization Branch, ANM–113.

(c) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

(d) The inspection and replacement shall be done in accordance with Fokker Service Bulletin SBF100–57–018, dated September 23, 1993. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from Fokker Aircraft USA, Inc., 1199 North Fairfax Street, Alexandria, Virginia 22314. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(e) This amendment becomes effective on March 20, 1995.

Issued in Renton, Washington, on February 3, 1995.

S.R. Miller,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 95–3247 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–13–U

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14 CFR Part 39

[Docket No. 94–NM–109–AD; Amendment 39–9141; AD 95–03–04]

Airworthiness Directives; British Aerospace Model Viscount 744, 745D, and 810 Series Airplanes

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment adopts a new airworthiness directive (AD), applicable to all British Aerospace Model Viscount 744, 745D, and 810 series airplanes, that requires repetitive inspections to detect fatigue cracking in the pivot pins that attach both nose wheel steering actuators to the steering head assembly, and replacement of cracked pins. This amendment is prompted by a reported failure of a pivot pin due to fatigue cracking. The actions specified by this AD are intended to prevent failure of the pivot pin, which could result in the loss of nose wheel steering capability.

DATES: Effective March 20, 1995.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of March 20, 1995.

ADDRESSES: The service information referenced in this AD may be obtained from British Aerospace Regional Aircraft Ltd., Engineering Support Manager, Military Business Unit, Chadderton Works, Greengate, Middleton, Manchester M24 1SA, England. This information may be examined at the Federal Aviation Administration (FAA), Transport Airplane Directorate, Rules Docket, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: William Schroeder, Aerospace Engineer, Standardization Branch, ANM–113, FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington 98055–4056; telephone (206) 227–2148; fax (206) 227–1320.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) to include an airworthiness directive (AD) that is applicable to all British Aerospace Model Viscount 744, 745D, and 810 series airplanes was published in the **Federal Register** on November 14, 1994 (59 FR 56435). That action proposed to require initial and repetitive magnetic particle inspections to detect cracking of the pivot pin that attaches the nose wheel steering actuators to the steering head assembly, and replacement of cracked pins.

Interested persons have been afforded an opportunity to participate in the making of this amendment. No comments were submitted in response to the proposal or the FAA's determination of the cost to the public.

As a result of recent communications with the Air Transport Association (ATA) of America, the FAA has learned that, in general, some operators may misunderstand the legal effect of AD's on airplanes that are identified in the applicability provision of the AD, but that have been altered or repaired in the area addressed by the AD. The FAA points out that all airplanes identified in the applicability provision of an AD are legally subject to the AD. If an airplane has been altered or repaired in the affected area in such a way as to affect compliance with the AD, the owner or operator is required to obtain FAA approval for an alternative method of compliance with the AD, in accordance with the paragraph of each AD that provides for such approvals. A note has been added to this final rule to clarify this requirement.

The FAA has determined that this addition will neither increase the economic burden on any operator nor increase the scope of the AD.

The FAA estimates that 29 airplanes of U.S. registry will be affected by this AD, that it will take approximately 3 work hours per airplane, per inspection cycle, to accomplish the required actions, and that the average labor rate is $60 per work hour. Based on these figures, the total cost impact of the AD on U.S. operators is estimated to be $5,220, or $180 per airplane, per inspection cycle.

The total cost impact figure discussed above is based on assumptions that no operator has yet accomplished any of the requirements of this AD action, and that no operator would accomplish those actions in the future if this AD were not adopted.

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES.**

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

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

Authority: 49 U.S.C. App. 1354(a), 1421 and 1423; 49 U.S.C. 106(g); and 14 CFR 11.89.

§ 39.13—[Amended]

2. Section 39.13 is amended by adding the following new airworthiness directive:

95–03–04 British Aerospace Regional Aircraft Limited (Formerly British Aerospace Commercial Aircraft Limited, Vickers-Armstrongs Aircraft Limited): Amendment 39–9141. Docket 94–NM–109–AD.

Applicability: All Model Viscount 744, 745D, and 810 airplanes, certificated in any category.

Note 1: This AD applies to each airplane identified in the preceding applicability provision, regardless of whether it has been modified, altered, or repaired in the area subject to the requirements of this AD. For airplanes that have been modified, altered, or repaired so that the performance of the requirements of this AD is affected, the owner/operator must use the authority provided in paragraph (c) to request approval from the FAA. This approval may address either no action, if the current configuration eliminates the unsafe condition; or different actions necessary to address the unsafe condition described in this AD. Such a request should include an assessment of the effect of the changed configuration on the unsafe condition addressed by this AD. In no case does the presence of any modification, alteration, or repair remove any airplane from the applicability of this AD.

Compliance: Required as indicated, unless accomplished previously.

To prevent loss of nose wheel steering capability due to failure of the pivot pin, accomplish the following:

(a) Prior to the accumulation of 1,100 landings after the effective date of this AD, or within 14 months after the effective date of this AD, whichever occurs first, perform a magnetic particle inspection to detect cracks of the nose wheel steering actuators connecting (pivot) pins, in accordance with either Viscount Preliminary Technical Leaflet (PTL) 334, Issue 2, dated July 8, 1992 (for Model 744 and 745D series airplanes); or Viscount PTL 205, Issue 2, dated July 8, 1992 (for Model 810 series airplanes); as applicable. Repeat this inspection thereafter at intervals not to exceed 1,100 landings or 14 months, whichever occurs first.

(b) If any crack is found in a pivot pin during any inspection required by this AD, replace the pivot pin in accordance with either Preliminary Technical Leaflet (PTL) 334, Issue 2, dated July 8, 1992 (for Model 744 and 745D series airplanes), or Viscount PTL 205, Issue 2, dated July 8, 1992 (for Model 810 series airplanes). After replacement, repeat the inspection required by paragraph (a) of this AD at intervals not to exceed 1,100 landings or within 14 months, whichever occurs first.

(c) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Standardization Branch, ANM–113, FAA, Transport Airplane Directorate. Operators shall submit their requests through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Standardization Branch, ANM–113.

Note 2: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the Standardization Branch, ANM–113.

(d) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the airplane to a location where the requirements of this AD can be accomplished.

(e) The inspections and replacement shall be done in accordance with Viscount PTL 334, Issue 2, dated July 8, 1992; or Viscount PTL 205, Issue 2, dated July 8, 1992; as applicable. This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from British Aerospace Regional Aircraft Ltd., Engineering Support Manager, Military Business Unit, Chadderton Works, Greengate, Middleton, Manchester M24 1SA, England. Copies may be inspected at the FAA, Transport Airplane Directorate, 1601 Lind Avenue, SW., Renton, Washington; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(f) This amendment becomes effective on March 20, 1995.

Issued in Renton, Washington, on February 3, 1995.

S.R. Miller,

Acting Manager, Transport Airplane Directorate, Aircraft Certification Service.

[FR Doc. 95–3245 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–13–U

14 CFR Part 39

[Docket No. 94–ANE–11; Amendment 39–9138; AD 95–03–01]

Airworthiness Directives; General Electric Company CF6 Series Turbofan Engines

AGENCY: Federal Aviation Administration, DOT.

ACTION: Final rule.

SUMMARY: This amendment supersedes an existing airworthiness directive (AD), applicable to General Electric Company (GE) CF6–45/–50/–80A series turbofan engines, that currently requires a one-time ultrasonic and eddy current inspection of the high pressure compressor rotor (HPCR) stage 3–9 spool for cracks. This amendment retains the inspection requirements of the current AD, but would accelerate the inspection schedule, and introduce a repetitive inspection requirement. This amendment is prompted by a review of the inspection results to date, which indicate that the crack occurrence rate is higher than initially projected. The actions specified by this AD are intended to prevent an uncontained HPCR stage 3–9 spool failure, which could result in damage to the aircraft.

DATES: Effective March 20, 1995.

The incorporation by reference of certain publications listed in the regulations is approved by the Director of the Federal Register as of March 20, 1995.

ADDRESSES: The service information referenced in this AD may be obtained from General Electric Aircraft Engines, CF6 Distribution Clerk, Room 132, 111 Merchant Street, Cincinnati, OH 45246. This information may be examined at the Federal Aviation Administration (FAA), New England Region, Office of the Assistant Chief Counsel, 12 New England Executive Park, Burlington, MA 01803–5299; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

FOR FURTHER INFORMATION CONTACT: Robert J. Ganley, Aerospace Engineer, Engine Certification Office, FAA, Engine and Propeller Directorate, 12 New England Executive Park, Burlington, MA 01803–5299; telephone (617) 238–7138; fax (617) 238–7199.

SUPPLEMENTARY INFORMATION: A proposal to amend part 39 of the Federal Aviation Regulations (14 CFR part 39) by superseding airworthiness directive (AD) 91–20–01, Amendment 39–8035 (56 FR 55230), which is applicable to General Electric Company (GE) CF6–45/–50/–80A series turbofan engines, was published in the **Federal Register** on May 3, 1994 (59 FR 22769). That action proposed to retain the one-time ultrasonic and eddy current inspection of the high pressure compressor rotor (HPCR) stage 3–9 spool for cracks as required in the current AD, but would accelerate the inspection schedule, and introduce a repetitive ultrasonic and eddy current inspection requirement in accordance with GE CF6–50 Service Bulletin (SB) No. 72–1000, Revision 2, dated September 9, 1993, and GE CF6–80A SB No. 72–583, Revision 4, dated September 15, 1993.

Interested persons have been afforded an opportunity to participate in the making of this amendment. Due consideration has been given to the comments received.

Two commenters support the rule as proposed.

One commenter states that the repetitive inspection interval of 3,500 cycles in service (CIS) in compliance paragraph (b) of the proposed rule should be replaced with 4,000 CIS in

order to avoid premature engine removals. The FAA concurs that this change will avoid some engine removals while not decreasing the level of safety provided by the proposed rule. Accordingly, the FAA has made this change in the final rule.

Although no comments were received regarding compliance paragraphs (a)(3), (a)(4), (c)(2), and (d), the FAA has replaced 3,500 CIS with 4,000 CIS in these paragraphs to maintain consistency.

After careful review of the available data, including the comments noted above, the FAA has determined that air safety and the public interest require the adoption of the rule with the changes described previously. The FAA has determined that these changes will neither increase the economic burden on any operator nor increase the scope of the AD.

There are approximately 462 GE CF6–45/–50/–80A series engines of the affected design in the worldwide fleet. The FAA estimates that 67 engines installed on aircraft of U.S. registry will be affected by this AD, that it will take approximately 584 work hours per engine to accomplish the required actions, and that the average labor rate is $55 per work hour. Required parts will cost approximately $127,412 per engine. Based on these figures, and assuming that 3 of the inspected spools will require replacement, the total cost impact of the AD on U.S. operators is estimated to be $2,534,276.

The regulations adopted herein will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 12612, it is determined that this final rule does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

For the reasons discussed above, I certify that this action (1) is not a ''significant regulatory action'' under Executive Order 12866; (2) is not a ''significant rule'' under DOT Regulatory Policies and Procedures (44 FR 11034, February 26, 1979); and (3) will not have a significant economic impact, positive or negative, on a substantial number of small entities under the criteria of the Regulatory Flexibility Act. A final evaluation has been prepared for this action and it is contained in the Rules Docket. A copy of it may be obtained from the Rules Docket at the location provided under the caption **ADDRESSES**.

List of Subjects in 14 CFR Part 39

Air Transportation, Aircraft, Aviation safety, Incorporation by reference, Safety.

Adoption of the Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration amends part 39 of the Federal Aviation Regulations (14 CFR part 39) as follows:

PART 39—AIRWORTHINESS DIRECTIVES

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

Authority: 49 U.S.C. App. 1354(a), 1421 and 1423; 49 U.S.C. 106(g); and 14 CFR 11.89.

§ 39.13 [AMENDED]

2. Section 39.13 is amended by removing Amendment 39–8035 (56 FR 55230; October 25, 1991) and by adding a new airworthiness directive to read as follows:

95–03–01 General Electric Company: Amendment 39–9138. Docket 94–ANE–11. Supersedes AD 91–20–01, Amendment 39–8035.

Applicability: General Electric Company (GE) CF6–45/–50/–80A series turbofan engines installed on, but not limited to, Airbus A300 and A310 series, Boeing 747 and 767 series, and McDonnell Douglas DC–10 series aircraft.

Compliance: Required as indicated, unless accomplished previously.

To prevent an uncontained high pressure compressor rotor (HPCR) stage 3–9 spool failure, which could result in damage to the aircraft, accomplish the following:

(a) Eddy current and ultrasonic inspect GE CF6–45/-50 HPCR stage 3–9 spools, Part Number (P/N) 9136M89G02, 9136M89G03, 9136M89G06, 9136M89G08, 9253M85G01, 9253M85G02, 9273M14G01, and 9331M29G01, with serial numbers (S/N) listed in Table 2 of GE CF6–50 Service Bulletin (SB) No. 72–1000, Revision 2, dated September 9, 1993, as follows:

(1) For spools that have not been previously inspected in accordance with GE CF6–50 SB No. 72–888, Original, Revision 1, Revision 2, Revision 3, or Revision 4, or GE CF6–50 SB No. 72–1000, Original, Revision 1, or Revision 2, inspect in accordance with paragraph 2.C of GE CF6–50 SB No. 72–1000, Revision 2, dated September 9, 1993, at the next engine shop visit, or by 30 days after the effective date of this AD, whichever occurs earlier.

(2) For spools that have been inspected in accordance with GE CF6–50 SB No. 72–888, Original, Revision 1, or Revision 2, inspect in accordance with paragraph 2.D of GE CF6–50 SB No. 72–1000, Revision 2, dated September 9, 1993, at the next engine shop visit, or by 30 days after the effective date of this AD, whichever occurs earlier.

(3) For spools that have been inspected in accordance with GE CF6–50 SB No. 72–888, Original, Revision 1, or Revision 2, and GE CF6–50 SB No. 72–1008, Original, inspect in accordance with paragraph 2.D of GE CF6–50 SB No. 72–1000, Revision 2, dated September 9, 1993, at the next piece-part exposure, or within 4,000 cycles in service (CIS) since inspected in accordance with GE CF6–50 SB No. 72–1008, Original, whichever occurs earlier.

(4) For spools that have been inspected in accordance with GE CF6–50 SB No. 72–888, Revision 3, or Revision 4, or GE CF6–50 SB No. 72–1000, Original, Revision 1, or Revision 2, inspect in accordance with paragraph 2.D of GE CF6–50 SB No. 72–1000, Revision 2, dated September 9, 1993, at the next piece-part exposure, or within 4,000 CIS since inspected in accordance with, GE CF6–50 SB No. 72–888, Revision 3, or Revision 4, or GE CF6–50 SB No. 72–1000, Original, Revision 1, or Revision 2, whichever occurs earlier.

(b) Thereafter, for spools that have been inspected in accordance with paragraph (a) of this AD, reinspect in accordance with paragraph 2.D of GE CF6–50 SB No. 72–1000, Revision 2, dated September 9, 1993, at intervals not to exceed 4,000 CIS since the last inspection.

(c) Eddy current and ultrasonic inspect GE CF6–80A HPCR 3–9 spool, P/N 9136M89G10, with S/N's listed in Table 2 of GE CF6–80A SB No. 72–583, Revision 4, dated September 15, 1993, as follows:

(1) For spools that have not been previously inspected in accordance with GE CF6–80A SB No. 72–500, Original, Revision 1, Revision 2, Revision 3, or Revision 4, or GE CF6–80A SB No. 72–583, Original, Revision 1, Revision 2, Revision 3, or Revision 4, inspect in accordance with paragraph 2.C of GE CF6–80A SB No. 72–583, Revision 4, dated September 15, 1993, at the next engine shop visit, or by 30 days after the effective date of this AD, whichever occurs earlier.

(2) For spools that have been previously inspected in accordance with GE CF6–80A SB No. 72–500, Revision 3, or Revision 4, or GE CF6–80A SB No. 72–583, Original, Revision 1, Revision 2, Revision 3, or Revision 4, inspect in accordance with paragraph 2.D of GE CF6–80A SB No. 72–583, Revision 4, dated September 15, 1993, at the next piece-part exposure, or within 4,000 CIS since inspected in accordance with GE CF6–80A SB No. 72–500, Revision 3, or Revision 4, or GE CF6–80A SB No. 72–583, Original, Revision 1, Revision 2, Revision 3, or Revision 4, whichever occurs earlier.

(d) Thereafter, for spools that have been inspected in accordance with paragraph (c) of this AD, reinspect in accordance with paragraph 2.D of GE CF6–80A SB No. 72–583, Revision 4, dated September 15, 1993, at intervals not to exceed 4,000 CIS since the last inspection.

(e) Remove from service prior to further flight HPCR stage 3–9 spools that meet or exceed the reject criteria established in Section 2.C and 2.D, as applicable, of GE CF6–50 SB No. 72–1000, Revision 2, dated September 9, 1993, and GE CF6–80A SB No. 72–583, Revision 4, dated September 15, 1993, as appropriate.

(f) For the purpose of this AD, an engine shop visit is defined as the induction of an

engine into a shop for maintenance involving the separation of any major flange.

(g) For the purpose of this AD, piece-part exposure is defined as disassembly and removal of the stage 3–9 spool from the HPCR rotor.

(h) An alternative method of compliance or adjustment of the compliance time that provides an acceptable level of safety may be used if approved by the Manager, Engine Certification Office. The request should be forwarded through an appropriate FAA Principal Maintenance Inspector, who may add comments and then send it to the Manager, Engine Certification Office.

Note: Information concerning the existence of approved alternative method of compliance with this AD, if any, may be obtained from the Engine Certification Office.

(i) Special flight permits may be issued in accordance with sections 21.197 and 21.199 of the Federal Aviation Regulations (14 CFR 21.197 and 21.199) to operate the aircraft to a location where the requirements of this AD can be accomplished.

(j) The actions required by this AD shall be done in accordance with the following service bulletins:

Document No.	Pages	Revision	Date
GE CF6–50, SB No. 72–1000 ..... Total pages: 37.	1–37	2	Sept. 9, 1993.
GE CF6–80A SB No. 72–583 ..... Total pages: 34.	1–34	4	Sept. 15, 1993.

This incorporation by reference was approved by the Director of the Federal Register in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. Copies may be obtained from General Electric Aircraft Engines, CF6 Distribution Clerk, Room 132, 111 Merchant Street, Cincinnati, OH 45246. Copies may be inspected at the FAA, New England Region, Office of the Assistant Chief Counsel, 12 New England Executive Park, Burlington, MA; or at the Office of the Federal Register, 800 North Capitol Street, NW., suite 700, Washington, DC.

(k) This amendment becomes effective on March 20, 1995.

Issued in Burlington, Massachusetts, on January 31, 1995.

Donald F. Perrault,

Acting Manager, Engine and Propeller Directorate, Aircraft Certification Service.

[FR Doc. 95–3248 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–13–P

DEPARTMENT OF THE TREASURY

Internal Revenue Service

26 CFR Part 1

[TD 8580]

RIN 1545–AN06

Disposition of an Interest in a Nuclear Power Plant; Correction

AGENCY: Internal Revenue Service (IRS), Treasury.

ACTION: Correction to final regulations.

SUMMARY: This document contains corrections to the final regulations (TD 8580), which was published in the **Federal Register** for Tuesday, December 27, 1994 (59 FR 66471). The final regulation relates to certain Federal income tax consequences of a disposition of an interest in a nuclear power plant by a taxpayer that has maintained a nuclear decommissioning fund with respect to that plant.

EFFECTIVE DATE: December 27, 1994.

FOR FURTHER INFORMATION CONTACT: Peter C. Friedman, (202) 622–3110 (not a toll-free number).

SUPPLEMENTARY INFORMATION:

Background

The final regulations that are the subject of these corrections are under section 468A of the Internal Revenue Code.

Need for Correction

As published, TD 8580 contains errors which may prove to be misleading and are in need of clarification.

Correction of Publication

Accordingly, the publication of final regulations (TD 8580), which were the subject of FR Doc. 94–31428, is corrected as follows:

§ 1.468A–3 [Corrected]

1. On page 66474, column 1, preceding § 1.468A–3, in instructional ''Par. 4.'', paragraph 2a is added immediately following the text of paragraph 2 to read as follows:

2a. In newly designated paragraph (h)(1)(vi), the reference ''paragraph (h)(1)(viii)'' is removed and ''paragraph (h)(1)(vii)'' is added in its place.

§ 1.468A–5 [Corrected]

2. On page 66474, column 2, preceding § 1.468A–5, in instructional ''Par. 5.'', paragraph 3a is added immediately following the text of paragraph 3 to read as follows:

3a. In newly designated paragraph (b)(2)(vii) introductory text, the reference ''paragraph (b)(2)(vi)'' is removed from the last sentence and ''paragraph (b)(2)(vii)'' is added in its place.

Dale D. Goode,

Federal Register Liaison Officer, Assistant Chief Counsel (Corporate).

[FR Doc. 95–3770 Filed 2–15–95; 8:45 am]

BILLING CODE 4830–01–U

DEPARTMENT OF JUSTICE

Office of the Attorney General

28 CFR Part 0

[AG Order No. 1948–95]

Establishment of the Office of Community Oriented Policing Services

AGENCY: Department of Justice.

ACTION: Interim rule with request for comments.

SUMMARY: This order will amend the Department of Justice organization regulations to reflect the creation of the Office of Community Oriented Policing Services. This new office will implement certain grant programs authorized by the Violent Crime Control and Law Enforcement Act of 1994. This order will provide the public with a list of the duties of the Director of the Office of Community Oriented Policing Services, and will amend the Code of Federal Regulations in order to reflect accurately the Department's internal management structure. Finally, this order makes applicable to the Office of Community Oriented Policing Services certain parts of the Code of Federal Regulations currently applicable only to the Office of Justice Programs.

DATES: Interim rule effective February 16, 1995, comments must be received on or before April 3, 1995.

ADDRESSES: Comments may be mailed to the Office of the General Counsel, Office of Community Oriented Policing Services, U.S. Department of Justice, P.O. Box 14440, Washington, DC 20044, or delivered to Suite 300, 633 Indiana Avenue, N.W., Washington, DC between 9 a.m. and 5:30 p.m. Comments received may also be inspected at Suite 300 between 9:15 a.m. and 5:15 p.m.

FOR FURTHER INFORMATION CONTACT: L. Anthony Sutin, General Counsel, Office of Community Oriented Policing

Services, U.S. Department of Justice, 633 Indiana Avenue, N.W., Suite 300, Washington, DC 20531, telephone (202) 514–2058.

SUPPLEMENTARY INFORMATION: This order pertains to a matter of internal Department management, 5 U.S.C. 553(b)(A). It does not have a significant impact on a substantial number of small entities, 5 U.S.C. 605(b). It is not a significant regulatory action within the meaning of or subject to Executive Order 12866, and has not been reviewed by the Office of Management and Budget. Comments are invited as to whether any modifications to the existing Department of Justice hearing and appeal procedures set forth in 28 CFR part 18 should be made in connection with the grants to be awarded under the Violent Crime Control and Law Enforcement Act of 1994 (Pub. L. 103–322) by the new Office of Community Oriented Policing Services.

List of Subjects in 28 CFR Part 0

Authority delegations (Government agencies), Government employees, Organization and functions (Government agencies), Whistleblowing.

Accordingly, by virtue of the authority vested in me as Attorney General by 5 U.S.C. 301 and 28 U.S.C. 509, 510, part 0 of title 28 of the Code of Federal Regulations is amended as follows:

PART 0—AMENDED

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

Authority: 5 U.S.C. 301; 28 U.S.C. 509, 510, 515–519.

§ 0.1 [Amended]

2. Part 0, subpart A, § 0.1 is amended by adding at the end of the list under ''Offices'' the title ''Office of Community Oriented Policing Services.''

3. Subpart U–1 of part 0 is added, to read as follows:

Subpart U–1—Office of Community Oriented Policing Services

Sec.
0.119 Organization.
0.120 General functions.
0.121 Applicability of existing departmental regulations.

§ 0.119 Organization.

The Office of Community Oriented Policing Services shall be headed by a Director appointed by the Attorney General. The Director shall report to the Attorney General through the Associate Attorney General.

§ 0.120 General functions.

The Director, Office of Community Oriented Policing Services shall:

(a) Exercise the powers and perform the functions vested in the Attorney General by Title I and subtitle H of Title III of the Violent Crime Control and Law Enforcement Act of 1994 (Pub. L. 103–322); and

(b) Perform such other duties and functions relating to policing and law enforcement as may be specially assigned by the Attorney General or the Associate Attorney General.

§ 0.121 Applicability of existing departmental regulations.

Unless superseded by regulations promulgated by the Office of Community Oriented Policing Services, Departmental regulations set forth in part 18 of this title, applicable to grant programs administered through the Office of Justice Programs, shall apply with equal force and effect to grant programs administered by the Office of Community Oriented Policing Services, with references to the Office of Justice Programs and its components in such regulations deemed to refer to the Office of Community Oriented Policing Services, as appropriate.

Dated: February 3, 1995.

Janet Reno,

Attorney General.

[FR Doc. 95–3719 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

DEPARTMENT OF THE TREASURY

Office of Foreign Assets Control

31 CFR Part 500

Foreign Assets Control Regulations; North Korean Travel and Financial Transactions; Information and Informational Materials

AGENCY: Office of Foreign Assets Control, Treasury.

ACTION: Final rule; amendments.

SUMMARY: The Treasury Department is amending the Foreign Assets Control Regulations (the ''Regulations'') consistent with commitments undertaken in the October 21, l994 U.S.–Democratic People's Republic of Korea (''North Korea'') Framework Agreement. In addition, the Regulations are also being amended to bring them into conformity with recent amendments to the Trading with the Enemy Act.

EFFECTIVE DATE: February 14, 1995.

FOR FURTHER INFORMATION CONTACT: Steven I. Pinter, Chief of Licensing (tel.: 202/622–2480), or William B. Hoffman, Chief Counsel (tel.: 202/622–2410), Office of Foreign Assets Control, Department of the Treasury, Washington, D.C. 20220.

SUPPLEMENTARY INFORMATION:

Electronic Availability

This document is available as an electronic file on *The Federal Bulletin Board* the day of publication in the **Federal Register**. By modem dial 202/512–1387 or call 202/512–1530 for disks or paper copies. This file is available in Postscript, WordPerfect 5.1 and ASCII.

Background

On October 21, 1994, the United States and North Korea agreed, in the context of broader negotiations, to begin reducing barriers to trade and investment. Based on these mutual commitments, the Regulations are being amended by (1) adding a new § 500.580 to authorize the clearing through the U.S. banking system of U.S. dollar transactions in which North Korea or a national thereof has an interest; (2) adding a new § 500.581 to authorize transactions related to the operation of certain U.S. and North Korean diplomatic missions in the United States and North Korea; (3) amending § 500.563 to authorize all U.S. persons' transactions with respect to travel to, from, and within North Korea, including removal of restrictions on group travel and travel service providers (including travel agents, carriers, ticket agents and commercial and noncommercial organizations that promote or arrange travel) and removal of the prior $200 per diem ceiling on expenditures; (4) amending § 500.566, regarding the authorization of travel–related transactions by North Korean nationals in the United States; (5) amending § 500.579 to authorize the case–by–case unblocking of certain funds which came into the possession or control of U.S. banking institutions through wire transfer instructions or check remittances in which North Korea or a national thereof has or has had an interest, provided no funds are transferred directly to the Government of North Korea, entities controlled by the Government of North Korea, or to persons in North Korea; and (6) removing § 500.564, regarding reimbursment of travel costs by foreign subsidiaries, and § 500.569, regarding group travel to North Korea, as no longer necessary.

Section 500.582 is added to the Regulations to provide a statement of licensing policy noting that specific licenses may be issued for the

importation into the United States of North Korean–origin magnesite or magnesia, because the absence of North Korea as a supplier subjects U.S. importers to unreasonably high prices due to otherwise limited foreign sources. Section 500.583 is added to the Regulations to provide that specific licenses may be issued to authorize transactions necessary to establish offices in North Korea of U.S. news organizations and for offices in the United States of North Korean news organizations. Finally, § 500.584 is added to the Regulations to provide that specific licenses may be issued to authorize U.S. persons to participate in certain types of energy sector projects in North Korea with respect to the replacement of existing nuclear reactors with light–water reactor power plants.

Section 525(b) of the Foreign Relations Authorization Act, Fiscal Years 1994 and 1995, Pub. L. No. 103–236, 108 Stat. 474 (the ''FRAA''), amended section 5(b)(4) of the Trading with the Enemy Act, 50 U.S.C. App. 5(b)(4) (''TWEA''), to expand the list of items defined as categories of informational materials to include compact discs, CD ROMs, artworks, and news wire feed. In addition, section 5(b)(4) of TWEA, as amended, exempts from the authority granted to the President pursuant to TWEA the authority to regulate or prohibit, directly or indirectly, the exportation or importation, whether commercial or otherwise, of information or informational materials regardless of format or medium of transmission, except exportations that would be controlled pursuant to national security, nonproliferation, or antiterrorism provisions of the Export Administration Act of 1979, 50 U.S.C. App. 2401–2420, or espionage provisions of 18 U.S.C. chapter 37. Section 500.571 of the Regulations is being amended to reflect the exemption from regulation of all transmissions of noncontrolled information over existing telecommunications circuits, including current settlement of telecommunications fees between the United States and North Korea.

Note: The FRAA exemption applies to transmissions of information, not telecommunications facilities and equipment used to transmit information. Exportation from the United States of equipment to enhance gateway–to–gateway telecommunications service with North Korea is subject to licensing requirements of the Department of Commerce, in conjunction with the general license in § 500.533 of the Regulations. Exportation or reexportation of such equipment to North Korea from a third country by a U.S. person requires a specific license from FAC and may also be subject to Commerce Department licensing provisions set forth in the Export Administration Regulations, 15 CFR parts 768–799.

Section 500.206 is amended to reflect the FRAA exemption that applies to transactions concerning exportation and importation of information and informational materials. The definition of the term ''informational materials'' contained in § 500.332 is amended to conform the section to amended section 5(b)(4) of TWEA. Conforming amendments are also made to § 500.550, which authorizes transactions related to the importation and exportation of information and informational materials.

Because the Regulations involve a foreign affairs function, Executive Order 12866 and the provisions of the Administrative Procedure Act, 5 U.S.C. 553, requiring notice of proposed rulemaking, opportunity for public participation, and delay in effective date, are inapplicable. Because no notice of proposed rulemaking is required for this rule, the Regulatory Flexibility Act, 5 U.S.C. 601–612, does not apply.

List of Subjects in 31 CFR Part 500

Administrative practice and procedure, Banks, Banking, Cambodia, Exports, Fines and penalties, Finance, Foreign investment in the United States, Foreign trade, Imports, Information and informational materials, International organizations, North Korea, Reporting and recordkeeping requirements, Securities, Services, Travel restrictions, Trusts and estates, Vietnam.

For the reasons set forth in the preamble, 31 CFR part 500 is amended as set forth below:

PART 500—FOREIGN ASSETS CONTROL REGULATIONS

1. The authority citation for part 500 continues to read as follows:

Authority: 50 U.S.C. App. 1–44; E.O. 9193, 7 FR 5205, 3 CFR, 1938–1943 Comp., p. 1174; E.O. 9989, 13 FR 4891, 3 CFR, 1943–1948 Comp., p. 748.

Subpart B—Prohibitions

2. The section heading and paragraphs (a) and (b) of § 500.206 are revised to read as follows, the words ''information or'' are added before the words ''informational materials'' in each place they appear in paragraph (c) of § 500.206, and the word ''synchronization'' and the comma following it are removed from Example #4 of § 500.206:

§ 500.206 Exemption of information and informational materials.

(a) The importation from any country and the exportation to any country of information or informational materials as defined in § 500.332, whether commercial or otherwise, regardless of format or medium of transmission, are exempt from the prohibitions and regulations of this part.

(b) All transactions of common carriers incident to the importation or exportation of information or informational materials, including mail, between the United States and any foreign country designated under § 500.201, are exempt from the prohibitions and regulations of this part.

* * * * *

Subpart C—General Definitions

3. Section § 500.332 is revised to read as follows:

§ 500.332 Information and informational materials.

(a) For purposes of this part, the term *informational materials* includes, without limitation:

(1) Publications, films, posters, phonograph records, photographs, microfilms, microfiche, tapes, compact disks, CD ROMs, artworks, and news wire feeds.

(2) To be considered informational materials, artworks must be classified under chapter subheading 9701, 9702, or 9703 of the Harmonized Tariff Schedule of the United States.

(b) The terms *information* and *informational materials* with respect to U.S. exports do not include items:

(1) that would be controlled for export pursuant to section 5 of the Export Administration Act of 1979, 50 U.S.C. App. 2401–2420 (1979) (the ''EAA''), or section 6 of the EAA to the extent that such controls promote the nonproliferation or antiterrorism policies of the United States, including ''software'' that is not ''publicly available'' as these terms are defined in 15 CFR Parts 779 and 799.1 (1994); or

(2) with respect to which acts are prohibited by 18 U.S.C. chapter 37.

Subpart E—Licenses, Authorizations, and Statements of Licensing Policy

4. The section heading and paragraph (a) of § 500.550 are revised to read as follows, and the words ''information or'' are added before the words ''informational materials'' in each place they appear in the first sentence of paragraph (b) of § 500.550:

§ 500.550 Transactions related to information and informational materials.

(a) All financial and other transactions directly incident to the importation or exportation of information or informational materials as defined in § 500.332 of this part are authorized.

* * * * *

5. The section heading and text of § 500.563 are revised to read as follows:

§ 500.563 Transactions incident to travel to and within North Korea.

(a) All transactions of persons subject to U.S. jurisdiction, including travel service providers, ordinarily incident to travel to, from, and within North Korea and to maintenance within North Korea are authorized. This authorization extends to transactions with North Korean carriers and those involving group tours, payment of living expenses, the acquisition of goods in North Korea for personal use, and normal banking transactions involving currency drafts, charge, debit or credit cards, traveler's checks, or other financial instruments negotiated incident to personal travel.

(b) The purchase of merchandise in North Korea by persons subject to U.S. jurisdiction, and importation as accompanied baggage, is limited to goods with a foreign market value not to exceed $100 per person for personal use only. Such merchandise may not be resold. This authorization may be used only once in every six consecutive months. As provided in § 500.206 of this part, information and informational materials are exempt from this restriction.

(c) This section does not authorize any debit to a blocked account.

§ 500.564 [Reserved]

6. Section 500.564 is removed and reserved.

7. Paragraph (b) of § 500.566 is removed, paragraph (c) is redesignated as paragraph (b), and the section heading and the introductory text of paragraph (a) and paragraph (a)(1) are revised to read as follows:

§ 500.566 Certain transactions authorized on behalf of North Korean nationals incident to their travel and maintenance expenses.

(a) Except as provided in paragraph (b) of this section, the following transactions are authorized by or on behalf of a national of North Korea who enters the United States on a visa issued by the Department of State:

(1) All transactions ordinarily incident to travel to, from, and within the United States are authorized, including the importation into the United States of accompanied baggage for personal use;

* * * * *

§ 500.569 [Reserved]

8. Section 500.569 is removed and reserved.

§ 500.571 [Amended]

9. Section 500.571 is amended by removing the word ''Vietnam'' and adding the words ''North Korea'' wherever it appears.

10. Section 500.579 is amended by designating the current text as paragraph (a), and by adding the following paragraph (b) to the end of the section to read as follows:

§ 500.579 Authorization for release of certain blocked transfers by banking institutions subject to U.S. jurisdiction.

* * * * *

(b) Specific licenses may be issued authorizing the return to the remitting party of funds that were blocked by banking institutions subject to the jurisdiction of the United States pursuant to this part because of an interest of North Korea or a national thereof and that came into the banking institution's possession or control by wire transfer or check remittance, provided that no funds are released to the Government of North Korea, any entity controlled by the Government of North Korea, or any person located in, controlled from, or organized under the laws of North Korea.

11. Section 500.580 is added to read as follows:

§ 500.580 Authorization of U.S. dollar clearing transactions involving North Korea.

Banking institutions organized under the laws of or located in the United States are authorized to process the transfer of funds in which North Korea or a national thereof has an interest. Persons subject to U.S. jurisdiction who are originators or ultimate beneficiaries of funds transfers, however, including U.S. banking institutions that are themselves originators or beneficiaries, may not initiate or receive such transfers if the underlying transactions to which they relate are prohibited pursuant to this part.

12. Section 500.581 is added to read as follows:

§ 500.581 Financial transactions related to diplomatic missions authorized.

All financial transactions related to activities of North Korean diplomatic missions in the United States and U.S. diplomatic missions in North Korea are authorized, with the exception of transactions involving the North Korean mission to the United Nations in New York, which are subject to approval by specific license.

13. Section 500.582 is added to read as follows:

§ 500.582 Importation of North Korean-origin magnesite and magnesia.

Specific licenses may be issued authorizing the importation into the United States of North Korean–origin magnesite or magnesia.

14. Section 500.583 is added to read as follows:

§ 500.583 News organization offices.

(a) Specific licenses may be issued authorizing all transactions necessary for the establishment and operation of news bureaus in North Korea by U.S. organizations whose primary purpose is the gathering and dissemination of news to the general public.

(b) Transactions that will be authorized include but are not limited to those incident to the following:

(1) leasing office space and securing related goods and services;

(2) hiring North Korean nationals to serve as support staff;

(3) purchasing North Korean-origin goods for use in the operation of the office; and

(4) paying fees related to the operation of the office in North Korea.

(c) Specific licenses may be issued authorizing transactions necessary for the establishment and operation of news bureaus in the United States by North Korean organizations whose primary purpose is the gathering and dissemination of news to the general public.

(d) The number assigned to a specific license issued pursuant to this section should be referenced in all import documents, and in all funds transfers and other banking transactions through banking institutions organized or located in the United States, in connection with the licensed transactions to avoid the blocking of goods imported from North Korea and the interruption of the financial transactions with North Korea.

15. Section 500.584 is added to read as follows:

§ 500.584 Energy sector projects in North Korea.

Specific licenses may be issued to permit persons subject to U.S. jurisdiction to participate in certain energy sector projects in North Korea in connection with that country's transition to light-water reactor (''LWR'') power plants. Transactions that may be licensed include those related to LWR

power plant design, site preparation, excavation, delivery of essential nonnuclear components including turbines and generators, building construction, the disposition of spentnuclear fuel, and the provision of heavy oil to North Korea for heating and electricity generation pending completion of the first LWR unit.

Dated: February 7, 1995.

R. Richard Newcomb,

Director, Office of Foreign Assets Control.

Approved: February 8, 1995.

John Berry,

Deputy Assistant Secretary (Enforcement).

[FR Doc. 95–3984 Filed 2–14–95; 9:15 am]

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DEPARTMENT OF DEFENSE

Office of the Secretary

32 CFR Part 40a

Defense Contracting; Reporting Procedures on Defense Related Employment

AGENCY: Office of the Secretary, DoD.

ACTION: Final rule.

SUMMARY: This rule is the fiscal year 1994 revision of the section listing DoD contractors receiving contract awards of $10 million or more. This part is published to comply with the provisions of section 1, Public Law 97–295, October 12, 1982; 10 U.S.C. 2397.

EFFECTIVE DATE: September 30, 1994.

FOR FURTHER INFORMATION CONTACT: Mr. R.S. Drake, Director, Directorate for Information Operations and Reports, Washington Headquarters Services, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202–4302. Telephone (703) 604–4569.

List of Subjects in 32 CFR Part 40a

Armed forces, Conflict of interests, Government employees, Government procurement, Reporting and recordkeeping requirements.

Accordingly, 32 CFR part 40a is revised to read as follows:

PART 40a—DEFENSE CONTRACTING: REPORTING PROCEDURES ON DEFENSE RELATED EMPLOYMENT

Authority: 10 U.S.C. 2397.

§ 40a.1 Department of Defense contractors receiving awards of $10 million or more.

Fiscal Year 1994

A C S Construction Co. of Mississippi
A G Marketing Inc.
A I L Systems Inc.
A W D Technologies, Inc.
AAI Corp.
AAR Manufacturing Inc.
ABB Business Services (DEL)
ACC Construction Co., Inc.
AEL Industries Inc.
AM General Corp.
ARC Prfessional Services Group
AT&T Corp.
AT&T Global Information Solutions Co.
Abacus Technology Corp.
Absher Construction Co., Inc.
Addision, L & Associates Inc.
Adler & Stern (1968), Ltd.
Adminastar Inc.
Advance Electronic Co., Ltd.
Advance Ratio Design Co., Inc.
Advance, Inc.
Advanced Communications Systems
Advanced Integrated Technology, Inc.
Advanced Marine Enterprises
Advanced Resource Technologies
Aepco, Inc.
Aerojet Electro Systems
Aerojet-General Corp.
Aeroquip Corp.
Aerospace Corp.
Aetna Casualty & Surety Co., Inc.
Agip SPA
Air Cruisers Co., Inc.
Air Transport International
Air Treads, Inc.
Aksarben Foods, Inc.
Alabama Power Co.
Alder Construction Co.
Alenia Aeritalia E Selenia SPA
Alisud SPA
Alliant Techsystems, Inc.
Allied Petro, Inc.
Allied Signal Avionics Inc.
Allied Signal Technical Services
Allied Signal, Inc.
Allison Engine Co., Inc.
AllStar/SAB
Alpha Marine Services, Inc.
Amdura Corp.
Amerada Hess Corp.
American Apparel, Inc.
American Auto Carriers Inc.
American Automar Inc.
American Engineering Corp.
American International Airways
American Management Systems Inc.
American President Lines Ltd.
American Renovation Construction Co.
American Systems Corp.
Amerind, Inc.
Ames Construction, Inc.
Amoco Corp.
Amtec Corp.
Analysis & Technology, Inc.
Analytic Services, Inc.
Analytical Systems Engineering Corp.
Anderson-Tully Co.
Andrulis Research Corp.
Applied Construction Technology
Applied Data Technology, Inc.
Applied Ordnance Technology
Applied Research Associates, Inc.
Aquidneck Management Association, Ltd.
Arbel Fauvent Rail
Arctic Slope Regional Corp.
Arinc, Inc.
Arinc Research Corp.
Arrow Air Inc.
Asea Brown Boveri Inc.
Assurance Technology Corp.
Astra Holdings Corp.
Astra Resources Inc.
Astronautics Corporation of America
Atherton Construction, Inc.
Atkins, Claude E. Enterprises
Atkinson, Guy F., Co. NV
Atlantic Marine Inc.
Atlantic Richfield Co.
Austin Co., The
Autec Range Services
Avoc Corp.
Avondale Industries, Inc.
B A M S I Inc.
B B A Equity Inc
B D S Inc.
B O C Holdings
B P International, Ltd.
BBDO Worldwide Inc.
BDM International Inc.
BHP Petroleum International PT
BICC USA., Inc.
BKM Enterprises Inc.
BTG Inc.
BTR Dunlop Holdings Inc.
Baker Michael Corp.
Baker Support Services, Inc.
Ball Corp.
Banes General Contractors Inc.
Barrett Refining Corp.
Bates & Associates Inc.
Bath Holding Corp.
Battelle Development Corp.
Battelle Memorial Institute
Bay Tankers, Inc.
Bean, C.F. Corp.
Bechtel Corp.
Beech Aircraft Corp.
Bell Atlantic Network Services, Inc.
Bell Atlantic-Virginia Inc.
Bell BCI Co.
Bell Corporation of Rochester
Bell Helicopter Textron, Inc.
Bender, Allen L., Inc.
Beneco Enterprises, Inc.
Bergen Brunswig Corp.
Berliner Elektro Holding AG
Binghamton Simulator Co.
Black & Veatch Holding Co.
Blinderman Construction Co.
Blue Cross & Blue Shield of South Carolina
Boeing Aerospace Operations
Boeing Company, The
Boeing Sikorsky LHX Program Office
Boland, David, Inc.
Bollinger Machine Shop & Shipyard
Bolt Beranek & Newman, Inc.
Bombardier Corp.
Bombardier International BV
Booz Allen & Hamilton, Inc.
Bozell Jacobs Kenyon Eckhardt Inc.
Brantley Construction Co.
Braswell Services Group Inc.
British Aerospace Inc.
Brown & Root Holdings Inc.
Brown, Dayton T., Inc.
Brunswick Corp.
Buckner & Moore, Inc.
Buffalo Airways Inc.
Bull Data Systems Inc.
Burns & McDonnell Inc.
C & P Corp.
C C I Construction Co., Inc.
C Construction Co., Inc.
C D M Federal Programs Corp.
C E R Inc.
C Q Construction Corp.

C-Cubed Corp.
CACI, Inc.
CAE (US) Inc.
CAE-Link Corp.
CAS, Inc.
CBC Enterprises, Inc.
CBPO of America, Inc.
CDE Enterprises Inc.
CH2M Hill Companies, Ltd.
CH2M Hill Corp.
CIA Espanola De Petroleos SA
CNA Corp.
CTA Inc.
Caddell Construction Co., Inc.
California Microwave, Inc.
Caltech Service Corp.
Caltex Petroleum Corp.
Campbell Soup Co.
Capitol Contractors Inc.
Carnegie Mellon University
Carolina Power & Light Co.
Carothers Construction Inc.
Carreon, Abel Inc.
Cartwright Electronics, Inc.
Catalano, V.J. Inc.
Caterpillar Inc.
Centex Construction Group Inc.
Central Gulf Lines, Inc.
Central Sprinkler Corp.
Centric-Jones Co.
Ceridian Corp.
Ceselsa SA
Chamberlain Manufacturing Corp.
Chautauqua County Resource Center
Chemical Waste Management Inc.
Chevron USA, Inc.
Childers Construction Co.
Chouest, Edison Offshore Inc.
Chromalloy Gas Turbine Corp.
Chrysler Technologies Corp.
Chugoku Electric Power Co., Inc.
Cincinnati Bell Information Systems
Civil Constructors Inc. (DEL)
Clark Construction Group Inc.
Coastal Aruba Refining Co., NV
Coastal Government Services
Coastal Holding Corp.
Colejon Mechanical Corp.
Coleman Research Corp.
Colsa, Corp.
Colts Manufacturing Co., Inc.
Columbia Research Corp.
Comarco, Inc.
Compex Corp.
Compliance Corp.
Comprehensive Technologies International
Comptek Research, Inc.
Computer Associates International
Computer Data Systems Inc.
Computer Reliance
Computer Sciences Corp.
Computer Systems Development
Comsat Corp.
Conagra, Inc.
Concrete Construction (GUAM) Inc.
Concurrent Computer Corp.
Conner Brothers Construction
Conoco Inc.
Consolidated Industries Inc.
Consolidated Services, Inc.
Contel Corp.
Contel Federal Systems Inc.
Contrack International, Inc.
Control Data Systems Inc.
Cook, J W & Sons Inc.
Cordant Holdings Corp.
Cosbel Petroleum Corp.
Cox Construction Co.
Craddock-Terry, Inc.
Craft Machine Works, Inc.
Cray Research, Inc.
Creative Apparel Associates
Crowley American Transport, Inc.
Crowley Maritime Corp.
Crown Andersen Inc.
Crysen Corp.
Cubic Corp.
Cubic Defense Systems Inc.
Cummins Engine Co., Inc.
D T H Contract Services Inc.
DBA Systems Inc.
DJ Manufacturing Corp.
Daimler-Benz Luft-Und Raumfahr
Daimler-Benz North American Corp.
Dames & Moore Inc.
Daniel Mann Johnson Mendenhall
Danis Industries Corp.
Datron Inc.
Daun-Ray Casuals Inc.
Davis Constructors & Engineers
Dawson Construction Co.
Day & Zimmerman, Inc.
Decision Systems Technologies
Defense Holding Corp.
Delaware Systems Engineering Management Co.
Delta Air Lines, Inc.
Delta Dental Plan of California
Denny, J.B., Co.
Detyens Shipyards Inc.
Deutsche Aerospace AG
Deutsche Bundespost
Deutsche Bundespost Telecom
Diamond Shamrock Refining Marketing Co.
Digital Equipment Corp.
Digital System Resources Inc.
Digital Systems Research, Inc.
Diverse Technologies Corp.
Dongbu Construction Co., Ltd.
Draper, Charles Stark Lab Inc.
Dreadnought Marine, Inc.
Dual, Inc.
Duininck Bros Inc.
Dutra Construction Co., Inc.
Dynamic Science, Inc.
Dynamics Research Corp.
Dyncorp
Dyncorp Aviation Services Inc.
Dynetics, Inc.
E C I/Hyer Inc.
E–OIR Measurements Inc.
E-Systems, Inc.
EA Engineering & Science Technology
EC III JV
ECC International Corp.
ECS Technologies, Inc.
EER Systems Corp.
EG&G, Inc.
EG&G Washington Analytical Services Center
ESL, Inc.
Eagan McAllister Associates
Earth Technology Corp, USA
East Penn Manufacturing Co.
Eastern Computers Inc.
Eastern JBI Joint Venture
Eastman Kodak Co.
Eaton Corp.
Ebasco Services, Inc.
Eberharter Construction Inc.
Ecology & Environment, Inc.
Elbit Systems Inc.
Eldyne, Inc.
Electronic Data Systems Corp.
Emhart Corp.
Engineered Support Systems
Engineering & Professional Services
Engineering Computer Optecnomics
Engineering-Science, Inc.
English Electric Co., Ltd. The
Enron Gas Services Corp.
Ensafe/Allen & Hoshall
Ensco, Inc.
Enserch Corp.
Enserch Environmental Corp.
Entwistle Co., The
Environmental Research Institute of Michigan
Environmental Chemical Corp.
Environmental Resources Management
Environmental Science & Engineering
Environmental Technologies Group
Enzian Technology Inc.
Excel Corp.
Exide Electronics Group, Inc.
Exxon Corp.
F E L Corp.
FD Engineers & Constructors
FKW, Inc.
FMC Arabia, Ltd.
FMC Corp.
FMS Corp.
Fairchild Aircraft, Inc.
Fargo Pacific Inc.
Federal Computer Corp.
Federal Data Corp.
Federal Express Corp.
Ferguson-Williams Inc.
Ferrell Construction Company of Topeka
Figgie International Inc.
Firan USA, Corp.
Firearms Training Systems Inc.
Firth Construction Co., Inc.
Fisher, King, Marine Service
Fletcher Construction Co., Del. Ltd.
Fletcher Pacific Construction
Flight Services Corp.
Flightsafety International
Fluor Corp.
Ford, H.J. Associates, Inc.
Foster-Miller Inc.
Foundation Health Corp.
Frequency Sources Inc.
Frito Lay, Inc.
Frontier Engineering, Inc.
Fru-Con Holding Corp.
Fugro-McClelland BV
G & C Enterprises, Inc.
G & C Equipment Corp.
G M Hughes Electronics Corp.
GEC Inc.
GLS Associates, Inc.
GTE Corp.
GTE Government Systems Corp.
Galaxy Builders, Inc.
Gary-Williams Co.
Gaskins, L.C. Construction Co.
General Atomics
General Dynamics Corp.
General Dynamics Land Systems
General Electric Co.
General Mills, Inc.
General Motors Corp.
General Physics Corp.
General Research Corp.
General Scientific Corp.
Genrad Inc.
Gentex Corp.
Geo-Centers Inc.

Geodynamics Corp.
Georgia Technology Research Corp.
Georgia Tent & Awning Inc.
Geronimo Service Co.
Geste Holdings USA, Inc.
Gibraltar, P.R. Inc.
Gilbert Associates Inc.
Giles, Alexander
Gold Line Refining, Ltd.
Golden Manufacturing Co., Inc.
Goodrich, B. F. Co., The
Goodyear Tire & Rubber Co., The
Government Systems, Inc.
Government Technology Services
Granite Construction Co.
Great Lakes Dredge & Dock Corp.
Greenland Contractors I/S
Greenwich Air Services Inc.
Gregory, R.R. Corp.
Greiner, Inc., Southern
Grimberg, John C. Co., Inc.
Groundwater Technology Inc.
Group Hospitalization Medical Svcs.
Group Technologies Corp.
Grumman Aerospace Corp.
Grumman Corp.
Gulf Coast Trailing Co.
Gulfstream Delaware Corp.
Guyco Engineering Co.
HM Anglo-American, Ltd.
Halifax Engineering, Inc.
Harbert Bill International Construction
Harbert Corp.
Harding Lawson Associates Inc.
Harkins Builders, Inc.
Harms, George Construction Co.
Harper Construction Co.
Harper-Nielsen Construction Co.
Harris Corp.
Harsco Corp.
Hawaiian Electric Co., Inc.
Hellenic Fuel & Lubricant Industry
Henderson, H.F. Industries
Hensel Phelps Construction Co.
Hercules Construction Corp.
Hercules, Inc.
Hermes Consolidated, Inc.
Hewlett-Packard Co.
Holly Corp.
Holmes & Narver, Inc.
Holzmann Philipp USA, Inc.
Honeywell, Inc.
Hooks, Mike, Inc.
Horizons Technology, Inc.
Hsu, Ronald Construction Co.
Hughes Aircraft Co.
Hughes Missile Systems Co.
Humphrey, W.T., Inc.
Hunt Building Corp.
Hyster-Yale Materials Handling
I–Net, Inc.
IBP Inc.
IIT Research Institute
IMO Industries Inc.
IRISS Co.
IT Corp.
ITT Corp.
ITT Federal Services Corp.
Iceland Prime Contractors
Icfcorp International Inc.
Ilex Systems Inc.
Impact Technologies Corp.
Inacom Corp.
Incore, Inc.
Industrial Builders, Inc.
Industrial Mechanical Contractors
Industrial Systems Inc.
Information Spectrum, Inc.
Information Systems Networks Corp.
Information Technology Solutions
Infotec Development, Inc.
Institute for Defense Analyses
Inter-National Research Institute
Intergraph Corp.
Intermarine, USA
Intermetrics, Inc.
Intermountain Construction Co.
International Business Machines Corp.
International Charter Express
International Fuel Cells Corp.
International Technology Corp.
International Terminal Operation Co.
International Computers Telecommunication
Interocean Steamship Corp.
J&J Maintenance, Inc.
J.R. Roberts Enterprises
J.T. Construction Co., Inc.
JSA Healthcare Corp.
Jacobs Engineering Group, Inc.
James, T.L. & Co., Inc.
Jamitch Enterprises, Inc.
Jaycor
Jersey Central Power & Light Co.
Johns Hopkins University
Johnson & Johnson
Johnson Controls World Services Inc.
Johnson, Al Construction Co.
Johnson, Rex K. Co.
Jones, J.A. Construction Co.
Jones, J.A. Inc.
Jordan, W.M. Co., Inc.
Jowett, Inc.
K&F Industries, Inc.
K&M Maintenance Services
KCA Corp.
KDI Corp.
KPMG Peat Marwick LLP
KVASS Construction Company
Kaiser Aerospace & Electronics Corp.
Kaman Corp.
Kaman Diversified Technology Corp.
Kaman Sciences Corp.
Kapla S. Barbara Greenhouse
Kato Corp.
Kay & Associates, Inc.
Keco Industries, Inc.
Keflavik Contractors
Kiewit Construction Group, Inc.
Kilgallon Construction Co.
Knoxville Canvas Crafters
Koch Refining Co., Inc.
Kollmorgen Corp.
Korea Electric Power Corp.
Kovatch Mobile Equipment Corp.
Kraemer Brothers, Inc.
Kraft General Foods, Inc.
Kyung In Energy Co., Ltd.
Kyushu Electric Power Co., Inc.
LATA Curls
LC Acquiring Corp.
LKM Industries-Woburn, Inc.
LTV Aerospace & Defense, Co.
LTV Corp.
Ladd, Roy E., Inc.
Laguna Industries, Inc.
Laidlaw Environmental Services
Landmark Construction, Inc.
Lanthier, R.J. Co., Inc.
Law Environmental, Inc.
Lawson Mechanical Contractors
Legris Industries
Leland Electrosystems, Inc.
Light Helicopter Turbine Engine Co.
Lightcom International, Inc.
Little, Arthur D. Inc.
Litton Industries, Inc.
Litton Systems, Inc.
Lobar, Inc.
Lockheed Aeromod Center, Inc.
Lockheed Air Terminal, Inc.
Lockheed Corp.
Lockheed Engineering & Sciences Co.
Lockheed Missiles & Space Co.
Lockheed Sanders, Inc.
Locot, Inc.
Logicon, Inc.
Logicon R & D Associates
Logistics Management Institute
Loral Aerospace Holding Inc.
Loral Corp.
Loral Electro-Optical Systems
Loral Federal Systems Company
Loral Systems Company
Loral Vought Systems Corp.
Loral/Rolm Mil-Spec Corp.
Lotos Snc Di Lo Sciuto Giusepp
Louisiana Land Exploration, The
Louisiana & Arkansas Railway Co.
Lucas Industries, Inc.
Luhr Brothers, Inc.
Lusi, A.F. Construction, Inc.
M V P Joint Venture
MCC Construction Corp.
MCI Telecommunications Corp.
MEI Holdings, Inc.
MEI Technology Corp.
ML Group, Ltd.
MacAulay-Brown, Inc.
Maden Technology Consulting, Inc.
Maersk Inc.
Maersk Line, Ltd.
Magnetek, Inc.
Management Consulting Inc.
Management Systems Application
Manhattan Construction Co.
Manson Construction & Engineering Co.
Mansour General Dynamics, Ltd.
Mantech International Corp.
Manufacturing Technology, Inc.
Mapco Petroleum, Inc.
Marine Hydraulics International
Martin Marietta Corp.
Martin Marietta Services, Inc.
Martin Marietta Technologies
Martin-Baker Aircraft Co., Ltd.
Marvin Engineering Co., Inc.
Mason Hanger-Silas Mason Co., WV
Massachusetts Institute of Technology
Massman Construction Co.
Matra Aerospace Inc.
Maxwell Laboratories, Inc.
McDermott Incorporated
McGinnis, Roy & Co., Inc.
McKnight Construction Co., Inc.
McCall Perry Construction Inc.
McCarty Corp.
McDonnell Douglas Financial Services Corp.
McDonnell Douglas Corporation
McDonnell Douglas Helicopter Co.
McKenzie Construction Corp.
McKesson Corporation Maryland
McLaughlin Research Corp.
McMaster Construction, Inc.
Mellon-Stuart Construction
Mesc Electronic Systems Inc.
Metric Construction Co., Inc.
Metric Systems Corporation
Metro Machine Corp.

Metters Industries, Inc.
Michelin Corp.
Microelectronics Computer Technology Corp.
Mid Eastern Builders
Midgard Ds Ag
Midsco, Inc.
Milcom Systems Corp.
Miltope Group, Inc.
Mine Safety Appliances Co.
Minnesota Mining & Manufacturing Co.
Mission Research Corp.
Mitre Corp.
Mobil Oil Corp.
Modern Technologies Corp.
Monarch Construction Co.
Monfort, Inc.
Montgomery Watson Americas
Moog, Inc.
Morganti Group, Inc.
Morrison Knudsen Corp., Ohio Corp.
Mortenson, M.A., Co.
Motor Oils Hellas Corinth Refinery
Motorola, Inc.
Mutual of Omaha Insurance Co.
Mystech Associates Inc.
N A I Technologies Inc.
NASSCO Holdings Inc.
Natco Limited Partnership
Nation, Inc.
National Academy of Sciences, USA
National Aerospace Plan
National Airmotive Corp.
National Apparel, Inc.
National Beef Packing Co., LP
National City Corp.
National Refrigerants, Inc.
National Systems & Research Co.
Nato Maintenance & Supply Agency
Natural Gas Clearinghouse
Naughton Energy Corp.
Navcom Defense Electronics
Navcom Systems, Inc.
Needham Inc.
Network Equipment Technologies, Inc.
New Mexico, State of
New Street Capital Corp.
New West Petroleum
Nichols Research Corp.
Nicholson & Associates, Inc.
Nomura Enterprise Inc.
Norfolk Ship Repair Inc.
Norfolk Shipbuilding & DryDock Corp.
North American Mechanical Services
North Carolina State of
North Florida Shipyards, Inc.
Northern Telecom, Ltd.
Northrop Grumman Corp.
Northrop Worldwide Aircraft Services
Norton Co.
Nova Group, Inc.
Nuclear Research Corp.
O R C Industries Inc.
OEA, Inc.
OHM Remediation Services Corp.
OTC Tracor Aerospace, Inc.
OTC Tracor Applied Sciences
OTC Tracor Flight Systems
Ocean Shipholdings, Inc.
Oceaneering International, Inc.
Oerlikon-Buhrle USA, Inc., DE
Ogden Allied Services GMBH
Ogden Government Services Corp.
Ogden Services Corp.
Oil Refineries, Ltd.
Okinawa City Waterworks
Okinawa Electric Power Co., Inc.
Oklahoma State University
Olin Corp.
Omega Group Inc.
Orbital Sciences Corp.
Oregon Iron Works, Inc.
Osborne Construction Co.
Oshkosh Truck Corp.
Otis Elevator Co.
Outdoor Venture Corp.
Owl International, Inc.
P W Construction, Inc.
PA Acquisition Corp.
PHH Holdings, Inc.
PHP Healthcare Corp.
PPC-Tokyu Joint Venture
PPG Industries, Inc.
PRC, Inc.
PSG International Language
Pacer Systems, Inc.
Pacific Architects & Engineers, Inc.
Pacific Dunlop Holdings USA, Inc.
Pacific Environmental Services
Pacific Marine & Supply Co., Ltd.
Pacific Ship Repair & Fabrication
Pacific Sierra Research Corp.
Pacifica Services, Inc.
Pacificorp Holdings, Inc.
Pandiestra Oceanic Navegacion
Parker Hannifin Corp.
Parsons, Ralph M. Co., The
Patrol Ofisi A S Genel Mud
Patterson Leasing Co.
Pearse, Jack F.
Pemco Aeroplex, Inc.
Pence, Howard W., Inc.
Pennsylvania State University Inc.
Penske Transportation, Inc.
Perini Corp.
Peterson Builders, Inc.
Petrofina SA
Petrolea Oil Corp.
Phibro Energy USA, Inc.
Philip Morris, Inc.
Phillips National, Inc.
Phoenix Air Group, Inc.
Physics International Co.
Pickus Construction & Equipment Co.
Pierce Enterprises, Inc.
Pine Bluff Sand & Gravel Co.
Pioneer U. A. V., Inc.
Piquniq Management Corp.
Pirnie, Malcolm Inc.
Pizzagalli Construction Co.
Placid Refining Co.
Planning Systems, Inc.
Poole & Kent Co., Inc.
Potomac Electric Power Co.
Potomac Systems Engineering
Power Conversion Inc.
Praoil Aromatici E Raffinazion
Praxair Inc.
Presidio Corp.
Pride Companies LP
Primark Holding Corp.
Proctor & Gamble Distributing Co., The
Pulau Electronics Corp.
Pulsar Data Systems, Inc.
Questech Service Co.
Questech, Inc.
Quintron Corp.
R & D Maintenance Services
R & J Commercial Contracting
RC Construction Co., Inc.
RG E Engineering Services
RJO Enterprises, Inc.
RJR Nabisco
RMS Technologies Inc.
Racal Corp.
Racal Radio Ltd.
Radian Corp.
Rafael
Ram Systems GMBH
Rand Corp.
Rasmussen, C.A., Inc.
Raytheon Co.
Raytheon Engineers & Constructions
Raytheon Service Co.
Red River Shipping Corp.
Refinery Associates, Inc.
Reliable Mechanical Inc.
Research Analysis & Maintenance
Research Planning Inc.
Research-Cottrell Inc.
Reynolds, R.J., Co.
Richards, R.P., Inc.
Robbins-Gioia, Inc.
Rockwell International Corp.
Roh Inc.
Rohr, Inc.
Rolls Royce PLC
Rosenblatt, M. & Son, Inc.
Roxco, Ltd.
Ryan Co., Inc.
SCI Technology, Inc.
SFA, Inc.
SKF USA, Inc.
SRA International Inc.
SRI International
SRS Technologies, Inc.
SSI Services, Inc.
Sabreliner Corp.
Saco Defense, Inc.
Sacramento Municipal Utility District
Saft America, Inc.
Sarcos Inc.
Sargent, H.E., Inc.
Saudi Operations & Maintenance Co.
Schlosser, W.M., Co., Inc.
Science & Applied Technology
Science & Technology, Corp.
Science Applications International Corp.
Scientific Atlanta, Inc.
Scientific Research Corp.
Sea Land Service, Inc.
Seaward Marine Services Inc.
Sechan Electronics, Inc.
Semcor, Inc.
Sencom Corp.
Sentel Corp.
Sequa Corp.
Serv-Air Inc.
Service Engineering Co., Inc.
Service Engineering Industries
Severn Companies Inc.
Shah Construction Co., Inc.
Sharp, George G., Inc.
Shell Oil Co.
Shell Petroleum Inc.
Sherikon, Inc.
Shin Cheon Co., Ltd.
Siebe Industries, Inc.
Siemens AG
Siemens Corp.
Sierra Nevada Corp.
Sierra Technologies Inc.
Sierracin Corp.
Silverton Construction Co.
Simmons, D.S., Inc.
Slana Energy
Smith, Johnny F., Truck Dragline Svc.
Smiths Industries, Inc.
Smiths Industries PLC

Societe Generale De Belgique
Softech, Inc.
Sollitt, George Constr Co., The
Sonalysts, Inc.
Sonicraft Inc.
Source Diversified Inc.
Souter Construction Co., Inc.
South Carolina Research Authority
Southeastern Public Service Authority
Southern Air Transport, Inc.
Southern Technologies Inc.
Southfork Systems, Inc.
Southwest Marine, Inc.
Southwest Research Institute
Space & Sensors Associates
Space Applications Corp.
Space Data Corp.
Space Industries International
Sparta, Inc.
Specialty Group Inc.
Speegle Construction, Inc.
Ssangyong Oil Refining Co., Ltd.
Standard Technology, Inc.
Standortverwaltung Wuerzburg
Stanford Telecommunications
Sterling Software, Inc.
Stevedoring Services of America
Stewart & Stevenson Services, Inc.
Storage Technology Corp.
Structural Associates Inc.
Suffolk Construction Co.
Sumitomo Heavy Industries, Ltd.
Summa Technology, Inc.
Sun Company, Inc.
Sun Microsystems, Inc.
Sundstrand Corp.
Sunkyong, Ltd.
Support Systems Associates
Supreme Beef Processors, Inc.
Suva Diagnostica
Sverdrup Civil Inc.
Sverdrup Corp.
Sverdrup Technology Inc.
Swinerton & Walberg Co.
Sylvest Management System
Symetrics Industries Inc.
Synectics Corp.
Syscon Corp.
Sysorex Information Systems
System Planning Corp.
System Resources Corp.
Systems & Electronics, Inc.
Systems Control Technology
Systems Engineering Solutions
Systems Engineering Energy Management Association
Systems Integration & Research
TI Group Inc.
TRW, Inc.
Talley Manufacturing & Technology Inc.
Tasty Bird Foods Inc.
Tec-Masters, Inc.
Techmatics, Inc.
Technical & Management Services Corp.
Technology Applications Service Co.
Technology Management & Analisys Corp.
Tecolote Research, Inc.
Tecom Inc.
Tektronix, Inc.
Telecommunication Systems
Teledyne, Inc.
Teledyne Industries Inc.
Telos Corp.
Tennessee Apparel Corp.
Tennessee Gas Pipeline Co.
Tennessee Tent Corp.
Tennier Industries Inc.
Tetra Tech, Inc
Texaco Caribbean, Inc.
Texas Instruments Inc.
Texas Utilities Co.
Textron Inc.
Thalia Carpet & Drapery Shop
Therm, Inc.
Thermotrex Corp.
Thiokol Corp.
Tiburon Systems, Inc.
Titan Corp., The
Todd Shipyards Corp.
Tohoku Electric Power Co., Inc.
Tokyo Electric Power Co., Inc.
Tower Air, Inc.
Translant, Inc.
Traylor Bros., Inc.
Tri-Cor Industries, Inc.
Tri-State Design Construction, Inc.
Trinity Marine Group
Tumpane Services Corp.
Turner Corp.
Twigg Corp.
Tybrin Corp.
Tyco International Ltd.
U.S. Aeromotive, Inc.
U.S. Oil & Refining Co.
UNC Holdings, Inc.
URS Consultants Inc. (Del)
UXB International
Unidyne Corp.
Unified Industries, Inc.
Unilever United States Inc.
Unisys Corp.
Unisys Government Systems, Inc.
United Defense LP
United International Engineering
United Technologies Corp.
University of California
University of Dayton, Inc.
University of Pittsburgh
University of Southern California
University of Texas
University of Texas at Austin
Urban General Contractors, Inc.
User Technology Associates
Utah State University
Utilicorp United, Inc.
VSE Corp.
Valenzuela Engineering, Inc.
Van Ommeren Nederland BV
Vance, Gregory A.
Vanee Foods Co.
Vanguard Research, Inc.
Varian Associates, Inc.
Varo, Inc.
Veba Oel AG
Vector Microwave Research Corp.
Vector Research, Inc.
Vectura Group, Inc.
Veda, Inc.
Ventre, Robert Associates, Inc.
Verac, Inc.
Versar, Inc.
Victory Maritime Inc.
Vion Corp.
Virtexco Corp.
Vitro Corp.
Vitro Services Corp.
Vredenburg, R. M. & Co.
Wang Laboratories, Inc.
Warehouses Services Agency SARL
Washington Agricultural Development
Washington, University of
Waterman Steamship Corp.
Watkins Construction
Weeks Marine, Inc.
Westar Corp.
Western Atlas Inc.
Western Resources Inc.
Western Union
Westinghouse Electric Corp.
Westmont Industries
Weston, Roy F., Inc.
Whiting-Turner Contracting Co., Inc.
Whittaker Corp.
Wick Construction Co.
Wickland Oil Co.
Wiggins Lift Co., Inc.
Williams Electric Co., Inc.
Williams International Corp.
Winona Hudson Corp.
Wisconsin Physicians Service Insurance
Woodington Corp.
Woodward-Clyde Consultants
Worldcorp, Inc.
Wyle Laboratories
Xerox Corp.
York International Corp.
Young & Rubicam, Inc.
Yun's Co., Inc.
Zachry, H.B., Co.
Zeneca Holdings, Inc.

Dated: February 10, 1995.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 95–3824 Filed 2–15–95; 8:45 am]

BILLING CODE 5000–04–M

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32 CFR Part 113

Indebtedness Procedures of Military Personnel

AGENCY: Office of the Secretary of Defense, DoD.

ACTION: Final rule; correcting amendment.

SUMMARY: This document corrects administrative errors which were made in a document published in the **Federal Register** of January 5, 1995 (60 FR 1720), concerning indebtedness of military personnel.

EFFECTIVE DATE: January 1, 1995.

FOR FURTHER INFORMATION CONTACT: L.M. Bynum, 703–697–4111.

SUPPLEMENTARY INFORMATION:

List of Subjects in 32 CFR Part 113

Claims, Credit, Military personnel.

Accordingly, 32 CFR Part 113 is amended as follows:

PART 113—INDEBTEDNESS PROCEDURES OF MILITARY PERSONNEL

1. The authority citation for part 113 continues to read as follows:

Authority: 5 U.S.C. 5520a(k) and 10 U.S.C. 113(d).

2. The heading for part 113 is revised as set forth above.

§ 113.2 [Corrected]

3. The heading for § 113.2 is revised to read ''Applicability''.

Dated: February 10, 1995.

L.M. Bynum,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 95–3825 Filed 2–15–95; 8:45 am]

BILLING CODE 5000–04–M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 117

[CGD09–95–004]

Drawbridge Operation Regulations; Chicago River, IL

AGENCY: Coast Guard, DOT.

ACTION: Notice of temporary deviation and public hearing; request for comments.

SUMMARY: The Commander, Ninth Coast Guard District, has authorized a 90-day deviation from the operation regulations for the draws of City of Chicago-owned bridges over the Chicago River, Illinois. The deviation is being authorized to solicit comments, data, and recommendations concerning impacts upon the various modes of transportation, to include vessel, vehicular, and rail to determine if a change to the existing schedule of bridge operation will result in a more equitable balance of impacts upon all modes of transportation. This deviation would provide for a twenty-four hour advance notice to the City of Chicago of planned recreational vessel movement and not restrict vessels to particular periods for passage through the bridges, other than during the established and specified periods of rush hour closure periods. The Coast Guard will hold a public hearing concerning this deviation and will review comments, data, and recommendations prior to issuing the deviation.

DATES: The public hearing will be held on Thursday, March 9, 1995 at 7 p.m.

The deviation will be effective from April 15, 1995, through July 14, 1995, unless sooner terminated by the District Commander. Comments on the impacts of the deviation must be received by July 20, 1995.

ADDRESSES: The public hearing will be held at the Ralph H. Metcalfe Federal Building, 77 West Jackson Boulevard, Chicago, Illinois, Room 331.

Comments on the deviation may be mailed to Mr. Robert Bloom, Chief, Bridge Branch, Ninth Coast Guard District, 1240 East Ninth Street, Cleveland, Ohio, or may be delivered to room 2083D at the same address between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays. The telephone number is (216) 522–3993. Comments will become part of the public docket and will be available for inspection or copying at room 2083D, at the above address between 8 a.m. and 3 p.m., Monday through Friday, except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Mr. Robert W. Bloom, Jr., Bridge Program Manager, Ninth Coast Guard District, (216) 522–3993.

SUPPLEMENTARY INFORMATION:

Public Hearing

The Commander, Ninth Coast Guard District, has scheduled a public hearing to be held to solicit comments relative to this deviation which will govern the operation of City of Chicago-owned drawbridges across the Chicago River System.

The hearing will provide all concerned parties with the opportunity to present oral and written statements, with supporting data, to the Coast Guard, for evaluation to determine if any revisions are to be made to the deviation prior to its becoming effective on April 15, 1995.

The public hearing will be held on Thursday, March 9, 1995 at 7 p.m. at the Ralph H. Metcalfe Federal Building, 77 West Jackson Boulevard, Chicago, Illinois, Room 331.

The hearing will be informal. A Coast Guard representative will preside at the hearing, make a brief opening statement describing the proposed temporary deviation to regulations, and announce the procedures to be followed at the hearing. Each person who wishes to make an oral statement should notify the person listed in the section **FOR FURTHER INFORMATION CONTACT** in this notice. Such notification should include the approximate time required to make the presentation.

A transcript will be made of the hearing and may be purchased by the public through arrangements with the individual providing the transcription service. Interested persons who are unable to attend this hearing may also participate in this solicitation by submitting their comments in writing. Each comment should state reasons for support or opposition, suggest any proposed changes to the deviation, and include the name and address of the person or organization submitting the comment. Comments should be sent to the address under **ADDRESSES**.

Request for Comments

The Coast Guard encourages interested persons to submit written data or views concerning the operation of drawbridges during this deviation period. Persons submitting comments should include their names and addresses and identify this notice (CGD09–95–004). Please submit two copies of all comments and attachments in an unbound format, no larger than 8½ by 11 inches, suitable for copying and electronic filing. Persons wanting acknowledgement of receipt of comments should enclose stamped, self-addressed postcards or envelopes. The Coast Guard will consider all comments received during the comment period.

Drafting Information: The principal persons involved in drafting this document are Robert Bloom, Project Manager, Chief, Bridge Branch, Ninth Coast Guard District, and Commander James Collin, Project Counsel.

Background and Purpose

Following notice and comment rulemaking, the Coast Guard promulgated a final rule on April 18, 1994, establishing a new rule for drawbridge operations on the Chicago River. On September 26, 1994, the United States District Court for the District of Columbia issued an order in the case of *Crowley's Yacht Yard, Inc., Plaintiff,* v. *Federico Pena, Secretary, United States Department of Transportation, Defendant,* Civil Action Number 94–1152 SSH, rescinding the Final Rule published on April 18, 1994, and reinstating the previous regulations found at 33 CFR 117.391 (1993 Edition). The regulations reinstated by the District Court provided for on-demand openings of drawbridges except during rush hour periods. Further, those regulations contained no requirement for advance notice or the use of specified recreational vessel flotilla size. As a result of the Court decision and to gather data for future use, in the Fall of 1994, the District Commander issued a temporary deviation to regulations for the period October 11, 1994 through December 5 , 1994, with a comment period through January 15, 1995. The deviation provided openings of bridges, with a twenty-four hour advance notice to the City of Chicago, from 7 a.m. to 7 p.m. on Saturdays and Sundays, and on Wednesdays between the hours of 6:30 p.m. and 10:00 p.m. throughout the entire period. In addition, from October 11 through October 23 the draws were opened during the period from 10:30 a.m. to 1:30 p.m. on Tuesdays and Thursdays, and from October 23 through December 5 the draws were opened for vessel passage during the

time between 10:30 a.m. and 1:30 p.m. on Wednesdays. Flotilla size was specified.

Discussion of Comments and Changes

At the end of the comment period for the temporary deviation to regulations, the Coast Guard received twenty-one comments. One comment letter, from the City of Chicago, expressed opposition to any permanent regulation for the Spring Breakout in 1995. In response to a request for data, the City stated the data would be provided to the Coast Guard on June 15, 1995. In addition, they proposed one weekday daylight opening and weekend openings. Thirteen of the other twenty comment letters favored not effecting any change to the regulations that are in place now and expressed opposition to establishing minimums and maximums for recreational vessel flotilla sizes that would be allowed to pass through the bridges. Other commenters indicated that if a change is necessary, there should be daylight openings during the weekdays and not restrict openings to strictly nighttime hours from Monday through Friday. These commenters also expressed opposition to establishing a minimum and maximum of boats that would be required for the bridges to be opened. Representatives from the Chicago River boat yards in their comments stated they did not favor a permanent regulation for the Spring Breakout in 1995, but favor the existing regulatory structure.

The District Commander has authorized the temporary deviation to commence on April 15, 1995, and remain in effect for a period of ninety (90) days. This deviation would require that the City open their bridges seven days a week for the passage of recreational vessels only when notice is given twenty-four hours in advance of a vessel's time of intended passage through the draws. However, the bridges subject to this deviation need not open for the passage of recreational vessels from 7:30 a.m. to 10 a.m. and 4 p.m. to 6:30 p.m., Mondays through Fridays. No requirement as to minimum or maximum flotilla size will be imposed. This deviation will facilitate data gathering and scheduling and will support safety while addressing concerns of all parties during the Spring period when most recreational vessels traditionally return to Lake Michigan from winter storage at the Chicago River boat yards. The temporary deviation from the operating requirements at 33 CFR 117.391 governing bridges owned by the City of Chicago over the Chicago River would read as follows:

The bridges affected by this deviation are listed below:

Main Branch

Lake Shore Drive
Columbus Drive
Michigan Avenue
Wabash Avenue
State Street
Dearborn Street
Clark Street
LaSalle Street
Wells Street
Franklin-Orleans Street

South Branch

Lake Street
Randolph Street
Washington Street
Monroe Street
Madison Street
Adams Street
Jackson Boulevard
Van Buren Street
Eisenhower Expressway
Harrison Street
Roosevelt Road
18th Street
Canal Street
South Halsted Street
South Loomis Street
South Ashland Avenue

North Branch

Grand Avenue
Ohio Street
Chicago Avenue
N Halsted Street

This deviation from normal operating regulations is authorized in accordance with the provisions of title 33 of the Code of Federal Regulations, § 117.43, and applies only to the passage of recreational vessels. Under this deviation the bridges listed above operated by the City of Chicago shall operate as follows:

(a) The bridges covered by this deviation need not open for the passage of vessels Mondays through Fridays from 7:30 a.m. to 10 a.m. and 4 p.m. to 6:30 p.m.

(b) At all other times the draws shall open on signal if notice is given twenty-four hours in advance of a vessel's time of intended passage through the draws.

(c) This period of deviation is effective from April 15, 1995 through July 14, 1995.

Dated: February 10, 1995.

Paul J. Pluta,

Captain, U.S. Coast Guard, Commander, Ninth Coast Guard District, Acting.

[FR Doc. 95–3952 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–14–M

33 CFR Part 161

[CGD09–94–036]

RIN 2115–AF01

Temporary Speed Limits for the St. Marys River; Correction

AGENCY: Coast Guard, DOT.

ACTION: Final rules.

SUMMARY: This document corrects the temporary final regulations [CGD09–94–036] which were published on Monday, January 23, 1995, (60 FR 4378) concerning the Speed Limits for the St. Marys River.

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Ms. Irene Hoffman, Project Manager, Vessel Traffic Services Division (G–NVT), at (202) 267–6277.

SUPPLEMENTARY INFORMATION:

Background

In accordance with an agreement reached on June 29, 1993, with the U.S. Army Corps of Engineers, the U.S. Fish and Wildlife Service and the Michigan Department of Natural Resources, the Coast Guard may make temporary changes to the speed regulations for periods during the winter season when icebreaking is being conducted in the vicinity of Neebish Island, St. Marys River, Michigan, as a precautionary measure to minimize any possible damage to the environment.

In 59 FR 36324 of July 15, 1994; sections 161.1 through 161.60 of 33 CFR Part 161 were revised. In this document revising Part 161, speed limit regulations for the St. Marys River were placed in 33 CFR Part 162.

On January 23, 1995, a document was published at page 4378 to amend 33 CFR Part 161. This document, intended to address temporary speed limits in the St. Marys River, amended Part 161 by suspending § 161.880 and adding § 161.881. The suspension and addition were effective from December 29, 1994 through April 15, 1995.

Need for Correction

The January 23, 1995, amendments did not make the needed temporary changes to the St. Marys River speed limits. That publication, therefore, needs to be revoked. A new temporary rulemaking addressing the St. Marys River speed limits in 33 CFR 162.117 will be prepared for publication.

For this reason, under the authority of 33 U.S.C. 1231 and 49 CFR 1.46, the suspension of § 161.880 is terminated and § 161.881 is removed.

Dated: February 8, 1995.

G.A. Penington,

Rear Admiral, U.S. Coast Guard, Chief, Office of Navigation, Safety and Waterways Services.

[FR Doc. 95–3833 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–14–M

33 CFR Part 165

[COTP Memphis 95–001]

RIN 2115–AA97

Safety Zone; Lower Mississippi River, Mile 579.0 to mile 581.0

AGENCY: Coast Guard, DOT.

ACTION: Temporary final rule.

SUMMARY: The Coast Guard is establishing a safety zone on the Lower Mississippi River mile 579.0 to mile 581.0. This regulation is needed to restrict vessel traffic in the regulated area to prevent a collision with vessel salvage equipment and to provide a safe work area for salvage personnel. The regulation restricts navigation in the regulated area and may have an effect on commercial traffic.

EFFECTIVE DATES: This regulation is effective on January 7, 1995, and will terminate on December 31, 1995.

FOR FURTHER INFORMATION CONTACT: LT Byron Black, Chief, Port Operations, Captain of the Port, Memphis, Tennessee at (901) 544–3941.

SUPPLEMENTARY INFORMATION:

Drafting Information

The drafters of this regulation are LT Byron Black, Project Officer, Marine Safety Office, Memphis, Tennessee and LCDR A. O. Denny, Project Attorney, Second Coast Guard District Legal Office.

Regulatory History

In accordance with 5 U.S.C. 553, a notice of proposed rulemaking has not been published for this regulation and good cause exists for making it effective in less than 30 days from the date of publication. Following normal rulemaking procedures would have been impracticable. Specifically, river conditions are now favorable to salvage three sunken barges located mid-channel at mile 580.0 in the Lower Mississippi River. Traffic restrictions are required for salvage personnel to safely conduct salvage operations during windows of favorable conditions. As a result, the Coast Guard deems it to be in the public's best interest to issue a regulation immediately.

Background and Purpose

On November 8, 1994, the Coast Guard was notified of three sunken barges in the vicinity of Lower Mississippi River mile 580. The salvage of the sunken barges located mid-channel will pose a substantial threat to safe navigation. After an investigation by Marine Safety Office Memphis, it was recommended that a safety zone be issued in order to safely salvage the barges and to limit access to unauthorized vessels as a safety precaution. The safety zone will be limited to the Lower Mississippi River mile 579.0 to mile 581.0.

Regulatory Evaluation

This regulation is not a significant regulatory action under section 3(f) of Executive Order 12866 and does not require an assessment of potential costs and benefits under section 6(a)(3) of that order. It has been exempted from review by the Office of Management and Budget under that order. It is not under the regulatory policies and procedures of the Department of Transportation (DOT) (44 FR 11040; February 26, 1979). The Coast Guard expects the economic impact of this proposal to be so minimal that a full Regulatory Evaluation under paragraph 10e of the regulatory policies and procedures of DOT is unnecessary.

To avoid any unnecessary adverse impact on businesses which use the river for commercial purposes, Captain of the Port, Memphis, Tennessee will monitor river conditions and salvage operations and will authorize unrestricted entry into the zone as conditions permit. Changes will be announced by Marine Safety Information Radio broadcast (Broadcast Notice to Mariners) on VHF marine band radio, channel 22 (157.1 MHZ). Mariners may also call the Port Operations Officer, Captain of the Port, Memphis, Tennessee at (901) 544–3941.

Small Entities

The Coast Guard finds that the impact on small entities, if any, is not substantial. Therefore, the Coast Guard certifies under section 605(b) of the Regulatory Flexibility Act (5 U.S.C. 601 *et seq*) that this temporary rule will not have a significant economic impact on a substantial number of small entities.

Collection of Information

This rule contains no collection of information requirements under the Paperwork Reduction Act (44 U.S.C. 3501 *et seq*.).

Federalism Assessment

The Coast Guard has analyzed this regulation under the principles and criteria contained in Executive Order 12612 and has determined that it does not raise sufficient federalism implications to warrant the preparation of a Federalism Assessment.

Environmental Assessment

The Coast Guard considered the environmental impact of this regulation and concluded that, under section 2.B.2 of Commandant Instruction M16475.1B, this regulation is categorically excluded from further environmental documentation.

List of Subjects in 33 CFR Part 165

Harbors, Marine safety, Navigation (water), Reporting and recordkeeping requirements, Security measures, Waterways.

Temporary Regulation

In consideration of the foregoing, Subpart C of Part 165 of Title 33, Code of Federal Regulations, is amended as follows:

PART 165—[AMENDED]

1. The authority citation for Part 165 continues to read as follows:

Authority: 33 U.S.C. 1231; 50 U.S.C. 191; 33 CFR 1.051(g), 604–1, 6.04–6, and 160.5; 49 CFR 1.46.

2. A temporary section 165.T02–001 is added to read as follows:

§ 165–T02–001 Safety Zone: Lower Mississippi River.

(a) *Location.* The Lower Mississippi River mile 579.0 to mile 581.0 is established as a safety zone.

(b) *Effective date.* This section becomes effective on January 7, 1995 and will terminate on December 31, 1995.

(c) *Regulations.* Under the general regulations of 165.23 of this part, entry into this zone is prohibited unless authorized by the Captain of the Port.

Dated: January 6, 1995.

A.L. Thompson, Jr.,

Commander, U.S. Coast Guard, Captain of the Port.

[FR Doc. 95–3832 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–14–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[AK6–1–6587a; AK5–1–6437a; AK3–1–5851a; FRL–5147–8]

Approval and Promulgation of Implementation Plans: Alaska

AGENCY: Environmental Protection Agency.

ACTION: Direct final rule.

SUMMARY: The Environmental Protection Agency (EPA) takes action on and/or approves regulations from three submittals received from the Alaska Department of Environmental Conservation (ADEC): submittal dated July 17, 1990 requesting our action to address out-of-date sections found in 40 CFR 52.73–52.96 relating to Alaska state implementation plan (SIP) deficiencies, and including the applicable Alaska statutes to support their request; submittal dated October 15, 1991 requesting approval of amendments to regulations dealing with Air Quality Control, 18 AAC 50, for inclusion into Alaska's SIP to assure compliance with Federal ambient air quality standards for airborne particulate matter, and submittal dated March 24, 1994 requesting approval of additional amendments to 18 AAC 50, Air Quality Control, for inclusion into Alaska's SIP to assure compliance with new source review permitting requirements, the 1990 Clean Air Act Amendments (the Act), for sources located in nonattainment areas for either carbon monoxide or particulate matter. The above submittals include amendments to the State Air Quality Control Plan, which is incorporated by reference in 18 AAC 50.

DATES: This final rule will be effective on April 17, 1995 unless adverse or critical comments are received by March 20, 1995. If the effective date is delayed, timely notice will be published in the **Federal Register**.

ADDRESSES: Written comments should be addressed to:

Montel Livingston, SIP Manager, Air & Radiation Branch (AT–082), EPA, 1200 Sixth Avenue, Seattle, Washington 98101.

Documents which are incorporated by reference are available for public inspection at the Air and Radiation Docket and Information Center, Environmental Protection Agency, 401 M Street, SW, Washington, D.C. 20460.

Copies of material submitted to EPA may be examined during normal business hours at the following locations: EPA, Region 10, Air & Radiation Branch, 1200 Sixth Avenue (AT–082), Seattle, Washington 98101, and ADEC, 410 Willoughby, Suite 105, Juneau, Alaska 99801–1795.

FOR FURTHER INFORMATION CONTACT: Montel Livingston, Air & Radiation Branch (AT–082), EPA, Seattle, Washington 98101, (206) 553–0180.

SUPPLEMENTARY INFORMATION:

I. Background

On July 1, 1987 (52 FR 24634), EPA revised the national ambient air quality standards (NAAQS) for particulate matter. Total suspended particulate (TSP) was replaced as the indicator for particulate matter ambient standard by a new indicator, particulate matter with a nominal aerodynamic diameter of 10 micrometers or less in size (PM–10). In response, ADEC amended its rules and regulations which dealt with particulate matter to assure compliance with particulate NAAQS throughout Alaska, and in addition, adopted numerous other changes, including amendments to its regulations for new source review. The package, dated October 15, 1991, was received by EPA on October 21, 1991, together with the proof of filing certification by the Lieutenant Governor of Alaska and a certified copy of the regulations dealing with Air Quality Control, 18 AAC 50, for inclusion into the SIP.

An earlier package, submitted on July 17, 1990, requested EPA to address out-of-date sections in the CFR and included Alaska statutes which were applicable to the corrections.

On March 24, 1994 further amendments to 18 AAC 50, including amendments to the State Air Quality Control Plan (which is incorporated by reference in 18 AAC 50), were submitted to EPA as a revision to the Alaska SIP. These amendments include further changes to the regulations for PM–10 and new source review.

II. Description of Revisions

A. Amendments to Air Quality Control Plan, October 15, 1991

The October 15, 1991 submittal encompasses a broad range of topics. Specifically, the amendments to 18 AAC 50:

1. establish an ambient air quality standard for particulate matter smaller than 10 microns;
2. revise the provisions relating to wood-fired heating devices in the Juneau Mendenhall Valley;
3. establish air quality increments for oxides of nitrogen;
4. reduce the visible emission standard for marine vessels from 40 percent to 20 percent opacity;
5. change the incinerator permit size threshold from 1000 lb/hr charging rate for an individual incinerator to 1000 lb/hr on the basis of facility-wide capacity;
6. establish a permit program that will allow new and modified major carbon monoxide-emitting facilities to be constructed in Anchorage and Fairbanks without disrupting progress towards attaining compliance with the ambient air quality standards for carbon monoxide;
7. establish a new air episode category called ''air quality advisory'';
8. restrict wood stove operation during an air quality advisory and an air emergency;
9. require a public notice and 30-day public comment period for all new Air Quality Control Permits issued under 18 AAC 50.
10. specify minimum requirements on quality assurance and quality control for ambient monitoring programs; and
11. clarify certain permit requirements and procedures, especially issues pertaining to the definition and application of ''actual'' and ''allowable'' emissions.

EPA approves the following amendments to 18 AAC 50, Air Quality Control Regulations, from the submission by ADEC dated October 15, 1991 for inclusion into the Alaska SIP.

Article 1. Program Standards and Limitations

Sections 020(a)(1) and 020(b), Ambient Air Quality Standards, are revised to establish State ambient air quality standards and Prevention of Significant Deterioration increments which are as stringent as the Federal standards.

Section 085, Wood-fired heating devices, is revised to establish elements of the PM–10 control strategy which meet the criteria set forth by EPA to assure attainment and maintenance of the PM–10 NAAQS.

Section 100, Marine vessels, is revised to establish lower emission standards that apply to all marine vessels within three miles of the coastline of Alaska in order to reduce visibility problems encountered in Alaska that are associated with marine vessels.

Article 2. Permit Requirements

Section 300(a)(3) is amended to require permits for incinerators having a total combined rated capacity of 1,000 pounds per hour or more.

Section 300(a)(5), (6) and (8), Permit to Operate, are revised by making numerous editorial changes for clarity.

Section 300(a)(7), Permit to Operate, is revised by adding a requirement for a permit to operate for facilities that provide emission offsets.

Section 300(a)(9), Permit to Operate, is revised by adding a new provision which requires a permit to operate for facilities located within ten kilometers of a nonattainment area, which have been installed or modified after the

effective date of the regulation change and have an allowable emission increase of 100 tons per year of the nonattainment air contaminant.

Section 300(d), Permit to Operate, is revised by changing the requirements for new and modified major sources in nonattainment areas to require emission offsets in lieu of using a growth allowance.

Sections 300(e) and 300(g), Permit to Operate, are revised by making a number of editorial changes for clarity.

Section 300, Permit to Operate, is revised by adding a new paragraph (h) which sets the requirements for sources required to have a permit under the new Section 300(a)(9).

Article 3. Permit Review Criteria

Section 400(a), Application Review and Issuance of Permit to Operate, is revised to require public notice of all applications of facilities requiring a new Air Quality Control Permit to Operate and for certain renewals.

Sections 400 (b), (c), and (d), Application Review and Issuance of Permit to Operate, are revised by making a number of editorial changes for clarity.

Section 400(c), Application Review and Issuance of Permit to Operate, is revised by adding provisions for emission offsets in lieu of an emissions allowance for new or modified major sources located in a nonattainment area.

Article 4. Regulation Compliance Criteria

Section 510, Ambient Analysis Methods, is revised to clarify the approved ambient monitoring procedures and quality assurance requirements.

Section 520, Air Quality Monitoring, is revised by making several editorial changes.

Article 5. Procedure and Administration

Section 610, Air Episodes and Advisories, is revised by changing the indicator for particulate matter from TSP to PM–10, lowering the concentrations for declaring an air alert, warning, or emergency, and adding a provision allowing ADEC to declare an air advisory and to request voluntary emission curtailments from operators of air contaminant sources.

Section 620, Air Quality Control Plan, is revised to reflect the date for new revisions to Volumes II and III of the Air Quality Control Plan.

Article 6. General Provisions

Section 900, Definitions, is amended by revising the current definitions of the terms ''actual emissions,'' ''baseline concentration,'' ''baseline date,'' ''regulated air pollutant,'' ''wood smoke control area,'' and ''fugitive emissions,'' and adding new definitions of the terms ''approved,'' ''nonattainment air contaminant,'' ''particulate matter emissions,'' ''PM–10,'' ''PM–10 emissions,'' and ''total suspended particulate matter.''

The above amendments to regulations and the State Air Quality Control Plan comply with EPA's regulations for control strategies to attain and maintain the NAAQS for particulate matter and for permits to construct pursuant to Parts C and D of the Act.

B. Amendments To Delete Obsolete Code of Federal Regulations (CFR) Sections

In an earlier package submitted to EPA on July 17, 1990, ADEC submitted a request to correct findings of Alaska's SIP deficiency in 40 CFR 52, Sections 52.73–96. ADEC identified and explained why several of those sections were now obsolete (dating back to 1973) and how they had been remedied by changes to Alaska's statutes and regulations. ADEC also submitted the applicable Alaska statutes (Title 46. Water, Air, Energy, and Environmental Conservation) to support their request for corrections. The sections are all identified below. At this time, EPA is making the following changes:

Section 52.74(a)(1), Cook Inlet. Delete. The Cook Inlet Air Resources Management District has not existed for over a decade. Deficiencies related to permitting authority attributed to Cook Inlet Air Resources Management District do not exist.

Section 52.74(a)(2), Fairbanks North Star Borough (FNSB). Delete. The Memorandum of Understanding between ADEC and FNSB gives the borough responsibility only for permitting open burns of less than 40 acres; monitoring and air quality forecasting; attainment planning; and motor vehicle inspection and maintenance. It does not include responsibilities for recordkeeping, monitoring requirements, and public availability of stationary source data. Therefore, deficiency findings in those areas are moot.

Regarding emergency abatement, the CFR refers to Ordinance 45.05.100, which is found to be deficient because it only refers to generalized conditions of air pollution. FNSB Ordinance 8.05.010–050, which gives the borough adequate authority, was accepted into the SIP in the May 26, 1989 **Federal Register**. FNSB Ordinance 8.04.071 provides adequate authority for injunctions. Therefore, § 52.74(a)(2)(i) on injunctions, and (v) on episode abatement may be deleted.

Section 52.74(a)(2)(vi), Legal Authority. Delete. The Fairbanks Inspection and Maintenance Program was accepted as fulfilling the transportation control requirement.

Section 52.74(b), Legal Authority. Delete. This finding of deficiency for lack of authority to prevent operation or construction which may result in violation of ambient air quality standards is satisfied by 18 AAC 50.300 and 18 AAC 50.400. These sections define criteria for permit issuance, and prevent operation or construction without a permit.

Section 52.74(c), Legal Authority. Delete. This subsection disapproves Alaska Statute (AS) 46.03.180 for not meeting the requirement for disclosure of emissions data. However, AS 46.03.180 allows confidentiality only for some ''Records and Information, other than emission data.'' Therefore, the legal authority to provide for public availability of emission data is adequate, and this deficiency determination may be deleted.

Section 52.73 (a) and (b), General Requirements. Delete. These are simply remedies to the deficiencies identified above in § 52.74 and, since the legal authority to provide for public availability of emission data is adequate, these remedies may be deleted.

Section 52.78, Review of new sources and modifications. EPA defers action on this section, which establishes a plan for review of new or modified indirect sources, to a later date when a subsequent **Federal Register** action will address the revisions to the Carbon Monoxide SIP submitted March 24, 1994 by ADEC.

Section 52.80, Intergovernmental cooperation. Delete. This subsection refers to lack of clear delineation of responsibilities between state and local agencies. This has been addressed in memoranda of understanding between ADEC and the municipalities of Anchorage and Fairbanks which define responsibilities. In addition, emergency avoidance plans are described in the Alaska State Air Quality Control Plan.

Section 52.81, Attainment dates for national standards, and

Section 52.82, Extensions. No action to be taken at this time. The information contained in these two sections, pertaining to historical attainment dates and status data, will be updated at a later time.

Section 52.84, Compliance schedules. Delete. All compliance schedules listed here are outdated. Compliance schedules have been replaced by compliance orders, which are enforcement actions, and are not part of the SIP.

Section 52.95, Maintenance of national standards. Delete. These pre-1977 requirements are out of date and no longer applicable.

Section 52.96(b), Significant deterioration of air quality. Retain. The State of Alaska does not have jurisdiction over Indian reservations. Therefore, EPA must retain this provision in the Code of Federal Regulations in order to promulgate Federal procedures to prevent significant deterioration of air quality in Indian reservations as part of the Alaska SIP.

C. Additional Amendments to the Air Quality Control Plan, March 24, 1994

The March 24, 1994 ADEC submittal of revisions for inclusion into the Alaska SIP include additional amendments to 18 AAC 50, Air Quality Control Plan. In some instances the amendments further revise the amendments dated October 15, 1991, and in those cases, EPA is approving the version of the rules as it exists under the most recent revision. The amendments EPA is specifically approving at this time from the March 24, 1994 submittal concern state air quality classifications for PM–10 and new source review requirements. All other amendments to the SIP contained in the March 24, 1994 submittal will be addressed in subsequent actions. At this time, EPA is approving the following amendments to 18 AAC 50, Air Quality Control:

Article 1. Program Standards and Limitations

Section 021, State Air Quality Classifications, is revised by adding the Eagle River Community and Mendenhall Valley of Juneau as nonattainment areas for PM–10.

Article 2. Permit Requirements

Section 300 (a)(7) and (a)(8), Permit to Operate, are revised by adding provisions to require a permit for sources located in PM–10 nonattainment areas.

Section 300(d), Permit to Operate, is revised to clarify that emission offsets must be enforceable at the time of permit issuance and that they must actually occur by the time that increased emissions from the new or modified source will occur. In addition, this section requires a demonstration that the benefits of construction, operation, or modification of the facility will significantly outweigh the environmental and social costs incurred due to its location in a nonattainment area.

Sections 300 (e) and (g), Permit to Operate, are revised by making a number of editorial changes for clarity.

Article 3. Permit Review Criteria

Section 400(a)(1)(A), Application Review and Issuance of Permit to Operate, is revised by making several editorial changes for clarity.

Section 400(c)(3)(B)(ii), Application Review and Issuance of Permit to Operate, is revised by adding significance levels for PM–10.

Section 400(c)(4), Application Review and Issuance of Permit to Operate, is revised to clarify that emission offsets must be enforceable at the time of permit issuance and that they must actually occur by the time that increased emissions from the new or modified source will occur. In addition, this section requires a demonstration that the benefits of construction, operation, or modification of the facility will significantly outweigh the environmental and social costs incurred due to its location in a nonattainment area.

Section 400(d)(4), Application Review and Issuance of Permit to Operate, is revised by making several editorial changes for clarity.

Article 5. Procedure and Administration

Section 620, State Air Quality Control Plan, is revised to reflect the date for new revisions to Volumes II and III of the Air Quality Control Plan.

The above amendments include updates to air quality area classifications and reflect date changes to include the most recent (March 24, 1994) SIP revisions submitted from ADEC to EPA. Also, included are revisions of the new source review provisions to meet the new requirements of Part D of the Clean Air Act for moderate carbon monoxide and particulate matter nonattainment areas as set forth in the General Preamble for the Implementation of Title I of the Clean Air Act.

III. Summary of EPA Action

In this action, EPA approves the following amendments to Alaska Administrative Code, 18 AAC 50, Air Quality Control Regulations, for inclusion into the Alaska SIP:

A. Revisions to Article 1: In section 050.020, paragraphs (a)(1) and (b), section 085, and section 100;

Revisions to Article 2: In section 300, paragraphs (a)(3), (a)(5)(A), (a)(6)(A), (a)(6)(C), (a)(6)(C)(iv), (a)(6)(C)(xvi), (a)(7), (a)(8), (a)(9), paragraph (d), paragraph (e), paragraph (g), and paragraph (h);

Revisions to Article 3: in section 400, paragraph (a), paragraph (a)(1), paragraph (b), paragraph (c)(1), paragraph (c)(3)(B)(ii), paragraph (c)(4);

Revisions to Article 4: Section 510, and in section 520, paragraph (a);

Revisions to Article 5: Sections 610 and 620;

Revisions to Article 6: in section 900, paragraphs (1), (7), (8), (39), (48), and additions of paragraphs (50), (51), (52), (53), (54), and (55).

B. Overall, the revised table of contents for Title 18, Environmental Conservation, Chapter 50, Air Quality Control, is as follows:

Article 1. Program Standards and Limitations

18 AAC 50.010. Applicability of Local Government Regulations (5/16/72)
18 AAC 50.020. Ambient Air Quality Standards (7/21/91)
18 AAC 50.021. State Air Quality Classifications (4/23/94)
18 AAC 50.030. Open Burning (10/30/83)
18 AAC 50.040. Incinerators (10/30/83)
18 AAC 50.050. Industrial Processes and Fuel Burning Equipment (5/11/91)
18 AAC 50.060. Pulp Mills (11/1/82)
18 AAC 50.070. Motor Vehicle Emissions (5/4/80)
18 AAC 50.085. Wood-Fired Heating Devices (7/21/91)
18 AAC 50.090. Ice Fog Limitations (5/16/72)
18 AAC 50.100. Marine Vessels (7/21/91)
18 AAC 50.110. Air Pollution prohibited (5/26/72)

Article 2. Permit Requirements

18 AAC 50.300. Permit to Operate (4/23/94)
18 AAC 50.310. Revocation or Suspension (5/4/80)

Article 3. Permit Review Criteria

18 AAC 50.400 (4/23/94)

Article 4. Regulation Compliance Criteria

18 AAC 50.500. Source Testing (6/2/88)
18 AAC 50.510. Ambient Analysis Methods (7/21/91)
18 AAC 50.520. Emission and Ambient Monitoring (7/21/91)

18 AAC 50.530. Circumvention (6/7/87)

Article 5. Procedural and Administrative

18 AAC 50.600. Reclassification Procedures and Criteria (11/1/82)
18 AAC 50.610. Air Episodes and Advisories (7/21/91)
18 AAC 50.620. State Air Quality Control Plan (4/23/94)

Article 6. General Provisions

18 AAC 50.900. Definitions (7/21/91)

C. EPA has corrected several out-of-date sections found in 40 CFR 52.73–96 relating to Alaska SIP deficiencies.

IV. Administrative Review

Under the Regulatory Flexibility Act, 5 U.S.C. 600 *et seq.*, EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over populations of less than 50,000.

SIP approvals under section 110 and subchapter I, Part D of the CAA do not create any new requirements, but simply approve requirements that the state is already imposing. Therefore, because the federal SIP-approval does not impose any new requirements, I certify that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the federal-state relationship under the CAA, preparation of a regulatory flexibility analysis would constitute federal inquiry into the economic reasonableness of state action. The CAA forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co.* v. *U.S.E.P.A.*, 427 U.S. 246, 256–66 (S.Ct. 1976); 42 U.S.C. 7410(a)(2).

The EPA is publishing this action without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. However, in a separate document in this **Federal Register** publication, the EPA is proposing to approve the SIP revision should adverse or critical comments be filed. This action will be effective April 17, 1995 unless, by March 20, 1995, adverse or critical comments are received.

If the EPA receives such comments, this action will be withdrawn before the effective date by publishing a subsequent notice that will withdraw the final action. All public comments received will be addressed in a subsequent final rule based on this action serving as a proposed rule. The EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time. If no such comments are received, the public is advised that this action will be effective April 17, 1995.

The EPA has reviewed this request for revision of the federally-approved SIP for conformance with the provisions of the 1990 Clean Air Act Amendments enacted on November 15, 1990. The EPA has determined that this action conforms with those requirements.

Nothing in this action should be construed as permitting or allowing or establishing a precedent for any future request for revision to any SIP. Each request for revision to the SIP shall be considered separately in light of specific technical, economic and environmental factors and in relation to relevant statutory and regulatory requirements.

This action has been classified as a Table 2 action by the Regional Administrator under the procedures published in the **Federal Register** on January 19, 1989 (54 FR 2214–2225), as revised by an October 4, 1993 memorandum from Michael H. Shapiro, Acting Assistant Administrator for Air and Radiation. The OMB has exempted this regulatory action from E.O. 12866 review.

Under section 307(b)(1) of the Clean Air Act, petitions for judicial review of this action must be filed in the United States Court of Appeals for the appropriate circuit by April 17, 1995. Filing a petition for reconsideration by the Administrator of this final rule does not affect the finality of this rule for the purposes of judicial review nor does it extend the time within which a petition for judicial review may be filed and shall not postpone the effectiveness of such rule or action. This action may not be challenged later in proceedings to enforce its requirements. (See section 307(b)(2), 42 U.S.C. 7607(b)(2).

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Carbon monoxide, Incorporation by reference, Intergovernmental relations, Particulate matter, Reporting and recordkeeping requirements.

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

Dated: January 23, 1995.

Chuck Clarke,

Regional Administrator.

Part 52, chapter I, title 40 of the Code of Federal Regulations is amended as follows:

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

Authority: 42 U.S.C. 7401–7671q.

Subpart C—Alaska

2. Section 52.70 is amended by adding paragraph (c)(19) to read as follows:

§ 52.70 Identification of plan.

* * * * *

(c) * * *

(19) The Environmental Protection Agency (EPA) takes action on and/or approves regulations from three submittals received from the ADEC on July 17, 1990, October 15, 1991 and on March 24, 1994, which pertain to correcting SIP deficiencies in the CFR; amendments to regulations dealing with Air Quality Control, 18 AAC 50, for inclusion into Alaska's SIP; and additional amendments to 18 AAC 50, Air Quality Control, for inclusion into Alaska's SIP to assure compliance with new source review permitting requirements for sources located in nonattainment areas for either carbon monoxide or particulate matter.

(i) Incorporation by reference.

(A) July 17, 1990 letter from ADEC to EPA requesting correction for findings of SIP deficiency in 40 CFR Part 52, and including the version of Alaska Statutes, ''Title 46. Water, Air, Energy, and Environmental Conservation,'' in effect at the time of the July 17, 1990 letter, of which Sections 46.03.020, 46.03.030, 46.03.032, and 46.03.715, amended in 1987, were the most recently amended of the enclosed statutes.

(B) October 15, 1991 letter from ADEC to EPA, and including amendments to regulations and the State Air Quality Control Plan to assure compliance with national ambient air quality standards for particulate matter; the Order Amending Regulations of the Department of Environmental Conservation, effective July 21, 1991; and the following *Alaska Administrative Code, 18 AAC 50, Air Quality Control Regulations:* (50.020; 50.085; 50.100; 50.300; 50.400; 50.510, 50.520, 50.610, and 50.900), effective July 21, 1991, Register 119.

(C) March 24, 1994 letter from Walter J. Hickel, Governor of Alaska, to Chuck Clarke, Regional Administrator of EPA, and including amendments to 18 AAC 50, State Air Quality Control Plan; the Order Adopting and Amending

Regulations of the Department of Environmental Conservation, effective April 23, 1994, Register 130; and the amendments to 18 AAC 50 (50.021, 50.300(a)(7) and (a)(8), 50.300 (d), (e), and (g), 50.400(a)(1)(A), 50.400(c)(3)(B)(ii), 50.400(c)(4), 50.400(d)(4), and 50.620), State Air Quality Control Plan, found in Volume III: Appendices, Modifications to Section III.A, effective April 23, 1994, Register 130.

§ 52.74 [Amended]

3. In § 52.74, paragraphs (a) and (c) are removed and the paragraph designation for paragraph (b) is removed.

4. Sections 52.73, 52.80, 52.84, and 52.95 are removed and reserved.

[FR Doc. 95–3859 Filed 2–15–95; 8:45 am]

BILLING CODE 6560–50–P

40 CFR Part 52

[CA 40–1–6813 FRL–5145–7]

Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Bay Area Air Quality Management District and Ventura County Air Pollution Control District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: EPA is finalizing the approval of revisions to the California State Implementation Plan (SIP) proposed in the **Federal Register** on December 17, 1993. The revisions concern rules from the following districts: The Bay Area Air Quality Management District (BAAQMD) and the Ventura County Air Pollution Control District (VCAPCD). This approval action will incorporate these rules into the federally approved SIP. The intended effect of approving these rules is to regulate emissions of volatile organic compounds (VOCs) in accordance with the requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). The rules control VOC emissions from leaking valves and connectors at petroleum refinery complexes, chemical plants, bulk plants, and bulk terminals (BAAQMD Rule 8–18); and fugitive emissions from petroleum refineries and chemical plants (VCAPCD Rule 74.7). Thus, EPA is finalizing the approval of these rules into the California SIP under provisions of the CAA regarding EPA action on SIP submittals, SIPs for national primary and secondary ambient air quality standards and plan requirements for nonattainment areas.

EFFECTIVE DATE: This final rule is effective on March 20, 1995.

ADDRESSES: Copies of the submitted rules and EPA's evaluation report for each rule are available for public inspection at EPA's Region IX office during normal business hours. Copies of the submitted rules are available for inspection at the following locations:

Rulemaking Section (A–5–3), Air and Toxics Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105.

Environmental Protection Agency, Air Docket 6102, 401 ''M'' Street SW., Washington, DC 20460.

Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, CA 94109.

Ventura County Air Pollution Control District, 669 County Square Drive, Second floor, Ventura, CA 93003.

FOR FURTHER INFORMATION CONTACT: Christine Vineyard, Rulemaking Section, Air and Toxics Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105, Telephone: (415) 744–1197.

SUPPLEMENTARY INFORMATION:

Background

On December 17, 1993 in 58 FR 65959, EPA proposed to approve the following rules into the California SIP:

BAAQMD's Rule 8–18, Valves and Connectors at Petroleum Refinery Complexes, Chemical Plants, Bulk Plants, and Bulk Terminals; and VCAPCD's Rule 74.7, Fugitive Emissions of Reactive Organic Compounds at Petroleum Refineries and Chemical Plants. The BAAQMD adopted Rule 8–18 on March 4, 1992 and the VCAPCD adopted Rule 74.7 on January 10, 1989. The California Air Resources Board (CARB) submitted these rules on November 12, 1992 and March 26, 1990, respectively. These rules were submitted in response to EPA's 1988 SIP-Call and the CAA section 182(a)(2)(A) requirement that nonattainment areas fix their reasonably available control technology (RACT) rules for ozone in accordance with EPA guidance that interpreted the requirements of the pre-amendment Act. A detailed discussion of the background for each of the above rules and nonattainment areas is provided in the notice of proposed rulemaking (NPRM) cited above.

EPA has evaluated the above rules for consistency with the requirements of the CAA and EPA regulations and EPA interpretation of these requirements as expressed in the various EPA policy guidance documents referenced in the NPRM cited above. EPA has found that the rules meet the applicable EPA requirements. A detailed discussion of the rule provisions and evaluations has been provided in 58 FR 65959 and in technical support documents (TSDs) available at EPA's Region IX office (TSDs dated May 13, 1993—BAAQMD Rule 8–18 and June 21, 1993—VCAPCD 74.7).

Response to Public Comments

A 30-day public comment period was provided in 58 FR 65959. No comments were received.

EPA Action

EPA is finalizing action to approve the above rules for inclusion into the California SIP. EPA is approving the submittal under section 110(k)(3) as meeting the requirements of section 110(a) and Part D of the CAA. This approval action will incorporate these rules into the federally approved SIP. The intended effect of approving these rules is to regulate emissions of VOCs in accordance with the requirements of the CAA.

Nothing in this action should be construed as permitting or allowing or establishing a precedent for any future request for revision to any state implementation plan. Each request for revision to the state implementation plan shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

Regulatory Process

The Office of Management and Budget has exempted this action from review under Executive Order 12866.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Hydrocarbons, Incorporation by reference, Intergovernmental relations, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Note: Incorporation by reference of the State Implementation Plan for the State of California was approved by the Director of the Federal Register on July 1, 1982.

Dated: January 11, 1995.

Felicia Marcus,

Regional Administrator.

Part 52, chapter I, title 40 of the Code of Federal Regulations is amended as follows:

PART 52—[AMENDED]

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

Authority: 42 U.S.C. 7401–7671q.

Subpart F—California

2. Section 52.220 is amended by adding paragraphs (c) (179)(i)(D) and (190)(i)(B) to read as follows:

§ 52.220 Identification of plan.

* * * * *

(c) * * *

(179) * * *

(i) * * *

(D) Ventura County Air Pollution Control District.

(*1*) Rule 74.7, adopted on January 10, 1989.

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(190) * * *

(i) * * *

(B) Bay Area Air Quality Management District.

(*1*) Rule 8–18, adopted on March 4, 1992.

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[FR Doc. 95–3861 Filed 2–15–95; 8:45 am]

BILLING CODE 6560–50–W

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40 CFR Part 52

[CA 102–6–6837a; FRL–5145–5]

Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Bay Area Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Direct final rule.

SUMMARY: EPA is taking direct final action on a revision to the California State Implementation Plan. The revision concerns a rule from the Bay Area Air Quality Management District (BAAQMD). This approval action will incorporate this rule into the federally approved SIP. The intended effect of approving this rule is to regulate emissions of volatile organic compounds (VOCs) in accordance with the requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). The revised rule controls VOC emissions from valves and flanges at chemical plants. Thus, EPA is finalizing the approval of this revision into the California SIP under provisions of the CAA regarding EPA action on SIP submittals, SIPs for national primary and secondary ambient air quality standards and plan requirements for nonattainment areas.

DATES: This final rule is effective on April 17, 1995, unless adverse or critical comments are received by March 20, 1995. If the effective date is delayed, a timely notice will be published in the **Federal Register**.

ADDRESSES: Copies of the rule and EPA's evaluation report for the rule are available for public inspection at EPA's Region IX office during normal business hours. Copies of the submitted rule are available for inspection at the following locations:

Rulemaking Section (A–5–3), Air and Toxics Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901.

Environmental Protection Agency, Air Docket (6102), 401 ''M'' Street, S.W., Washington, D.C. 20460.

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 2020 ''L'' Street, Sacramento, CA 92123–1095.

Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, CA 94109.

FOR FURTHER INFORMATION CONTACT: Duane F. James, Rulemaking Section (A–5–3), Air and Toxics Division, U.S. Environmental Protection Agency, Region IX, 75 Hawthorne Street, San Francisco, CA 94105–3901, Telephone: (415) 744–1191.

SUPPLEMENTARY INFORMATION:

Applicability

The rule being approved into the California SIP is BAAQMD's Rule 8–22, ''Valves and Flanges at Chemical Plants.'' This rule was submitted by the California Air Resources Board (ARB) to EPA on September 28, 1994.

Background

On March 3, 1978, EPA promulgated a list of ozone nonattainment areas under the provisions of the Clean Air Act, as amended in 1977 (1977 Act or pre-amended Act), that included the San Francisco-Bay Area (Bay Area). 43 FR 8964, 40 CFR 81.305. Because this area was unable to meet the statutory attainment date of December 31, 1982, California requested under section 172 (a)(2), and EPA approved, an extension of the attainment date to December 31, 1987. 40 CFR 52.222. On May 26, 1988, EPA notified the Governor of California, pursuant to section 110(a)(2)(H) of the 1977 Act, that the above district's portion of the California SIP was inadequate to attain and maintain the ozone standard and requested that deficiencies in the existing SIP be corrected (EPA's SIP-Call). On November 15, 1990, the Clean Air Act Amendments of 1990 were enacted. Public Law 101–549, 104 Stat. 2399, codified at 42 U.S.C. 7401–7671q. In amended section 182(a)(2)(A) of the CAA, Congress statutorily adopted the requirement that nonattainment areas fix their deficient reasonably available control technology (RACT) rules for ozone and established a deadline of May 15, 1991, for states to submit corrections of those deficiencies.

Section 182(a)(2)(A) applies to areas designated as nonattainment prior to enactment of the amendments and classified as marginal or above as of the date of enactment. It requires such areas to adopt and correct RACT rules pursuant to pre-amended section 172(b) as interpreted in pre-amendment guidance.[1] EPA's SIP-Call used that guidance to indicate the necessary corrections for specific nonattainment areas. The Bay Area is classified as moderate;[2] therefore, this area was subject to the RACT fix-up requirement and the May 15, 1991 deadline.

The State of California submitted many revised RACT rules for incorporation into its SIP on September 28, 1994, including the rule being acted on in this notice. This notice addresses EPA's direct-final action for BAAQMD's Rule 8–22, ''Valves and Flanges at Chemical Plants.'' The BAAQMD adopted Rule 8–22 on June 1, 1994. This submitted rule was found to be complete on November 22, 1994, pursuant to EPA's completeness criteria that are set forth in 40 CFR part 51 Appendix V[3] and is being finalized for approval into the SIP.

Rule 8–22 prohibits volatile organic compound (VOC) emissions in excess of 10,000 parts per million (ppm) from valves and flanges at chemical plants. VOCs contribute to the production of ground level ozone and smog. This rule was originally adopted as part of BAAQMD's effort to achieve the National Ambient Air Quality Standard (NAAQS) for ozone and in response to EPA's SIP-Call and the section 182(a)(2)(A) CAA requirement. The following is EPA's evaluation and final action for this rule.

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[1] Among other things, the pre-amendment guidance consists of those portions of the proposed Post-1987 ozone and carbon monoxide policy that concern RACT, 52 FR 45044 (November 24, 1987); ''Issues Relating to VOC Regulation Cutpoints, Deficiencies, and Deviations, Clarification to Appendix D of November 24, 1987 **Federal Register** Notice'' (Blue Book) (notice of availability was published in the **Federal Register** on May 25, 1988); and the existing control technique guidelines (CTGs).

[2] The Bay Area retained its designation of nonattainment and was classified by operation of law pursuant to sections 107(d) and 181(a) upon the date of enactment of the CAA. See 55 FR 56694 (November 6, 1991).

[3] EPA adopted the completeness criteria on February 16, 1990 (55 FR 5830) and, pursuant to section 110(k)(1)(A) of the CAA, revised the criteria on August 26, 1991 (56 FR 42216).

EPA Evaluation and Action

In determining the approvability of a VOC rule, EPA must evaluate the rule for consistency with the requirements of the CAA and EPA regulations, as found in section 110 and part D of the CAA and 40 CFR part 51 (Requirements for Preparation, Adoption, and Submittal of Implementation Plans). The EPA interpretation of these requirements, which forms the basis for today's action, appears in the various EPA policy guidance documents listed in footnote 1. Among those provisions is the requirement that a VOC rule must, at a minimum, provide for the implementation of RACT for stationary sources of VOC emissions. This requirement was carried forth from the pre-amended Act.

For the purpose of assisting state and local agencies in developing RACT rules, EPA prepared a series of Control Technique Guideline (CTG) documents. The CTGs are based on the underlying requirements of the Act and specify the presumptive norms for what is RACT for specific source categories. Under the CAA, Congress ratified EPA's use of these documents, as well as other Agency policy, for requiring States to ''fix-up'' their RACT rules. See section 182(a)(2)(A). The CTG applicable to this rule is entitled, ''Control of Volatile Organic Compound Leaks from Synthetic Organic Chemical and Polymer Manufacturing Equipment (EPA–450/3–83–006).'' Further interpretations of EPA policy are found in the Blue Book, referred to in footnote 1. In general, these guidance documents have been set forth to ensure that VOC rules are fully enforceable and strengthen or maintain the SIP.

The BAAQMD's submitted Rule 8–22, ''Valves and Flanges at Chemical Plants,'' includes the following significant changes from the current SIP:

1. The exemption for valves and flanges on instrument and sample lines with diameters of 1.8 cm (0.75 in.) or less has been deleted.

2. Research and development facilities must now satisfy certain criteria in order to be exempt from the rule.

3. The rule transfers the regulation of chemical plants with 100 or more valves to the BAAQMD's Rule 8–18, ''Valves and Connectors at Petroleum Refineries, Chemical Plants, Bulk Plants and Bulk Terminals,'' which has a leak standard of 1,000 ppm. EPA proposed an approval of Rule 8–18 on December 17, 1993 (58 FR 65959).

4. EPA Method 21 is the test method used to determine leaks.

5. Quarterly inspections are now required for accessible valves while annual inspections continue for inaccessible valves.

6. The rule requires records of the identification codes, types, and locations of each valve.

7. The rule requires records of the dates of all inspections, re-inspections, and the measured leak concentrations of valves and flanges where the emission standard of the rule has been exceeded.

8. The rule requires monthly records of all non-repairable valves until the next unit turnaround when these valves must be repaired.

9. The rule requires that all records be maintained for at least 5 years.

EPA has evaluated the submitted rule and has determined that it is consistent with the CAA, EPA regulations, and EPA policy. Therefore, BAAQMD's Rule 8–22, ''Valves and Flanges at Chemical Plants,'' is being approved under section 110(k)(3) of the CAA as meeting the requirements of section 110(a) and Part D.

Nothing in this action should be construed as permitting or allowing or establishing a precedent for any future implementation plan. Each request for revision to the state implementation plan shall be considered separately in light of specific technical, economic, and environmental factors and in relation to relevant statutory and regulatory requirements.

EPA is publishing this notice without prior proposal because the Agency views this as a noncontroversial amendment and anticipates no adverse comments. However, in a separate document in this **Federal Register** publication, the EPA is proposing to approve the SIP revision should adverse or critical comments be filed. This action will be effective April 17, 1995, unless, by March 20, 1995, adverse or critical comments are received.

If the EPA receives such comments, this action will be withdrawn before the effective date by publishing a subsequent notice that will withdraw the final action. All public comments received will then be addressed in a subsequent final rule based on this action serving as a proposed rule. The EPA will not institute a second comment period on this action. Any parties interested in commenting on this action should do so at this time. If no such comments are received, the public is advised that this action will be effective April 17, 1995.

Regulatory Process

Under the Regulatory Flexibility Act, 5 U.S.C. 600 et. seq., EPA must prepare a regulatory flexibility analysis assessing the impact of any proposed or final rule on small entities. 5 U.S.C. 603 and 604. Alternatively, EPA may certify that the rule will not have a significant impact on a substantial number of small entities. Small entities include small businesses, small not-for-profit enterprises, and government entities with jurisdiction over population of less than 50,000.

SIP approvals under sections 110 and 301(a) and subchapter I, Part D of the CAA do not create any new requirements, but simply approve requirements that the State is already imposing. Therefore, because the Federal SIP-approval does not impose any new requirements, I certify that it does not have a significant impact on any small entities affected. Moreover, due to the nature of the Federal-state relationship under the CAA, preparation of a regulatory flexibility analysis would constitute Federal inquiry into the economic reasonableness of state action. The CAA forbids EPA to base its actions concerning SIPs on such grounds. *Union Electric Co.* v. *U.S. E.P.A.*, 427 U.S. 246, 256–66 (S. Ct. 1976); 42 U.S.C. 7410 (a)(2).

The OMB has exempted this action from review under Executive Order 12866.

List of Subjects in 40 CFR Part 52

Environmental protection, Air pollution control, Hydrocarbons, Incorporation by reference, Intergovernmental relations, Ozone, Reporting and recordkeeping requirements, Volatile organic compounds.

Note: Incorporation by reference of the State Implementation Plan for the State of California was approved by the Director of the Federal Register on July 1, 1982.

Dated: January 17, 1995.

Felicia Marcus,

Regional Administrator.

Subpart 52, chapter I, title 40 of the Code of Federal Regulations is amended as follows:

PART 52—[AMENDED]

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

Authority: 42 U.S.C. 7401–7671q.

Subpart F—California

2. Section 52.220 is amended by adding paragraph (c)(199)(i)(A)(4) to read as follows:

§ 52.220 Identification of plan.

* * * * *

(c) * * *

(199) * * *

(i) * * *

(A) * * *

(4) Rule 8–22, adopted on June 1, 1994.

* * * * *

[FR Doc. 95–3864 Filed 2–15–95; 8:45 am]

BILLING CODE 6560–50–W

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Health Care Financing Administration

42 CFR Part 410

[BPD–424–F]

RIN 0938–AE94

Medicare Program; Medicare Coverage of Prescription Drugs Used in Immunosuppressive Therapy

AGENCY: Health Care Financing Administration (HCFA), HHS.

ACTION: Final rule.

SUMMARY: This final rule amends the regulations to provide Medicare coverage for prescription drugs used in immunosuppressive therapy furnished to an individual who receives an organ transplant for which Medicare payment is made. This rule reflects the enactment of section 1861(s)(2)(J) of the Social Security Act that provides Medicare coverage for prescription drugs used in immunosuppressive therapy for a period of up to 1 year from the date of discharge from an inpatient hospital stay during which the Medicare-covered organ or tissue transplant was performed.

This final rule also implements section 13565 of the Omnibus Budget Reconciliation Act of 1993 (Public Law 103–66) and section 160 of the Social Security Act Amendments of 1994 (Public Law 103–432) that, beginning January 1, 1995, expand Medicare coverage for prescription drugs used in immunosuppressive therapy from 1 year to a phased-in period of 3 years from the date of discharge from a hospital stay during which the Medicare-covered organ or tissue transplant was performed.

DATES: These regulations are effective January 1, 1995, the effective date of the statute.

FOR FURTHER INFORMATION CONTACT: Debra McKeldin, (410) 966–9671.

SUPPLEMENTARY INFORMATION:

I. Background

Before enactment of section 9335(c) of the Omnibus Budget Reconciliation Act of 1986 (OBRA '86), Public Law 99–509, there was no specific Medicare benefit that provided for Medicare Part B coverage of prescription drugs used in immunosuppressive therapy.

OBRA '86 added subparagraph (J) to section 1861(s)(2) of the Social Security Act (the Act) to provide Medicare coverage for immunosuppressive drugs, furnished to an individual who receives an organ transplant for which Medicare payment is made, for a period not to exceed 1 year after the transplant procedure. Coverage of these drugs under Medicare Part B began January 1, 1987.

We published a proposed rule with a 60-day public comment period (53 FR 1383) on January 19, 1988, which we discuss below. Before its publication, however, the Omnibus Budget Reconciliation Act of 1987 (OBRA '87), Public Law 100–203, was enacted and effective December 22, 1987, revised section 1861(s)(2)(J) of the Act so that the scope of coverage was expanded from coverage of ''immunosuppressive drugs'' to coverage of ''prescription drugs used in immunosuppressive therapy.'' We issued the proposed rule before changes could be made to reflect this new terminology. We did propose, however, coverage that would include, in addition to immunosuppressive drugs, other drugs used in conjunction with immunosuppressive therapy. In addition, in April 1988, we issued manual instructions to Medicare contractors that reflected the new terminology.

Also, section 202 of the Medicare Catastrophic Coverage Act of 1988, Public Law 100–360, enacted on July 1, 1988, extended coverage of drugs used in immunosuppressive therapy to include drugs furnished in subsequent years after the first year following a covered transplant. It also extended coverage to include drugs used following a noncovered transplant irrespective of any prescribed time limitations. This extended coverage, which was to be effective on January 1, 1990, was part of the outpatient drug coverage set forth in section 202(a) of Public Law 100–360. On December 19, 1989, however, these provisions of the law were repealed as part of the Medicare Catastrophic Coverage Repeal Act of 1989, Public Law 101–234. As a result, the extended Medicare coverage of drugs used in immunosuppressive therapy set forth in Public Law 100–360 never became effective.

Since publication of the proposed rule, section 13565 of the Omnibus Reconciliation Act of 1993 (OBRA '93), Public Law 103–66, amended section 1861(s)(2)(J) of the Act. In accordance with OBRA '93, the coverage period for prescription drugs used in immunosuppressive therapy will be extended to 18 months from the hospital discharge date following a covered transplant procedure for drugs furnished in 1995; 24 months for drugs furnished in 1996; 30 months for drugs furnished in 1997; and 36 months for drugs furnished after 1997. Subsequently, section 160 of the Social Security Act Amendments of 1994, Public Law 103–432, enacted on October 31, 1994, allows us to administer the OBRA '93 provision in such a way that coverage would be continued consecutively.

Since this provision is self-executing, we have issued it as part of this final rule, rather than in proposed form.

II. Provisions of the Proposed Rule

In the January 1988 proposed rule, we proposed to amend 42 CFR part 410 (''Supplementary Medical Insurance (SMI) Benefits'') to incorporate the following:

- Cover immunosuppressive drugs under Medicare Part B by revising § 410.10 to include immunosuppressive drugs in the term ''medical and other health services'';
- Add a new § 410.31 to provide specifically for coverage of immunosuppressive drugs generally; and
- Add a new § 410.65 to provide Medicare coverage of drugs used in immunosuppressive therapy, that are furnished to an individual who receives an organ transplant for which Medicare payment is made, for a period of up to 1 year beginning with the date of discharge from the inpatient hospital stay during which the transplant was performed (the proposed rule did not, of course, include the OBRA '93 phased-in extension to the coverage period that follows a Medicare approved transplant). We proposed that coverage include: (1) Those immunosuppressive drugs specifically labeled as immunosuppressive drugs and approved for marketing by the Food and Drug Administration (FDA) and (2) other drugs that FDA-approved labeling indicates are used in conjunction with immunosuppressive drug therapy.

III. Discussion of Comments

We received 11 timely comments in response to the January 1988 proposed rule. The comments were from representatives of hospitals, medical centers, national associations representing health care professionals, and a university. The specific comments and our responses follow:

Comment: Several commenters suggested that coverage of immunosuppressive drugs be extended beyond 1 year.

Response: As stated earlier, since the publication of the proposed rule, OBRA

'93 has authorized phased-in extensions to the Medicare coverage period for prescription drugs used in immunosuppressive therapy. In accordance with this new legislation, the period after the hospital discharge date in which a Medicare beneficiary is eligible to receive Part B coverage of prescription drugs used in immunosuppressive therapy has been extended as follows:

- For drugs furnished during 1995, a Medicare beneficiary is eligible for coverage within 18 months after the date of discharge from an inpatient stay during which the covered transplant was performed.
- For drugs furnished during 1996, a Medicare beneficiary is eligible for coverage within 24 months after the date of discharge from an inpatient stay during which the covered transplant was performed.
- For drugs furnished during 1997, a Medicare beneficiary is eligible for coverage within 30 months after the date of discharge from an inpatient stay during which the covered transplant was performed.
- For drugs furnished after 1997, a Medicare beneficiary is eligible for coverage within 36 months after the date of discharge from an inpatient stay during which the covered transplant was performed.

Thus, the extension provides a range of coverage extending from 12 to 36 months depending on the date of discharge from an inpatient stay during which the covered transplant was performed.

For example, if prescription drugs used in immunosuppressive therapy are furnished to a beneficiary who received a covered transplant and was discharged on February 1, 1994, the initial coverage period is for 12 months (February 1, 1994 to January 31, 1995). In accordance with OBRA '93, on January 1, 1995, the coverage period for prescription drugs used in immunosuppressive therapy will be extended to 18 months from the hospital discharge date following a covered transplant procedure. Therefore, the initial 12-month coverage period is extended to July 31, 1995 because section 13565 of OBRA '93 extends coverage for drugs furnished in 1995 to 18 months. Subsequently, the eligibility for coverage for drugs furnished in 1996 is extended to 24 months after the discharge date. Because January 31, 1996 is 24 months after the discharge date of the covered transplant procedure in this example, the beneficiary is eligible for an additional month of coverage beginning January 1, 1996 and ending on January 31, 1996. Thus, the beneficiary will receive a total of 19 months of coverage for prescription drugs used in immunosuppressive therapy.

The following chart illustrates how the extension periods prescribed by OBRA '93 will be phased in using a discharge date of the first day of each month.

PHASED-IN BENEFIT PERIODS FOR IMMUNOSUPPRESSIVE DRUG THERAPY

Discharge date	Coverage period ends	Coverage period resumes	Coverage period ends	Total months of coverage
08/1/93	07/31/94	01/1/95	01/31/95	13
09/1/93	08/31/94	01/1/95	02/28/95	14
10/1/93	09/30/94	01/1/95	03/31/95	15
11/1/93	10/31/94	01/1/95	04/30/95	16
12/1/93	11/30/94	01/1/95	05/31/95	17
01/1/94	06/30/95	.....	.....	18
02/1/94	07/31/95	01/1/96	01/31/96	19
03/1/94	08/31/95	01/1/96	02/29/96	20
04/1/94	09/30/95	01/1/96	03/31/96	21
05/1/94	10/31/95	01/1/96	04/30/96	22
06/1/94	11/30/95	01/1/96	05/31/96	23
07/1/94	06/30/96	.....	.....	24
08/1/94	07/31/96	01/1/97	01/31/97	25
09/1/94	08/31/96	01/1/97	02/28/97	26
10/1/94	09/30/96	01/1/97	03/31/97	27
11/1/94	10/31/96	01/1/97	04/30/97	28
12/1/94	11/30/96	01/1/97	05/31/97	29
01/1/95	06/30/97	.....	.....	30
02/1/95	07/31/97	01/1/98	01/31/98	31
03/1/95	08/31/97	01/1/98	02/28/98	32
04/1/95	09/30/97	01/1/98	03/31/98	33
05/1/95	10/31/97	01/1/98	04/30/98	34
06/1/95	11/30/97	01/1/98	05/31/98	35
07/1/95	06/30/98	.....	.....	36

As illustrated in the chart, the statutory construction of the provision in OBRA '93 that prescribed the phased-in extension of coverage for drugs used in immunosuppressive therapy resulted in gaps in the coverage period. However, as stated earlier, section 160 of the Social Security Act Amendments of 1994 allows us to administer this provision in such a way that consecutive months of coverage are furnished provided the total number of months of coverage allowed by OBRA '93 are the same. Thus, in the above example, the beneficiary who was discharged on February 1, 1994 will receive 19 consecutive months of coverage (through August 31, 1995) for prescription drugs used in immunosuppressive therapy.

The periods of consecutive coverage for prescription drugs used in immunosuppressive therapy are illustrated in the following chart. The chart demonstrates how the OBRA '93 provisions would be phased in using a discharge date of the first day of each month.

PHASED-IN CONSECUTIVE BENEFIT PERIODS FOR IMMUNOSUPPRESIVE DRUG THERAPY

Discharge date	Coverage period ends	Total months of coverage
08/1/93	08/31/94	13
09/1/93	10/31/94	14
10/1/93	12/31/94	15
11/1/93	02/28/95	16
12/1/93	04/30/95	17
01/1/94	06/30/95	18
02/1/94	08/31/95	19
03/1/94	10/31/95	20

PHASED-IN CONSECUTIVE BENEFIT PERIODS FOR IMMUNOSUPPRESIVE DRUG THERAPY—Continued

Discharge date	Coverage period ends	Total months of coverage
04/1/94	12/31/95	21
05/1/94	02/29/96	22
06/1/94	04/30/96	23
07/1/94	06/30/96	24
08/1/94	08/31/96	25
09/1/94	10/31/96	26
10/1/94	12/31/96	27
11/1/94	02/28/97	28
12/1/94	04/30/97	29
01/1/95	06/30/97	30
02/1/95	08/31/97	31
03/1/95	10/31/97	32
04/1/95	12/31/97	33
05/1/95	02/28/98	34
06/1/95	04/30/98	35
07/1/95	06/30/98	36

Comment: One commenter recommended that each patient be given a card showing eligibility dates for immunosuppressive drug therapy.

Response: We have not adopted this suggestion because it would add an unnecessary paperwork burden without a commensurate benefit to the program. This information is contained in the Medicare Handbook.

The Medicare contractors processing claims for prescription drugs used in immunosuppressive therapy are prepared to implement the extended periods of coverage. The claims processing systems are capable of determining the periods for which Part B coverage is available beginning with the date of discharge from a hospital stay during which a covered transplant was performed.

Comment: One commenter requested that we define several classes of drugs, such as treatment related drugs (for example, prednisone, antihypertensives, and cardiac medicines) that, in his opinion, would be eligible for payment. This classification would provide guidelines for coverage of each type of drug. Another commenter urged that there be flexible criteria to permit providers to use a full range of drug therapy, including drugs prescribed for unapproved indications, rather than limiting coverage to ''other drugs that are used in conjunction with immunosuppressive drugs as part of a therapeutic regimen.''

Response: Section 1861(s)(2)(J) of the Act provides for coverage of only prescription drugs used in immunosuppressive therapy. We interpret this to mean that coverage is limited to those drugs that are medically necessary and appropriate for the specific purpose of preventing or treating the rejection of a transplanted organ or tissue by suppressing a patient's natural immune responses. To meet this definition, a drug must be approved by the FDA, be available only through a prescription, and belong to one of the following three categories:

- It is a drug approved for marketing by the FDA and is labeled as an immunosuppressive drug.
- It is a drug, such as a corticosteroid, that is approved by the FDA and is labeled for use in conjunction with immunosuppressive drugs to treat or prevent the rejection of a patient's transplanted organ or tissue.
- It is a drug that a Part B carrier, in processing a Medicare claim, determined to be reasonable and necessary for the specific purpose of preventing or treating the rejection of a patient's transplanted organ or tissue, or for use in conjunction with those immunosuppressive drugs for the purpose of preventing or treating the rejection of a patient's transplanted organ or tissue.

Accordingly, drugs that are used for the treatment of conditions that may result from an immunosuppressive drug regimen (for example, antibiotics, antihypertensives, analgesics, vitamins, and other drugs that are not directly related to organ rejection) are not covered under this benefit.

Comment: One commenter suggested that we clarify the statement in the proposed rule (53 FR 1383) that implied that corticosteroids may be covered by Medicare only if used in association with Sandimmune (that is, cyclosporine).

Response: The statement in the proposed rule was meant as an example of a drug treatment regimen that included corticosteroids. It was not our intention to imply that corticosteroids would not be covered if prescribed in conjunction with another immunosuppressive, or alone, to prevent rejection of an organ or tissue transplant.

Comment: One commenter concluded that our statement that commonly prescribed immunosuppressive drugs are available at substantial discounts from prices listed in the Red Book (an annual publication that lists drugs and their wholesale prices) is wrong because the drugs we listed (with the exception of prednisone) are sole source drugs and there is no competition to reduce the prices.

Response: Since publication of the proposed rule in January 1988, payment for Medicare Part B drugs was modified by the November 25, 1991 final rule for the fee schedule for physicians' services (56 FR 59502). Section 405.517 states that payment for drugs (other than those paid on a cost or prospective basis) is based on the lower of the estimated acquisition cost or the national average wholesale price of the drug. The estimated acquisition cost is determined by individual carrier surveys of actual invoice prices paid for the drug. If physicians or pharmacies receive price discounts, the reductions are reflected in their invoice costs.

Comment: One commenter objected to our statement in the preamble to the proposed rule (53 FR 1385) that mail service pharmacies ''offer reduced prices that minimize beneficiaries' coinsurance liability,'' on the grounds that it amounted to a ''commercial'' on behalf of mail service pharmacies.

Response: Our intent was not to endorse one source of drugs over another, but to make the public aware of the alternative of mail service pharmacies.

Comment: One commenter expressed concern that ordering drugs through the mail eliminates patient-pharmacist contact.

Response: The absence of face-to-face contact is one of the many things a beneficiary would want to consider in deciding from whom he or she will obtain prescribed drugs.

Comment: One commenter suggested that we buy drugs from manufacturers and have them shipped directly to participating transplant centers.

Response: We lack the legal authority to do this. We administer the Medicare program at the national level as authorized by the law. We are not empowered to participate in the delivery of health care services.

Comment: One commenter asked that we update prices for immunosuppressive drugs.

Response: Medicare carriers use the *Red Book* or a similar publication that is updated periodically during the year for current prices.

Comment: One organization suggested that our payment policy cover not only the costs of drugs, but also pharmaceutical care services. The organization explained that in addition to traditional drug distribution services, contemporary pharmaceutical services include clinical functions that ensure the safe and effective use of drug therapy. Examples of these functions, which were characterized by the commenter as ''pharmacy'' services, are providing patient education, assessing patient compliance, and monitoring for therapeutic effectiveness and adverse effects.

Response: Payment for functions furnished by pharmacists is included in the amount that Medicare pays for the drugs.

Comment: One commenter recommended that all payments, including those to hospital outpatient departments, should be made under Part B on a reasonable charge basis. The commenter maintained that payments based on costs do not allow the hospital to be paid a reasonable rate for pharmaceutical services and overhead and that many hospitals maintain separate inventory and purchasing practices for drugs used in the outpatient setting.

Response: The statute mandates that the outpatient department of a hospital be paid based on the lower of reasonable cost or customary charges as established in the following sections of the Act:

- Sections 1832(a)(2)(B) and 1861(s)(2)(J), which establish that drugs used in immunosuppressive therapy furnished in a provider are a covered medical service.
- Section 1833(a)(2)(B), which states that payment is based on the lesser of the reasonable cost of hospital outpatient department services as determined under section 1861(v), or the customary charges with respect to these services.
- Section 1861(u), which defines a provider of services to include a hospital.
- Section 1862(a)(14), which states, in part, that no payment may be made under Part A or Part B for any expenses incurred for items or services, other than for statutorily specified exceptions, that are furnished to an individual who is a patient of a hospital by an entity other than the hospital or under arrangements with the hospital. (''Patient'' means inpatients and outpatients of a hospital.)

Therefore, if a patient is an outpatient of a hospital and receives prescription drugs from the hospital pharmacy, payment would have to be made to the hospital pharmacy according to the mandate of section 1833(a)(2)(B) of the Act. That section establishes that payment to any provider of services (in this case, the outpatient pharmacy department of a hospital) must be the lesser of the reasonable cost of these services, as determined under section 1861(v) (which includes recognition of both direct and indirect costs), or the customary charges with respect to these services.

Comment: One commenter suggested that we improve our communication with fiscal intermediaries, because some intermediaries are unaware that they should be paying for prescription drugs used in immunosuppressive therapy.

Response: We have taken steps to ensure that all contractors processing claims for prescription drugs used in immunosuppressive therapy are aware of current Medicare coverage and payment policies. We have not been informed of any specific problems in this area of program administration.

IV. Provisions of This Final Rule

The provisions of this final rule restate the provisions of the January 1988 proposed rule. The final rule differs from the proposed rule in that we have changed the term ''immunosuppressive drugs,'' wherever it appears, to ''prescription drugs used in immunosuppressive therapy'' to conform with section 4075 of OBRA '87. Also, we have redesignated the proposed § 410.65 as § 410.31. The final rule also differs from the proposed rule in that we have specified that drugs also will be covered if they have been determined, by a Part B carrier in processing a Medicare claim, to be reasonable and necessary (that is, safe and effective) for the purpose of treating or preventing the rejection of a patient's transplanted organ or tissue, or for use in conjunction with these immunosuppressive drugs for the purpose of preventing or treating the rejection of a patient's transplanted organ or tissue. The carriers make these determinations by considering factors such as authoritative drug compendia, current medical literature, recognized standards of medical practice, and professional medical publications. This change makes the policy governing drugs used in immunosuppressive therapy consistent with Medicare's general drug coverage policy.

An additional point of clarification is that the coverage of prescription drugs for transplants under this rule includes prescription drugs used in immunosuppressive therapy furnished to an individual who receives a bone marrow tissue transplant for which Medicare payment is made. For purposes of this rule, we consider bone marrow tissue transplants to be subsumed within the term ''organ transplant'' under section 1861(s)(2)(J) of the Act. Medicare currently covers heart, kidney, bone marrow, and certain liver transplants.

The final rule also differs from the proposed rule in that OBRA '93 requires phased-in extensions (up to 3 years) to the coverage period for prescription drugs used in immunosuppressive therapy.

V. Collection of Information Requirements

This notice does not impose information collection or recordkeeping requirements. Consequently, it need not be reviewed by the Office of Management and Budget under the authority of the Paperwork Reduction Act of 1980 (44 U.S.C 3501 *et seq.*).

VI. Regulatory Impact Statement

A. Introduction

This final rule amends the regulations to provide Medicare coverage for prescription drugs used in immunosuppressive therapy following an inpatient hospital stay during which a Medicare-covered organ transplant was performed. OBRA '86 amended section 1861(s)(2) of the Act to provide Part B coverage for a period not to exceed 1 year beginning July 1, 1987. As a result of OBRA '93, the period of coverage of prescription drugs used in immunosuppressive therapy after the discharge from a hospital has been increased to 18 months for drugs furnished in 1995, 24 months for drugs furnished in 1996, 30 months for drugs furnished in 1997, and 36 months for drugs furnished after 1997. The following table shows the estimated additional expenditures as a result of the extended coverage.

ESTIMATED ADDITIONAL COST BECAUSE OF EXTENDED COVERAGE OF DRUGS FOR IMMUNOSUPPRESSIVE THERAPY—ROUNDED TO THE NEAREST $5 MILLION

FY 1995	FY 1996	FY 1997	FY 1998	FY 1999
$20	$60	$90	$110	$120

The use of immunosuppressive drug therapy is indicated for the prevention of organ rejection when an organ or tissue transplant is performed. The estimated number of transplants that will be performed in CY 1994 is 10,125, some of which will have an effect on immunosuppressive drug therapy expenditures in CYs 1995 and 1996. The estimated 10,850 transplants that will be performed in CY 1995 will have an effect on drug therapy costs in CYs

1996, 1997, and 1998. We estimate that the annual drug cost following transplantation for a full time user of immunosuppressive drugs will be as follows:

ESTIMATED ANNUAL COST OF IMMUNOSUPPRESSIVE DRUGS FOR EACH TRANSPLANT PATIENT

CY 1995	CY 1996	CY 1997
$5580	$5910	$6275

This final rule also differs from the proposed rule in that the term ''immunosuppressive drugs'' has been changed to ''prescription drugs used in immunosuppressive therapy'' to conform with section 4075 of OBRA '87. This expanded coverage will allow payment for other necessary drugs used in conjunction with immunosuppressive drugs.

B. Regulatory Flexibility Act

Consistent with the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 through 612), we prepare a regulatory flexibility analysis unless the Secretary certifies that a rule will not have a significant economic impact on a substantial number of small entities. For purposes of the RFA, pharmacists, physicians who perform transplantation services, and manufacturers of covered pharmaceuticals are considered to be small entities. Although pharmaceutical manufacturers are frequently not considered to be small entities, the possibility exists that certain manufacturers affected by this final rule may meet the definition of a small entity.

In addition, section 1102(b) of the Act requires the Secretary to prepare a regulatory impact analysis if a rule may have a significant impact on the operations of a substantial number of small rural hospitals. This analysis must conform to the provisions of section 604 of the RFA. For purposes of section 1102(b) of the Act, we define a small rural hospital as a hospital that is located outside of a Metropolitan Statistical Area and has fewer than 50 beds.

Because of the high cost of a majority of the drugs used for immunosuppressive therapy and the extended time that beneficiaries are required to take the drugs to ensure that the transplanted organ is not rejected, all Medicare transplant patients and many small entities will benefit by this regulation. In many cases, 1 year of immunosuppressive therapy is not sufficient. Also, it is possible that we may avoid the additional cost of a second transplant if a patient is kept on immunosuppressive drug therapy beyond the original 12 month coverage period.

We are not preparing analyses for either the RFA or section 1102(b) of the Act because we have determined, and the Secretary certifies, that this rule will not have a significant economic impact on a substantial number of small entities or a significant impact on the operations of a substantial number of small rural hospitals.

In accordance with the provisions of Executive Order 12866, this regulation was not reviewed by the Office of Management and Budget.

List of Subjects in 42 CFR Part 410

Medical and other health services, Medicare.

For the reasons set forth in the preamble, 42 CFR chapter IV, part 410 is amended as set forth below:

PART 410—SUPPLEMENTARY MEDICAL INSURANCE (SMI) BENEFITS

1. The authority citation continues to read as follows:

Authority: Secs. 1102 and 1871 of the Social Security Act (42 U.S.C. 1302 and 1395hh).

2. In § 410.10, the introductory text is republished and a new paragraph (u) is added to read as follows:

§ 410.10 Medical and other health services: Included services.

Subject to the conditions and limitations specified in this subpart, ''medical and other health services'' includes the following services:

* * * * *

(u) Prescription drugs used in immunosuppressive therapy.

3. A new § 410.31 is added to read as follows:

§ 410.31 Prescription drugs used in immunosuppressive therapy.

(a) *Scope.* Payment may be made for prescription drugs used in immunosuppressive therapy that have been approved for marketing by the FDA and that meet one of the following conditions:

(1) The approved labeling includes the indication for preventing or treating the rejection of a transplanted organ or tissue.

(2) The approved labeling includes the indication for use in conjunction with immunosuppressive drugs to prevent or treat rejection of a transplanted organ or tissue.

(3) Have been determined by a carrier (in accordance with part 421, subpart C of this chapter), in processing a Medicare claim, to be reasonable and necessary for the specific purpose of preventing or treating the rejection of a patient's transplanted organ or tissue, or for use in conjunction with immunosuppressive drugs for the purpose of preventing or treating the rejection of a patient's transplanted organ or tissue. (In making these determinations, the carriers may consider factors such as authoritative drug compendia, current medical literature, recognized standards of medical practice, and professional medical publications.)

(b) *Period of eligibility.* Coverage is available only for prescription drugs used in immunosuppressive therapy, furnished to an individual who receives an organ or tissue transplant for which Medicare payment is made, for the following periods:

(1) For drugs furnished before 1995, for a period of up to 1 year beginning with the date of discharge from the hospital during which the covered transplant was performed.

(2) For drugs furnished during 1995, within 18 months after the date of discharge from the hospital during which the covered transplant was performed.

(3) For drugs furnished during 1996, within 24 months after the date of discharge from the hospital during which the covered transplant was performed.

(4) For drugs furnished during 1997, within 30 months after the date of discharge from the hospital during which the covered transplant was performed.

(5) For drugs furnished after 1997, within 36 months after the date of discharge from the hospital during which the covered transplant was performed.

(c) *Coverage.* Drugs are covered under this provision irrespective of whether they can be self-administered.

(Catalog of Federal Domestic Assistance Program No. 93.774, Medicare—Supplementary Medical Insurance)

Dated: January 9, 1995.

Bruce C. Vladeck,

Administrator, Health Care Financing Administration.

Approved: February 9, 1995.

Donna E. Shalala,

Secretary.

[FR Doc. 95–3835 Filed 2–15–95; 8:45 am]

BILLING CODE 4120–01–P

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

43 CFR Public Land Order 7115

[UT–942–1430–01; UTU–52338]

Partial Revocation of Executive Order of April 17, 1926, Public Water Reserve 107 Withdrawal; Utah

AGENCY: Bureau of Land Management.

ACTION: Public land order.

SUMMARY: This order revokes Executive Order of April 17, 1926, insofar as it affects 40.84 acres of public land withdrawn as a public water reserve. The land is no longer needed for the purpose of the withdrawal, and the revocation is needed to permit disposal of the land through a land exchange under the authority of the Federal Land Policy and Management Act of 1976. This action will open the land to surface entry, and to mining for nonmetalliferous minerals. The land has been and will remain open to mineral leasing and mining for metalliferous minerals.

EFFECTIVE DATE: March 20, 1995.

FURTHER FOR FURTHER INFORMATION CONTACT: Randy Massey, BLM Utah State Office, P.O. Box 45155, Salt Lake City, Utah 84145–0155.

By virtue of the authority vested in the Secretary of the Interior by Section 204 of the Federal Land Policy and Management Act of 1976, 43 U.S.C. 1714 (1988), it is ordered as follows:

1. Executive Order of April 17, 1926, which withdrew public land containing springs and water holes as public water reserves, is hereby revoked insofar as it affects the following described land:

Salt Lake Meridian

T. 11 N., R. 19 W.,
Sec. 4, lot 1;

The area described contains 40.84 acres in Box Elder County.

The land described above is no longer needed for the purpose for which withdrawn. There is no water on the parcel, nor evidence of any in the past.

2. At 9 a.m. on March 20, 1995, the land will be opened to the operation of the public land laws generally, subject to valid existing rights, the provision of existing withdrawals, other segregations of record, and the requirements of applicable law. All valid applications received at or prior to 9 a.m. on March 20, 1995 shall be considered as simultaneously filed at that time. Those received thereafter shall be considered in the order of filing.

3. At 9 a.m. on March 20, 1995 the land will be opened to location and entry for nonmetalliferous minerals under the United States mining law, subject to valid existing rights, the provision of existing withdrawals, other segregations of record, and the requirements of applicable law. Appropriation of any of the land described in this order under the general mining laws prior to the date and time of restoration is unauthorized. Any such attempted appropriation, including attempted adverse possession under 30 U.S.C. 38 (1988), shall vest no rights against the United States. Acts required to establish a location and to initiate a right of possession are governed by State law where not in conflict with Federal law. The Bureau of Land Management will not intervene in disputes between rival locators over possessory rights since Congress has provided for such determinations in local courts.

Dated: February 6, 1995.

Bob Armstrong,

Assistant Secretary of the Interior.

[FR Doc. 95–3893 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–DQ–P

DEPARTMENT OF COMMERCE

National Oceanic and Atmospheric Administration

50 CFR Part 227

[Docket No. 950201033–5033–01; I.D. 041294E]

RIN 0648–AG37

Sea Turtle Conservation; Shrimp Trawling Requirements

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Final rule.

SUMMARY: This final rule allows non-Federal entities to apply for, and NMFS to issue, permits for the incidental take of threatened species of sea turtles consistent with section 10(a) of the Endangered Species Act (ESA). Under existing regulations, the prohibitions of section 9 of the ESA apply to both endangered and threatened species, but section 10 incidental take permits may be authorized for endangered, but not threatened, species of sea turtles. This regulation corrects this discrepancy in the application of sections 9 and 10 to threatened species of sea turtles.

EFFECTIVE DATE: March 20, 1995.

ADDRESSES: Requests for copies of the Environmental Assessment (EA) for the proposed rule, should be addressed to Endangered Species Division, Office of Protected Resources, NMFS, 1315 East-West Highway, Silver Spring, MD 20910.

FOR FURTHER INFORMATION CONTACT: Heather Weiner, Endangered Species Division, 301–713–1401; Doug Beach, Protected Species Program Coordinator, NMFS Northeast Regional Office, 508–281–9254; or Charles A. Oravetz, Chief, Protected Species Program, NMFS Southeast Regional Office, 813–570–5312.

SUPPLEMENTARY INFORMATION:

Background

All sea turtles that occur in U.S. waters are listed as either endangered or threatened under the ESA. Kemp's ridley (*Lepidochelys kempii*), leatherback (*Dermochelys coriacea*) and hawksbill (*Eretmochelys imbricata*) turtles are listed as endangered. Loggerhead (*Caretta caretta*), green (*Chelonia mydas*) and olive ridley (*Lepidochelys olivacea*) turtles are listed as threatened, except for breeding populations of green turtles in Florida and on the Pacific Coast of Mexico, and the breeding population of olive ridley turtles on the Pacific Coast of Mexico, which are listed as endangered.

In a proposed rule published on July 21, 1994 (59 FR 37213), NMFS proposed to extend existing incidental-take permit regulations to all threatened species of sea turtles as authorized under section 10(a)(1)(B) of the ESA. Section 10 authorizes the Secretary of Commerce to permit under such terms and conditions as he or she may prescribe, any taking otherwise prohibited by section 9(a)(1)(B) of the ESA, if the taking is incidental to, and not the purpose of, carrying out an otherwise lawful activity. NMFS implemented regulations for the application and issuance of incidental-take permits, under section 10(a) of the ESA, which appear at 50 CFR parts 220 and 222, and allow the Assistant Administrator for Fisheries, NOAA, (AA) to issue permits to incidentally take endangered marine species during otherwise lawful activities.

Comments and Responses on the Proposed Rule

NMFS received responses from four commenters, including the U.S. Department of the Interior, regarding the proposed rule. Commenters were generally supportive of the proposed rule, but expressed some concerns about permit issuance and review. NMFS reviewed all comments in detail and combined their common concerns for response.

Comment: Incidental take permits imply acceptance of the killing of threatened and endangered species. Granting exceptions to the ESA undermines the intent of the Act. Protective regulations for threatened species impacted by non-Federal entities should be issued under section 4(d) of the Act instead of through section 10 permits. If section 10 permits are allowed, then they should not be used as a means to avoid the required use of turtle excluder devices in shrimp fisheries.

Response: Section 10(a)(1)(B) of the ESA explicitly provides that the Secretary may permit any taking otherwise prohibited by section 9(a)(1)(B) if such taking is incidental to, and not the purpose of, the carrying out of an otherwise lawful activity. The intent of this provision of the ESA is to allow non-Federal entities to carry out an activity that may incidentally take endangered species without jeopardizing the species, thereby extending the same allowance for Federal actions to non-Federal actions. Section 4(d) of the ESA allows NMFS to apply this provision and the takings prohibition of section 9, to threatened as well as endangered species.

As a Federal action that may affect listed species, the proposed issuance of a section 10 incidental take permit must be accompanied by a section 7 consultation. Through the consultation process, NMFS must ensure that the activity conducted under the permit, including the conservation plan, is not likely to jeopardize the listed species. This is the same substantive requirement applicable to regulations.

Comment: The section 10 incidental take permit program should require adequate Federal oversight of permits and conditions. NMFS must deny general permits to states unless there are adequate assurances that state applicants have the requisite legal authority, resources, and commitment to administer a statewide general permit under the required conservation plan. A conservation plan should provide for the registration of all vessels covered by the permit, observers on a substantial portion of the vessels, onshore and aerial observations, and procedures to halt the activity if conditions are being violated. In addition, applicants must demonstrate that they have sufficient resources and interest to provide adequate monitoring and enforcement of permit conditions, including an effective turtle stranding network to monitor mortalities.

Response: Both section 10 of the ESA and NMFS regulations (50 CFR 222.22(b)(5)) require permit applicants to include a detailed conservation plan that specifies (among other things) the steps that will be taken to monitor, minimize, and mitigate the activity's impacts on listed species. The conservation plan must also detail the funding available to implement these measures. In addition, one of the criteria used to determine issuance is the availability of effective monitoring techniques. Conservation plans for incidental take permits for commercial fisheries that incidentally take sea turtles may include requirements such as observer coverage, aerial surveys, and a monitoring network to document turtle strandings as necessary, depending on the activity involved.

If the permit holder fails to comply with the conditions of the permit or with any applicable laws or regulations governing the conduct of the permitted activity, then NMFS may suspend or revoke the permit pursuant to 50 CFR 227.27. In a state that has an authorized general section 10 permit, those vessels that wish to conduct an activity covered by the permit must apply to NMFS for a certificate of inclusion. Certificates of inclusion may also be suspended or revoked if the certificate holder fails to comply with the applicable terms of the permit.

Comment: Adequate procedural safeguards should be added to ensure that interested parties receive timely notice and meaningful opportunity to comment on applications for incidental take permits.

Response: Under existing NMFS regulations (50 CFR 222.24) and guidelines, a notice of receipt of a completed permit application is published in the **Federal Register** with a 30-day comment period. The permit application is then distributed to interested parties for review and comment. All comments received are reviewed and considered prior to final agency action on the permit application. In addition, any commenter may request a hearing. Specific questions raised by reviewers are directed anonymously to the applicant for reply. If the issuance of the permit may significantly affect the human environment, then an environmental assessment is prepared, as required by the National Environmental Policy Act. Because issuance of an incidental take permit is a Federal action that may affect the listed species, consultation pursuant to section 7 is required. The permit application may be altered, denied or issued based on the public comments and environmental compliance reviews. NMFS will make every effort to ensure that comments are adequately responded to in the applicable section 7 consultations and environmental assessments.

Comment: NMFS recently issued a joint policy with the U.S. Fish and Wildlife Service (USFWS) regarding Habitat Conservation Plans (HCPs) under section 10 of the ESA. This policy should not apply to section 10 permits for sea turtles because the conservation plans do not involve private ownership, but address the taking of public resources from public trust waters.

Response: NMFS agrees. The ''No Surprises'' policy states that the purpose of the policy is to provide assurances to non Federal landowners participating in Habitat Conservation Planning that ''no additional land restrictions or financial compensation will be required from an HCP permittee for species adequately covered by a properly functioning HCP in light of unforeseen or extraordinary circumstances.''

Comment: Permits should be issued for periods not to exceed 1 year because conditions may change altering the necessity for exemptions and modifications to existing ESA rules governing turtles.

Response: NMFS agrees that circumstances may change that alter the conditions of the activity or the status of the species, thereby requiring alterations to the terms of the permit. However, NMFS regulations set neither a minimum nor maximum time limit to incidental take permits. Regulations at 50 CFR 222.22(e) state that the duration of the permit is related to the duration of the proposed activities, as well as the possible positive and negative effects associated with issuing a permit of the proposed duration. Rather than requiring annual renewals of all section 10 permits, NMFS may require either periodic renewals or reviews and, if needed, require applicable modifications. The timing of that review will depend on the nature of the permitted activity, and will be set as a condition of the permit. Additionally, permit holders will be required to submit reports on the implementation of and activities conducted under the conservation plan.

Final Regulations and Changes From the Proposed Rule

The purpose of this final rule is to amend the existing regulations to allow NMFS to authorize incidental take permits for threatened, as well as endangered, species of sea turtles. The final regulations are identical to those published in the proposed rule. NMFS has determined that no changes to the text of the regulations are necessary.

The general permit procedures in 50 CFR part 220, as well as the endangered

species permit requirements in 50 CFR part 222, apply to the application, issuance, modification, revocation, suspension, and amendment of an incidental take permit for threatened, as well as for endangered sea turtles.

Classification

This final rule has been determined to be not significant for purposes of E.O. 12866.

This rule contains a collection-of-information requirement subject to the Paperwork Reduction Act (PRA). This requirement has been approved previously by the Office of Management and Budget (OMB) (OMB Control Number 0648–0230). The reporting burden for this collection is estimated to average approximately 80 hours for permit applications, 0.5 hours for certificate of inclusion applications and 0.5 hours for reports. These estimates include the time for reviewing instructions, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding these burden estimates or any other aspect of this collection of information, including suggestions for reducing this burden, to the National Marine Fisheries Service (F/PR), 1315 East-West Highway, Silver Spring, MD 20910, and to the Office of Information and Regulatory Affairs, OMB, Washington, D.C. 20503 (Attn: PRA Project 0648–0230).

The General Counsel of the Department of Commerce certified to the Chief Counsel for Advocacy of the Small Business Administration that this final rule will not have significant economic impact on a substantial number of small entities because the final rule establishes a discretionary permitting procedure that will, by itself, have no economic impact. As a result, a regulatory flexibility analysis was not prepared.

The AA prepared an EA for the proposed rule that concludes that the rule would have no significant impact on the human environment. A copy of the EA is available (see **ADDRESSES**) and comments on it are requested.

List of Subjects in 50 CFR Part 227

Endangered and threatened species, Exports, Imports, Marine mammals, Transportation.

Dated: February 10, 1995.

Nancy Foster,

Deputy Assistant Administrator for Fisheries, National Marine Fisheries Service.

For the reasons set out in the preamble, 50 CFR part 227 is amended as follows:

PART 227—THREATENED FISH AND WILDLIFE

1. The authority citation for part 227 continues to read as follows:

Authority: 16 U.S.C. 1531 *et seq.*

2. In § 227.72, paragraph (e)(1) introductory text is revised and paragraph (e)(7) is added to read as follows:

§ 227.72 Exceptions to prohibitions.

* * * * *

(e) * * * (1) *General.* The prohibitions against taking in § 227.71(a) do not apply to the incidental take of any member of any species of sea turtle listed in § 227.4 (i.e., a take not directed toward such member) during fishing or scientific research activities, to the extent that those involved are in compliance with the requirements of paragraphs (e)(1), (2), (3), and (6) of this section, or in compliance with the terms and conditions of an incidental take permit issued pursuant to paragraph (e)(7) of this section.

* * * * *

(7) *Incidental-take permits.* The Assistant Administrator may issue permits authorizing activities that would otherwise be prohibited in § 227.71(a) of this chapter in accordance with section 10(a)(1)(B) of the Act (16 U.S.C. 1539(a)(1)(B)), and in accordance with, and subject to, the provisions of parts 220 and 222 of this chapter. Such permits may be issued for the incidental taking of both endangered and threatened species of sea turtles. This section supersedes restrictions on the scope of parts 220 and 222, including, but not limited to, the restrictions specified in §§ 220.3, 222.1, 222.2(a) and 222.22(a).

* * * * *

[FR Doc. 95–3816 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–22–F

50 CFR Part 625

[Docket No. 950206038–5038–01; I.D. #103194A]

RIN 0648–XX04

Summer Flounder Fishery; Final Specifications for 1995

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Final specifications for the 1995 summer flounder fishery.

SUMMARY: NMFS issues the final specifications for the 1995 summer flounder fishery, which include commercial catch quotas and mesh size requirements. The intent of this document is to comply with implementing regulations for the fishery that require NMFS to publish measures for the upcoming fishing year that will prevent overfishing of the summer flounder resource. In order to comply with an Order issued by the U.S. District Court for the Eastern District of Virginia, this document adds 3.05 million lb (1.4 million kg) to the final commercial catch quota established under the implementing regulations.

EFFECTIVE DATE: February 10, 1995.

ADDRESSES: Copies of the Environmental Assessment and supporting documents used by the Monitoring Committee are available from: Executive Director, Mid-Atlantic Fishery Management Council, Room 2115, Federal Building, 300 S. New Street, Dover, DE 19901–6790.

FOR FURTHER INFORMATION CONTACT: Hannah Goodale, 508–281–9101.

SUPPLEMENTARY INFORMATION: The Fishery Management Plan for the Summer Flounder Fishery (FMP) was developed jointly by the Atlantic States Marine Fisheries Commission (ASMFC) and the Mid-Atlantic Fishery Management Council (Council) in consultation with the New England and South Atlantic Fishery Management Councils. The management unit for the FMP is summer flounder (*Paralichthys dentatus*) in U.S. waters of the Atlantic Ocean from the southern border of North Carolina northward to the Canadian border. Implementing regulations for the fishery are found at 50 CFR part 625.

Section 625.20 specifies the process for setting annual management measures for the summer flounder fishery. Pursuant to § 625.20, the Director, Northeast Region, NMFS, implements certain measures for the fishing year to ensure achievement of the appropriate fishing mortality rate. These measures include the following, which, with the exception of measure (1) below, are unchanged from the proposed 1995 specifications that were published in the **Federal Register** on December 2, 1994 (59 FR 61864); note that all quota figures are rounded for the convenience of the reader: (1) A coastwide commercial quota of 14.7 million lb (6.7 million kg); (2) a coastwide recreational harvest limit of 7.8 million lb (3.5 million kg); (3) no change from the present minimum commercial fish size of 13 inches (33 cm); and (4) no change in the present minimum mesh restriction of 5.5-inch (14.0 cm) diamond or 6-inch (15.2 cm) square.

Commercial Quota

The final 1995 coastwide commercial quota is changed from the amount (11.6 million lb; 5.3 million kg) contained in the proposed specifications. In order to comply with a court order issued on December 19, 1994, by the U.S. District Court for the Eastern District of Virginia, NMFS announces that an additional 3.05 million lb (1.4 million kg) are added to the commercial quota. The resulting 1995 coastwide commercial quota is 14.7 million lb (6.7 million kg).

The commercial coastwide quota is allocated among the states based on historic catch shares specified in the regulations. Table 1 presents the 1995 commercial quota (14,690,407 lb; 6,663,569 kg) apportioned among the states according to the percentage shares specified in § 625.20(d)(1). These state allocations do not reflect the adjustments required under § 625.20, if 1994 landings exceed the quota for any state. A notification of allocation adjustment will be published in the **Federal Register** if such an adjustment is necessary.

TABLE 1.—1995 STATE COMMERCIAL QUOTAS

State	Share (percent)	1995 quota (lb)	1995 quota (kg)
ME	0.04756	6,987	3,169
NH	0.00046	67	30
MA	6.82046	1,001,953	454,478
RI	15.68298	2,303,894	1,045,029
CT	2.25708	331,574	150,399
NY	7.64699	1,123,374	509,554
NJ	16.72499	2,456,969	1,114,462
DE	0.01779	2,614	1,186
MD	2.03910	299,551	135,874
VA	21.31676	3,131,519	1,420,433
NC	27.44584	4,031,905	1,828,841

Recreational catch data for 1994 are not yet available. The Council and ASMFC will consider modifications to the recreational possession limit and recreational season after a review of that information.

Comments and Responses

Twenty-nine comments were received concerning the proposed 1995 specifications from individuals, owners and employees of fishing businesses, Congressional representatives, the Council and industry organizations. One comment submitted by a fishing business was presented as a statement on behalf of 100 individuals associated with the business. The Council expressed concern that the recommended total catch may be too high. Twenty-eight of the commenters opposed the proposed commercial quota level, though their suggested alternatives varied. A few commenters suggested a less restrictive minimum-mesh requirement.

Comment: The Council notes the concern expressed by NMFS in the proposed rule that the recommended quota may not reasonably assure that the target fishing mortality rate will be achieved in 1995. The Council acknowledges that the recommended quota may be too high and states that the court order may negatively impact the likelihood of attaining the mortality target. The Council is also concerned that, if the fishery exceeds the target in 1995, it will reduce the allowable catch in 1996, when the target mortality rate is lowered by the FMP. The Council urges NMFS to take appropriate action to ensure that the mortality target is met in 1995.

Response: NMFS acknowledges that the 1995 catch limit may not assure attainment of the target fishing mortality rate. However, under the terms of the court order, NMFS must judge the Council's recommended quota independent of the court-ordered addition. The Council's recommended quota has a 50 percent probability of achieving the target fishing mortality rate, but the FMP does not provide a basis for setting the catch limit to achieve any particular level of probability of meeting or exceeding the target fishing mortality rate. NMFS will take whatever appropriate actions remain to contain mortality in the summer flounder fishery (e.g., work closely with the states to monitor landings accurately and enforce closures after quotas are attained).

Comment: Twenty-eight of the commenters believe that the proposed commercial quota level is too low, for a variety of reasons. They propose alternate commercial quotas that range from the 1993 quota level of 12.35 million lb (5.6 million kg) to 20 million lb (9.1 million kg). Many believe that there will be harmful economic impacts if the commercial quota is reduced from the 1994 level. Several believe that summer flounder stock abundance is underestimated and that NMFS is being overly cautious at the expense of the industry. The commenters give various examples to demonstrate that stock abundance is underestimated, including that more large fish are being landed than in the past, state quotas are filled quickly, and the most recent North Carolina trawl survey indicates a good 1994 year class.

Response: The quota has been raised for the reason noted above. NMFS strongly believes that the stock abundance estimate produced by the most recent assessment represents the best available scientific information on the stock as a whole. However, NMFS expects that the initial signs of stock rebuilding (e.g., more larger fish, increased abundance) may first be observed by harvesters. NMFS commits substantial resources toward collecting and compiling such observations from harvesters through biological sampling, interviews with captains, vessel logbooks and other methods. Once compiled throughout the range of the resource, quantifiable data on increased fish sizes and indicators of abundance are considered in the stock assessment. The observations that industry members make in 1994 will begin to be evaluated by scientists in 1995. It is important that all observations are brought together during the stock assessment process.

NMFS, the Council and the ASMFC are committed to building upon indications of positive change, such as those observed by the commenters, to the point where a healthy stock is reestablished. For example, while the results of the North Carolina trawl survey were not available in time to be

incorporated into the assessment itself, those results were factored into the quota recommendation made by the Council and ASMFC. However, despite some localized improvements, the stock as a whole continues to decline. Therefore, NMFS does not agree that the commercial quota should be increased in 1995 above the level specified herein. Furthermore, NMFS believes that continued stock decline will result in more serious and comprehensive adverse economic consequences than the reduction in the quota from 1994 levels to 1995 levels.

Comment: One industry group reminds NMFS that the recent court decision holds that the requirement to use the best scientific information available is best met by utilizing the stock projection based on the mean estimate of recruitment and the number of age-1 fish.

Response: NMFS interprets this comment to mean that the proposed quota level is appropriate because it is based on the stock projection that assumed mean recruitment and number of age-1 fish.

Comment: Several commenters express support for a change from the current minimum mesh size of 5.5-inch (14 cm) diamond, 6-inch (15.2 cm) square. They support a minimum mesh size of 5-inch (12.7 cm) diamond or 5.5-inch (14.0 cm) square mesh, because they believe that 50 percent of 13-inch (33-cm) fish escape from nets under the current requirement.

Response: NMFS data show that more than 50 percent of the 13-inch (33-cm) fish will escape. However, it is the intent of the Council that both the commercial and recreational fisheries should target fish greater than or equal to 14 inches (35.5 cm) in length. This is the required, minimum size in the recreational fishery. The Council established a minimum size of 13 inches (33 cm) in the commercial fishery to allow fish of that size to be kept in order to minimize the discard mortality in the fishery. The minimum-mesh size selected is intended to result in a catch primarily composed of fish of 14 inches (35.5 cm) or more in size.

Classification

This action is authorized by 50 CFR part 625.

These final specifications are exempt from review under E.O. 12866.

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

Dated: February 10, 1995.

Gary Matlock,

Program Management Officer, National Marine Fisheries Service.

[FR Doc. 95–3815 Filed 2–10–95; 4:06 pm]

BILLING CODE 3510–22–P

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50 CFR Part 675

[Docket No. 950206040–5040–01; I.D. 021095A]

Groundfish of the Bering Sea and Aleutian Islands Area; Atka Mackerel in the Eastern Aleutian District and Bering Sea; Prohibit Retention of Atka Mackerel

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Closure.

SUMMARY: NMFS is prohibiting the retention for Atka mackerel in the Eastern Aleutian District and the Bering Sea subarea of the Bering Sea and Aleutian Islands management area (BSAI). NMFS is requiring that catches of Atka mackerel in these areas be treated in the same manner as prohibited species and discarded at sea with a minimum of injury. This action is necessary because the Atka mackerel total allowable catch (TAC) in the Eastern Aleutian District and the Bering Sea subarea in the BSAI has been reached.

EFFECTIVE DATE: 12 noon, Alaska local time (A.l.t.), February 10, 1995, until 12 midnight, A.l.t., December 31, 1995.

FOR FURTHER INFORMATION CONTACT: Andrew N. Smoker, 907–586-7228.

SUPPLEMENTARY INFORMATION: The groundfish fishery in the BSAI exclusive economic zone is managed by NMFS according to the Fishery Management Plan for the Groundfish Fishery of the Bering Sea and Aleutian Islands Area (FMP) prepared by the North Pacific Fishery Management Council under authority of the Magnuson Fishery Conservation and Management Act. Fishing by U.S. vessels is governed by regulations implementing the FMP at 50 CFR parts 620 and 675.

In accordance with § 675.20(a)(7)(ii), the TAC for Atka mackerel in the Eastern Aleutian District and the Bering Sea subarea was established by the final groundfish specifications published February 14, 1995, as 11,475 metric tons (mt).

The Director, Alaska Region, NMFS, has determined, in accordance with § 675.20(a)(9), that the Atka mackerel TAC in the Eastern Aleutian District and Bering Sea subarea has been reached. Therefore, NMFS is requiring that further catches of Atka mackerel in the Eastern Aleutian District and the Bering Sea subarea be treated as prohibited species in accordance with § 675.20(c)(3), and is prohibiting their retention effective from 12 noon, A.l.t., February 10, 1995, until 12 midnight, A.l.t., December 31, 1995.

Classification

This action is taken under § 675.20 and is exempt from review under E.O. 12866.

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

Dated: February 10, 1995.

Richard H. Schaefer,

Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service.

[FR Doc. 95–3814 Filed 2–10–95; 4:06 pm]

BILLING CODE 3510–22–F

Proposed Rules

Federal Register
Vol. 60, No. 32
Thursday, February 16, 1995

This section of the FEDERAL REGISTER contains notices to the public of the proposed issuance of rules and regulations. The purpose of these notices is to give interested persons an opportunity to participate in the rule making prior to the adoption of the final rules.

OFFICE OF PERSONNEL MANAGEMENT

5 CFR Part 950

RIN 3206–AG50

Solicitation of Federal Civilian and Uniformed Service Personnel for Contributions to Private Voluntary Organizations

AGENCY: Office of Personnel Management.

ACTION: Proposed rule.

SUMMARY: The Office of Personnel Management (OPM) is issuing proposed regulations governing the solicitation of Federal civilian and uniformed services personnel for contribution to private voluntary organizations under the authority of Executive Order 12353 (March 23, 1982). Private voluntary organizations and OPM's Inspector General have indicated a need for clarifying or changing current procedures for soliciting Federal employees in the workplace. These regulations propose a number of changes to improve procedural operations and accountability for the annual charitable solicitation campaign conducted by Federal personnel in their Government workplaces and set forth ground rules under which charitable organizations may receive contributions from Federal personnel through the Combined Federal Campaign.

DATES: Comments must be submitted on or before April 17, 1995.

ADDRESSES: All comments concerning these proposed regulations should be addressed to Gerri Mason Hall, Counsel for Extragovernmental Affairs, U.S. Office of Personnel Management, 1900 E Street NW., Room 6H28, Washington, DC 20415.

FOR FURTHER INFORMATION CONTACT: Jeffrey C. Lee, Assistant Counsel for Extragovernmental Affairs, (202) 606–2564.

SUPPLEMENTARY INFORMATION: These regulations are proposed to implement a number of procedural changes to the operations of the Combined Federal Campaign (CFC). These proposed changes to the regulations include, but are not limited to:

More clearly defining the scope and meaning of workplace solicitations in the Federal government;

Identification of the circumstances where the Director may authorize solicitations of Federal employees in the workplace outside of the CFC;

Clarification of procedural requirements for charitable organizations seeking participation in the CFC;

Expanding local eligibility by defining and enumerating criteria for organizations that provide services on a statewide basis;

Authorizing the use of a ''perpetual'' payroll allotment (pledge card) that, once completed, would remain in effect until changed or cancelled by the donor-employee;

Removing all general designation options not required by statute.

Expanding the solicitation methods and the pool of potential donors.

These proposed regulations are consistent with the restrictions placed on OPM by section 618 of the Treasury, Postal Service, and General Government Appropriations Act for 1988.

Regulatory Flexibility Act

I certify that these regulations will not have a significant economic impact on a substantial number of small entities because it will only effect those charitable organizations that participate in the CFC.

Paperwork Reduction Act

The collection of information requirements in this part have been approved by the Office of Management and Budget and assigned OMB control number 3206–0131.

List of Subjects in 5 CFR Part 950

Administrative practice and procedures, Charitable contribution, Government employee, Military personnel, Nonprofit organizations, Reporting and recordkeeping requirements.

Office of Personnel Management.

Lorraine A. Green,

Deputy Director.

Accordingly, OPM proposes to revise 5 CFR part 950 as follows:

PART 950—SOLICITATION OF FEDERAL CIVILIAN AND UNIFORMED SERVICE PERSONNEL FOR CONTRIBUTIONS TO PRIVATE VOLUNTARY ORGANIZATIONS

Subpart A—General Provisions

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Subpart H—CFC Timetable

950.801 Campaign schedule.

Subpart I—Payroll Withholding

950.901 Payroll allotment.

Authority: E.O. 12353 (March 23, 1982), 47 FR 12785 (March 25, 1982). 3 CFR 1982 Comp., p. 139. E.O. 12404 (February 10, 1983), 48 FR 6685 (February 15, 1983), Pub. L. 100–202, and Pub. L. 102–393 (5 U.S.C. 1101 Note).

Subpart A—General Provisions

§ 950.101 Definitions.

Administrative Expenses, PCFO Expenses, Campaign Expenses, or *CFC Expenses* means all documented expenses identified in the PCFO application relating to the conduct of a local CFC and approved by the LFCC in accordance with these regulations.

Campaign Year means the calendar year in which Federal employees are solicited for contributions to the Combined Federal Campaign.

Combined Federal Campaign or *Campaign* or *CFC* means the charitable fundraising program established and administered by the Director of the Office of Personnel Management (OPM) pursuant to Executive Order No. 12353, as amended by Executive Order No. 12404, and all subsidiary units of such program.

Designated Funds means those contributions which the contributor has designated to a specific charitable organization(s), federation(s), or general option(s).

Director means the Director of the Office of Personnel Management.

Domestic Area means the several United States, the District of Columbia, the Commonwealth of Puerto Rico, and the United States Virgin Islands.

Employee means any person employed by the Government of the United States or any branch, unit, or instrumentality thereof, including persons in the civil service, uniformed service, foreign service, and the postal service.

Federation or *Federated Group* means a group of voluntary charitable human health and welfare organizations created to supply common fundraising, administrative, and management services to its constituent members.

International General Designation Option means that the donor wishes that his or her gift be distributed to all of the international organizations listed in the International Section of the campaign brochure in the same proportion as all of the international organizations received designations in the local CFC. This option will have the code IIII.

International Organization means a charitable organization that provides services either exclusively or in a substantial preponderance in the overseas area or primarily on behalf of non-U.S. citizens in the overseas area.

Local Federal Coordinating Committee or *LFCC* means the group of Federal officials designated by the Director to conduct the CFC in a particular community.

Organization or *Charitable Organization* means a private, non-profit, philanthropic, human health and welfare organization.

Overseas Area means the Department of Defense (DoD) Overseas Campaign which includes all areas other than those included in the domestic area.

Principal Combined Fund Organization or *PCFO* means the federated group or combination of groups, or a charitable organization selected by the LFCC to administer the local campaign under the direction and control of the LFCC and the Director.

Solicitation means any action requesting money, either by cash, check or payroll deduction, on behalf of charitable organizations.

Undesignated Funds means those contributions which the contributor has not designated to a specific charitable organization(s), federation(s), or the International General Designation Option.

§ 950.102 Scope of the Combined Federal Campaign.

(a) The CFC is the only authorized charitable fundraising drive in the Federal workplace. A campaign may be conducted during a 6 week period, as determined by the LFCC, from September 1 through December 15 at every Federal agency in the campaign community in accordance with these regulations. Except as provided in this section, no other solicitation on behalf of charitable organizations may be conducted in the Federal workplace. Upon written request, the Director may grant permission for solicitations of Federal employees in support of victims of cases of emergencies and disasters. Emergencies and disasters are defined as any hurricane, tornado storm, flood, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm, drought, fire, explosion, or other catastrophe in any part of the world. No such permission will be granted for such solicitations during the period September 1 through December 15.

(b) These regulations do not apply to the collection of gifts-in-kind, such as food, clothing and toys, or to the solicitation of Federal employees outside of the Federal workplace as defined by the applicable Agency Head consistent with General Services Administration regulations 41 CFR 101–20.308, government ethics regulations 5 CFR part 2635, and any other applicable laws and/or regulations.

(c) The Director exercises general supervision over all operations of the CFC, and takes all necessary steps to ensure the achievement of campaign objectives. Any disputes relating to the interpretation or implementation of this part may be submitted to the Director for resolution. The decisions and rulings of the Director are final for administrative purposes.

(d) Heads of departments or agencies may establish policies and procedures applicable to solicitations conducted by organizations composed of civilian employees or members of the uniformed services among their own members for organizational support or for the benefit of welfare funds for their members. Such solicitations are not subject to these regulations, and therefore do not require permission of the Director.

§ 950.103 Establishing a local campaign.

(a) The Director establishes and maintains the official list of local campaigns and the geographical area each covers. There is no prerequisite regarding the federal employee population needed to establish or maintain a CFC. However, rather than establishing or maintaining small campaigns, OPM encourages mergers and expansions of campaigns to promote efficiency and economy.

(b) The Director establishes an LFCC to govern the conduct of the local CFC. The LFCC will, whenever possible, be comprised of members of local Federal inter-agency organizations, such as Federal Executive Boards, Federal Executive Associations, Federal Business Associations or, in the absence of such organizations, self-organized associations of local Federal officials. These groups will include local Federal agency heads or their representatives. It will also include, wherever possible, representatives of employee unions and other employee groups. The LFCC Chair should be rotated among its members. For continuity, each LFCC should appoint a Vice Chair who would be expected to serve as the Chair in the following year.

(c) The agency head to each Federal installation within a campaign area shall:

(1) Become familiar with all CFC regulations,

(2) Cooperate with the representatives of the LFCC and PCFO in organizing and conducting the campaign,

(3) Initiate official campaigns within their offices or installations and provide support for the campaign, and

(4) Assure the campaign is conducted in accordance with these regulations.

(d) Once a campaign has been established, agency heads may not discontinue solicitation of Federal employees within their organization without the written approval of the Director.

(e) Any change in the geographical boundaries of local campaigns may be made only upon the express written permission of the Director.

(f) Each year the LFCC must establish the 6 week time period to solicit employees. Each campaign should not be conducted for more than a 6 week period. However, in unusual circumstances the LFCC may extend the campaign as local conditions require. The solicitation may not begin before September 1 and in no event will it extend beyond December 15 of each year.

(g) Current Federal civilian and active duty military employees may be solicited for contributions using payroll deduction, checks, money orders or cash. Contractor personnel, credit union employees and other persons employed on Federal premises may make single contributions to the CFC through check or money order. Retired Federal employees may also make single contributions to the CFC through check or money order.

(h) A Federal employee whose official duty station is outside the geographic boundaries of an established CFC may not be solicited in that CFC. A Federal employee may participate in a particular CFC only if that employee's official duty station is located within the geographic boundaries of that CFC.

§ 950.104 Local Federal Coordinating Committee responsibilities.

(a) All members of the LFCC should develop an understanding of campaign regulations and procedures. The LFCC is the central point of information regarding the CFC among Federal employees.

(b) The responsibilities of the LFCC include, but are not limited to, the following:

(1) Maintaining minutes of LFCC meetings and responding promptly to any request for information for the Director.

(2) Naming a campaign chairperson and notifying the Director when the chairperson changes.

(3) Determining the eligibility of local organizations that apply to participate in the local campaign. This is the exclusive responsibility of the LFCC and may not be delegated to the PCFO.

(4) Ensuring that the list of charities found by the Director to be nationally eligible to participate in all local campaigns is reproduced in the local brochure in accordance with these regulations.

(5) Ensuring that the local brochure and pledge card are produced in accordance with these regulations and instructions for the Director.

(6) Encouraging local Federal agencies to appoint loaned executives to assist in the campaign. Federal agency heads are encouraged to grant administrative leave to all loaned executives appointed to assist in the conduct of the CFC. Federal loaned executives are prohibited from working on non-CFC fundraising activities.

(7) Establishing a thorough network of employee keyworkers and volunteers; and participating in interagency briefing sessions and kick-off meetings.

(8) Ensuring that, to the extent reasonably possible, every employee is given the opportunity to participate in the CFC, and ensuring employee designations are honored.

(9) Ensuring that the PCFO includes in keyworker training instructions to encourage employees to designate the charitable organizations they wish to receive their donations and specific information on how general designation monies are distributed.

(10) Ensuring that contributions are distributed in accordance with the method described in these regulations.

(11) Ensuring that no employee is coerced in any way to participate in the campaign.

(12) Bringing allegations of coercion to the attention of the Director and the employee's agency and providing a mechanism to review employee complaints of undue pressure and coercion in Federal fundraising. Federal agencies shall provide procedures and assign responsibility for the investigation of such complaints. Personnel offices should be responsible for information employees of the proper channels for pursuing such complaints.

(13) Notifying the Director of any other significant problems or controversies concerning the campaign that the LFCC can not resolve by applying these regulations. The LFCC must abide by the Director's decisions on all matters concerning the campaign.

(14) Ensuring the PCFO selected or retained does not use the services of consulting firms, advertising firms or similar business organizations to perform the policy-making or decision-making functions in the CFC. A PCFO may, however, contract with entities or individuals such as banks, accountants, lawyers, and other vendors of goods and/or services to assist in accomplishing its ministerial tasks.

(15) Ensuring that the activities and functions required of the PCFO are kept separate from any non-CFC operations of the organization. The LFCC must verify that the PCFO keeps and maintains CFC financial records and interest bearing bank accounts separate from the PCFO's non-CFC financial records and bank accounts.

(16) Monitoring the work of the PCFO, and inspecting closely the annual audit required of the PCFO pursuant to § 950.105(d)(9) for compliance with these regulations.

(17) Authorizing to the PCFO the administrative fee described in § 950.106(d) and reimbursement of only those campaign expenses that are legitimate CFC costs and are adequately documented. Total documented expenses may not exceed the approved campaign budget by more than 10 percent.

(c) The LFCC must annually solicit applications for the PCFO via public notice no later than February 1 of each calendar year. Costs incurred in providing the public notice should be added to the PCFO budget for the current campaign year as an administrative cost. The LFCC shall select a PCFO to act as its fiscal agent and campaign coordinator on the basis of presentations made to the local committee as described in § 950.105. The LFCC shall consider the efficiency and effectiveness of the campaign as the primary factors in selecting a PCFO.

(d) A federated group(s) or charitable organization may be barred from serving as PCFO for 1 year if found by the Director to have violated these regulations. A federated group(s) or charitable organization serving as PCFO will be notified of the Director's intent to bar and have an opportunity to submit written comments prior to its becoming effective. The Director's decision as to debarment shall be communicated in writing to the LFCC and PCFO, and the LFCC shall not consider an application from such group(s) or organization to serve as the PCFO during terms of debarment.

§ 950.105 Principal Combined Fund Organization (PCFO) responsibilities.

(a) Only federations, charitable organizations or combinations thereof may serve as the PCFO.

(b) The primary goal of the PCFO is to conduct an effective and efficient campaign in a fair and even-handed manner aimed at collecting the greatest amount of charitable contributions possible. Therefore, PCFO's should afford federated groups and agencies with representatives in the local campaign area adequate opportunity to offer suggestions relating to the operation of the campaign, printed campaign material, and training. If requested in writing to either the LFCC or PCFO, federated groups and agencies must be given the opportunity to attend all campaign meetings, kick-off events,

and training sessions. The PCFO must provide representatives of federated groups, agencies and the general public the opportunity to review at the PCFO office all reports, budgets, audits, training materials, and other records pertaining to the CFC.

(c) Any federation, charitable organization or combinations thereof wishing to be selected for the PCFO must submit to the LFCC no later than March 1 of each year an application that includes:

(1) A written campaign plan sufficient in detail to allow the LFCC to determine if the applicant could administer an efficient and effective CFC. The campaign plan must include a CFC budget that details all estimated costs required to operate the CFC. The budget may not be based on the percentage of funds raised in the local campaign.

(2) A statement signed by the applicant's local director or equivalent pledging to:

(i) administer the CFC fairly and equitably,

(ii) conduct campaign operations, such as training, kick-off and other events, and fiscal operations, such as banking, auditing, reporting and distribution separate from the applicant's non-CFC operations, and

(iii) abide by the directions, decisions, and supervision of the LFCC and/or Director.

(3) A statement signed by the applicant's local director or equivalent acknowledging the applicant is subject to the provisions of § 950.403 and § 950.603.

(d) The specific responsibilities of the PCFO include but are not limited to:

(1) Honoring employee designations.

(2) Helping to ensure no employee is coerced in any way regarding participation in the campaign and that allegations of coercion are brought to the attention of the appropriate Federal officials.

(3) Training agency loaned executives, coordinators, and keyworkers in the methods of non-coercive solicitation. This training must be completely separate from training given for other types of charitable campaign drives. Additionally, keyworkers should be trained to check to ensure the pledge card is legible on each copy, verify arithmetical calculations, and ensure the block on the pledge card concerning the release of the employee's name and address is completed fully.

(4) Ensuring that no employee is questioned in any way as to his or her designation or its amount except by keyworkers in accord with paragraph (d)(3) of this section.

(5) Preparing pledge cards and brochures that are consistent with these regulations and instructions by the Director.

(6) Honoring the request of employees who indicate on the pledge card that their names not be released to the organization(s) that they designate.

(7) Maintaining a detailed schedule of its actual CFC administrative expenses with, to the extent possible, itemized receipts for the expenses. The expense schedule must be in a format that can be reconciled to the PCFO's budget submitted in accordance with paragraph (c)(1) of this section

(8) Keeping and maintaining CFC financial records and interest bearing bank accounts separate from the PCFO's internal organizational financial records and bank accounts. Interest earned on all CFC accounts must be distributed in the same manner as undesignated funds pursuant to § 950.502. All financial records and bank accounts must be kept in accordance with generally accepted accounting principles.

(9) Submitting to the LFCC an audit of collections and disbursements for each campaign managed no later than June 15 of the year in which the last disbursement is made. For example, for the 1994 CFC the audit of the 1994 campaign must be submitted to the LFCC no later than June 15, 1996. The audit must be performed by an independent certified public accountant in accordance with generally accepted auditing standards.

(10) Absorbing the cost of any reprinting of campaign materials due to its noncompliance with these regulations, embezzlement, or loss of funds. A PCFO must also absorb campaign costs exceeding 10 percent of the approved budget.

(11) Designing and implementing CFC awards programs which are accessible to all employees and which reflect the Government's commitment to non-coercion. Awards to Federal agencies or employees by individual federations or organizations for CFC accomplishments is prohibited.

(12) Communicating to all local applicants the date, time, and place of the open public meeting where the LFCC will announce eligibility decisions.

(13) Producing any documents or information requested by the LFCC and/or the Director within 10 calendar days of the receipt of that request.

(14) Responding in a timely and appropriate manner to reasonable inquiries from participating organizations.

§ 950.106 PCFO expense recovery.

(a) The PCFO shall recover from the gross receipts of the campaign its expenses, approved by the LFCC, reflecting the actual costs of administering the local campaign. The amount recovered for campaign expenses shall not exceed 10 percent of the estimated budget submitted pursuant to § 950.105(c)(1) unless approved by the Director.

(b) The PCFO may only recover campaign expenses from receipts collected for that campaign year. Expenses incurred preparing for and conducting the CFC in the fall cannot be recovered from receipts collected in the previous year's campaign. The PCFO may absorb the costs associated with conducting the campaign from its own funds and be reimbursed, or obtain a commercial loan to pay for costs associated with conducting the campaign. If the commercial loan option is used, the amount of a reasonable rate of interest is an allowable campaign expense, subject to the approval of the LFCC when the PCFO budget is submitted.

(c) The campaign expenses will be shared proportionately by all the recipient organizations reflecting their percentage share of gross campaign receipts.

(d) In addition to recovering campaign expenses, PCFO's shall also collect a fee of 15 percent of the undesignated funds in each local campaign for performing the functions of PCFO.

§ 950.107 Lack of a qualified PCFO.

There is no authority in statute or regulation for an LFCC or any Federal official or employee to assume the duties and responsibilities of the PCFO. In the event that there is no qualified PCFO, the LFCC Chairman will promptly inform the Director in writing. The Director will assist the LFCC in merging the campaign with an adjacent campaign that has a qualified PCFO or identifying an eligible organization to function as the campaign's PCFO. If the LFCC's of the adjacent campaigns elect not to merge and a qualified PCFO cannot be found, the local CFC will be canceled. No workplace solicitation of any Federal employee in the campaign area is authorized and payroll allotments cannot be accepted and honored during the duration of the cancellation of the CFC.

§ 950.108 Preventing coercive activity.

True voluntary giving is fundamental to Federal fundraising activities. Actions that do not allow free choices or create the appearance employees do not have a free choice to give or not to

give, or to publicize their gifts or to keep them confidential, are contrary to Federal fundraising policy. Activities contrary to the non-coercive intent of Federal fundraising policy are not permitted in campaigns. They include, but are not limited to:

(a) Solicitation of employees by their supervisor or by any individual in their supervisory chain of command. This does not prohibit the head of an agency to perform the usual activities associated with the campaign kick-off and to demonstrate his or her support of the CFC in employee newsletters or other routine communications with the Federal employees.

(b) Supervisory inquiries about whether an employee chose to participate or not to participate or the amount of an employee's donation. Supervisors may be given nothing more than summary information about the major units that they supervise.

(c) Setting of 100 percent participation goals.

(d) Establishing personal dollar goals and quotas.

(e) Developing and using lists of non-contributors.

(f) Providing and using contributor lists for purposes other than the routine collection and forwarding of contributions and allotments, and as allowed under § 950.601.

(g) Using as a factor in a supervisor's performance appraisal the results of the solicitation in the supervisor's unit or organization.

§ 950.109 Avoidance of conflict of interest.

Any Federal employee who serves on the LFCC, on the eligibility committee, or as a Federal agency fundraising program coordinator, must not participate in any decisions where, because of membership on the board or other affiliation with a charitable organizations, there could be or appear to be a conflict of interest under any statutes, Executive order, or applicable agency standards of conduct. Under no circumstances may an LFCC member affiliated with an organization applying for inclusion on the local list, participate in the eligibility determinations.

§ 950.110 Prohibited discrimination.

Discrimination for or against any individual or group on account of race, color, religion, sex, national origin, age, handicap, or political affiliation is prohibited in all aspects of the management and the execution of the CFC. Nothing herein denies eligibility to any organization, which is otherwise eligible under this part to participate in the CFC, merely because such organization is organized by, on behalf of, or to serve persons of a particular race, color, religion, sex, national origin, age, or handicap.

Subpart B—Eligibility Provisions

§ 950.201 National List eligibility.

(a) The Director shall annually:

(1) Determine the timetable and other procedures regarding application for inclusion on the national list,

(2) Determine which organizations among those that apply qualify to be part of the national list and then provide the national list of qualified organizations to all local campaigns.

(b) The national list shall be reproduced in all local brochures in accordance with these regulations. The list will include each organization's national list number code. These number codes must be faithfully reproduced in the local brochures.

(c) An organization on the national list may elect to be removed from the national list and have its local affiliate or subunit listed on the local list of organizations in its stead. For the local affiliate or subunit to be listed in lieu of the organization on the national list, the following procedures must be followed:

(1) The organization must send a letter to the local affiliate or subunit in that particular CFC waiving its listing on the national list so that is eligible local affiliate or subunit on the local list of organizations will appear as that organization's sole list in the CFC Brochure.

(2) The local affiliate or subunit will include in its application to the LFCC a copy of the letter authorizing the removal of the organization from the national list as well as all the required materials for completing a local organization application.

(3) Upon finding the local organization eligible, the waiver letter from the organization on the national list authorizes the LFCC to delete that organization from the national list.

§ 950.202 National List of eligibility requirements.

All organizations seeking national list eligibility must:

(a) Certify that it provides or conducts real services, benefits, assistance, or program activities, in 15 or more different states or a foreign country over the 3 year period immediately preceding the start of the year involved. This requirement cannot be met on the sole basis of services provided through an ''800'' telephone number or by sending materials via the U.S. Mails or a combination thereof. In addition, this requirement cannot be met by providing a service, benefit, assistance or program activity in only one state to recipients who live in a different state. A schedule listing those states (minimum 15) or the foreign countries (minimum 1) where the program activities have been provided and a detailed description of the activities in each state or foreign country must be included with the application. Clear evidence must be submitted that the services, benefits, assistance or activities were provided in each state or foreign country.

(b) Certify that it is recognized by the Internal Revenue Service as tax-exempt under 26 U.S.C. 501(c)(3) and to which contributions are tax-deductible pursuant to 26 U.S.C. 170. A copy of the letter from the Internal Revenue Service granting tax-exempt status under the Internal Revenue Code, 26 U.S.C. 501(c)(3) must be included with the application.

(c) Certify that the organization has no expenses connected with lobbying and attempts to influence voting or legislation at the local, State, or Federal level or alternatively, that those expenses would classify the organization as a tax-exempt organization under 26 U.S.C. 501(h).

§ 950.203 Public accountability standards.

(a) To insure organizations wishing to solicit donations from Federal employees in the workplace are portraying accurately their programs and benefits, several standards and certifications must be met annually by each organization seeking national list eligibility. Each organization wishing to participate must:

(1) Certify that the organization is a human health and welfare organization providing services, benefits, or assistance to, or conducting activities affecting, human health and welfare. The organization's application must provide documentation describing the human health and welfare benefits provided by the organization within the previous year.

(2) Certify that it accounts for its funds in accordance with generally accepted accounting principles and that an audit of the organization's fiscal operations is completed annually by an independent certified public accountant in accordance with generally accepted auditing standards. Such audit must show expenses by function. A copy of the organization's most recent annual audit must be included with the application. The audit must cover the fiscal year ending not more than 18 months prior to the January of the campaign year to which the organization is applying. For example, the audit included in the 1994

application must cover the fiscal period ending on or after June 30, 1992.

(3) Provide a completed copy of the organization's IRS Form 990, including signature, with the application regardless of whether or not the IRS requires the organization to file this form. IRS Forms 990EZ, 990PF, and comparable forms are not acceptable substitutes. The IRS Form 990 and audit must cover the same fiscal period and, if revenue and expenses on the two documents differ, these amounts must be reconciled in an accompanying signed statement by the certified public accountant who completed the audit.

(4) Provide a computation of the organization's percentage of total support and revenue spent on administration and fundraising. This percentage shall be computed from information on the IRS Form 990, submitted pursuant to § 950.203(a)(3), by adding the amount spent on ''management and general'' (line 14) to ''fundraising'' (line 15) and then dividing the sum by ''total revenue'' (line 12).

(i) If an organization's administrative and fundraising expenses exceed 25 percent of its total support and revenue, it must certify that its actual expenses for administration and fundraising are reasonable due to special circumstances. It must provide an explanation with its application and also include a formal plan to reduce these expenses below 25 percent.

(i) The Director may reject any application from an organization with fundraising and administrative expenses in excess of 25 percent of total support and revenue, unless the organization demonstrates to the satisfaction of the Director that its actual expenses for those purposes and its plan to reduce them are reasonable under the circumstances. Failure to reduce the expenses to the 25 percent level within one application year will render the organization ineligible for the succeeding campaign.

(5) Certify that the organization is directed by an active and responsible governing body whose members have no material conflict of interest and, a majority of which serve without compensation. A list of the organization's Board of Directors and a description of each Directors' participation in the conduct of the organization's affairs, such as official positions and committee memberships, must be included with the application.

(6) Certify that the organization's fundraising practices protect against unauthorized use of its CFC contributor lists as described in § 950.601(d).

(7) Certify that its publicity and promotional activities are based upon its actual program and operations, are truthful and non-deceptive, and make no exaggerated or misleading claims.

(8) Certify that contributions are effectively used for the announced purposes of the charitable organization.

(9) Certify under which governmental entity the charitable organization is chartered, incorporated or organized (congressionally chartered or the state in which it is registered).

(10) Certify that the organization has received no more than 80 percent of its total support and revenues from government sources as computed by dividing line 1c by line 12 from the IRS Form 990 submitted pursuant to § 950.203(a)(3).

(11) Certify that the organization prepares and makes available to the public upon request an annual report that includes a full description of the orgranization's activities and supporting services and identifies its directors and chief administrative personnel. A copy of the organization's annual report must be included with the application. The annual report must cover the fiscal year ending not more than 18 months prior to January of the campaign year to which the organization is applying. A more frequently published document, such as a quarterly newsletter, may be used to meet this requirement provided that such document is available to the general public upon request and describes the organization's activities and supporting services and identifies its directors and chief administrative personnel.

(12) Provide a statement that the certifying official is authorized by the organization to certify and affirm all statements required for inclusion on the national list.

(13) Provide a statement in 25 words or less describing the program activities of the charitable organization. The 25-word statement need not include the organization's name. In addition, organizations must provide a telephone number, dedicated solely for the organization's use, through which the donors may receive further information about the organization. Except as provided in § 950.401(k), this information will be included in the campaign brochure listing of agencies along with the organization's administrative and fundraising percentage computed pursuant to § 950.203(a)(3).

(b) The Director shall review these applications for accuracy, completeness, and compliance with these regulations. Failure to supply any of this information may be judged a failure to comply with the requirements of public accountability, and the charitable organization may be ruled ineligible for inclusion on the national list.

(c) The Director may request such additional information as the Director deems necessary to complete these reviews. An organization that fails to comply with such requests within 10 calendar days from receipt of the request may be judged ineligible.

(d) The required certifications and documentation must have been completed and submitted prior to the application filing deadline. Applications received that are incomplete may not be perfected during the appeal process described in § 950.205.

(e) The Director may waive any of these standards and certifications upon a showing of extenuating circumstances.

§ 950.204 Local list eligibility.

(a) The LFCC shall establish an annual application process consistent with these regulations for organizations that wish to be listed in the local brochure.

(b) The requirements for an organization to be listed in the local brochure shall include the following:

(1) An organization must demonstrate to the satisfaction of the LFCC, that it has a substantial local presence in the geographical area covered by the local campaign, a substantial local presence in the geographical area covered by an adjacent local campaign, or substantial statewide presence.

(i) *Substantial local presence* is defined as a staffed facility, office or portion of a residence dedicated exclusively to that organization, available to members of the public seeking its services or benefits. The facility must be open at least 15 hours a week and have a telephone dedicated exclusively to the organization. The office may be staffed by volunteers. Substantial local presence cannot be met on the basis of services provided solely through an 800 telephone number or the U.S. Mails or a combination thereof.

(ii) *Substantial statewide presence* is defined as providing or conducting real services, benefits, assistance or program activities covering 30 percent of a state's geographic boundaries or providing or conducting real services, benefits, assistance or program activities affecting 30 percent of a state's population. Substantial statewide presence cannot be met on the basis of services provided solely through an 800 telephone number or the U.S. Mails or a combination thereof.

(2) An organization seeking local eligibility also must meet all requirements for national list eligibility in § 950.202 and § 950.203, with the following two exceptions:

(i) Local charitable organizations are not required to have provided services or benefits in 15 states or a foreign country over the prior three years,

(ii) Local charitable organizations with annual revenue less than $100,000 are not required to be audited in accordance with generally accepted auditing standards and, hence, are not required to submit an audit report. Annual revenue is determined by line 12 of the IRS Form 990 covering the organization's most recent fiscal year ending not more than 18 months prior to the January of the campaign year to which the organization is applying.

(3) An organization seeking local eligibility based upon a substantial statewide presence, need only submit a complete application to the LFCC of the largest campaign in the state, as determined by OPM. OPM will annually publish a list of the largest campaigns in each state. The decision of the aforementioned LFCC, or OPM in the event of an appeal, is binding upon all other campaigns in the state. The applicant organization must forward a copy of the LFCC's decision to any other campaigns in which it would like to participate as a statewide organization.

(c) Family support and youth activities certified by the commander of a military installation as meeting the eligibility criteria contained in § 950.204(d) may appear on the list of local organizations and be supported from CFC funds. Family support and youth activities may not participate in the CFC as a member of a federation.

(d) A family support and youth activity must:

(1) Be a nonprofit, tax-exempt organization that provides family service programs or youth activity programs to personnel in the Command. The activity must not receive a majority of its financial support from appropriated funds.

(2) Have a high degree of integrity and responsibility in the conduct of their affairs. Contributions received must be used effectively for the announced purposes of the organization.

(3) Be directed by the base Non-Appropriated Fund Council or an active voluntary board of directors which serves without compensation and holds regular meetings.

(4) Conduct its fiscal operations in accordance with a detailed annual budget, prepared and approved at the beginning of the fiscal year. Any significant variations from the approved budget must have prior authorization from the Non-Appropriated Fund Council or the directors. The family support and youth activities must have accounting procedures acceptable to an installation auditor and the inspector general.

(5) Have a policy and practice of nondiscrimination on the basis of race, color, religion, sex or national origin applicable to persons served by the organization.

(6) Prepare an annual report which includes a full description of the organization's activities and accomplishments. These reports must be made available to the public upon request.

(e) Within 15 business days after the closing date of the application period, the LFCC shall communicate its eligibility decisions at an open public meeting. The open public meeting date, place, and time must be communicated to local applicant organizations during the application process and in the public notice section of principal local newspaper(s). The open public meeting is the only notification local organizations will receive regarding their original applications. At the meeting, LFCC's must provide written explanations to an organization for its denial of its application and the procedures and deadline for appealing the decision. LFCC's may authorize PCFO's to release eligibility determinations to applicant organizations via telephone, after the open public meeting. This has no affect on the deadline for LFCC's to receive local appeals. Applicants denied eligibility may appeal in accordance with § 950.205.

(f) No LFCC may print the campaign brochure while there are appeals of eligibility decisions from their campaign pending with the Director. LFCC's are obligated to check with OPM 21 calendar days after the mailing of the local appeal decision as to whether the Director is on notice of a pending timely appeal.

§ 950.205 Appeals.

(a) Organizations who apply and are denied eligibility for inclusion on the national list will be notified of the Director's decision by registered or certified mail of the U.S. Postal Service. Organizations may appeal the Director's decision by submitting a written request to reconsider the denial to the Director. This request must be received within 10 business days from the date of receipt of the Director's decision to deny eligibility and shall be limited to those facts justifying the reversal of the original decision. Petitions for reconsideration may not be used to supplement applications that had missing or outdated documents, and any such documents submitted with the petition will not be considered.

(b) Applicants denied listing in the local brochure must first appeal in writing to the LFCC to reconsider its original decision. Such an appeal must be received by the LFCC within the 7 business days from the date of the open public meeting announcing local eligibility decisions. The LFCC must consider all timely appeals and notify the appealing organization within a reasonable time period, not to exceed 22 business days from the date of the open public meeting. Denial of the appeal by the LFCC must be sent via U.S. Postal Service certified or registered mail with a return receipt (PS Form 3811). Approval of local appeals may be sent via U.S. Postal Service regular first class mail.

(c) A local applicant which is unsuccessful in its appeal to the LFCC may appeal to the Director. All appeals must:

(1) Be in writing;

(2) Be received by the Director within 10 business days of the date of receipt of the letter from the LFCC denying eligibility on appeal;

(3) Include a statement explaining the reason(s) why eligibility should be granted;

(4) Include a copy of the letter from the LFCC disapproving the original application, the organization's appeal to the LFCC, and the letter from the LFCC denying the appeal.

(d) If an organization fails to file a timely application or a timely appeal of an adverse eligibility determination in accordance with these regulations, such application or appeal to OPM will be dismissed as untimely.

(e) Appeals to the Director may not be used to supplement original applications that had missing or outdated documents. Any such supplemental documents will not be considered. Such appeals shall be limited to those facts justifying the reversal of the original decision.

(f) The Director's decision is final for administrative purposes.

Subpart C—Federations

§ 950.301 National federations eligibility.

(a) The Director may establish national federations that conform to the requirements of these regulations and are eligible to receive designations.

(b) By applying for inclusion in the CFC, federations consent to allow the Director complete access to it and its members' CFC books and records and to

respond to requests for information by the Director.

(c) An organization may apply to the Director for inclusion as a national federation to participate in the CFC if the applicant has, as members of its proposed federation, 15 or more charitable organizations that meet the eligibility criteria of § 950.202 and § 950.203. The initial year an organization applies for federation status, it must submit the applications of all its proposed member organizations in addition to the federation application. Federations must re-establish eligibility each year, however, the applications of its member organizations need not accompany the annual federation application once an organization has obtained federation status, unless requested by the Director.

(d) After an organization has been granted federation status, it may certify that its member organizations meet all eligibility criteria of § 950.202 and § 950.203 to be included on the national list. Federation status in a prior campaign is not a guarantee of federation status in a subsequent campaign. Failure to meet minimum federation eligibility requirements shall not be deemed to be a decertification subject to a hearing on the record.

(e) An applicant for national federation status must annually certify and/or demonstrate:

(1) That all member organizations seeking participation in the CFC are qualified for inclusion on the national list. Applicants must provide a complete list of those member organizations it certified.

(2) That its financial records, practices and procedures conform to generally accepted accounting principles and that it is annually audited by an independent certified public accountant in accordance with generally accepted auditing standards. A copy of the audit must be included with the application. The audit must verify that the federation is honoring designations made to each member organization. The audit requirement is waived for newly created federations operating for less than a year.

(3) That it does not employ in its CFC operations the services of private consultants, consulting firms, advertising agencies or similar business organizations to perform its policy-making or decision-making functions in the CFC. It may, however, contract with entities or individuals such as banks, accountants, lawyers, and other vendors of goods and/or services to assist in accomplishing its ministerial tasks.

(f) The Director will notify a federation if it is determined that the federation does not meet the eligibility requirements of § 950.301(e). A federation may appeal an adverse eligibility decision in accordance with § 950.205.

(g) The Director may waive any eligibility criteria for federation status if it is determined that such a waiver will be in the best interest of the CFC.

(h) Two organizations—American Red Cross and United Service Organization—are exempt from the 15-member requirement of § 950.301(c).

§ 950.302 Responsibilities of national federations.

(a) National federations must ensure that only those member organizations that comply with all eligibility requirements included in these regulations are certified for participation in the CFC.

(b) The Director may elect to review, accept or reject the certifications of the eligibility of the members of the national federations. If the Director requests information supporting a certification of national eligibility, that information shall be furnished promptly. Failure to furnish such information within 10 business days of the receipt of the request constitutes grounds for the denial of national eligibility of that member.

(c) The Director may elect to decertify for up to one campaign year a federation which makes a false certification, subject to the requirement that any federation that the Director proposes to decertify shall be offered the opportunity to have a hearing on the record on the proposed decertification, followed by a written decision stating the grounds for the decertification. False certifications are presumed to be deliberate. This presumption may be overcome by evidence presented at the hearing.

(d) The failure of a national federation to respond in a timely fashion to a request by the Director for required information or cooperation in an investigation or a settlement of disbursements may be grounds for decertification, provided that a decision to decertify is preceded by a hearing on the record and communicated in writing.

(e) Each federation, as fiscal agent for its member organizations, must ensure that Federal employee designations are honored in that each member organization receives its proportionate share of receipts based on the results of each individual campaign.

§ 950.303 Local federations eligibility.

(a) LFCC's must approve local federations that conform to the requirements of these regulations.

(b) By applying for inclusion in the CFC, federations consent to allow the LFCC and Director complete access to it and its members' CFC books and records and to respond to requests for information by the LFCC, the Director.

(c) An organization may apply to the LFCC for inclusion as a local federation if the applicant has as members of its proposed federation, 15 or more charitable organizations that meet the eligibility criteria of § 950.202, § 950.203, and § 950.204. The initial year an organization applies for federation status, it must submit to the LFCC applications of all its proposed member organizations in addition to the federation application. Federations must re-establish eligibility each year, however, the applications of its member organizations need not accompany the annual federation application once an organization has obtained federation status.

(d) After an organization has been granted federation status, it may certify that its member organizations meet all eligibility criteria of §§ 950.202, 950.203 and 950.204 to be included on the Local List. The LFCC or the Director may require any member organization of a local federation to supply independent evidence of its eligibility. Federation status in a prior campaign is not a guarantee of federation status in a subsequent campaign. Failure to meet minimum federation eligibility requirements shall not be deemed to be a decertification subject to a hearing on the record.

(e) An applicant for local federation status must certify and/or demonstrate:

(1) That all member organizations seeking participation in the CFC are qualified for inclusion on the Local List and provide a complete list of those member organizations it certified.

(2) That its financial records, practices and procedures conform to generally accepted accounting principles and is annually audited by an independent certified public accountant in accordance with generally accepted auditing standards. A copy of the annual audit must be included with the application. The audit must verify that the federation is honoring designations made to each member organization. The audit requirement is waived for newly created federations operating for less than a year.

(3) That it does not employ, in its CFC operations, the services of private

consultants, consulting firms, advertising agencies or similar business organizations to perform the policy-making or decision-making functions in the CFC. It may, however, contract with entities or individuals such as banks, accountants, lawyers, and other vendors of goods and/or services to assist in accomplishing its ministerial tasks.

(f) The LFCC will notify a federation if it is determined that the federation does not meet the eligibility requirements of § 950.301(e). A federation may appeal an adverse eligibility decision in accordance with § 950.205.

(g) The Director may waive any eligibility criteria for federation status if it is determined that such a waiver will be in the best interest of the CFC.

§ 950.304 Responsibilities of local federations.

(a) Local federations must ensure that only those member organizations that comply with all eligibility requirements included in these regulations are certified for participation in the CFC.

(b) LFCC's may elect to review, accept or reject the certifications of the eligibility of the members of local federations. If the LFCC requests information supporting a certification of local eligibility, that information shall be furnished promptly. Failure to furnish such information within 10 business days of the receipt of the request constitutes grounds for the denial of local eligibility.

(c) The Director, upon recommendation by the LFCC, may elect to decertify a federation which makes a false certification for up to one campaign year, subject to the requirement that any federation that the Director proposes to decertify shall be offered the opportunity to have a hearing on the record on the proposed decertification, followed by a written decision stating the grounds for the decertification. False certifications are presumed to be deliberate. The presumption may be overcome by evidence presented at the hearing.

(d) The failure of a local federation to respond in a timely fashion to a request by the Director or the LFCC for required information or cooperation in an investigation may be grounds for decertification, provided that a decision to decertify is preceded by a hearing on the record and communicated in writing.

(e) Each federation, as fiscal agent for its member organizations, must ensure that Federal employee designations are honored in that each member organization receives its proportionate share of receipts based on the results of each individual campaign.

Subpart D—Campaign Materials

§ 950.401 Campaign and publicity materials.

(a) The specific campaign and publicity materials, such as the official brochure, will be developed locally, except as specified in these regulations. All materials must be reviewed by the LFCC for compliance with these regulations and will be printed and supplied by the PCFO. Any disputes over local materials will be resolved by the LFCC. All publicity materials must have the approval of the LFCC before being used. Federations must notify the PCFO in writing of their desire to participate in the development of campaign and publicity materials. The PCFO must respond in a timely manner to a federation's request to participate in the development of campaign and publicity materials. Federations must also respond in a timely fashion in the development of campaign and publicity materials.

(b) During the CFC solicitation period, participating CFC organizations may distribute bona fide educational materials describing its services or programs. The organization must be granted permission by the Federal agency installation head, or designee to distribute the material. CFC Coordinators, Keyworkers or members of the LFCC, are not authorized to grant permission for the distribution of such materials. If one organization is granted permission to distribute educational materials, then the Federal agency installation head must allow any other requesting CFC organization to distribute educational materials.

(c) Organizations and federations are encouraged to publicize their activities outside Federal facilities and to broadcast messages aimed at Federal employees in an attempt to solicit their contributions through the media and other outlets.

(d) LFCC's are further authorized to permit the distribution by organizations of promotional pamphlets to Federal personnel in public areas at or near Federal workplaces in connection with the CFC, provided that the manner of distribution accords equal treatment to all charitable organizations furnishing such pamphlet for local use, and further provided that no such distribution shall utilize Federal personnel on official duty or interfere with Federal government activities. LFCC members and other campaign personnel are to be particularly aware of the prohibition of assisting any charitable organization or federated group in distributing any type of literature, especially during the campaign period. Nothing in this section shall be construed to require an LFCC to distribute or arrange for the distribution of any material other than the Campaign Brochure and the pledge card.

(e) The Campaign Brochure and pledge card is the official CFC information package and shall be made available to all potential contributors. All CDC Brochures must inform employees of their right to make a choice to contribute or not to contribute; to designate or not to designate; and to give a confidential gift in a sealed envelope.

(f) Campaign materials must constitute a simple and attractive package that has fundraising appeal and essential working information. The package should focus on the CFC without undue use of charitable organization symbols and logos or other distractions that compete for the donor's attention. Extraneous instructions concerning the routing of forms, tallying of contributor's receipts, and similar reports, which are primarily for keyworkers must be avoided.

(g) The following applies specifically to the campaign brochure:

(1) Contributor's Information Section will include:

(i) A description of the CFC arrangement and explain the payroll deduction privilege. It will clearly state that the Federal donor can direct his or her gift to specific charitable organizations or federations of his or her choice, or to the international general designation option, and urge them to do so. It will further explain that failure to designate a specific organization or federation will result in the undesignated donation being distributed proportionately to all recipient organizations in the local campaign, minus a 15 percent administration fee to the PCFO.

(ii) A statement that the donor may only designate charitable organizations or federations that are listed in the brochure and that write-ins are prohibited.

(iii) Instructions as to how an employee may obtain more specific information about the programs and the finances of the organizations participating in the campaign.

(iv) A description of employees' rights to pursue complaints of undue pressure or coercion in Federal fundraising activities. The Campaign Brochure will advise civilian employees to consult with their personnel offices and military personnel with their commanding officers to identify the organization

handling such complaints in their respective Federal agencies.

(2) Organization Listing Section.

(i) The listing of organizations shall be in three major divisions. The first is referred to as introductory pages, the second shall be labelled national list and will consist of a faithful reproduction of the list of national and international organizations provided by OPM as described in § 950.201(b). The third division will consist of the Local List. In odd-numbered campaign years the Local List shall appear before the national list and after the introductory pages. In even-numbered campaign years the national list shall appear before the Local List and after the introductory pages. The order of the listing of the federated and unaffiliated organizations within the National and Local Lists will be determined by a random drawing. The order of organizations within each federation will be determined by the federation. The order of organizations within the unaffiliated lists will be alphabetical. Absent specific instructions from OPM to the contrary, each participating organization and federated group listing must include a description, not to exceed 25 words, of their services and programs, plus a telephone number for the Federal donor to request further information about the group's services, benefits, and administrative expenses. Each listing will include a statement of the percentage of the organization's total receipts and revenues that are used for administration and fundraising. Neither the percentage of administrative and fundraising expense, nor the telephone number count toward the 25-word statement.

(ii) Each national federation and charitable organization will be assigned a code number by OPM. Local federations and local charitable organizations will be assigned code numbers by the LFCC. At the beginning of each federated group's listing will be the federation's name, code number, 25-word statement, percentage of administrative and fundraising expenses, and telephone number. The sections of the brochure where the unaffiliated agencies are listed will begin with the titles National Unaffiliated Organizations, International Unaffiliated Organizations and Local Unaffiliated Organizations respectively.

(iii) Preceding any other listing of the eligible organizations, the Organization Listing Section will begin with the heading Definition of a Federation followed by this definition of a federation: A federation is a group of voluntary charitable human health and welfare organizations established for the purpose of providing common fundraising, administrative, and management services to its members. Federations may be either national, representing national and/or international organizations, international, representing only international organizations; or local, representing local and/or regional organizations. If you wish to designate all or some portion of your contribution to a federation, record that federation's corresponding code number in one of the boxes on your pledge card. Contributions designated to a federation will be shared in accordance with the federation's policy.

(iv) In even-numbered campaign years, immediately following the definition of a federation will be the heading National Federations which will be followed by the list of all the national federations. Following the list of national federations will be the list of all the international federations. Immediately following the end of that list the heading, Local Federations will begin the list of local federations. In odd-numbered campaign years, the local federations will immediately follow the definition of a federation. After each federation will be the statement, Federation and federation member listings begin on page _____.

(v) Immediately following the list of federations will be the heading, Unaffiliated Organizations. This section will inform the donor on which pages the list of national, international and local unaffiliated organizations begins.

(vi) Immediately following the unaffiliated section will be the heading, International General Designation Option. This option will include the following explanation and the code for designating it: ''IIII—All Organizations in the International Section of the national list. I request that my gift be shared among all the international organizations listed in the International Section of the Organization Listing in the same proportion that they received designations.''

(vii) Immediately following the International General Designation Option will be the heading Undesignated Funds. Beneath this heading the following explanation of the distribution of undesignated funds will appear: ''Even if you choose not to designate to a specific organization or federation, your contribution will still be accepted. These undesignated funds will be distributed to all organizations in the brochure in the same proportion that the organizations and federations received designations in the CFC.''

(viii) The international general designation option on the introductory pages will be printed in the same format and font as the organizations listed in the brochure. No special prominence or emphasis may be placed on the federations listed.

(h) Pledge Card. The pledge card as described in § 950.402 will be distributed with the campaign Brochure.

(i) Omission of an eligible charitable organization from the Brochure may require that all Brochures be reprinted and redistributed. The Director or LFCC may direct that the cost of such reprinting and redistribution be borne by the PCFO or charged to CFC administrative expenses.

(j) Dual listing. Listing of a national organization, as well as its local affiliate organization, is permitted. However, a national organization may only waive its listing in the national section of the brochure in favor of its eligible local affiliate. The local affiliate must include in its application the written waiver from its national organization.

(k) Multiple listing. Each national or local organization must individually meet all of the eligibility criteria and submit independent documentation as required in § 950.202, § 950.203 or § 950.204. Once an organization is deemed eligible, it is entitled to only one listing in the CFC Brochure, regardless of the number of federations to which that organization belongs.

(l) The LFCC may omit the 25-word program description from the CFC Brochure if, in the immediately preceding campaign year, contributions received in the local CFC totalled less than $100,000.

§ 950.402 Pledge card.

(a) The Director will make available each campaign year at least one model pledge card which shall be faithfully reproduced at the local level. This will be the only authorized pledge card for use in that year's CFC.

(b) Campaigns may incorporate additional giving levels to the Director's authorized pledge card. Campaigns may also include their award recognition program. No further modifications to the pledge card are permitted unless approved in advance by the Director.

(c) An employee may not make a designation to an organization not listed in the Brochure. In addition, an employee may not make a CFC contribution to an organization listed in the Brochure of a campaign covering a geographic location different from the campaign where the employee works. Designations made to organizations not listed in the Brochure are not invalid, but will be treated as undesignated funds and distributed accordingly.

(d) In the event the PCFO receives a pledge card that has designations that add up to less than the total amount pledged, the PCFO must honor the total amount pledged and treat the excess amount as undesignated funds. In the event that a PCFO received a pledge card that has a total amount pledged that is less than the sum of the individual designations, the PCFO must honor the designations by assigning a proportionate share of the total gift to each organization designated. For example, if an employee indicates a total gift of $100 in the upper portion of the pledge card, but designates $25 each to five organizations in the lower part of the pledge card, the PCFO must adjust each organization's designation to $20.

§ 950.403 Penalties.

A PCFO's failure to comply with subpart D of these regulations may result in either disqualification from future service as PCFO, disqualification as a participating federation, or both penalties. These penalties may only be imposed after a hearing on the record and communication of the Director's decision in writing.

Subpart E—Distribution of Undesignated Funds

§ 950.501 Applicability.

The distribution of undesignated funds described in § 950.401(g)(2)(vii) and § 950.502 applies to all domestic area campaigns. It does not apply to the DOD Overseas Campaign.

§ 950.502 Distribution of undesignated funds.

The PCFO shall collect from undesignated funds a 15 percent administration fee for performing the services of PCFO as set forth in § 950.106(d). All remaining undesignated funds shall be distributed to all of the organizations in the CFC Brochure in the same proportion that they received designations in the campaign.

§ 950.503 Review by the Director.

The Director may alter an LFCC's distribution of undesignated funds:

(a) To reverse any allocation to ineligible organizations;

or

(b) To enforce the distribution method described in §§ 950.401(g)(2)(vii) and 950.502.

Subpart F—Miscellaneous Provisions

§ 950.601 Release of contributor names.

(a) The pledge card, designed pursuant to § 950.402, must allow an employee to indicate if the employer does not wish his or her name and home address forwarded to the charitable organization or organizations designated. A PCFO's failure to honor an employee's wish may result in the decertification of the PCFO.

(b) The pledge card will direct an employee to provide his or her complete home address on the pledge card should he or she wish his or her name and home address released to organizations receiving their donations.

(c) It is the responsibility of the PCFO to forward the names and addresses of employees who have indicated that they wish their names be forwarded, to the recipient organization directly, if the organization is unaffiliated, and to the organization's federation if the organization is a member of a federation. The PCFO may not make any other use of these employees' names and addresses.

(d) Recipient organizations that receive the names and addresses of employees must segregate this information from all other lists of contributors. This segregated list may not be sold or in any way released to anyone outside of the recipient organization. Federations may not use a member organization's list for its own purposes or share its member's lists among federation members. Failure to protect the integrity of this information may result in penalties up to and including permanent expulsion from the CFC.

(e) Organizations must cooperate fully with OPM investigations into the care and appropriate use of these lists. Should an organization ignore or fail to respond to OPM's requests for cooperation or hamper an investigation, the Director may propose that the organization be suspended or expelled from the CFC. The Director will consider any response in issuing a decision.

§ 950.602 Solicitation methods.

(a) Employee solicitations shall be conducted during duty hours using methods that permit true voluntary giving and shall reserve to the individual the option of disclosing any gift or keeping it confidential. Campaign kick-offs, victory events, awards, and other non-solicitation events to build support for the CFC are encouraged.

(b) Special CFC fundraising events, such as, raffles, lotteries, auctions, bake sales, carnivals, athletic events, or other activities not specifically provided for in these regulations are prohibited unless approved by the appropriate agency head or government official consistent with agency ethics regulations.

(c) In all approved special fundraising events the donor must have the option of designating to a specific participating organization or federation or be advised that the donation will be counted as an undesignated contribution and distributed according to these regulations.

§ 950.603 Sanctions.

(a) Sanctions not specifically provided for elsewhere in these regulations, may be imposed on an organization, federation or PCFO for violating any provisions of these regulations, other applicable provisions of law, or any directive or instruction from the Director. The Director will determine the appropriate sanction, up to and including permanent expulsion from the CFC, based on a progressive schedule which is related to the severity of the violation. In determining the appropriate sanction, the Director will consider all elements such as previous violations, harm to Federal employee confidence in the CFC, and any other relevant factors. The Director shall provide written notification to the organization, federation or PCFO regarding the alleged violation and of the intent to impose a sanction. Prior to implementation of sanctions under this section, the organization, federation or PCFO shall be provided an opportunity to address in writing why the sanctions should not be imposed. This submission must be received within 10 calendar days from the date of receipt of the Director's notification letter.

(b) At the Director's discretion, PCFO's and Federations may be directed to suspend distribution of current and future CFC donations from Federal employees to recipient organizations. Federations and PCFO's shall immediately place suspended contributions in an interest bearing account until directed to do otherwise.

§ 950.604 Records retention.

Federations, PCFO's and other participants in the CFC shall retain documents pertinent to the campaign for at least three (3) campaign years. Documents requested by OPM must be made available within 10 business days of the request.

Subpart G—DoD Overseas Area

§ 950.701 DoD overseas campaign.

(a) A Combined Federal Campaign is authorized for all Department of Defense (DoD) activities in the overseas areas during a 6 week period in the fall. Organizations that may participate in the Overseas Campaign will consist of

organizations found nationally eligible by OPM.

(b) The DoD must select an organization or combination of organizations to serve as PCFO as it deems in the best interests of the overseas campaign.

(c) Federal civilian agencies with overseas personnel may elect to have these employees participate in the DoD campaign or in the National Capital Area campaign.

(d) The overseas campaign brochure shall not include the All International Organizations Designation Option-IIII.

(e) Family support and youth activities established in overseas locations may be supported from CFC funds.

(f) Undesignated funds contributed in the Overseas Campaign equal to up to 6 percent of the gross campaign contributions will be allocated to the Overseas family support and youth activities. No other funds may be used for this purpose. If the undesignated funds exceed 6 percent of the gross campaign contributions, this excess shall be distributed to all other organizations in the same proportions as designations.

(g) Overseas family support and youth activities shall not be charged any share of campaign costs. All other organizations participating in the Overseas Area CFC will be charged for campaign costs in the same proportion that they received gross campaign receipts, net of that amount of receipts set aside for family support and youth activities.

(h) The overseas campaign brochure must explain the allocation policy utilized by each of the military services to allocate funds received from the Overseas campaign to their overseas family support and youth activities.

Subpart H–CFC Timetable

§ 950.801 Campaign schedule.

(a) The Combined Federal Campaign will be conducted according to the following timetable.

(1) During one 30-calendar day period between January and March, as determined by the Director, OPM will accept applications from organizations seeking to be listed on the national list.

(i) Included with the annual notice of the campaign schedule and OPM guidance will be a list of the LFCCs responsible for making statewide determinations for local eligibility.

(ii) Organizations seeking statewide recognition must contact the applicable LFCC for detailed information on the local application process.

(2) Within 35 calendar days of the closing of the receipt of applications, the Director will issue notices to each national applicant organization of the results of the Director's review.

(3) Local Federal Coordinating Committees must select a PCFO no later than March 15.

(4) The Director will issue a national eligibility list to all local campaigns by June 30.

(5) Local Federal Coordinating Committees must accept applications from organizations seeking local eligibility for 30 calendar days as determined by the LFCC, and must issue notice of its eligibility decisions within 15 business days of the closing date for receipt of applications.

(b) The Director will annually issue a timetable for accepting and processing national applications.

Subpart I—Payroll Withholding

§ 950.901 Payroll allotment.

The policies and procedures in this section are authorized for payroll withholding operations in accordance with the Office of Personnel Management Pay Administration regulations in part 550 of this chapter.

(a) *Applicability.* Voluntary payroll allotments will be authorized by all Federal departments and agencies for payment of charitable contributions to local CFC organizations.

(b) *Allottees.* The allotment privilege will be made available to Federal personnel as follows:

(1) Employees whose net pay regularly is sufficient to cover the allotment are eligible. An employee serving under an appointment limited to 1 year or less may make an allotment to a CFC when an appropriate official of the employing Federal agency determines that the employee will continue employment for a period to justify an allotment. This includes military reservists, National Guard, and other part-time and intermittent employees who are regularly employed.

(2) Members of the Uniformed services are eligible, excluding those on only short-term assignment (less than 3 months).

(c) *Authorization.* (1) Allotments will be totally voluntary and will be based upon contributor's individual authorization.

(2) The CFC Pledge Card, in conformance with § 950.402, is the only form for authorization of the CFC payroll allotment and may be printed or purchased from a central source by each PCFO. The Pledge Cards and Official Brochure will be distributed to employees when charitable contributions are solicited.

(3) The original copy of each pledge card (payroll allotment authorization) should be transmitted to the contributor's servicing payroll office as promptly as possible, preferably by December 15. However, if pledge cards are received after that date they should be accepted and processed by the payroll office.

(d) *Duration.* Authorization of allotments will be perpetual or in the form of a term allotment. A perpetual authorization becomes effective the first pay period beginning in January and will remain in effect from year-to-year until cancelled by the Federal employee/donor. Perpetual authorizations may only be changed during the campaign solicitation period as defined by the LFCC. Term authorizations will be in effect for 1 full year—26, 24, or 12 pay periods depending on the allotter's pay schedule—starting with the first pay period beginning in January and ending with the last pay period that begins in December. Three months of employment is considered the minimum amount of time that is reasonable for establishing an allotment.

(e) *Amount.* (1) Allotters will make a single allotment that is apportioned into equal amounts for deductions each pay period during the year.

(2) The minimum amount of the allotment will be determined by the LFCC but will not be less than $1 per payday, with no restriction on the size of the increment above that minimum.

(3) No change of amount will be authorized for term allotments. Changes in amounts for perpetual allotments may only occur during the solicitation period, unless the donation is based on a percentage of the employees pay.

(4) No deduction will be made for any period in which the allotter's net pay, after all legal and previously authorized deductions, is insufficient to cover the CFC allotment. No adjustment will be made in subsequent periods to make up for missed deductions.

(f) *Remittance.* (1) One check will be sent by the payroll office each pay period, in the gross amount of deductions on the basis of current authorizations, to the Central Receipt and Accounting Point (CRP) at each local CFC location for which the payroll office has received allotment authorizations. The Director will provide a list of the authorized CRP's to Federal payroll offices.

(2) The check will be accompanied by a statement identifying the agency, the dates of the pay period, and the total number of employee deductions. There will be no listing of allotters included or of allotter discontinuances.

(g) *Discontinuance.* (1) Term allotments will be discontinued

automatically on expiration of the 1 year withholding period, or on the death, retirement, or separation of the allotter from the federal service, whichever is earlier.

(2) An allotter may revoke a perpetual or term authorization at any time by requesting it in writing from the payroll office. Discontinuance will be effective the first pay period beginning after receipt of the written revocation in the payroll office.

(3) A discontinued allotment will not be reinstated.

(h) *Transfer.* When an allotter moves to another organizational unit served by a different payroll office in the same CFC location, whether in the same office or a different Department or agency, his or her allotment authorization should be transferred to the new payroll office.

(i) *Accounting.* (1) Federal payroll offices will oversee the establishment of individual allotment accounts, the deductions each pay period, and the reconciliation of employee accounts in accordance with agency and General Accounting Office requirements. The payroll office will accept responsibility for the accuracy of remittances, as supported by current allotment authorizations, and internal accounting and auditing requirements.

(2) The PCFO shall notify the federated groups, national agencies, and local agencies as soon as practicable after the completion of the campaign, but in no case later than February 15, of the amounts, if any, designated to them and their member agencies and of the amounts of the undesignated funds, if any, allocated to them.

(3) The PCFO is responsible for the accuracy of disbursements it transmits to recipients. It shall transmit at least monthly for campaigns of $500,000 of more or quarterly if less than that amount, minus only the approved proportionate share for administrative cost reimbursement and the PCFO fee set forth in § 950.106(d). It shall remit the contributions to each organization or to the federated group, if any, of which the organization is a member. For campaigns with gross receipts in excess of $500,000, the PCFO will distribute all CFC receipts beginning April 1, and monthly thereafter. For campaigns with gross receipts of $500,000 or less, the PCFO will distribute all CFC receipts beginning June 1, and quarterly thereafter. At the close of each disbursement period, the PCFO's amount shall have a balance of zero.

(4) The PCFO may make one-time disbursements to organizations receiving minimal donations from Federal employees. The LFCC must determine and authorize the amount of these one-time disbursements. The PCFO may deduct the proportionate amount of each organization's share of the campaign's administrative costs and the average of the previous 3 years pledge loss from the one-time disbursement. This is the only approved application of adjusting for pledge loss.

(5) Federated and national charitable organizations, or their designated agents, will accept responsibility for:

(i) The accuracy of distribution amount the charitable organizations of remittances from the PCFO; and

(ii) Arrangements for an independent audit conducted by a certified public accountant agreed upon by the participating charitable organizations.

[FR Doc. 95–3821 Filed 2–15–95; 8:45 am]

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DEPARTMENT OF AGRICULTURE

Agricultural Marketing Service

7 CFR PART 51

[Docket Number FV–94–302]

Bermuda-Granex-Grano Type Onions and Onions (Other than Bermuda-Granex-Grano and Creole Type); Grade Standards

AGENCY: Agricultural Marketing Service, USDA.

ACTION: Proposed rule.

SUMMARY: This proposed rule would revise the United States Standards for Grades of Bermuda-Granex-Grano Type Onions and United States Standards for Grades of Onions (Other Than Bermuda-Granex-Grano and Creole Type). The proposal would set a minimum sample size for consumer size packages, provide a ''Colossal'' size classification, eliminate Export size classifications and designate a U.S. No. 1 Peeled Grade. It would also include other technical revisions to update the standards in accord with current handling and marketing practices.

DATES: Comments must be postmarked or courier dated on or before April 17, 1995.

ADDRESSES: Interested parties are invited to submit written comments concerning this proposal. Comments must be sent to the Fresh Products Branch, Fruit and Vegetable Division, Agricultural Marketing Service, U.S. Department of Agriculture, P.O. Box 96456, Room 2056 South Building, Washington, DC 20090–6456. Comments should make reference to the date and page number of this issue of the **Federal Register** and will be made available for public inspection in the above office during regular business hours.

FOR FURTHER INFORMATION CONTACT: Frank O'Sullivan, at the above address or call (202) 720–2185.

SUPPLEMENTARY INFORMATION: The U.S. Department of Agriculture is issuing this proposed rule in conformance with Executive Order 12866.

Pursuant to the requirements set forth in the Regulatory Flexibility Act (5 U.S.C. 601 *et. seq.*), the Administrator of the Agricultural Marketing Service (AMS) has determined that this action will not have a significant economic impact on substantial number of small entities. This proposed rule for the revision of U.S. Standards for Grades of Bermuda-Granex-Grano Type Onions and U.S. Standards for Grades of Onions (Other Than Bermuda-Granex-Grano and Creole Type) will not impose substantial direct economic cost, recordkeeping, or personnel workload changes on small entities, and will not alter the market share or competitive position of these entities relative to large businesses. In addition, under the Agricultural Marketing Act of 1946, the use of these standards is voluntary.

This proposed rule has been reviewed under Executive Order 12778, Civil Justice Reform. This action is not intended to have retroactive effect. This proposed rule will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule. There are no administrative procedures which must be exhausted prior to any judicial challenge to the provisions of this rule.

Agencies periodically review existing regulations. An objective of the review is to ensure that the grade standards are serving their intended purpose, the language is clear, and the standards are consistent with AMS policy and authority.

The United States Standards for Grades of Bermuda-Granex-Grano Type Onions was last revised February 20, 1985, and the United States Standards for Grades of Onions (Other Than Bermuda-Granex-Grano and Creole Types) was last revised October 1, 1971. In general, the Bermuda-Granex-Grano Type (BGG) standard is applied to southern grown onions that have thin papery outer scales, are harvested in the spring and summer and are not typically kept in storage. The Other Than Bermuda-Granex-Grano and Creole Types (Other Than) standard is generally applied to northern grown onions that have thick outer papery scales, are harvested in the fall and are

more commonly stored. The major distinction between the two standards for grades of these onions is the lot tolerances; 10 percent for BGG and 5 percent for Other Than. Although separated by type and tolerances, many similarities exist in the grading of these onions. The different types of onions are affected by most of the same defects. The procedures for sampling and performing grading activities are essentially the same regardless of which standard is being applied. The standards were established and have been revised separately over the years to reflect the needs of their respective industries.

A broad spectrum of growers and shippers of onions who utilize both standards, represented by The National Onion Association (NOA), have requested that the minimum sample size for consumer size packages be designated at 20 pounds. While considering the NOA's request the Department, through a periodic review, decided to take the opportunity to bring the standards into closer uniformity with each other and conformity to current harvesting, handling and marketing practices. Therefore, this proposal would revise both standards by the addition of a required minimum sample size. It would also include the following: An additional grade for peeled onions, an additional size designation for colossal onions and technical revisions to promote uniformity and clarity wherever possible. The following are revisions proposed herein:

—''Fairly firm'' is now a basic requirement only in the Other Than standard. ''Fairly firm'' would be added as a basic requirement to the U.S. No. 1 grade in the BGG standard (§ 51.3195) and also included in the Definitions section (§ 51.3205). This would make both U.S. Standards uniform in their basic requirements for a U.S. No. 1 onion.

—The BGG standard currently contains paragraphs for tolerances in each of the respective grade sections. The Other Than standard now contains a specific section entitled ''Tolerances'' which is the format established for more recent and current standards. To make referencing much easier and to make both U.S. Standards current and uniform in the way they read, a specific section for Tolerances (§ 51.3200) would be established in the BGG standard. The actual tolerances would not be changed, only the location in the standard.

—A U.S. No. 1 Peeled grade would be established for both standards (§§ 51.2835 and 51.3196). The marketing of fresh-cut, ''ready to use'' products has expanded greatly in the last few years in the produce industry. Onions offered for sale whole and completely peeled as a fresh product ready to use have been part of this expanding market. This grade would provide clear and defined trading language helping to facilitate the increased movement in these type of onions. The new grade would read as follows:

''U.S. No. 1 Peeled consists of onions which meet all the requirements for the U.S. No. 1 grade'' (''except for damage by peeling'' in the Other Than standard). ''Furthermore, onions must be free from any outer papery scales in order to meet the requirements of this grade.''

A 5 percent tolerance for onions in a lot with outer papery scales in any amount would also be provided in the tolerance section.

—Both the BGG and Other Than standards contain the grade classification ''Unclassified.'' This grade would be deleted from both standards since it is not an actual grade classification and is rarely, if ever used. Elimination of Unclassified would also maintain consistency with newer versions of standards for other commodities.

—Currently size classifications in each of the standards are similar but not completely the same. Each standard now contains size designations for small, medium and large sizes. The BGG standard also references a Repacker or Prepacker size, while the Other Than standard contains export small, export medium and export large sizes as well as regional specifications for the medium size.

Size classifications would be revised and placed in chart form for each standard (§§ 51.2837 and 51.3199) to achieve uniformity and clarity.

A new size classification for colossal onions would be added to both standards based on the increased trade in this size product and the need for common trading language.

In the Other Than standard three additional changes would also be made to the size classifications. First, the reference to export sizes would be eliminated since these sizes are rarely, if ever used. The reference to these sizes in the Application of Tolerances section would also be eliminated. There would be no need for this reference if the sizes were dropped. Next, the medium size classification would no longer give smaller size exception for ''onions grown in Minnesota, Iowa, and States east of the Mississippi River * * *.'' This would eliminate confusion in the trade and standardize across the nation the size of onions referred to as ''Medium.'' Finally, the Repacker/Prepacker size currently only referenced in the BGG standard would be included in the Other Than standard. This would make both standards completely uniform along size classifications providing common and standardized trading language in reference to size for onions shipped from anywhere in the country. The new size chart proposed for each standard would read as follows:

Size designation	Minimum diameter		Maximum diameter	
	Inches	Millimeters	Inches	Millimeters
Small	1	25.4	2¼	57.2
Repacker/Prepacker [1]	1¾	44.5	3	76.2
Medium	2	50.8	3¼	82.6
Large or Jumbo	3	76.2	([2])	
Colossal	3¾	95.3	([2])	

[1] In addition to the sizes specified, a lot of onions designated as Repacker or Prepacker shall contain at least 60 percent or more 2 inches or larger in diameter.
[2] No requirement.

—Sample size is not currently defined in the standards for onions. Inspections are performed using the consumer package that onions are packed in as the sample. While this may be a fair and accurate way to determine percentages of defects for 50 pound sacks, when smaller consumer size packages (i.e., 2, 3, 5, pounds) are taken as the sample a lot may be thrown out of grade by a proportionately small number of

onions due to the restrictions imposed by the application of tolerances.

A specified sample size would provide more uniform sampling when certifying various sizes of smaller packages. Also, to apply tolerances more accurately to these smaller packages in conjunction with the change in sample size the application of tolerances would need to be applied to the sample as opposed to the package.

Therefore, this proposal would add new sections (§ 51.2839 in Other Than and 51.3201 in BGG), Samples For Grade And Size Determination, to each standard. The addition of sample size requirements, §§ 51.2839 in Other Than and 51.3201 in BGG, will read as follows in both standards: ''Individual samples shall consist of at least 20 pounds. When individual packages contain 20 pounds or more and the onions are packed for Large or Jumbo size or larger the package shall be the sample. When individual packages contain less than 20 pounds, a sufficient number of adjoining packages are opened to provide at least a 20 pound sample.'' For onions smaller than Large or Jumbo size (3 inches), a 20 pound sample would be sufficient regardless of the package size because the onions are small. Defects are determined by weight and therefore smaller onions provide ample numbers of units for inspection purposes, whereas the larger onions provide fewer specimens in the same size sample. With this proposed addition of sample sizes a more uniform determination of defect percentages will be applied to the various sizes of onions in both small and large packages.

To further enhance the uniform determination of defect tolerances this proposal would also modify the Application of Tolerances section in each standard, §§ 51.2840 & 51.3202.

Currently each standard limits the individual package from exceeding certain tolerances. Each standard now reads, in part, as follows: ''* * * the contents of individual packages in the lot, based on sample inspection, are subject to the following limitations * * *.''

This proposal would change those limits from the package to the sample. The modified sections as proposed would read, in part: ''Individual samples are subject to the following limitations: * * *'' Of course, in some instances the package still remains the sample.

This proposed change in the application of tolerances is intended to enhance clarity, simplicity and uniformity of inspection procedure. Since the sample would be the unit of inspection the tolerances should apply to that unit. A single package could be just one part of the unit of inspection (in a combined 20 pound sample) and applying the limits of tolerances to that package would confuse and complicate the inspection process.

—Currently each standard contains sections entitled ''Damage'' and ''Serious Damage.'' The paragraphs within each of these sections list defects and the definitions of damage or serious damage by these defects. The following proposed revisions would affect some of these defect definitions in the interest of providing clear language, uniformity of application and consistency with current marketing and handling practices.

Currently Dry sunscald is a defect listed under damage in both standards and also under serious damage in the BGG standard. Over the years there has been some confusion surrounding the identification of this defect because dirt clod bruising of the onions may cause an area similar looking to dry sunscald. To eliminate confusion and to standardize inspection procedures the term Dry sunken areas is proposed as a replacement for the term Dry sunscald. This definition is more objective and precise. (Sections 51.2850(f) and 51.3209(c).)

The proposed definition for serious damage by dry sunken areas would remain the same in the BGG standard as it currently reads (51.3211(b)). The same definition would be added to the Other Than Standard (51.2853(f)). This would maintain uniformity and clarity in each of the standards.

Some of the defects currently listed in the damage and serious damage sections are defined in terms of when materially or seriously detracting from the appearance of the lot. Hence, these defects are scored as damage or serious damage when the lot is affected to a certain degree as opposed to when the individual onions are affected. The method of judging when the appearance of the lot is to be scored should be more precise and objective.

In the Other Than standard damage and serious damage by dirt or staining, and damage by dry roots, tops and sunburn are defined this way. In the BGG standard damage and serious damage by staining, dirt or other foreign material is also defined this way.

This proposed rule would set percentage allowances for when the lot is damaged or seriously damaged by individual defective specimens. For example the current definition for damage by dry roots in the Other Than standard reads: ''when detracting from the appearance of the lot more than the presence of 20 percent of the onions having all roots 2 inches in length.'' The proposed revision would read: ''when more than 20 percent of the onions in a lot have practically all roots 2 inches or more in length.'' The new definition should be more objective and precise. ''Practically all'' was added to be more realistic in determining the number of roots. This term means 95 percent or more as defined in the General Inspection Instructions of the Fresh Products Branch. Each of the defects listed above would be clarified in this way while keeping the intent of the scoring guidelines intact. See §§ 51.2850 (c), (e), (g), (l) and 51.2853(b) in Other Than and §§ 51.3209 (f), (h) and 51.3211(d) in BGG.

The Other Than standard currently contains definitions for damage by new roots, dry roots, tops, and watery scale. The BGG standard does not currently contain definitions for any of these defects. In an effort to promote uniformity and clarity these definitions would be added to the BGG standard.

The current definition for damage by watery scale in the Other Than standard reads: ''when more than the equivalent of the entire outer fleshy scale is affected by an off-color, watersoaked condition.'' To distinguish this defect from another condition called translucent scale an additional clarification is proposed. The following words would be added to the watery scale definition: ''* * * The off-color must be of some shade of brown or yellow.'' The serious damage definition would also be modified. The BGG standard as mentioned above would also have these definitions included for uniformity. (Sections 51.2850(k) & 51.2853(a) and 51.3209(l) and 51.3211(f).)

Neither standard currently has a definition for damage by translucent scales. To provide clear language that is consistent with current marketing practices a definition would be provided as follows: ''when more than the equivalent of two entire outer fleshy scales have a watersoaked condition.'' To provide uniformity each standard would be affected. (Sections 51.2850(n) and 51.3209(k).)

The BGG standard currently contains definitions for damage and serious damage by mechanical means. The Other Than standard does not contain these definitions. To be consistent with current handling practices for both types of onions and to provide uniformity between the standards, the current BGG definitions for mechanical damage and serious damage would be

added to the Other Than standard. (Sections 51.2850(m) and 51.2853(e).)

—Finally, the BGG standard currently does not contain a metric conversion table. The Other Than standard does. To keep both standards uniform and to bring the BGG standard up to date with current standard format a metric conversion table would be added. (Section 51.3213.)

List of Subjects in 7 CFR Part 51

Agricultural commodities, Food grades and standards, Fruits, Nuts, Reporting and recordkeeping requirements, Vegetables.

PART 51—[AMENDED]

For reasons set forth in the preamble, it is proposed that 7 CFR part 51 be amended as follows:

1. The authority citation for 7 CFR part 51 continues to read as follows:

Authority: 7 U.S.C. 1622, 1624.

2. Part 51, Subpart—United States Standards for Grades of Onions (Other Than Bermuda-Granex-Grano and Creole Types) is revised to read as follows:

Subpart—United States Standards for Grades of Onions (Other Than Bermuda-Granex-Grano and Creole Types)

Grades

Sec.

Size Classifications

Tolerances

Samples for Grade and Size Determination

Application of Tolerances

Export Packing Requirements

Definitions

Metric Conversion Table

Subpart—United States Standards for Grades of Onions (Other Than Bermuda-Granex-Grano and Creole Types)

Grades

§ 51.2830 U.S. No. 1.

U.S. No. 1 consists of onions which meet the following requirements:

(a) Basic requirements:
(1) Similar varietal characteristics;
(2) Mature;
(3) Fairly firm; and,
(4) Fairly well shaped.
(b) Free from:
(1) Decay;
(2) Wet sunscald;
(3) Doubles;
(4) Bottlenecks; and,
(5) Scallions.
(c) Free from damage caused by:
(1) Seedstems;
(2) Splits;
(3) Tops;
(4) Roots;
(5) Dry sunken areas;
(6) Sunburn;
(7) Sprouts;
(8) Freezing;
(9) Peeling;
(10) Cracked fleshy scales;
(11) Watery scales;
(12) Dirt or staining;
(13) Foreign matter;
(14) Disease;
(15) Insects; and,
(16) Other means.
(d) For tolerances see § 51.2838
(e) Size. Unless otherwise specified the diameter shall be not less than 1½ inches, and yellow, brown, or red onions shall have 40 percent or more, and white onions shall have 30 percent or more, by weight, of the onions in any lot 2 inches or larger in diameter.

(f) When a percentage of the onions is specified to be of any certain size or larger, no part of any tolerance shall be allowed to reduce the specified percentage, but individual packages in a lot may have as much as 25 percentage points less than the percentage specified, except that individual packages containing 10 pounds or less shall have no requirements as to percentage of a certain size or larger: *Provided*, that any lot, regardless of package size, shall average within the percentage specified. (See §§ 51.2837 and 51.2838.) [1]

[1] Any lot of onions quoted as being of size smaller than 1½ inches minimum, such as ''U.S. No. 1, 1¼ inches min.'' is not required to meet the percentages which shall be 2 inches or larger as specified in the U.S. No. 1 grade.

§ 51.2831 U.S. Export No. 1.

U.S. Export No. 1 consists of onions which meet the following requirements:

(a) Basic requirements:
(1) Similar varietal characteristics;
(2) Mature;
(3) Dormant;
(4) Fairly firm; and,
(5) Fairly well shaped.
(b) Free from:
(1) Decay;
(2) Wet sunscald;
(3) Doubles;
(4) Bottlenecks; and,
(5) Scallions.
(c) Free from damage caused by:
(1) Seedstems;
(2) Splits;
(3) Tops;
(4) Roots;
(5) Dry sunken areas;
(6) Sunburn;
(7) Sprouts;
(8) Freezing;
(9) Peeling;
(10) Cracked fleshy scales;
(11) Watery scales;
(12) Dirt or staining;
(13) Foreign matter;
(14) Disease;
(15) Insects; and,
(16) Other means.
(d) Unless otherwise specified onions are packed in accordance with Export Packing Requirements set forth in § 51.2841. (See § 51.2838.)

§ 51.2832 U.S. Commercial.

U.S. Commercial consists of onions which meet the following requirements:

(a) Basic requirements:
(1) Similar varietal characteristics;
(2) Mature;
(3) Not soft or spongy; and,
(4) Not badly misshapen.
(b) Free from:
(1) Decay;
(2) Wet sunscald;
(3) Doubles;
(4) Bottlenecks; and,
(5) Scallions.
(c) Free from damage caused by:
(1) Seedstems;
(2) Tops;
(3) Roots;
(4) Dry sunken areas;
(5) Sunburn;
(6) Sprouts;
(7) Freezing;
(8) Cracked fleshy scales;
(9) Watery scales;
(10) Disease;
(11) Insects; and,
(12) Other means.
(d) Free from serious damage caused by:

(1) Staining;
(2) Dirt; and,
(3) Other foreign matter.
(e) For tolerances see § 51.2838.
(f) Size. Unless otherwise specified, the diameter shall be not less than 1½ inches. (See §§ 51.2837 and 51.2838.)

§ 51.2833 U.S. No. 1 Boilers.

U.S. No. 1 Boilers consists of onions which meet all the requirements for the U.S. No. 1 grade except for size. (See § 51.2830.) Size. The diameter of onions of this grade shall be not less than 1 inch nor more than 1⅞ inches. (See § 51.2838.)

§ 51.2834 U.S. No. 1 Picklers.

U.S. No. 1 Picklers consists of onions which meet all the requirements for the U.S. No. 1 grade except for size. (See § 51.2830.) Size. The maximum diameter of onions of this grade shall be not more than 1 inch. (See § 51.2838.)

§ 51.2835 U.S. No. 1 Peeled.

U.S. No. 1 Peeled consists of onions which meet all the requirements for the U.S. No. 1 grade except for damage caused by peeling. Furthermore, onions must be free from any outer papery scales in order to meet the requirements of this grade. (See § 51.2830.)

(a) Size. Unless otherwise specified the diameter shall be not less than 1½ inches with 30 percent or more, by weight, of the onions in any lot 2 inches or larger in diameter.

(b) When a percentage of the onions is specified to be of any certain size or larger, no part of any tolerance shall be allowed to reduce the specified percentage, but individual packages in a lot may have as much as 25 percentage points less than the percentage specified, except that individual packages containing 10 pounds or less shall have no requirements as to percentage of a certain size or larger: *Provided*, that any lot, regardless of package size, shall average within the percentage specified.

(See §§ 51.2837 and 51.2838.)[2]

§ 51.2836 U.S. No. 2.

U.S. No. 2 consists of onions which meet the following requirements:

(a) Basic requirements:
(1) One type;
(2) Mature; and,
(3) Not soft or spongy.
(b) Free from:
(1) Decay;
(2) Wet sunscald; and,
(3) Scallions.
(c) Free from serious damage caused by:
(1) Seedstems;
(2) Dry sunken areas;
(3) Sprouts;
(4) Freezing;
(5) Watery scales;
(6) Disease;
(7) Insects; and,
(8) Other means.
(d) For tolerances see § 51.2838.
(e) Size. Unless otherwise specified, the diameter shall not be less than 1½ inches. (See §§ 51.2837 and 51.2838.)

Size Classifications

§ 51.2837 Size classifications.

The size of onions may be specified in accordance with one of the following classifications.

Size designation	Minimum diameter		Maximum diameter	
	Inches	Millimeters	Inches	Millimeters
Small	1	25.4	2¼	57.2
Repacker/Prepacker[1]	1¾	44.5	3	76.2
Medium	2	50.8	3¼	82.6
Large or jumbo	3	76.2	([2])	.....
Colossal	3¾	95.3	([2])	.....

[1] In addition to the sizes specified, a lot of onions designated as Repacker or Prepacker shall contain at least 60 percent or more 2 inches or larger in diameter.
[2] No requirement.

Tolerances

§ 51.2838 Tolerances.

In order to allow for variations incident to proper grading and handling in each of the foregoing grades the following tolerances, by weight, are provided as specified:

(a) For defects:

(1) *U.S. No. 1, U.S. Export No. 1, U.S. No. 1 Boilers and U.S. No. 1 Picklers grades.*

(i) Not more than 10 percent of the onions in a lot may be damaged by peeling;

(ii) Not more than 5 percent of the onions in a lot may be below the remaining requirements of these grades, but not more than two-fifths of this tolerance, or 2 percent, may be allowed for onions which are affected by decay or wet sunscald (see § 51.2840); and,

(2) *U.S. No. 1 Peeled grade.*

(i) Not more than 5 percent of the onions in a lot may have outer papery scales in any amount;

(ii) Not more than 5 percent of the onions in a lot may be below the remaining requirements of the grade, but not more than two-fifths of this tolerance, or 2 percent, may be allowed for onions which are affected by decay or wet sunscald (see § 51.2840); and,

(3) *U.S. Commercial and U.S. No. 2 grades.*

(i) Not more than 5 percent of the onions in a lot may be below the requirements of these grades, but not more than two-fifths of this tolerance, or 2 percent, may be allowed for onions which are affected by decay or wet sunscald. (See § 51.2840.)

(b) For off-size:

(1) *U.S. No. 1, U.S. No. 1 Boilers, U.S. No. 1 Peeled, U.S. Commercial, and U.S. No. 2 grades.* Not more than 5 percent of the onions in a lot may be below the specified minimum size, and not more than 10 percent may be above any specified maximum size. (See § 51.2840.)

(2) *U.S. No. 1 Pickler grade.* Not more than 10 percent of the onions in a lot may be above the maximum size specified for this grade. (See § 51.2840.)

Samples for Grade and Size Determination

§ 51.2839 Samples for grade and size determination.

Individual samples shall consist of at least 20 pounds. When individual packages contain 20 pounds or more and the onions are packed for Large or Jumbo size or larger the package shall be the sample. When individual packages contain less than 20 pounds, a sufficient number of adjoining packages are

[2] Any lot of onions quoted as being of size smaller than 1½ inches minimum, such as ''U.S. No. 1, 1¼ inches min.'' is not required to meet the percentages which shall be 2 inches or larger as specified in the U.S. No. 1 grade.

opened to provide at least a 20 pound sample.

Application of Tolerances

§ 51.2840 Application of tolerances.

Individual samples are subject to the following limitations:

(a) Samples which contain more than 20 pounds shall have not more than one and one half times a specified tolerance of 10 percent or more, and not more than double a specified tolerance of less than 10 percent, except that at least one defective and one off-size onion may be permitted in any sample: *Provided,* that en-route or at destination when onions in containers of 50 pounds or more are packed to a minimum size of 3 inches or larger not more than three onions or more than 4 percent (whichever is the larger amount) may be affected by decay or wet sunscald: And *provided further,* that the averages for the entire lot are within the tolerances specified for the grade; and,

(b) Samples which contain 20 pounds shall have not more than double the tolerance specified, except that at least one defective and one off-size onion may be permitted in any sample: Provided, that the averages for the entire lot are within the tolerances specified for the grade.

Export Packing Requirements

§ 51.2841 Export packing requirements.

Onions specified as meeting Export Packing Requirements shall be packed in containers having a net capacity of 25 kilograms (approximately 56 pounds).

Definitions

§ 51.2842 Mature.

Mature means well cured. Midseason onions which are not customarily held in storage shall be considered mature when harvested in accordance with good commercial practice at a stage which will not result in the onions becoming soft or spongy.

§ 51.2843 Dormant.

Dormant means that at least 90 percent of the onions in any lot show no evidence of growth as indicated by distinct elongation of the growing point or distinct yellow or green color in the tip of the growing point.

§ 51.2844 Fairly firm.

Fairly firm means that the onion may yield slightly to moderate pressure but is not appreciably soft or spongy.

§ 51.2845 Fairly well shaped.

Fairly well shaped means having the shape characteristic of the variety, but onions may be slightly off-type or slightly misshapen.

§ 51.2846 Wet sunscald.

Wet sunscald means sunscald which is soft, mushy, sticky or wet.

§ 51.2847 Doubles.

Doubles means onions which have developed more than one distinct bulb joined only at the base.

§ 51.2848 Bottlenecks.

Bottlenecks are onions which have abnormally thick necks with only fairly well developed bulbs.

§ 51.2849 Scallions.

Scallions are onions which have thick necks and relatively small and poorly developed bulbs.

§ 51.2850 Damage.

Damage means any specific defect described in this section; or any equally objectionable variation of any one of these defects, any other defect, or any combination of defects, which materially detracts from the appearance, or the edible or marketing quality of the onions. The following specific defects shall be considered as damage:

(a) Seedstems which are tough or woody, or which are more than ¼ inch in diameter;

(b) Splits when onions with two or more hearts are not practically covered by one or more outer scales;

(c) Tops when more than 30 percent of the onions in a lot have tops 3 inches or more in length;

(d) New roots when most roots on an individual onion have grown to a length of 1 inch or more in length;

(e) Dry roots when more than 20 percent of the onions in a lot have practically all roots 2 inches or more in length;

(f) Dry sunken areas when the affected areas exceed the equivalent to that of a circle ½ inch in diameter on an onion 2¾ inches in diameter which does not have the outer papery scale covering the affected areas or when the affected areas exceed the equivalent to that of a circle ¾ inch in diameter on an onion 2¾ inches in diameter which has the outer papery scale covering the affected areas. Correspondingly lesser or greater areas are allowed on smaller or larger onions;

(g) Sunburn when more than 33 percent of the onions in a lot have a medium green color on one-third of the surface;

(h) Sprouts when visible, or when concealed within the dry top and more than three-fourths inch in length on an onion 2 inches or larger in diameter, or proportionately shorter on smaller onions;

(i) Peeling when more than one-half of the thin papery skin is missing, leaving the underlying fleshy scale unprotected;

(j) Cracked fleshy scales when one or more of the fleshy scales are cracked;

(k) Watery scales when more than the equivalent of the entire outer fleshy scale is affected by an off-color, watersoaked condition. The off-color must be of some shade of brown or yellow;

(l) Dirt, staining or other foreign matter when more than 20 percent of the onions in a yellow, brown or red lot, or more than 15 percent of the onions in a white lot are appreciably stained. Onions with adhering dirt or other foreign matter shall be judged on the same basis as stained onions;

(m) Mechanical when any cut extends deeper than one fleshy scale, or when any bruise breaks a fleshy scale; and,

(n) Translucent scales when more than the equivalent of two entire outer fleshy scales have a watersoaked condition.

§ 51.2851 Diameter.

Diameter means the greatest dimension measured at right angles to a straight line running from the stem to the root.

§ 51.2852 Badly misshapen.

Badly misshapen means that the onion is so misshapen that its appearance is seriously affected.

§ 51.2853 Serious damage.

Serious damage means any specific defect described in this section; or any equally objectionable variation of any one of these defects, any other defect, or any combination of defects, which seriously detracts from the appearance, or the edible or marketing quality of the onions. The following specific defects shall be considered as serious damage:

(a) Watery scales when more than the equivalent of two entire outer fleshy scales are affected by an off-colored, watersoaked condition. The off-color must be of some shade of brown or yellow;

(b) Dirt, staining or other foreign matter when more than 25 percent of the onions in a lot are badly stained. Onions with adhering dirt or other foreign matter shall be judged on the same basis as stained onions;

(c) Seedstems when more than one-half inch in diameter;

(d) Sprouts when the visible length is more than one half inch;

(e) Mechanical when any cut extends deeper than two fleshy scales, or when cuts seriously damage the appearance of the onion; and,

(f) Dry sunken areas when extending deeper than one fleshy scale, or when affecting an area equivalent to that of a circle 1 inch in diameter on an onion

2¾ inches in diameter, or correspondingly lesser or greater areas on smaller or larger onions.

§ 51.2854 One type.

One type means that the onions are within the same general color category.

Metric Conversion Table

§ 51.2855 Metric conversion table.

Inches	Millimeters (mm)
⅛	3.2
¼	6.4
⅜	9.5
½	12.7
⅝	15.9
¾	19.1
⅞	22.2
1	25.4
1¼	31.8
1½	38.1
1¾	44.5
2	50.8
2½	63.5
2¾	69.9
3	76.2
3½	88.9
4	101.6

3. In Subpart—United States Standards for Grades of Bermuda-Granex-Grano Type Onions is revised to read as follows:

Subpart—United States Standards for Grades of Bermuda-Granex-Grano Type Onions

Grades

Tolerances

Samples for Grade and Size Determination

Application of Tolerances

Definitions

Metric Conversion Table

Subpart—United States standards for Grades of Bermuda-Granex-Grano Type Onions

Grades

§ 51.3195 U.S. No. 1

U.S. No. 1 consists of onions which meet the following requirements:

(a) Basic requirements:
(1) Similar varietal characteristics;
(2) Mature;
(3) Fairly firm; and,
(4) Fairly well shaped.
(b) Free from:
(1) Decay;
(2) Wet unscald;
(3) Doubles; and,
(4) Bottlenecks.
(c) Free from damage caused by:
(1) Seedstems;
(2) Splits;
(3) Moisture;
(4) Roots:
(5) Dry sunscald;
(6) Sunburn;
(7) Sprouting;
(8) Staining;
(9) Dirt or foreign material;
(10) Disease;
(11) Insects;
(12) Mechanical; and,
(13) Other means.
(d) For size and tolerances see §§ 51.3199 and 51.3200.

§ 51.3196 U.S. No. 1 Peeled.

U.S. No. 1 Peeled consists of onions which meet all the requirements for the U.S. No. 1 grade. Furthermore, onions must be free from any outer papery scales in order to meet the requirements of this grade. (See §§ 51.3199 and 51.3200.)

§ 51.3197 U.S. Combination.

U.S. Combination consists of a combination of U.S. No. 1 and U.S. No. 2 onions: *Provided*, that at least 50 percent, by weight, of the onions in each lot meet the requirements of U.S. No. 1 grade. (See §§ 51.3199 and 51.3200.)

§ 51.3198 U.S. No. 2.

U.S. No. 2 consists of onions which meet the following requirements:

(a) Basic requirements:
(1) Similar varietal characteristics; and,
(2) Not soft or spongy.
(b) Free from:
(1) Decay;
(2) Wet sunscald; and,
(3) Bottlenecks.
(c) Free from serious damage caused by:
(1) Seedstems;
(2) Dry sunken areas;
(3) Sprouting;
(4) Staining;
(5) Dirt or other foreign material;
(6) Disease;
(7) Insects;
(8) Mechanical; and,
(9) Other means.
(d) For size and tolerances see §§ 51.3199 and 51.3200.

Size Classifications

§ 51.3199 Size classifications.

Size shall be specified in connection with the grade in terms of minimum diameter, range in diameter, minimum diameter with a percentage of a certain size or larger, or in accordance with one of the size classifications listed below: Provided, that unless otherwise specified, onions shall not be less than 1½ inches in diameter, with 60 percent or more 2 inches or larger in diameter.

Size designation	Minimum diameter		Maximum diameter	
	Inches	Millimeters	Inches	Millimeters
Small	1	25.4	2¼	57.2
Repacker/Prepacker [1]	1¾	44.5	3	76.2
Medium	2	50.8	3¼	82.6
Large or jumbo	3	76.2	([2])	
Colossal	3¾	95.3 ([2])		

[1] In addition to the sizes specified, a lot of onions designated as Repacker or Prepacker shall contain at least 60 percent or more 2 inches or larger in diameter.
[2] No requirement.

Tolerances

§ 51.3200 Tolerances.

In order to allow for variations incident to proper grading and handling in each of the foregoing grades the following tolerances, by weight, are provided as specified:

(a) For defects:

(1) *U.S. No. 1 and U.S. No. 2 grades.*

(i) Not more than 10 percent of the onions in a lot may fail to meet the requirements of these grades, but not more than one-fifth of this tolerance, or 2 percent, may be allowed for onions which are affected by decay or wet sunscald.

(2) *U.S. No. 1 Peeled grade.*

(i) Not more than 5 percent of the onions in a lot may have outer papery scales in any amount;

(ii) Not more than 10 percent of the onions in a lot may be below the remaining requirements of the grade, but not more than one-fifth of this tolerance, or 2 percent, may be allowed for onions which are affected by decay or wet sunscald.

(3) *U.S. Combination grade.*

(i) When applying the foregoing tolerances to this grade no part of any tolerance shall be allowed to reduce, for the lot as a whole, the 50 percent of onions of the U.S. No. 1 grade, but individual containers shall have not less than 40 percent of the U.S. No. 1 grade.

(b) For size:

(1) Not more than 5 percent of the onions in a lot may be smaller than the minimum diameter specified. In addition, not more than 10 percent of the onions in a lot may be larger than the maximum diameter specified.

(2) When a percentage of the onions is specified to be a certain size and larger, individual packages containing more than 10 pounds may have not less than one-half of the percentage specified: *Provided,* that the entire lot averages within the percentage specified.

Samples for Grade and Size Determination

§ 51.3201 Samples for grade and size determination.

Individual samples shall consist of at least 20 pounds. When individual packages contain 20 pounds or more and the onions are packed for Large or Jumbo size or larger the package shall be the sample. When individual packages contain less than 20 pounds, a sufficient number of adjoining packages are opened to provide at least a 20 pound sample.

Application of Tolerances

§ 51.3202 Application of tolerances.

Individual samples are subject to the following limitations:

(a) Samples which contain more than 20 pounds shall have not more than one and one half times a specified tolerance of 10 percent or more, and not more than double a specified tolerance of less than 10 percent, except that at least one defective and one off-size onion may be permitted in any sample: *Provided,* that enroute or at destination when onions in containers of 50 pounds or more are packed to a minimum size of 3 inches or larger not more than three onions or more than 4 percent (whichever is the larger amount) may be affected by decay or wet sunscald: *And provided further,* that the averages for the entire lot are within the tolerances specified for the grade; and,

(b) Samples which contain 20 pounds shall have not more than double the tolerance specified, except that at least one defective and one off-size onion may be permitted in any sample: *Provided,* that the averages for the entire lot are within the tolerances specified for the grade.

Definitions

§ 51.3203 Similar varietal characteristics.

Similar varietal characteristics means that the onions in any container are similar in color, shape and character of growth.

§ 51.3204 Mature.

Mature means that the onion is fairly well cured, and at least fairly firm.

§ 51.3205 Fairly firm.

Fairly firm means that the onion may yield slightly to moderate pressure but is not appreciably soft or spongy.

§ 51.3206 Fairly well shaped.

Fairly well shaped means that the onion shows the characteristic shape, not appreciably three-, four- or five-sided, thick necked or badly pinched.

§ 51.3207 Wet sunscald.

Wet sunscald means any sunscald which is soft, mushy, sticky or wet.

§ 51.3208 Doubles.

Doubles means onions which have developed more than one distinct bulb joined only at the base.

§ 51.3209 Bottlenecks.

Bottlenecks means onions which have abnormally thick necks with only fairly well developed bulbs.

§ 51.3210 Damage.

Damage unless otherwise specifically defined in this section, means any defect which materially affects the appearance, or the edible or shipping quality of the onions. Any one of the following defects, or combination of defects the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as damage:

(a) Seedstems which are tough or woody, or which are more than one-fourth inch in diameter;

(b) Splits when well cured onions are not practically covered by an outer scale, or when fairly well cured onions are not completely covered by one outer scale;

(c) Dry sunken areas when the affected areas exceed the equivalent to that of a circle ½ inch in diameter on an onion 2¾ inches in diameter which does not have the outer papery scale covering the affected areas or when the affected areas exceed the equivalent to that of a circle ¾ inch in diameter on an onion 2¾ inches in diameter which has the outer papery scale covering the affected areas. Correspondingly lesser or greater areas are allowed on smaller or larger onions;

(d) Sunburn when dark green in color and affecting an area equivalent to that of a circle 1 inch in diameter on an onion 2¾ inches in diameter or correspondingly smaller or larger areas on smaller or larger onions, or when medium to light green in color and affecting more than 10 percent of the surface of the onion;

(e) Sprouting when any sprout is visible, or when concealed within the neck scales and are more than three-fourths inch in length on an onion 2 inches or larger in diameter, or proportionately shorter on smaller onions;

(f) Staining, dirt or other foreign material when more than 20 percent of the onions in a yellow, brown or red lot, or more than 15 percent of the onions in a white lot are appreciably stained. Onions with adhering dirt or other foreign matter shall be judged on the same basis as stained onions;

(g) Mechanical when any cut extends deeper than one fleshy scale, or when any bruise breaks a fleshy scale;

(h) Tops when more than 30 percent of the onions in a lot have tops 3 inches or more in length;

(i) New roots when most roots on an individual onion have grown to a length of 1 inch or more;

(j) Dry roots when practically all roots are 2 inches or more in length;

(k) Translucent scales when more than the equivalent of two entire outer

fleshy scales have a watersoaked condition; and,

(l) Watery scales when more than the equivalent of the entire outer fleshy scale is affected by an off-color, watersoaked condition. The off-color must be of some shade of brown or yellow.

§ 51.3211 Serious damage.

Serious damage unless otherwise specifically defined in this section, means any defect which seriously affects the appearance, or the edible or shipping quality of the onions. Any one of the following defects, or any combination of defects the seriousness of which exceeds the maximum allowed for any one defect, shall be considered as serious damage:

(a) Seedstems when more than one-half inch in diameter;

(b) Dry sunken areas when extending deeper than one fleshy scale, or when affecting an area equivalent to that of a circle 1 inch in diameter on an onion 2¾ inches in diameter, or correspondingly lesser or greater areas on smaller or larger onions;

(c) Sprouting when any visible sprout is more than one-half inch in length;

(d) Staining, dirt or foreign material when more than 25 percent of the onions in any lot are badly stained. Onions with adhering dirt or other foreign matter shall be judged on the same basis as stained onions;

(e) Mechanical when any cut extends deeper than two fleshy scales, or when cuts seriously damage the appearance of the onion; and,

(f) Watery scales when more than the equivalent of two entire outer fleshy scales are affected by an off-colored, watersoaked condition. The off-color must be of some shade of brown or yellow.

§ 51.3212 Diameter.

Diameter means the greatest dimension of the onion at right angles to a line running from the stem to the root.

Metric Conversion Table

§ 51.3213 Metric conversion table.

Inches	Millimeters (mm)
1/8	3.2
1/4	6.4
3/8	9.5
1/2	12.7
5/8	15.9
3/4	19.1
7/8	22.2
1	25.4
1 1/4	31.8
1 1/2	38.1
1 3/4	44.5
2	50.8
2 1/2	63.5
2 3/4	69.9
3	76.2
3 1/2	88.9
4	101.6

Dated: February 9, 1995.

Lon Hatamiya,

Administrator.

[FR Doc. 95–3787 Filed 2–15–95; 8:45 am]

BILLING CODE 3410–02–P

Rural Utilities Service

7 CFR Part 1717

Investments, Loans, and Guarantees by Electric Borrowers

AGENCY: Rural Utilities Service, USDA.

ACTION: Proposed Rule.

SUMMARY: The Rural Utilities Service (RUS) hereby proposes to revise its policies and requirements governing restrictions on investments, loans and guarantees made by electric borrowers. This proposed rule is intended to clarify RUS's policies and requirements, reduce uncertainty by borrowers, and improve compliance.

DATES: Written comments must be received by RUS or carry a postmark or equivalent by April 17, 1995.

ADDRESSES: Written comments should be addressed to Mr. F. Lamont Heppe, Jr., Deputy Director, Program Support Staff, U.S. Department of Agriculture, Rural Utilities Service, Ag Box 1522, room 2234–S, 14th Street and Independence Avenue, SW., Washington, DC 20250–1500. RUS requires a signed original and 3 copies of all comments (7 CFR 1700.30 (e)). Comments will be available for public inspection during regular business hours (7 CFR 1.27(b)).

FOR FURTHER INFORMATION CONTACT: Mr. Alex M. Cockey, Jr., Deputy Assistant Administrator—Electric, U.S. Department of Agriculture, Rural Utilities Service, Ag Box 1560, room 4037–S, 14th Street & Independence Avenue, SW., Washington, DC 20250–1500. Telephone: 202–720–9547.

SUPPLEMENTARY INFORMATION: This proposed rule has been determined to be not significant for the purposes of Executive Order 12866, and therefore has not been reviewed by the Office of Management and Budget (OMB). The Administrator of RUS has determined that the Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) does not apply to this rule. The Administrator of RUS has determined that this rule will not significantly affect the quality of the human environment as defined by the National Environmental Policy Act of 1969 (42 U.S.C. 4321 *et seq.*). Therefore, this action does not require an environmental impact statement or assessment. This rule is excluded from the scope of Executive Order 12372, Intergovernmental Consultation, which may require consultation with State and local officials. A Notice of Final Rule titled Department Programs and Activities Excluded from Executive Order 12372 (50 FR 47034) exempts RUS electric loans and loan guarantees from coverage under this Order. This rule has been reviewed under Executive Order 12778, Civil Justice Reform. This rule: (1) Will not preempt any State or local laws, regulations, or policies, unless they present an irreconcilable conflict with this rule; (2) Will not have any retroactive effect; and (3) Will not require administrative proceedings before any parties may file suit challenging the provisions of this rule.

The program described by this rule is listed in the Catalog of Federal Domestic Assistance Programs under number 10.850 Rural Electrification Loans and Loan Guarantees. This catalog is available on a subscription basis from the Superintendent of Documents, the United States Government Printing Office, Washington, DC 20402–9325.

Information Collection and Recordkeeping Requirements

The existing recordkeeping and reporting burdens contained in this rule were approved by the Office of Management and Budget (OMB) pursuant to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*), under control numbers 0572–0017, 0572–0032, and 0572–0103. Additional information collection and recordkeeping requirements contained in this proposed rule have been submitted to OMB for review.

Send questions or comments regarding these burdens or any other aspect of these collections of information, including suggestions for reducing the burden, to the Office of Information and Regulatory Affairs, Office of Management and Budget, room 10102, NEOB, Washington, DC 20503. Attention: Desk Officer for USDA.

Background

On December 22, 1987, section 312 was added to the Rural Electrification Act of 1936. This section allows electric borrowers to invest their own funds or make loans or guarantees, not in excess of 15 percent of their total utility plant,

without restriction or prior approval of the Administrator of the Rural Utilities Service (RUS). On June 29, 1989, RUS issued a final rule codifying this provision (at 54 FR 27325), and the provision became effective for all electric mortgages executed after July 31, 1989. Mortgages executed prior to that date contained a provision granting the Administrator the right to approve investments, loans and guarantees by the borrower once the aggregate of such investments, loans and guarantees reached 3 percent of total utility plant.

This proposed rule is intended to clarify RUS's policies and requirements regarding restrictions on borrower investments, loans and guarantees. Over the past several years borrowers have raised a number of questions about such issues as: Which investments, loans or guarantees are subject to RUS approval and which are excluded; the criteria used by RUS in approving an investment, loan or guarantee; whether RUS approval of an investment, loan or guarantee means that it is no longer counted in determining the ratio to total utility plant; whether RUS will approve an investment, loan or guarantee if the borrower is under the 15 percent limit; whether a borrower will be in default under its mortgage because net profits earned on its investments pushed its total above the 15 percent limit. This proposed rule attempts to resolve such questions.

RUS is also in the process of updating its mortgage and loan contract used with electric borrowers. RUS published a proposed mortgage for electric distribution borrowers on September 29, 1994 at 59 FR 49594. In that rule it is proposed that RUS controls over borrower investments, loans and guarantees be moved from the mortgage to the RUS loan contract. Such a move would have no effect on RUS's controls or their enforceability under the RUS mortgage.

The following discussion of the proposed rule published today focuses on the major provisions and more significant changes proposed to the existing regulation.

Section 1717.651 Policy

No change is proposed to this section. It would remain RUS policy that borrowers are encouraged to use their own funds to foster the economic development of rural areas, provided that such actions do not in any way put government funds at risk or impair the borrower's ability to repay its indebtedness to RUS and other lenders.

Section 1717.652 Definitions

Several changes are proposed to this section, mostly to accommodate changes proposed elsewhere in the rule. For example, definitions are added for ''Default,'' ''Equity,'' ''Operating DSC,'' ''Operating TIER,'' ''Regulatory Created Assets,'' and ''Total Assets.'' These relate primarily to proposed § 1717.655, under which borrowers that meet certain criteria would be exempt from RUS approval of investments, loans and guarantees.

Technical changes are proposed to the definition of ''Own Funds.'' These are not intended to make any substantive change to what investments, loans and guarantees are or are not controlled by RUS. The proposed changes are intended to more closely reflect the approach actually used by RUS in monitoring investments, loans and guarantees. The current definition may give the erroneous impression that all cash deposits and other assets held by a borrower are first divided into ''Own Funds'' and ''other funds'' and that only ''Own Funds'' are subject to controls. In fact, all of a borrower's investments, loans and guarantees are subject to controls except those made under the 15 percent limit and those excluded under § 1717.654. The definition of ''Own Funds'' serves primarily to make clear that, for the purposes of the 15 percent exclusion, a borrower cannot treat funds lent by RUS as its ''Own Funds''.

In addition, four new terms would be defined: ''Natural Gas Distribution System,'' ''Solid Waste Disposal System,'' Telecommunication and Other Electronic Communication System,'' and ''Water and Waste Disposal System.'' Under proposed § 1717.654 investments by borrowers in these four types of community infrastructure located in the borrowers' service territories would be excluded from RUS control.

Finally, it is proposed that the current definition of ''Invest'' be supplemented by allowing borrowers to submit any proposed transaction to RUS for an interpretation of whether the action is an investment for the purposes of RUS controls.

Section 1717.653 Transactions Below the 15 Percent Level

Proposed paragraph (a) of new § 1717.653 is the same substantively as existing § 1717.653. It would continue to provide that a borrower in compliance with all provisions of its RUS mortgage, RUS loan contract, and any other agreement with RUS would not need prior approval from RUS to make investments, loans and guarantees up to the 15 percent level. For purposes of clarity, the proviso that the borrower must not be in default would be included at this point rather than in the definition of borrower, as in the existing rule. Similarly, a proviso would be included to make it clear that funds necessary to make timely payments of principal and interest on loans secured by the RUS mortgage would remain subject to RUS controls. This issue is currently addressed in the definition of ''Own Funds'' in the existing rule.

Proposed paragraph (b) is substantively the same as existing § 1717.654(b).

Proposed paragraph (c) is new, and is intended to clarify RUS policy that it will not ''approve'' investments, loans or guarantees made below the 15 percent level. In the past, some borrowers have sought to obtain RUS approval of transactions below the 15 percent limit and to have these transactions excluded when determining the aggregate amount of investments, loans and guarantees made by the borrower. Such approvals would not be consistent with the restriction imposed on RUS by section 312 of the RE Act. They also would not be consistent with protecting loan security since a borrower might seek approval and exclusion of low-risk transactions below the 15 percent limit in order to make room for high-risk transactions below the limit that would be immune from RUS review.

Section 1717.654 Exclusion of Certain Investments, Loans and Guarantees

Proposed paragraph (a) would remain substantively the same as existing paragraph (a). The exclusions set forth in proposed paragraph (b) are the same as those in existing paragraph (b)(2), except that it would be made clear that all investments made in the National Rural Utilities Cooperative Finance Corporation and the National Bank for Cooperatives would be excluded from RUS controls, as they are now under current RUS policy.

Certain other exclusions currently followed by RUS would continue. These include exclusions for any investment, loan or guarantee that the borrower is required to make by RUS or other USDA agency; investments included in an irrevocable trust for the purpose of funding post-retirement benefits of the borrower's employees; and reserves required by a reserve bond agreement or other legally binding agreement that are dedicated to making required payments on debt secured under the RUS mortgage, not to exceed the amount of reserves specifically required by such agreement.

All dollar amounts excluded by RUS from the calculation of aggregate investments, loans, and guarantees pursuant to the RUS mortgage, RUS loan contract, and/or RUS regulations, bulletins, memoranda (including the memorandum of March 28, 1985 cited below), or other written notice as of the date of this proposed rule will continue to be excluded in the future. However, profits, interest and other returns (regardless of whether or not they are reinvested) from such investments, loans, and guarantees after the date of this proposed rule will be excluded only if they are excluded under proposed § 1717.654. Also, any new commitment of funds to such investments, loans, and guarantees will not be exempted after the date of this proposed rule unless they are excluded under proposed § 1717.654. Moreover, the memorandum issued to all electric borrowers by the Administrator of the Rural Electrification Administration, dated March 28, 1985, regarding the approval of certain investments is hereby rescinded.

Several new exclusions are proposed under paragraph (c) of this section. There would be no restrictions on investments in or loans to the following types of community infrastructure located in the borrower's service territory: water and waste disposal systems; solid waste disposal systems; telecommunication and other electronic communication systems; and natural gas distribution systems. Guarantees of the obligations of such systems would also be excluded so long as the aggregate amount of such guarantees does not exceed 20 percent of the borrower's equity.

RUS believes that borrowers should be able to minimize the risks associated with investing in these types of community infrastructure because of the similarities in structure and operation between them and the borrowers' main electric utility business, and the opportunities for sharing overhead in such areas as billing, communications, system control, repair and maintenance, and construction supervision. Excluding these investments complements the approach in the proposed new mortgage for distribution borrowers, which would allow borrowers meeting certain criteria to issue up to 20 percent of their total secured debt for such community infrastructure, without the approval of the mortgagees.

It is also proposed that amounts ''invested'' in customer accounts receivable and other accounts receivable be excluded from the calculation of total investments, loans and guarantees. These ''investments'' represent commitments made for a period of less than a year, and should not present a significant on-going risk to the borrower or RUS.

Other proposed editorial changes to existing 1717.654, such as shifting paragraph (b)(1) to 1717.653(b) would not change the substance of the rule.

Section 1717.655 Exemption of Certain Borrowers From Controls

Proposed new § 1717.655 would exempt borrowers that meet certain criteria from RUS approval of investments, loans and guarantees. The proposed criteria are as follows:

- The borrower must be in compliance with all provisions of its RUS mortgage, RUS loan contract, and any other agreement with RUS.
- The average revenue per kWh for residential service received by the borrower must not exceed 130 percent of the average revenue for residential service for all residential consumers in the state or states served by the borrower. The criterion would apply only to distribution borrowers.
- In the most recent calendar year the borrower must have achieved an operating TIER and an operating DSC of at least 1.0, in each case based on the average of the two highest ratios achieved in the three most recent years.
- The borrower's ratio of net utility plant to long-term debt must be at least 1.1.
- The borrower must have equity equal to at least 27 percent of its total assets.

Both distribution and power supply borrowers that meet these criteria would be exempt from RUS approval of investments, loans and guarantees. It is estimated that about 83 percent of distribution borrowers and 3 power supply borrowers currently would meet the proposed criteria for exemption. Borrowers not meeting the criteria would be subject to RUS approval of investments, loans and guarantees above 15 percent of total utility plant.

The first qualification criterion would require the borrower to be in good standing with respect to all covenants of its RUS mortgage, RUS loan contract or any other agreement with RUS, such as adequately maintaining the property, having adequate insurance coverage, meeting all financial obligations, and achieving margins sufficient to meet TIER and DSC requirements.

The second criterion would exclude borrowers that are more likely to face risks of substantial downward pressure on rates and the possible loss of load and revenues. While comparing a borrower with the state average, as proposed, is less reliable analytically than a detailed comparison with the borrower's neighboring competitors, setting the threshold at 130 percent should ensure that borrowers that fail the test most likely face an increased risk of rate competition. At a borrower's request, the Administrator of RUS could waive this criterion if he found that the borrower's strength on the other qualification criteria offset the borrower's weakness in rate disparity.

The third criterion would ensure that the borrower is usually able to cover all of the expenses of its utility operation from utility revenues, and normally should not be dependent on income from investments or loans to meet the expenses of its primary business.

The fourth criterion would provide substantial assurance that the borrower's long-term debt is adequately collateralized and that RUS loan security normally should not need to depend on the borrower's investments and loans, which may not be secured or effectively secured under the RUS mortgage and whose liquidation value may vary substantially over time.

The fifth criterion would provide an equity cushion in the event the borrower defaulted and foreclosure and liquidation became necessary. It also would provide an incentive for profitable investments and a disincentive for unprofitable investments, since the ratio of equity to total assets would increase in the first case and decrease in the second. A borrower could lose its exemption status if bad investments reduced equity below 27 percent.

While distribution and power supply borrowers that meet the proposed criteria would be exempt from RUS approval of their investments, loans and guarantees, these borrowers would continue to be obligated to maintain adequate records and to report annually on their transactions. Such records and reports would be needed in the event an exempt borrower lost its exemption because of failure to meet one or more of the criteria, and also to monitor borrower performance in making investments in rural development.

If an exempt borrower ceases to meet the criteria for exemption, it would become subject to the controls set forth in this proposed rule upon receiving written notice from RUS. Such borrower could regain its exemption if subsequently it met the qualification criteria and was so notified in writing by RUS.

If an exempt borrower is over the 15 percent level at the time it loses its exemption, it could ask the Administrator to exclude a portion of its investments, loans and guarantees up to

the aggregate amount of net profit earned on all of its transactions over the past 10 years. If the net profits are insufficient, or if the Administrator does not exclude an amount sufficient to bring the borrower to or below the 15 percent level, the borrower would be required to reduce or restructure its portfolio (e.g., divest or shift some investments to excluded investments) in order to come within the 15 percent limit. If the borrower failed to do this within a timeframe set by RUS, the borrower would be in default of its RUS loan contract and/or RUS mortgage upon receiving written notice from RUS of the default.

Section 1717.656 Investments, Loans, and Guarantees in Excess of 15 Percent of Total Utility Plant

Proposed new § 1717.656 would establish policies and requirements for RUS approval of investments, loans and guarantees above 15 percent of total utility plant. The section would apply only to borrowers that do not qualify for an outright exemption from RUS approval under § 1717.655. In the case of distribution borrowers that do not qualify for an exemption, they would not be given approval to make controlled investments, loans and guarantees above the 15 percent level.

These borrowers currently represent less than 20 percent of all distribution borrowers, and all but one of them are below the 15 percent level at the present time. These borrowers would retain the latitude to make unlimited investments, loans and guarantees within those categories excluded from control under § 1717.654. Moreover, RUS believes that many of these borrowers could improve their economic and financial condition in order to qualify for the outright exemption under § 1717.655, if they want the additional latitude to make controlled investments, loans and guarantees above the 15 percent level.

In the case of power supply borrowers that do not qualify for an exemption under § 1717.655, RUS would consider requests to make controlled investments, loans and guarantees above the 15 percent level. To be eligible to submit a request, a power supply borrower would have to meet the following criteria:

- The borrower must be in compliance with all provisions of its RUS mortgage, RUS loan contract and any other agreement with RUS.
- The borrower cannot be in financial workout nor had its government debt restructured.
- The borrower must have equity of at least 5 percent of total assets.
- After approval of the request, the aggregate of the borrower's investments, loans and guarantees cannot exceed 20 percent of total utility plant. Beyond this level RUS believes that further investments, loans or guarantees outside of the ''excluded categories'' would present unacceptable risks in the case of borrowers that do not qualify for an exemption under § 1717.655.

If a power supply borrower meets the above criteria, its request would be considered on a case by case basis. In considering the request, the Administrator would take the following factors into consideration:

- The repayment of all loans secured by the RUS mortgage must continue to be assured and security must continue to be reasonably adequate even if the entire investment, loan or guaranteed amount were lost. This ''total loss'' approach would expedite review by RUS by eliminating the need to assess the probability of a loss occurring and its probable size. The effect of the loss of the entire investment, loan or guaranteed amount would be considered along with all other risks facing the borrower.
- In the case of an investment, the investment would have to be made in an entity separate from the borrower, such as a subsidiary, whereby the borrower would be protected from any liabilities incurred by the separate entity, unless the borrower is able to demonstrate that making the investment directly rather than through a separate entity would present no substantial risk beyond that of possibly losing part or all of the investment.
- The borrower must be economically and financially sound as indicated by its costs of operation, competitiveness, operating TIER and operating DSC, physical condition of the plant, ratio of equity to total assets, ratio of net utility plant to long-term debt, and other factors.
- Other factors affecting the security and repayment of government debt, as determined on a case by case basis.

This proposed new section 1717.656 would also clarify existing policy that if RUS approves an investment, loan or guarantee, such investment, loan or guarantee would continue to be included when calculating the borrower's ratio of aggregate investments, loans and guarantees to total utility plant. In other words, just because an investment has been approved by RUS doesn't mean it will not continue to be counted toward the borrower's total investments.

Proposed paragraph (d) of this section would deal with the situation where profits earned on investments increase the aggregate amount of investment and could cause a borrower to be in technical violation of its loan contract or mortgage. The paragraph would make it clear that if a borrower exceeded the 15 percent limit as a result of net profits earned on the aggregate of its investments, loans and guarantees during the past 10 years, the borrower would not be in default of its loan contract or mortgage. Net profit would be calculated by taking the sum of all profits earned on all transactions during the past 10 years (including interest earned on cash accounts, loans, and similar transactions), and subtracting all losses experienced on all transactions during the same period.

Also, under proposed paragraph (d) RUS would be willing to consider a borrower's request to exclude up to the amount of net profit earned on the borrower's investments, loans and guarantees during the past 10 years. Such exclusion by RUS may or may not reduce the borrower's aggregate investments, loans and guarantees to or below the 15 percent limit. If it does not, the borrower would be required to restructure or reduce its portfolio to come within the 15 percent level. Failure to do so within a timeframe set by RUS would result, upon written notice from RUS, in a default by the borrower.

Section 1717.657 Records, Reports and Audits

Paragraphs (a), (b) and (c) of proposed § 1717.657 are the same substantively as existing § 1717.655. Proposed paragraph (a) is the same substantively as existing paragraph (a) of § 1717.655, and proposed paragraph (c) is the same substantively as existing paragraph (b). Proposed paragraph (b) would combine existing paragraphs (c) and (d).

Proposed paragraph (d) would be a new provision. It would clarify that RUS monitoring of borrower compliance with this rule will be based primarily on the annual financial and statistical reports submitted by borrowers (i.e., the RUS Forms 7 and 12), and the annual auditor's report on borrower operations. While RUS would ordinarily rely primarily on these annual reports, all borrowers would continue to be obligated to comply with this rule throughout the entire year. For example, if a borrower was below the 15 percent level at the end of the preceding year, it could not exceed the 15 percent level during the current year without prior approval from RUS, unless of course it was exempt from approval under proposed § 1717.655.

Section 1717.658 Effect of Subpart on RUS Loan Contract and Mortgage

Section 1717.656 of the existing rule lists several specific provisions of the RUS mortgage that are not affected by the rule, as well as the fact that a supplemental lender's rights under the RUS mortgage regarding control of investments also are not affected by the rule. These specific provisions were listed for emphasis only; there being no intent to imply that other provisions of the mortgage are somehow affected by the rule on investment controls. Furthermore, section 1717.657 of the existing rule provides that the rule does not affect a supplemental lender's rights under its own loan documentation to control borrower investments.

Proposed § 1717.658 would combine and simplify the two existing sections. Rather than list, for emphasis, specific provisions of the RUS mortgage that are not affected by the rule, the proposed rule would make it clear that it does not affect any provision, covenant, or requirement in the RUS mortgage, RUS loan contract, or any other agreement between a borrower and RUS with respect to any matter other than the prior approval of investments, loans, and guarantees made by the borrower. Also, the proposed section would combine the provisions of the two existing sections regarding a supplemental lender's rights to control investments not being affected by the proposed rule.

Appendix A

Existing Appendix A to subpart N provides several examples of how certain types of investments, loans, and guarantees should be reported. In light of the clarification and additional guidance that would be provided in the main body of this proposed rule, as well as that provided annually in RUS Bulletins 1717B–2 and 1717B–3, it is proposed that Appendix A be dropped.

In summary, RUS believes the proposed changes to subpart N will clarify RUS's policies and requirements on investments, loans and guarantees, improve compliance, provide better service to our borrowers by reducing uncertainty as to what is expected of them, and improve the utilization of RUS staff resources.

List of Subject in 7 CFR Part 1717

Administrative practice and procedure, Electric power, Electric power rates, Electric utilities, Intergovernmental relations, Investments, Loan programs—energy, Reporting and recordkeeping requirements, Rural areas.

For the reasons stated, subpart N of 7 CFR 1717 is proposed to be revised as follows:

PART 1717—POST-LOAN POLICIES AND PROCEDURES COMMON TO INSURED AND GUARANTEED ELECTRIC LOANS

Subpart N—Investments, Loans, and Guarantees by Electric Borrowers

Sec.

Subpart N—Investments, Loans, and Guarantees by Electric Borrowers

Authority: 7 U.S.C. 901–950b; Pub.L. 103–354, 108 Stat. 3178 (7 U.S.C. 6941 *et seq.*); Title I, Subtitle D, Pub.L. 100–203, 101 stat. 1330.

§ 1717.650 Purpose.

This subpart contains the general regulations of the Rural Utilities Service (RUS) for implementing and interpreting the provisions of the Rural Electrification Act of 1936, as amended, including section 312 (7 U.S.C. 901 et seq.) (RE Act), permitting, in certain circumstances, that borrowers of insured or guaranteed electric loans under the RE Act may, without restriction or prior approval of the Administrator of RUS, invest their own funds and make loans or guarantees.

§ 1717.651 Policy.

RUS electric borrowers are encouraged to utilize their own funds to participate in the economic development of rural areas, provided that such activity does not in any way put government funds at risk or impair a borrower's ability to repay its indebtedness to RUS and other lenders. In considering whether to make loans, investments, or guarantees, borrowers are expected to act in accordance with prudent business practices and in conformity with the laws of the jurisdictions in which they serve. RUS assumes that borrowers will use the latitude afforded them by section 312 of the RE Act primarily to make needed investments in rural community infrastructure projects (such as water and waste systems, garbage collection services, etc.) and in job creation activities (such as providing technical, financial, managerial assistance) and other activities to promote business development and economic diversification in rural communities. Nonetheless, RUS believes that borrowers should continue to give primary consideration to safety and liquidity in the management of their funds.

§ 1717.652 Definitions.

As used in this subpart:

Borrower means any organization that has an outstanding loan made or guaranteed by RUS for rural electrification.

Cash-construction fund-trustee account means the account described in the Uniform System of Accounts as one to which funds are deposited for financing the construction or purchase of electric facilities.

Guarantee means to undertake collaterally to answer for the payment of another's debt or the performance of another's duty, liability, or obligation, including, without limitation, the obligations of subsidiaries. Some examples of such guarantees include guarantees of payment or collection on a note or other debt instrument (assuring returns on investments); issuing performance bonds or completion bonds; or cosigning leases or other obligations of third parties.

Equity means the Margins and Equities of the borrower as defined in the Uniform System of Accounts, less regulatory created assets.

Invest means to commit money in order to earn a financial return on assets, including, without limitation, all investments properly recorded on the borrower's books and records in investment accounts as those accounts are used in the Uniform System of Accounts for RUS Borrowers. Borrowers may submit any proposed transaction to RUS for an interpretation of whether the action is an investment for the purposes of this definition.

Make loans means to lend out money for temporary use on condition of repayment, usually with interest.

Mortgaged property means any asset of the borrower which is pledged in the RUS mortgage.

Natural gas distribution system means any system of community infrastructure that distributes natural gas and whose services are available by design to all or a substantial portion of the members of the community.

Operating DSC means Operating Debt Service Coverage (ODSC) calculated as:

$$ODSC = \frac{A+B+C}{D}$$

where:
A = Depreciation and Amortization Expense;
B = Interest on Long-term Debt, except that Interest on Long-term Debt shall be increased by ⅓ of the amount, if any, by which the rentals of Restricted Property exceed 2 percent of Total Margins and Equities;
C = Patronage Capital & Operating Margins (distribution borrowers) or Operating Margins (power supply borrowers); and
D = Debt Service Billed (RUS + other) which equals all interest and principal billed during the calendar year plus ⅓ of the amount, if any, by which the rentals of Restricted Property exceed 2 percent of Total Margins and Equities. Unless otherwise indicated, all terms used in defining ODSC and OTIER are as defined in RUS Bulletin 1717B–2 Instructions for the Preparation of the Financial and Statistical Report for Electric Distribution Borrowers, and RUS Bulletin 1717B–3 Instructions for the Preparation of the Operating Report for Power Supply Borrowers and for Distribution Borrowers with Generating Facilities, or the successors to these bulletins.

Operating TIER means Operating Times Interest Earned Ratio (OTIER) calculated as:

$$OTIER = \frac{A+B}{A}$$

where:
A = Interest on Long-term Debt, except that Interest on Long-term Debt shall be increased by ⅓ of the amount, if any, by which the rentals of Restricted Property exceed 2 percent of Total Margins and Equities; and
B = Patronage Capital & Operating Margins (distribution borrowers) or Operating Margins (power supply borrowers).

Own funds means money belonging to the borrower other than the proceeds of loans made or guaranteed by RUS. Such proceeds include, but are not limited to, all funds on deposit in the cash-construction fund-trustee account.

Regulatory created assets means the sum of the amounts properly recordable in Account 182.2 Unrecovered Plant and Regulatory Study Costs, and Account 182.3 Other Regulatory Assets of the Uniform System of Accounts.

RUS means the Rural Utilities Service, an agency of the U.S. Department of Agriculture established pursuant to Section 232 of the Federal Crop Insurance Reform and Department of Agriculture Reorganization Act of 1994 (Pub. L. 103–354, 108 Stat. 3178, 7 U.S.C. 6941 et seq.) and, for purposes of this subpart, includes its predecessor, the Rural Electrification Administration.

RUS mortgage means any and all instruments creating a lien on or security interest in the borrower's assets in connection with loans or guarantees under the RE Act.

RUS loan contract means the loan contract between the borrower and RUS.

Solid waste disposal system means any system of community infrastructure that provides collection and/or disposal of solid waste and whose services are available by design to all or a substantial portion of the members of the community.

Subsidiary means a company which is controlled by the borrower through ownership of voting stock, and is further defined in 7 CFR 1767.10.

Supplemental lender means a lender that has provided a supplemental source of financing that is secured by the RUS mortgage.

Telecommunication and other electronic communication system means any community infrastructure that provides telecommunication or other electronic communication services and whose services are available by design to all or a substantial portion of the members of the community.

Total assets means the total assets of the borrower as calculated according to the Uniform System of Accounts, less regulatory created assets.

Total utility plant means the sum of the borrower's Electric Plant Accounts and Construction Work in Progress—Electric Accounts, as such terms are used in the Uniform System of Accounts.

Uniform System of Accounts means the system of accounts prescribed for RUS borrowers in 7 CFR part 1767.

Water and waste disposal system means any system of community infrastructure that supplies water and/or collects and treats waste water and whose services are available by design to all or a substantial portion of the members of the community.

§ 1717.653 Transactions below the 15 percent level.

(a) A borrower in compliance with all provisions of its RUS mortgage, RUS loan contract, and any other agreement with RUS may, without prior written approval of the Administrator, invest its own funds or make loans or guarantees not in excess of 15 percent of its total utility plant without regard to any provision contained in any RUS mortgage or RUS loan contract to the effect that the borrower must obtain prior approval from RUS. However, funds necessary to make timely payments of principal and interest on loans secured by the RUS mortgage remain subject to RUS controls on borrower investments, loans and guarantees.

(b) RUS will require that any electric loan made or guaranteed by RUS after [Date 30 days after the final rule is published in the **Federal Register**] shall be subject to a provision in the loan contract or mortgage restricting investments, loans and guarantees by the Borrower substantially as follows: The borrower may, to the extent permitted by this subpart, invest its own funds or make loans or guarantees not in excess of 15 percent of its total utility plant, as those terms are used in said subpart.

(c) RUS will not consider requests from borrowers to approve or exclude investments, loans, or guarantees made below the 15 percent level. (Categorical exclusions are set forth in 1717.654.)

§ 1717.654 Exclusion of certain investments, loans, and guarantees.

(a) In calculating the amount of investments, loans and guarantees permitted under this subpart, there is excluded from the computation any investment, loan or guarantee of the type which by the terms of the borrower's RUS mortgage or RUS loan contract the borrower may make in unlimited amounts without RUS approval.

(b) Furthermore, the borrower may make unlimited investments, without prior approval of the Administrator, in:

(1) Securities or deposits issued, guaranteed or fully insured as to payment by the United States Government or any agency thereof;

(2) Capital term certificates, bank stock, or other similar securities of the supplemental lender which have been purchased as a condition of membership in the supplemental lender, or as a condition of receiving financial assistance from such lender, as well as any other investment made in, or loans made to, the National Rural Utilities Cooperative Finance Corporation or the National Bank for Cooperatives;

(3) Patronage capital allocated from a power supply cooperative of which the borrower is a member.

(c) Without prior approval of the Administrator, the borrower may also:

(1) Invest or lend funds derived directly from grants received from, or loans made or guaranteed by, an agency of the U.S. Department of Agriculture

(USDA) for the purposes specifically authorized in such grants or loans;

(2) Make loans guaranteed by an agency of USDA, up to the amount of principal whose repayment, with interest, is fully guaranteed; and

(3)(i) Make unlimited investments in and unlimited loans to finance the following community infrastructure located within its service territory, and guarantee debt issued by such entities up to an aggregate amount of such guarantees not to exceed 20 percent of the borrower's equity:

(A) Water and waste disposal systems;

(B) Solid waste disposal systems;

(C) Telecommunication and other electronic communication systems; and

(D) Natural gas distribution systems.

(ii) In each of the four cases in paragraph (c)(3)(i) of this section, if the system is a component of a larger organization other than the borrower itself (e.g., if it is a component of a subsidiary of the borrower or a corporation independent of the borrower), to be eligible for the exemption the borrower must certify annually that either a majority of the assets of the larger organization were invested in said system at the end of the most recent fiscal year, or that a majority of the revenues of the larger organization came from said system during the most recent fiscal year.

(d) Also excluded from the calculation of investments, loans and guarantees made by the borrower are:

(1) Amounts properly recordable in Account 142 Customer Accounts Receivable, and Account 143 Other Accounts Receivable;

(2) Any investment, loan, or guarantee that the borrower is required to make by an agency of USDA, for example, as a condition of obtaining financial assistance for itself or any other person or organization;

(3) Investments included in an irrevocable trust for the purpose of funding post-retirement benefits of the borrower's employees; and

(4) Reserves required by a reserve bond agreement or other agreement legally binding on the borrower, that are dedicated to making required payments on debt secured under the RUS mortgage, not to exceed the amount of reserves specifically required by such agreements.

(e) Grandfathered exclusions. All amounts excluded by RUS from the calculation of the aggregate amount of investments, loans and guarantees as of February 16, 1995 shall remain excluded. Such exclusions must have been based on the RUS mortgage, RUS loan contract, regulations, bulletins, memoranda, or other written notice from RUS. Profits, interest, and other returns earned (regardless of whether or not they are reinvested) on such investments, loans and guarantees after February 16,1995 shall be excluded only if they are eligible for exclusion under paragraphs (a) through (d) of this section. Any new commitments of money to such investments, loans and guarantees shall likewise be excluded only if they are eligible under paragraphs (a) through (d) of this section.

(f) Any investment, loan or guarantee made by a borrower that is not excluded under this section or under § 1717.656(d) shall be included in the aggregate amount of investments, loans and guarantees made by the borrower, regardless of whether RUS has specifically approved the investment, loan or guarantee under § 1717.656(c), or has approved a related transaction (e.g., a related contract or lien accommodation).

§ 1717.655 Exemption of certain borrowers from controls.

(a) Any distribution or power supply borrower that meets all of the following criteria is exempted from the provisions of the RUS mortgage and loan contract that require RUS approval of investments, loans, and guarantees made by the borrower:

(1) The borrower is in compliance with all provisions of its RUS mortgage, RUS loan contract, and any other agreement with RUS;

(2) The average revenue per kWh for residential service received by the borrower during the two most recent calendar years does not exceed 130 percent of the average revenue per kWh for residential service during the same period for all residential consumers located in the state or states served by the borrower. This criterion applies only to distribution borrowers and does not apply to power supply borrowers. If a borrower serves customers in more than one state, the state average revenue per kWh will be based on a weighted average using the kWh sales by the borrower in each state as the weight. The calculation will be based on the two most recent calendar years for which both borrower and state-wide data are available. If a borrower fails to qualify for an exemption based solely on its failure to meet this criterion on rate disparity, at the borrower's request the Administrator may at his sole discretion exempt the borrower if he finds that the borrower's strengths with respect to the other criteria are sufficient to offset any weakness due to rate disparity;

(3) In the most recent calendar year for which data are available, the borrower achieved an operating TIER of at least 1.0 and an operating DSC of at least 1.0, in each case based on the average of the two highest ratios achieved in the three most recent calendar years;

(4) The borrower's ratio of net utility plant to long-term debt is at least 1.1, based on year-end data for the most recent calendar year for which data are available; and

(5) The borrower's equity is equal to at least 27 percent of its total assets, based on year-end data for the most recent calendar year for which data are available.

(b) While borrowers meeting the criteria in paragraph (a) of this section are exempt from RUS approval of investments, loans and guarantees, they are nevertheless subject to the record-keeping, reporting, and other requirements of § 1717.657.

(c) Any borrower exempt under paragraph (a) of this section that ceases to meet the criteria for exemption shall, upon written notice from RUS, no longer be exempt and shall be subject to all provisions of this subpart applicable to non-exempt borrowers. A borrower may regain its exemption if it subsequently meets the criteria in paragraph (a) of this section, and is so notified in writing by RUS.

(d) If a borrower loses its exemption and the aggregate of investments, loans and guarantees of such borrower exceeds 15 percent of total utility plant, the borrower will be required to reduce or restructure its portfolio (e.g., divest or shift some investments to excluded investments) in order to come within the 15 percent level. (However, such borrower is eligible to ask RUS to exclude a portion of its investments under the conditions set forth in § 1717.656(d).) If the borrower does not come within the 15 percent level within a reasonable period of time determined by the Administrator, which shall not exceed 12 months from the date the borrower was notified of its loss of exemption, then, upon written notice from RUS, the borrower shall be in default of its RUS loan contract and/or RUS mortgage.

(e) By no later than May 1 of each year, RUS will provide written notice to any borrowers whose exemption status has changed as a result of more recent data being available for the qualification criteria set forth in paragraph (a) of this section, or as a result of other reasons, such as corrections in the available data. An explanation of the reasons for any changes in exemption status will also be provided to the borrowers affected.

§ 1717.656 Investments, loans, and guarantees in excess of 15 percent of total utility plant.

(a) *General.* This section applies only to borrowers that are subject to Administrator approval of investments, loans and guarantees made above the 15 percent limit, i.e., borrowers that do not meet the exemption criteria in § 1717.655(a).

(b) *Distribution borrowers.* Distribution borrowers subject to Administrator approval of investments, loans and guarantees will not be given approval to make investments, loans and guarantees in an aggregate amount in excess of 15 percent of total utility plant. Above the 15 percent level, such borrowers will be restricted to excluded investments, loans and guarantees as defined in § 1717.654. (However, they are eligible to ask RUS to exclude a portion of their investments under the conditions set forth in paragraph (d) of this section.)

(c) *Power supply borrowers.* (1) Power supply borrowers subject to Administrator approval of investments, loans and guarantees may request approval to exceed the 15 percent level if all of the following criteria are met:

(i) The borrower is in compliance with all provisions of its RUS mortgage, RUS loan contract, and any other agreement with RUS;

(ii) The borrower is not in financial workout and has not had its government debt restructured;

(iii) The borrower has equity equal to at least 5 percent of its total assets; and

(iv) After approval of the investment, loan or guarantee, the aggregate of the borrower's investments, loans and guarantees will not exceed 20 percent of the borrower's total utility plant.

(2) Borrower requests for approval to exceed the 15 percent level will be considered on a case by case basis. The requests must be made in writing.

(3) In considering borrower requests, the Administrator will take the following factors into consideration:

(i) The repayment of all loans secured under the RUS mortgage will continue to be assured, and loan security must continue to be reasonably adequate, even if the entire investment or loan is lost or the borrower is required to perform for the entire amount of the guarantee. These risks will be considered along with all other risks facing the borrower, whether or not related to the investment, loan or guarantee;

(ii) In the case of investments, the investment must be made in an entity separate from the borrower, such as a subsidiary, whereby the borrower is protected from any liabilities incurred by the separate entity, unless the borrower demonstrates to the satisfaction of the Administrator that making the investment directly rather than through a separate entity will present no substantial risk to the borrower in addition to the possibility of losing all or part of the original investment;

(iii) The borrower must be economically and financially sound as indicated by its costs of operation, competitiveness, operating TIER and operating DSC, physical condition of the plant, ratio of equity to total assets, ratio of net utility plant to long-term debt, and other factors; and

(iv) Other factors affecting the security and repayment of government debt, as determined by the Administrator on a case by case basis.

(4) If the Administrator approves an investment, loan or guarantee, such investment, loan or guarantee will continue to be included when calculating the borrower's ratio of aggregate investments, loans and guarantees to total utility plant.

(d) *Distribution and power supply borrowers.* If the aggregate of the investments, loans and guarantees of a distribution or power supply borrower exceeds 15 percent of the borrower's total utility plant as a result of the cumulative profits or margins, net of losses, earned on said transactions over the past 10 calendar years (i.e., the sum of all profits earned during the 10 years on all transactions—including interest earned on cash accounts, loans, and similar transactions—less the sum of all losses experienced on all transactions during the 10 years) then:

(1) The borrower will not be in default of the RUS loan contract or RUS mortgage with respect to required approval of investments, loans and guarantees, provided that the borrower had not made additional net investments, loans or guarantees without approval after reaching the 15 percent level; and

(2) At the request of the borrower, the Administrator in his sole discretion may decide to exclude up to the amount of net profits or margins earned on the borrower's investments, loans and guarantees during the past 10 calendar years, if the Administrator determines that such exclusion will not increase loan security risks. The borrower must provide documentation satisfactory to the Administrator as to the current status of its investments, loans and guarantees and the net profits earned during the past 10 years. Any exclusion approved by the Administrator may or may not reduce the level of investments, loans and guarantees to or below the 15 percent level. If such exclusion does not reduce the level to or below the 15 percent level, RUS will notify the borrower in writing that it must reduce or restructure its investments, loans and guarantees to a level of not more than 15 percent of total utility plant. If the borrower does not come within the 15 percent level within a reasonable period of time determined by the Administrator, which shall not exceed 12 months from the date the borrower was notified of the required action, then, upon written notice from RUS, the borrower shall be in default of its RUS loan contract and mortgage.

§ 1717.657 Records, reports and audits.

(a) Every borrower shall maintain accurate records concerning all investments, loans and guarantees made by it. Such records shall be kept in a manner that will enable RUS to readily determine:

(1) The nature and source of all income, expenses and losses generated from the borrower's loans, guarantees and investments;

(2) The location, identity and lien priority of any loan collateral resulting from activities permitted by this subpart; and

(3) The effects, if any, which such activities may have on the feasibility of loans made, guaranteed or lien accommodated by RUS.

(b) In determining the aggregate amount of investments, loans and guarantees made by a borrower, the borrower shall use the recorded value of each investment, loan or guarantee as reflected on its books and records for the next preceding end-of-month, except for the end-of-year report which shall be based on December 31 information. Every borrower shall also report annually to RUS, in the manner and on the form specified by the Administrator, the current status of each investment, outstanding loan and outstanding guarantee which it has made pursuant to this subpart.

(c) The records of borrowers shall be subject to the auditing procedures prescribed in part 1773 of this chapter. RUS reserves the right to review the financial records of any subsidiaries of the borrower to determine if the borrower is in compliance with this subpart, and to ascertain if the debts, guarantees (as defined in this subpart), or other obligations of the subsidiaries could adversely affect the ability of the borrower to repay its debts to the Government.

(d) RUS will monitor borrower compliance with this subpart based primarily on the annual financial and statistical report submitted by the

borrower to RUS and the annual auditor's report on the borrower's operations. However, RUS may inspect the borrower's records at any time during the year to determine borrower compliance. If a borrower's most recent annual financial and statistical report shows the aggregate of the borrower's investments, loans and guarantees to be below the 15 percent level, that in no way relieves the borrower of its obligation to comply with its RUS mortgage, RUS loan contract, and this subpart with respect to Administrator approval of any additional investment, loan or guarantee that would cause the aggregate to exceed the 15 percent level.

§ 1717.658 Effect of this subpart on RUS loan contract and mortgage.

(a) Nothing in this subpart shall affect any provision, covenant, or requirement in the RUS mortgage, RUS loan contract, or any other agreement between a borrower and RUS with respect to any matter other than the prior approval by RUS of investments, loans, and guarantees made by the borrower. Also, nothing in this subpart shall affect any rights which supplemental lenders have under the RUS mortgage, or under their loan contracts or other agreements with their borrowers, to limit investments, loans and guarantees by their borrowers to levels below 15 percent of total utility plant.

(b) RUS reserves the right to change the provisions of the RUS mortgage and loan contract relating to RUS approval of investments, loans and guarantees made by the borrower, on a case-by-case basis, in connection with providing additional financial assistance to a borrower after [Date 30 days after the final rule is published in the **Federal Register**].

Dated: February 7, 1995.

Bob J. Nash,

Under Secretary, Rural Economic and Community Development.

[FR Doc. 95–3665 Filed 2–15–95; 8:45 am]

BILLING CODE 3410–15–P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 101, 111, 170, and 310

[Docket Nos. 91P–0186 and 93P–0306]

Iron-Containing Supplements and Drugs; Label Warning Statements and Unit-Dose Packaging Requirements

AGENCY: Food and Drug Administration, HHS.

ACTION: Supplemental proposed rule.

SUMMARY: The Food and Drug Administration (FDA) is issuing a supplemental proposed rule to set forth its legal authority, after the passage of the Dietary Supplement Health and Education Act (DSHEA), to require unit-dose packaging of iron-containing dietary supplements that contain 30 milligrams (mg) or more iron per dosage unit. On October 6, 1994, the agency proposed this packaging requirement as part of a broader proposal to require unit-dose packaging of all iron-containing products in solid oral dosage form containing 30 mg or more iron per dosage unit and to require label warning statements on all iron-containing products in solid oral dosage form. The agency's authority to establish the labeling requirements and the packaging requirements for iron-containing products other than dietary supplements (i.e., iron-containing drugs) is unaffected by the DSHEA. To ensure that there is adequate time to comment on this supplemental proposed rule, as well as on the issues raised by the initial proposal, FDA is reopening the comment period for this rulemaking until April 17, 1995.

DATES: Written comments to the initial proposal (published at 59 FR 51030, October 6, 1994) and this supplemental proposal by April 17, 1995. The agency is proposing that any final rule that may be issued based upon this proposal become effective 180 days after its publication in the **Federal Register**.

ADDRESSES: Submit written comments to the Dockets Management Branch (HFA–305), Food and Drug Administration, rm. 1–23, 12420 Parklawn Dr., Rockville, MD 20857.

FOR FURTHER INFORMATION CONTACT: John N. Hathcock, Center for Food Safety and Applied Nutrition (HFS–465), Food and Drug Administration, 8301 Muirkirk Rd., Laurel, MD 20708, 301–594–6006.

SUPPLEMENTARY INFORMATION:

I. Background

In the **Federal Register** of October 6, 1994 (59 FR 51030), FDA issued a proposal on actions that it tentatively concluded were necessary to stem the recent epidemic of pediatric poisonings from accidental overdoses of iron-containing products. The available evidence shows that since the mid 1980's, there has been an upsurge in reported accidental pediatric poisonings from ingestion of iron-containing products (59 FR 51030). This upsurge in poisonings, and the many resultant injuries and deaths of children, have created a dilemma with respect to how to ensure that iron sources are available while still minimizing the risks to children.

To protect children, FDA proposed two new requirements: First, to ensure that consumers are fully informed about the consequences of consuming iron-containing products, FDA proposed to require a warning statement about the adverse effects of acute, high-dose iron ingestion by children to be included in the labeling of all iron-containing products in solid oral dosage form. FDA found that the fact that poisonings continue to occur, even though there have been at least 37 deaths from accidental iron ingestion, strongly suggests that many adults are not aware of the potential for serious harm or death in young children from accidental ingestion of iron-containing products. Support for this finding is provided by statements made by the parents of the victims in several of the poisoning incidents, described in the case reports obtained from the U.S. Consumer Product Safety Commission (CPSC). FDA proposed that this requirement apply to iron-containing drugs and dietary supplements based on its authority under sections 201(n), 403(a)(1), 502(a), and 701(a) of the Federal Food, Drug, and Cosmetic Act (the act) (21 U.S.C. 321(n), 343(a)(1), 352(a), and 371(a)). Under section 403(a)(1) of the act, a food is misbranded if its labeling is false or misleading in any particular. Section 502(a) of the act establishes the same rule for drugs. Section 201(n) of the act states:

> If an article is alleged to be misbranded because the labeling or advertising is misleading, then in determining whether the labeling or advertising is misleading there shall be taken into account (among other things) not only representations made or suggested by statement, word, design, device, or any combination thereof, but also the extent to which the labeling or advertising fails to reveal facts material in the light of such representations or material with respect to consequences which may result from the use of the article to which the labeling or advertising relates under the conditions of use prescribed in the labeling or advertising thereof or under such conditions of use as are customary or usual.

These statutory provisions, combined with section 701(a) of the act, which grants the agency authority to issue regulations for the efficient enforcement of the act, clearly authorize FDA to issue a regulation designed to ensure that persons using iron-containing drugs and dietary supplements will receive information that is material with respect to consequences that may result from the use of the product.

The circumstances involved with the iron poisonings parallel in many significant respects those that led the agency to require a warning on protein products. The use of iron-containing products in households where children are present is in no way an unusual practice. Multi-vitamin/mineral supplements with iron are taken routinely by children, and products of this type specifically intended for use by children are widely available and commonly sold. Iron supplements and iron-containing drug products are frequently recommended by physicians for pregnant women (often with a prescription) and other women of child-bearing age to meet their dietary requirement (these groups require more iron than other adults). Yet, the evidence on poisonings and deaths shows that the presence of iron-containing products in households with young children can lead to accidental injury or death if the children gain access to the products. Thus, FDA tentatively concluded that a warning about the risk of accidental pediatric poisoning from iron-containing products in solid oral dosage form is necessary in the labeling of all iron-containing products.

Second, FDA proposed to require that all iron-containing drugs and dietary supplements in solid oral dosage form that contain 30 mg or more iron per dosage unit be packaged in unit-dose packaging. In the proposal, FDA tentatively concluded that full compliance with CPSC's child resistant packaging requirements, even if there are warning statements in labeling of iron-containing products and appropriate educational programs, is not adequate to ensure the safe use of certain iron-containing drugs and dietary supplements if bottle and closure packaging were to continue as the predominant means of packaging such products. FDA recognizes that each of these measures either has been successful in limiting the number of poisonings or can be reasonably expected to be effective in reducing the number of poisonings. However, given the potentially fatal outcome that can result from pediatric iron poisoning, FDA stated that it is not persuaded that these measures are adequate to ensure the safety of the use of certain iron-containing drugs and dietary supplements. To reduce the incidence of pediatric iron poisonings to a level that would permit the agency to conclude that the use of these products is safe, or generally recognized as safe (GRAS), FDA tentatively concluded that it was necessary to require a specific type of physical barrier to access dietary supplements that contain 30 mg or more of iron. Therefore, FDA tentatively concluded that an additional packaging requirement was necessary.

FDA proposed this packaging requirement for iron-containing dietary supplements based on its authority under the act, with the provisions available at that time, to ensure that food ingredients are safe. In particular, the act requires, in sections 402 and 409 (21 U.S.C. 342 and 348), that the safety of each food ingredient be established, either because the ingredient is GRAS, or because it is listed under the food additive or other relevant provisions, before it is added to food.

Section 409(a) of the act deems a food additive to be unsafe unless its use conforms to the conditions specified in the listing regulation. These conditions include, but are not limited to, specifications as to the particular food or classes of food to which the additive may be added, the manner in which the additive may be added to such food, and any directions or other labeling or packaging requirements for such additive deemed necessary to assure the safety of such use (section 409(c)(1)(A) of the act). Thus, under the act, the agency is authorized to specify packaging requirements for a food additive when it finds that use of such packaging is necessary to ensure the safe use of the additive.

Section 201(s) of the act provides an exemption to the ''food additive'' definition for substances that are GRAS under the conditions of their intended use. FDA has issued regulations delineating conditions under which the use of certain substances is GRAS. In the proposal, FDA tentatively concluded that those conditions could include packaging. Thus if a dietary supplement contained an iron salt whose use would be GRAS except for the fact that its packaging would not ensure that its use would be safe, the product would be considered to contain an unsafe food additive and thus to be adulterated.

FDA proposed the packaging requirement for iron-containing drugs based on its authority under section 501(a)(2)(B) of the act (21 U.S.C. 351(a)(2)(B)). This section states that a drug shall be deemed to be adulterated if the methods used in, or the facilities or controls used for, its manufacture, processing, packing, or holding do not conform to, or are not operated or administered in conformity with, current good manufacturing practice (CGMP) to assure that such drug meets the requirements of the act as to safety and has the identity and strength, and meets the quality and purity characteristics, which it purports or is represented to possess.

Under section 501(a)(2)(B) of the act, manufacturers are responsible for preventing intentional misuse of a drug product. For example, in 1982, in response to a series of capsule tamperings, FDA issued a regulation (§ 211.132), under the authority of this section, that requires tamper-resistant packaging for all over-the-counter (OTC) human drug products except dermatologics, dentifrices, and insulin (47 FR 50442, November 5, 1982). The agency's action assured greater package integrity and product security beyond the point of manufacture.

The recent data available to FDA demonstrate that the current manner of holding iron-containing drug products until their use by the intended consumer fails to ensure that the drug products will be safe because large numbers of children are ingesting such products and suffering serious injuries or death. Existing technology permits additional safeguards, such as child-resistant blister packs, to be used for holding iron-containing drug products. Given the known dangers and the ability to minimize or eliminate such dangers through the use of existing technology, FDA tentatively concluded that CGMP dictates that unit-dose packaging be used.

II. The Dietary Supplement Health and Education Act

On October 25, 1994, President Clinton signed into law the DSHEA (Pub. L. 103–417). The DSHEA contains two provisions that bear on FDA's packaging proposal with respect to dietary supplements. First, section 3(b) of the DSHEA added section 201(s)(6) to the act. This provision excludes minerals, such as iron, that are used in dietary supplements from the definition of a ''food additive.'' Second, section 9 of the DSHEA added section 402(g) to the act. Under this provision, a dietary supplement is adulterated unless it has been prepared, packed, and held under conditions that comply with the CGMP (section 402(g)(1) of the act). Under section 402(g)(2), the Secretary (and, by delegation, FDA) is authorized to prescribe CGMP's for dietary supplements by regulation.

The DSHEA does not bear on any aspect of this rulemaking other than the proposed packaging requirement for dietary supplements. Dietary supplements are deemed to be food and thus are subject to sections 201(n), 403(a), and 701(a) of the act (see section 201(ff) of the act). Thus, the proposed labeling requirement for iron-containing dietary supplements is not affected by

the DSHEA. Moreover, the DSHEA does not bear on how drugs are regulated. Thus, the proposed requirements for iron-containing drugs are also unaffected by the new law. Even with the DSHEA, however, FDA continues to have authority to require that dietary supplements that contain 30 mg or more of iron per dosage unit be unit-dose packed.

III. Discussion

A. Effect of Section 201(s)(6) of the Act

In the proposal, FDA explained the basis for its tentative conclusion that it had authority to impose packaging requirements on iron-containing dietary supplements, FDA stated:

> Should FDA determine that a particular type of packaging is necessary to ensure the safe use of iron substances in dietary supplements, either as GRAS substances or as listed food additives, then any use of iron substances in dietary supplements that does not involve use of that type of packaging would constitute a use of an unapproved food additive and render the dietary supplements adulterated under the act.

See 59 FR 51047.

This argument is deprived of its legal validity by new section 201(s)(6) of the act. The use of iron ingredients in dietary supplements is not subject to section 409 of the act, even if the conditions of use of the iron ingredients are not those that are GRAS. Thus, FDA cannot rely on section 409 of the act for authority to require unit-dose packaging of dietary supplements.

B. Effect of Section 402(g) of the Act

While, on the one hand, the DSHEA deprives the agency of the authority that it relied on in the proposal to require unit-dose packaging, on the other it added a new provision to the act that gives the agency authority to establish such a requirement.

Section 402(g)(2) of the act provides that CGMP's for dietary supplements shall be modeled after the CGMP's for food. The current food CGMP regulations provide that food is to be packaged in a way that ensures that it is safe and sanitary (§§ 110.5(a)(2) and 110.80(b)(13)). As explained in the preamble to the October 6, 1994, proposal, FDA has tentatively concluded that unit-dose packaging is necessary to ensure the safety of dietary supplements that contain 30 mg or more of iron per dosage unit.

As discussed in the proposal, the recent data available to FDA demonstrate that iron-containing products with 30 mg or more iron per dosage unit are associated with a significant number of pediatric illnesses and deaths. As FDA stated with respect to drugs in the proposal, to ensure that these products are safe, CGMP requires that manufacturers respond to this new information, and take advantage of advances in technology, to alter, adapt, or change their manufacturing processes to ensure that all possible measures have been taken to eliminate known dangers from their products.

Existing technology permits safeguards, specifically unit-dose packaging, to be used for iron-containing products, including dietary supplements. Unit-dose packaging limits a child's ability to gain access to enough dosage units to provide a harmful amount of iron. Given the known dangers posed by dietary supplements that contain 30 mg or more iron per dosage unit, and the ability to minimize or eliminate such dangers through the use of unit-dose packaging, FDA tentatively concludes that the CGMP dictates that unit-dose packaging be used for these products.

Thus, FDA tentatively concludes that, to ensure that dietary supplements that contain 30 mg of iron or more per dosage unit are safe, CGMP requires that they be packaged in unit-dose packaging.

The agency will consider conducting a more complete rulemaking on what CGMP requirements for dietary supplements under section 402(g) of the act are. However, considering the hazard presented to young children by iron-containing products, FDA tentatively concludes that it is appropriate to effect this aspect of its CGMP authority in advance of any broader rulemaking.

To reflect the shift in the agency's authority with respect to packaging of dietary supplements, FDA is codifying the proposed CGMP requirements for iron-containing dietary supplements in new part 111, rather than in part 170 (21 CFR part 170). Proposed § 170.55 is being removed in this supplemental proposal and replaced by § 111.1. The agency is also making conforming amendments to part 101 to reflect new part 111 rather than part 170. For the convenience of the reader, FDA is republishing the amendments to parts 101 and 310 in their entirety. Thus, the codified portion of this document will also reflect the changes proposed in the October 6, 1994, proposed rule and thereby supersedes that codified material.

In proposing the unit-dose packaging requirement under new part 111, the agency is removing the provision from the packaging regulation in the original proposal that also would have required the proposed warning labels as a condition of safe use (i.e., as food additives or GRAS ingredients) for iron and iron salts in iron-containing supplements. The authority for this requirement was also derived from section 409 of the act, which permits the agency to consider any necessary labeling requirements in establishing conditions of safe use for a food additive. New section 201(s)(6) of the act also invalidates the legal authority that FDA relied upon for this proposed provision because the use of iron ingredients in dietary supplements is no longer subject to section 409 of the act.

IV. Comments

Because of the change in the law and issuance of this supplemental proposal, FDA will allow an additional 60 days for comment on the entire proposed action. This additional time will provide an opportunity for the submission of all views on the issues in the rulemaking.

Interested persons may, on or before April 17, 1995, submit to the Dockets Management Branch (address above) written comments regarding this proposal. Two copies of any comments are to be submitted, except that individuals may submit one copy. Comments are to be identified with the docket number found in brackets in the heading of this document. Received comments may be seen in the office above between 9 a.m. and 4 p.m., Monday through Friday.

V. Environmental Impact

The agency previously considered the environmental effects of its action to require unit-dose packaging for iron-containing products, in the proposed rule that was published in the **Federal Register** of October 6, 1994 (59 FR 51030). The changes in legal authority being proposed in this document will not affect the agency's previously proposed requirement for unit-dose packaging for iron-containing products and, therefore, will not affect the agency's previous determination that there is no significant impact on the human environment and that an environmental impact statement is not required.

VI. Analysis of Impacts

FDA previously examined the impact of the proposed rule as published in the **Federal Register** of October 6, 1994 (59 FR 51030), in accordance with Executive Order 12866 and the Regulatory Flexibility Act, and determined that it is not an economically significant rule. The discussion of the legal authority contained in this supplemental proposed rule does not alter the

agency's conclusions. The rule will result in total costs of approximately $53 million and discounted benefits of between $315 million and $653 million over the next 20 years (discounted at 7 percent).

List of Subjects

21 CFR Part 101

Food labeling, Nutrition, Reporting and recordkeeping requirements.

21 CFR Part 111

Current good manufacturing practices, Dietary supplements.

21 CFR Part 170

Administrative practice and procedure, Food additives, Reporting and recordkeeping requirements.

21 CFR Part 310

Administrative practice and procedure, Drugs, Labeling, Medical Devices, Reporting and recordkeeping requirements.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs, the codified text as proposed in the **Federal Register** of October 6, 1994 (59 FR 51030), is republished in its entirety and is thereby superseded by this document. It is further proposed that Title 21, Chapter I be amended as follows:

PART 101—FOOD LABELING

1. The authority citation for 21 CFR part 101 continues to read as follows:

Authority: Secs. 4, 5, 6 of the Fair Packaging and Labeling Act (15 U.S.C. 1453, 1454, 1455); secs. 201, 301, 402, 403, 409, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 331, 342, 343, 348, 371).

2. Section 101.17 is amended by adding a new paragraph (e) to read as follows:

§ 101.17 Food labeling warning and notice statements.

* * * * *

(e) *Dietary supplements containing iron or iron salts.* (1) The labeling of any dietary supplement in solid oral dosage form (e.g., tablets or capsules) that contains iron or iron salts for use as an iron source shall bear the following statement:

(i) If the product is packaged in unit-dose packaging as defined in § 111.1 of this chapter:

WARNING—Keep away from children. Keep in original package until each use. Contains iron, which can harm or cause death to a child. If a child accidentally swallows this product, call a doctor or poison control center immediately.

(ii) If the product contains less than 30 milligrams of iron per dosage unit and is packaged by the manufacturer in other than unit-dose packaging as defined in § 111.1 of this chapter, e.g., a container with a child-resistant closure, its label shall bear the following statement:

WARNING—Close tightly and keep away from children. Contains iron, which can harm or cause death to a child. If a child accidentally swallows this product, call a doctor or poison control center immediately.

(2) The statement required by paragraph (e)(1)(i) of this section shall appear prominently and conspicuously on the immediate container labeling in such a way that the warning is intact until all of the dosage units to which it applies are used. The statement required by paragraph (e)(1)(ii) of this section shall appear prominently and conspicuously on the immediate container labeling. In all cases where the immediate container is not the retail package, the warning statement shall also appear prominently and conspicuously on the principal display panel of the retail package. In addition, the warning statement shall appear on any labeling that contains warnings.

3. Part 111 is added to read as follow:

PART 111—CURRENT GOOD MANUFACTURING PRACTICE FOR DIETARY SUPPLEMENTS

Authority: Secs. 201, 402, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 342, 371).

§ 111.1 Iron and iron salts in dietary supplements.

The use of iron and iron salts as iron sources in dietary supplements offered in solid oral dosage form (e.g., tablets or capsules), and containing 30 milligrams or more of iron per dosage unit, is safe and in accordance with current good manufacturing practice only when such supplements are packaged in unit-dose packaging. ''Unit-dose packaging'' means a method of packaging a product into a nonreusable container designed to hold a single dosage unit intended for administration directly from that container, irrespective of whether the recommended dose is one or more than one of these units. The term ''dosage unit'' means the individual physical unit of the product (e.g., tablets or capsules).

PART 170—FOOD ADDITIVES

3. The authority citation for 21 CFR part 170 continues to read as follows:

Authority: Secs. 201, 401, 402, 408, 409, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 341, 342, 346a, 348, 371).

§ 170.55 [Removed]

4. Section 170.55 *Iron and iron salts in dietary supplements not in conventional food form* (as proposed in at 59 FR 51030, October 6, 1994) is removed.

PART 310—NEW DRUGS

5. The authority citation for 21 CFR part 310 continues to read as follows:

Authority: Secs. 201, 301, 501, 502, 503, 505, 506, 507, 512–516, 520, 601(a), 701, 704, 705, 721 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, 331, 351, 352, 353, 355, 356, 357, 360b–360f, 360j, 361(a), 371, 374, 375, 379e; secs. 215, 301, 302(a), 351, 354–360F of the Public Health Service Act (42 U.S.C. 216, 241, 242(a), 262, 263b–263n).

6. New § 310.518 is added to subpart E to read as follows:

§ 310.518 Drug products containing iron or iron salts.

Drug products containing elemental iron or iron salts as an active ingredient in solid oral dosage form (e.g., capsules or tablets) shall meet the following requirements:

(a) *Packaging.* If the product contains 30 milligrams or more of iron per dosage unit, it shall be packaged in unit-dose packaging. ''Unit-dose packaging'' means a method of packaging a product into a nonreusable container designed to hold a single dosage unit intended for administration directly from that container, irrespective of whether the recommended dose is one or more than one of these units. The term ''dosage-unit'' means the individual physical unit of the product, e.g., tablets or capsules.

(b) *Labeling.* (1) If the product is packaged by the manufacturer in unit-dose packaging, its label shall bear the following statement:

WARNING—Keep away from children. Keep in original package until each use. Contains iron, which can harm or cause death to a child. If a child accidentally swallows this product, call a doctor or poison control center immediately.

(2) If the product contains less than 30 milligrams of iron and is packaged by the manufacturer in other than unit-dose packaging, e.g., a container with a child-resistant closure, its label shall bear the following statement:

WARNING—Close tightly and keep away from children. Contains iron, which can harm or cause death to a child. If a child accidentally swallows this product, call a doctor or poison control center immediately.

(3) The statement required by paragraph (b)(1) of this section shall appear prominently and conspicuously on the immediate container labeling in

such a way that the warning is intact until all of the dosage units to which it applies are used. The statement required by paragraph (b)(2) of this section shall appear prominently and conspicuously on the immediate container labeling. In all cases where the immediate container is not the retail package, the warning statement shall also appear prominently and conspicuously on the principal display panel of the retail package. In addition, the warning statement shall appear on any labeling that contains warnings.

Dated: February 10, 1995.

David A. Kessler,

Commissioner of Food and Drugs.

[FR Doc. 95–3970 Filed 2–15–95; 8:45 am]

BILLING CODE 4160–01–F

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Chapter I

[CGD 95–009]

Chemical Transportation Advisory Committee (CTAC) Subcommittee on Hazardous Substances Response Plan Meeting

AGENCY: Coast Guard, DOT.

ACTION: Notice of meeting.

SUMMARY: The Hazardous Substances Response Plan Subcommittee of CTAC will meet to develop response plan criteria for hazardous substances to be considered under proposed requirements for tank vessels and marine transportation related facilities under the Oil Pollution Act of 1990 (OPA 90). The meeting will be open to the public.

DATES: The meeting will be held on March 13, 1995, from 9 a.m. to 4 p.m. Written material should be submitted no later than March 3, 1995.

ADDRESSES: The meeting will be held in Room 2415, U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593–0001. Written material should be submitted to Ms. Margaret K. Doyle, Chemical Carriers' Association, 1700 North Moore Street, Suite 1805, Arlington, VA 22209.

FOR FURTHER INFORMATION CONTACT: Ms. Margaret K. Doyle, Chemical Carriers' Association, 1700 North Moore Street, Suite 1805, Arlington, VA 22209, telephone (703) 528–6900, or Lieutenant Rick Raksnis, Commandant (G–MTH–1), U.S. Coast Guard, 2100 Second Street SW., Washington, DC 20593–0001, telephone (202) 267–1217.

SUPPLEMENTARY INFORMATION: Notice of this meeting is given pursuant to the Federal Advisory Committee Act, 5 U.S.C. App. 2, section 1 *et seq.* OPA 90 requires owners or operators of tank vessels and marine transportation related onshore facilities to prepare and submit response plans for a worst case discharge or release of oil or a hazardous substance. The Coast Guard has begun preliminary work to develop vessel and facility response plan regulations for hazardous substances. This Subcommittee was recently established to evaluate the regulatory approach to assess the appropriateness of the planned requirements for this rulemaking. Attendance is open to the public. With advance notice, and at the Chairman's discretion, members of the public may make oral presentations during the meeting. Persons wishing to make oral presentations should notify Ms. Doyle, listed above under **ADDRESSES,** no later than three days before the meeting. Written material may be submitted at any time for presentation to the Subcommittee. However, to ensure advance distribution to each Subcommittee member, persons submitting written material are asked to provide 30 copies of Ms. Doyle no later than March 3, 1995.

Dated: February 7, 1995.

N.W. Lemley,

Acting Chief, Office of Marine Safety, Security and Environmental Protection.

[FR Doc. 95–3834 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–14–M

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 52

[AK6–1–6887b, AK5–1–6437b, AK3–1–5851b; FRL–5147–9]

Approval and Promulgation of State Implementation Plans: Alaska

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: The EPA proposes to approve regulations from three submittals received from the Alaska Department of Environmental Conservation (ADEC): submittal dated July 17, 1990 requesting our action to address out-of-date sections found in 40 CFR 52.73–5296 relating to Alaska state implementation plan (SIP) deficiencies, and including the applicable Alaska statutes to support their request; submittal dated October 15, 1991 requesting approval of amendments to regulations dealing with Air Quality Control, 18 AAC 50, for inclusion into Alaska's SIP to assure compliance with Federal ambient air quality standards for airborne particulate matter, and submittal dated March 24, 1994 requesting approval of additional amendments to 18 AAC 50, Air Quality Control, for inclusion into Alaska's SIP to assure compliance with new source review permitting requirements, the 1990 Clean Air Act Amendments (the Act), for sources located in nonattainment areas for either carbon monoxide or particulate matter. In the Final Rules Section of this **Federal Register**, the EPA is approving these SIP revisions as a direct final rule without prior proposal because the Agency views this as a noncontroversial revision amendment and anticipates no adverse comments. A detailed rationale for the approval is set forth in the direct final rule. If no adverse comments are received in response to this proposed rule, no further activity is contemplated in relation to this rule. If the EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. The EPA will not institute a second comment period on this document.

DATES: Comments on this proposed rule must be received in writing by March 20, 1995.

ADDRESSES: Written comments should be addressed to Montel Livingston, Environmental Protection Specialist (AT–082), Air Programs Section, at the EPA Regional Office listed below. Copies of the documents relevant to this proposed rule are available for public inspection during normal business hours at the following locations. The interested persons wanting to examine these documents should make an appointment with the appropriate office at least 24 hours before the visiting day.

U.S. Environmental Protection Agency, Region 10, Air Programs Section, 1200 6th Avenue, Seattle, WA 98101.

The Alaska Department of Environmental Conservation, 410 Willoughby, Suite 105, Juneau, Alaska 99801–1795.

FOR FURTHER INFORMATION CONTACT: Montel Livingston, Air Programs Branch (AT–082), EPA, 1200 6th Avenue, Seattle, WA 98101, (206) 553–0180.

SUPPLEMENTARY INFORMATION: See the information provided in the Direct Final action which is located in the Rules Section of this **Federal Register**.

Dated: January 23, 1995.

Chuck Clarke,

Regional Administrator.

[FR Doc. 95–3860 Filed 2–15–95; 8:45 am]

BILLING CODE 6560–50–P

40 CFR Part 52

[CA 102–6–6837b; FRL–5145–6]

Approval and Promulgation of State Implementation Plans; California State Implementation Plan Revision, Bay Area Air Quality Management District

AGENCY: Environmental Protection Agency (EPA).

ACTION: Proposed rule.

SUMMARY: EPA is proposing to approve a revision to the California State Implementation Plan (SIP), which concerns the control of volatile organic compound (VOC) emissions from valves and flanges at chemical plants.

The intended effect of proposing approval of this rule is to regulate emissions of VOCs in accordance with the requirements of the Clean Air Act, as amended in 1990 (CAA or the Act). In the Final Rules Section of this **Federal Register**, the EPA is approving the state's SIP revision as a direct final rule without prior proposal because the Agency views this as a noncontroversial revision amendment and anticipates no adverse comments. A detailed rationale for this approval is set forth in the direct final rule. If no adverse comments are received in response to this proposed rule, no further activity is contemplated in relation to this rule. If EPA receives adverse comments, the direct final rule will be withdrawn and all public comments received will be addressed in a subsequent final rule based on this proposed rule. The EPA will not institute a second comment period on this document. Any parties interested in commenting on this action should do so at this time.

DATES: Comments on this proposed rule must be received in writing by March 20, 1995.

ADDRESSES: Written comments on this action should be addressed to: Daniel A. Meer, Rulemaking Section (A–5–3), Air and Toxics Division, U.S. Environmental Protection Agency, Region 9, 75 Hawthorne Street, San Francisco, CA 94105–3901.

Copies of the rule and EPA's evaluation report of the rule are available for public inspection at EPA's Region 9 office during normal business hours. Copies of the submitted rule are also available for inspection at the following locations:

California Air Resources Board, Stationary Source Division, Rule Evaluation Section, 2020 ''L'' Street, Sacramento, CA 95812.

Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, CA 94109.

FOR FURTHER INFORMATION CONTACT: Duane F. James, Rulemaking Section (A–5–3), Air and Toxics Division, U.S. Environmental Protection Agency, Region 9, 75 Hawthorne Street, San Francisco, CA 94105–3901, Telephone: (415) 744–1191.

SUPPLEMENTARY INFORMATION: This document concerns Bay Area Air Quality Management District's (BAAQMD) Rule 8–22, ''Valves and Flanges at Chemical Plants,'' submitted to EPA on September 28, 1994, by the California Air Resources Board. For further information, please see the information provided in the Direct Final action which is located in the Rules section of this **Federal Register**.

Authority: 42 U.S.C. 7401–7671q.

Dated: January 17, 1995.

Felicia Marcus,

Regional Administrator.

[FR Doc. 95–3865 Filed 2–15–95; 8:45 am]

BILLING CODE 6560–50–W

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Chapter I

[IC Docket No. 94–31; FCC No. 95–36]

Preparation for International ITU World Radiocommunication Conferences

AGENCY: Federal Communications Commission.

ACTION: Second notice of inquiry.

SUMMARY: The International Telecommunication Union (ITU) will convene the 1995 World Radiocommunication Conference (WRC–95) from October 23 to November 17, 1995, in Geneva, Switzerland. The agenda for WRC–95 includes issues relating to the introduction of global mobile-satellite services (MSS); simplification of the international Radio Regulations; and agendas for future conferences. This proceeding addresses technical, regulatory, and procedural matters related to the WRC–95 agenda and solicits information to assist the Federal Communications Commission (FCC) in preparing U.S. proposals for that conference, including proposals for future conference agendas.

DATES: Comments must be filed on or before March 6, 1995, and reply comments must be filed on or before March 21, 1995.

ADDRESSES: Federal Communications Commission, 1919 M Street NW., Washington, DC 20554.

FOR FURTHER INFORMATION CONTACT: Damon C. Ladson, International Bureau, (202) 739–0510, or Audrey L. Allison, International Bureau, (202) 739–0557.

SUPPLEMENTARY INFORMATION: This is a summary of the FCC's *Second Notice of Inquiry*, IC Docket No. 94–31, FCC No. 95–36, adopted January 30, 1995, and released January 31, 1995. The full text of this *Second Notice of Inquiry* is available for inspection during normal business hours in the Records Room of the Federal Communications Commission, Room 239, 1919 M St. NW., Washington, DC. The complete text may be purchased from the Commission's copy contractor, ITS, Inc., 2100 M St. NW., Suite 140, Washington, DC 20037, telephone (202) 857–3800.

Summary of Second Notice of Inquiry

1. The purpose of this proceeding is to solicit comments addressing technical, operational, regulatory and procedural matters relating to the WRC–95 agenda issues in order to assist the FCC in its preparation of draft recommended U.S. proposals for WRC–95. In the *Second Notice of Inquiry*, the FCC reviews comments and replies submitted in response to the initial *Notice of Inquiry* in this proceeding 59 FR 25873, May 18, 1994 and the interim report of the FCC's WRC–95 Industry Advisory Committee. The FCC seeks further comment on these matters and on the FCC draft recommended U.S. proposals for WRC–95 attached to the *Second Notice of Inquiry*. Presentation of the FCC's preliminary views on these topics is intended to stimulate discussions and is part of an overall effort to achieve early consensus on U.S. proposals to WRC–95.

2. WRC–95 will be the first conference under the ITU's new accelerated conference cycle to discuss substantive spectrum allocation and regulatory matters. This conference represents a significant opportunity to build a foundation for advancing near and long-term United States telecommunications goals. In particular, WRC–95 is critical to a new commercial telecommunications industry—the mobile-satellite services (MSS) industry, that includes low-Earth orbit (LEO) MSS systems. LEO systems can provide voice, data and other services at relatively low cost and will be a critical component in achieving the FCC's goals of universal service, open access and competition in the provision of services. The systems will be an important part of a new seamless, nationwide (and

eventually global) communication network. The new MSS industry also promises to stimulate significant economic growth both domestically and abroad. The FCC's proposals are intended to facilitate the implementation of competitive MSS operations by easing international technical and regulatory constraints and providing additional spectrum allocations.

3. In addition to seeking comment on specific MSS proposals, the FCC seeks input on other subjects raised in the first *Notice of Inquiry* and relating to the WRC–95 agenda including: space service allocation issues; review of Appendices 30 and 30A; availability of high frequency broadcasting bands; the Final Report of the Voluntary Group of Experts on simplifying the international Radio Regulations; and agendas for future WRCs. The FCC also asks parties to consider the long-range planning aspects of the ITU's new conference cycle including the FCC's conference preparatory methods.

4. Upon review of the comments received in response to the *Second Notice of Inquiry* and a final report from the WRC–95 Industry Advisory Committee, the FCC will issue a *Final Report* in this proceeding containing recommended U.S. proposals for the conference. The FCC will consult with the Department of Commerce's National Telecommunications and Information Administration and the Department of State to develop final U.S. proposals for WRC–95.

Federal Communications Commission.

William F. Caton,

Secretary.

[FR Doc. 95–3830 Filed 2–15–95; 8:45 am]

BILLING CODE 6712–01–M

47 CFR Part 1

[GC Docket No. 95–21; FCC 95–52]

Ex Parte Presentations in Commission Proceedings

AGENCY: Federal Communications Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission proposes to amend its regulations concerning ex parte presentations in Commission proceedings. The proposed rules would simplify the determination in particular proceedings of whether ex parte presentations are premissible and whether they must be disclosed. The proposed rules would also modify the Commission's ''sunshine period prohibition.'' Additionally, the proposed rules would modify in certain respects the procedures for reporting oral ex parte presentations and for handling potential violations of the rules. Certain other minor amendments of the rules are proposed. The intended effect of these proposals is to make the rules simpler and easier with which to comply, to enhance the fairness of the Commission's processes, and to facilitate the public's ability to communicate with the Commission.

DATES: Comments must be filed on or before March 16, 1995; reply comments must be filed on or before March 31, 1995.

ADDRESSES: Federal Communications Commission, 1919 M Street NW, Washington D.C. 20554.

FOR FURTHER INFORMATION CONTACT: David S. Senzel, Office of General Counsel (202) 418–1760.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's *Notice of Proposed Rulemaking,* GC Docket No. 95–21, adopted on February 7, 1995, and released February 7, 1995. The full text of the notice of proposed rulemaking is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street NW, Washington D.C. The complete text may also be purchased from the Commission's copy contractor, International Transcription Service, Inc., Suite 140, 2100 M Street NW, Washington, D.C. 20037, telephone (202) 857–3800.

Summary of Further Notice of Proposed Rule Making

1. In this notice, the Commission invites comment on proposals to revise its rules governing ex parte presentations in Commission proceedings. The Commission believes that the current rules continue to be excessively complex, making compliance difficult. Moreover, certain specific problem areas have become apparent.

2. The Commission proposes to revise its system for specifying whether proceedings are ''restricted,'' ''permit-but-disclose'' or ''exempt,'' which determine how ex parte presentations are treated in that proceeding (with certain exceptions). (An ex parte presentation is a communication to a Commission decisionmaker concerning the outcome or merits of a proceeding which–if written–is not served on all parties and–if oral–is made without notice and the opportunity for all parties to be present.) In restricted proceedings, ex parte presentations are prohibited. In non-restricted proceedings, ex parte presentations are permitted but must be disclosed on the record of the proceeding. In exempt proceedings, ex parte presentations may be made without limitation. The Commission is proposing a simplified system that would permit people to rely on broad general rules to determine the status of a proceeding.

3. Under the proposed system, all proceedings not restricted or exempt would be subject to permit-but-disclose rules. The rules would generally classify as restricted only those proceedings required to be so classified by the Administrative Procedure Act (APA). This would include proceedings designated for hearing. Consistent with the APA, proceedings would also be restricted with respect to any person with knowledge that a designation order was in preparation. Additionally, proceedings involving mutually exclusive applications not subject to auction or lottery would be restricted. The Commission or a Bureau or Office after consultation with OGC could also classify individual proceedings as restricted on a case-by-case basis.

4. A few matters would continue to be expressly classified as exempt. These would include notice of inquiry proceedings and proceedings involving complaints which are not served on the target of the complaint.

5. All other proceedings, including informal adjudications (such as an application, waiver request, other filings seeking affirmative relief) and informal rulemakings, would be subject to permit-but-disclose rules when ex parte presentations are made. For the purposes of these ex parte rules, ''parties'' would be defined as those making filings which initiate adjudicatory-type proceedings and those who make written submissions regarding the filing party which are served on the filer. Parties also include other persons formally given party status, such as the subject of an order to show cause proceeding.

6. In addition, the proposed rules deal specifically with complaints. They provide that generally in complaint proceedings where the complaint is served on the target of the complaint, both the complainant and the target are parties. In formal section 208 proceedings, both the complainant and the carrier would be parties. Comment is requested on the treatment of informal section 208 complaints.

7. Under this proposal, a sole applicant or other uncontested filer could freely make presentations to the Commission about its filing. As long as no other party appeared, these presentations would not be ''ex parte''

presentations, as defined in the rules, and would therefore not be subject to permit-but-disclose requirements. Once another party appeared, both the applicant or filer and the other party would have to comply with the permit-but-disclose rules, because their presentations would be ''ex parte.''

8. In rulemaking proceedings, the public would, in effect, be treated as parties. Thus, the rules would expressly provide that permit-but-disclose requirements would be triggered by the filing of a petition for rulemaking, or the issuance of a notice of proposed rulemaking (or a rulemaking order done without notice and comment) and would apply to all persons.

9. The Commission also solicits comments as to whether the sunshine period prohibition should be modified. Under the current rules, once a proceeding has been placed on a sunshine notice, no presentations, whether ex parte or not, are permitted until the Commission has released the full text of the order in the proceeding noticed in the sunshine notice, deleted the item from the sunshine agenda, or returned the item for further staff consideration. The prohibition is intended to give the Commission ''a period of repose'' in which to make decisions.

10. The Commission asks for comments on whether there should be a ''sunshine period'' once items are adopted on circulation. The Commission also proposes to exempt from the prohibition the discussion of recent Commission actions at public meetings or symposia.

11. Additionally, the Commission proposes certain specific provisions of the ex parte rules. First, the Commission proposes to give additional authority to the Office of General Counsel to evaluate alleged ex parte violations. Second, the Commission proposes that notices of oral ex parte presentations should be more informative by requiring that a full summary of the contents of the presentation be filed with respect to all oral presentations, whether or not the arguments or data presented are ''new.'' Third, the Commission proposes to require that persons with reason to believe that a situation raises an ex parte question must alert the Office of General Counsel of this circumstance.

Initial Regulatory Flexibility Analysis

Reason for Action

The Commission has determined that the rules governing ex parte communications in Commission proceedings should be made simpler, clearer, and less restrictive. The Commission finds it appropriate to reexamine the public interest basis for the limitations on ex parte communications.

Objective

The Commission seeks to simplify and clarify the rules governing ex parte communications in Commission proceedings and to make the rules more consistent with the needs of administrative practice.

Legal Basis

Action is being taken pursuant to 47 U.S.C. §§ 154(i) and (j),303(r), 403.

Reporting, Record Keeping and Other Compliance Requirements

This proposal would modify the requirement to report ex parte presentations in order to increase the usefulness and value of the reports and to eliminate unnecessary restrictions on ex parte presentations.

Federal Rules which Overlap, Duplicate or Conflict with the Proposed Rules

None.

Description, Potential Impact, and Number of Small Entities Affected

Small entities participating in Commission proceedings would be subject to limitations on ex parte presentations.

Any Significant Alternative Minimizing Impact on Small Entities and Consistent with the Stated Objections

None.

List of Subjects for 47 CFR Part 1

Administrative practice and procedure, Radio, Telecommunications, Television.

Federal Communications Commission.

William F. Caton,

Secretary.

[FR Doc. 95–3935 Filed 2–15–95; 8:45 am]

BILLING CODE 6712–01–F

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47 CFR Part 63

[CC Docket No. 87–266; FCC 95–20]

Telephone Company-Cable Television Cross-Ownership Rules

AGENCY: Federal Communications Commission.

ACTION: Notice of proposed rulemaking.

SUMMARY: The Commission adopted a Fourth Further Notice of Proposed Rulemaking in Common Carrier Docket 87–266, with the intent of soliciting information and comment on the extent to which Title II of the Communications Act, Title VI, or both, apply to a telephone company's provision of video programming directly to subscribers within its telephone service area. The Commission also requested comment on what changes, if any, need to be made to the video dialtone regulatory framework if a telephone company decides to become a video programmer on its own video dialtone platform in its telephone service area, and in particular, whether telephone company provision of video programming raises new concerns about anticompetitive behavior or cross-subsidy that the Commission's existing regulatory framework may not sufficiently address.

DATES: Comments must be submitted on or before March 6, 1995. Reply comments are due on March 27, 1995.

ADDRESSES: Comments and Reply Comments may be mailed to the Office of the Secretary, Federal Communications Commission, 1919 M Street NW., Washington, DC 20554. A copy of each filing should also be filed with Peggy Reitzel of the Common Carrier Bureau, and James Yancey of the Cable Services Bureau.

FOR FURTHER INFORMATION CONTACT: Jane Jackson (202) 418–1593, Common Carrier Bureau, Policy and Program Planning Division, and Larry Walke (202) 416–0847, Cable Services Bureau.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Fourth Further Notice of Proposed Rulemaking in Common Carrier Docket 87–266: Telephone Company-Cable Television Cross-Ownership Rules, Sections 63.54–63.58, adopted January 12, 1995, and released January 20. 1995. The complete text of this Fourth Further Notice of Proposed Rulemaking is available for inspection and copying, Monday through Friday, 9:00 a.m.–4:30 p.m., in the FCC Reference Room (Room 239), 1919 M Street, NW., Washington, DC 20554. The complete text of the Fourth Further Notice of Proposed Rulemaking may also be purchased from the Commission's copy contractor, International Transcription Services, 2100 M Street, NW., Suite 140, Washington, DC 20037, (202) 857–3800.

Synopsis of Fourth Further Notice of Proposed Rulemaking

A. Governing Statutory Provisions.

1. Local exchange carrier (LEC) provision of video programming raises questions about whether Title II of the Communications Act, Title VI of the Communications Act, or both, would govern particular LEC video offerings, and how these provisions might apply to a LEC's provision of video

programming directly to subscribers within its telephone service area and over facilities used to provide both voice and video services. We now seek comment on these issues and on the analysis we offer below.

1. Application of Title II to LEC Video Programming Offerings

2. We first tentatively conclude that telephone companies should be permitted to provide video programming over Title II video dialtone platforms. We recently reaffirmed our conclusion that the construction of video dialtone systems would serve the public interest goals of facilitating competition in the provision of video programming services, encouraging efficient investment in our national information infrastructure, and fostering the availability to the American public of new and diverse sources of video programming. Two U.S. Courts of Appeals have now held unconstitutional the specific statutory basis for prohibiting a telephone company from providing, directly or indirectly, programming over its own video dialtone platform. In light of the public interest benefits of a video dialtone platform, which provides multiple video programmers with common carrier-based access to end users, we tentatively conclude, in the absence of Section 533(b), that we should not ban telephone companies from providing their own video programming over their video dialtone platforms. We note that we allow telephone companies to use their networks to provide their own enhanced services today, subject to safeguards. Thus, in the absence of a demonstration of a significant governmental interest to the contrary, we propose to allow telephone companies to provide video programming over their own video dialtone platforms, subject to appropriate safeguards. We seek comment on this proposal, and on whether any such significant governmental interest to support a ban exists and, if it does, whether a ban would be a narrowly tailored restriction on the telephone companies' First Amendment rights.

3. A second Title II issue is whether we can, and should, require telephone companies to provide video programming only over video dialtone platforms. Even before the recent court decisions invalidating the telco-cable cross-ownership ban, there were three circumstances in which LECs could provide video programming directly to subscribers. In these circumstances, however, LECs have not been authorized to use their local exchange facilities to provide cable service, but, rather, to construct or purchase interests in separate cable facilities. Indeed, as noted by the court in *NCTA* v. *FCC (1994)*, it was not until after the 1984 Cable Act that technological advances have made it practical to deliver video signals over the same common carrier networks that are used to provide telephone service. Previously, as the court noted, ''[a] telephone company that wanted to provide cable service would have had to construct a coaxial cable distribution system parallel to its telephone system.''

4. We seek comment on whether we have authority under Section 214 to require LECs that seek to provide video programming directly to subscribers in their telephone service areas to do so on a video dialtone common carrier platform and not on a non-common carrier cable television facility. We seek comment on what circumstance would warrant such a requirement, and specifically on whether we should require use of a video dialtone platform whenever a LEC provides video services over facilities that are also used in the provision of telephone services. We seek comment on our authority generally to require LECs seeking Section 214 authority to acquire or construct video facilities to comply with our video dialtone framework.

2. Application of Title VI to LEC Provision of Video Programming

5. We now seek comment on the circumstances, if any, in which a LEC that, by court decision, is not subject to the 1984 Cable Act telco-cable cross-ownership ban may offer a cable service subject to Title VI in lieu of a Title II video dialtone offering. We also seek comment on the extent to which Title VI should apply to video programming provided by LECs on a Title II video dialtone system. We have previously held that LEC provision of a common carrier video dialtone platform is not subject to Title VI of the Act. In particular, we found that such LECs are not offering ''cable service,'' and are not operating a ''cable system'' within the meaning of Title VI. We reasoned that LECs did not actively participate in the selection and distribution of video programming because they were precluded from providing video programming directly to subscribers in their telephone service areas. We also concluded that video dialtone facilities are not cable systems because they are common carrier facilities subject to title II of the Act which, under Commission rules, could not be used for LEC provision of video programming directly to subscribers in the LEC's telephone service area. We now seek comment on whether, if a LEC, or its affiliate, does provide video programming over its video dialtone system and actively engages in the selection and distribution of such programming, that LEC, or its affiliate, is subject to Title VI. We seek comment on the Commission's legal authority to determine whether some, but not all, provisions of Title VI relating to cable operators would apply to a LEC that provides video programming over its video dialtone platform. We also seek comment on whether the application of some or all provisions of Title VI would result in a regulatory framework that is duplicative of, or inconsistent with, federal or state regulation of communications common carriage. For example, the goals of the leased access provision of Title VI could be met through obligations Title II imposes on a LEC as the provider of the video dialtone platform whether or not the LEC as a video service provider provides its own leased access channels. We seek comment on the potential impact of our determinations in this proceeding on existing grants by state and local authorities of public rights-of-way. We also invite parties to discuss both the legal and practical implications of requiring, or not requiring, telephone companies providing video programming over their own video dialtone systems to comply with each of the various provisions of Title VI. In the event that Title VI cable rate regulation rules apply, we seek comment on how such rules would apply to a LEC providing video programming directly to subscribers over its own video dialtone platform.

6. In addition, we seek comment on whether, if Title VI does not apply to telephone companies' provision of video programming on video dialtone facilities, the Commission should adopt, under Title II, provisions that are analogous to certain aspects of Title VI. For example, we seek comment on whether we should adopt rules governing program access by competing distributors, carriage agreements between video service providers and unaffiliated programmers, and vertical ownership restrictions.

7. Finally, we note that the court's opinion in *NCTA* v. *FCC (1994)* is consistent with the Commission's reasoning in the First Report and Order, 56 FR 65464–01 (December 17, 1991), that a LEC providing video dialtone service does not require a local franchise because the LEC does not provide the video programming. We seek comment on whether this view would require a LEC offering video dialtone service to secure a local

franchise if that LEC also engages in the provision of video programming carried on its platform.

B. Regulatory Safeguards Governing a Local Exchange Carrier's Provision of Video Programming on its Video Dialtone Platform

1. Introduction and Scope

8. In this section we consider what changes, if any, need to be made to our video dialtone regulatory framework if a telephone company, pursuant to an applicable court decision, decides to become a video programmer on its own video dialtone platform in its telephone service area. In addressing the issues identified below, parties should address whether we should apply different safeguards for technical and market trials than for commercial offerings of video dialtone.

2. Ownership Affiliation Standards

9. Under our current rules, LECs are prohibited from providing video programming directly to subscribers, and from having a cognizable (*i.e.*, 5 percent or more) financial interest in, or exercising direct or indirect control over, any entity that is deemed to provide video programming in its telephone service area. We propose to retain these ownership affiliation standards to identify those video dialtone programmers that we will consider to be affiliated with LECs providing the underlying common carriage. Under this proposal, if the Commission determines that LEC ownership of video programming requires additional safeguards, those safeguards would apply if the LEC owned five percent or more of a video programmer. We seek comment on this proposal.

3. Safeguards Against Anticompetitive Conduct

a. Sufficient Capacity To Serve Multiple Service Providers

10. Under the video dialtone regulatory framework, a LEC is required to provide sufficient capacity to serve multiple service providers on a nondiscriminatory basis. In the Video Dialtone Reconsideration Order, 59 FR 63909–01 (December 12, 1994), we rejected use of an ''anchor programmer,'' that is, allocation of all or substantially all of the analog capacity of the video dialtone platform to a single programmer. We seek comment on whether there are other across-the-board rules that we should adopt to ensure that video dialtone retains its essential Title II character when a LEC becomes a video programmer on its platform.

11. We seek comment, for instance, on whether we should limit the percentage of its own video dialtone platform capacity that a LEC, or its affiliate, may use. Such a limit could help ensure other programmers access, but may create a risk that some capacity might go unused. We seek comment on what an appropriate limit would be; whether any percentage limit should vary with the platform's capacity; and whether different rules should apply to analog and digital channels. Video dialtone capacity constraints appear likely to be most severe in the short-term, with respect to analog channels, and may be of less concern on future all-digital systems. Commenters should address whether LEC use of video dialtone capacity raises short-term or long-term concerns, and how the probable duration of the problem should affect our regulatory approach. Alternatively, we seek comment on whether LECs that deny capacity to independent programmers should be subject to procedural requirements more detailed than those imposed inthe Video Dialtone Reconsideration Order.

12. In the Third Further Notice of Proposed Rulemaking, 59 FR 63971–01 (December 12, 1994), the Commission sought comment and information regarding channel sharing mechanisms that LECs have proposed as means of making analog capacity available to more customer-programmers than might otherwise be accommodated. Parties addressing limits on LEC use of the video dialtone platforms should comment in this proceeding on the relationship between such channel sharing mechanisms and any proposal to limit LEC use of analog channels. The Third Further Notice of Proposed Rulemaking also sought comment on two other signal carriage issues: (1) Whether the Commission should mandate preferential video dialtone access or rates for commercial broadcasters, public, educational and governmental (''PEG'') channnels, or other not-for-profit programmers; and (2) whether the Commission should permit LECs to offer preferential treatment to certain programmers on a voluntary (''will carry'') basis. Parties should comment in this proceeding on the relationships among mandatory preferential treatment, ''will carry,'' and any proposed limits on a LEC's use of its video dialtone capacity to provide programming directly to subscribers.

13. Another example of potentially anticompetitive conduct that has been cited in the context of cable television service under Title VI involves channel positioning. Programmers assert that cable operators can and do deliberately assign unaffiliated program services to undesirable channel locations. Under Title II, such discriminatory conduct is prohibited. We seek comment on whether LECs that are also video program providers have an increased incentive to use their control over the video dialtone platform to engage in such activities and what, if any, specific safeguards we should implement to prevent such conduct. In particular, we seek comment on whether the channel positioning rules that apply to cable operators in the context of the ''must-carry'' requirement of Title VI should also apply to video dialtone platform operators providing programming directly to subscribers in their local exchange service areas.

b. Non-Ownership Relationships and Activities Between Telephone Companies and Video Programmers

14. In the Video Dialtone Reconsideration Order, the Commission affirmed, with certain modifications, its decision to permit LECs to enter into non-ownership relationships with video programmers that exceed a carrier-user relationship. We propose at a minimum, to retain these restrictions as safeguards against LEC anticompetitive conduct and to promote further LEC deployment of broadband services. We believe that the restrictions on non-ownership affiliations between LECs and cable operators are important to the Commission's goal of promoting competition in the video services marketplace, and are not overbroad infrigements on LEC First Amendment rights. Parties should comment on the proposal to retain these safeguards and should describe any specific additional measures they believe necessary to safeguard against anticompetitive conduct by LECs that offer programming on their own video dialtone system.

c. Acquisition of Cable Facilities

15. In the Video Dialtone Reconsideration Order, the Commission substantially affirmed its decision to prohibit telephone companies from acquiring cable facilities in their telephone service areas for the provision of video dialtone. We continue to believe that this ban will benefit the public interest by promoting greater competition in the delivery of video services, increasing the diversity of video programming available to consumers, and advancing the deployment of the national communications infrastructure. We tentatively conclude that the ban on LEC acquisition of cable facilities for the provision of video dialtone does not impermissibly restrict LEC speech

under *C&P Tel. Co.* v. *U.S.* and *U S West* v. *U.S.*, and seek comment on this conclusion.

16. In the *Third Further Notice of Proposed Rulemaking*, the Commission recognized that some markets may be incapable of supporting two video delivery systems. The Commission was concerned that, in such markets, the prohibition could preclude establishment of video dialtone service, thereby denying consumers the benefits of competition and diversity of programming sources that our video dialtone regulatory framework is designed to promote. As a result, the Commission requested parties to suggest criteria that would permit us to identify those markets in which two wire-based multi-channel video delivery systems would not be viable. We seek comment on how, if at all, the decisions in *C&P Tel. Co.* v. *U.S.* and *U S West* v. *U.S.* should affect our consideration of criteria for allowing exceptions to our two-wire policy. We also seek comment on whether we should ban telephone company acquisition of cable facilities, with or without exceptions, if (a) Title VI applies to telephone companies providing programming on their own video dialtone platforms; or (b) telephone companies are permitted to become traditional cable operators in their own service areas instead of constructing video dialtone platforms.

d. Joint Marketing and Customer Proprietary Network Information

17. In the Video Dialtone Reconsideration Order, the Commission also affirmed its decision to permit LECs to engage in joint marketing of basic and enhanced video services, and of basic video and non-video services. We found that significant public interest benefits can accrue from the efficiencies and innovations that may be obtained by permitting LECs to engage in joint marketing of basic and enhanced video services, and of basic video and non-video services. We also found that the record on reconsideration did not support a finding that joint marketing of common carrier video and telephony services would have an anticompetitive impact on the provision of video programming to end users. We now seek comment on whether LEC provision of video programming directly to end users requires that we revisit our analysis of joint marketing issues.

18. In the Bell Atlantic Market Trial Order, released on January 20, 1995, the Commission authorized Bell Atlantic to conduct a six-month video dialtone market trial that will include provision of video programming directly to subscribers by a Bell Atlantic affiliate as well as by independent video programmers.

Pending resolution of the instant rulemaking proceeding, we conditioned Bell Atlantic's authorization on its compliance with existing safeguards for the provision of nonregulated services, including enhanced services, and with several additional, interim safeguards against discrimination. We seek comment on whether any or all of these interim safeguards should be adopted as permanent requirements for LECs that provide video programming over their own video dialtone platforms.

19. Under the Commission's customer proprietary network information (CPNI) requirements, the Commission limits the Bell Operating Companies' (BOCs') and GTE Service Corporation's (GTE's) use of CPNI; requires them to make CPNI available to competitive enhanced service providers (ESPs) designated by a customer; and requires that they make available to ESPs non-proprietary aggregated CPNI on the same terms and conditions on which they make such CPNI available to their own enhanced service personnel. In the Video Dialtone Reconsideration Order, the Commission determined that there was insufficient evidence to conclude that our existing CPNI rules do not properly balance our CPNI goals relating to privacy, efficiency, and competitive equity in the context of video dialtone. The Commission also required the BOCs and GTE to provide additional information regarding the kinds of CPNI to which they will have access as a result of providing video dialtone service and indicated its intent to seek further comment on such information. We now seek additional comment and information on whether LEC provision of video programming impacts the balancing of our goals for CPNI.

20. In addition to concerns over possible anticompetitive use of CPNI, parties should discuss whether LEC provision of video programming raises new concerns regarding consumer privacy. Parties that perceive a greater threat to consumer privacy should describe with specificity their concerns, and suggest specific safeguards for protecting consumer privacy, and explain how these suggestions benefit the public interest.

21. We also seek comments on safeguards to ensure nondiscriminatory access to network technical information. In the Bell Atlantic Market Trial Order, the Commission required Bell Atlantic to provide all video programmers with nondiscriminatory access to technical information concerning the basic video dialtone platform and related equipment. The Commission also noted that, in the circumstances of the market trial, Bell Atlantic would also be subject to the more specific Computer III network disclosure rules. We seek comment on whether the Bell Atlantic condition should be adopted as a permanent safeguard. We also seek parties to address whether the Computer III network disclosure rules should be modified in any way for application in the video dialtone context.

4. Safeguards Against Cross-Subsidization of Video Programming Activities

22. In the Video Dialtone Reconsideration Order, the Commission determined that price cap regulation and accounting safeguards would be effective to prevent cross-subsidization of video dialtone-related nonregulated activities. We tentatively conclude that these safeguards against cross-subsidization apply to LEC provision of video programming just as they would to any other activity not regulated as Title II common carrier service, and that the existing rules are adequate to forestall cross-subsidy of the video programming activity. We seek comment on these tentative conclusions.

23. Assuming we do not require structural separation, LECs will have the flexibility to conduct video programming activities both within the telephone operating company and through affiliates. For those video programming activities conducted in the operating company, the LEC will be required to record costs and revenues in accordance with Part 32 of the Commission's Rules, the Uniform System of Accounts (USOA), and to separate the costs of video programming activity from the costs of regulated telephone service in accordance with the part 64 joint cost rules. We tentatively conclude that these rules are adequate to prevent cross-subsidization of video programming activities. We also tentatively conclude that we will apply to video programming activities the rule adopted in the Video Dialtone Reconsideration Order requiring LECs to amend their cost allocation manuals to reflect video dialtone-related nonregulated activities within 30 days of receiving video dialtone facilities authorization. We seek comment on these tentative conclusions.

24. H a LEC chooses for business reasons to provide video programming through an affiliate, the accounting treatment of operating company transactions with that affiliate will be governed by the affiliate transactions rules. We seek comment on whether amendments to those rules are needed

to safeguard against abuses in transactions between LECs and affiliated video program providers. Specifically, we seek comment on whether we should amend Section 32.27 to clarify that any video program provider that is considered, because of a LEC's five percent ownership interest, to be a LEC affiliate for purposes of applying video dialtone safeguards will also be considered an ''affiliate'' for purposes of the affiliate transactions rule.

5. Structural Separation

25. In the Computer III proceeding, the Commission replaced its requirement that BOCs offer enhanced services through separate subsidiaries with a set of nonstructural safeguards. Those nonstructural safeguards were intended to protect against discrimination and cross-subsidization while avoiding the inefficiencies associated with structural separation. We seek comment on whether our approach to these questions should differ when BOCs provide video programming. Specifically, we seek comment as to whether there are aspects of the video programming business that warrant our treating BOC provision of video programming differently from the way we treat BOC provision of customer premises equipment (CPE) and enhanced services generally. We also seek comment on whether any structural separation requirement should apply to LECs other than the BOCs. Commenting parties should specifically identify what aspects warrant different treatment, and what form of separation would be appropriate. Parties should also offer information concerning the relative costs and benefits of structural separation.

6. Pole Attachments

26. Section 63.57 of our rules requires LECs seeking to provide channel service to show in their Section 214 applications that the cable system for which they would be providing channel service had pole attachment rights or conduit space available ''at reasonable charges and without undue restrictions on the uses that may be made of the channel by the operator.'' In the Third Further Notice of Proposed Rulemaking, the Commission sought comment on whether a similar rule should apply to LECs providing video dialtone service. We now seek additional comment on that proposal in light of *C&P Tel. Co.* v. *U.S.* and *U S West* v. *U.S.* Parties should address whether incentives to abuse control over pole and conduit space are increased if a LEC decides to offer video programming within its telephone service area. In addition, as requested in the Third Further Notice of Proposed Rulemaking, advocates of such a rule should propose specific language, and should explain how the rule would prevent anticompetitive conduct.

7. Legal and Constitutional Issues

a. Waiver of the Cross-Ownership Ban

27. Section 533(b)(4) of the Communications Act provides that, upon a ''showing of good cause,'' the Commission may waive the 1984 Cable Act's cross-ownership ban. Under Section 533(b)(4), a waiver ''shall be granted by the Commission upon a finding that the issuance of such waiver is justified by the particular circumstances demonstrated by the petitioner, taking into account the policy of this subsection.'' In *GTE California* v. *FCC*, the United States Court of Appeals for the Ninth Circuit raises the question whether the Commission may establish conditions under which it will waive the telco-cable cross-ownership ban in order to obviate potential constitutional difficulties. We tentatively conclude that such a reading of Section 533(b)(4) is consistent with the terms of the statute. ''Good cause'' is commonly interpreted to include changed circumstances, and the circumstances that led us to institute the cross-ownership rule in 1970 have changed dramatically. The cable industry is no longer a fledgling industry. Instead, as the Supreme Court recently recognized, ''Congress found that over 60 percent of the households with television sets subscribe to cable * * * and for those households cable has replaced over-the-air broadcast television as the primary provider of video programming.''

28. We also tentatively conclude that the safeguards we will establish will constitute ''particular circumstances * * *, taking into account the policy'' of Section 533(b), under which waivers are warranted. We do not intend to waive the telco-cable cross-ownership rule altogether, so that telephone companies may purchase cable companies that do not face competition and offer their own programming via a monopoly cable system. Rather, and in fulfillment of the policy underlying Section 533(b), we intend to promote competition in the multi-channel video programming market by establishing particular conditions under which telephone companies may establish video dialtone systems that will compete with existing cable operators, thus providing consumers with a choice of multi-channel video systems.

29. The United States Court of Appeals for the District of Columbia Circuit recognized, in *NCTA* v. *FCC (1990)*, that ''the policy of this subsection is to promote competition.'' However, in that decision the D.C. Circuit also appeared to give a narrow reading to the scope of the waiver provision. Specifically, the court of appeals remanded a decision in which the Commission had granted a waiver because the court concluded that the Commission had not shown that the participation of an affiliate of a telephone company in constructing transmission facilities was ''essential to the success'' of an experimental video programming project. But at that time no court had declared Section 533(b) unconstitutional, and the D.C. Circuit did not consider whether a broader reading of Section 533(b)(4) was appropriate to render the provision constitutional. The Supreme Court has recently reiterated that ''a statute is to be construed where fairly possible so as to avoid substantial constitutional questions.'' A reading of the waiver provision that authorizes telephone companies that comply with the safeguards we will establish to provide video programming should render Section 533(b) constitutional, because in those circumstances any burden on speech by telephone companies will be minimal. Hence, under *U.S.* v. *X-Citement Video*, a broad interpretation of Section 533(b)(4) seems warranted. We seek comment on these tentative conclusions.

b. Constitutionality of Proposed Safeguards

30. As the Court of Appeals for the Fourth Circuit stated in *C&P Tel. Co.* v. *U.S.*, in order for a content-neutral government regulation of speech, such as the cross-ownership ban, to be constitutional, that regulation must be ''narrowly tailored to serve a significant governmental interest, and * * * leave open ample alternative channels for communication of the information.'' With respect to all proposals set forth above for safeguards on LEC provision of video programming, we seek comment on whether such safeguards, whether individually, or in any combination, would be consistent with the First Amendment, the Fourth Circuit's decision in *C&P Tel. Co.* v. *U.S.*, and the Ninth Circuit's decision in *U.S. West* v. *U.S.*

Ex Parte Presentations

31. This Fourth Further Notice of Proposed Rulemaking is a non-restricted notice-and-comment rulemaking proceeding. *Ex parte* presentations are

permitted, except during the Sunshine Agenda period, provided that they are disclosed as provided in the Commission's rules. See generally 47 CFR 1.1202, 1.1203, 1.1206.

Comment Filing Dates

32. Pursuant to applicable procedures set forth in Sections 1.415 and 1.419 of the Commission's rules, 47 C.F.R. 1.415, 1.419, interested parties may file comments on or before March 6, 1995, and reply comments on or before March 27, 1995. To file formally in this proceeding, you must file an original and four copies of all comments, reply comments, and supporting comments. If you want each Commissioner to receive a personal copy of your comments, you must file an original and nine copies. Comments and reply comments should be sent to Office of the Secretary, Federal Communications Commission, Washington, DC 20554, with a copy to Peggy Reitzel of the Common Carrier Bureau, Room 544, and James Yancey of the Cable Services Bureau, Room 408C. Parties should also file one copy of any documents filed in this docket with the Commission's copy contractor, International Transcription Services, Inc., 2100 M Street, NW., Suite 140, Washington, DC 20037. Comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Center (Room 239), 1919 M Street NW., Washington, DC.

Initial Regulatory Flexibility Analysis Statement

33. Pursuant to the Regulatory Flexibility Act of 1980, 5 U.S.C. 601–612, the Fourth Further Notice of Proposed Rulemaking, seeking comment and information regarding whether additional or modified safeguards and rule changes may be necessary or appropriate in the context of the Commission's video dialtone regulatory framework, when a telephone company provides video programming directly to subscribers in its telephone service area may directly impact entities that are small business entities, as defined in Section 601(3) of the Regulatory Flexibility Act.

34. The Secretary shall send a copy of this *Fourth Further Notice of Proposed Rulemaking,* including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration in accordance with Section 603(a) of the Regulatory Flexibility Act, Pub. L. 96–354, 94 Stat. 1164, 5 U.S.C. 601, *et seq.*

Ordering Clauses

35. *It is ordered* that, pursuant to Sections 1, 4, 201–205, 215, and 218 of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154, 201–205, 215, and 218, a Fourth Further Notice of Proposed Rulemaking is hereby adopted.

36. *It is further ordered* that, the Secretary shall send a copy of the Fourth Further Notice of Proposed Rulemaking, including the regulatory flexibility certification, to the Chief Counsel for Advocacy of the Small Business Administration, in accordance with paragraph 603(a) of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.* (1981).

List of Subjects in 47 CFR Part 63

Cable television, Communications common carriers, Reporting and recordkeeping requirements, Telephone, Video dialtone.

Federal Communications Commission

William F. Caton,

Secretary.

[FR Doc. 95–3831 Filed 2–15–95; 8:45 am]

BILLING CODE 6712–01–M

47 CFR Part 73

[MM Docket No. 95-16]

Radio Broadcasting Services; Leone, American Samoa

AGENCY: Federal Communications Commission.

ACTION: Proposed rule.

SUMMARY: The Commission, on its own motion, proposes the deletion of vacant and unapplied-for Channel 266C1 from Leone, American Samoa. The independent nation of Western Samoa has recently assigned an FM station to operate on Channel 266A which conflicts with the American Samoa allotment. Should an interest in applying for a Class C1 channel at Leone be expressed, the staff has determined that Channel 230C1 can be allotted to Leone in compliance with the Commission's minimum distance separation requirements without the imposition of a site restriction, at coordinates –14–20–38 South Latitude and 170–47–06 West Longitude.

DATES: Comments must be filed on or before April 3, 1995, and reply comments on or before April 18, 1995.

ADDRESSES: Federal Communications Commission, Washington, D.C. 20554.

FOR FURTHER INFORMATION CONTACT: Leslie K. Shapiro, Mass Media Bureau, (202) 418–2180.

SUPPLEMENTARY INFORMATION: This is a synopsis of the Commission's *Notice of Proposed Rule Making,* MM Docket No. 95-16, adopted January 25, 1995, and released February 10, 1995. The full text of this Commission decision is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, NW, Washington, D.C. 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, D.C. 20037.

Provisions of the Regulatory Flexibility Act of 1980 do not apply to this proceeding.

Members of the public should note that from the time a Notice of Proposed Rule Making is issued until the matter is no longer subject to Commission consideration or court review, all *ex parte* contacts are prohibited in Commission proceedings, such as this one, which involve channel allotments. See 47 CFR 1.1204(b) for rules governing permissible *ex parte* contacts.

For information regarding proper filing procedures for comments, see 47 CFR 1.415 and 1.420.

List of Subjects in 47 CFR Part 73

Radio broadcasting.

Federal Communications Commission.

John A Karousos,

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

[FR Doc. 95–3936 Filed 2–15–95; 8:45 am]

BILLING CODE 6712–01–F

DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

49 CFR Part 225

[FRA Docket No. RAR–4, Notice No. 10]

RIN 2130–AA58

Railroad Accident Reporting

AGENCY: Federal Railroad Administration (FRA).

ACTION: Notice of postponement of decision whether or not to issue a supplemental notice of proposed rulemaking and confirmation of March 10, 1995, deadline for comments.

SUMMARY: In accordance with a notice published on December 27, 1994 (59 FR 66501), FRA held an informal public regulatory conference on January 30–February 2, 1995, in Washington, D.C. to further discuss issues related to its notice of proposed rulemaking (NPRM)

on railroad accident reporting (59 FR 42880). Conference participants offered various alternative approaches in response to the specific proposals set forth in the NPRM. The Association of American Railroads and The American Short Line Railroad Association requested that they be allowed to address specific topics by the existing comment deadline of March 10, 1995, and that such comments be incorporated into a second or supplemental NPRM. FRA believes that a decision as to whether or not to issue a supplemental NPRM is premature at this point in the rulemaking proceeding. FRA requests that written comments addressing all issues in the NPRM be filed no later than March 10, 1995, as specified in FRA's December 27, 1994, notice. After thorough review and analysis of the submitted comments, FRA will decide whether a supplemental NPRM is in fact warranted for this rulemaking and will issue a decision in the **Federal Register**. FRA's decision whether or not to issue a supplemental NPRM will be based primarily on the extent that written comments address constructive, creative solutions to the subjects and issues involved in the NPRM.

DATES: *Written Comments:* Written comments filed in response to the NPRM must be received no later than March 10, 1995. Comments received after that date will be considered to the extent practicable without incurring additional expense or delay.

ADDRESSES: *Written Comments:* Written comments should identify the docket number and the notice number and must be submitted in triplicate to the Docket Clerk, Office of Chief Counsel, Federal Railroad Administration, 400 Seventh Street, S.W., Room 8201, Washington, D.C. 20590. Persons desiring to be notified that their written comments have been received by FRA should submit a stamped, self-addressed postcard with their comments. The Docket Clerk will indicate on the postcard the date on which the comments were received and will return the card to the addressee. Written comments will be available for examination, both before and after the closing date for comments, during regular business hours in room 8201 of the Nassif Building at the above address.

FOR FURTHER INFORMATION CONTACT: Marina C. Appleton, Trial Attorney, Office of Chief Counsel, FRA, 400 Seventh Street, S.W., Washington, D.C. 20590 (telephone 202–366–0628); or Robert Finkelstein, Chief, Systems Support Division, Office of Safety Analysis, Office of Safety, FRA, 400 Seventh Street, S.W., Washington, D.C. 20590 (telephone 202–366–2760).

Issued in Washington, D.C., on February 13, 1995.

Jolene M. Molitoris,

Federal Railroad Administrator.

[FR Doc. 95–3954 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–06–P

Notices

Federal Register

Vol. 60, No. 32

Thursday, February 16, 1995

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

Forest Service

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

Federal Subsistence Management Program in Alaska Meetings

AGENCY: Forest Service, USDA; Fish and Wildlife Service, Interior.

ACTION: Notice of meeting.

TIMES, DATES AND LOCATIONS: The Federal Subsistence Board announces the forthcoming Subsistence Regional Advisory Council (Regional Council) meeting: Southcentral Regional Council, 9:00 am, Feb. 14, 1995, Regal Alaskan Hotel, Anchorage, AK.

SUMMARY: The public is invited to participate in this upcoming informational Regional Council meeting. Individuals will be able to listen to presentations to the Regional Council and their comments.

MATTERS TO BE CONSIDERED: The Regional Council will hear presentations on options for the customary and traditional use eligibility determination process in general, and specifically how they relate to the process in the Kenai Peninsula area. The Regional Council may also discuss other issues concerning the Federal Subsistence Management Program.

FOR FURTHER INFORMATION CONTACT: Chair, Federal Subsistence Board, c/o Richard Pospahala, Office of Subsistence Management, U.S. Fish and Wildlife Service, 1011 E. Tudor Road, Anchorage, Alaska 99503; telephone (907)–786–3447.

SUPPLEMENTARY INFORMATION: The Regional Councils have been established in accordance with Section 805 of the Alaska National Interest Lands Conservation Act, Public Law 96–487, and Subsistence Management Regulations for Public Lands in Alaska, subparts A, B, and C (57 FR 22940–22964). They advise the Federal Government on all matters related to the subsistence taking of fish and wildlife on public lands in Alaska and operate in accordance with provisions of the Federal Advisory Committee Act. The public is invited to participate in the Regional Council meetings.

The Federal Subsistence Board was established in accordance with Section 814 of the Alaska National Interest Lands Conservation Act, Public Law 96–487, and Subsistence Management Regulations for Public Lands in Alaska, subparts A, B, and C (57 FR 22940–22964). The Secretary of the Interior and Secretary of Agriculture delegated responsibility for administering the subsistence taking and use of fish and wildlife on public lands to this body. Their meetings are open and the public is invited to participate.

Dated: February 7, 1995.

Rowan W. Gould,

Acting Chair, Federal Subsistence Board.

[FR Doc. 95–3850 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–55–P

DEPARTMENT OF AGRICULTURE

Forest Service

Carlota Copper Project, Tonto National Forest, Gila and Pinal Counties, AZ

AGENCY: Forest Service, USDA.

COOPERATING AGENCIES: Department of Defense, U.S. Army Corps of Engineers, Los Angeles District, Arizona Field Office.

Arizona Department of Environmental Quality.

ACTION: Revision of notice of intent to prepare an environmental impact statement.

SUMMARY: On June 9, 1992, the USDA, Forest Service, as lead agency, issued a Notice of Intent (NOI) to prepare an Environmental Impact Statement (EIS) for a proposal to develop a mine for copper extraction in the Pinto Creek/Powers Gulch area in the **Federal Register** (57 FR 24461). The purpose of this revised notice is to inform the publics of the following:

1. A revised release date for the draft and final EIS;

2. The availability of a Scoping Report document, and Update To Plan of Operations, a Closure and Reclamation Plan and a revised Mine Site Plan further describing changes to the proposal;

3. The additional of the U.S. Army Corps of Engineers and the Arizona Department of Environmental Quality as cooperating agencies;

4. A change in the appeal regulations.

The draft EIS is now expected to be completed and available for public review in January, 1995. The final EIS is expected to be available in June, 1995.

Following several months of scoping and public meetings, a Scoping Report was completed in July, 1993, and mailed to all publics who had requested to be placed on the project mailing list. The initial plan of operations for the Carlota Mine was filed in February, 1992. As additional planning and engineering work was completed, and in response to agency and public comments and suggestions, the proponent submitted an Update to Plan of Operations in January, 1993, a revised Mine Site Plan dated 12/15/93, and a Closure and Reclamation Plan in June, 1994. Copies of the Scoping Report, Update to Plan of Operations, Mine Site Plan and Closure and Reclamation Plan are available for public review at the following locations: Forest Service Supervisor's Office, Phoenix, Arizona; Forest Service District Ranger's Office, Globe, Arizona.

The revisions will increase ore production and extend the life of the project. Based on review of those revisions, no new issues were evident which were not identified in the initial public scoping. Upon completion of the draft EIS, copies will be distributed to interested and affected agencies, organizations, and members of the public for their review and comment. The EPA will publish a Notice of Availability of the draft EIS in the Federal Register. The comment period on the draft EIS will be 45 days from the date the EPA publishes the Notice of Availability. It is very important that those interested in this proposed action participate at that time.

The U.S. Army Corps of Engineers and the Arizona Department of Environmental Quality are participating in the analysis process as cooperating agencies for the purposes of their permitting processes.

Effective November 4, 1993, in the **Federal Register** (58 FR 58904), a new

appeal regulation become effective. The decision on this proposed action will be subject to Forest Service appeal regulations (36 CFR part 215).

RESPONSIBLE OFFICIAL: The responsible official who will make the decision regarding this proposal is Charles R. Bazan, Forest Supervisor, Tonto National Forest, 2324 E. McDowell, Phoenix, Arizona 85006. He will decide under what circumstances the mining operations may proceed.

SUPPLEMENTARY INFORMATION: The original plan proposed three open pits over 370 acres. The revised plan proposes four open pits over 435 acres. Disturbance area has increased from approximately 1250 acres to 1447 acres. The ore reserves have increased from 54–70 million tons to 100 million tons. Mine rock (overburden or nonmineralized rock to be removed) increased from 130 million to 211 million tons, however, the extent of mine rock dumps will not be increased due to the proposed partial backfilling of the pits. The project life has increased from 10–12 years to 18 years and the number of employees increased from 225 to 280–300. The mining rate has increased from 19 million tons per year to 24 million tons per year. The separate leach solution and overflow ponds have been incorporated within the leach pad so only the raffinate solution pond will be exposed. The estimated average annual water requirement of 750 gallons per minute has not substantially increased although dry-period demands are estimated to reach 1200 gallons per minute. Locations of access roads, powerline corridors and facilities have also been relocated.

Dated: December 15, 1994.

Charles R. Bazan,

Forest Supervisor.

[FR Doc. 94–3851 Filed 2–15–94; 8:45 am]

BILLING CODE 3410–11–M

DEPARTMENT OF COMMERCE

Agency Form Under Review by the Office of Management and Budget

DOC has submitted to OMB for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. Chapter 35).

Agency: Minority Business Development Agency.

Title: Narrative Reporting Requirements.

Agency Form Number: None.

OMB Approval Number: 0640–0007.

Type of Request: Reinstatement with change, of a previously approved collection for which approval has expired.

Burden: 5,720 hours.

Number of Respondents: 110.

Avg Hours Per Response: 13 hours.

Needs and Uses: MBDA awards grants and cooperative agreements for three separate service programs –– Minority Enterprise Growth Assistance Centers, Minority Business Development Centers and the Native American Program. The information collected is needed to evaluate individual project and program performance by comparing accomplishments against planned performance. The information is also used to evaluate the overall results of Agency–funded programs.

Affected Public: Individuals, businesses or other for–profit organizations, not–for–profit institutions, and state, local or tribal government.

Frequency: Quarterly.

Respondent's Obligation: Required to obtain or retain a benefit.

OMB Desk Officer: Don Arbuckle, (202) 395–7340.

Copies of the above information collection proposal can be obtained by calling or writing Gerald Tache, DOC Forms Clearance Officer, (202) 482–3271, Department of Commerce, Room 5327, 14th and Constitution Avenue, N.W., Washington, D.C. 20503

Written comments and recommendations for the proposed information collection should be sent to Don Arbuckle, OMB Desk Officer, Room 10202, New Executive Office Building, Washington, D.C. 20503.

Dated: February 10, 1995

Gerald Tache,

Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc 95–3867 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–CW–F

Agency Form Under Review by the Office of Management and Budget

DOC has submitted to the Office of Management and Budget (OMB) for clearance the following proposal for collection of information under the provisions of the Paperwork Reduction Act (44 U.S.C. chapter 35).

Agency: Bureau of the Census.

Title: 1995 Census Test – Integrated Coverage Measurement (Housing Unit Follow–up).

Form Number(s): DG–1377.

Agency Approval Number: None.

Type of Request: New collection–EXPEDITED REVIEW.

Burden: 330.

Number of Respondents: 2,241.

Avg Hours Per Response: 5 minutes.

Needs and Uses: Prompted by the need to improve estimation techniques during the decennial census, the Census Bureau has developed an Integrated Coverage Measurement (ICM) approach to be tested during the 1995 Census Test. The ICM approach will utilize a separately sampled group of blocks within the 1995 Census Test sites which will be independently listed and then interviewed in addition to being enumerated in the census test. We will reconcile differences between the independent roster obtained in the ICM interviews and the census test results. This reconciliation will allow us to measure our coverage of persons in missed housing units and coverage of persons missed within housing units enumerated in the census test. Before ICM interviews are conducted, the independent listing will be enhanced by matching to existing census records. We will use the Housing Unit Follow–up Form to resolve non–matches and duplicate addresses. ICM interviews will then be conducted at housing units on the ''enhanced listing.''

Affected Public: Individuals or households.

Frequency: One–time.

Respondent's Obligation: Mandatory.

OMB Desk Officer: Maria Gonzalez, (202) 395–7313.

Copies of the above information collection proposal can be obtained by calling or writing Gerald Taché, DOC Forms Clearance Officer, (202) 482–3271, Department of Commerce, room 5312, 14th and Constitution Avenue, NW, Washington, DC 20230.

Written comments and recommendations for the proposed information collection should be sent to Maria Gonzalez, OMB Desk Officer, room 10201, New Executive Office Building, Washington, DC 20503.

Dated: February 9, 1995.

Gerald Taché,

Departmental Forms Clearance Officer, Office of Management and Organization.

[FR Doc. 95–3735 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–07–F

Foreign-Trade Zones Board

[Docket 4–95]

Pier 1 Imports, Inc. (Home Furnishings, Housewares and Gift Products) Application for Subzone Status; Grove City, OH

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Rickenbacker Port Authority, grantee of FTZ 138, requesting special-purpose subzone

status for a distribution facility of Pier 1 Imports, Inc., located in Grove City, Ohio, within the Columbus, Ohio port of entry area. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a–81u), and the regulations of the Board (15 CFR Part 400). It was formally filed on February 8, 1995.

Pier 1 is a nationwide retailer of home furnishings, housewares, clothing, fashion accessories, and gifts, headquartered in Fort Worth, Texas. The company operates 586 stores in North America with total sales of $700 million. Pier 1 has seven distribution centers in the United States.

Pier One's Grove City distribution facility (527,000 sq. ft. on a 30-acre site) is located at 3500 Southwest Boulevard in Grove City, Ohio, some 5 miles west of Columbus. It is used to distribute a wide range of consumer products, most of which are of foreign origin. While the company currently uses the facility (46 employees) to supply Pier 1 stores only in the northeastern United States, it plans to expand the plant to accommodate the relocation of Canadian distribution operations to the Grove City site.

Zone procedures would exempt Pier 1 from Customs duty payments on the foreign products that are reexported. On domestic sales, the company would be able to defer Customs duty payments. Foreign materials and finished products held for export would be eligible for an exemption from certain state and local ad valorem taxes. The application indicates that the use of zone procedures at the facility is needed for the proposed Canadian export activity.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment on the application is invited from interested parties. Submissions (original and three copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period of their receipt is April 17, 1995. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to May 2, 1995.

A copy of the application and the accompanying exhibits will be available for public inspection at each of the following locations:

U.S. Customs Service, Port Director, Port Columbus International Airport, 4600 17th Avenue, Room 221, Columbus, Ohio 43219.

Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, Room 3716, 14th Street & Constitution Avenue, NW, Washington, DC 20230.

Dated: February 9, 1995.

John J. Da Ponte, Jr.,

Executive Secretary.

[FR Doc. 95–3958 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–DS–P

[Docket 3–95]

Foreign-Trade Zone 39—Dallas/Fort Worth, Texas, Pier 1 Imports, Inc. (Home Furnishings, Housewares and Gift Products); Application for Subzone Status, Mansfield, TX

An application has been submitted to the Foreign-Trade Zones Board (the Board) by the Dallas/Fort Worth International Airport Board, grantee of FTZ 39, requesting special-purpose subzone status for a distribution facility of Pier 1 Imports, Inc., located in Mansfield, Texas, within the Dallas/Fort Worth port of entry area. The application was submitted pursuant to the provisions of the Foreign-Trade Zones Act, as amended (19 U.S.C. 81a-81u), and the regulations of the Board (15 CFR part 400). It was formally filed on February 7, 1995.

Pier 1 is a nationwide retailer of home furnishings, housewares, clothing, fashion accessories, and gifts, headquartered in Fort Worth, Texas. The company operates 586 stores in North America with total sales of $700 million. Pier 1 has seven distribution centers in the United States.

Pier One's Mansfield distribution facility (460,000 sq. ft. on 29-acre site) is located at 2200 Heritage Parkway in Mansfield, Texas, some 15 miles east of Fort Worth. It is used to distribute a wide range of consumer products, most of which are of foreign origin. While the company currently uses the facility (52 employees) to supply Pier 1 stores in the southwestern United States and three Pier 1 stores in Mexico, it plans to expand the plant for new international distribution activity as part of an overall company effort to increase exports to Mexico and other Latin American markets.

Zone procedures would exempt Pier 1 from Customs duty payments on the foreign products that are reexported. On domestic sales, the company would be able to defer Customs duty payments. Foreign materials and finished products held for export would be eligible for an exemption from certain state and local ad valorem taxes. The application indicates that the use of zone procedures at the facility is needed for proposed export activity.

In accordance with the Board's regulations, a member of the FTZ Staff has been designated examiner to investigate the application and report to the Board.

Public comment on the application is invited from interested parties. Submissions (original and three copies) shall be addressed to the Board's Executive Secretary at the address below. The closing period of their receipt is April 17, 1995. Rebuttal comments in response to material submitted during the foregoing period may be submitted during the subsequent 15-day period to May 2, 1995.

A copy of the application and the accompanying exhibits will be available for public inspection at each of the following locations:

U.S. Department of Commerce District Office, P.O. Box 58130, 2050 N. Stemmons Freeway, Suite 170, Dallas, Texas 75258.

Office of the Executive Secretary, Foreign-Trade Zones Board, U.S. Department of Commerce, Room 3716, 14th Street & Constitution Avenue, NW., Washington, DC 20230.

Dated: February 9, 1995.

John J. Da Ponte, Jr.,

Executive Secretary.

[FR Doc. 95–3959 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–DS–P

International Trade Administration

[A–580–008]

Color Television Receivers From the Republic of Korea; Preliminary Results and Termination in Part of Antidumping Duty Administrative Reviews

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

ACTION: Notice of Preliminary Results and Termination in Part of Antidumping Duty Administrative Reviews.

SUMMARY: In response to requests by interested parties, the Department of Commerce (the Department) is conducting administrative reviews of the antidumping duty order on color television receivers (CTVs) from the Republic of Korea. The reviews (sixth and seventh, respectively) cover exports of this merchandise to the United States during the periods April 1, 1988 through March 31, 1989, and April 1, 1989 through March 31, 1990. The review of Quantronics Manufacturing

Company is being terminated in the sixth (88–89) review. Based on our review of the remainder of these exports, we preliminarily find the existence of dumping margins for all reviewed companies with the exception of Samsung Electronics Co., Ltd. (Samsung), which had a *de minimis* margin in both of our reviews. We invite interested parties to comment on these preliminary results.

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Anne D'Alauro or Richard Herring, Office of Countervailing Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW., Washington, DC 20230; telephone: (202) 482–2786.

SUPPLEMENTARY INFORMATION:

BACKGROUND

On March 31, 1989, the Department published in the **Federal Register** a notice of ''Opportunity to Request Administrative Review'' (54 FR 13211) of the antidumping duty order on CTVs from the Republic of Korea for the period April 1, 1988 through March 1, 1989 (sixth review). The United Electrical Workers of America, Independent, International Brotherhood of Electrical Workers, International Union of Electronic, Electrical, Salaried, Machine and Furniture Workers, AFL-CIO, and the Industrial Union Department, AFL-CIO (the Unions), the petitioners in this proceeding, Zenith Electronics Corporation, a domestic interested party, two respondents, Cosmos Electronics Company Ltd. (Cosmos), and Samsung, and an importer of color television receivers from Tongkook General Electronics Co., Ltd (Tongkook), and Samwon Electronics, Inc. (Samwon), requested an administrative review of the antidumping duty order for this period. For the subsequent (seventh) review period, April 1, 1989 through March 31, 1990, the opportunity notice was published on April 10, 1990 (55 FR 13302). With the exception of the importer of Tongkook and Samwon, the same interested parties requested a review of the seventh period. In addition, the respondent Goldstar Company, Ltd. (Goldstar), also requested a review of its exports for the seventh period.

On May 24, 1989, the Department published a notice of initiation of the sixth review which covered seven companies including Tongkook, Samwon, Cosmos, Goldstar, Daewoo Electronics Co., Ltd. (Daewoo), Quantronics Manufacturing Company, Ltd. (Quantronics), and Samsung. On June 1, 1990, we published a notice of initiation for the seventh review (55 FR 22366) for the same seven manufacturers.

The requests for review with respect to Goldstar for both periods were withdrawn on May 23, 1994. Because all the requesting parties for these reviews withdrew their requests for Goldstar, on June 29, 1994, the Department terminated the reviews of Goldstar (59 FR 33486) pursuant to 19 CFR § 353.22(a)(5). On August 19, 1994, the final results of review with respect to Daewoo for both periods were separately issued (59 FR 40519). The request for review with respect to Quantronics for the seventh period was timely withdrawn pursuant to section 353.22(a)(5) and was terminated on July 31, 1990 (55 FR 31089). On October 7, 1994, the request for review of Quantronics made by Zenith Electronics Corporation for the sixth period was withdrawn. Pursuant to 19 CFR § 353.22(a)(5), the Department has the discretion to extend the period during which requests for review may be withdrawn. Because withdrawal of the request does not burden the Department or unfairly prejudice another party, in this notice we are terminating the sixth administrative review with respect to Quantronics pursuant to 19 CFR § 353.22(a)(5).

The Department is now conducting these administrative reviews in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act).

Scope of Reviews

Imports covered by this review include CTVs, complete and incomplete, from the Republic of Korea. The order covers all CTVs regardless of tariff classification. During the period of review, the subject merchandise was classified under item numbers 684.9246, 684.9248, 684.9250, 684.9252, 684.9253, 684.9255, 684.9256, 682. 9258, 684.9262, 684.9263, 684.9270, 684.9275, 684.9655, 684.9656, 684.9658, 684.9660, 684.9663, 684.9864, 684.9866, 687.3512, 687.3513, 687.3513, 687.3514, 687.3516, 687.3518, and 687.3520 of the *Tariff Schedules of the United States Annotated* (TSUSA). This merchandise is currently classifiable under item numbers 8528.10.80, 8529.90.15, 8529.90.20, and 8540.11.00 of the *Harmonized Tariff Schedule* (HTS). Although the HTS and TSUSA item numbers are provided for convenience and Customs purposes, our written description of the scope remains dispositive.

Best Information Available (BIA)

Two companies, Tongkook and Samwon, failed to respond to the original questionnaires sent by the Department for both review periods. One firm, Cosmos, failed to respond to our supplemental questionnaire for both review periods after going out of business. In deciding what to use as BIA, 19 CFR 353.37(b) provides that the Department may take into account whether a party fails to provide requested information. When a company fails to provide the information requested in a timely manner, or otherwise significantly impedes the Department's review, the Department considers that company to be uncooperative, and generally assigns to that company the higher of (a) the highest rate for any company from any previous review or the original investigation, or (b) the highest rate for a responding firm with shipments during the current period. See Final Results of Antidumping Duty Administrative Review, Antifriction Bearings (Other than Tapered Roller Bearings) and Parts Thereof from the Federal Republic of Germany, et al. (56 FR 31692; July 11, 1994). *See also Allied-Signal Aerospace Co.* v. *United States*, 996 F.2d 1195, 1191–92 (Fed. Cir. 1993), and *Krupp Stahl AG et al.* v. *United States*, 822 F. Supp. 789 (CIT 1993). For Tongkook and Samwon, the companies which failed to provide any information to the Department, we have used the highest rate from the original less-than-fair value (LTFV) investigation of 16.57 percent as their BIA rate because this rate is higher than the highest rate in the current reviews. For Cosmos, we have instead applied ''second-tier'' BIA, used for cooperative companies, because Cosmos provided reasonable and timely responses until the time of its business failure. Second-tier BIA rates comprise the higher of (1) the highest rate (including the ''all others'' rate) ever applied to that company from any prior review or the LTFV investigation, or (2) the highest rate calculated for any other company in the current review. Id. Because the only previous rate of 2.24 percent calculated for Cosmos from the immediately preceding review is higher than the rates calculated in the current reviews, Cosmos has been assigned a ''second-tier'' BIA rate of 2.24 percent.

Request for Revocation

On November 12, 1993, Samsung submitted a request for revocation in the sixth administrative review which it based on having established, in conjunction with its anticipated de

minimis result in the sixth review, three years of sales at not LTFV. Pursuant to § 353.25(b) of the Department's regulations, parties must submit their revocation request during the opportunity month for the administrative review which the respondent reasonably believes could establish their eligibility for revocation. See *Exportaciones Bochica/Floral* v. *United States*, 802 F. Supp. 447, *aff'd without opinion*, 996 F.2d 317 (1993). Therefore, in Samsung's case, even though the 1986–1987 (fourth) and the 1987–1988 (fifth) reviews had not been completed, Samsung should have filed its request during April of 1989, the opportunity month for the sixth review period. Such a filing would have preserved its right to revocation in the sixth review. The Department has carefully considered Samsung's reasons for failing to file their revocation request in a timely manner. One reason involves their inability to speculate in April of 1989 on unknown results in reviews four and five. However, unknown results in the previous reviews is not a valid reason for delaying a request for revocation. The regulation requires the revocation request to be filed in the anniversary month of the order if it is to be considered in the review requested that month. *Id.*

In addition, Samsung argues that although reviews four and five ultimately resulted in de minimis rates, an assumption would have had to be made that the litigation (in the first administrative review) involving the tax pass-through methodology, and affecting reviews four and five, would be resolved in a way that would result in calculation and allocation methodologies favorable to Samsung. It argues that because the issue regarding the correct tax methodology was not officially resolved until September 1993, it was not until that time that recognition could actually be given to final results in the fourth and fifth reviews. The Department, however, is not persuaded by Samsung's argument that the unknown results of ongoing litigation is an acceptable explanation for tardiness. The Department has consistently indicated that it is not its policy to await the results of pending court actions in making such decisions. See, Certain Fresh Cut Flowers from Colombia; Final Results of Antidumping Duty Administrative Review, and Notice of Revocation of Order (in Part) (59 FR 15159; March 31, 1994). In any case, given that the final results of reviews four and five were known to be *de minimis* on June 27, 1990 and March 27, 1991, respectively, the uncertain effect of litigation regarding the tax pass-through methodology on these results is an unconvincing explanation for Samsung's failure to file its revocation request until approximately two-and-a-half years after the de minimis results. For these reasons, we are preliminarily denying Samsung's revocation request.

Even more recently, on November 3, 1994, Samsung submitted a request for revocation in the seventh administrative review. For the same reasons discussed above, and the fact that the Department has not conducted the verification required for revocation under § 353.25(c)(2)(ii), the Department is denying Samsung's revocation request for the seventh administrative review.

United States Price (USP)

For Samsung, we based USP on purchase price in accordance with section 772(b) of the Tariff Act when CTVs were sold to unrelated purchasers in the United States prior to importation into the United States, and because exporter's sales price (ESP) methodology was not indicated by other circumstances. We based Samsung's USP on ESP as defined in section 772(c) of the Tariff Act when sales were made to unrelated parties after importation into the United States.

We calculated purchase price based on the packed, delivered, free on board (FOB) U.S. port or FOB Korea prices to unrelated customers in the United States. We made deductions, where applicable, for foreign inland freight, forwarding, EIAK export fees, ocean freight, Korean customs clearance fees, marine insurance, U.S. brokerage charges, wharfage, and U.S. duties. Where applicable, we made an addition for import duties collected and rebated on imported raw materials used in merchandise exported to the United States.

We calculated ESP based on the packed, delivered or FOB U.S. warehouse prices to unrelated customers in the United States. We made deductions, where applicable, for foreign inland freight, forwarding, EIAK export fees, ocean freight, customs clearance fees, marine insurance, U.S. brokerage charges, wharfage, U.S. duties, U.S. inland freight to the warehouse and for delivery to customers, royalties, discounts and rebates, commissions to unrelated parties, warranty expenses, return set losses, advertising, credit, and indirect selling expenses. Where applicable, we made an addition for import duties collected and rebated on imported raw materials used in merchandise exported to the United States.

We adjusted USP for value-added taxes in accordance with our practice as outlined in Silicon Manganese from Venezuela, Preliminary Determination of Sales at Less Than Fair Value, 59 FR 31204, June 17, 1994.

There were no other adjustments claimed or allowed.

Foreign Market Value (FMV)

In calculating FMV, the Department used home market price, as defined in section 773 of the Tariff Act, where sufficient quantities of such or similar merchandise were sold in the home market to provide a basis for comparison. Where sufficient quantities of such or similar merchandise for particular models were not sold in the home market, we used constructed value in accordance with section 773(a)(2) of the Tariff Act.

Home market price was based on the packed, delivered prices in the home market. Where applicable, we made deductions for inland freight, forwarding, discounts, rebates, credit, technical services, royalties, advertising and promotion, as well as adjustments for differences in merchandise and packing. We adjusted FMV for value-added taxes in accordance with our practice as outlined in Silicon Manganese from Venezuela, Preliminary Determination of Sales at Less Than Fair Value, 59 FR 31204, June 17, 1994. The company's warehousing expense could not be tied directly to either a particular customer or sales of the subject merchandise, and therefore we treated it as an indirect selling expense.

In light of the Court of Appeals for the Federal Circuit's decision in *Ad Hoc Committee of AD-NM-TX-FL Producers of Gray Portland Cement* v. *United States*, 13 F.3d 398 (Fed. Cir. 1994), the Department no longer can deduct home market movement charges from FMV pursuant to its inherent power to fill in gaps in the antidumping statute. We instead will adjust for those expenses under the circumstance-of-sale (COS) provision of 19 CFR 353.56 and the ESP offset provision of 19 CFR 353.56(b) (1) and (2), as appropriate, in the manner described below.

When USP is based on purchase price, we only adjust for home market movement charges through the COS provision of 19 CFR 353.56. Under this adjustment, we capture only direct selling expenses, which include post-sale movement expenses and, in some circumstances, pre-sale movement expenses. Specifically, we will treat pre-sale movement expenses as direct expenses if those expenses are directly related to the home market sales of the merchandise under consideration.

Moreover, in order to determine whether pre-sale movement expenses are direct, the Department will examine the respondent's pre-sale warehousing expenses, since the pre-sale movement charges incurred in positioning the merchandise at the warehouse are, for analytical purposes, inextricably linked to pre-sale warehousing expenses. If the pre-sale warehousing constitutes an indirect expense, the expense involved in getting the merchandise to the warehouse also must be indirect; conversely, a direct pre-sale warehousing expense necessarily implies a direct pre-sale movement expense.

When USP is based on ESP, the Department uses the COS adjustment in the same manner as in purchase price situations. Additionally, under the ESP offset provision set forth in 19 CFR 353.56(b) (1) and (2), we will adjust for any pre-sale movement charges which are treated as indirect selling expenses. Accordingly, because the Department has preliminarily determined that pre-sale warehousing costs are an indirect expense, the Department is also treating pre-sale movement costs as an indirect expense. Therefore, no COS adjustment has been made for these costs. For ESP sales, an adjustment for indirect costs has been made under the ESP offset provision.

For ESP comparisons, we also deducted indirect selling expenses from FMV in an amount not exceeding the indirect selling expenses and commissions incurred in the U.S. market. For purchase price comparisons, we added U.S. direct selling expenses including U.S. advertising, credit, warranties and royalties to FMV. Indirect selling expenses were deducted from FMV in an amount not exceeding the amount of commissions paid on U.S. purchase price sales in accordance with 19 CFR 353.56(b)(1).

We calculated constructed value for Samsung by adding material and fabrication costs, selling, general and administrative expenses (SG&A), profit, and U.S. packing in accordance with section 773(e) of the Tariff Act. Since, in both reviews, actual SG&A expenses were greater than the statutory minimum of 10 percent of the sum of materials and fabrication costs, we used Samsung's actual SG&A expenses. We used the statutory minimum of eight percent for profit in the sixth review in accordance with section 773(e) of the Tariff Act. In the seventh review, we used Samsung's actual profit experience since it was greater than eight percent of the cost of production.

No other adjustments were claimed or allowed.

Preliminary Results of the Reviews

As a result of our review, we preliminarily determine that the weighted-average dumping margins for the periods are:

Manufacturer/exporter	Margin percentage	
	04/01/88–3/31/89	04/01/89–3/31/90
Cosmos	2.24	2.24
Quantronics	Terminated	Terminated
Samsung	0.02	0.09
Samwon	16.57	16.57
Tongkook	16.57	16.57

Case briefs and/or written comments from interested parties may be submitted no later than 30 days after the date of publication of this notice. Rebuttal briefs and rebuttals to written comments, limited to issues raised in the case briefs and comments, may be filed no later than 37 days after the date of publication of this notice.

Within 10 days of the date of publication of this notice, interested parties to this proceeding may request a disclosure and/or a hearing. The hearing, if requested, will take place no later than 44 days after publication of this notice. Persons interested in attending the hearing should contact the Department for the date and time of the hearing.

The Department will subsequently publish the final results of this administrative review including the results of its analysis of issues raised in any such written comments or at a hearing.

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. The Department will issue appraisement instructions directly to the Customs Service.

Furthermore, the following deposit requirements will be effective upon publication of the final results of this administrative review for all shipments of the subject merchandise from Korea entered, or withdrawn from warehouse, for consumption on or after the publication date, as provided by section 751(a)(1) of the Tariff Act: (1) The cash deposit rate for all companies will continue to be the company-specific rate published in the final determination covering the most recent period; (2) for merchandise exported by manufacturers or exporters not covered in this review but covered in previous reviews or the original LTFV investigation, the cash deposit rate will continue to be the company-specific rate published in the final determination covering the most recent period; (3) if the exporter is not a firm covered in this review, previous reviews, or the original investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent period for the manufacturer of the merchandise; (4) the cash deposit rate for all other manufacturers or exporters will be 13.90 percent, the ''all other'' rate established in the original LTFV investigation by the Department (49 FR 7620, March 1, 1984), in accordance with the decisions of the Court of International Trade in *Floral Trade Council* v. *United States,* 822 F. Supp. 766 (CIT 1993), and *Federal-Mogul Corporation* v. *United States,* 822 F. Supp. 782 (CIT 1993).

This notice serves as a preliminary reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This administrative review and notice are in accordance with section 751(a)(1) of the Tariff Act, as amended (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: February 8, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–3960 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–570–834]

Amendment to Preliminary Determination of Sales at Less Than Fair Value: Disposable Lighters From the People's Republic of China

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Julie Anne Osgood or Todd Hansen, Office of Countervailing Investigations, U.S. Department of Commerce, Room B099, 14th and Constitution Avenue, NW., Washington, DC 20230; telephone (202) 482–0167 and 482–1276, respectively.

Scope of Investigation

The products covered by this investigation are disposable pocket lighters, whether or not refillable, whose fuel is butane, isobutane, propane, or other liquefied hydrocarbon, or a

mixture containing any of these, whose vapor pressure at 75 degrees Fahrenheit (24 degrees Celsius) exceeds a gauge pressure of 15 pounds per square inch. Non-refillable pocket lighters are imported under subheading 9613.10.0000 of the Harmonized Tariff Schedule of the United States (''HTSUS''). Refillable, disposable pocket lighters would be imported under subheading 9613.20.0000. Although the HTSUS subheadings are provided for convenience and Customs purposes, our written description of the scope of this proceeding is dispositive.

Case History

On December 5, 1994 (59 FR 64191, December 13, 1994), the Department of Commerce (''the Department'') made its affirmative preliminary determination of sales at less than fair value in the above-referenced investigation. On December 8, 1994, we disclosed our calculations for the preliminary determination to counsel for PolyCity Industrial Ltd. (''PolyCity''), a respondent in this investigation.

On December 13, 1994, counsel for PolyCity alleged that ministerial errors had occurred in the calculations and requested that these errors be corrected and an amended preliminary determination be issued reflecting these corrections. On December 16, 1994, petitioners submitted comments regarding PolyCity's ministerial error allegations. On January 10, 1995, counsel for PolyCity again requested that the Department amend the preliminary determination to correct for ministerial errors.

PolyCity alleged that for a particular U.S. sale, the Department made its first ministerial error when it used an incorrect value for ocean freight in the calculation of U.S. price. Rather than use the figure reported in its supplemental response, PolyCity argues that the Department erred when it used the figure provided on the computer diskette accompanying the response. According to PolyCity, the narrative portion of the response rather than the spreadsheet provided on diskette contained the correct value for ocean freight. We disagree that this constitutes a ministerial error. Rather, we believe that this issue should be addressed at verification where the correct value for ocean freight can be established.

The second ministerial error alleged by counsel for PolyCity involved the calculation of transportation costs for the various components used in the production of disposable lighters. According to PolyCity, the Department used the inland freight figures reported in PolyCity's supplemental response incorrectly. Rather than using the reported inland freight as transportation costs per unit of measure (i.e., cost per kilogram), the Department erred in treating the inland freight costs as transportation costs per component. PolyCity maintains that in order to obtain the transportation cost per lighter associated with each item, the Department should have multiplied the reported freight price for that item by the quantity of the item used in producing a lighter. Based on these comments and the Department's own analysis, we found that a significant ministerial error had been made.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the statute and to the Department's regulations are references to the provisions as they existed on December 31, 1994. References to the Proposed Regulations, are provided solely for further explanation of the Department's AD practice with respect to amended preliminary determinations. Although the Department has withdrawn the particular rulemaking proceeding pursuant to which the Proposed Regulations were issued, the subject matter of these regulations is being considered in connection with an ongoing rulemaking proceeding which, among other things, is intended to conform the Department's regulations to the Uruguay Round Agreements Act. See 60 FR 80 (January 3, 1995).

Amendment of Preliminary Determination

It is not our normal practice to amend preliminary determinations since these determinations only establish estimated margins, which are subject to verification, and which may change in the final determination. However, the Department has stated that it will amend a preliminary determination to correct for significant ministerial errors. (See Proposed Rules and Notice of Amended Preliminary Determination of Sales at Less than Fair Value: Fresh Cut Roses from Colombia, 59 FR 51554 (October 12, 1994) and Amendment to Preliminary Determination of Sales at Less than Fair Value: Sweaters Wholly or in Chief Weight of Man-Made Fiber from Hong Kong, 55 FR 19289 (May 9, 1990).) Given the facts of this investigation, as noted above, the Department hereby amends its preliminary determination to correct for the ministerial error involved. The revised estimated margin for PolyCity is 39.37%.

Suspension of Liquidation

In accordance with section 733(d)(2) of the Act, the Department will direct the U.S. Customs Service to continue to require a cash deposit or posting of a bond for all entries of subject merchandise from the PRC for all respondents, as set forth in the original preliminary determination, and for PolyCity, at the newly calculated rate, that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. The suspension of liquidation will remain in effect until further notice.

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of the amended preliminary determination. If our final determination is affirmative, the ITC will determine whether imports of the subject merchandise are materially injuring, or threaten material injury to, the U.S. industry within 45 days after our final determination.

This notice is published pursuant to section 733(f) of the Act and 19 CFR 353.13(a)(4).

Dated: February 9, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–3961 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–DS–P

[A–122–503]

Certain Iron Construction Castings From Canada; Final Results of Antidumping Duty Administrative Review

AGENCY: Import Administration/ International Trade Administration Department of Commerce.

ACTION: Notice of Final Results of Antidumping Duty Administrative Review.

SUMMARY: On August 10, 1994, the Department of Commerce (the Department) published in the **Federal Register** the preliminary results of an administrative review of the antidumping duty order on iron construction castings from Canada. The review covered four manufacturers and/or exporters of the subject merchandise to the United States during the period March 1, 1991 through February 29, 1992. Based on our analysis of the comments received, the dumping margins for these four companies have not changed from the margins presented in the preliminary results. For the final results we continue to find that 14

additional companies are related to one of the respondents in this review and have, therefore, continued to collapse these companies and assign a single rate to the entire entity.

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Arthur N. DuBois or Thomas F. Futtner, Office of Antidumping Compliance, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th and Constitution Avenue N.W., Washington, D.C. 20230, telephone: (202) 482–6312/3814.

SUPPLEMENTARY INFORMATION:

Background

On August 10, 1994, the Department published in the **Federal Register** the preliminary results of an administrative review (59 FR 40866) of the antidumping duty order on iron construction castings from Canada (51 FR 17220). The Department has now completed this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Tariff Act). The Department completed its administrative review of the order on Canadian castings for the next annual period, March 1, 1992, through February 28, 1993, on May 17, 1994.

Scope of the Review

Imports covered by the review are shipments of certain iron construction castings, limited to manhole covers, rings and frames, catch basin grates and frames, cleanout covers and frames used for drainage or access purposes for public utility, water, and sanitary systems, classifiable as heavy castings under Harmonized Tariff Schedule (HTS) item numbers 7325.10.0010 and 7325.10.0050 and to valve, service, and meter boxes which are placed below ground to encase water, gas, and other valves, or water or gas meters, classifiable as light casting under HTS item numbers 8306.29.0000 and 8310.00.0000. The HTS item numbers are provided for convenience and for Customs purposes only. The written description remains dispositive.

This review covers sales of certain Canadian iron construction castings by Fonderie LaPerle (LaPerle), Penticton Foundry, Ltd. (Penticton), Titan Foundry, Ltd. (Titan), and Associated Foundry (Associated), during the period March 1, 1991 through February 29, 1992.

Related Parties

In addition, based on our analysis, we have found that 14 other companies, for which we did not initiate an administrative review, were related to LaPerle during the period of review. (For more information, see the analysis memorandum for the preliminary results.) We have determined, based on the best information available (BIA), that these related companies should be collapsed with LaPerle and receive a single assessment rate for this review period.

On May 17, 1994, we issued final results of review for the period 1992/1993. Since we assigned cash deposit rates to 12 of the 14 related companies in that review, these final results affect only the two remaining companies.

Analysis of Comments Received

We gave interested parties an opportunity to comment on the preliminary results as provided for in section 353.38 of the Department's regulations. We received comments from LaPerle and rebuttal comments from the Municipal Castings Fair Trade Council, including its individually named members (petitioner).

Comment 1: LaPerle commented that the Department should not have resorted to BIA since LaPerle cooperated fully with the Department and responded to all requests for information. It argues that it responded fully to all seven requests for information from the Department.

LaPerle states that, despite the Department's decision to collapse LaPerle and all parties to which it is either directly or indirectly related, LaPerle is an autonomous operation. LaPerle argues that the other companies also operate autonomously, especially, according to LaPerle, considering that two of these companies are located at too great a distance to be involved with LaPerle's operations. LaPerle asserts that the remaining companies either did not produce or did not sell such or similar merchandise or did not export to the United States.

LaPerle further contends that this situation is like that in Gray Portland Cement and Clinker from Japan (58 FR 48826, 1993), where the Department stated: ''The use of BIA was not warranted in a situation where, as here, there are sufficient home market sales of comparable merchandise to unrelated customers to calculate an FMV for every month of the review period.''

In its rebuttal comments the petitioner asserts that the fundamental error in LaPerle's arguments is its assertion that the submission of questionnaire responses for itself alone constitutes cooperation. By ignoring the Department's request for a consolidated response for itself and its related entities, petitioner agrees with the Department's determination that LaPerle has been uncooperative.

Department's Position: In conducting this review, we received responses from only one company, which was LaPerle. Based on our analysis of this response, we determined in the preliminary results that LaPerle was not independent, but was, in fact, one of many components in a single business entity. In doing so, we determined that LaPerle and its related entities were sufficiently related to permit the possibility of price manipulation. As we stated in Cellular Mobile Telephones and Subassemblies from Japan (54 FR 48011, 1989), our determination to collapse related parties into a single respondent entity is not ''based solely on the extent of their financial relationship.''

The other factors we relied upon in collapsing related companies are as follows: (1) The level of common ownership; (2) interlocking officers or directors (e.g., whether managerial employees or board members of one company sit on the board(s) of directors of the other related part(ies)); (3) the existence of production facilities for similar or identical products that would not require retooling either plant's facilities to implement a decision to restructure either company's manufacturing priorities; and (4) whether the operations of the companies are intertwined (e.g., pricing decisions, sharing of facilities or employees; transactions between the companies). *See,* e.g., Certain Granite Products from Spain, 53 FR 24335 (1988); Certain Granite Products from Italy, 53 FR 27187 (1988); Steel Wheels from Brazil, 54 FR 8780 (1989); Final Determinations of Sales at Less Than Fair Value: Certain Hot-Rolled Carbon Steel Flat Products, Certain Cold-Rolled Carbon Steel Flat Products, Certain Corrosion-Resistant Carbon Steel Flat Products, and Certain Cut-to-Length Carbon Steel Plate from Canada, 58 FR 37099 (1993). The Department's use of these factors was upheld by the Court of International Trade (CIT) in *Nihon Cement Co., Ltd., et al.* v. *United States and The Ad Hoc Committee of Southern California Producers of Gray Portland Cement, et al.*, Slip Op. 93–80 (CIT 1993). Based on an analysis of all four criteria, the Department has determined that the facts warrant collapsing the related entities. For further discussion of the Department's application of these factors in this review, *see* the analysis memorandum for the preliminary results.

In conducting our analysis of the related-party issue in this review, we issued six supplemental questionnaires

and granted deadline extensions. In spite of this, LaPerle did not provide the Department with enough information to support its position that the related parties should not be collapsed. In addition, it did not consolidate all information for the respondent entity, including information for its related home market firms as outlined in our questionnaire. Therefore, we have determined that LaPerle significantly impeded the proceeding and, in accordance with section 776(c) of the Tariff Act, we have based our final results regarding LaPerle and its related entities on BIA.

Comment 2: LaPerle states that if the Department continues to use BIA for the final results of review, it should use a second-tier BIA rate since LaPerle was a cooperative respondent. To support its argument LaPerle refers to Stainless Steel Wire Rods from Brazil (58 FR 68862, 1993), where the Department applied a less adverse rate because the respondent was cooperative.

The petitioner in its rebuttal comments states that the Department should reject this claim for the same reason as it did in the 1992–93 review. The petitioner asserts that, as in that review, absent a consolidated response from LaPerle and its related entities, the Department would not be able to reach a determination of the amount of dumping engaged in by LaPerle and its related concerns, and thus that LaPerle did not fully cooperate with the Department.

Department's Position: Despite LaPerle's responses, the respondent entity's response was inadequate. Therefore, we have concluded that the respondent entity ''refused to cooperate * * * or otherwise significantly impeded'' the review. (See *Allied-Signal Aerospace Co.* v. *United States,* 996 F.2d 1185 (Fed. Cir. 1993)). Accordingly, the application of first-tier BIA is appropriate because LaPerle impeded the proceeding by failing to provide to the Department the information necessary to conduct the review and by failing to provide support for its position that LaPerle should not be collapsed with the 14 other companies during the period of review.

Final Results of the Review

As a result of our review, we determine that the following weighted-average margins exist, and have been applied based on relationship and/or failure to respond, for the period March 1, 1991 through February 29, 1992:

Manufacturer/Producer/Exporter	Margin percent
LaPerle	9.80
Penticton	9.80
Titan	9.80
Associated	9.80

The Department shall determine, and the Customs Service shall assess, antidumping duties on all appropriate entries. The Department will issue appraisement instructions on each exporter directly to the Customs Service.

Because the Department has already completed the review for the period March 1, 1992, through February 28, 1993, the cash deposit requirement for merchandise subject to the order will not be changed by these final results, except in the case of the two companies related to LaPerle that were not assigned cash deposit rates in the review covering the next annual period. For these two companies, the Department will instruct Customs to collect cash deposits at the rate applicable to LaPerle in this review.

This notice also serves as a final reminder to importers of their responsibility under 19 CFR 353.26 to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

This notice also serves as a reminder to parties subject to administrative protective orders (APOs) of their responsibility concerning the return or destruction of proprietary information disclosed under APO in accordance with 19 CFR 353.34(d). Timely written notification of return/destruction of APO materials or conversion to judicial protective order is hereby requested. Failure to comply with the regulations and the terms of an APO is a sanctionable violation.

This administrative review and notice are in accordance with section 751(a)(1) of the Tariff Act (19 U.S.C. 1675(a)(1)) and 19 CFR 353.22.

Dated: February 8, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95–3962 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–DS–P

Export Trade Certificate of Review

ACTION: Notice of issuance of an amended export trade certificate of review, application No. 89–2A001.

SUMMARY: The Department of Commerce has issued an amendment to the Export Trade Certificate of Review granted to the Air-Conditioning & Refrigeration Institute (''ARI'') on May 10, 1991. Notice of issuance of the Certificate was published in the **Federal Register** on May 21, 1991 (56 FR 23284).

DATES: July 13, 1994.

FOR FURTHER INFORMATION CONTACT: W. Dawn Busby, Director, Office of Export Trading Company Affairs, International Trade Administration, (202) 482–5131. This is not a toll-free number.

SUPPLEMENTARY INFORMATION: Title III of the Export Trading Company Act of 1982 (15 U.S.C. Sections 4001–21) authorizes the Secretary of Commerce to issue Export Trade Certificates of Review. The regulations implementing Title III are found at 15 CFR Ch. III Part 325 (1994).

The Office of Export Trading Company Affairs is issuing this notice pursuant to 15 CFR 325.6(b), which requires the Department of Commerce to publish a summary of a Certificate in the **Federal Register**. Under Section 305(a) of the Act and 15 CFR 325.11(a), any person aggrieved by the Secretary's determination may, within 30 days of the date of this notice, bring an action in any appropriate district court of the United States to set aside the determination on the ground that the determination is erroneous.

Description of Amended Certificate

Export Trade Certificate of Review No. 89–00010 was issued to the Air-Conditioning & Refrigeration Institute (''ARI'') on May 10, 1991 (56 FR 23284, May 21, 1991), and previously amended on July 6, 1992 (57 FR 30956, July 13, 1992).

ARI's Export Trade Certificate of Review has been amended to:

1. add the following companies as ''Members'' within the meaning of section 325.2(1) of the Regulations (15 CFR 325.2 (1)): American Thermaflo; Cryogel; Danfoss Automatic Controls; Doucette Industries, Inc.; Herrmidifier Company, Inc.; Hoshizaki America, Inc.; MDI Major Diversities, Inc.; Manchester Tank and Equipment Company; Uniflow Manufacturing Company; and Witt;

2. delete the following company as a ''Member'' of the Certificate: Hupp Industries, Inc.;

3. change the listing of the company name of the following current ''Members'' as follows: Change Airmax,

Inc. to AIRMAX; Alco Controls Division, Emerson Electric Company to Emerson Electric Company, for the activities of its Alco Controls Division; ATOCHEM North America to Elf ATOCHEM North America; Baltimore Aircoil Company, Subsidiary of Amsted Industries, Inc. to Baltimore Aircoil Company, a subsidiary of Amsted Industries, Inc.; Barber-Coleman Company to Siebe Environmental Controls; Climate Master to Climate Master, Inc., A Subsidiary of LSB Industries; Crystal Tips, Inc. to Crystal Tips Ice Systems; E.I. du Pont de Nemours & Company, Fluorochemicals Division to E.I. du Pont de Nemours & Company, for the activities of its Fluorochemicals Division; Eaton Corporation, Automotive & Appliance Controls Operation to Eaton Corporation, for the activities of its Automotive & Appliance Control Operations; Florida Heat Pump Manufacturing, Division of Harrow Products, Inc. to FHP Manufacturing Company, A Harrow Products Company; Johnson Controls, Inc., Control Products Division to Johnson Controls, Inc., for the activities of its Systems Products Division; Mammoth, A Nortek Company to Mammoth, Inc.; Manitowoc Equipment Works, Division of Manitowoc Co., Inc. to Manitowoc Co. Inc., for the activities of its Manitowoc Equipment Works Division; NIBCO, Inc., OEM Division to NIBCO, Inc., for the activities of its OEM Division; Parker Refrigeration Components Group, Parker-Hannifin Corporation to Parker-Hannifin Corporation, for the activities of its Parker Refrigeration Components Group; Ranco to Ranco North America; Servend International, Inc. to SerVend International, Inc.; SnyderGeneral Corporation to AAF/McQuay Inc; Sterling Radiator, A Division of Mestek, Inc. to Mestek, Inc., for the activities of its Sterling Radiator Division; and Superior Valve Company, Division of Amcast Industrial Corp. to Amcast Industrial Corp., for the activities of its Superior Valve Company Division; and

4. add as new products to be covered as Export Trade under the Certificate within the meaning of § 325.2j of the Regulations (15 CFR 325.2j): (1) Non-ducted unitary air-conditioning equipment, and (2) containers used for the distribution, storage or recovery of refrigerants.

A copy of the amended certificate will be kept in the International Trade Administration's Freedom of Information Records Inspection Facility, Room 4102, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230.

Dated: February 9, 1995.

W. Dawn Busby,

Director, Office of Export Trading Company Affairs.

[FR Doc. 95–3870 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–DR–P

[A–357–809, A–351–826, A–428–820 and A–475–814]

Notice of Postponement of Final Determinations: Small Diameter Circular Seamless Carbon and Alloy Steel, Standard, Line and Pressure Pipe From Argentina, Brazil, Germany and Italy

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: James Terpstra or Irene Darzenta, Office of Antidumping Investigations, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, DC 20230; telephone (202) 482–3965 or (202) 482–6320, respectively.

Postponement

On January 13, 1995, the respondents in the Brazilian and German investigations requested that, in the event of an affirmative preliminary determination in either investigation, the Department of Commerce (the Department) postpone the deadline for the final determination to a date no later that 135 days after the date of publication of the preliminary determination in the **Federal Register**. On January 18, 1995, the respondent in the Argentine investigation made a similar request. In each of these investigations, the respondent requested a postponement due to the complexity of the investigation. On January 30, 1995, the petitioner requested that the Department postpone its final determination in the Italian investigation until 135 days after the preliminary determination. Petitioner requested a postponement to allow the Department time to conduct a sales below cost investigation.

On January 27, 1995, the Department published affirmative preliminary determinations in the antidumping duty investigations of small diameter circular seamless carbon and alloy steel, standard, line and pressure pipe (seamless pipe) from Argentina, (60 FR 5348), Brazil (60 FR 5351) and Germany (60 FR 5355) and a negative preliminary determination in the antidumping duty investigation of seamless pipe from Italy (60 FR 5358). On February 2, 1995, the Department initiated a sales below cost investigation in the Italian case.

The Department's regulations provide that upon the receipt of a proper request, the Department will postpone the final determination unless there are compelling reasons to deny the request (19 CFR 353.20(b)(1) (1994)). We find that the requests for postponement of these investigations meet the regulatory requirements and that there are no compelling reasons to deny these requests. Therefore, we are postponing the final determinations in the above-referenced investigations pursuant to section 735(a)(2)(A) of the Tariff Act of 1930, as amended (the Act). The final determinations will be issued not later than June 12, 1995. Unless otherwise indicated, all citations to the Statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

In accordance with 19 CFR 353.38, case and rebuttal briefs must be submitted in at least ten copies to the Assistant Secretary for Import Administration according to the schedule detailed below. In addition, a public version and five copies should be submitted by the appropriate date if the submission contains business proprietary information. In accordance with 19 CFR 353.38(b), we will hold public hearings, if requested, to afford interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. If requested, hearings are tentatively scheduled as detailed below. These hearings will be held at the U.S. Department of Commerce, 14th Street and Constitution Avenue N.W., Washington D.C., 20230. Parties should confirm by telephone the time, date, and place of the hearing 48 hours before the scheduled time.

Country	Case briefs	Rebuttal briefs	Hearing date/time/room
Argentina	May 5	May 10	May 12 at 9:30—4830.
Germany	May 8	May 15	May 17 at 9:30—1412.
Brazil	May 9	May 16	May 18 at 9:30—1414.
Italy	May 10	May 17	May 19 at 9:30—1414.

This notice is published pursuant to section 735(d) of the Act (19 U.S.C. 1673d(d)) and 19 CFR 353.20(b)(2).

Dated: February 8, 1995.

Barbara R. Stafford,

Deputy Assistant Secretary for Investigations.

[FR Doc. 95–3963 Filed 2–5–95; 8:45 am]

BILLING CODE 3510–DS–P

National Oceanic and Atmospheric Administration

[I.D. 020995B]

Mid-Atlantic Fishery Management Council; Meeting

AGENCY: National Marine Fisheries Service (NMFS), National Oceanic and Atmospheric Administration (NOAA), Commerce.

ACTION: Notice of public meetings.

SUMMARY: The Mid-Atlantic Fishery Management Council's Summer Flounder Monitoring Committee will hold a public meeting on February 28, 1995, in the Franklin and Liberty Room of the Philadelphia Airport Hilton, 4509 Island Avenue, Philadelphia, PA. The meeting will begin at 10:00 a.m. and adjourn at approximately 5:00 p.m.

The purpose of this meeting is to recommend the summer flounder recreational fishery management measures for 1995.

FOR FURTHER INFORMATION CONTACT: David R. Keifer, Executive Director, Mid-Atlantic Fishery Management Council, 300 S. New Street, Dover, DE 19901; telephone: (302) 674–2331.

SUPPLEMENTARY INFORMATION: This meeting is physically accessible to people with disabilities. Requests for sign language interpretation or other auxiliary aids should be directed to Joanna Davis on (302) 674–2331, at least 5 days prior to the meeting date.

Dated: February 13, 1995.

David S. Crestin,

Acting Director, Office of Fisheries Conservation and Management, National Marine Fisheries Service.

[FR Doc. 95–3951 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–22–F

COMMITTEE FOR THE IMPLEMENTATION OF TEXTILE AGREEMENTS

Amendment and Establishment of Import Restraint Limits and Restraint Periods for Certain Cotton, Wool, Man-Made Fiber, Silk Blend and Other Vegetable Fiber Textile Products Produced or Manufactured in Myanmar

February 13, 1995.

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Issuing a directive to the Commissioner of Customs amending and establishing import limits and restraint periods.

EFFECTIVE DATE: February 22, 1995.

FOR FURTHER INFORMATION CONTACT: Ross Arnold, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482–4212. For information on the quota status of these limits, refer to the Quota Status Reports posted on the bulletin boards of each Customs port or call (202) 927–5850. For information on embargoes and quota re-openings, call (202) 482–3715.

SUPPLEMENTARY INFORMATION:

Authority: Executive Order 11651 of March 3, 1972, as amended; section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854).

Pursuant to the Uruguay Round Agreement on Textiles and Clothing (URATC), the current limits for Categories 340/640, 342/642, 347/348, 351/651, 448 and 647/648/847 are being amended for the new restraint periods beginning on October 1, 1994 (Categories 340/640), February 1, 1994 (Categories 342/642 and 351/651), September 1, 1994 (Categories 347/348) and March 1, 1994 (Categories 448 and 647/648/847) and extending through December 31, 1994. Also, pursuant to URATC, limits are being established for the period beginning on January 1, 1995 and extending through December 31, 1995.

A description of the textile and apparel categories in terms of HTS numbers is available in the CORRELATION: Textile and Apparel Categories with the Harmonized Tariff Schedule of the United States (see **Federal Register** notice 59 FR 65531, published on December 20, 1994). Also see 59 FR 7245, published on February 15, 1994; 59 FR 11256, published on March 10, 1994; 59 FR 11578, published on March 11, 1994; 59 FR 42210, published on August 17, 1994.

The letter to the Commissioner of Customs and the actions taken pursuant to it are not designed to implement all of the provisions of the URATC, but are designed to assist only in the implementation of certain of its provisions.

Rita D. Hayes,

Chairman, Committee for the Implementation of Textile Agreements.

Committee for the Implementation of Textile Agreements

February 13, 1995.

Commissioner of Customs,
Department of the Treasury, Washington, DC 20229.

Dear Commissioner: This directive amends, but does not cancel, the directives issued to you on February 8, 1994, March 7, 1994, March 8, 1994 and August 12, 1994, by the Chairman, Committee for the Implementation of Textile Agreements. Those directives concern imports of certain cotton, wool, man-made fiber, silk blend and other vegetable fiber textile products, produced or manufactured in Myanmar and exported during the twelve-month periods February 1, 1994 through January 31, 1995 (Categories 342/642 and 351/651), March 1, 1994 through February 28, 1995 (Categories 448 and 647/648/847), September 1, 1994 through August 31, 1995 (Categories 347/348) and October 1, 1994 through September 30, 1995 (Categories 340/640).

Effective on February 22, 1995, you are directed, pursuant to the Uruguay Round Agreement on Textiles and Clothing (URATC), to amend the current limits for the following categories and amend the current restraint periods to end on December 31, 1994:

Category	Amended limit [1]
340/640	23,689 dozen.
342/642	23,227 dozen.
347/348	44,007 dozen.
351/651	36,505 dozen.
448	1,942 dozen.
647/648/847	20,582 dozen.

[1] The limits have not been adjusted to account for any imports exported after January 31, 1994 (Categories 342/642 and 351/651), February 28, 1994 (Categories 448 and 647/648/847), August 31, 1994 (Categories 347/348) and September 30, 1994 (Categories 340/640).

Under the terms of section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854), the Uruguay Round Act, and the Uruguay Round Agreement on Textiles and Clothing (URATC); and in accordance with the provisions of Executive Order 11651 of March 3, 1972, as amended, you are directed to prohibit, effective on February 22, 1995, 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 textile products in the following categories, produced or manufactured in Myanmar exported during the period beginning on January 1, 1995 and

extending through December 31, 1995, in excess of the following restraint limits:

Category	Twelve-month limit [1]
340/640	93,975 dozen.
342/642	25,383 dozen.
347/348	131,659 dozen.
351/651	39,893 dozen.
448	2,316 dozen.
647/648/847	24,551 dozen.

[1] The limits have not been adjusted to account for any imports exported after December 31, 1994.

Imports charged to these category limits for the periods February 1, 1994 through December 31, 1994 (Categories 342/642 and 351/651), March 1, 1994 through December 31, 1994 (Categories 448 and 647/648/847), September 1, 1994 through December 31, 1994 (Categories 347/348) and October 1, 1994 through December 31, 1994 (Categories 340/640), shall be charged against those levels of restraint to the extent of any unfilled balances. In the event the limits established for those periods have been exhausted by previous entries, such goods shall be subject to the levels set forth in this directive.

In carrying out the above directions, the Commissioner of Customs should construe entry into the United States for consumption to include entry for consumption into the Commonwealth of Puerto Rico.

The Committee for the Implementation of Textile Agreements has determined that these actions fall within the foreign affairs exception to the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,

Rita D. Hayes,

Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 95–3956 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–DR–F

Announcement of Import Restraint Limits for Certain Cotton and Man-Made Fiber Textile Products Produced or Manufactured in Pakistan

February 13, 1995.

AGENCY: Committee for the Implementation of Textile Agreements (CITA).

ACTION: Issuing a directive to the Commissioner of Customs establishing limits for the new agreement year.

EFFECTIVE DATE: February 21, 1995.

FOR FURTHER INFORMATION CONTACT: Anne Novak, International Trade Specialist, Office of Textiles and Apparel, U.S. Department of Commerce, (202) 482–4212. For information on the quota status of these limits, refer to the Quota Status Reports posted on the bulletin boards of each Customs port or call (202) 927–6714. For information on embargoes and quota re-openings, call (202) 927–3715.

SUPPLEMENTARY INFORMATION:

Authority: Executive Order 11651 of March 3, 1972, as amended; section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854).

Pursuant to the Uruguay Round Agreement on Textiles and Clothing (URATC), the Bilateral Cotton, Man-Made Fiber, Silk Blend and Other Vegetable Fiber Textile Agreement, effected by exchange of notes dated May 20, 1987 and June 11, 1987, as amended and extended, establishes limits for the period beginning on January 1, 1995 and extending through December 31, 1995.

A description of the textile and apparel categories in terms of HTS numbers is available in the CORRELATION: Textile and Apparel Categories with the Harmonized Tariff Schedule of the United States (see **Federal Register** notice 59 FR 65531, published on December 20, 1994).

The letter to the Commissioner of Customs 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.

Rita D. Hayes,

Chairman, Committee for the Implementation of Textile Agreements.

Committee for the Implementation of Textile Agreements

February 13, 1995.

Commissioner of Customs,
Department of the Treasury, Washington, DC 20229.

Dear Commissioner: Effective on February 21, 1995 you are directed to no longer count imports of textile products in Categories 300, 301, 326, 330, 332, 333, 345, 349, 350, 353, 354, 359–O,[1], 362, 369–O [2] and 666, produced or manufactured in Pakistan and exported during the period beginning on January 1, 1995 and extending through December 31, 1995.

Under the terms of section 204 of the Agricultural Act of 1956, as amended (7 U.S.C. 1854), the Uruguay Round Agreements Act, and the Uruguay Round Agreement on Textiles and Clothing (URATC); pursuant to the Bilateral Cotton, Man-Made Fiber, Silk Blend and Other Vegetable Fiber Textile Agreement, effected by exchange of notes dated May 20, 1987 and June 11, 1987, as amended and extended, between the Governments of the United States and Pakistan; and in accordance with the provisions of Executive Order 11651 of March 3, 1972, as amended, you are directed to prohibit, effective on February 21, 1995, entry into the United States for consumption and withdrawal from warehouse for consumption of cotton and man-made fiber textile products in the following categories, produced or manufactured in Pakistan and exported during the twelve-month period beginning on January 1, 1995 and extending through December 31, 1995, in excess of the following levels of restraint:

Category	Twelve-month restraint limit [a]
Specific Limits	
219	6,362,862 square meters.
226/313	95,756,604 square meters.
237	309,466 dozen.
239	1,456,968 kilograms.
314	4,627,536 square meters.
315	64,427,748 square meters.
317/617	24,867,600 square meters.
331/631	1,895,252 dozen pairs.
334/634	182,788 dozen.
335/635	282,280 dozen.
336/636	371,360 dozen.
338	4,081,310 dozen.
339	1,051,934 dozen.
340/640	495,146 dozen of which not more than 185,680 dozen shall be in dress shirts in Categories 340–D/640–D [b].
341/641	557,040 dozen.
342/642	275,706 dozen.
347/348	615,554 dozen.
351/651	247,573 dozen.
352/652	618,933 dozen.
359–C/659–C [c]	1,114,079 kilograms.
360	2,160,926 numbers.
361	2,810,018 numbers.
363	37,962,164 numbers.
369–F/369–P [d]	1,856,799 kilograms.
369–R [e]	8,665,061 kilograms.
369–S [f]	566,893 kilograms.
613/614	18,960,686 square meters.
615	20,170,939 square meters.
617	15,286,929 square meters.

[1] Category 359–O: all HTS numbers except 6103.42.2025, 6103.49.8034, 6104.62.1020, 6104.69.8010, 6114.20.0048, 6114.20.0052, 6203.42.2010, 6203.42.2090, 6204.62.2010, 6211.32.0010, 6211.32.0025 and 6211.42.0010 (Category 359–C).

[2] Category 369–O: all HTS numbers except 6302.91.0045 (Category 369–F); 6302.60.0010 and 6302.91.0005 (Category 369–P); 6307.10.2020 (Category 369–R); and 6307.10.2005 (Category 369–S).

Category	Twelve-month restraint limit [a]
625/626/627/628/629.	62,036,800 square meters of which not more than 31,018,400 square meters shall be in Category 625, not more than 31,018,400 square meters shall be in Category 626, not more than 31,018,400 square meters shall be in Category 627, not more than 6,417,600 square meters shall be in Category 628, and not more than 31,018,400 square meters shall be in Category 629.
638/639	360,541 dozen.
647/648	683,571 dozen.

[a] The limits have not been adjusted to account for any imports exported after December 31, 1994.

[b] Category 340–D: only HTS numbers 6205.20.2015, 6205.20.2020, 6205.20.2025 and 6205.20.2030; Category 640–D: only HTS numbers 6205.30.2010, 6205.30.2020, 6205.30.2030, 6205.30.2040, 6205.90.2030 and 6205.90.4030.

[c] Category 359–C: only HTS numbers 6103.42.2025, 6103.49.8034, 6104.62.1020, 6104.69.8010, 6114.20.0048, 6114.20.0052, 6203.42.2010, 6203.42.2090, 6204.62.2010, 6211.32.0010, 6211.32.0025 and 6211.42.0010; Category 659–C: only HTS numbers 6103.23.0055, 6103.43.2020, 6103.43.2025, 6103.49.2000, 6103.49.8038, 6104.63.1020, 6104.63.1030, 6104.69.1000, 6104.69.8014, 6114.30.3044, 6114.30.3054, 6203.43.2010, 6203.43.2090, 6203.49.1010, 6203.49.1090, 6204.63.1510, 6204.69.1010, 6210.10.9010, 6211.33.0010, 6211.33.0017 and 6211.43.0010.

[d] Category 369–F: only HTS number 6302.91.0045; Category 369–P: only HTS numbers 6302.60.0010 and 6302.91.0005.

[e] Category 369–R: only HTS number 6307.10.2020.

[f] Category 369–S: only HTS number 6307.10.2005.

Imports charged to these category limits for the periods January 1, 1994 through December 31, 1994; April 29, 1994 through December 31, 1994 (Categories 342/642) and June 29, 1994 through December 31, 1994 (Category 625) shall be charged against those levels of restraint to the extent of any unfilled balances. In the event the limits established for those periods have been exhausted by previous entries, such goods shall be subject to the levels set forth in this directive.

The limits set forth above are subject to adjustment in the future pursuant to the provisions of the URATC and any administrative arrangements notified to the Textiles Monitoring Body.

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 of the rulemaking provisions of 5 U.S.C. 553(a)(1).

Sincerely,

Rita D. Hayes,

Chairman, Committee for the Implementation of Textile Agreements.

[FR Doc. 95–3957 Filed 2–15–95; 8:45 am]

BILLING CODE 3510–DR–F

DEPARTMENT OF DEFENSE

Office of the Secretary

Defense Base Closure and Realignment Commission Investigative Hearings

AGENCY: Defense Base Closure and Realignment Commission (a Presidentially appointed commission separate from and independent of DoD).

ACTION: Notice of investigative hearings.

SUMMARY: Pursuant to Public Law 101–510, as amended, the Defense Base Closure and Realignment Commission announces a series of investigative hearings to be held in Washington, D.C. The purpose of these hearings is for the Commission to receive testimony from the Department of Defense and other Federal agencies and from individuals and groups in the private sector as part of the Commission's independent review and analysis of installation closure and realignment recommendations from the Secretary of Defense. The specific dates, locations, and general topics follow:

March 1 (Location: Dirksen Senate Office Building, Room 106).

—Secretary of Defense formally presents closure and realignment recommendations to the Commission.

—Chairman, Joint Chiefs of Staff, discusses recommendations in the context of national defense strategy, force structure plan, and the Department of Defense selection criteria.

—Assistant Secretary of Defense (Economic Security) discusses overall Defense Department methodology for determining recommendations.

March 6 (Location: Cannon House Office Building, Caucus Room 345).

—Service Secretaries present recommendations and methodology for Service selection process.

March 7 (Location: Dirksen Senate Office Building, Room 106).

—Service Secretaries and Defense Agency Directors present recommendations and methodology for Service and Defense Agency selection process.

March 16 (Location: Hart Senate Office Building, Room 216).

—Government officials and private-sector individuals and groups present testimony on issues relating to reuse of closing military installations.

The March 1 hearing will begin at 9:30 a.m. All other hearings will begin at 9:00 a.m. The building and room number are noted in parentheses following the date of each hearing. However, hearing locations, dates, and times are subject to change based upon availability of facilities.

FOR FURTHER INFORMATION CONTACT:

Mr. Wade Nelson, Director of Communications, at (703) 696–0504.

SUPPLEMENTARY INFORMATION: Changes to the above schedule will be published in the **Federal Register** by the Commission. Please call the Commission to confirm dates, times, and locations prior to each event. Individuals needing special assistance should contact the Commission in advance of each event to facilitate their requirements.

Dated: February 13, 1995.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 95–3923 Filed 2–15–95; 8:45 am]

BILLING CODE 5000–04–M

Ballistic Missile Defense Advisory Committee; Notice

ACTION: Notice of Advisory Committee Meeting.

SUMMARY: The Ballistic Missile Defense (BMD) Advisory Committee will meet in closed session in Norfolk, VA., on March 2–3, 1995.

The mission of the BMD Advisory Committee is to advise the Secretary of Defense and Deputy Secretary of Defense, through the Under Secretary of Defense (Acquisition and Technology), on all matters relating to BMD acquisition, system development, and technology.

In accordance with Section 10(d), Federal Advisory Committee Act, P.L. 92–463, as amended, 5 U.S.C., Appendix II, it has been determined that this BMD Advisory Committee meeting concerns matters listed in 5 U.S.C., 552(c) (1), and that accordingly this meeting will be closed to the public.

Dated: February 10, 1995.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 95–3826 Filed 2–15–95; 8:45 am]

BILLING CODE 5000–04–M

Defense Science Board Task Force on Role of Federally Funded Research & Development Centers (FFRDC's) in DoD Mission

ACTION: Notice of Advisory Committee Meeting.

SUMMARY: The Defense Science Board Task Force on Role of Federally Funded Research & Development Centers (FFRDC's) in DoD Mission will meet in open session on February 18, 1995 at Strategic Analysis, Inc., 4001 N. Fairfax Drive, Suite 175, Arlington, Virginia.

This meeting is scheduled on short notice because of unforeseen circumstances that require this Task Force to research large volumes of information within a very short timeframe in order to meet a Congressional mandated suspense.

The mission of the Defense Science Board is to advise the Secretary of Defense and the Under Secretary of Defense for Acquisition on Scientific and technical matters as they affect the perceived needs of the Department of Defense.

Persons interested in further information should call Mr. Robert Nemetz at (703) 756–2096.

Dated: February 13, 1995.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

[FR Doc. 95–3924 Filed 2–15–95; 8:45 am]

BILLING CODE 5000–04–M

Privacy Act of 1974; Notice to Delete and Amend Record Systems

AGENCY: Office of the Secretary of Defense, DOD.

ACTION: Notice to delete and amend record systems.

SUMMARY: The Office of the Secretary of Defense proposes to delete one and amend two systems of records notices in its inventory of record systems subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended.

DATES: The deletion is effective February 16, 1995. The amendments will be effective on March 20, 1995, unless comments are received that would result in a contrary determination.

ADDRESSES: Send comments to Chief, Records Management and Privacy Act Branch, Washington Headquarter Services, Correspondence and Directives, Records Management Division, 1155 Defense Pentagon, Washington, DC 20301–1155.

FOR FURTHER INFORMATION CONTACT: Mr. Dan Cragg at (703) 695–0970 or DSN 225–0970.

SUPPLEMENTARY INFORMATION: The Office of the Secretary of Defense notices for systems of records subject to the Privacy Act of 1974 (5 U.S.C. 552a), as amended, have been published in the **Federal Register** and are available from the address above.

The proposed amendments are not within the purview of subsection (r) of the Privacy Act (5 U.S.C. 552a), as amended, which would require the submission of a new or altered system report for each system. The specific changes to the record systems being amended are set forth below followed by the notice, as amended, published in its entirety.

Dated: February 13, 1995.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

DELETION

DUSDP 05

SYSTEM NAME:

Defense Automated Case Review System (DACRS) *(February 22, 1993, 58 FR 10264).*

Reason: This system has been determined not to be a record system subject to the Privacy Act of 1974.

AMENDMENTS

DODDS 22

SYSTEM NAME:

DoD Dependent Children's School Program Files *(February 22, 1993, 58 FR 10245).*

CHANGES:

* * * * *

RETENTION AND DISPOSAL:

Between the sixth and seventh paragraphs insert ''Special Education files: Records pertaining to tests and evaluations of students and documentation of individual needs for special education programs. Included is follow-on correspondence and case files relating to mediations and hearings. Records are cut-off after final decision and retired to WNRC after 5 years. When 20 years old, the records are destroyed.''

* * * * *

DODDS 22

SYSTEM NAME:

DOD Dependent Children's School Program Files.

SYSTEM LOCATION:

Active Students—DOD operated overseas dependents schools, regional offices, and the Office of Dependents Schools, 1225 Jefferson Davis Highway, Crystal Gateway 2, Suite 1500, Arlington, VA 22202–4301.

Former High School Students—Permanent records (high school transcripts) are retained at the school for four years subsequent to graduation, transfer, or termination, and are then forwarded to the regional office for one year where they are compiled and forwarded to the Washington National Records Center (WNRC) except Panama. Records for the Panama region are retired to the East Point, GA, Federal Archives Records Center (FARC).

Former Panama Canal College Students - Permanent records (college transcripts) are retained at the college for ten years and are then retired to East Point FARC.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Students in the DOD operated overseas dependent schools.

CATEGORIES OF RECORDS IN THE SYSTEM:

Enrollment files: Documents relating to the admission, registration, and departure of dependent school students. Included are pupil enrollment applications, course preference, admission cards, drop cards, and similar or related documents.

Daily attendance register files: Documents reflecting the daily attendance of pupils at dependent schools. Included are forms, printouts, bound registers and similar or related documents.

Elementary school academic records: Documents reflecting the standardized achievement, mental ability, yearly grade average, attendance of each student and the teacher's comments. Included are forms, notes, and similar or related documents.

Elementary school report card files: Documents reflecting grades, personality traits, and promotion or failure. Included are report cards and similar or related documents.

Elementary school teacher class register files: Documents reflecting daily, weekly, semester, or annual scholastic grades and averages, absence and tardiness data.

Elementary school student files: Documents pertaining to individual elementary school students. Included in

each folder are reading and health records; individual education plans; intelligence quotient; achievement, aptitude, and similar test results; notes related to pupils progress and characteristics; and similar matters used by counselors and successive teachers.

Secondary school absentee files: Documents reflecting absence of students. Included are homeroom teacher's registers, secondary school daily attendance records of absentees reported by teachers, tardy slips for admission of students to classroom, transfer slips notifying teachers of new class or homeroom assignment, notices of change by school principal to teacher upon change of classroom, student applications for permission to be absent, student pass slips, and similar or related documents.

Secondary school academic record files: Documents reflecting student grades and credits earned. Included are forms, notes, and similar or related documents.

Secondary school report card files: Documents reflecting scholastic grades, personality traits, and promotion or failure. Included are report cards and related documents.

Secondary school teacher class register files: Documents reflecting daily, weekly, semester, or annual scholastic marks and averages, absence and tardiness, and withdrawal data. Included are class registers and similar or related documents.

Secondary school class reporting files: Documents reflecting teacher reports to principals and used as source documents for preparing secondary school academic record cards. Included are forms, correspondence, and similar or related documents.

Credit transfer certificate files: Documents reflecting secondary school scholastic credits earned. Included are certificates and similar or related documents.

Secondary school student files: Documents pertaining to individual secondary school students. Included in each folder are student health records; individual education plans; absence reports and correspondence with parents pertaining to absence; records of achievement and aptitude tests; notes concerning participation in extracurricular activities, hobbies, and other special interests or activities of the student; and miscellaneous memorandums used by student counselors.

College absence, withdrawal, and add files: Student applications for permission to be absent from final exams. Student drop and add class records and administrative withdrawal letter.

College academic record files: Documents reflecting student grades and credits earned. Included are forms, notes, and similar or related documents.

College report card files: Documents reflecting scholastic grades and promotion or failure. Included are report cards and related documents.

College teacher class register files: Documents reflecting daily, weekly, semester, or annual scholastic marks and averages, absence and withdrawal data. Included are class registers and similar or related documents.

College class reporting files: Documents reflecting teacher reports to Registrar and used as source documents for preparing college transcripts. Included are forms, correspondence, and similar or related documents.

Credit transfer certificate files: Documents reflecting college scholastic credits earned. Included are certificates and similar or related documents.

College student files: Documents pertaining to individual college students. Included in each folder are absence reports, records of achievement, and aptitude tests.

Automated support files: Automated data files are composed of records containing any of the above information in addition to (varies by regional system): Student registration data-student identification number, student name, sex, grade level, bus number, date of enrollment, date of birth, course numbers and names, teachers, credit, grades received, dates of absences, and sponsor's name, status, rank, date of rotation, organization, location of unit, local address, emergency address, permanent address, and telephone numbers.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Recurring provisions of the DOD Appropriations Act and Department of Defense Directive 1342.6, Department of Defense Dependents Schools, dated October 17, 1978, with change 1.

PURPOSE(S):

Dependent children's school program files (general):

1. Records of students attending DOD operated overseas dependent schools are used by school officials, including teachers, to: a. Determine the eligibility of children to attend these schools; b. Schedule children for transportation; c. Record daily and/or class attendance of students and date(s) of withdrawal; d. Determine tuition paying students and record status of payments; e. Determine students located in areas not serviced by dependents schools so that alternative arrangements for education can be made and payment made, as required; f. Monitor special education services required by and received by the student; and, g. Used to develop and maintain reading and health records, including school related medical needs.

2. Records may also be released to other officials of the Department of Defense requiring information for operation of the Department (including defense investigative agencies and recruiting officials).

Dependent children's school program files (elementary):

1. Used by school officials, including teachers, in the current and/or gaining school to develop and provide an educational program for elementary students by school personnel cited above.

2. Used in the following manner to record: a. Teacher or standardized test data; b. Attendance, absences, and/or tardiness of each student; c. Recommendations for promotion or retention including teacher comments; d. Daily, weekly, semester, or annual grades; and, e. Notes related to the individual pupil's progress and learning characteristics useful to professional school personnel in counseling the student and in the determination of his/her proper placement.

Dependent children's school program files (secondary):

1. Used by school officials, including teachers, in the current and/or gaining school to develop and provide an educational program for secondary students.

2. Documents are used by school personnel cited above in the following manner to: a. Record teacher and/or standardized test data; b. Record attendance, absences, and/or tardiness of each student; c. Form the basis for a decision on a student request for permission to be absent from a class or classes; d. Determine proper class or grade placement or graduation; e. Determine scholastic grades and/or grade point average; f. Form the basis for school recommendations for student financial aid for post-secondary education; g. Form the basis for preparing the secondary school transcript; h. Determine secondary school academic credits earned; and, i. Note special interest or hobbies of the student.

3. Used by DOD recruiting officials to determine eligibility for military service.

Dependent children's school program files (college):

1. Used by school officials, including teachers, in the current and/or gaining school to develop and provide an

educational program for college students.

2. Documents are used by school personnel cited above in the following manner to: a. Record teacher and/or standardized test data; b. Record attendance and absences of each student; c. Form the basis for a decision on a student request for permission to be absent from a class or classes; d. Determine proper class or grade placement or graduation; e. Determine scholastic grades and/or grade point average; f. Form the basis for school recommendations for student financial aid for college education; g. Form the basis for preparing the college transcript; and h. Determine college academic credits earned.

3. Used by DOD recruiting officials to determine eligibility for military service.

Automated support. Automated support is used by school and regional officials (where applicable) to:

1. Provide academic data to each student upon request, provide report cards, etc., at the end of each grading period, provide transcripts upon request, and provide hard copy for manual files.

2. Provide academic data within the region and to ODS.

3. Provide data within the Department of Defense on a need-to-know basis.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

Records concerning sponsor's names, rank, and branch of service may be released to former students for the purpose of organizing reunion activities.

Academic data may be provided to other educational institutions and employers or prospective employers in accordance with current policies and procedures.

Academic achievements and data may be provided to the public, via distribution of information within the school and through various media sources, for positive reinforcement purposes. This information will not be distributed for commercial uses.

The 'Blanket Routine Uses' set forth at the beginning of OSD's compilation of systems of records notices apply to this system.

DISCLOSURE TO CONSUMER REPORTING AGENCIES:

Disclosure pursuant to 5 U.S.C. 552a(b)(12) may be made from this system to 'consumer reporting agencies' as defined in the Fair Credit Reporting Act (15 U.S.C. 1681a(f)) or the Federal Claims Collection Act of 1966 (31 U.S.C. 3701(a)(3)).

The disclosure is limited to information necessary to establish the identity of the individual, including name, address, and taxpayer identification number (Social Security Number); the amount, status, and history of the claim; and the agency or program under which the claim arose for the sole purpose of allowing the consumer reporting agency to prepare a commercial credit report.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Files are paper records in file folders.

RETRIEVABILITY:

Elementary school academic records and secondary school and college academic records (transcripts) are filed alphabetically by school, school year, and last name of student.

Elementary, secondary, and college teacher class register files are filed by school, school year, and last name of teacher.

Remaining dependent school student files are filed by school, school year, and last name of student.

The automated files are indexed by a variety of data, depending upon the region and school involved (some have regionally assigned student identification numbers, others are by last name of student). Also, any combination of data in the file can be used to select individual records. Only authorized personnel have required information to access the system or process jobs.

SAFEGUARDS:

Paper records are maintained in files accessible only to authorized personnel.

Authorized records:

Description of the automated process. Current hard copy records of all information are kept in locked file cabinets in limited access school offices. Computer-produced student records and reports become an integral part of the manual system and are retained in limited access school offices and/or locked cabinets. Computer disks, tapes, etc., are maintained in limited access areas within the various computer centers, regional offices, and/or schools. Approved special requests for data can be supported by ad hoc inquiry. Any combination of data can be used to select individual records for special processing.

Physical safeguards. Computer facilities and remote terminals are located in schools and regional offices throughout the school system. Particular regional systems vary; however, the same basic safeguards are employed (in various combinations) in all the systems. Computer hardware disk cards and other materials are secured in locked facilities after normal duty hours or are maintained in secure military computer centers. During school hours, storage media is stored in areas where access can be monitored. On-line access is protected by combinations of the following various factors: (1) Users must have file and/or disk names; (2) users must have possession or approval to gain possession of appropriate disk(s); and, (3) users must have specifically designed codes and/or keys to permit read/write operations.

Storage media. Hard copy files are stored in the school offices of each participating school and regional offices. Computer files are stored on magnetic tape and disks, as outlined above.

Risk analysis. All personal information which is collected and/or maintained for this system is stored in locations adequately secure for such information. Administrative safeguards have been instituted to prevent access to information in the automated systems.

RETENTION AND DISPOSAL:

Enrollment files: Maintained at the respective school for one year after graduation, withdrawal, transfer, or death of the student, then destroyed.

Daily attendance register files: Destroyed after reviewing attendance registers for the next school year.

Elementary school academic records files: When a student transfers to another school, this file is forwarded by mail to officials of the receiving school on request in accordance with current regulations, or destroyed at the school five years after graduation, withdrawal, or death of the student.

Elementary school report card files: Documents reflecting grades, personality traits, and promotion or failure. Included are report cards and similar or related documents.

Elementary school teacher class register files: Destroyed at the school concerned after five years.

Elementary school student files: 1. When a student transfers to another school, the reading and health records are released to the parent or student (if over 18 years of age) for hand-carrying to the receiving school. 2. Remaining documents pertaining to the students are forwarded by mail to the officials of the receiving school or the parent/

guardian on request in accordance with current regulations; if not requested, documents are destroyed at the school concerned one year after graduation, withdrawal, or death of the student.

Special Education files: Records pertaining to tests and evaluations of students and documentation of individual needs for special education programs. Included is follow-on correspondence and case files relating to mediations and hearings. Records are cut-off after final decision and retired to WNRC after 5 years. When 20 years old, the records are destroyed.

Secondary school absentee files: Destroyed at the school after one year.

Secondary school academic record files (high school transcript): 1. Permanent file. 2. When a student transfers to another DOD dependents school, this file (transcript) is forwarded by mail to officials of the receiving school on request. 3. When a student transfers to a non-DOD school, a copy of the transcript is forwarded to the receiving school on request in accordance with current regulations. 4. Files not forwarded to another DOD school are retained at the school concerned for four years, the regional office for one year and then retired to the WNRC (or East Point FARC if in the Panama region) for an additional sixty years.

Secondary school report card files: Released to parents of students or student (if over eighteen years of age) at the end of the school year or on transfer of student.

Secondary school teacher class register files: Retained at the school concerned for five years and then destroyed.

Secondary school class reporting files: Destroyed at the school after one year.

Credit transfer certification files: Destroyed at the school after one year.

Secondary school student files: 1. Retained at the school concerned for two years after graduation, withdrawal or death of the student. 2. When a student transfers to another school: a. A copy of the record may be released to the parents or student (if over eighteen years of age) for hand-carrying to the receiving school. b. An official copy of the record will be forwarded to the receiving school in accordance with current regulations upon request. (The original record is retained at the school.)

College absentee files: Destroyed at the school after one year.

College academic record files (college transcripts): 1. Permanent file. 2. When a student transfers to another college or university, this file (transcript) is forwarded by mail to officials of the receiving school upon receipt of an authorized request. 3. Original files (transcripts) are retained at the college for ten years then retired to East Point FARC.

College report card files: Released to student at the end of the semester or school year, or on transfer of student.

College teacher class register files: Retained at the school for five years and then destroyed.

College class reporting files: Destroyed at the school after one year.

Credit transfer certificate files: Destroyed at the school after one year.

College school student files: 1. Retained at the school for two years. 2. When a student transfers to another school: a. A copy of the record may be released to the parents or student (if eighteen years of age) for hand-carrying to the receiving school. b. An official copy of the record will be forwarded to the receiving school upon request pending receipt of authorized request. (The original record is retained at the school.)

Automated files: Automated files are normally retained for one year. However, this may vary as all information is documented in the manual files and the information in automated form may be destroyed earlier or later than one year for various internal purposes.

SYSTEM MANAGER(S) AND ADDRESS:

Director, Department of Defense Dependents Schools, 1225 Jefferson Davis Highway, Crystal Gateway 2, Suite 1500, Arlington, VA 22202–4301.

NOTIFICATION PROCEDURE:

Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the Director, Department of Defense Dependents Schools, 1225 Jefferson Davis Highway, Crystal Gateway 2, Suite 1500, Arlington, VA 22202–4301.

RECORD ACCESS PROCEDURES:

Written requests for information on the records system and for instructions concerning personal visits may be forwarded to the principal of the school within four years after graduation, transfer, withdrawal, or death of student.

The fifth year, the principal should be contacted for elementary records or the system manager for secondary records.

Subsequently, all requests for secondary records may be forwarded to the Headquarters, Department of the Army, (DAAG–AMR), Washington, DC 20310, except for information from schools in Panama. These requests should be sent to Director, DODDS-Panama, APO Miami 34002.

All requests for college records should be sent to the college for the first ten years, then to the Director, DODDS-Panama, APO Miami 34002.

CONTESTING RECORD PROCEDURES:

The OSD rules for accessing records, for contesting contents and appealing initial agency determinations are published in OSD Administrative Instruction 81; 32 CFR part 311; or may be obtained from the system manager.

RECORD SOURCE CATEGORIES:

Information is obtained from the individuals concerned and their parents/guardians, teachers and school administrators.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

WUSU03

SYSTEM NAME:

Uniformed Services University of the Health Sciences (USUHS) Student Record System *(February 22, 1993, 58 FR 10923).*

CHANGE:

* * * * *

RETENTION AND DISPOSAL:

Delete entry and replace with 'Files are cut off upon graduation, transfer, withdrawal, or death of student, and held for 20 years, after which they are transferred to the Washington National Records Center. Fifty years after cut-off, the records are destroyed.'

* * * * *

WUSU03

SYSTEM NAME:

Uniformed Services University of the Health Sciences (USUHS) Student Record System.

SYSTEM LOCATION:

The file will be maintained in the Registrar's Office, USUHS, 4301 Jones Bridge Road, Bethesda, MD 20814–4799. Supplemental files consisting of student evaluation forms, grades, and course examinations pertaining to their Department will be maintained in each department by department chairperson, as well as in the Registrar's office.

CATEGORIES OF INDIVIDUALS COVERED BY THE SYSTEM:

Records will be maintained on all students who matriculate to the University.

CATEGORIES OF RECORDS IN THE SYSTEM:

Grade reports and instructor evaluations of performance/achievement; transcripts summarizing

by course title, grade, and credit hours; records of awards, honors, or distinctions earned by students; and data carried forward from the Applicant File System, which includes records containing personal data e.g., name, rank, Social Security Number, undergraduate school, academic degree(s), current addresses, course grades, and grade point average from undergraduate work and other information as furnished by non-Government agencies such as the American Medical College Admission Service which certifies all information prior to being submitted to the University.

AUTHORITY FOR MAINTENANCE OF THE SYSTEM:

Pub. L. 92–426, Ch 104, section 2114; and E.O. 9397.

PURPOSE(S):

Data is used for recording internships, residencies, types of assignment and other career performance data on USUHS graduates; providing academic data to each student upon request, e.g., transcripts, individual course grades, grade point average, etc.; providing academic data within the Uniformed Services University of the Health Sciences for official use only purposes; and providing data to the respective Surgeon General when a specific and authorized need requires it.

ROUTINE USES OF RECORDS MAINTAINED IN THE SYSTEM, INCLUDING CATEGORIES OF USERS AND THE PURPOSES OF SUCH USES:

In addition to those disclosures generally permitted under 5 U.S.C. 552a(b) of the Privacy Act, these records or information contained therein may specifically be disclosed outside the DoD as a routine use pursuant to 5 U.S.C. 552a(b)(3) as follows:

Academic data may be provided to other educational institutions upon the written request of a student.

The 'Blanket Routine Uses' set forth at the beginning of the USUHS' compilation of systems of records notices apply to this system.

POLICIES AND PRACTICES FOR STORING, RETRIEVING, ACCESSING, RETAINING, AND DISPOSING OF RECORDS IN THE SYSTEM:

STORAGE:

Paper records in file folders are stored at USUHS, supported by automated copies of subsets of each student's folder, which are maintained on magnetic tape and disk at the Office of the Registrar, USUHS.

RETRIEVABILITY:

The system will be indexed by name and Social Security Number. Also, any combination of data can be used to select individual records. Only personnel in the Office of the Registrar will be with the password that allows access to the data, and those individuals are authorized access to all data in the file.

SAFEGUARDS:

The computer facility at the USUHS is operated by the Office of the Registrar. The tapes and hard copies of material are secured in government-approved security containers constructed of four-hour heat-resistant steel material. The physical location of the computer hardware, disks, and printer are located to the extreme rear of the room with access being blocked by a large counter staffed by two office personnel. All access to the computers in the Office of the Registrar is via user identification and sign-on password. Computer software ensures that only properly identified users can access the Privacy Act files on this system. Passwords are changed semiannually, or upon departure of any person knowing the password.

RETENTION AND DISPOSAL:

Files are cut off upon graduation, transfer, withdrawal, or death of student, and held for 20 years, after which they are transferred to the Washington National Records Center. Fifty years after cut-off, the records are destroyed.

SYSTEM MANAGER(S) AND ADDRESS:

The Registrar, Uniformed Services University of the Health Sciences, 4301 Jones Bridge Road, Bethesda, MD 20814–4799.

NOTIFICATION PROCEDURE:

Individuals seeking to determine whether information about themselves is contained in this system should address written inquiries to the Registrar, Uniformed Services University of the Health Sciences, 4301 Jones Bridge Road, Bethesda, MD 20814–4799.

RECORD ACCESS PROCEDURES:

Individuals seeking access to information about themselves contained in this system should address written inquiries to the Registrar, Uniformed Services University of the Health Sciences, 4301 Jones Bridge Road, Bethesda, MD 20814–4799.

Written requests should include name, Social Security Number and dates attended.

CONTESTING RECORD PROCEDURES:

The USUHS' rules for accessing records, for contesting contents and appealing initial agency determinations are published in OSD Administrative Instruction 81; 32 CFR part 315; or may be obtained from the system manager.

RECORD SOURCE CATEGORIES:

Information is furnished by instructor personnel, the individual concerned; the National Board of Medical Examiners; and the Applicant File System.

EXEMPTIONS CLAIMED FOR THE SYSTEM:

None.

[FR Doc. 95–3921 Filed 2–15–95; 8:45 am]

BILLING CODE 5000–04–F

Department of the Army

Army Science Board; Notice of Closed Meeting

In accordance with Section 10(a)(2) of the Federal Advisory Committee Act (P.L. 92–463), announcement is made of the following Committee Meeting:

Name of Committee: Army Science Board (ASB).

Date of Meeting: 6 & 7 March 1995.

Time of Meeting: 0800–1600, 6 March 1995; 0800–1600, 7 March 1995.

Place: Arlington, VA.

Agenda: The Logistics and Sustainability Subgroup of the Army Science Board will meet for discussions focused on current doctrine, missions, functions, force structures and modules, and technologies reference 1995 Summer Study on ''Army Logistical Support to Military Operations Other than War.'' These meetings will be closed to the public in accordance with Section 552(c) of title 5, U.S.C., specifically subparagraph (1) thereof, and Title 5, U.S.C., Appendix 2, subsection 10(d). The classified and unclassified matter to be discussed are so inextricably intertwined so as to preclude opening all portions of the meeting. The ASB Administrative Officer, Sally Warner, may be contacted for further information at (703) 695–0781.

Sally A. Warner,

Administrative Officer, Army Science Board.

[FR Doc. 95–3918 Filed 2–15–95; 8:45 am]

BILLING CODE 3710–08–M

Change to Item 410 of the International Personal Property Rate Solicitation—Notification of MTMC's Intent To Increase Carrier Liability to $1.25 Times the New Shipment Weight

AGENCY: Military Traffic Management Command, DoD.

ACTION: Notice.

SUMMARY: This is to provide notification of MTMC's intent to increase carrier liability to $1.25 times the net shipment weight. This is a change to item 410 of the International Personal Property Rate Solicitation. The change was originally

proposed in the Federal Register, dated 4 March 1993. As requested by industry, the General Accounting Office (GAO) conducted a study on the proposed increase in carrier liability. Acting on the recommendation of the GAO study, MTMC intends to increase the carrier liability from $1.80 per pound per article to $1.25 times the net shipment weight (in pounds), for any lost or damaged article, effective October 1, 1995, with the International Winter (IW95) rate cycle. A shipment valuation charge of $1.28 per $100 of the released or declared value will apply for 3 years from the implementation date of October 1, 1995. The shipment valuation charge will cease to apply on October 1, 1998, effective with the IW98 rate cycle. The following is the change, by subparagraph, to item 410:

Item 410.a. All rates in this solicitation apply on shipments when released to a value not exceeding $1.25 times the net shipment weight (in pounds), including items of extraordinary value.

Item 410.b. No change.

Item 410.c. No change.

Item 410.c.(1). Net weight of shipment, 5,500 pounds; headboard lost or damaged, weight 50 pounds. Carrier's maximum liability for loss or damage to the headboard would be $1.25 times 5,500 pounds (net shipment weight) or $6,875.

Item 410.c.(2). New weight of shipment, 10,000 pounds; TV (19 inch) damaged, weight 25 pounds. Carrier's maximum liability would be $1.25 times 10,000 pounds or $12,000.

Item 410.c.(3). Net weight of shipment, 3,000 pounds; fishing reel missing, weight 1 pound. Carrier's maximum liability would be $1.25 times 3,000 pounds or $3,750.

Item 410.c.(4). No change.

Item 410.c.(5). No change.

Item 410.d. Add the following subparagraph to read: A shipment valuation charge of $1.28 for each $100 of the released or declared value will apply.

ADDRESSES: Commander, Military Traffic Management Command, ATTN: MTOP–T–NP, 5611 Columbia Pike, Falls Church, VA 22041–5050.

FOR FURTHER INFORMATION CONTACT: Mr. Alex Moreno, (703) 756–2383.

DATES: The shipment valuation charge will cease to apply on October 1, 1998.

Kenneth L. Denton,

Army Federal Register Liaison Officer.

[FR Doc. 95–3896 Filed 2–15–95; 8:45 am]

BILLING CODE 3710–08–M

Domestic Personal Property Rate Solicitation—Implementation of Proposed Change

AGENCY: Military Traffic Management Command, DoD.

ACTION: Notice.

SUMMARY: This notice provides notification of MTMC's intent to eliminate the additional shipment valuation charges shown as Items 130a/130b in the Domestic Personal Property Rate Solicitation (D–3) or reissues thereof.

Acting on the recommendation of a Government Accounting Office (GAO) study, MTMC intends to eliminate the 64 cents per $100 valuation charge, applicable to all points in CONUS, as shown as Item 130a, and the additional 64 cents per $100 valuation charge on shipments to or from Alaska, shown as Item 130b in the Domestic Personal Property Rate Solicitation (D–3), and reissues thereof. GAO believes that carriers now have the claims experience needed under increased liability to adjust their rates to compensate for any increased liability costs, thus making further compensary payments unjustified. The above noted shipment valuation charges will cease to apply on November 1, 1995, effective with the Domestic Winter rate cycle.

ADDRESSES: Commander, Military Traffic Management Command, ATTN: MTOP–T–NP, 5611 Columbia Pike, Falls Church, VA 22041–5050.

FOR FURTHER INFORMATION CONTACT: Ms. Ann Peterson, (703) 756–1190.

DATES: The above shipment valuation charges will cease to apply on November 1, 1995.

Kenneth L. Denton,

Army Federal Register Liaison Officer.

[FR Doc. 95–3897 Filed 2–15–95; 8:45 am]

BILLING CODE 3710–08–M

Corps of Engineers

Inland Waterways Users Board

AGENCY: U.S. Army Corps of Engineers, Inland Waterways Users Board, DOD.

ACTION: Notice of open meeting.

In accordance with 10(a)(2) of the Federal Advisory Committee Act, (Pub. L. 92–463), announcement is made of the following meeting:

Name of Committee: Inland Waterways Users Board.

Date of Meeting: March 31, 1995.

Place: San Luis Hotel, 5222 Seawall Boulevard, Galveston, Texas 77551, Tel: 409–744–1500).

Time: 8:30 a.m. to 4:30 p.m.

Proposed Agenda:

AM Session

8:30 a.m.—Registration
9:00 a.m.—Call to Order
9:05 a.m.—Galveston District Commander's Welcome & Remarks
9:15 a.m.—Chairman's Remarks and Introductions
9:30 a.m.—Executive Director's Remarks
9:45 a.m.—Approval of Previous Meeting Minutes
9:05 a.m.—Status of the IW Trust Fund
10:00 a.m.—Navigation Project Cost Escalation: 1986–1994
10:15 a.m.—Status of the Partnerships and Board Task Force Recommendations for Quality Operating Improvements
10:45 a.m.—Break
11:15 a.m.—Draft of the FY96 Annual Report
12:00—Lunch

PM Session

1:30 p.m.—Draft of the FY96 Annual Report
2:00 p.m.—Board Navigation Project-Priorities-Status
2:30 p.m.—Project Updates for Sargent Beach & Brazos River Floodgates
2:45 p.m.—Break
3:15 p.m.—GIWW Extension into Mexico
3:30 p.m.—Section 216 Studies Update
3:45 p.m.—Public Comment Period
4:30 p.m.—Call for Adjournment

This meeting is open to the public. Any interested person may attend, appear before, or file statements with the committee at the time and in the manner permitted by the committee.

FOR FURTHER INFORMATION CONTACT: Mr. Norman T. Edwards, Headquarters, U.S. Army Corps of Engineers, CECW-P, Washington, D.C. 20314–1000.

Kenneth L. Denton,

Army Federal Register Liaison Officer.

[FR Doc. 95–5917 Filed 2–15–95; 8:45 am]

BILLING CODE 3710–92–M

Department of the Army Corps of Engineers

Intent To Prepare a Draft Supplemental Environmental Impact Statement (DSEIS)

For a Proposed Small Boat Harbor at Chignik, Alaska

AGENCY: U.S. Army Corps of Engineers, DOD.

ACTION: Notice of intent.

SUMMARY: A harbor at Chignik would support the local fishing fleet by providing moorage for approximately 70

vessels. The harbor site in Anchorage Bay would require a rubblemound breakwater to protect an approximately 5-acre moorage basin. The harbor site is between two small streams and a freshwater marsh. Potential harbor impacts for any alternative are long-term generation of harbor related pollutants and commitment of tidelands to harbor development that would modify the habitat in the harbor area. The rock quarry would not be specified.

ADDRESSES: Alaska District Corps of Engineers, ATTN: Chief, Environmental Resources Section, P.O. Box 898, Anchorage, Alaska 99506–0898.

FOR FURTHER INFORMATION CONTACT:

Mr. Guy R. McConnell or Ms. Lizette Boyer (907) 753–2637.

SUPPLEMENTARY INFORMATION: A previous draft and final Environmental Impact Statement was written for this project in 1987 (Federal Register Notice ERP No. F–COE–L39045–AK). A Record of Decision was not signed. A notice to the **Federal Register** was published on June 12, 1989 for preparation of a DSEIS to discuss additional project changes. The final supplemental EIS was not circulated because the project lost local funding.

The project has been re-initiated. In addition to presenting all the project alternative, an alternatives plan is being proposed for study. The new alternative, at the previously selected site, would re-position the breakwater to include wave protection from the south-southwest as well as from the west. The analysis would study the best location for an entrance channel and tideland fill staging areas. Approximately 264,000 cubic yards of predominately sand would be dredged from the harbor basin.

The DSEIS would analyze the new harbor alternative, all other alternatives as necessary, and update information. Much of the information contained in the previous EIS will be incorporated by reference. The final EIS will be made available. Scoping of the EIS will include continued coordination with interested local, State, and Federal agencies, and other interested parties. Scoping meetings are not planned at this time.

Anticipated subjects to be addressed include, but are not limited to: water quality, juvenile salmon and other fish movement through the harbor, tideland fill, wetlands, rock quarry issues, and measures to minimize adverse impacts.

The expected completion date of the DSEIS is spring 1995.

Kenneth L. Denton,

Army Federal Register Liaison Officer.

[FR Doc. 95–3898 Filed 2–15–95; 8:45 am]

BILLING CODE 3710–NL–M

Defense Logistics Agency

Privacy Act of 1974; Computer Matching Program Between the Department of Transportation and the Defense Manpower Data Center of the Department of Defense

AGENCY: Defense Manpower Data Center, Defense Logistics Agency, Department of Defense.

ACTION: Notice of a computer matching program between the Department of Transportation (DOT) and the Department of Defense (DoD) for public comment.

SUMMARY: Subsection (e)(12) of the Privacy Act of 1974, as amended, (5 U.S.C. 552a) requires agencies to publish advance notice of any proposed or revised computer matching program by the matching agency for public comment. The DoD, as the matching agency under the Privacy Act is hereby giving constructive notice in lieu of direct notice to the record subjects of a computer matching program between DOT and DoD that their records are being matched by computer. The record subjects are DOT delinquent debtors who may be current or former Federal employees receiving Federal salary or benefit payments and who are delinquent in their repayment of debts owed to the United States Government under programs administered by DOT so as to permit DOT to pursue and collect the debt by voluntary repayment or by administrative or salary offset procedures under the provisions of the Debt Collection Act of 1982.

DATES: This proposed action will become effective March 20, 1995, and the computer matching will proceed accordingly without further notice, unless comments are received which would result in a contrary determination or if the Office of Management and Budget or Congress objects thereto. Any public comment must be received before the effective date.

ADDRESSES: Any interested party may submit written comments to the Director, Defense Privacy Office, Crystal Mall 4, Room 920, 1941 Jefferson Davis Highway, Arlington, VA 22202–4502.

FOR FURTHER INFORMATION CONTACT: Mr. Aurelio Nepa, Jr. at telephone (703) 607–2943.

SUPPLEMENTARY INFORMATION: Pursuant to subsection (o) of the Privacy Act of 1974, as amended, (5 U.S.C. 552a), the DMDC and DOT have concluded an agreement to conduct a computer matching program between the agencies. The purpose of the match is to exchange personal data between the agencies for debt collection. The match will yield the identity and location of the debtors within the Federal government so that DOT can pursue recoupment of the debt by voluntary payment or by administrative or salary offset procedures. Computer matching appeared to be the most efficient and effective manner to accomplish this task with the least amount of intrusion of personal privacy of the individuals concerned. It was therefore concluded and agreed upon that computer matching would be the best and least obtrusive manner and choice for accomplishing this requirement.

A copy of the computer matching agreement between DOT and DMDC is available upon request to the public. Requests should be submitted to the address caption above or to the Chief, Financial Asset Management Staff, Department of Transportation, 400 7th Street, SW, Room 9130, Washington, DC 20590. Telephone (202) 366–6100.

Set forth below is the notice of the establishment of a computer matching program required by paragraph 6.c. of the Office of Management and Budget Guidelines on computer matching published in the **Federal Register** at 54 FR 25818 on June 19, 1989.

The matching agreement, as required by 5 U.S.C. 552a(r) of the Privacy Act, and an advance copy of this notice was submitted on February 1, 1995, to the Committee on Government Operations of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Administrator of the Office of Information and Regulatory Affairs, Office of Management and Budget pursuant to paragraph 4d of Appendix I to OMB Circular No. A–130, 'Federal Agency Responsibilities for Maintaining Records about Individuals,' dated July 15, 1994 (59 FR 37906, July 25, 1994). The matching program is subject to review by OMB and Congress and shall not become effective until that review period has elapsed.

Dated: February 8, 1995.

Patricia L. Toppings,

Alternate OSD Federal Register Liaison Officer, Department of Defense.

Notice of a Computer Program Between the Department of Transportation and the Department of Defense for Debt Collection

A. *Participating agencies:* Participants in this computer matching program are the Department of Transportation (DOT) and the Defense Manpower Data Center (DMDC) of the Department of Defense (DoD). The DOT is the source agency, i.e., the activity disclosing the records for the purpose of the match. The DMDC is the specific recipient activity or matching agency, i.e., the agency that actually performs the computer matching.

B. *Purpose of the match:* Upon the execution of an agreement, the DOT will provide and disclose debtor records to DMDC to identify and locate any matched Federal personnel, employed or retired, who may owe delinquent debts to the Federal Government under certain programs administered by the DOD. The DOT will use this information to initiate independent collection of those debts under the provisions of the Debt Collection Act of 1982 when voluntary payment is not forthcoming. These collection efforts will include requests by the DOT of any employing Federal agency to apply administrative and/or salary offset procedures until such time as the obligation is paid in full.

C. *Authority for conducting the match:* The legal authority for conducting the matching program is contained in the Debt Collection Act of 1982 (Pub. L. 97–365), 31 U.S.C. Chapter 37, Subchapter I (General) and Subchapter II (Claims of the United States Government), 31 U.S.C. 3711 Collection and Compromise, 31 U.S.C. 3716 Administrative Offset, 5 U.S.C. 5514 Installment Deduction for Indebtedness (Salary Offset); 10 U.S.C. 136, Assistant Secretaries of Defense, Appointment Powers and Duties; section 206 of Executive Order 11222; 4 CFR Ch. II, Federal Claims Collection Standards (General Accounting Office - Department of Justice); 5 CFR 550.1101 - 550.1108 Collection by Offset from Indebted Government Employees (OPM); 49 CFR part 92, Recovering Debt to the United States by Salary Offset (DOT).

D. *Records to be matched:* The systems of records maintained by the respective agencies under the Privacy Act of 1974, as amended, 5 U.S.C. 552a, from which records will be disclosed for the purpose of this computer match are as follows:

The DOT will use personal data from the Privacy Act record system identified as DOT/ALL 10, entitled, 'Debt Collection File', last published in the **Federal Register** at 59 FR 54941 on November 2, 1994.

DMDC will use personal data from the record systems identified as S322.11 DMDC, entitled 'Federal Creditor Agency Debt Collection Data Base,' last published in the **Federal Register** on February 22, 1993, at 58 FR 10875.

Sections 5 and 10 of the Debt Collection Act (Pub.L. 97–365) authorize agencies to disclose information about debtors in order to effect salary or administrative offsets. Agencies must publish routine uses pursuant to subsection (b)(3) of the Privacy Act for those systems of records from which they intend to disclose this information. Sections 5 and 10 of the Debt Collection Act will comprise the necessary authority to meet the Privacy Act's 'compatibility' condition. The systems of records described above contain an appropriate routine use disclosure between the agencies of the information proposed in the match. The routine use provisions are compatible with the purpose for which the information was collected.

E. *Description of computer matching program:* The DOT, as the source agency, will provide DMDC with a magnetic computer tape which contains the names of delinquent debtors in programs the DOT administers. Upon receipt of the magnetic computer tape file of debtor accounts, DMDC will perform a computer match using all nine digits of the SSN of the DOT file against a DMDC computer database. The DMDC database, established under an interagency agreement between DOD, OPM, OMB, and the Department of the Treasury, consists of employment records of Federal employees and military members, active, and retired. Matching records ('hits'), based on the SSN, will produce the member's name, service or agency, category of employee, and current work or home address. The hits or matches will be furnished to the DOT. The DOT is responsible for verifying and determining that the data on the DMDC reply tape file are consistent with the DOT source file and for resolving any discrepancies or inconsistencies on an individual basis. The DOT will also be responsible for making final determinations as to positive identification, amount of indebtedness and recovery efforts as a result of the match.

The magnetic computer tape provided by DOT will contain data elements of the debtor's name, Social Security Number, debtor status and debt balance, internal account numbers and the total amount owed on approximately 2,100 delinquent debtors.

The DMDC computer database file contains approximately 10 million records of active duty and retired military members, including the Reserve and Guard, and the OPM government wide Federal civilian records of current and retired Federal employees.

F. *Inclusive dates of the matching program:* This computer matching program is subject to review by the Office of Management and Budget and Congress. If no objections are raised by either, and the mandatory 30 day public notice period for comment has expired for this **Federal Register** notice with no significant adverse public comments in receipt resulting in a contrary determination, then this computer matching program becomes effective and the respective agencies may begin the exchange of data 30 days after the date of this published notice at a mutually agreeable time and will be repeated annually. Under no circumstances shall the matching program be implemented before the 30 day public notice period for comment has elapsed as this time period cannot be waived. By agreement between DOT and DMDC, the matching program will be in effect and continue for 18 months with an option to renew for 12 additional months unless one of the parties to the agreement advises the other by written request to terminate or modify the agreement.

G. *Address for receipt of public comments or inquiries:* Director, Defense Privacy Office, Crystal Mall 4, Room 920, 1941 Jefferson Davis Highway, Arlington, VA 22202–4502. Telephone (703) 607–2943.

[FR Doc. 95–3920 Filed 2–15–95; 8:45 am]
BILLING CODE 5000–04–F

DEPARTMENT OF EDUCATION

Proposed Information Collection Requests

AGENCY: Department of Education.

ACTION: Notice of proposed information collection requests.

SUMMARY: The Director, Information Resources Group, invites comments on proposed information collection requests as required by the Paperwork Reduction Act of 1980.

DATES: An expedited review has been requested in accordance with the Act, since allowing for the normal review period would adversely affect the public interest. Approval by the Office of Management and Budget (OMB) has been requeted by February 21, 1995.

ADDRESSES: Written comments should be addressed to the Office of Information and Regulatory Affairs, Attention: Dan Chenok, Desk Officer, Department of Education, Office of Management and Budget, 725 17th Street NW., Room 3208, New Executive Office Building, Washington, DC 20503. Requests for copies of the proposed information collection request should be addressed to Patrick J. Sherrill, Department of Education, 400 Maryland Avenue SW., Room 5624, Regional Office Building 3, Washington, D.C. 20202–4651.

FOR FURTHER INFORMATION CONTACT: Patrick J. Sherrill, (202) 708–9915. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

SUPPLEMENTARY INFORMATION: Section 3517 of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 3517) requires that the Director of OMB provide interested Federal agencies and persons an early opportunity to comment on information collection requests. OMB may amend or waive the requireemnt for public consultation to the extent that public participation in the approval process would defeat the purpose of the information collection, violate State or Federal law, or substantially interfere with any agency's ability to perform its statutory obligations.

The Director, Information Resources Group, publishes this notice with the attached proposed information collection request prior to submission of this request to OMB. This notice contains the following information: (1) Type of review requested, e.g., expedited; (2) Title; (3) Abstract; (4) Additional Information; (5) Frequency of collection; (6) Affected public; and (7) Reporting and/or Recordkeeping burden. Because an expedited review is requested, a description of the information to be collected is also included as an attachment to this notice.

Dated: February 10, 1995.

Gloria Parker,

Director, Information Resources Group.

Office of Postsecondary Education

Type of Review: Expedited
Title: Part A Strengthening Institutions Program—Hispanic-Serving Institutions Grants
Frequency: Annually
Affected Public: Not-for-profit institutions
Reporting Burden:
Responses: 85
Burden Hours: 2,975
Recordkeeping Burden:
Recordkeepers: 0
Burden Hours: 0
Abstract: This information is required of institutions of higher education applying for Hispanic-Serving Institutions grants under the Strengthening Institutions Programs, Title III, Part A of the Higher Education Act of 1965, as amended. This information will be used in the evaluation process to determine which applicants should receive funds.
Additional Information: Clearance for this information collection is requested for February 21, 1995. Exedpited review is requested so that awards could be made on schedule under the new authority, to allow applicants ample time to prepare quality applications, and for printing and distribution purposes.

[FR Doc. 95–3828 Filed 2–15–95; 8:45 am]

BILLING CODE 4000–01–M

Proposed Information Collection Requests

AGENCY: Department of Education.

ACTION: Notice of proposed information collection requests.

SUMMARY: The Director, Information Resources Group, invites comments on proposed information collection requests as required by the Paperwork Reduction Act of 1980.

DATES: An expedited review has been requested in accordance with the Act, since allowing for the normal review period would adversely affect the public interest. Approval by the Office of Management and Budget (OMB) has been requested by February 14, 1995.

ADDRESSES: Written comments should be addressed to the Office of Information and Regulatory Affairs, Attention: Dan Chenok, Desk Officer, Department of Education, Office of Management and Budget, 725 17th Street NW., Room 3208, New Executive Office Building, Washington, D.C. 20503. Requests for copies of the proposed information collection request should be addressed to Patrick J. Sherrill, Department of Education, 400 Maryland Avenue, SW., Room 5624, Regional Office Building 3, Washington, D.C. 20202–4651.

FOR FURTHER INFORMATION CONTACT: Patrick J. Sherrill, (202) 708–9915. Individuals who use a telecommunications device for the deaf (TDD) may call the Federal Information Relay Service (FIRS) at 1–800–877–8339 between 8 a.m. and 8 p.m., Eastern time, Monday through Friday.

SUPPLEMENTARY INFORMATION: Section 3517 of the Paperwork Reduction Act of 1980 (44 U.S.C. Chapter 3517) requires that the Director of OMB provide interested Federal agencies and persons an early opportunity to comment on information collection requests. OMB may amend or waive the requirement for public consultation to the extent that public participation in the approval process would defeat the purpose of the information collection, violate State or Federal law, or substantially interfere with any agency's ability to perform its statutory obligations.

The Director, Information Resources Group, publishes this notice with the attached proposed information collection request prior to submission of this request to OMB. This notice contains the following information: (1) Type of review requested, e.g., expedited; (2) Title; (3) Abstract: (4) Additional Information; (5) Frequency of collection; (6) Affected public; and (7) Reporting and/or Recordkeeping burden. Because an expedited review is requested, a description of the information to be collected is also included as an attachment to this notice.

Dated: February 10, 1995.

Gloria Parker,

Director, Information Resources Group.

Office of Educational Research and Improvement

Type of Review: Expedited
Title: Third International Mathematics and Science Study (TIMSS)
Frequency: Annually
Affected Public: Individuals or households; not-for-profit institutions; State, Local or Tribal Government
Reporting Burden:
Responses: 56,460
Burden Hours: 111,085
Recordkeeping Burden:
Recordkeepers: 0
Burden Hours: 0
Abstract: TIMSS will assess student achievement in math and science at the 4th, 8th, and 12th grade levels in about 50 countries. In the U.S., the data will be used to measure progress toward the fourth National Education Goal—that the U.S. will be first in the world in math and science by the year 2000. The study will also help educators to understand differences in student performance by providing

data on teaching practices and opportunity-to-learn factors.

Addtional Information: Clearance for this information collection is requested for February 14, 1995. An expedited review is requested in order to implement the program before the start of the new year.

[FR Doc. 95–3829 Filed 2–15–95; 8:45 am]

BILLING CODE 4000–01–M

National Assessment Governing Board; Meeting

AGENCY: National Assessment Governing Board; Education.

ACTION: Notice of partially closed meeting.

SUMMARY: This notice sets forth the schedule and proposed agenda of a forthcoming meeting of the National Assessment Governing Board. This notice also describes the functions of the Board. Notice of this meeting is required under Section 10 (a) (2) of the Federal Advisory Committee Act. This document is intended to notify the general public of their opportunity to attend.

DATES: March 2–4, 1995.

TIME: March 2, 1995—Subject Area Committee #2, 1:30 P.M.–2:00 P.M. (open); 2:00 P.M.–3:30 P.M. (closed); Achievement Levels Committee, 1:30 P.M.–3:30 P.M. (open); Reporting and Dissemination Committee, 1:30 P.M.–3:30 P.M. (open); Subject Area Committee #1, 4:00 P.M.–6:00 P.M. (open); Design and Methodology Committee, 4:00 P.M.–6:00 P.M. (open); Executive Committee, 6:30 P.M.–8:00 P.M. (open). March 3, 1995—Full Board, 8:45 A.M.–12:30 P.M. (open), 12:30 P.M.–2:00 P.M. (closed), 2:30 P.M.–4:00 P.M. (open). March 4, 1995—Full Board, 9:00 A.M. until adjournment, approximately, 12:00 Noon (open).

LOCATION: The Madison Hotel, 15th and M Streets NW., Washington, D.C.

FOR FURTHER INFORMATION CONTACT: Mary Ann Wilmer, Operations Officer, National Assessment Governing Board, Suite 825, 800 North Capitol Street NW., Washington, D.C., 2002–4233, Telephone: (202) 357–6938.

SUPPLEMENTARY INFORMATION: The National Assessment Governing Board is established under section 412 of the National Education Statistics Act of 1994 (Title IV of the Improving America's Schools Act of 1994), (Pub. L. 103–382).

The Board is established to formulate policy guidelines for the National Assessment of Educational Progress. The Board is responsible for selecting subject areas to be assessed, developing assessment objectives, identifying appropriate achievement goals for each grade and subject tested, and establishing standards and procedures for interstate and national comparisons.

On March 2, all subcommittees of the National Assessment Governing Board will be in session. The Subject Area Committee (SAC) #2 will meet from 1:30 P.M. to 3:30 P.M. SAC #2 will meet in open session from 1:30 P.M. to 2:00 P.M. to hear a report on state arts education assessment efforts. From 2:00 P.M. until adjournment, 3:30 P.M., the SAC #2 meeting will be closed to the public to permit the Committee to receive a briefing on the 1995 NAEP field test. This briefing will include display and discussion of secure test items and materials. This portion of the meeting must be conducted in closed session because premature disclosure of the information presented for review might significantly frustrate implementation of a proposed agency action. Such matters are protected by exemption 9(B) of Section 552b(c) of Title 5 U.S.C.

The Achievement Levels Committee will meet in open session from 1:30 P.M. until 3:30 P.M. The Committee will discuss preliminary results of the 1994 NAEP student performance standards in the U.S. history and world geography.

The Reporting and Dissemination Committee will meet in open session from 1:30 P.M. to 3:30 P.M. to discuss the release of future NAEP reports and Board policy on the collection, analysis, and reporting of background data.

Beginning at 4:00 P.M., until 6:00 P.M., the Subject Area Committee #1, and the Design and Methodology committees will meet in open session. Subject Area Committee #1 will hear about plans for the new NAEP Civic Consensus Project. The Design and Methodology Committee will discuss NAEP sampling plans for 1996, policy issues related to the use of background data in NAEP, and below state-level NAEP assessments.

A meeting of the Executive Committee will conclude the subcommittee meetings of the National Assessment Governing Board scheduled for March 2. The Executive Committee will meet in open session from 6:30 P.M. until 8:00 P.M. Agenda items for this meeting include discussion of 1996 budget; schedule of NAEP assessments; and policy considerations for NAEP district level reporting.

On March 3, the full Board will convene in open session at 8:45 A.M. The morning session of the full Board meeting includes approval of the agenda, the Executive Director's Report, a presentation by Honorable Michael N. Castle, Congressman from the State of Delaware, an update on NAEP activities, a presentation on the State of Maryland's approach to the attainment of World Class Standards, and Board discussion on strategic planning.

Beginning at 12:30 P.M., until 4:00 P.M., the full Board will meet in partially closed session. From 12:30 P.M., until 2:00 P.M., the meeting will be closed to the public. The Board will hear a report on the 1994 NAEP Reading Report which will include references to specific items from the assessment. This portion of the meeting must be closed because reference may be made to data which may be misinterpreted, incorrect, or incomplete. Premature disclosure of these data might significantly frustrate implementation of a proposed agency action. Such matters are protected by exemption 9(B) of Section 552b(c) of Title 5 U.S.C. From 2:30 P.M., until 4:00 P.M., the meeting will be open to the public. The Board will hear reports on the New Standards Projects, and proposed NAEP evaluations. The Board will continue discussion of strategic planning, also.

On March 4, at 9:00 A.M., the full Board will reconvene. The agenda for this session includes a report on an equating project being conducted by the State of Kentucky with its assessment program and NAEP, and reports from the Boards standing committees-Subject Area Committees #1 and #2, Achievement Levels, Reporting and Dissemination, Design and Methodology, and Executive. This meeting of the National Assessment Governing Board will be adjourned at approximately 12:00 Noon.

A summary of the activities of the closed sessions and related matters, which are informative to the public and consistent with the policy of section 5 U.S.C. 552b, will be available to the public within 14 days after the meeting. Records are kept of all Board proceedings and are available for public inspection at the U.S. Department of Education, National Assessment Governing Board, Suite 825, 800 North Capitol Street NW., Washington, D.C., from 8:30 A.M. to 5:00 P.M.

Dated: February 13, 1995.

Roy Truby,

Executive Director National Assessment Governing Board.

[FR Doc. 95–3869 Filed 2–15–95; 8:45 am]

BILLING CODE 4000–01–M

DEPARTMENT OF ENERGY

Golden Field Office; Notice of Federal Assistance Award to Air Products and Chemicals, Inc.

AGENCY: Department of Energy.

ACTION: Notice of financial assistance award in response to an unsolicited financial assistance application.

SUMMARY: The U.S. Department of Energy (DOE), pursuant to the DOE Financial Assistance Rules, 10 CFR 600.7, is announcing its intention to enter into a cooperative agreement with Air Products and Chemicals, Inc. (APC), to conduct research and development activities on a Sorption Enhanced Reaction (SER) process for use with Steam Methane Reforming (SMR). The SER technology could change the basic concept and engineering design of existing hydrogen production systems based upon SMR and, as a result, reduce the cost of hydrogen.

ADDRESSES: Questions regarding this announcement may be addressed to the U.S. Department of Energy, Golden Field Office, 1617 Cole Blvd., Golden, Colorado 80401, Attention: John Motz, Contract Specialist. The telephone number is 303–275–4737.

SUPPLEMENTARY INFORMATION: DOE has evaluated, in accordance with § 600.14 of the Federal Assistance Regulations, the unsolicited proposal entitled ''Sorption Enhanced Reaction (SER) Process for Production of Hydrogen'' and recommends that the unsolicited proposal be accepted for support without further competition in accordance with § 600.14 of the Federal Assistance Regulations.

Under this cooperative agreement, APC will develop an approach for producing hydrogen through an SER process used with SMR. The project is expected to be conducted through a three-phase effort over a period of five years. The three overall activities include Concept Feasibility (Phase I), Engineering Development (Phase II), and Process Development Unit Demonstration (Phase III).

The objective of Phase I (two years in duration) is to demonstrate the feasibility of performing SMR at a low temperature with a suitable material for the production of hydrogen and to develop the base design data for engineering development and economic evaluation. The objective of Phase II (one year in duration) is to develop engineering data and models for scale-up of SER-SMR technology and continue laboratory efforts to develop improved reaction materials. Lastly, the objective of Phase III (two years in duration) is to design, install, and operate a Process Development Unit (PDU) for the manufacture of hydrogen using the SER concept. This PDU will be used to develop performance data, process optimization, and models for scale-up. Additionally, detailed economic analysis will be performed to confirm the merits of the process. Commercialization plans will be developed in detail.

The proposal has been found to be meritorious in the DOE evaluation. The APC program represents a unique approach to develop and demonstrate a technology which could result in reduced costs for hydrogen production with the SER-SMR process. The team proposed by APC has the technical capabilities and commitment which should provide a basis for a successful project. The proposed project is not eligible for financial assistance under a recent, current, or planned solicitation. This award will not be made for at least 14 days after publication to allow for public comment.

The project cost over five years (including three phases) is estimated to be $8,940,000 total, with the DOE share being $5,540,000.

Issued in Golden, Colorado, on January 30, 1995.

John W. Meeker,

Chief, Procurement, GO.

[FR Doc. 95–3950 Filed 2–15–95; 8:45 am]

BILLING CODE 6450–01–M

Federal Energy Regulatory Commission

[Docket Nos. CP95–170–000 and CP95–181–000]

Columbia Gas Transmission Corp.; Notice of Intent To Prepare Environmental Assessments for the Proposed Coco Transmission Project and Coco Storage Field Project and Request for Comments on Environmental Issues

February 9, 1995

The staff of the Federal Energy Regulatory Commission (FERC or Commission) will prepare environmental assessments (EAs) that will discuss the environmental impacts of the construction and operation of the facilities proposed in the Coco Transmission Project and Coco Storage Field Project.[1] The EAs will be used by the Commission in its decision-making process to determine whether an environmental impact statement is necessary and whether to approve the projects.

Summary of the Proposed Projects

The facilities proposed to be replaced are currently in an unsafe condition due to corrosion and old age. Replacement is necessary this year in order to provide service in the upcoming winter of 1995/1996.

Coco Transmission Project (Docket No. CP95–170–000):

Columbia Gas Transmission Corporation (Columbia) proposes to construct 6.8 miles of 30-inch-diameter replacement pipeline in Kanawha County, West Virginia. The new pipeline would replace the two deteriorating 20-inch-diameter Lines X52–M1 and X52–M1–Loop, which are in the same location. Columbia would use the facilities to transport up to 606,000,000 cubic feet per day of natural gas.

Coco Storage Field Project (Docket No. CP95–181–000):

Columbia proposes to construct 10.9 miles of various 4- to 20-inch-diameter replacement pipeline and appurtenant facilities within the existing Coco ''A'' Storage Field in Kanawha County, West Virginia. The new pipeline would replace 15.7 miles of deteriorating pipeline, ranging in size from 4- to 16-inch-diameter, including two looped segments of mainline, and gathering lines for wells.

Columbia would also replace and install appurtenant facilities consisting of wellhead piping and measurement facilities for 29 existing wells; install an on-line pigging system on the new 10- and 20-inch-diameter pipelines; and install fluid gathering facilities and about 12 miles of 1- and 2-inch-diameter pressurized methanol pipeline injecting system that would connect to each well.

The locations of these facilities are shown in appendix 1.[2]

Land Requirements for Construction

The proposed project would be built within and adjacent to existing rights-of-way. Columbia intends to use a construction right-of-way that would vary between 25 and 120 feet during construction. Following construction, 50 feet would be maintained as permanent right-of-way, and the rest would revert back to the landowner.

[1] Columbia Gas Transmission Corporation's applications were filed with the Commission under Sections 7(b) and 7(c) of the Natural Gas Act.

[2] The appendices referenced in this notice are not being printed in the **Federal Register**. Copies are available from the Commission's Public Reference and Files Maintenance Branch, Room 3104, 941 North Capitol Street, N.E., Washington, D.C. 20426, or call (202) 208–1371. Copies of the appendices were sent to all those receiving this notice in the mail.

The EPA Process

The National Environmental Policy Act (NEPA) requires the Commission to take into account the environmental impacts that could result from an action whenever it considers the issuance of a Certificate of Public Convenience and Necessity. NEPA also requires us to discover and address concerns the public may have about proposals. We call this ''scoping''. The main goal of the scoping process is to focus the analysis in the EA on the important environmental issues. By this Notice of Intent, the Commission requests public comments on the scope of the issues it will address in the Eas. All comments received are considered during the preparation of the Eas. State and local government representatives are encouraged to notify their constituents of these proposed actions and encourage them to comment on their areas of concern.

The Eas will discuss impacts that could occur as a result of the construction and operation of the proposed projects under these general headings:

- Geology and soils.
- Water resources, fisheries.
- Land use
- Cultural resources and wetlands.[3]
- Vegetation and wildlife.
- Endangered and threatened species.
- Public safety.
- Haardous waste.

We will also evaluate possible alternatives to the proposed projects or portions of the projects, and make recommendations on how to lessen or avoid impacts on the various resource areas.

Our independent analysis of the issues will be in the Eas. Depending on the comments received during the scoping process, the Eas may be published and mailed to Federal, state, and local agencies, public interest groups, interested individuals, affected landowners, newspapers, libraries, and the Commissions official service list for each proceeding. A comment period will be allotted for review if the Eas are published. We will consider all comments on the Eas before we recommend that the Commission approve or not approve the project.

Currently Identified Environmental Issues

We have already identified several issues that we think deserve attention based on a preliminary review of the proposed facilities and the environmental information provided by Columbia. Keep in mind that this is a preliminary list.The list of issues may be added to, subtracted from, or changed based on your comments and our analysis. Issues are:

Coco Transmission Project (Docket No. CP95–170–000):

- The project would cross four perennial streams and five wetlands.
- The project would cross or be near cultural resources/archaeological sites.

Coco Storage Filed Project (Docket No. CP95–181–000):

- The project would cross six perennial streams at 13 locations, and 18 wetlands.
- The project would cross or be near cultural resources/archaeological sites.

Public Participation

You can make a difference by sending a letter addressing your specific comments or concerns about the project. You should focus on the potential environmental effects of the proposal, alternatives to the proposal (including alternative locations/routes), and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be. Please follow the instructions below to ensure that your comments are received and properly recorded:

- Address your letter to: Lois Cashell, Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, D.C. 20426.
- Reference Docket No. CP95–170–000 and/or CP95–181–000;
- Send a *copy* of your letter to:

For the Coco Transmission Project (Docket No. CP95–170–000): Mr. Jeff Shenot, EA Project Manager, Federal Energy Regulatory Commission, 825 North Capitol Street NE., Room 7312, Washington, D.C. 20426; and/or.

For the Coco Storage Field Project (Docket No. CP95–181–000): Ms. Medha Kochhar, EA Project Commission, Federal Energy Regulatory Commission, 825 North Capitol Street NE., Room 7312, Washington, D.C. 20426; and

- Mail your comments so that they will be received in Washington, D.C. on or before March 20, 1995.

If you wish to receive a copy of the EA, you should request one from Mr. Shenot or Ms. Kochhar, for Docket Nos. CP95–170–000 and CP95–181–000, respectively, at the above addresses.

Becoming an Intervenor

In addition to involvement in the EA scoping process, you may want to become an official party to the proceeding or become an ''intervenor''. Among other things, intervenors have the right to receive copies of case-related Commission documents and filings by other intervenors. Likewise, each intervenor must provide copies of its filings to all other parties. If you want to become an intervenor you must file a motion to intervene according to Rule 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.214) attached as appendix 2.

The dates for filing of timely motions to intervene for the Coco Transmission Project (Docket No. CP95–170–000) and Coco Storage Field Project (Docket No.CP95–181–000) are February 16, 1995 and February 23, 1995, respectively. After these dates, parties seeking to file late interventions must show good cause, as required by section 385.214(b)(3), why this time limitation should be waived. Environmental issues have been viewed as good cause for late intervention. You do not need intervenor status to have your scoping comments considered.

Additional information about the proposed project is available from Mr. Jeff Shenot, Coco Transmission Project EA Manager, at (202) 219–0295, or from Medha Kochhar, Coco Field Project EA Manager, at (202) 208–2270.

Lois D. Cashell,

Secretary.

[FR Doc. 95–3900 Filed 2–15–95; 8:45 am]

BILLING CODE 6717–01–M

[3] According to the applicant, the project will not affect any waters of the United States. We will report any potential impacts, or their absence, under this heading.

[Docket No. CP95–75–000]

Texas Eastern Transmission Corporation; Intent to Prepare an Environmental Assessment for the Proposed MS–1 Pipeline Project and Request for Comments on Environmental Issues

February 10, 1995.

The staff of the Federal Energy Regulatory Commission (FERC or the Commission) will prepare an environmental assessment (EA) that will discuss the environmental impacts of the construction and operation of facilities proposed in the MS–1 Pipeline Project.[1] This EA will be used by the Commission in its decision-making process to determine whether an environmental impact statement is necessary and whether to approve the project.

Summary of the Proposed Project

Texas Eastern Transmission Corporation (Texas Eastern) wants to

[1] Texas Eastern Transmission Corporation's application was filed with the Commission under Section 7 of the Natural Gas Act and Part 157 of the Commission's regulations.

expand its facilities to transport natural gas to and from nonjurisdictional storage facilities (MS–1 Storage Facilities) that would be constructed in Copiah County, Mississippi by Copiah County Storage Company (Partnership).[2] The MS–1 Storage Facilities would be leased by MS–1 Distribution & Storage Corporation (MS–1 Distribution), a nonjurisdictional company, from Partnership. Texas Eastern proposes to construct pipeline facilities that would be capable of transporting up to 600,000 thousand cubic feet of natural gas per day (Mcfd). Texas Eastern wants Commission authorization to construct and operate the following facilities in Copiah County, Mississippi:

- 1.88 miles of 24-inch-diameter pipeline extending from Texas Eastern's existing Line Nos. 14 and 18 near milepost 264 to the MS–1 Storage Facilities; and
- A tap and filter separator located at the MS–1 Storage Facilities.

The storage facilities are being constructed by Copiah County Storage Company, currently a nonjurisdictional company, and as such may not fall within the Commission's jurisdiction.

The location of the project facilities is shown in appendix 1.[3]

Land Requirements for Construction

Texas Eastern's pipeline would be constructed on a new right-of-way. Texas Eastern proposes to use an 85-foot-wide construction right-of-way that would extend through a pine plantation and mixed oak-hickory forest. Clearing would be required along the entire construction right-of-way. Texas Eastern would retain a 50-foot-wide permanent right-of-way after construction is complete. Following construction, the disturbed area would be restored and the 35 feet of construction right-of-way not included in the permanent right-of-way could be allowed to revert to its former land use.

Additional right-of-way width would be required at steep side slopes. Additional working space would be required adjacent to streams.

[2] Copiah County Storage Company is a partnership composed of Mistex Gas Corporation, a wholly owned subsidiary of Tejas Power Corporation, and Flex Star Corporation, a wholly owned subsidiary of Panhandle Eastern Corporation.

[3] The appendices referenced in this notice are not being printed in the **Federal Register**. Copies are available from the Commission's Public Reference and Files Maintenance Branch, Room 3104, 941 North Capitol Street, N.E., Washington, D.C. 20426, or call (202) 208–1371. Copies of the appendices were sent to all those receiving this notice in the mail.

The EA Process

The National Environmental Policy Act (NEPA) requires the Commission to take into account the environmental impacts that could result from an action whenever it considers the issuance of a Certificate of Public Convenience and Necessity. NEPA also requires us to discover and address concerns the public may have about proposals. We call this ''scoping''. The main goal of the scoping process is to focus the analysis in the EA on the important environmental issues. By this Notice of Intent, the Commission requests public comments on the scope of the issues it will address in the EA. All comments received are considered during the preparation of the EA. State and local government representatives are encouraged to notify their constituents of this proposed action and encourage them to comment on their areas of concern.

The EA will discuss impacts that could occur as a result of the construction and operation of the proposed project under these general headings:

- Geology and soils.
- Water resources, fisheries, and wetlands.
- Vegetation and wildlife.
- Endangered and threatened species.
- Land use.
- Cultural resources.
- Hazardous waste.

We will also evaluate possible alternatives to the proposed project or portions of the project, and make recommendations on how to lessen or avoid impacts on the various resource areas.

Our independent analysis of the issues will be in the EA. Depending on the comments received during the scoping process, the EA may be published and mailed to Federal, state, and local agencies, public interest groups, interested individuals, affected landowners, newspapers, libraries, and the Commission's official service list for this proceeding. A comment period will be allotted for review if the EA is published. We will consider all comments on the EA before we recommend that the Commission approve or not approve the project.

Currently Identified Environmental Issues

We have already identified several issues that we think deserve attention based on a preliminary review of the proposed facilities and the environmental information provided by Texas Eastern. Keep in mind that this is a preliminary list. The list of issues may be added to, subtracted from, or changed based on your comments and our analysis. Issues are:

- The proposed project would require clearing of forest along a new right-of-way.
- The proposed project may affect forested wetlands.
- The proposed project would require an 85-foot-wide construction right-of-way.

Also, we have made a preliminary decision not to address the impacts of the facilities described as nonjurisdictional. We will briefly describe their location and status in the EA and do a more in depth analysis in a subsequent document if appropriate.

Public Participation

You can make a difference by sending a letter addressing your specific comments or concerns about the project. You should focus on the potential environmental effects of the proposal, alternatives to the proposal (including alternative routes), and measures to avoid or lessen environmental impact. The more specific your comments, the more useful they will be. Please follow the instructions below to ensure that your comments are received and properly recorded:

- Address your letter to: Lois Cashell, Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street NE., Washington, D.C. 20426.
- Reference Docket No. CP95–75–000.
- Send a copy of your letter to: Ms. Jennifer Goggin, EA Project Manager, Federal Energy Regulatory Commission, 825 North Capitol Street NE., Room 7312, Washington, D.C. 20426; and
- Mail your comments so that they will be received in Washington, D.C. on or before March 20, 1995.

If you wish to receive a copy of the EA, you should request one from Ms. Goggin at the above address.

Becoming an Intervenor

In addition to involvement in the EA scoping process, you may want to become an official party to the proceeding or become an ''intervenor''. Among other things, intervenors have the right to receive copies of case-related Commission documents and filings by other intervenors. Likewise, each intervenor must provide copies of its filings to all other parties. If you want to become an intervenor you must file a motion to intervene according to Rule 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.214) attached as appendix 2.

The date for filing timely motions to intervene in this proceeding has passed.

Therefore, parties now seeking to file late interventions must show good cause, as required by § 385.214(b)(3), why this time limitation should be waived. Environmental issues have been viewed as good cause for late intervention. You do not need intervenor status to have your scoping comments considered.

Additional information about the proposed project is available from Ms. Jennifer Goggin, EA Project Manager, at (202) 208–2226.

Lois D. Cashell,

Secretary.

[FR Doc. 95–3845 Filed 2–15–95; 8:45 am]

BILLING CODE 6717–01–M

[Docket No. CP95–199–000]

Transcontinental Gas Pipe Line Corp.; Notice of Application

February 10, 1995.

Take notice that on February 7, 1995, Transcontinental Gas Pipe Line Corporation (TGPL), P.O. Box 1396, Houston, Texas 77251, filed in Docket No. CP95–199–000 an application pursuant to Section 7(b) of the Natural Gas Act for permission and approval to abandon a firm gas transportation service to Natural Gas Pipeline Company of America (NGPL), which was authorized in Docket No. CP76–007–000, all as more fully set forth in the application on file with the Commission and open to public inspection.

TGPL states that it seeks authorization to abandon TGPL's Rate Schedule X–75, effective as of April 29, 1995. TGPL states that NGPL no longer needs such service, and TGPL and NGPL have mutually agreed to terminate Rate Schedule X–75.

Any person desiring to be heard or to make any protest with reference to said application should on or before March 3, 1995, file with the Federal Energy Regulatory Commission, 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) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Take further notice that, pursuant to the authority contained in and subject to the jurisdiction conferred upon the Federal Energy Regulatory Commission by Sections 7 and 15 of the Natural Gas Act and the Commission's Rules of Practice and Procedure, a hearing will be held without further notice before the Commission or its designee on this application if no motion to intervene is filed within the time required herein, if the Commission on its own review of the matter finds that permission and approval for the proposed abandonment are required by the public convenience and necessity. If a motion for leave to intervene is timely filed, or if the Commission on its own motion believes that a formal hearing is required, further notice of such hearing will be duly given.

Under the procedure herein provided for, unless otherwise advised, it will be unnecessary for TGPL to appear or be represented at the hearing.

Lois D. Cashell,

Secretary.

[FR Doc. 95–3847 Filed 2–15–95; 8:45 am]

BILLING CODE 6717–01–M

[Docket No. ER95–342–000]

PacifiCorp; Notice of Filing

February 9, 1994.

Take notice that on January 23, 1995, Sierra Pacific Power Company, tendered for filing a Certificate of Concurrence in above-referenced docket.

Any person desiring to be heard or to protest said filing should file a motion to intervene or protest with the Federal Energy Regulatory Commission, 825 North Capitol Street, N.E., Washington, D.C. 20426, in accordance with Rules 211 and 214 of the Commission's Rules of Practice and Procedure (18 CFR 385.211 and 18 CFR 385.214). All such motions or protests should be filed on or before February 23, 1995. 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.

Lois D. Cashell,

Secretary.

[FR Doc. 94–3848 Filed 2–15–94; 8:45 am]

BILLING CODE 6717–01–M

[Docket No. MG88–51–008]

Transcontinental Gas Pipe Line Corp.; Notice of Filing

February 10, 1995.

Take notice that on January 31, 1995, Transcontinental Gas Pipe Line Company (Transco) filed a revised Code of Conduct pursuant to Order Nos. 566 and 566–A.[1] Transco states that the purpose of the filing is to reflect certain changes in accordance with Order Nos. 566 and 566–A.

Transco states that copies of this filing have been mailed to all parties to Docket No. MG88–51.

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 or 214 of the Commission' Rules of Practice and Procedure 918 CFR 385.211 or 385.214). All such motions to intervene or protest should be filed on or before February 27, 1995. 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.

Lois D. Cashell,

Secretary.

[FR Doc. 95–3849 Filed 2–15–95; 8:45 am]

BILLING CODE 6717–01–M

[Docket Nos. CP94–196–002; and CP94–197–002]

Williams Natural Gas Company Williams Gas Processing—Mid-Continent Region Co.; Notice of Filing

February 10, 1995.

Take notice that on February 3, 1995, Williams Natural Gas Company (WNG), Post Office Box 3288, Tulsa, Oklahoma 74101, tendered for filing a default contract to comply with the Commission's December 22, 1994, Order in Docket No. CP94–196–000, all as more fully set forth in the filing which

[1] Standards of Conduct and Reporting Requirements for Transportation and Affiliate Transactions, Order No. 566, 59 FR 32885 (June 27, 1994), III FERC Stats. & Regs. ¶ 30,997 (June 17, 1994); Order No. 566–A, *order on rehearing,* 59 FR 52896 (October 20, 1994), 69 FERC ¶ 61,044 (October 14, 1994); Order No. 566–B, *order on rehearing,* 59 FR 65707, (December 21, 1994); 69 FERC ¶ 61,334 (December 14, 1994); *appeal docketed sub nom. Conoco, Inc. v. FERC,* D.C. Cir. No. 94–1745 (December 13, 1994).

is on file with the Commission and open to public inspection.

The Commission in its December 22, 1994 Order, required WNG and Williams Gas Processing—Mid-Continent Region Company (WGP–MCR) to file a ''default contract'' to provide a transitional mechanism for any existing shippers who had not negotiated an agreement with WGP–MCR for gathering services. WNG asserts that WGP–MCR has negotiated and executed agreements with shippers representing approximately 80 percent of the volumes currently being gathered by WNG on the subject facilities. WNG states that the default contract will be offered to shippers representing the remaining 20 percent of the current volumes.

WNG asserts that it currently has 88 gathering agreements. WNG states that WGP–MCR has consolidated the negotiated agreements so that the same shipper only needs one agreement to provide for gas gathered in multiple gathering areas. Therefore, WNG claims that WGP–MCR's 21 negotiated agreements will replace 28 WNG agreements. WNG also states that 17 agreements have been terminated effective January 31, 1995, because they have been inactive for a year and the shippers agreed to discontinue these inactive accounts. Finally, WNG states that the remaining 43 gathering agreements, representing 20 percent of the volumes, could be replaced by the default contract. WNG states that WGP–MCR has provided the remaining customers with drafts of the default contract for their review, recognizing that the contract will require the Commission's approval before execution. WNG claims that the remaining customers will still have the opportunity to negotiate an agreement tailored to their needs or, if the desire, to select the default option.

WNG states that the proposed default contract is consistent with the form of gathering agreement filed with the Commission in WNG's restructuring proceedings, Docket No. RS92–12–000, *et al.* WNG notes that, while it was not required to file the form of gathering agreement in the tariff, in the review process many of the provisions were expressly approved by the Commission. WNG states that the entire default contract is consistent with the Commission's requirements in those orders. WNG states there was one oversight, in that the provision that limits both parties' liability was not removed from the gathering agreements that were sent to potential shippers. WNG states that the oversight was not discovered until the recent review of the agreements in preparation of this default contract filing. Therefore, WNG states that it will send to all gathering shippers offers to amend the current agreements to remove that provision as soon as possible. Finally, WNG states that WGP–MCR has removed the particular provision from the default contract.

WNG states that the default contract specifically sets out the applicable provisions of WNG's Tariff General Terms and Conditions. Additionally, WNG claims that the default contract contains language clarifications to make it more applicable to gathering and more understandable, but results in no substantive language changes to the applicable provisions. WNG states that WGP–MCR proposes to add four additional provisions to the general terms and conditions of the default contract, due to the differences between traditional interstate pipeline services and gathering services. WNG states that the four provisions are: (1) Pass-Through of Unforeseen Costs Imposed by Government, to allow for the pass through of unforeseen government-imposed charges in fees or costs; (2) Capacity Curtailment, curtailment based on a straight pro rata basis; (3) Other Pipeline Requirements, because the gathering systems will be connected to multiple transmission pipelines, shippers will be required to comply with downstream requirements including bearing the resulting penalties for failure to comply; (4) Nominations, provides that the gathering fee and fuel are based on confirmed nominations rather than on receipt point volumes and this is for the convenience of all the parties.

WNG states that the default contract's general terms and conditions contain WNG's tariff imbalance penalty provisions. However, WNG states that neither it nor WGP–MCR will double charge penalties for transactions across separate gathering and transmission facilities that currently qualify for a single penalty on WNG's system.

WNG claims that the default contract rates have been determined utilizing the currently effective WNG rate methodology for WNG's rate case, Docket No. RP93–109–000. WNG states that the rates are a result of applying the currently effective rate methodology to the WNG facilities which will be conveyed to WGP–MCR to provide gathering service. WNG also notes that since it has not received a final order in Docket No. RP93–109–000, the currently effective gathering rates are subject to refund and WGP–MCR will refund amounts to the default contract customers if the Commission makes such a requirement in its final order.

WNG states that the rate is subject to an escalator, which uses the Gross Domestic Product fixed Weighted Price Index as published by the U.S. Department of Commerce. WNG states that WGP–MCR has not included discount language in the default contract because there are no remaining shippers receiving a discounted gathering rate from WNG. WNG asserts that any customers receiving discounted gathering rates from WNG have negotiated agreements with WGP–MCR and will not be using the default contract.

Any person desiring to be heard or to make a protest with reference to said application should, on or before March 3, 1995, file with the Federal Energy Regulatory Commission (825 North Capitol Street NE., Washington, D.C. 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) and the Regulations under the Natural Gas Act (18 CFR 157.10). All protests filed with the Commission will be considered by it in determining the appropriate action to be taken, but will not serve to make the protestants parties to the proceeding. Any person wishing to become a party to a proceeding or to participate as a party in any hearing therein must file a motion to intervene in accordance with the Commission's Rules.

Lois D. Cashell,

Secretary.

[FR Doc. 95–3846 Filed 2–15–95; 8:45 am]

BILLING CODE 6717–01–M

FEDERAL MARITIME COMMISSION

Ocean Freight Forwarder License Applicants

Notice is hereby given that the following applicants have filed with the Federal Maritime Commission applications for licenses as ocean freight forwarders pursuant to section 19 of the Shipping Act of 1984 (46 U.S.C. app. 1718 and 46 CFR part 510).

Persons knowing of any reason why any of the following applicants should not receive a license are requested to contact the Office of Freight Forwarders, Federal Maritime Commission, Washington, DC 20573.

Oregon Pacific Hay Company, 720 NE Flanders Street, #200, Portland, OR 97232, Officers: George Joseph Spada, President; Marietta Lucia Spada, Vice President

Natural Freight, Ltd., 53 Park Place, Suite 1002, New York, NY 10007, Officers: Willy Burkhardt, President; Alfons Strub, Exec. Vice President

J.F.A. Cargo Express Corporation, 505 West 211th Street, New York, NY 10034, Officers: Froilan Nunez, President; Federico Nunez, Secretary

Singh Universal Networks, Inc., 605 Country Club Drive, Unit H, Bensenville, IL 60106, Officers: Maninder Singh Birk, President; Harbinder Kaur Birk, Corporate Secretary.

Dated: February 10, 1995.

By the Federal Maritime Commission.

Joseph C. Polking,

Secretary.

[FR Doc. 95–3868 Filed 2–15–95; 8:45 am]

BILLING CODE 6730–01–M

FEDERAL RESERVE SYSTEM

Progressive Growth Corp.; Notice of Application to Engage de novo in Permissible Nonbanking Activities

The company listed in this notice has filed an application under § 225.23 of the Board's Regulation Y (12 CFR 225.23) for the Board's approval under section 4(c)(8) of the Bank Holding Company Act (12 U.S.C. 1843(c)(8)) and § 225.21(a) of Regulation Y (12 CFR 225.21(a)) to commence or to engage either directly or through a subsidiary, in a nonbanking activity that is listed in § 225.25 of Regulation Y as closely related to banking and permissible for bank holding companies. Unless otherwise noted, such activities will be conducted throughout the United States.

The application is available for immediate inspection at the Federal Reserve Bank indicated. Once the application has been accepted for processing, it will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing on the question whether consummation of the proposal can ''reasonably be expected to produce benefits to the public, such as greater convenience, increased competition, or gains in efficiency, that outweigh possible adverse effects, such as undue concentration of resources, decreased or unfair competition, conflicts of interests, or unsound banking practices.'' Any request for a hearing on this question must be accompanied by a statement of the reasons a written presentation would not suffice in lieu of a hearing, identifying specifically any questions of fact that are in dispute, summarizing the evidence that would be presented at a hearing, and indicating how the party commenting would be aggrieved by approval of the proposal.

Comments regarding the application must be received at the Reserve Bank indicated or the offices of the Board of Governors not later than March 2, 1995.

A. Federal Reserve Bank of Minneapolis (James M. Lyon, Vice President) 250 Marquette Avenue, Minneapolis, Minnesota 55480:

1. Progressive Growth Corp., Gaylord, Minnesota; previously known as Gaylord Bancorporation, Ltd., to expand the geographic scope of the activities of its subsidiary corporation, Sterling Capital Advisors, Inc., Gaylord, Minnesota to a nationwide basis. Sterling Capital Advisors engages in:

1. The appraisal of real and personal property pursuant to § 225.25(b)(13) of the Board's Regulation Y;

2. Management Consulting pursuant to § 225.25(b)(11) of the Board's Regulation Y; and

3. Providing investment and financial advise pursuant to §§ 225.25(b)(4)(iii), 225.25(b)(4)(iv), and 225.25(b)(4)(v) of the Board's Regulation Y.

Progressive Growth Corp. also proposes to engage in providing consumer financial counseling pursuant to § 225.25(b)(20) of the Board's Regulation Y. This activity will be conducted only in the state of Minnesota.

Progressive Growth Corp. also proposes to establish a wholly-owned subsidiary, Progressive Financial Services, Inc., Gaylord, Minnesota, which will acquire Citizens Insurance Agency, Gaylord, Minnesota, and thereby engage in the sale of insurance in towns of less than 5,000 pursuant to § 225.25(b)(8)(iii) of the Board's Regulation Y. This activity will be conducted only in the cities of Gaylord and Nicollet, Minnesota.

Board of Governors of the Federal Reserve System, February 10, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95–3871 Filed 2–15–95; 8:45 am]

BILLING CODE 6210–01–F

Marvin R. Selden, et al.; Change in Bank Control Notices; Acquisitions of Shares of Banks or Bank Holding Companies

The notificants listed below have applied under the Change in Bank Control Act (12 U.S.C. 1817(j)) and § 225.41 of the Board's Regulation Y (12 CFR 225.41) to acquire a bank or bank holding company. The factors that are considered in acting on the notices are set forth in paragraph 7 of the Act (12 U.S.C. 1817(j)(7)).

The notices are available for immediate inspection at the Federal Reserve Bank indicated. Once the notices have been accepted for processing, they will also be available for inspection at the offices of the Board of Governors. Interested persons may express their views in writing to the Reserve Bank indicated for that notice or to the offices of the Board of Governors. Comments must be received not later than March 8, 1995.

A. Federal Reserve Bank of Chicago (James A. Bluemle, Vice President) 230 South LaSalle Street, Chicago, Illinois 60690:

1. Marvin R. Selden, Jr., Melvin H. Nielsen, Dennis L. Gallagher, Robert McLaughlin, and Carl Selden, all of Des Moines, Iowa; to acquire 55.86 percent of the voting shares of Iowa State Bank Holding Company, Des Moines, Iowa, and thereby indirectly acquire Iowa State Bank, Des Moines, Iowa.

Board of Governors of the Federal Reserve System, February 10, 1995.

Jennifer J. Johnson,

Deputy Secretary of the Board.

[FR Doc. 95–3872 Filed 2–15–95; 8:45 am]

BILLING CODE 6210–01–F

GENERAL SERVICES ADMINISTRATION

Logistic Data Management Division; Revision and Stocking Change of a Standard Form

AGENCY: General Services Administration.

ACTION: Notice.

SUMMARY: The General Services Administration is changing the stocking requirement of SF 1303, Request for Federal Cataloging/Supply Support Action. This form is now authorized for local reproduction. You can request camera copy of SF 1303 from General Services Administration (CARM), Attn.: Barbara Williams, (202) 501–0581. Also, the general instructions on the back of the form are revised to delete how to get supplies of SF 1303 and how to submit EAM cards. FPMR 101–30.3 is being revised to eliminate the use of EAM cards.

FOR FURTHER INFORMATION CONTACT:

Mr. Chuck Long, Logistics Data Management Division, (703) 305–7511.

DATES: Effective February 16, 1995.

Dated: January 5, 1995.

Chuck Long,

Director, Logistics Data Management Division.

[FR Doc. 95–3899 Filed 2–15–95; 8:45 am]

BILLING CODE 6820–24–M

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Office of the Secretary

Findings of Scientific Misconduct

AGENCY: Office of the Secretary, HHS.

ACTION: Notice.

SUMMARY: Notice is hereby given that the Office of Research Integrity (ORI) has made final findings of scientific misconduct in the following case:

Aaron Apte, Stanford University: The Division of Research Investigations of the Office of Research Integrity (ORI), reviewed an investigation conducted by Stanford University into possible scientific misconduct on the part of Mr. Aaron Apte, a former technician in the Department of Cardiovascular Surgery. Mr. Apte and his research were supported by U.S. Public Health Service grants. ORI concluded that Mr. Apte fabricated data for research, by cutting from a former coworker's notebook a scintillation counter printout, pasting it into his own notebook, and representing it as his own results from a different experiment on the binding of angiotensin to transfected cells. Mr. Apte has been debarred from eligibility for and involvement in grants as well as other assistance awards and contracts from the Federal Government for a period of three years. The fabricated research did not appear in any publications.

FOR FURTHER INFORMATION, CONTACT: Director, Division of Research Investigations, Office of Research Integrity, 301–443–5330.

Lyle W. Bivens, Ph.D.,

Director, Office of Research Integrity.

[FR Doc. 95–3901 Filed 2–15–95; 8:45 am]

BILLING CODE 4160–17–P

Administration for Children and Families

[Program Announcement No. OCS 95–10]

Family Violence Prevention and Services Program

AGENCY: Office of Community Services, Administration for Children and Family (ACF), Department of Health and Human Services (HHS).

ACTION: Notice of the availability of funds for State domestic violence coalitions for grants for family violence intervention and prevention activities.

SUMMARY: This announcement governs the proposed award of fiscal year (FY) 1995 formula grants under the Family Violence Prevention and Services Act (FVPSA) to private non-profit State domestic violence coalitions. The purpose of these grants is to assist in the conduct of activities to promote domestic violence intervention and prevention and to increase public awareness of domestic violence issues.

This announcement sets forth the application process and requirements for grants to be awarded for FY 1995. It also specifies a new expenditure period for grant awards and sets forth the application process and requirements for grants to be awarded for FY 1996 through FY 2000.

CLOSING DATES FOR APPLICATIONS: Applications for FY 1995 family violence grant awards meeting the criteria specified in this announcement must be received no later than April 17, 1995. Grant applications for FY 1996 through FY 2000 should be received at the address specified below by November l of each subsequent fiscal year.

ADDRESSES: Applications should be sent to: Departemnt of Health and Human Services Office of Community Services, Administration for Children and Families, Attn: William D Riley, Fifth Floor—West Wing, 370 L'Enfant Promenade, SW., Washington, DC 20447.

FOR FURTHER INFORMATION CONTACT: William D. Riley (202) 401–5529 or Al M. Britt (202) 401–5453.

Introduction

This notice for family violence prevention and services grants to State Domestic Violence Coalitions serves two purposes. The first is to confirm a Federal commitment to reducing family and intimate violence and to urge States, localities, cities, and the private sector to become involved in State and local planning efforts leading to the development of a more comprehensive and integrated service delivery approach (Part I). The second purpose is to provide information on application requirements for FY 1995 grants to State Domestic Violence Coalitions. These funds will support coordination efforts, prevention activities, and the efforts to the public awareness of domestic violence issues and services for battered women and their children (Part II).

Part I. Reducing Family and Intimate Violence Through Coordinated Prevention and Services Strategies

A. The Importance of Coordination of Services

A person facing family or intimate violence may need more than immediate medical care and shelter. Assured protection and effective support are essential to end ongoing abuse.

The effects of domestic violence may manifest themselves in varying forms, including: Substance abuse, hopelessness, arrest, felony charges, mental health concerns, injuries, lost time at work, child abuse, and welfare dependence. When programs that seek to address these issues operate independently of each other, a fragmented, and consequently less effective, service delivery and prevention system may be the result. Coordination and collaboration among the police, prosecutors, the courts, victim services providers, child welfare and family preservation services, and medical and mental health service providers is needed to provide more responsive and effective services to victims of domestic violence and their families. It is essential that all interested parties are involved in the design and improvement of protection and services activities.

To help bring about a more effective response to the problem of intimate violence, the Department of Health and Human Services (HHS) urges State Domestic Violence Coalitions receiving funds under this grant announcement to coordinate activities funded under this grant with other new and existing resources for family and intimate violence and related issues.

B. Coordination of Efforts

1. Federal Coordination

In the fall of 1993, a Federal Interdepartmental Work Group (including the Departments of Health and Human Services, Justice, Education, Housing and Urban Development, Labor, and Agriculture) began working together to study cross-cutting issues related to violence, and to make recommendations for action in areas such as youth development, schools, juvenile justice, family violence, sexual assault, firearms, and the media. The recommendations formed a framework for ongoing policy development and coordination within and among the agencies involved.

The interdepartmental working group also initiated a ''Cities Project'' (now known as PACT, Pulling America's Communities Together) to help coordinate Federal assistance to four geographic areas (Denver; Atlanta; Washington, D.C.; and the State of Nebraska) as they develop comprehensive plans for violence prevention and control.

Based on these coordination efforts, a new interdepartmental strategy was developed for implementing the

programs and activities recently enacted in the Violent Crime Control and Law Enforcement Act of 1994 (Crime Bill). A Steering Committee on Violence Against Women is coordinating activities among family violence-related programs and across agencies and departments.

2. Opportunities for Coordination at the State and Local Level

The major domestic violence prevention activities funded by the Federal government focus on law enforcement and justice system strategies; victim protection and assistance services; and prevention activities, including public awareness and education. Federal programs also serve related needs, such as housing, family preservation and child welfare services, substance abuse treatment, and job training.

We want to call to your attention two major programs, recently enacted by Congress, that provide new funds to expand services and which require the involvement of State agencies, Indian tribes, State Domestic Violence Coalitions, and others interested in prevention and services for victims of domestic violence. These programs are: Law Enforcement and Prosecution Grants to Reduce Violent Crimes Against Women, administered by the Department of Justice, and the Family Preservation and Support Services program, administered by DHHS. Both programs (described in detail below) require State agencies and Indian tribes administering them to conduct an inclusive, broad-based, comprehensive planning process at the State and community level.

We urge State Domestic Violence Coalitions to participate in these service planning and decision-making processes; we believe the expertise and perspective of the family violence prevention and services field will be invaluable as decisions are made on how best to use these funds and design service delivery improvements.

(a) *Law Enforcement and Prosecution Grants to Reduce Violent Crimes Against Women (DOJ).* The Violence Against Women Act (VAWA), provides an opportunity to respond to violence against women in a comprehensive manner. It emphasizes the development of Federal, State and local partnerships to assure that offenders are prosecuted to the fullest extent of the law, that crime victims receive the services they need and the dignity they deserve, and that all parts of the criminal justice system have training and funds to respond effectively to both offenders and crime victims.

The Department of Justice is implementing a new formula grant program, which makes available $26 million to States in FY 1995, to develop, strengthen, and implement effective law enforcement, prosecution, and victim assistance strategies. The program contemplates coordination within and across the criminal justice and service delivery systems, and will require the development of a coordinated, comprehensive approach to bring about changes in the way the justice system intervenes and responds to domestic violence and sexual assault. Such a coordinated approach will require a partnership and collaboration among the police, prosecutors, the courts, shelter and victims service providers, and medical and mental health professionals.

The Violence Against Women Act authorized a smaller discretionary program to be implemented by Indian tribes. The Department of Justice grant regulations and program guidelines will address the requirements of both the formula grant and the discretionary grant programs.

In order to be eligible for funds, States must develop a plan for implementation. As a part of the planning process, they must consult with nonprofit, nongovernmental victims' services programs including sexual assault and domestic violence victim services programs. DOJ expects that States will draw into the planning process the experience of existing family violence task forces and coordinating councils such as the State Domestic Violence Coalitions.

(b) *Family Preservation and Family Support Services Program (DHHS).* In August 1993, Congress created a new program entitled ''Family Preservation and Support Services'' (Title IV–B of the Social Security Act).

Family preservation services include intensive services assisting families at-risk or in crisis, particularly in cases where children are at risk of being placed out of the home. Victims of family violence and their dependents are considered at-risk or in crisis.

Family support services include community-based preventive activities designed to strengthen parents' ability to create safe, stable, and nurturing home environments that promote healthy child development. These services also include assistance to parents themselves through home visiting and activities such as drop-in center programs and parent support groups.

In FY 1994, 100 percent Federal funds were available to State child welfare agencies and Indian Tribes to develop a comprehensive five-year Child and Family Services Plan for FYs 1995–1999 (due by June 30, 1995).

To develop the service plans, most States currently are in the process of consulting with a wide range of public agencies and nonprofit private and community-based organizations that have expertise in administering services for children and families, including those with experience and expertise in family violence.

Part II. Family Violence Prevention and Services Grants Requirements

This section includes application requirements for family violence prevention and services grants for State Domestic Violence Coalitions and is organized as follows:

A. Legislative Authority
B. Background
C. Eligibility
D. Funds Available
E. Expenditure Period
F. Reporting Requirements
G. Application Requirements
H. Paperwork Reduction Act
I. Executive Order 12372
J. Certifications

A. Legislative Authority

Title III of the Child Abuse Amendments of 1984 (Pub. Law 98–457, 42 U.S.C. 10401 et seq.) is entitled the ''Family Violence Prevention and Services Act'' (the Act). The Act was first implemented in FY 1986, was reauthorized and amended in 1992 by Pub. L. 102–295, and was reauthorized and amended for fiscal Years 1995 through 2000 by Pub. L. 103–322, the Violent Crime Control and Law Enforcement Act of 1994 (the Crime Bill), and signed into law on September 13, 1994.

B. Background

Section 311 of the Act authorizes the Secretary to award grants to statewide private non-profit State domestic violence coalitions to conduct activities to promote domestic violence intervention and prevention and to increase public awareness of domestic violence issues.

During FY 1994, the Department made grant awards to 50 State domestic violence coalitions, the District of Columbia, and the U.S. Virgin Islands. In FY 1995, grant awards will be again available to one statewide domestic violence coalition in each State, the U.S. Territories, the District of Columbia, and the Commonwealth of Puerto Rico.

C. Eligibility

To be eligible for grants under this program announcement an organization

shall be a statewide private non-profit domestic violence coalition meeting the following conditions:

(1) The membership of the coalition includes representatives from a majority of the programs for victims of domestic violence operating within the State (a State domestic violence coalition may include representatives of Indian Tribes and Tribal organizations as defined in the Indian Self- Determination and Education Assistance Act);

(2) The Board of Directors' membership is representative of a majority of the programs for victims of domestic violence operating within the State; and

(3) The purpose of the coalition is to provide services, community education, and technical assistance to domestic violence programs in order to establish and maintain shelter and related services for victims of domestic violence and their children (Sec 311(b)).

D. Funds Available

The Department will make $2,500,000 available for grants to State domestic violence coalitions. Grants of $47,170 each will be available for the State domestic violence coalitions of the 50 States, the Commonwealth of Puerto Rico, and the District of Columbia. The coalitions of the U.S. Territories (Guam, U.S. Virgin Islands, Northern Mariana Islands, American Samoa, and Trust Territory of the Pacific Islands (Palau)) are eligible for domestic violence coalition grant awards of approximately $9,434 each.

On October 1, 1994, Palau became independent and a Compact of Free Association between the United States and Palau came into effect. This change in the political status of Palau has the following affect on the status of Palau's allocation:

In FY 95, Palau will receive 100% of its allocation. Beginning in FY 96, its share will be reduced as follows:

FY 96—not to exceed 75% of the total amount appropriated for such programs in FY 95;

FY 97—not to exceed 50% of the total amount appropriated for such programs in FY 95;

FY 98—not to exceed 25% of the total amount appropriated for such programs in FY 95;

E. Expenditure Period

Funds for FY 1995 through FY 2000 may be used for expenditures on and after October 1 of each fiscal year for which they are granted, and will be available for expenditure through September 30 of the following fiscal year, i.e. FY 1995 funds may be expended from October 1, 1994 through September 30, 1996.

We strongly recommend that State domestic violence coalitions keep a copy of this **Federal Register** notice for future reference. The requirements set forth in this announcement also will apply to State domestic violence coalition grants for FY 1996 through FY 2000. Information regarding any changes in available funds, administrative or reporting requirements will be provided by program announcement in the **Federal Register**.

F. Reporting Requirements

1. The State domestic violence coalition grantee must submit an annual program report describing the coordination, training and technical assistance, needs assessment, and comprehensive planning activities carried out; and the public information and education services provided. The annual report also must provide an assessment of the effectiveness of the grant supported activities. The annual report is due 90 days after the end of the fiscal year, i.e., December 30, in which the grant is awarded. The final program report is due 90 days after the end of the expenditure period. Program Reports are to be sent to: Office of Community Services, Administration for Children and Families, Attn: William D. Riley, 370 L'Enfant Promenade, SW., 5th Floor West, Washington, DC 20447.

2. The State domestic violence coalition grantees must submit an annual financial report, Standard Form 269 (SF–269). A financial report is due 90 days after the end of the fiscal year in which the grant is awarded. A final financial report is due 90 days after the end of the expenditure period. Financial reports are to be sent to: Director for Formula, Entitlement, and Block Grants Office of Financial Management, Administration for Children and Families, 370 L'Enfant Promenade, SW., 7th Floor, Washington, DC 20447.

G. Application Requirements

Except for the changes made by the Crime Bill, the application requirements are the same as last year's. The Crime Bill made the following changes:

- Added a new section 311(a)(1);
- Inserted references to Judges, Court officers, and other criminal justice professionals in section 311 (a)(2);
- Revised the language on supervised visitation or denial of visitation in section 311(a)(3)(H); and
- Requires public education campaigns to include information aimed at underserved, racial, ethnic, or language-minority populations (section 311(a)(4)). The changes are reflected in the language below.

The State domestic violence coalition application must be signed by the Executive Director of the Coalition or the official designated as responsible for the administration of the grant. The application must contain the following information (Please note the new 1.):

We have cited each requirement to the specific section of the law.

1. A description of the process of working with local domestic violence programs and providers of direct services to encourage appropriate responses to domestic violence within the State, including—

(A) Training and technical assistance for local programs and professionals working with victims of domestics violence;

(B) Planning and conducting State needs assessments and planning for comprehensive services;

(C) Serving as an information clearinghouse and resource center for the State; and

(D) Collaborating with other governmental systems which affect battered women (Sec. 311(a)(1)).

2. A description of the public education campaign regarding domestic violence to be conducted by the coalition through the use of public service announcements and informative materials that are designed for print media: billboards; public transit advertising; electronic broadcast media; and other forms of information dissemination that inform the public about domestic violence, including information aimed at underserved racial, ethnic or language-minority populations (section 311(a)(4)).

3. The anticipated outcomes and a description of planned grant activities to be conducted in conjunction with judicial and law enforcement agencies concerning appropriate responses to domestic violence cases and an examination of issues including the:

(A) Inappropriateness of mutual protection orders;

(B) Prohibition of mediation when domestic violence is involved;

(C) Use of mandatory arrests of accused offenders;

(D) Discouragement of dual arrests;

(E) Adoption of aggressive and vertical prosecution policies and procedures;

(F) Use of mandatory requirements for pre-sentence investigations;

(G) Length of time taken to prosecute cases or reach plea agreements;

(H) Use of plea agreements;

(I) Consistency of sentencing, including comparisons of domestic violence crimes with other violent crimes;

(J) Restitution to victims;

(K) Use of training and technical assistance to law enforcement, judges, court officers and other criminal justice professionals;

(L) Reporting practices of, and the significance to be accorded to, prior convictions (both felony and misdemeanor) and protection orders;

(M) Use of interstate extradition in cases of domestic violence crimes; and

(N) The use of statewide and regional planning (Sec. 311(a)(2).

4. The anticipated outcomes and a description of planned grant activities to be conducted in conjunction with family law judges, criminal court judges, Child Protective Services agencies, Child Welfare agencies, Family Preservation and Support Service agencies, and children's advocates to develop appropriate responses to child custody and visitation issues in domestic violence cases and in cases where domestic violence and child abuse are both present, including the:

(A) Inappropriateness of mutual protection orders;

(B) Prohibition of mediation when domestic violence is involved;

(C) Inappropriate use of marital or conjoint counseling in domestic violence cases;

(D) Use of training and technical assistance for family law judges, criminal court judges, and court personnel;

(E) The presumption of custody to domestic violence victims;

(F) Use of comprehensive protection orders to grant fullest protection possible to victims of domestic violence, including temporary custody support and maintenance;

(G) Development by Child Protective Services of supportive responses that enable victims to protect their children;

(H) Implementation of supervised visitations or denial of visitation to protect against danger to victims or their children; and

(I) The possibility of permitting domestic violence victims to remove children from the State when the safety of the children or the victim is at risk (Sec. 311(a)(3)).

5. The following documentation will certify the status of the domestic violence coalition and must be included in the grant application:

(A) A description of the procedures developed between the State domestic violence agency and the Statewide coalition that allow for implementation of the following cooperative activities:

(i) The applicant coalition's participation in the planning and monitoring of the distribution of grants and grant funds provided in its State (Sec. 303(a)(3)); and

(ii) The participation of the State domestic violence coalition in compliance activities regarding the State's family violence prevention and services program grantees (Sec. 303(a)(3)).

(B) A copy of a currently valid 501 (c)(3) certification letter from the Internal Revenue Service stating private non-profit status or;

A copy of the applicant's listing in the Internal Revenue's Services (IRS) most recent list of tax-exempt organizations described in Section 501(c)(3) of the IRS code or;

A copy of the articles of incorporation bearing the seal of the State in which the corporation or association is domiciled.

(C) A list of the organizations operating programs for victims of domestic violence programs in the State and the applicant coalition's membership list by organization;

(D) A copy of the applicant coalition's current Board of Directors list, with Chairperson identified; and

(E) A copy of the resume of any coalition or contractual staff to be supported by funds from this grant.

6. Assurances (include in application as an appendix)

(A) Applicant coalition must provide documentation in the form of support letters, memoranda of agreement, or jointly signed statements, that the coalition;

(i) Has actively sought and encouraged the participation of law enforcement agencies and other legal or judicial organizations in the preparation of the grant application (Sec. 311(b)(4)(A)); and

(ii) Will actively seek and encourage the participation of such organizations in grant funded activities (Sec. 311(b)(4)(B)).

(B) Provide a signed statement that the coalition will not use grant funds, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar legal document by any Federal, State or local agency, or to undertake to influence the passage or defeat of any legislation by the Congress, or any State or local legislative body, or State proposals by initiative petition, except that the representatives of the State Domestic Violence Coalition may testify or make other appropriate communications:

(i) When formally requested to do so by a legislative body, a committee, or a member of such organization (Sec. 311(d)(1)); and

(ii) In connection with legislation or appropriations directly affecting the activities of the State domestic violence coalition or any member of the coalition (Sec. 311(d)(2)).

(C) Provide a signed statement that the State Domestic Violence Coalition will prohibit discrimination on the basis of age, handicap, sex, race, color, national origin or religion. (Sec. 307).

H. Paperwork Reduction Act

Under the Paperwork Reduction Act of 1980, Pub. L. 96–511, all Departments are required to submit to the Office of Management and Budget (OMB) for review and approval any reporting or record-keeping requirement inherent in a proposed or final rule, or program announcement. This program announcement contains information collection requirements in sections (F) and (G), which require that certain information must be provided in an annual report and as part of a grantee's application. We estimate that all of the information requirements for this program will take each grantee approximately 6 hours to complete. As there are 53 projected grantees, the total number of hours annually will be 318.

Organizations and individuals desiring to submit comments on the information collection requirement should direct them to the Office of Information and Regulatory Affairs, OMB, New Executive Office Building (room 308), Washington, D.C. 20503, Attention: Desk Officer for the Administration for Children and Families.

I. Notification Under Executive Order 12372

This program is covered under Executive Order 12372, ''Intergovernmental Review of Federal Programs'' for State plan consolidation and simplification only - 45 CFR 100.12. The review and comment provisions of the Executive Order and Part 100 do not apply. Federally-recognized Native American Tribes are exempt from all provisions and requirements of E.O. 12372.

J. Certifications

Applicants must comply with the required certifications found at Attachments A, B, C, and D as follows:

1. The Anti-Lobbying Certification and Disclosure Form must be signed and submitted with the application. If applicable, a Standard Form LLL, which discloses lobbying payments must be submitted.

2. Certification regarding Drug-Free Workplace Requirements and Certification Regarding Debarment: The signature on the application by a Coalition official responsible for the

administration of the program attests to the applicant's intent to comply with the Drug-Free Workplace Requirements and compliance with the Debarment Certification. The Drug-Free Workplace and Debarment Certifications do not have to be returned with the application.

3. Certification Regarding Environmental Tobacco Smoke: The signature on the application by a Coalition official certifies that the applicant will comply with the requirements of the Pro-Children Act of 1994 (Act). The applicant further agrees that it will require the language of this certification be included in any subawards which contain provisions for children's services and that all grantees shall certify accordingly.

(Catalog of Federal Domestic Assistance number 93.671, Family Violence Prevention and Services)

Dated: February 9, 1995.

Donald Sykes,

Director, Office of Community Services.

Attachment A—Certification Regarding Lobbying

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, ''Disclosure Form to Report Lobbying,'' in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $100,000 for each such failure.

State for Loan Guarantee and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL ''Disclosure Form to Report Lobbying,'' in accordance with its instructions.

Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.

_____

Signature

_____

Title

_____

Organization

_____

Date

BILLING CODE 4184–01–P

DISCLOSURE OF LOBBYING ACTIVITIES

Approved by OMB
0348-0046

Complete this form to disclose lobbying activities pursuant to 31 U.S.C. 1352
(See reverse for public burden disclosure.)

1. Type of Federal Action:	2. Status of Federal Action:	3. Report Type:
☐ a. contract b. grant c. cooperative agreement d. loan e. loan guarantee f. loan insurance	☐ a. bid/offer/application b. initial award c. post-award	☐ a. initial filing b. material change **For Material Change Only:** year _____ quarter _____ date of last report _____

4. Name and Address of Reporting Entity:	5. If Reporting Entity in No. 4 is Subawardee, Enter Name and Address of Prime:
☐ Prime ☐ Subawardee Tier _____, *if known*: **Congressional District**, *if known*:	 **Congressional District**, *if known*:
6. Federal Department/Agency:	**7. Federal Program Name/Description:** CFDA Number, *if applicable*: _____
8. Federal Action Number, *if known*:	**9. Award Amount**, *if known*: $
10. a. Name and Address of Lobbying Entity (*if individual, last name, first name, MI*):	**b. Individuals Performing Services** (*including address if different from No. 10a*) (*last name, first name, MI*):

(attach Continuation Sheet(s) SF-LLL-A, if necessary)

11. Amount of Payment (*check all that apply*):	13. Type of Payment (*check all that apply*):
$ _____ ☐ actual ☐ planned	☐ a. retainer ☐ b. one-time fee ☐ c. commission ☐ d. contingent fee ☐ e. deferred ☐ f. other; specify: _____
12. Form of Payment (*check all that apply*): ☐ a. cash ☐ b. in-kind; specify: nature _____ value _____	

14. Brief Description of Services Performed or to be Performed and Date(s) of Service, including officer(s), employee(s), or Member(s) contacted, for Payment Indicated in Item 11:

(attach Continuation Sheet(s) SF-LLL-A, if necessary)

15. Continuation Sheet(s) SF-LLL-A attached: ☐ Yes ☐ No

16.	
Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be reported to the Congress semi-annually and will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than $10,000 and not more than $100,000 for each such failure.	**Signature:** _____ **Print Name:** _____ **Title:** _____ **Telephone No.:** _____ **Date:** _____

Federal Use Only: **Authorized for Local Reproduction Standard Form - LLL**

BILLING CODE 4184–01–C

Attachment B

Certification Regarding Debarment, Suspension, and Other Responsibility Matters—Primary Covered Transactions

By signing and submitting this proposal, the applicant, defined as the primary participant in accordance with 45 CFR Part 76, certifies to the best of its knowledge and believe that it and its principals:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;

(b) have not within a 3-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) have not within a 3-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.

The inability of a person to provide the certification required above will not necessarily result in denial of participation in this covered transaction. If necessary, the prospective participant shall submit an explanation of why it cannot provide the certification. The certification or explanation will be considered in connection with the Department of Health and Human Services (HHS) determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.

The prospective primary participant agrees that by submitting this proposal, it will include the clause entitled ''Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion—Lower Tier Covered Transaction'' provided below without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transactions

(To be Supplied to Lower Tier Participants)

By signing and submitting this lower tier proposal, the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:

(a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

(b) where the prospective lower tier participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal.

The prospective lower tier participant further agrees by submitting this proposal that it will include this clause entitled ''Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion—Lower Tier Covered Transactions'' without modification in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

BILLING CODE 4184–01–P

Attachment C

U.S. Department of Health and Human Services
Certification Regarding Drug-Free Workplace Requirements
Grantees Other Than Individuals

By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.

This certification is required by regulations implementing the Drug-Free Workplace Act of 1988, 45 CFR Part 76, Subpart F. The regulations, published in the May 25, 1990 Federal Register, require certification by grantees that they will maintain a drug-free workplace. The certification set out below is a material representation of fact upon which reliance will be placed when the Department of Health and Human Services (HHS) determines to award the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HHS, in addition to any other remedies available to the Federal Government, may taken action authorized under the Drug-Free Workplace Act. False certification or violation of the certification shall be grounds for suspension of payments, suspension or termination of grants, or governmentwide suspension or debarment.

Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.

Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios.)

If the workplace identified to HHS changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see above).

Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 USC 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15).

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

The grantee certifies that it will or will continue to provide a drug-free workplace by:

(a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;

(b) Establishing an ongoing drug-free awareness program to inform employees about:

(1) The dangers of drug abuse in the workplace; (2) The grantee's policy of maintaining a drug-free workplace; (3) Any available drug counseling, rehabilitation, and employee assistance programs; and, (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;

(c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

(d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will:

(1) Abide by the terms of the statement; and, (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;

(e) Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

(f) Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph (d)(2), with respect to any employee who is so convicted:

(1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or, (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

(g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).

The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant (use attachments, if needed):

Place of Performance (Street address, City, County, State, ZIP Code)_____

Check ___ if there are workplaces on file that are not identified here.

Sections 76.630(c) and (d)(2) and 76.635(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central receipt point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, S.W., Washington, D.C. 20201.

DGMO Form#2 Revised May 1990

BILLING CODE 4184–01–P

Attachment D

Certification Regarding Environmental Tobacco Smoke

Public Law 103–227, Part C—Environmental Tobacco Smoke, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, education, or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law does not apply to children's services provided in private residences, facilities funded solely by Medicare or Medicaid funds, and portions of facilities used for inpatient drug or alcohol treatment. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to $1000 per day and/or the imposition of an administrative compliance order on the responsible entity.

[FR Doc. 95–3822 Filed 2–15–95; 8:45 am]

BILLING CODE 4184–01–P

Agency For Health Care Policy And Research

Notice of Meeting

In accordance with section 10(a) of the Federal Advisory Committee Act (5 U.S.C., Appendix 2) announcement is made of the following special emphasis panel scheduled to meet during the month of March 1995:

Name: Health Care Policy and Research Special Emphasis Panel

Date and Time: March 27, 1995 10:30 a.m.

Place: Agency for Health Care Policy and Research, Executive Office Center, 2101 East Jefferson Street, 6th Floor Conference Room, Rockville, Maryland 20852.

Open session 10:30 a.m.–10:45 a.m., closed for remainder of meeting.

Purpose: This panel is charged with conducting the initial review of grant applications for Federal support of conferences, workshops, meetings, or projects related to dissemination and utilization of research findings, and AHCPR liaison with health care policymakers, providers, and consumers.

Agenda: The open session of the meeting on March 27 from 10:30 a.m. to 10:45 a.m. will be devoted to a business meeting covering administrative matters. During the closed session, the committee will be reviewing grant applications dealing with dissemination of research on the organization, costs, and efficiency of health care. In accordance with the Federal Advisory Committee Act, 5 U.S.C., Appendix 2 and 5 U.S.C., 552b(c)(6), the Administrator, AHCPR, has made a formal determination that this latter session will be closed because the discussions are likely to reveal personal information concerning individuals associated with the grant applications. This information is exempt from mandatory disclosure.

Anyone wishing to obtain a roster of members or other relevant information should contact Linda Blankenbaker, Agency for Health Care and Policy Research, Suite 602, 2101 East Jefferson Street, Rockville, Maryland 20852, Telephone (301) 594–1438.

Agenda items for this meeting are subject to change as priorities dictate.

Dated: February 9, 1995.

Clifton R. Gaus,

Administrator.

[FR Doc. 95–3880 Filed 2–15–95; 8:45 am]

BILLING CODE 4160–90–P

Public Health Service

Dietary Guidelines Advisory Committee; Meeting

AGENCIES: U.S. Public Health Service, Department of Health and Human Services; Agricultural Research Service and Office of Food, Nutrition, and Consumer Services, U.S. Department of Agriculture.

ACTION: Dietary Guidelines Advisory Committee: notice of meeting.

SUMMARY: The Department of Health and Human Services (HHS) and the Department of Agriculture (USDA) (a) provide notice of the third and final meeting of the Dietary Guidelines Advisory Committee.

DATES: (1) The Committee will meet March 29, 1995, for a full-day meeting beginning at 9:00 a.m. e.s.t.; March 30, 1995, for a half-day meeting beginning at 9:00 a.m. e.s.t; and March 31, 1995 for a full-day meeting beginning at 9:00 a.m. e.s.t., at the Doubletree Hotel Park Terrace, Terrace Ballroom, 1515 Rhode Island Ave, NW., Washington, DC 20005.

FOR FURTHER INFORMATION CONTACT: Karil Bialostosky, M.S., Executive Secretary from HHS to the Dietary Guidelines Advisory Committee, Office of the Assistant Secretary for Health, Department of Health and Human Services, Room 2132, Switzer Building, 330 C Street, SW., Washington, DC 20201, (202) 205–9007.

SUPPLEMENTARY INFORMATION:

Dietary Guidelines Advisory Committee Task

The eleven-member Committee appointed by the Secretaries of the two Departments reflects the commitment by the Departments of Health and Human Services and Agriculture to the provision of sound and current dietary guidance to consumers. The National Nutrition Monitoring and Related Research Act of 1990 (Pub. L. 101–445) requires the Secretaries of HHS and USDA to publish the Dietary Guidelines for Americans at least every five years. The Dietary Guidelines Advisory Committee will recommend revisions to the Secretaries for the 1995 edition of Nutrition and Your Health: Dietary Guidelines for Americans.

Announcement of Meeting

The Committee's third meeting will be March 29, 1995, beginning at 9:00 a.m. (full-day meeting), March 30, 1995, beginning at 9:00 a.m. (half-day meeting), and March 31, 1995, beginning at 9:00 a.m. (full-day meeting) e.s.t. The meeting will be held at the Doubletree Hotel Park Terrace, Terrace Ballroom, 1515 Rhode Island Ave, NW., Washington, DC 20005. The agenda will include (a) discussion of working drafts and report to the Secretaries of Health and Agriculture, (b) finalizing recommendations for the 1995 edition of Nutrition and Your Health: Dietary Guidelines for Americans, and, time permitting, (c) discussion of research and other needs for the future.

Public Participation at Meeting

The meeting is open to the public. However, space is limited for all sessions. Please call Karil Bialostosky (202/205–9007) by March 15, if you will require a sign language interpreter at the meeting.

Dated: February 10, 1995.

Susanne A. Stoiber,

Acting Deputy Assistant Secretary for Disease Prevention and Health Promotion/Health Planning and Evaluation, U.S. Department of Health and Human Services.

[FR Doc. 95–3925 Filed 2–15–95; 8:45 am]

BILLING CODE 4140–01–M

Substance Abuse and Mental Health Services Administration

Office for Women's Services; Notice of Meeting

Pursuant to Public Law 92–463, notice is hereby given of the meeting of the Advisory Committee for Women's Services of the Substance Abuse and Mental Health Services Administration.

The meeting of the Advisory Committee for Women's Services will include a discussion of SAMHSA's programs and policies for women, legal and administrative requirements affecting members of the Advisory Committee for Women's Services, SAMHSA's FY 1996 Budget, SAMHSA's Strategic Plan, and a legislatively mandated evaluation of the extent to

which women are represented among senior personnel at SAMHSA.

A summary of the meeting and/or a roster of committee members may be obtained from: Jennifer B. Fiedelholtz, Executive Secretary, Advisory Committee for Women's Services, Office for Women's Services, Substance Abuse and Mental Health Services Administration, Parklawn Building, Room 13–99, 5600 Fishers Lane, Rockville, Maryland 20857, Telephone: (301) 443–5184.

Substantive information may be obtained from the contact whose name and telephone number is listed below.

Committee Name: Advisory Committee for Women's Services.

Meeting Dates: March 16, 1995.

Place: The Maryland Room, Parklawn Building, 5600 Fishers Lane, Rockville, Maryland 20857

Open: 8:30 a.m.–5:00 p.m.

Contact: Jennifer B. Fiedelholtz, Room 13–99, Parklawn Building, Telephone (301) 443–5184.

Dated February 10, 1995.

Jeri Lipov,

Committee Management Officer Substance Abuse and Mental Health Services Administration.

[FR Doc. 95–3881 Filed 2–15–95; 8:45 am]

BILLING CODE 4162–20–P

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Assistant Secretary for Public and Indian Housing

[Docket No. N–95–3778; FR–3682–N–02]

Announcement of Funding Awards for Lead-Based Paint (LBP) Risk Assessments—Fiscal Year 1994

AGENCY: Office of the Assistant Secretary for Public and Indian Housing, HUD.

ACTION: Announcement of funding awards.

SUMMARY: In accordance with section 102(a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989, this document notifies the public of funding awards for Fiscal Year 1994 under the Lead-Based Paint Risk Assessments. This announcement contains the names and addresses of the award winners and the amount of the awards.

FOR FURTHER INFORMATION CONTACT: Kevin Marchman, Deputy Assistant Secretary for Distressed and Troubled Housing Recovery, Department of Housing and Urban Development, 451 Seventh Street, SW., room 4138, Washington, DC. 20410, telephone (202) 401–8812. A telecommunications device (TDD) for persons with hearing and speech impediments is available at (202) 708–0850. (These are not toll-free telephone numbers.)

SUPPLEMENTARY INFORMATION: The Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1992 (Pub. L. 102–139, approved October 28, 1991; at 105 Stat. 744) (1992 Appropriations Act) set aside of budget authority available for modernization of existing public housing developments, for the risk assessment of lead-based paint. However, amounts actually available from the appropriated amount were reduced because conversions from Section 8 (U.S. Housing Act of 1937)—funded section 202 (Housing Act of 1959) direct loan projects to rental assistance—funded section 202 grant projects did not occur at the rate anticipated by Congress in the Appropriations Act.

In a Notice of Funding Availability (NOFA) published in the **Federal Register** on June 20, 1994 (59 FR 31906), the Department announced the availability of $11,940,611. The purpose of the competition was to assist Public Housing Agencies and Indian Housing Authorities in risk assessment protocol to be used in conducting LBP risk assessment and in developing recommendations regarding in-place management.

In accordance with section 102 (a)(4)(C) of the Department of Housing and Urban Development Reform Act of 1989 (Pub. L. 101–235, approved December 15, 1989), the Department is publishing the names and addresses of the housing authorities which received funding under this NOFA, and the amount of funds awarded to each. This information is provided in Appendix A to this document.

Dated: February 9, 1995.

Michael B. Janis,

General Deputy Assistant Secretary for Public and Indian Housing.

Appendix A—Lead-Based Paint Risk Assessment Recipients

Funding recipient (Name and address)	Amount approved
New Bedford Housing Authority, 134 S. Second Street, New Bedford, MA 02741.	24,597
Newark Housing Authority, 57 Sussex Avenue, Newark, NJ 07103.	10,395
New York City Housing Authority, 250 Broadway, New York, NY 10007.	1,361,745
Baltimore City Housing Authority, 417 East Fayette Street, Baltimore, MD 21202.	1,530,979
Virgin Island Public Housing Authority, P. O. Box 7668, St. Thomas, VI 00801.	78,657
Spartanburg Public Housing Authority, P.O. Box 4534, Spartanburg, SC 29305.	20,000
Housing Authority of the City of Charlotte, P.O. Box 36795, Charlotte, NC 28237.	50,258
Housing Authority of the City of Durham, P.O. Box 1726, Durham, NC 27702.	49,500
Housing Authority of the City of Raleigh, P.O. Box 28007, Raleigh, NC 27611.	49,500
Northwest Florida Regional Housing Authority, P.O. Box 218, Graceville, FL 32440.	53,100
Housing Authority of Bowling Green, P.O. Box 116, Bowling Green, KY 42102.	9,124
Brownsville Housing Authority, P.O. Box 194, Brownsville, TN 38012.	4,950
Lewisburg Housing Authority, P.O. Box 1846, Lewisburg, TN 37091.	4,950
Paris Housing Authority, P.O. Box 159, Paris, TN 38242.	5,940
Portland Housing Authority, P.O. Box 37, Portland, TN 37148.	2,475
Winchester Housing Authority, P.O. Box 502, Winchester, TN 37398.	2,475
Chicago Housing Authority, 22 West Madison Street, Chicago, IL 60602.	567,765
Pontiac Housing Commission, 132 Franklin Boulevard, Pontiac, MI 48341.	53,500
Lovington Housing Authority City of Lovington, P.O. Box 785, Lovington, NM 88260.	2,166
Housing Authority of the City of Bayard, P.O. Box 768, Bayard, NM 88023.	2,166

Funding recipient (Name and address)	Amount approved
Housing Authority of the Village of Central, P.O. Box 275, Central, NM 88026.	2,166
Total	$3,888,076

[FR Doc. 95–3948 Filed 2–15–95; 8:45 am]

BILLING CODE 4210–33–M

Office of the Assistant Secretary for Housing-Federal Housing Commissioner

[Docket No. N–95–3785; FR–3724–N–02]

Interest Rate for the Section 235(r) Mortgage Insurance Program

AGENCY: Office of the Assistant Secretary for Housing-Federal Housing Commissioner, HUD.

ACTION: Notice of change in interest rate.

SUMMARY: This notice announces a change in the maximum interest rate for mortgages to be insured under section 235(r) of the National Housing Act. The section 235(r) maximum interest rate is to be determined by the Secretary of HUD and published in the **Federal Register**. Mortgage market conditions now dictate that the Secretary increase the section 235(r) maximum rate from 8.50 percent to 9.00 percent. There is no change being made in the maximum margin of additional percentage points that may be added to the maximum rate if the established conditions are met. Therefore, the maximum for the premium section 235(r) interest rate will be 10.50 percent (9.00 percent for the rate of interest and 1.50 percent for the margin of additional percentage points).

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: John N. Dickie, Director, Program Evaluation Division, room B–133, Department of Housing and Urban Development, 451 Seventh Street, SW., Washington, DC 20410; telephone (202) 755–7470, Ext. 117; (TDD) (202) 708–4594. (These are not toll-free numbers.)

SUPPLEMENTARY INFORMATION: Section 235(r) of the National Housing Act (12 U.S.C. 1715z) authorizes the Secretary to insure mortgages that refinance existing mortgages insured under section 235. The purpose of the program is to reduce the interest rate insured and assisted under section 235 in order that the assistance payments the Department pays on behalf of mortgagors may be reduced. The regulations implementing the program are contained in subpart H of 24 CFR part 235—refinancing of mortgages under section 235(r).

The interest rate for these loans is set by the Secretary and published in the **Federal Register** as authorized by 24 CFR 235.1202(b)(3). The previous section 235(r) interest rate of 8.50 percent was published in the **Federal Register** on June 17, 1994 (59 FR 31267). The Department has determined that market conditions dictate a change in the section 235(r) interest rate. The change will take effect on the date of publication of this notice.

The most recent HUD survey of Mortgage Market conditions (i.e., Secondary Market Prices and Yields), an OMB-designated Principal Federal Indicator, found that the dominant national FHA rate being quoted to potential homebuyers for ''lock-in'' commitments of 60 days or more was 9.00 percent on October 1, 1994, with an average of .78 points, and an effective interest rate of 9.11 percent.

Most FHA mortgages are funded in the GNMA mortgage-backed securities market. There is a 50 basis point spread between FHA contract interest rates and GNMA coupon rates (this covers the GNMA guarantee fee and servicing cost). On November 14, 1994, the GNMA 8.00 percent coupon securities (8.50 percent FHA loans) were priced at more than 5 points discount. This level of discount tends to impede FHA loans to finance home purchases. On the other hand, the GNMA 8.50 percent security (9.00 percent FHA loans) was trading in the two-month forward market at around two points discount, while the 9.00 percent GNMA coupons (9.50 percent FHA mortgages) continued to trade at over par (i.e., premium). Under the FHA negotiated rate/points provisions a two point discount for 9.00 percent FHA mortgages would not be burdensome.

Adjusting the section 235(r) rate to 9.00 percent will bring this rate back into line with the rest of the FHA current production loans. Therefore, the maximum rate for section 235(r) mortgages is 9.00 percent beginning with the publication date of this notice. The maximum margin of additional percentage points that may be added to the maximum rate under 24 CFR 235.1202(b)(3)(i)(B) will remain at 1.50 percent.

The subject matter of this notice is categorically excluded from HUD's environmental clearance procedures, in accordance with 24 CFR 50.20(l). For that reason, no environmental finding has been prepared for this notice.

Dated: December 9, 1994.

Nicolas P. Retsinas,

Assistant Secretary for Housing-Federal Housing Commissioner.

[FR Doc. 95–3947 Filed 2–15–95; 8:45 am]

BILLING CODE 4210–27–P

DEPARTMENT OF THE INTERIOR

Fish and Wildlife Service

[PRT–798920]

Receipt of Application(s) for Permit

The following applicant has applied for a permit to conduct certain activities with endangered species. This notice is provided pursuant to Section 10(c) of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531, *et seq.)*

Applicant: S. Lee Stone, Austin Parks & Recreation Department, Austin, Texas.

The applicant requests a permit to include take activities for the black-capped vireo (*Vireo atricapillus*) for the purpose of scientific research and enhancement of propagation and survival of the species as prescribed by Service recovery documents.

ADDRESSES: Written data or comments should be submitted to the Assistant Regional Director, Ecological Services, U.S. Fish and Wildlife Service, P.O. Box 1306, Albuquerque, New Mexico 87103, and must be received by the Assistant Regional Director within 30 days for the date of this publication.

Documents and other information submitted with this application are available for review, subject to the requirements of the Privacy Act and Freedom of Information Act, by any party who submits a written request for a copy of such documents to the above office within 30 days of the date of publication of this notice. (See **ADDRESSES** above.)

Susan MacMullin,

Acting Regional Director, Region 2, Albuquerque, New Mexico.

[FR Doc. 95–3944 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–55–M

[PRT–798823]

Receipt of Application(s) for Permit

The following applicant has applied for a permit to conduct certain activities with endangered species. This notice is provided pursuant to Section 10(c) of the Endangered Species Act of 1973, as amended (16 U.S.C., *Et. Seq.*).

Applicant: Dr. Robert Hershler, Smithsonian Institution, Washington, DC.

The applicant requests a permit to include take activities for the Alamosa springsnial (*Tryonia alamosae*) for the purpose of scientific research and enhancement of propagation and survival of the species as prescribed by Service recovery documents.

ADDRESSES: Written data or comments should be submitted to the Assistant Regional Director, Ecological Services, U.S. Fish and Wildlife Service, P.O. Box 1306, Albuquerque, New Mexico 87103, and must be received by the Assistant Regional Director within 30 days from the date of this publication.

Documents and other information submitted with this application are available for new review, subject to the requirements of the Privacy Act and Freedom of Information Act, by any party who submits a written request for a copy of such documents to the above office within 30 days of the date of publication of this notice. (See **ADDRESSES** above.)

Susan MacMullin,

Acting Regional Director, Region 2.

[FR Doc. 95–3945 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–55–M

Bureau of Land Management

[NM–070–05–1220–00]

Notice of Intent To Prepare a Plan Amendment/Environmental Assessment to the Farmington Resource Management Plan Involving Off-Highway Vehicle Designations in the Glade Run Trail System Special Management Area; Invitation for Public Participation and Call for Information; New Mexico

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of intent to prepare a Plan Amendment and invitation for public involvement.

SUMMARY: The Bureau of Land Management (BLM), Farmington District Office is initiating preparation of a Plan Amendment and Environmental Assessment (EA) for off-highway vehicle use in the Glade Run Trail System Special Management Area north of and adjacent to Farmington, New Mexico. The public is invited to participate in this planning effort with the identification of additional issues and planning criteria.

The planning document will be prepared by an interdisciplinary team of specialists within the Farmington District Office. The Proposed Plan Amendment/EA will be made available for comment by all those on the mailing list.

DATES: Written comments relating to the identification of issues and planning criteria will be accepted through the close of business March 20, 1995.

ADDRESSES: Comments and requests to be included on the mailing list should be sent to: Mike Pool, District Manager, Bureau of Land Management, Farmington District Office; 1235 La Plata Highway, Farmington, New Mexico 87401.

FOR FURTHER INFORMATION CONTACT: Christopher V. Barns at the address above, or call 505–599–6300.

SUPPLEMENTARY INFORMATION: The Glade Run Trail System Special Management Area includes the following public lands totalling approximately 27,411 acres:

T. 30 N., R. 12 W., NMPM
- Sec. 3: Lots 8, 9, 16, 17
- Sec. 4: Lots 5–17
- Sec. 5: Lots 5–20
- Sec. 6: Lots 8–23
- Sec. 7: Lots 5–20
- Sec. 8: Lots 1–16
- Sec. 9: Lots 1–11
- Sec. 10: Lots 4, 5, 8, 9
- Sec. 15: Lots 1, 2
- Sec. 17: Lots 1–16
- Sec. 19: Lots 1–3

T. 30 N., R. 13 W., NMPM
- Sec. 1: Lots 1–4, S½N½, S½
- Sec. 3: Lots 1–4, S½N½, S½
- Sec. 4: Lots 1–4, S½NE¼, SE¼NW¼, E½SW¼, SE¼
- Sec. 8: NE¼NE¼
- Sec. 9: E½, E½W½, NW¼NW¼
- Sec. 10: All
- Sec. 11: N½, N½S½, S½SW¼
- Sec. 12: All
- Sec. 13: E½, E½W½, SW¼NW¼, W½SW¼
- Sec. 14: NE¼N½W¼, W½NW¼, E½SW¼, NW¼SW¼, SE¼
- Sec. 15: All
- Sec. 21: E½
- Sec. 22: N½, SW¼, N½SE¼, SW¼SE¼
- Sec. 23: E½, S½NW¼, SW¼
- Sec. 24: All
- Sec. 25: N½, N½S½, S½SE¼
- Sec. 26: NW¼NE¼NW¼
- Sec. 27: NW¼NW¼SE¼, SE¼SE¼
- Sec. 28: W½SW¼
- Sec. 32: E½NE¼
- Sec. 33: N½NE¼ SW¼NE¼, N½SE¼NE¼, NW¼
- Sec. 34: NE¼NW¼

T. 31 N., R. 12 W., NMPM
- Sec. 7: S½
- Sec. 9: S½
- Sec. 10: SW¼ where south or west of (and including) SR 574
- Sec. 14: Lots 9 and 10 where south of (and including) SR 574 and west of (and including) right-of-way NM32047
- Sec. 15: Lots 3, 4, and 5 where south or west of (and including) SR 574, Lots 6–12, NW¼ where south or west of (and including) SR 574
- Sec. 17: All
- Sec. 18: Lots 1–4, E½, E½W½
- Sec. 19: Lots, 1, 2, 5–12, NE¼, E½NW¼
- Sec. 20: Lots 1–6, N½
- Sec. 21: NE¼NE¼, S½NE¼, W½NW¼, SE¼SW¼, SE¼
- Sec. 22: Lots 1–16
- Sec. 27: All
- Sec. 28: All
- Sec. 29: E½, N½NW¼, E½SW¼
- Sec. 30: Lots 5–17
- Sec. 31: Lots 5–8, SE¼NE¼, E½SE¼, SW¼SE¼
- Sec. 33: All
- Sec. 34: All west of grazing allotment fence line

T. 31 N., R. 13 W., NMPM
- Sec. 12: All
- Sec. 13: All
- Sec. 14: SE¼
- Sec. 23: E½, NE¼NW¼, S½SW¼
- Sec. 24: All
- Sec. 25: All
- Sec. 26: Lots 1–8, NE¼, SW¼
- Sec. 27: Lots 1, 2, SE¼SW¼, SE¼
- Sec. 33: SE¼NE¼, SE¼SW¼, SE¼
- Sec. 34: All
- Sec. 35: Lots 1–4, E½, SW¼

The issues anticipated to be addressed by this Plan Amendment/EA include safety, resource protection, and recreational conflict.

The proposed planning criteria include:

1. All proposed actions and alternatives considered must comply with current laws and Federal Regulations.

2. The resource allocations of proposed actions will be made in accordance with the principles of ''multiple use'' as defined in the Federal Land Policy and Management Act of 1976 (FLPMA), Sec. 103(c).

3. The Proposed Plan Amendment will consider the relative scarcity of the values invovled and the availability of alternative means and sites for realization of those values.

4. This planning process will provide for public involvement including early notice and frequent opportunity for citizens and interested groups and others to participate in and comment on the preparation of plans and related guidance.

Dated: February 6, 1995.

Mike Pool,

District Manager.

[FR Doc. 95–3823 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–FB–M

[UT–069–05–5700–11; UTU–70117]

Availability of Proposed Plan Amendment and Environmental Assessment/FONSI on Lands for Disposal for the San Juan Resource Area Resource Management Plan, San Juan County, Utah

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice of availability of Proposed Plan Amendment and Environmental Assessment/FONSI on lands for disposal for the San Juan Resource Area Resource Management Plan, San Juan County, Utah.

SUMMARY: The Bureau of Land Management (BLM) proposes to amend the San Juan Resource Management Plan (RMP). The proposed Plan Amendment and Environmental Assessment/FONSI identifies a 390.00 acre parcel of public land which would be managed for disposal by R & PP patent under the 1988 Recreation and Public Purposes Amendment Act is available. The lands are described below as follows:

Salt Lake Meridian, Utah

T. 39 S., R. 22 E.
Section 3, W2SWSW, SESWSW, S2NESWSW, S2SWSESW;
Section 4, S2SE;
Section 9, NE;
Section 10, W2NW, W2NENW, NWSENW.

The above described land aggregates 390.00 acres more or less.

This plan amendment would allow the San Juan Resource Area to dispose of the above identified public land, to San Juan County, pursuant to the 1988 Recreation and Public Purposes Amendment Act, for the purpose of developing and constructing the White Mesa Regional Sanitary Landfill.

DATES: The environmental assessment revealed no significant impacts from the proposed action. The Bureau's preferred alternative is the Proposed Action. A Notice of Intent proposing to amend the RMP was published in the **Federal Register** on June 15, 1993. A 30-day protest period for the plan amendment will commence with publication of this notice in the **Federal Register**. Protests must be received within thirty (30) days after the publication of this Notice of Availability for the plan amendment.

FOR FURTHER INFORMATION CONTACT: Brent Northrup, Acting San Juan Resource Area Manager, Bureau of Land Management, 435 North Main Street, P.O. Box 7, Monticello, Utah 84535, telephone (801) 587–2141. Copies of the Environmental Assessment and Proposed Amendment are available for review at the San Juan Resource Area Office.

SUPPLEMENTARY INFORMATION: This action is announced pursuant to section 202(a) and 202(e) of the Federal Land Policy and Management Act of 1976 and 43 CFR part 1610. The proposed plan amendment is subject to protest from any adversely affected party who participated in the planning process. Protests must be made in accordance with the provisions of 43 CFR 1610.5–2. Protests must contain at a minimum the following information:

- The name, mailing address, telephone number, and interest of the person filing the protest.
- A statement of the issue or issues being protested.
- A statement of the part or parts being protested and a citing of pages, paragraphs, maps, etc., of the proposed plan amendment, where practical.
- A copy of all documents addressing the issue(s) submitted by the protester during the planning process or a reference to the date when the protester discussed the issue(s) for the record.
- A concise statement as to why the protester believes the BLM State Director's decision is incorrect.

Protests must be received by the Director of the Bureau of Land Management (WO–760), MS 406 L St., 1849 C Street NW, Washington, DC 20240, within 30 days after the date of publication of this Notice of Availability for the proposed plan amendment.

Dated: January 31, 1995.

Roger Zortman,

Acting State Director.

[FR Doc. 95–3907 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–DQ–P

[CA–050–05–1420–00]

Intent To Prepare an Environmental Assessment Amending the Arcata Resource Management Plan for the Scattered Tracts Management Area

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: This notice advises the public that the Bureau of Land Management intends to prepare an environmental assessment in order to amend the existing Arcata Resource Area Management Plan specifically addressing the Scattered Tracts Management Area. This area includes land on the north side of the Mattole River (T.2S., R.2W., HUM, Sections 17 & 18 and T.2S., R.3W., HUM, Sections 12 & 13). This notice is being furnished to inform the public of the Bureau's action and to provide information regarding potential issues anticipated.

FOR FURTHER INFORMATION CONTACT: Lynda J. Roush, Area Manager, Bureau of Land Management, Arcata Resource Area, 1125 16th Street, room 219, Arcata, CA 95521. Telephone (707) 822–7648.

SUPPLEMENTARY INFORMATION: This environmental assessment is being prepared in accordance with the requirements set forth in the Code of Federal Regulations (43 CFR 1610.5–5) to amend the Arcata of Federal Regulations (43 CFR 1610.5–5) to amend the Arcata Resource Management Plan.

The issues and concerns addressed in the environmental assessment focus on changing the designation of land on the north side of the Mattole from the Scattered Tracts Management Area to the King Range Vicinity Management Area, including those lands into the existing King Range Area of Critical Environmental Concern, and withdrawing said lands from settlement, sale, location or entry under the general land laws, including the mining laws.

The environmental assessment will be made available to the public for review. Availability of the environmental assessment for public review will be published in newspapers. There will be a 30-day comment period on the decision record to which the public may respond before the amendment becomes final.

Lynda J. Roush,

Area Manager.

[FR Doc. 95–3894 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–40–M

[AZ–020–7122–5542; AZA 28350]

Arizona; Opening of Lands to Entry in Pinal County, Arizona

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: This Notice will open approximately .98 acres to location and entry under the mining laws.

EFFECTIVE DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Shela McFarlin at Bureau of Land Management, Phoenix District Office, 2015 West Deer Valley Road, Phoenix Arizona 85027, telephone (602) 780–8090.

SUPPLEMENTARY INFORMATION: The following described lands were segregated on November 21, 1994, pursuant to section 206 of the Federal Land Policy and Management Act of 1976, as amended, 43 U.S.C. 1701 et seq., (AZA 28350):

Gila and Salt River Meridian, Arizona,

T. 3 S., R. 13 E.,
sec. 10, lot 5;
sec. 11, 3 parcels of land described as follows:

Parcel No. 1. COMMENCING for a tie at Corner 1 of the Copper Era lode claim, M.S. 4405, from which the quarter section corner of secs. 3 and 10, T. 3 S., R. 13 E., GSRM,

bears N. 71°06′30″ W., a distance of 3,622.50 feet; THENCE S. 18°09′ E., a distance of 1,500.00 feet to Corner 4 of said Copper Era claim; THENCE N. 71°58′ E. along line 3–4 of said claim, a distance of 140.49 feet to the intersection of line 1–2 of the Copper Zone No. 1 lode claim, M.S. 3036, THE TRUE POINT OF BEGINNING; THENCE continuing N. 71°58′ E. (this survey), a distance of 95.61 feet to the intersection of line 3–4 of the Era No. 2 lode claim, M.S. 2605, identical to line 2–3 of the Eagle Brand lode, M.S. 2884; THENCE S. 18°51′ E. (this survey) along said line 3–4 of the Era No. 2, a distance of 33.33 feet, to the intersection of line 1–4 of the Copper Zone No. 1, M.S. 3086. THENCE S. 69°08′ W. (this survey) along said line 1–4, a distance of 92.57 feet to Corner 1 of the Copper Zone No. 1. THENCE N. 23°30′ W. (this survey) along line 1–2, a distance of 38.08 feet to the true POINT OF BEGINNING, Containing an area of 0.08 acres, more or less.

Parcel No. 2. BEGINNING at the intersection point of line 1–4 of the Copper Zone No. 1, M.S. 3086, and line 2–3 of the Spartan, M.S. 2605, from which Corner 1 of the Copper Zone No. 1 bears S. 69°08′ W. (this survey), a distance of 569.74 feet; THENCE N. 4°44′ E. (this survey) along line 2–3 of the Spartan, a distance of 71.66 feet to Corner 3 of the Spartan; THENCE N. 74°58″ E. (this survey), a distance of 635.81 feet to Corner 4 of the Spartan, identical to Corner 2 of the Blue Bell lode claim, M.S. 3516, on line 1–4 of the Copper Zone No. 1. THENCE S. 69°08′ W. (this survey) along line 1–4 of the Copper Zone No. 1 a distance of 663.48 feet, to the POINT OF BEGINNING; containing an area of 0.492 acres, more or less.

Parcel No. 3. BEGINNING at Corner 4 of the Spartan, M.S. 2605, identical to Corner 2 of the Blue Bell, M.S. 3516, which intersects line 1–4 of the Copper Zone No. 1, M.S. 3086; THENCE N. 4°44′ E. (this survey), a distance of 116.33 feet to Corner 2 of the unpatented Blue Bell lode claim, M.S. 2605; THENCE N. 76°42′ E. (this survey) along line 2–3 of said Blue Bell, M.S. 2605, a distance of 150.10 feet to a point on line 3–4 of the Copper Zone No. 1 lode claim; THENCE S. 23°30′ E. (this survey) along said line 3–4, a distance of 85.24 feet, to Corner 4 of the Copper Zone No. 1 lode claim identical to Corner 3 of the Blue Bell lode claim, M.S. 3516; THENCE S. 69°08′ W. (this survey) along line 1–4, a distance of 202.93 feet to Corner 4 of the Spartan, the POINT OF BEGINNING, containing an area of 0.39 acres, more or less.

Containing approximately .98 acres.

At 9 a. m. on February 16, 1995, the lands described above will be open to location and entry under the United States mining laws. Appropriation under the general mining laws prior to the date and time of restoration is unauthorized. Any such attempted appropriation, including attempted adverse possession under 30 U.S.C. section 38 shall vest no rights against the United States. Acts required to establish a location and to initiate a right of possession are governed by State law where not in conflict with Federal laws. The Bureau of Land Management will not intervene in disputes between rival locators over possessory rights since Congress has provided for such determinations in local courts.

The lands will remain closed to appropriation under the public land laws and applications and offers under the Mineral Leasing Act.

Dated: February 10, 1995.

Bruce Conrad,

Acting State Director, Arizona State Office.

[FR Doc. 95–3943 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–32–P

[ID–943–1430–01; IDI–29857]

Opening of Land in a Proposed Withdrawal; Idaho

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The temporary 2-year segregation of a proposed withdrawal of 3,285.87 acres of National Forest System lands for the Forest Service's Howell Canyon Recreation Complex expires April 14, 1995, after which the lands will be opened to mining. The lands are located in the Sawtooth National Forest. The lands have been and will remain open to surface entry and mineral leasing.

EFFECTIVE DATE: April 14, 1995.

FOR FURTHER INFORMATION CONTACT: Larry R. Lievsay, BLM, Idaho State Office, 3380 Americana Terrace, Boise, Idaho 83706–2500, 208–384–3166.

SUPPLEMENTARY INFORMATION: A Notice of Proposed Withdrawal was published in the **Federal Register** (58 FR 19686, April 15, 1993), which segregated the lands described therein for up to 2 years from the mining laws, subject to valid existing rights, but not from the general land laws and the mineral leasing laws. The 2-year segregation expires April 14, 1995. The withdrawal application will continue to be processed unless it is canceled or denied. The lands are described as follows:

Boise Meridian

T. 12 S., R. 24 E.,
sec. 36, SW¼NW¼, W½SW¼ and S½SE¼.
T. 12 S., R. 25 E.,
sec. 31, lot 4, NE¼NE¼, SW¼NE¼, W½SE¼NE¼, SE¼SW¼ and SE¼;
sec. 32, S½SE¼SW¼NW¼, SE¼NE¼ and N½SW¼.
T. 13 S., R. 24 E.,
sec. 1, N½ lot 1, lots 2 to 4 inclusive, S½NW¼ and SW¼;
sec. 2;
sec. 3, lots 1 to 4 inclusive, S½N½, N½S½ and SW¼SW¼;
sec. 4, lots 1 and 2, S½NE¼, NE¼SW¼, S½SW¼ and SE¼;
sec. 9, N½NE¼, SW¼NE¼ and E½NW¼;
sec. 11, NE¼;
sec. 12, NE¼.

The areas described aggregate 3,285,87 acres in Cassia County.

At 9 a.m. on April 14, 1995, the lands shall be opened to location and entry under the United States mining laws, subject to valid existing rights, the provisions of existing withdrawals, other segregations of record, and the requirements of applicable law. Appropriation of lands described in this order under the general mining laws prior to the date and time of restoration is unauthorized. Any such attempted appropriation, including attempted adverse possession under 30 U.S.C. 38 (1988), shall vest no rights against the United States. Acts required to establish a location and to initiate a right of possession are governed by State law. The Bureau of Land Management will not intervene in disputes between rival locators over possessory rights since Congress has provided for such determinations in local courts.

Dated: February 8, 1995.

M. William Weigand,

State Office Unit Leader for Realty Unit.

[FR Doc. 95–3904 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–GG–M

[AZ–054–5–1430–00; AZA 19287, AZA 17898]

Realty Action, Recreation and Public Purposes (R&PP) Act Classification, Arizona

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The following public lands in Mohave County, Arizona have been examined and found suitable for classification for conveyance under the provisions of the Recreation and Public Purposes Act, as amended (43 U.S.C. 869 *et seq.).*

(1) AZA 19287—Bullhead City Fire Department

Gila and Salt River Meridian, Mohave County, Arizona

T. 21 N., R. 21 W.,
Sec. 28, NE¼ (Metes and Bounds description);
Containing 5.00 acres, more or less.

(2) AZA 17898—Bullhead School District #15

Gila and Salt River Meridian, Mohave County, Arizona

T. 20 N., R. 21 W.,
Sec. 30, portion of lot 2;
Containing 21.45 acres, more or less.

The lands are not needed for Federal purposes. Conveyance is consistent with current BLM land use planning and would be in the public interest. The patents, when issued, will be subject to the following terms, conditions and reservations:

1. Provisions of the Recreation and Public Purposes Act and all applicable regulations of the Secretary of the Interior.

2. A right-of-way for ditches and canals constructed by the authority of the United States.

3. All minerals shall be reserved to the United States, together with the right to prospect for, mine, and remove materials. Detailed information concerning this action is available for review at the office of the Bureau of Land Management, Yuma District, Havasu Resource Area, 3189 Sweetwater Avenue, Lake Havasu City, Arizona. Upon publication of this notice in the **Federal Register**, the lands will be segregated from all forms of appropriation under the public land laws, including the general mining laws, except for conveyance under the Recreation and Public Purposes Act and leasing under the mineral leasing laws.

DATES: For a period of 45 days from the date of issuance of this notice in the **Federal Register** (April 3, 1995), interested persons may submit comments regarding the proposed conveyance of the lands to the Area Manager, Havasu Resource Area, 3189 Sweetwater Avenue, Lake Havasu City, AZ 86406.

CLASSIFICATION COMMENTS: Interested parties may submit comments involving the suitability of the lands for fire department (AZA 19287) and school (AZA 17898) sites. Comments on the classification are restricted to whether the land is physically suited for the proposal, whether the use will maximize the future use or uses of the land, whether the use is consistent with the local planning and zoning, or if the use is consistent with the State and Federal programs.

APPLICATION COMMENTS: Interested parties may submit comments regarding the specific use proposed in the applications and plans of development, whether the BLM followed proper administrative procedures in reaching the decision, or any other factor not directly related to the suitability of the lands for school or fire departments.

Any adverse comments will be reviewed by the State Director. In the absence of any adverse comments, the classification will become effective 60 days from the date of publications of this notice in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Janice Easley, Land Law Examiner, Bureau of Land Management, Havasu Resource Area, 3189 Sweetwater Avenue, Lake Havasu City, Arizona 86406. Detailed information concerning this action is also available for review.

SUPPLEMENTARY INFORMATION: Leases AZA 19287 and AZA 17898 were originally classified under the Recreation and Public Purpose Act for lease only. This classification will allow patent for the developed leases.

Dated: February 8, 1995.

Judith I. Reed,

District Manager.

[FR Doc. 95–3905 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–32–P

[AZ–054–5–1430–00; AZA 28919]

Notice of Realty Action, Recreation and Public Purposes (R&PP) Act Classification, Arizona

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The following public lands in La Paz County, Arizona have been examined and found suitable for classification for sale to La Paz County under the provisions of the Recreation and Public Purposes Act, as amended (43 U.S.C. 869 *et seq.*). La Paz County, Arizona proposes to use the lands for expansion of a landfill site.

Gila and Salt River Meridian, Arizona

T. 7 N., R. 19 W.,

Sec. 13, E½, NW¼;

Containing 480.00 acres, more or less.

The lands are not needed for Federal purposes. Sale is consistent with current BLM land use planning and would be in the public interest. The patent, when issued, will be subject to the following terms, conditions and reservations;

1. Provisions of the Recreation and Public Purposes Act and all applicable regulations of the Secretary of the Interior.

2. A right-of-way for ditches and canals constructed by the authority of the United States.

3. All minerals shall be reserved to the United States, together with the right to prospect for, mine, and remove materials. Detailed information concerning this action is available for review at the office of the Bureau of Land Management, Yuma District, Havasu Resource Area, 3189 Sweetwater Avenue, Lake Havasu City, Arizona. Upon publication of this notice in the **Federal Register**, the lands will be segregated from all forms of appropriation under the public land laws, including the general mining laws, except for conveyance under the Recreation and Public Purposes Act and leasing under the mineral leasing laws.

DATES: For a period of 45 days from the date of issuance of this notice in the **Federal Register** (April 3, 1995), interested persons may submit comments regarding the proposed conveyance of the lands to the Area Manager, Havasu Resource Area, 3189 Sweetwater Avenue, Lake Havasu City, AZ 86406.

CLASSIFICATION COMMENTS: Interested parties may submit comments involving the suitability of the lands for a landfill. Comments on the classification are restricted to whether the land is physically suited for the proposal, whether the use will maximize the future use or uses of the land, whether the use is consistent with the local planning and zoning, or if the use is consistent with the State and Federal programs.

APPLICATION COMMENTS: Interested parties may submit comments regarding the specific use proposed in the applications and plan of developments, whether the BLM followed proper administrative procedures in reaching the decision, or any other factor not directly related to the suitability of the lands for transfer sites.

Any adverse comments will be reviewed by the State Director. In the absence of any adverse comments, the classification will become effective 60 days from the date of publication of this notice in the **Federal Register**.

FOR FURTHER INFORMATION CONTACT: Janice Easley, Land Law Examiner, Bureau of Land Management, Havasu Resource Area, 3189 Sweetwater Avenue, Lake Havasu City, Arizona 86406. Detailed information concerning this action is also available for review.

Dated: February 8, 1995.

Judith I. Reed,

District Manager.

[FR Doc. 95–3906 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–32–P

[ID–016–05–1430–00; IDI–31109]

Realty Action—Leasing of Public Lands in Elmore County, Idaho

AGENCY: Bureau of Land Management, Interior.

SUMMARY: A commercial lease for the following public land will be offered for the operation of a non-permanent cement batch plant and stockpiling area, as permitted under Non-Conforming Use Permit issued by the Elmore County

Planning and Zoning Commission on December 21, 1994:

Boise Meridian, Idaho

T. 4 S., R. 5 E.,
Sec. 17: SW¼SW¼SW¼ (within);
Containing 5 acres, more or less.

The subject lands, which are the present site of Mountain Home Redi-Mix, Inc.'s cement batch plant, were previously examined and found suitable for leasing under the provisions of Section 302 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1732; 90 Stat. 2762) and applicable 43 CFR 2920 regulations.

DATES: The above site will be offered for commercial lease by competitive bid on April 12, 1995. Sealed bids will be accepted until 10:00 AM on April 12, 1995, at which time they will be opened and recorded. Immediately thereafter, oral bids will be accepted. No bid shall be accepted for less than the appraised fair market rental for the lands affected by the offered lease, which is currently $275.00 per year. Fair market rental will be subject to adjustment by appraisal.

ADDRESSES: Sealed bids may be mailed or hand delivered to Signe Sather-Blair, Bruneau Area Manager, BLM Boise District Office, 3948 Development Avenue, Boise, Idaho 83705. Oral bidding will take place at the same address.

SUPPLEMENTARY INFORMATION: The successful bidder will be allowed to file an application for a commercial lease and shall reimburse BLM for all costs incurred in processing the application and in monitoring construction, operation, and maintenance of the facilities authorized. If the successful bidder in not Mountain Home Redi-Mix. Inc., the successful bidder hall be required to reimburse Mountain Home Redi-Mix, Inc. for the costs incurred by Mountain Home Redi-Mix, Inc. in publishing this notice in the **Federal Register** and local newspaper.

The successful bidder will be required to furnish evidence satisfactory to the BLM authorized officer that they have or, prior to commencement of construction, will have the technical and financial capability to construct, operate, maintain, and terminate the cement batch plant.

FOR FURTHER INFORMATION CONTACT: John Sullivan, Resource Management Specialist, at the above address or at (208) 384–3338.

Dated: February 3, 1995.

R.E. Schmitt,

Acting District Manager.

[FR Doc. 94–3895 Filed 2–15–94; 8:45 am]

BILLING CODE 4310–GG–M

[NV–030–1430–01; NVN 57169]

Realty Action: Proposed Direct Sale

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: The following described public land has been found suitable for direct sale to Jack Estill, Jewell Estill and Roger Vehrs, pursuant to sections 203 of the Federal Land Policy and Management Act of 1976 (90 Stat. 2750; 43 U.S.C. 1713):

Mt. Diablo Meridian, Nevada

T. 9 N., R. 36 E.,
Sec. 5, Lot 3.
Containing 40.00 acres.

SUPPLEMENTARY INFORMATION: The public land is located in the southeastern portion of Mineral County. The land is not required for any Federal purpose. The proposed sale is consistent with the Walker Resource Management Plan and would be in the public interest. The planning document and environmental assessment covering the proposed sale are available for review at the Bureau of Land Management, Carson City District Office, Carson City, Nevada. The land will not be offered for sale until at least 60 days after the date of this notice.

The proposed direct sale will be made at fair market value. Additionally, the purchaser will be required to submit a nonrefundable application fee of $50.00 in accordance with 43 CFR 2720 for conveyance of unreserved mineral interests in the land.

The patent when issued will be subject to the following terms, conditions and reservations:

1. A right-of-way for ditches and canals constructed by the authority of the United States.

2. Those rights for road purposes granted to the U.S. Government, its successors or assigns, by right-of-way reservation No. N 58290, pursuant to the Act of October 21, 1976, (43 U.S.C. 1761).

The above described land is hereby segregated from appropriation under the public land laws, including the mining laws, but not from sale under the above cited statute, for 270 days or until title transfer is completed or the segregation is terminated by publication in the **Federal Register**, whichever occurs first.

DATES: For a period of 45 days from the date of publication of this notice in the **Federal Register** (April 3, 1995), interested parties may submit comments.

ADDRESSES: Comments should be sent to the Walker Resource Area Manager, Bureau of Land Management, 1535 Hot Springs Road, Carson City, NV 89706–0638. Any adverse comments will be reviewed by the State Director who may sustain, vacate, or modify this proposed realty action:

FOR FURTHER INFORMATION CONTACT: Charles J. Kihm, Walker Area Realty Specialist, Bureau of Land Management, 1535 Hot Springs Road, Carson City, NV 89706–0638; (702) 885–6000.

Dated: February 6, 1995.

John Matthiessen,

Walker Resource Area Manager.

[FR Doc. 95–3903 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–HC–M

[CO–930–1430–01; COC–57605]

Proposed Withdrawal; Colorado; Correction

AGENCY: Bureau of Land Management, Interior.

ACTION: Notice.

SUMMARY: This order will correct an error in the land description in the original order.

DATE: February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Doris E. Chelius, 303–239–3706, BLM Colorado, 2850 Youngfield Street, Lakewood, Colorado 80215–7076.

In the Notice published in 59 FR 60826–60827, November 28, 1994 on page 60827, first column, line 2 which reads ''T. 40 N., R. 22 W.,'' is hereby corrected to read ''T. 40 N., R. 11 W.,''.

Jenny L. Saunders,

Acting Chief, Branch of Realty Actions.

[FR Doc. 95–3890 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–JB–M

UNITED STATES INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–349]

Commission Decision To Extend by Ten Days the Deadline for Determining Whether To Review an Initial Determination

AGENCY: International Trade Commission.

ACTION: Notice.

In the Matter of: Certain Diltiazem Hydrochloride and Diltiazem Preparations.

SUMMARY: Notice is hereby given that the Commission has extended by ten days, *i.e.*, from March 20, 1995, to March 30, 1995, the deadline by which it must determine whether to review the presiding administrative law judge's final initial determination (ID) in the above-captioned investigation.

FOR FURTHER INFORMATION CONTACT: Cynthia P. Johnson, Esq., Office of the General Counsel, U.S. International Trade Commission, 500 E Street, SW., Washington, DC 20436, telephone 202–205–3098.

SUPPLEMENTARY INFORMATION: On February 2, 1994, the presiding administrative law judge (ALJ) issued his final ID in this investigation. The ALJ determined that no violation of section 337 of the Tariff Act of 1930, as amended, has occurred in the importation or sale of certain diltiazem hydrochloride and diltiazem preparations by reason of infringement of claim 1 of U.S. Letters Patent 4,438,035. Under Commission interim rule 210.53(h), the ID would have become the determination of the Commission on March 20, 1995, unless review was ordered or the review deadline extended.

On February 6, 1995, complainants Tanabe Seiyaku Co., Ltd. and Marion Merrell Dow, Inc. filed a letter requesting a six-day extension of time—from February 15, 1995, until February 21, 1995—to file a petition for review of the ID. On February 7, respondents Mylan Pharmaceuticals, Inc., Mylan Laboratories, Inc., and Profarmaco Nobel LRL submitted a letter taking no position on complainants' request for an extension of time, but requesting, in the event the Commission grants complainants' request, a six-day extension of time—from February 28, 1995 to March 6, 1995—to file their response to complainants' petition for review. A similar request was made on February 8, 1995, by the Fermion respondents.

This action is taken under the authority of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337) and Commission interim rule 210.53(h) (19 CFR 210.53(h)).

Copies of the nonconfidential version of the ID and all other nonconfidential documents filed in connection with this investigation are or will be available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone 202–205–2000. Hearing-impaired persons are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202–205–1810.

Issued: February 10, 1995.

By order of the Commission.

Donna R. Koehnke,

Secretary.

[FR Doc. 95–3819 Filed 2–15–95; 8:45 am]

BILLING CODE 7020–02–P

INTERNATIONAL TRADE COMMISSION

[Investigation No. 337–TA–366]

Notice of Commission Determination To Take No Action Concerning the Presiding Administrative Law Judge's Withdrawal of an Initial Determination Designating the Investigation ''More Complicated''

AGENCY: International Trade Commission.

ACTION: Notice.

In the matter of Certain Microsphere Adhesives, Process for Making Same, and Products Containing Same, Including Self-Stick Repositionable Notes.

SUMMARY: Notice is hereby given that the U.S. International Trade Commission has determined to take no action concerning a decision (Order No. 28) by the presiding administrative law judge (ALJ) in the above-captioned investigation which withdraws an earlier initial determination (ID) designating the investigation ''more complicated.'' Order No. 28 states that the investigation may be designated ''more complicated'' at a later date if it appears that the current March 8, 1995, deadline for issuance of the ALJ's final ID cannot be met.

ADDRESSES: Copies of Order No. 28 and all other non-confidential documents filed in connection with this investigation are available for inspection during official business hours (8:45 a.m. to 5:15 p.m.) in the Office of the Secretary, U.S. International Trade Commission, 500 E Street SW., Washington, DC 20436, telephone (202) 205–2000.

FOR FURTHER INFORMATION CONTACT: Jean Jackson, Esq., Office of the General Counsel, U.S. International Trade Commission, telephone 202–205–3104. Hearing-impaired individuals are advised that information on this matter can be obtained by contacting the Commission's TDD terminal on 202–205–1810.

SUPPLEMENTARY INFORMATION: On January 10, 1995, the ALJ issued an ID (Order No. 26) which designated the investigation ''more complicated.'' The ID stated that the investigation's current schedule did not afford adequate time for the ALJ to read post-hearing briefs and write the final ID on violation. At the time that Order No. 26 was issued, the ALJ contemplated a supplemental evidentiary hearing on January 23, 1995. That hearing was scheduled at the request of complainant Minnesota Mining and Manufacturing Co. (3M) and was to focus on whether respondent Print-Inform GmbH & Co. infringed 3M's patent in issue. The ID also based its ''more complicated'' designation on the complex nature of the chemical processes at issue in the investigation.

On January 17, 1995, complainant 3M moved for reconsideration and reversal of Order No. 26, stating that it no longer wished a supplemental hearing. 3M urged that the investigation not be designated ''more complicated'' because of the short length of time remaining in the term of its patent at issue. 3M's motion was unopposed by any party and was supported by the Commission investigative attorney. On January 20, 1995, the ALJ issued Order No. 28 which grants 3M's motion to the extent that it withdraws the ''more complicated'' designation. However, Order No. 28 states that the ALJ may designate the investigation ''more complicated'' at a later date if she encounters difficulty in completing the final ID by the current March 8, 1995, deadline.

This action is taken under the authority of section 337 of the Tariff Act of 1930 (19 U.S.C. 1337).

Issued: February 10, 1995.

By order of the Commission.

Donna R. Koehnke,

Secretary.

[FR Doc. 95–3817 Filed 2–15–95; 8:45 am]

BILLING CODE 7020–02–P

INTERSTATE COMMERCE COMMISSION

[Ex Parte No. 388 (Sub-No. 16)]

Intrastate Rail Rate Authority—Mississippi

AGENCY: Interstate Commerce Commission.

ACTION: Notice of provisional recertification.

SUMMARY: The State of Mississippi has filed an application for recertification. The Commission, under State Intrastate Rail Rate Authority, 5 I.C.C.2d 680, 685 (1989), provisionally recertifies the State of Mississippi to regulate intra-state rail rates, classifications, rules, and practices. After its review, the Commission will issue a recertification decision or take other appropriate action.

DATES: This provisional recertification will be effective on February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Elaine Sehrt-Green (202) 927–5269 or Beryl Gordon (202) 927–5610 [TDD for hearing impaired: (202) 927–5721].

Decided: February 10, 1995.

By the Commission, David M. Konschnik, Director, Office of Proceedings.

Vernon A. Williams,

Secretary.

[FR Doc. 95–3946 Filed 2–15–95; 8:45 am]

BILLING CODE 7035–01–P

DEPARTMENT OF JUSTICE

Notice of Lodging of Consent Decrees Pursuant to the Clean Air Act

Consistent with Departmental policy, 28 CFR § 50.07, notice is hereby given that two proposed consent decrees in *United States* v. *Consolidation Edison Co. and John's Insulation, Inc.*, Civil Action No. 94 Civ. 1538 (LAP), were lodged on January 24, 1995 with the United States District Court for the Southern District of New York. Defendant Consolidation Edison is the owner of the Waterside Generating Station in New York, New York and contracted with John's Insulation, Inc. to remove Asbestos containing material from that station. The asbestos containing material was removed, stored, and disposed of in violation of the National Emission Standard for Hazardous Air Pollutants for asbestos.

Under the terms of the proposed decree, Consolidation Edison will pay the United States the sum of $100,000 within 14 days of the entry of the decree between the United States and Consolidation Edison and John's Insulation will pay the United States the sum of $42,500 in installments as follows: $15,000 within 7 days of the entry of the decree between the United States and John's Insulation, $12,500 within 97 days of entry, and $12,500 within 187 days of entry. John's Insulation Inc. will also pay interest on the amount then due at the time of the second and third installment payments.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decrees. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *United States* v. *Consolidation Edison Co. and John's Insulation Inc.,* D.J. reference #90–5–2–1–1136A.

The proposed consent decrees may be examined at the Office of the United States Attorney for the Southern District of New York, 100 Church Street, 19th Floor, New York, New York; the Region II Office of the Environmental Protection Agency, 26 Federal Plaza, New York, New York; and at the Consent Decree Library, 1120 G Street NW., 4th Floor, Washington, DC 20005, (202) 624–0892. A copy of the two proposed consent decrees may be obtained in person or by mail from the Consent Decree Library 1120 G Street NW. 4th Floor, Washington, DC. In requesting a copy, please enclose a check in the amount of $6.00 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Bruce Gelber,

Acting Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 95–3913 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Notice of Lodging of Consent Decree Under the Clear Air Act

Notice is hereby given that a proposed Consent Decree in *National Wildlife Federation, et al.,* v. *Copper Range Company* (W.D. Mich.), Case No. 2:92–CV–186, entered into by plaintiffs National Wildlife Federation, Michigan United Conservation Clubs, United States of America, State of Michigan, and State of Wisconsin and defendant Copper Range Company was lodged on January 31, 1995 with the United States District Court for the Western District of Michigan. The proposed Consent Decree resolves certain claims of the plaintiffs against the defendant under the Clear Air Act, 42 U.S.C. 7401 *et seq.*, section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. 9603, sections 304 and 313 of the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. 11004, 11023, and certain other state statutes relating to defendant's smelting operation located on Highway 64 in White Pine, Ontonagon County, Michigan. Under the proposed Consent Decree, Copper Range has agreed that if it is to continue operating its smelter in the future, it will implement extensive injunctive relief to bring it into compliance with the Clean Air Act, including the construction of a new smelter. The proposed Consent Decree also requires Copper Range to pay a total of $4.8 million in civil penalties and third party supplemental environmental projects as follows: $1.6 million to the United States; $3.0 million to the Michigan/Wisconsin Lake Superior Basin Trust Fund established pursuant to the Consent Decree; and $200,000 to the State of Michigan.

The Department of Justice will receive comments relating to the proposed Consent Decree for 30 days following the publication of this Notice. Comments should be addressed to the Assistant Attorney General of the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *National Wildlife Federation, et al.,* v. *Copper Range Company*, D.J. Ref. No. 90–5–2–1–1852. The proposed Consent Decree may be examined at the Office of the United States Attorney for the Western District of Michigan, 399 Federal Building, 110 Michigan St. NW, Grand Rapids, Michigan 49503; the Region V Office of the United States Environmental Protection Agency, 77 West Jackson Street, Chicago, Illinois 60604; and at the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005 (202–624–0892). A copy of the proposed Consent Decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street, NW., 4th Floor, Washington, DC 20005. In requesting a copy of the Consent Decree with exhibits, please enclose a check in the amount of $43.75 (25 cents per page for reproduction costs), payable to the Consent Decree Library. In requesting a copy of the Consent Decree without exhibits, please enclosed a check in the amount of $19.00 (25 cents per page for reproduction costs), payable to the Consent Decree Library.

Bruce S. Gelber,

Acting Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 95–3908 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Notice of Lodging of Consent Decree Pursuant to the Comprehensive, Environmental Response, Compensation, and Liability Act (''CERCLA'')

In accordance with Departmental policy, 28 C.F.R. 50.7, notice is hereby given that a proposed consent decree in *United States* v. *Henkel Corp. (N. D. Ga)*, Civil Action No. 4:95CV0024RLV was lodged on January 26, 1995, with the United States District Court for the Northern District of Georgia. The consent settles an action brought under Sections 106 and 107 of the Comprehensive Environmental Response, Compensation and Liability Act (''CERCLA''), 42 U.S.C. 9606 and

9607(a), for implementation of remedial action and recovery of response costs incurred and to be incurred by the United States at the Diamond Shamrock superfund site, located near the town of Cedartown, in Polk County, Georgia. Under the consent decree, Henkel Corporation will reimburse the United States for its past and future response costs incurred in connection with the site, and implement the remedy for the site selected in EPA's Record of Decision (ROD). The remedy selected in the ROD includes deed restrictions or restrictive covenants for groundwater usage and drilling, site access restrictions, and groundwater and surface water monitoring to insure that natural attenuation will be effective to prevent migration of contaminants.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decree. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, D.C. 20530, and should refer to *United States* v. *Henkel Corp. (N.D. Ga)*, DOJ Ref. #90–11–2–999.

The proposed consent decree may be examined at the Office of the United States Attorney, Room 1800 Richard Russell Bldg, 75 Spring Street, Atlanta, Georgia 30335; the Region IV Office of the Environmental Protection Agency, 345 Courtland Street, N.E. Atlanta, Georgia 30365; and at the Consent Decree Library, 1120 G Street NW., 4th Floor, Washington, D.C. 20005, (202) 624–0892. A copy of the proposed consent decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street NW., 4th Floor, Washington, D.C. 20005. In requesting a copy, please refer to the referenced case and enclose a check in the amount of 418.25 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Bruce Gelber,

Acting Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 95–3912 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Notice of Lodging of Consent Decree Pursuant to the Comprehensive Environmental Response, Compensation and Liability Act

In accordance with Departmental policy, 28 CFR 50.7, and Section 122(d)(2) of the Comprehensive Environmental Response, Compensation and Liability Act (''CERCLA''), 42 U.S.C. 9622(d)(2); notice is hereby given that a proposed consent decree in *United States* v. *Nick Lipari*, Civil Action No. 1:95cv00507, was lodged on January 30, 1995, with the United States District Court for the District of New Jersey, Camden Vicinage. The proposed decree resolves the United States' claims under CERCLA against defendant Nick Lipari with respect to the Lipari Landfill Superfund Site, in Mantua Township, New Jersey. Nick Lipari is the alleged owner and operator of the Site, to which hazardous substances were sent for disposal. Under the terms of the proposed decree, Nick Lipari will pay to the United States and the State of New Jersey $1,350,000, plus interest.

The Department of Justice will receive, for a period of thirty (30) days from the date of this publication, comments relating to the proposed consent decree. Comments should be addressed to the Assistant Attorney General for the Environment and Natural Resources Division, Department of Justice, Washington, DC 20530, and should refer to *United States* v. *Nick Lipari*, DOJ Ref. #90–11–3–86A.

The proposed consent decree may be examined at the office of the United States Attorney, 402 East State Street, Trenton, New Jersey; the Region II Office of the Environmental Protection Agency, 26 Federal Plaza, New York, New York; and at the Consent Decree Library, 1120 G Street NW., 4th Floor, Washington, DC 20005, (202) 624–0892. A copy of the proposed consent decree may be obtained in person or by mail from the Consent Decree Library, 1120 G Street NW., 4th Floor, Washington, DC 20005. In requesting a copy please refer to the referenced case and enclose a check in the amount of $9.75 (25 cents per page reproduction costs), payable to the Consent Decree Library.

Bruce Gelber,

Acting Section Chief, Environmental Enforcement Section, Environment and Natural Resources Division.

[FR Doc. 95–3888 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Antitrust Division

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Bethlehem Steel Corporation and U.S. Steel Group, a Unit of USX Corporation

Notice is hereby given that, on November 8, 1994, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Bethlehem Steel Corporation and U.S. Steel Group, a unit of USX Corporation, filed notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to Section 6(b) of the Act, the identities of the parties are Bethlehem Steel Corporation, Bethlehem, PA; and U.S. Steel Group, a unit of USX Corporation, Pittsburgh, PA. The general areas of planned activity are research and development activities in the field of basic iron and steelmaking technologies and processes, such as primary iron and steel process development, finishing steel process development, and steel process instrumentation development.

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 95–3909 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Collaboration Agreement Between Intermagnetics General Corporation and E.I. Du Pont and De Nemours and Company Through Its Superconductivity Group

Notice is hereby given that, on September 15, 1994, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Intermagnetics General Corporation has filed written notifications of the formation of a collaboration on behalf of Intermagnetics General Corporation and E.I. du Pont and de Nemours and Company through its Superconductivity Group simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties and (2) the nature and objectives of the collaboration. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to Section 6(b) of the Act, the identities of the parties are Intermagnetics General Corporation, Latham, NY; and E.I. du Pont and de Nemours and Company through its Superconductivity Group, Wilmington, DE. The general area of planned activity is to extend the high performance operation of magnetic resonance (MR) system to new extremes of the field strength spectrum through the potential exploitation of high temperature

superconducting (HTS) technology in connection with an award by the Department of Commerce, National Institute of Standards & Technology under the Advanced Technology Program pursuant to 15 U.S.C. 278n.

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 95–3910 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Notice Pursuant to the National Cooperative Research and production Act of 1993—National Center For Manufacturing Sciences, Inc.

Notice is hereby given that, on November 14, 1994, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), the National Center for Manufacturing Sciences, Inc. (''NCMS'') has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, the following companies were recently accepted as active members of NCMS: Arrindell Associates, Orange, CA; Cost Technology, Inc., Beaverton, OR; Fast Heat, Inc., Elmhurst IL; Ingersol-Rand Company, Woodcliff Lake, NJ; Lapeer Industries, Inc., Lapeer, MI; S.E. Huffman Corporation, Clover, SC; Storage Technology Corporation, Louisville, CO; The MacNeal-Schwendler Corporation, Los Angeles, CA; and Northern Telecom, Ltd., Mississauga, Ontario, Canada. In addition, the following companies were recently accepted as affiliate members of NCMS: American Supplier Institute, Inc., Allen Park, MI; Great Lakes Composites Consortium, Inc., Kenosha, WI; and Midwest Manufacturing Technology Corporation, St. Louis, MO. The following company has recently resigned from active membership in NCMS: Spectrix Corporation, Evanston, IL.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and NCMS intends to file additional written notification disclosing all changes in membership.

On February 20, 1987, NCMS filed its original notification pursuant to Section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to Section 6(b) of the Act on March 17, 1987 (52 FR 8375).

The last notification was filed with the Department on August 5, 1994. A notice was published in the **Federal Register** pursuant to Section 6(b) of the Act on September 26, 1994 (59 FR 49084).

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 95–3915 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Network Management Forum

Notice is hereby given that, on October 19, 1994, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. § 4301 *et seq.* (''the Act''), the Network Management Forum (''the Forum'') has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing additions to its membership. The additional notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, the identities of the new members to the venture are as follows: Premisys Communications Inc., Fremont, CA is a Corporate Member. B. H. A. Computer Pty., Ltd., Queensland, Australia; DSET Corporation, Bridgewater, NJ; IEX Corporation, Richardson, TX; Japan Telecom Co., Ltd., Tokyo, Japan; Microsoft Europe, Paris, France; Netmansys, Meylan, France; and Retix, Santa Monica, CA are Associate Members. Cap Volmac Telecom & Services, Utrecht, The Netherlands is an Affiliate Member.

No other changes have been made, since the last notification filed with the Department, in either the membership or planned activity of the group research project. Membership in this group research project remains open, and the Forum intends to file additional written notifications disclosing all changes in membership.

On October 21, 1988, the Forum filed its original notification pursuant to Section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to Section 6(b) of the Act on December 8, 1988 (53 FR 49615).

The last notification was filed with the Department on August 12, 1994. A notice was published in the **Federal Register** pursuant to Section 6(b) of the Act on September 30, 1994 (59 FR 49999).

Constance K. Robinson,

Director of Operations Antitrust Division.

[FR Doc. 95–3911 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Open Software Foundation, Inc.

Notice is hereby given that, on November 7, 1994, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Open Software Foundation, Inc. has filed written notifications simultaneously with the Attorney General and the Federal Trade Commission disclosing changes in its membership. The notifications were filed for the purpose of extending the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Specifically, the identities of the new, non-voting members of OSF are as follows: E.I. DuPont De Nemours & Co., Inc., Wilmington, DE; J.P. Morgan & Company, Inc., New York, NY; Knowledgeware, Inc., Atlanta, GA; Nihon Unisys, Inc., Tokyo, Japan; U.S. West Communications, Englewood, CO; Unibank A/S–Unidata, Tastrup, Denmark; and University of Pennsylvania, Philadelphia, PA.

No other changes have been made in either the membership or planned activity of the group research project. Membership in this group research project remains open, and OSF intends to file additional written notifications disclosing all changes in membership.

On May 11, 1994, OSF filed its original notification pursuant to Section 6(a) of the Act. The Department of Justice published a notice in the **Federal Register** pursuant to Section 6(b) of the Act on August 31, 1994 (59 FR 45009).

The last notification was filed with the Department on July 20, 1994. A **Federal Register** notice pursuant to Section 6(b) of the Act has not yet been published.

Constance K. Robinson,

Director of Operations Antitrust Division.

[FR Doc. 95–3916 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Notice Pursuant to the National Cooperative Research and Production Act of 1993—Collaboration Agreement Between Uniphase Corporation and the Perkin Elmer Corporation

Notice is hereby given that, on November 15, 1994, pursuant to Section 6(a) of the National Cooperative Research and Production Act of 1993, 15 U.S.C. 4301 *et seq.* (''the Act''), Uniphase Corporation has filed written notifications of the formation of a collaboration on behalf of Uniphase Corporation and the Perkin Elmer Corporation simultaneously with the Attorney General and the Federal Trade Commission disclosing (1) the identities of the parties and (2) the nature and objectives of the venture. The notifications were filed for the purpose of invoking the Act's provisions limiting the recovery of antitrust plaintiffs to actual damages under specified circumstances. Pursuant to Section 6(b) of the Act, the identities of the parties are Uniphase Corporation, San Jose, CA; and the Perkin Elmer Corporation, Foster City, CA. The general area of planned activity is the development of blue laser for DNA diagnostics.

Constance K. Robinson,

Director of Operations, Antitrust Division.

[FR Doc. 95–3914 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–01–M

Drug Enforcement Administration

Manufacturer of Controlled Substances; Notice of Registration

By Notice dated March 18, 1994, and published in the **Federal Register** on March 28, 1994, (59 FR 14426), and by Notice dated May 6, 1994, and published in the **Federal Register** on May 13, 1994, (59 FR 25126), Mallinckrodt, Specialty Chemical Company, Mallinckrodt & Second Streets, St. Louis, Missouri 63147, made application to the Drug Enforcement Administration (DEA) to be registered as a bulk manufacturer of the basic classes of controlled substances listed below:

Drug	Schedule
Tetrahydrocannabinols (7370)	I
Methylphenidate (1724)	II
Cocaine (9041)	II
Codeine (9050)	II
Diprenorphine (9058)	II
Etorphine Hydrochloride (9050)	II
Dihydrocodeine (9120)	II
Ocycodone (9143)	II
Hydromorphone (9150)	II
Diphenoxylate (9170)	II
Diphenoxylate (9170)	II
Benzoylecogonine (9180)	II
Hydrocodone (9193)	II
Levorphanol (9220)	II
Meperidine (9230)	II
Methadone (9250)	II
Methadone-intermediate (9254)	II
Dextropropoxyphene, bulk (non-dosage forms) (9273).	II
Morphine (9300)	II
Thebaine (9333)	II
Opium extracts (9610)	II
Opium fluid extract (9620)	II
Opium tincture (9630)	II
Opium powdered (9639)	II
Opium granulated (9640)	II
Oxymorphone (9652)	II
Alfentanil (9737)	II
Sufentanil (9740)	II
Fentanyl (9801)	II

A registered manufacturer did file a written request for a hearing with respect to Methylphenidate. Therefore, pursuant to Section 303 of the Comprehensive Drug Abuse Prevention and Control Act of 1970 and Title 21, code of Federal Regulations, Section 1301.54(e), Deputy Assistant Administrator, Office of Diversion Control, hereby orders that the application submitted by the above firm for registration as a bulk manufacturer of the basic classes of controlled substances listed above is granted with the exception of Methylphenidate.

Dated: February 6, 1995.

Gene R. Haislip,

Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration.

[FR Doc. 95–3818 Filed 2–15–95; 8:45 am]

BILLING CODE 4410–09–M

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

Notice of Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92–463), as amended, notice is hereby given that a meeting of the Design Advisory Panel (Grants for Organizations Section) to the National Council on the Arts will be held on March 7–10, 1995. The panel will meet from 8:30 a.m. to 6:30 p.m. on March 7; from 8:30 a.m. to 7:30 p.m. on March 8; from 8:30 a.m. to 7:00 p.m. on March 9; and from 8:30 a.m. to 4:30 p.m. on March 10 in Room M–07, at the Nancy Hanks Center, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506.

A portion of this meeting will be open to the public on March 10, from 2:30 p.m. to 4:30 p.m. for a policy discussion.

Remaining portions of this meeting from 8:30 a.m. to 6:30 p.m. on March 7; from 8:30 a.m. to 7:30 p.m. on March 8; from 8:30 a.m. to 7:00 p.m. on March 9; and from 8:30 a.m. to 2:30 p.m. on March 10 are for the purpose of panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman of February 8, 1994, these sessions will be closed to the public pursuant to subsection (c) (4), (6) and (9)(B) of section 552b of Title 5, United States Code.

Any person may observe meetings, or portions thereof, of advisory panels which are open to the public, and may be permitted to participate in the panel's discussions at the discretion of the Panel chairman and with the approval of the full-time Federal employee in attendance.

If you need special accommodations due to a disability, please contact the Office of Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, N.W., Washington, D.C., 20506, 202/682–5532, TYY 202/682–5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Committee Management Officer, National Endowment for the Arts, Washington, D.C., 20506, or call 202/682–5433.

Dated: February 13, 1995.

Yvonne M. Sabine,

Director, Office of Council and Panel Operations, National Endowment for the Arts.

[FR Doc. 95–3938 Filed 2–15–95; 8:45 am]

BILLING CODE 7537–01–M

Notice of Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92–463), as amended, notice is hereby given that a meeting of the Folk and Traditional Arts Advisory Panel (National Heritage Fellowship Section) to the National Council on the Arts will be held on March 8–10, 1995. The panel will meet from 9:00 a.m. to 10:00 p.m. on March 8; from 9:00 a.m. to 6:30 p.m. on March 9; and from 9:00 a.m. to 4:00 p.m. on March 10 in Room 716, at the Nancy Hanks Center, 1100 Pennsylvania Avenue N.W., Washington, D.C. 20506.

This meeting is for the purpose of application evaluation, under the National Foundation on the Arts and

Humanities Act of 1965, as amended, including discussion of information given in confidence to the Agency by grant applicants. In accordance with the determination of the Chairman of February 8, 1994, this session will be closed to the public pursuant to subsections (c)(4), (6) and (9)(B) of section 552b of Title 5, United States Code.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Committee Management Officer, National Endowment for the Arts, Washington, D.C. 20506, or call 202/682–5433.

Dated: February 13, 1995.

Yvonne M. Sabine,

Director, Office of Council and Panel Operations, National Endowment for the Arts.

[FR Doc. 95–3942 Filed 2–15–95; 8:45 am]

BILLING CODE 7537–01–M

Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92–463), as amended, notice is hereby given that a meeting of the Visual Arts Advisory Panel (Artists' Communities Section) to the National Council on the Arts will be held on March 10, 1995. The panel will meet from 9 a.m. to 5:30 p.m. in Room 714, at the Nancy Hanks Center, 1100 Pennsylvania Avenue, NW., Washington, DC 20506.

A portion of this meeting will be open to the public from 4:30 p.m. to 5:30 p.m. for a policy discussion.

Remaining portion of this meeting from 9 a.m. to 4:30 p.m. is for the purpose of panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicant. In accordance with the determination of the Chairman of February 8, 1994, this session will be closed to the public pursuant to subsection (c)(4)(6) and (9)(B) of section 552b of Title 5, United States Code.

Any person may observe meetings, or portions thereof, of advisory panels which are open to the public, any may be permitted to participate in the panel's discussions at the discretion of the Panel chairman and with the approval of the full-time Federal employee in attendance.

If you need special accommodations due to disability, please contact the Office of Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, NW., Washington, DC 20506, 202/682–5532, TYY 202/682–5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Committee Management Officer, National Endowment for the Arts, Washington, DC 20506, or call 202/682–5433.

Dated: February 13, 1995.

Yvonne M. Sabine,

Director, Office of Council and Panel Operations, National Endowment for the Arts.

[FR Doc. 95–3940 Filed 2–15–95; 8:45 am]

BILLING CODE 7537–01–M

Notice of Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92–463), as amended, notice is hereby given that a meeting of the Expansion Arts Advisory Panel (Services to the Field Section) to the National Council on the Arts will be held on March 9, 1995. The panel will meet from 9:00 a.m. to 4:30 p.m. in Room 730, at the Nancy Hanks Center, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506.

Portions of this meeting will be open to the public from 9:00 a.m. to 9:45 a.m. for opening remarks and a general program overview and from 3:30 p.m. to 4:30 p.m. for a policy discussion.

The remaining portion of this meeting from 9:45 a.m. to 3:30 p.m. is for the purpose of panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman of February 8, 1994, this session will be closed to the public pursuant to subsection (c)(4), (6) and (9)(B) of section 552b of Title 5, United States Code.

Any person may observe meetings, or portions thereof, of advisory panels which are open to the public, and may be permitted to participate in the panel's discussions at the discretion of the Panel chairman and with the approval of the full-time Federal employee in attendance.

If you need special accommodations due to a disability, please contact the Office of Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, N.W., Washington, D.C., 20506, 202/682–5532, TTY 202/682–5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Committee Management Officer, National Endowment for the Arts, Washington, D.C., 20506, or call 202/682–5433.

Dated: February 13, 1995.

Yvonne M. Sabine,

Director, Office of Council and Panel Operations, National Endowment for the Arts.

[FR Doc. 95–3939 Filed 2–15–95; 8:45 am]

BILLING CODE 7537–01–M

Notice of Meeting

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Public Law 92–463), as amended, notice is hereby given that a meeting of the Theater Advisory Panel (Professional Theater Companies Panel A Section) to the National Council on the Arts will be held on March 13–17, 1995, The panel will meet from 9:30 a.m. to 9:00 p.m. on March 13; from 9:00 a.m. to 9:00 p.m. on March 14–16; and from 9:00 a.m. to 8:00 p.m. on March 17 in Room 730, at the Nancy Hanks Center, 1100 Pennsylvania Avenue, N.W., Washington, D.C. 20506.

Portions of this meeting will be open to the public on March 13 from 9:30 a.m. to 10:30 a.m. for opening remarks and a discussion of procedural issues and review criteria for the Professional Theater Companies category and from 5:00 p.m. to 8:00 p.m. on March 17 for a discussion of guidelines, policy, and procedural issues.

The remaining portions of this meeting from 10:30 a.m. to 9:00 p.m. on March 13; from 9:00 a.m. to 9:00 p.m. on March 14–16; and from 9:00 a.m. to 5:00 p.m. on March 17 are for the purpose of panel review, discussion, evaluation, and recommendation on applications for financial assistance under the National Foundation on the Arts and the Humanities Act of 1965, as amended, including information given in confidence to the agency by grant applicants. In accordance with the determination of the Chairman of February 8, 1994, these sessions will be closed to the public pursuant to subsection (c)(4), (6) and (9)(B) of Section 552b of Title 5, United States Code.

Any person may observe meetings, or portions thereof, of advisory panels which are open to the public, and may be permitted to participate in the panel's discussions at the discretion of the Panel chairman and with the approval of the full-time Federal employee in attendance.

If you need special accommodations due to a disability, please contact the

Office of Special Constituencies, National Endowment for the Arts, 1100 Pennsylvania Avenue, N.W., Washington, D.C., 20506, 202/682–5532, TTY 202/682–5496, at least seven (7) days prior to the meeting.

Further information with reference to this meeting can be obtained from Ms. Yvonne M. Sabine, Committee Management Officer, National Endowment for the Arts, Washington, D.C., 20506, or call 202/682–5433.

Dated: February 13, 1995.

Yvonne M. Sabine,

Director Office of Council and Panel Operations, National Endowment for the Arts.

[FR Doc. 95–3941 Filed 2–15–95; 8:45 am]

BILLING CODE 7537–01–M

NATIONAL SCIENCE FOUNDATION

Special Emphasis Panel in Civil and Mechanical Structures; Notice of Meeting

In accordance with the Federal Advisory Committee Act Pub. L. 92–463, as amended, the National Science Foundation announces the following meeting:

Name: Special Emphasis Panel in Civil and Mechanical Structures (1205).

Date and Time: March 6 and 7, 1995; 8:30 a.m. to 6:00 p.m.

Place: NSF, 4201 Wilson Boulevard, Room 530, Arlington, Virginia.

Type of Meeting: Closed.

Contact Person: Dr. Devendra P. Garg, Program Director, Dynamic Systems & Control Program, Division of Civil and Mechanical Structures, Room 545, NSF, 4201 Wilson Blvd., Arlington, VA 22230 703/306–1361, x 5068.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to NSF for financial support.

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 a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c) (4) and (6) of the Government Sunshine Act.

Date: February 13, 1995.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 95–3928 Filed 2–15–95; 8:45 am]

BILLING CODE 7555–01–M

Special Emphasis Panel in Civil and Mechanical Structures; Notice of Meeting

In accordance with the Federal Advisory Committee Act Pub. L. 92–463, as amended, the National Science Foundation announces the following meeting:

Name: Special Emphasis Panel in Civil and Mechanical Structures (1205)

Date & Time: March 7, 1995; 8:30 a.m. to 6:00 p.m.

Place: NSF, 4201 Wilson Boulevard, Room 580, Arlington, Virginia

Type of Meeting: Closed

Contact Person: Dr. Priscilla P. Nelson, Program Director, Geomechanical/Geotech & Geoenvironmental Systems, Division of Civil and Mechanical Structures, Room 545, NSF, 4201 Wilson Blvd., Arlington, VA 22230 703/306–1361, x 5079

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to NSF for financial support.

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 a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c)(4) and (6) of the Government Sunshine Act.

Dated: February 13, 1995.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 95–3932 Filed 2–15–95; 8:45 am]

BILLING CODE 7555–01–M

Special Emphasis Panel in Human Resource Development; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463, as amended), the National Science Foundation announces the following meeting.

Name: Special Emphasis Panel in Human Resources Development (#1199).

Date and Time: March 8, 1995: 7 p.m. to 9:30 p.m.; March 9,1995: 8 a.m. to 5 p.m.; March 10, 1995: 8 a.m. to 5 p.m.

Place: National Science Foundation, 4201 Wilson Boulevard, Rooms 370/380, Arlington, VA 22230.

Type of Meeting: Closed.

Contact person: Lola E. Rogers, Program Director, Human Resource Development Division, Room 815, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230 Telephone: (703) 306–1637.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to NSF for financial support.

Agenda: To review and evaluate Model Projects for Women and Girls proposals as part of the selection process for awards.

Reason for Closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c), (4) and (6) of the Government in the Sunshine Act.

Dated: February 13, 1995.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 95–3927 Filed 2–15–95; 8:45 am]

BILLING CODE 7555–01–M

Special Emphasis Panel in Human Resource Development; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463, as amended), the National Science Foundation announces the following meeting.

Name and Committee Code: Special Emphasis Panel in Human Resource Development (#1199).

Date and Time: March 9–10, 1995—8:30 a.m.–5 p.m.

Place: National Science Foundation, 4201 Wilson Blvd., Room 390, Arlington, VA 22230.

Type of Meeting: Closed.

Contact Person: William McHenry, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230. Telephone: (703) 306–1632.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to NSF for financial support.

Agenda: To review and evaluate Research Careers for Minority Scholars proposals as part of the selection process for awards.

Reason for Closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c), (4) and (6) of the Government in the Sunshine Act.

Dated: February 13, 1995.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 95–3933 Filed 2–15–95; 8:45 am]

BILLING CODE 7555–01–M

Special Emphasis Panel in Information, Robotics and Intelligent Systems; Notice of Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463, as amended), the National Science Foundation announces the following meeting.

Name: Special Emphasis Panel in Information, Robotics and Intelligent Systems (1200).

Date and Time: March 9–10, 1985, 8:30 a.m. to 5:00 p.m.

Place: Doubletree Hotel, 300 Army Navy Drive, Arlington, VA 22202.

Type of Meeting: Closed.

Contact Person: Dr. Howard Moraff, Acting Deputy Division Director, Robotics and Intelligence, Room 1115, National Science Foundation, 4201 Wilson Blvd., Arlington, VA 22230. Telephone: (703) 306–1928.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to NSF for financial support.

Agenda: To review and evaluate Interactive Systems Program Proposals as part of the selection process for awards.

Reason for Closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c), (4) and (6) of the Government in the Sunshine Act.

Dated: February 13, 1995.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 95–3934 Filed 2–15–95; 8:45 am]

BILLING CODE 7555–01–M

Special Emphasis Panel in Materials Research; Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463 as amended), the National Science Foundation Announces the following meeting:

Name: Special Emphasis Panel in Materials Research.

Date and Time: March 10, 1995, 8:30 a.m.—5 p.m.

Place: National Science Foundation, 4201 Wilson Boulevard, Room 1060, Arlington, VA 22230.

Type of Meeting: Closed.

Contact Person: Dr. Norbert M. Bikales, Program Director, Polymers; Dr. David L. Nelson, Program Director, Solid State Chemistry, Division of Materials Research, Room 1065. National Science Foundation, Arlington, VA 22230. Telephone (703) 306–1839.

Purpose of Meeting: To provide advice and recommendations concerning support for DMR 1995 Faculty Early Career Development (CAREER) Program proposals.

Agenda: Evaluation of proposals.

Reason for Closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information, financial Data such as salaries, and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b.(c) (4) and (6) of the Government in Sunshine Act.

Dated: February 13, 1995.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 95–3929 Filed 2–15–95; 8:45 am]

BILLING CODE 7555–01–M

Special Emphasis Panel in Mathematical Sciences; Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463, as amended), the National Science Foundation announces the following meeting.

Name: Special Emphasis Panel in Mathematical Sciences (1204).

Date and Time: March 6–7, 1995; 8:30 a.m. til 5 p.m.

Place: National Science Foundation, 4201 Wilson Boulevard, Rm 1020, Arlington, VA 22230.

Type of Meeting: Closed.

Contact Person: Dr. Joe Jenkins, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230 Telephone: (703) 306–1870.

Purpose of Meeting: To provide advice and recommendations concerning proposals submitted to National Science Foundation for financial support.

Agenda: To review and evaluate proposals concerning Lie Groups and their representation as part of the selection process for awards.

Reason for Closing: The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c), (4) and (6) of the Government in the Sunshine Act.

Dated: February 13, 1995.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 95–3931 Filed 2–15–95; 8:45 am]

BILLING CODE 7555–01–M

Advisory Panel for Presidential Faculty Fellows; Meeting

In accordance with the Federal Advisory Committee Act (Pub. L. 92–463, as amended), the National Science Foundation announces the following meeting.

Name: Advisory Panel for Presidential Faculty Fellows (#139).

Date and Time: March 7–8, 1995; 8:30 a.m. to 5 p.m. both days.

Place: Room 375, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230.

Type of Meeting: Closed.

Contact Person: Dr. Margaret A. Cavanaugh, Program Director, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230, Telephone: (703) 306–1842.

Purpose of Meeting: To provbide advice and recommendations concerning nominations submitted to NSF for financial support.

Agenda: To review and evaluate nominations for the Presidential Faculty Fellows Program.

Reason for Closing: The nominations being reviewed include information of a proprietary or confidential nature, including technical information; and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552 b(c) (4) and (6) of the Government in the Sunshine Act.

Dated: February 13, 1995.

M. Rebecca Winkler,

Committee Management Officer.

[FR Doc. 95–3930 Filed 2–15–95; 8:45 am]

BILLING CODE 7555–01–M

NUCLEAR REGULATORY COMMISSION

[Docket No. 50–219]

GPU Nuclear Corporation; Oyster Creek Nuclear Generating Station Environmental Assessment and Finding of No Significant Impact

The U.S. Nuclear Regulatory Commission (the Commission) is considering issuance of an amendment to Facility Operating License No. DPR–16, issued to GPU Nuclear Corporation, (the licensee), for operation of the Oyster Creek Nuclear Generating Station, located in Ocean County, New Jersey.

Environmental Assessment

Identification of the Proposed Action

The proposed action would change the setpoints of Technical Specification 2.3.D, ''Reactor High Pressure, Relief Valve Initiation'' by increasing the setpoint value by 15 psig for each of the Electromatic Relief Valve (EMRVs) in the Automatic Depressurization System.

The proposed action is in accordance with the licensee's application for amendment dated June 15, 1994, as supplemented by letter dated September 23, 1994, and November 3, 1994.

The Need for the Proposed Action

The proposed action is needed because the ''Bourden tube'' type pressure switches currently in use at Oyster Creek experience drift, which results in exceeding the existing ''as found'' setpoint. Increasing the specified setpoints by 15 psig will provide for expanding the ''as found'' tolerance bands. Increasing these tolerance bands serves to ensure that the setpoints will remain within the Technical Specification requirements

over a nominal 24 month operating cycle.

Environmental Impacts of the Proposed Action

The Commission has completed its evaluation of the proposed action and concludes that the licensee has provided information supporting the use of a 1.04 multiplier. This multiplier is applied to pool dynamic loads previously calculated for the plant unique analysis report (PUAR), to account for the EMRV setpoint increase and to account for errors in calculations of the PUAR loads due to use of an incorrect EMRV flow rating. The staff has reviewed the licensee's basis for use of the multiplier and finds it acceptable. The staff also finds that the structural analysis of the affected plant components was adequately conservative to demonstrate acceptability of the EMRV setpoint change.

The proposed amendment involves a minor change in the operation of the facility. The change will not increase the probability or consequences of accidents, no changes are being made in the types of any effluents that may be released offsite, and there is no significant increase in the allowable individual or cumulative occupational radiation exposure. Accordingly, the Commission concludes that there are no significant radiological environmental impacts associated with the proposed action.

With regard to potential nonradiological impacts, the proposed action does involve features located entirely within the restricted area as defined in 10 CFR Part 20. It does not affect nonradiological plant effluents and has no other environmental impact. Accordingly, the Commission concludes that there are no significant nonradiological environmental impacts associated with the proposed action.

Alternatives to the Proposed Action

Since the Commission has concluded there is no measurable environmental impact associated with the proposed action, any alternatives with equal or greater environmental impact need not be evaluated. As an alternative to the proposed action, the staff considered denial of the proposed action. Denial of the application would result in no change in current environmental impacts. The environmental impacts of the proposed action and the alternative action are similar.

Alternative Use of Resources

This action does not involve the use of any resources not previously considered in the Final Environmental Statement for the Oyster Creek Nuclear Generating Station.

Agencies and Persons Consulted

In accordance with its stated policy, the staff consulted with the New Jersey State official regarding the environmental impact of the proposed action. The State official had no comments.

Finding of No Significant Impact

Based upon the environmental assessment, the Commission concludes that the proposed action will not have a significant effect on the quality of the human environment. Accordingly, the Commission has determined not to prepare an environmental impact statement for the proposed action.

For further details with respect to the proposed action, see the licensee's letter dated June 15, 1994, as supplemented by letters dated September 23, and November 3, 1994, which are available for public inspection at the Commission's Public Document Room, The Gelman Building, 2120 L Street, NW., Washington, DC, and at the local public document room located at the Ocean County Library, 101 Washington Street, Tows River, NJ 08753.

Dated at Rockville, Maryland, this 8th day of February 1995.

For the Nuclear Regulatory Commission.

Phillip F. McKee,

Director, Project Directorate I–4, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 95–3876 Filed 2–15–95; 8:45 am]

BILLING CODE 7590–01–M

[Docket No. 50–325]

Carolina Power & Light Co.; Facility Operating License

Exemption

In the Matter of Carolina Power & Light Co.; (Brunswick Steam Electric Plant, Unit 1).

I

The Carolina Power & Light Company (the licensee), is the holder of Facility Operating License Nos. DPR–71 and DPR–62 which authorizes operation of the Brunswick Steam Electric Plant (BSEP or the facility), Units 1 and 2, respectively, at steady state power levels not in excess of 2436 megawatts thermal. The facility consists of two boiling water reactors located at the licensee's site in Brunswick County, North Carolina. The license provides, among other things, that BSEP is subject to all rules, regulations and Orders of the Nuclear Regulatory Commission (the Commission) now and hereafter in effect.

II

Section III.D.1.(a) of appendix J to 10 CFR part 50 requires the performance of three Type A containment integrated leakage rate tests at approximately equal intervals during each 10-year service period of the primary containment. The third test of each set shall be conducted when the plant is shutdown for the 10-year inservice inspection of the primary containment.

III

By letter dated November 22, 1994, CP&L requested a one-time exemption from the requirement to perform a set of three Type A tests at approximately equal intervals during each 10-year service period of the primary containment for the Brunswick Steam Electric Plant, Unit 1 (BSEP–1). the requested exemption would permit a one-time extension of the second 10-year service period by approximately 18 months (from the April 1995 refueling outage to the September 1996 refueling outage). The requested temporary relief would permit the third test of the second 10-year service period to correspond with the end of the current American Society of Mechanical Engineers Boiler and Pressure Vessel Code (ASME Code) inservice inspection interval.

IV

Section III.D.1.(a) of appendix J to 10 CFR part 50 states that a set of three Type A leakage tests shall be performed at approximately equal intervals during each 10-year service period.

The requirement to perform a set of three Type A leakage rate tests at approximately equal intervals during each 10-year containment service period provides assurance that containment leakage will not exceed allowable values. Type A leakage rate tests were performed as required by appendix J during the first 10-year containment service period that ended in 1986.

Since the first 10-year service period for BSEP–1 was not aligned with the service period for BSEP–2, CP&L moved the end date for the BSEP–1 back to coincide with the BSEP–2 end date. Therefore, the second 10-year service period for BSEP–1 began on July 10, 1986. This caused the first BSEP–1 Type A test for the second period to be performed in May 1987, only 11 months into the interval. The second Type A test on BSEP–1 was performed within the 40-month plus or minus 10-month interval required by the Technical Specifications.

However, BSEP, Unit 1, experienced an extended shutdown during the period between April 1992 and February 1994, and the licensee notified the NRC in a letter dated August 5, 1994, that the second 10-year period end date was being extended by one year due to this outage. Because of this shutdown, the licensee also rescheduled the remaining two BSEP–1 refueling outages (reloads 9 and 10) during the second 10-year service period. The reload 9 outage was rescheduled to begin in April 1995, and the reload 10 outage was rescheduled to begin in September 1996.

Unlike Section XI, IWA–2400(c), of the American Society of Mechanical Engineers Boiler and Pressure Vessel Code (ASME Code), appendix J to 10 CFR part 50 does not contain any provisions for adjusting the 10-year service period due to extended outages. The licensee has already performed two of the Type A tests at BSEP–1 required during the second 10-year service period. If a Type A test is conducted during the next refueling outage, Appendix J could be interpreted to require a fourth test to satisfy the requirement that the final test of the set be conducted when the plant is shutdown for the 10-year plant inservice inspections. Due to the extension of the inservice inspection period, the final refueling outage of the current inservice inspection period is scheduled for September 1996. This action would eliminate the need to perform an extra Type A test, which could otherwise be required (one test in 1995 and another in 1996) while recoupling the Type A test period with the inservice inspection interval.

V

The Commission has determined that, pursuant to 10 CFR 50.12(a)(1), this Exemption is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security. The Commission further determines that special circumstances, as provided for in 10 CFR 50.12(a)(2)(ii), are present and justify the exemption; namely, that application of the regulation in the particular circumstances is not necessary to achieve the underlying purpose of the rule. The underlying purpose of Section III.D.1.(a) of appendix J to 10 CFR part 50 is to provide an interval short enough to prevent serious deterioration from occurring between tests and long enough to permit testing to be performed during regular plant outages.

The last two Type A tests at BSEP–1 for the second 10-year period were performed in May 1987 and in February 1991. Delaying the third Type A test until the 1996 refueling outage would result in a test interval of approximately 68 months rather than the stipulated 40 months plus or minus 10 months interval. The licensee has presented the following information which gives a high degree of confidence that the containment will not degrade to an unacceptable extent while this exemption is in effect:

1. The most recent Type A test data show that the ''as left'' leakage rates (0.2150 weight percent per day and 0.3408 weight percent per day, respectively) were well within the acceptance limit of 0.75 L_a (0.375 weight percent per day).

2. A review of the potential primary containment degradation mechanisms, including both activity-based and time-based causes, concluded that there has not been any alteration or challenge to the primary containment since the last Type A test.

3. No modifications are scheduled that have the potential to adversely affect the integrity of the primary containment boundary.

4. Modification and maintenance activities that will affect the containment leakage rates during the next refueling outage will include administrative controls requiring the performance of local leak rate testing, Type B or Type C tests, as appropriate.

5. The licensee has committed to perform an inspection of the containment barrier during the reload 9 outage.

6. The Type B and Type C local leak rate testing programs will effectively determine containment leakage caused by degradation of containment penetrations.

The NRC staff has reviewed the licensee's request and basis and finds that there is adequate assurance that there will not be any significant undetected degradation in primary containment leakage during the extended Type A test interval in that the primary contributors to potentially excessive leakage paths will be measured during the required Type B and Type C tests. These latter tests will be conducted at least during each 18-month refueling outage, but in no case at intervals greater than 2 years (Sections III.D.2 and III.D.3 of appendix J to 10 CFR part 50).

The NRC staff agrees that the subject exemption request does not pose any undue risk to the public health and safety in that (1) the last as-left Type A test leakage rate was below 0.75 L_a, (2) no modifications are scheduled that have the potential to adversely affect the primary containment integrity, and (3) there will not be any future maintenance activity during the proposed interval extension that would adversely affect the primary containment leakage rate without administrative control requiring the performance of local leak rate testing. The licensee will continue to demonstrate that the test results from the Type B and C local leak rate tests will be no greater than their specified values in the BSEP Technical Specifications prior to restart after a refueling outage. Any potentially excessive leakage paths will continue to be repaired and/or adjusted prior to restart and at intervals of 18 months, thereby continuing to ensure the integrity of the containment. Based on these considerations, the NRC staff concludes that the licensee's request for a one-time exemption to Section III.D.1.(a) of appendix J to 10 CFR part 50 should be granted.

VI

Accordingly, the Commission has determined that, pursuant to 10 CFR 50.12, this exemption is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security. The Commission further determines that special circumstances, as provided in 10 CFR 50.12(a)(2)(ii), are present justifying the exemption; namely that the application of this regulation is not necessary to achieve the underlying purpose of the rule. Further, the NRC staff also finds that the protection provided by the licensee against potentially excessive containment leakage will not present an undue risk to the public health and safety. The application of the regulation is not necessary to assure the integrity of the containment in the event of a postulated design basis loss-of-coolant accident.

The Commission hereby grants the one-time Exemption with respect to the requirements of 10 CFR part 50, appendix J, Section III.D.1.(a), to extend the interval between the second and third Type A test for BSEP–1 until the September 1996 refueling outage.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of the subject Exemption will not have a significant effect on the quality of the human environment (60 FR 6567).

This Exemption is effective upon issuance and shall expire at the completion of the 1996 refueling outage (B111R1).

Dated at Rockville, Maryland this 9th day of February.

For the Nuclear Regulatory Commission.

Steven A. Varga,

Director, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 95–3873 Filed 2–15–95; 8:45 am]

BILLING CODE 7590–01–M

[Docket Nos. 50–237, 50–249 50–254, 50–265]

Commonwealth Edison Co., Facility Operating License

Exemption

In the Matter of Commonwealth Edison Co. (Dresden Nuclear Power Station, Units 2 and 3; Quad Cities Nuclear Power Station, Units 1 and 2).

I

Commonwealth Edison Company (ComEd, the licensee) is the holder of Facility Operating License Nos. DRP–19 and DRP–25, which authorize operation of Dresden Nuclear Power Station, Units 2 and 3, at a steady state power level not in excess of 2527 megawatts thermal; and Facility Operating license Nos. DRP–29 and DRP–30, which authorize operation of Quad Cities Nuclear Power Stations, Units 1 and 2, at a steady state power level not in excess of 2511 megawatts thermal. Dresden Station is comprised of two boiling water reactors at the licensee's site located in Grundy County, Illinois. Quad Cities Station is comprised of two boiling water reactors at the licensee's site located in Rock Island County, Illinois. These licenses provide, among other things, that Dresden and Quad Cities are subject to all rules, regulations, and Orders of the U.S. Nuclear Regulatory Commission (the Commission) now or hereafter in effect.

II

By letter dated October 4, 1994, the licensee requested a revision to an exemption from certain Type B (local leak rate) testing requirements of appendix J to 10 CFR part 50, for two-ply containment penetration expansion bellows at four reactor units. The request was made because the licensee has developed a set of alternative approaches which can be applied to ensure the intent of requiring a Type A test, as part of the original exemption, is met.

On February 6, 1992, the NRC issued an Exemption from certain Type B testing requirements of Appendix J. This exemption stated upon completion of the two-ply bellows testing program, a Type A integrated leak rate test (ILRT) will be performed to verify primary containment integrity. The testing program was intended to assure that at least one ply of a two-ply bellows is intact and that overall containment leakage is within its allowable limit as shown by Type A testing. The Type A test was the only test available that could properly quantify the bellows' leakages, albeit not individually. The Exemption also stated that if a method is developed which ensures a valid Type B test on one or more bellows assemblies, those bellows will also be excluded from the Exemption and will be required to be tested in accordance with the normal Type B test program.

III

The original Exemption allowed ComEd to apply special testing techniques in lieu of performing a test which meets Type B requirements for these bellows which, at that time, were unable to be tested in strict conformance to the appendix J criteria. The special testing techniques included a sequence of air and helium based local leak rate tests (LLRT) for each affected penetration and performance of a Type A leak rate test upon completion of the bellows testing during each refuel outage.

Commonwealth Edison Company now believes that the requirement to perform a Type A test every outage is not necessary to ensure that the bellows assemblies are adequately tested and leakage from any leaking bellows assembly is adequately quantified. Through testing of two-ply bellows at Dresden Station and Quad Cities Station, the licensee has developed the following insights:

1. There is minimal probability for the occurrence of a large leak in a two-ply bellows;

2. the special testing program is effective for identifying small leaks in two-ply bellows;

3. the Type A test is ineffective for identifying small leaks in two-ply bellows; and

4. more cost effective alternative methods have been developed for quantifying leakage.

At the time of the original request for an exemption, a Type A test was required every outage in accordance with the Technical Specifications (TS) and appendix J criteria for determination of ILRT test frequency. Based on appendix J and the TS, ComEd need not do a Type A test every refuel outage if they have completed two consecutive successful Type A tests. Quad Cities has completed two consecutive successful Type A tests. However, as previously stated the original exemption requires a Type A test every outage to support the two-ply bellows leakage testing.

The licensee has discovered very small leaks using the special testing techniques in some bellows and they have subsequently been modified, removed from the list described in the original exemption and are not on a Type B testing schedule.

The licensee has identified several methods for conducting a valid Type B test on bellows since the original Exemption was issued. The first method involves the addition of a bellows test enclosure equipped with leaktight seals. The second involves installation of a rubber boot inside the drywell to form a seal between the drywell atmosphere and the bellows. The third is to weld a cover plate inside the drywell to provide a seal between the process pipe and the drywell atmosphere. The licensee also has the option to implement a complete replacement of the existing two-ply bellows assemblies with a new testable two-ply bellows.

The licensee has proposed the following revision to the approved exemption for non-Type B testable bellows. This proposal eliminates the need but keeps the option to perform a Type A test every refuel outage. The licensee proposed to include the following alternatives to the current requirement in place of the existing Section III.6 and .7 in the original Exemption:

> Upon completion of the two-ply bellows special testing program, the following actions shall be taken to address any two-ply bellows which have been identified as leaking through both plies:
>
> (A) All bellows which leak through both plies shall be tested in accordance with Type B requirements to ensure license limits are met prior to return to service, or
>
> (B) A Type A ILRT test shall be performed to verify primary containment integrity. All two-ply bellows assemblies which demonstrate leakage through both plies shall be replaced or subjected to a valid Type B test to demonstrate license limits are met prior to return to service from the subsequent refuel outage, unless ComEd provides justification for continued operation greater than one operating cycle.

The licensee states that the estimated cost of a Type A test, as described in NUREG–1493, ''Performance-Based Containment Leak-Test Program,'' Draft Revision 2, dated March 31, 1994, is $1.89 million. Based on the number of historical leaking bellows found at Dresden and Quad Cities during the refuel outages, the cost of the Type A test per bellows ranges from $378k to $1.89M. The licensee also states that the Type A tests performed every outage since approval of the current exemption have never found a bellows leak which was undetected by the special testing program. The techniques of the special

test program have the ability to detect leaks smaller than would be detected by the Type A test.

For a two-ply bellows that leaks through both plies, this revised exemption allows: (1) A valid Type B test using one of various developed alternatives to ensure compliance to license limits, or (2) a Type A test as required in the original exemption and, before the return to power in a subsequent refuel outage, replacement of the bellows with a testable bellows assembly or a valid Type B test to ensure license limits are met.

The staff finds that the underlying purpose of the regulation will be met in that the proposed testing program will detect bellows assemblies with significant flaws and result in replacement of flawed assemblies within one operating cycle, or be tested with a Type B test to ensure license limits are met during which period there is reasonable assurance that the bellows assemblies will not suffer excessive degradation. If the licensee should propose to wait longer than one cycle to replace any bellows assembly, the staff must evaluate and approve the request at that time.

IV

Accordingly, the Commission has determined that, pursuant to 10 CFR 50.12(a)(i) and (a)(2)(ii), that (1) the Exemption from appendix J is authorized by law, will not present an undue risk to the public health and safety, and is consistent with the common defense and security, and (2) application of the regulation in this particular circumstance is not necessary to achieve the underlying purpose of its rule.

The Commission concludes that the testing and replacement program for the containment penetration bellows assemblies is an acceptable alternative to the existing appendix J testing requirement. Accordingly, the Commission hereby grants the Exemption from appendix J.

Pursuant to 10 CFR 51.32, the Commission has determined that the granting of this Exemption will have no significant impact on the quality of the human environment (59 FR 64001).

This exemption is effective upon issuance.

Dated at Rockville, Maryland this 9th day of February 1995.

For the Nuclear Regulatory Commission.

Jack W. Roe,

Director, Division of Reactor Projects III/IV, Office of Nuclear Reactor Regulation.

[FR Doc. 95–3879 Filed 2–15–95; 8:45 am]

BILLING CODE 7590–01–M

[Docket No. 50–213]

Connecticut Yankee Atomic Power Co.; Notice of Issuance of Amendment To Facility Operating License

The U.S. Nuclear Regulatory Commission (Commission) has issued Amendment No. 180 to Facility Operating License No. DPR–61 issued to the Connecticut Yankee Atomic Power Company (the licensee), which revised the Technical Specifications for operation of the Haddam Neck Plant located in Middlesex County, Connecticut. The amendment is effective as of the date of issuance to be implemented within 30 days of issuance.

The amendment revises Technical Specifications (TS) 3.1.1.3, ''Shutdown Margin,'' and TS 3.3.3.9. ''Boron Dilution Alarm,'' and their associated Bases sections and add a new TS 3.1.1.4, ''Shutdown Margin.'' TSs 3.1.2.2, 3.1.2.4, and 3.1.2.6, will be revised to reference TS 3.1.1.3 rather than specify the required shutdown margin at 200 ° F. In addition, editorial changes will be made to a reference on TS pages 3/4 1–13 and 14 to reletter surveillance specification 4.5.1.c.3 to 4.5.1.b.3.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR Chapter I, which are set forth in the license amendment.

Notice of Consideration of Issuance of Amendment and Opportunity for Hearing in connection with this action was published in the **Federal Register** on September 28, 1994 (59 FR 49454). No request for a hearing or petition for leave to intervene was filed following the notice.

The Commission has prepared an Environmental Assessment related to the action and has determined not to prepare an environmental impact statement. Based upon the environmental assessment, the Commission has concluded that the issuance of the amendment will not have a significant effect on the quality of the human environment (60 FR 7799).

For further details with respect to the action see (1) the application for amendment dated September 7, 1994, (2) Amendment No. 180 to License No. DPR–61, (3) the Commission's related Safety Evaluation, and (4) the Commission's Environmental Assessment. All of these items are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street NW., Washington, DC, and at the local public document room located at the Russell Library, 123 Broad Street, Middletown, Connecticut 06457.

Dated at Rockville, Maryland, this 9th day of February 1995.

For the Nuclear Regulatory Commission.

Alan B. Wang,

Project Manager, Project Directorate I–4, Division of Reactor Projects—I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 95–3874 Filed 2–15–95; 8:45 am]

BILLING CODE 7590–01–M

[Docket No. 030–15139; License No. 37–04594–11; EA No. 94–167]

Drexel University, Philadelphia, Pennsylvania; Order Imposing a Civil Monetary Penalty

I

Drexel University (Licensee) is the holder of Byproduct Materials License No. 37–04594–11 (License) issued by the Nuclear Regulatory Commission (NRC or Commission) on October 31, 1979. The License authorizes the Licensee to possess and use certain byproduct materials in accordance with the conditions specified therein at its facility in Philadelphia, Pennsylvania.

II

An inspection of the Licensee's activities was conducted on July 22, July 27, and August 1, 1994, at the Licensee's facility located in Philadelphia, Pennsylvania. The result of this inspection indicated that the Licensee had not conducted its activities in full compliance with NRC requirements. A written Notice of Violation and Proposed Imposition of Civil Penalty (Notice) was served upon the Licensee by letter dated October 17, 1994. The Notice states the nature of the violations, the provisions of the NRC requirements that the Licensee had violated, and the amount of the civil penalty proposed for the violations.

The Licensee responded to the Notice in two letters, both dated November 14, 1994, and a letter dated January 17, 1995. In its responses, the Licensee denies Violations A.2 and A.6; denies in part Violation B; admits Violations A.1, A.3, A.4, A.5, C, D, and E; disagrees with the classification of the violations collectively at Severity Level III; and requests mitigation of the penalty.

III

After consideration of the Licensee's response and the statements of fact,

explanation, and argument contained therein, the NRC staff has determined, as set forth in the Appendix to this Order, that: (1) Violation B should be modified to withdraw one of the examples; (2) the remaining violations occurred as stated in the Notice; (3) the violations were appropriately classified collectively at Severity Level III; (4) partial mitigation of the penalty should be allowed based on the Licensee's corrective actions; and (5) a penalty of $5,000 should be imposed.

IV

In view of the foregoing and pursuant to Section 234 of the Atomic Energy Act of 1954, as amended (Act), 42 U.S.C. 2282, and 10 CFR 2.205, It is hereby ordered that:

The Licensee pay a civil penalty in the amount of $5,000 within 30 days of the date of this Order, by check, draft, money order, or electronic transfer, payable to the Treasurer of the United States and mailed to James Lieberman, Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, One White Flint North, 11555 Rockville Pike, Rockville, Maryland 20852–2738.

V

The Licensee may request a hearing within 30 days of the date of this Order. A request for a hearing should be clearly marked as a ''Request for an Enforcement Hearing'' and shall be addressed to the Director, Office of Enforcement, U.S. Nuclear Regulatory Commission, Washington, DC 20555, with a copy to the Commission's Document Control Desk, Washington, DC 20555. Copies also shall be sent to the Assistant General Counsel for Hearings and Enforcement at the same address and to the Regional Administrator, NRC Region I, 475 Allendale Road, King of Prussia, PA 19406.

If a hearing is requested, the Commission will issue an Order designating the time and place of the hearing. If the Licensee fails to request a hearing within 30 days of the date of this Order, the provisions of this Order shall be effective without further proceedings. If payment has not been made by that time, the matter may be referred to the Attorney General for collection.

In the event the Licensee requests a hearing as provided above, the issues to be considered at such hearing shall be:

(a) Whether the Licensee was in violation of the Commission's requirements as set forth in Violations A.2 and A.6 of the Notice referenced in Section II above, and Violation B as amended in the Appendix to this Order; and

(b) Whether on the basis of such violations, and the additional violations set forth in the Notice of Violations that the Licensee admitted, this Order should be sustained.

Dated at Rockville, Maryland this 8th day of February 1995.

For the Nuclear Regulatory Commission.

Hugh L. Thompson, Jr.,

Deputy Executive Director for Nuclear Materials Safety, Safeguards and Operations Support.

Appendix—Evaluations and Conclusion

On October 17, 1994, a Notice of Violation and Proposed Imposition of Civil Penalty (Notice) was issued for violations identified during an NRC inspection. Drexel University (Licensee) responded to the Notice in two letters, both dated November 14, 1994, and a letter dated January 17, 1995. In its responses, the Licensee denies Violations A.2 and A.6; denies in part Violation B; admits the remaining violations (A.1, A.3, A.4, A.5, C, D, and E); disagrees with the classification of the violations collectively as a Severity Level III Problem; and requests mitigation of the penalty. The NRC's evaluation and conclusion regarding the Licensee's requests are as follows:

Restatement of Violation A.2

Condition 21 of License No. 37–04594–11 requires that licensed material be possessed and used in accordance with the statements, representations, and procedures contained in the Licensee's application dated April 1, 1991.

Item 10.4.1(d) of the application requires that students, laboratory technicians and physical plant workmen including housekeeping and security, all receive formal training workshops concerning laboratory hazards including radioactive material.

Contrary to the above, from January 1992 to August 1994, certain personnel working in restricted areas, including students, laboratory technicians and physical plant workmen (housekeeping and security), did not receive formal training workshops concerning laboratory hazards including radioactive material. Specifically, formal training workshops were not held for housekeeping, even though housekeeping staff entered restricted areas. In addition, training sessions held for graduate students were inadequate in that several students interviewed were not aware of appropriate procedures for using survey instruments or for cleaning up contamination. In addition, the Assistant Radiation Safety Officer (RSO) was not aware of the meaning of radioactive labels on radioactive materials packages which he is required to survey.

Summary of Licensee's Response to Violation A.2

The Licensee denies violation A.2, stating that training is held for students and staff who use radioactive materials (RAM), and that training takes the form of both formal instruction, as well as one-on-one between faculty and student. The licensee also states that if the students join a laboratory at random times during the year, the students receive instructions and training on the requisite laboratory hazards, and training records are maintained. The Licensee does not challenge the inspector's finding that isolated incidents may have been uncovered revealing possible incomplete knowledge on the part of a student. However, the Licensee contends that this does not represent a failure to provide radiation safety training to the staff.

The Licensee also states that the NRC was informed, at the time of the enforcement conference on September 9, 1994, that neither housekeeping staff nor physical plant workmen are permitted to enter restricted areas unescorted. The licensee further indicates that the laboratories are locked when unoccupied and are removed from the building master key system, thereby requiring escorted entry if that should become necessary. The Licensee notes that it confirmed with the manager of the housekeeping staff that the staff are given explicit instructions that they do not have unescorted access, and when escorted, they are not to handle any trash or other containers labeled with signs or other indications of hazardous materials. The Licensee states that there is no evidence that housekeeping staff or other workmen untrained in radiation safety entered restricted areas unescorted.

The Licensee further states that at the enforcement conference on September 9, 1994, the University representative informed the NRC that a new Assistant Radiation Safety Officer (ARSO), with appropriate technical background, had been appointed. Furthermore, arrangements had already been made for the new ARSO to receive a week of full-time training and education on the fundamentals in an accredited short course on radiation safety at the end of September, and that the ARSO is receiving additional on-campus training through a graduate course given by a certified health physicist.

NRC Evaluation of Licensee's Response to Violation A.2

The Licensee's training program as described in Section 10.4.1(d) (''Instructions for personnel working in restricted areas'') of its License application, requires that students, laboratory technicians and physical plant workmen, including housekeeping and security, all receive formal training workshops concerning laboratory hazards including radioactive materials. The Licensee's application does not identify any exceptions concerning whether an individual is escorted or not. The inspector questioned several students and found that the students did not know how to use a survey meter or what to do in the event of a spill or accident. In fact, the RSO stated to the inspector that no formal training had been provided to housekeeping and security staffs from January 1992 to August 1994. In addition, the inspector learned that ARSO had not been instructed on the meaning of various radioactive package labels.

These findings indicate that adequate training was not provided to some of the Licensee's staff. Some of the identified examples involved users of phosphorus-32, which, if mishandled, could result in a

significant contamination event. Although the Licensee may have conducted some training, the Licensee: (1) did not assure adequate training of all individuals covered by Item 10.4.1(d) of the license application as referenced in License Condition 21; and (2) did not verify that those who were trained understood the training that had been provided. Therefore, the NRC maintains that the violation occurred as stated in the Notice.

Restatement of Violation A.6

Condition 21 of License No. 37–04594–11 requires that licensed material be possessed and used in accordance with the statements, representations, and procedures contained in the Licensee's application dated April 1, 1991.

Item 10.3.1(j) requires that the RSO conduct periodic reviews of the terms and conditions of the license to ensure compliance with requirements.

Contrary to the above, between January 1992 and July 1994, the RSO did not conduct periodic reviews of the terms and conditions of the license, as evidenced by the fact that the RSO was unaware of the requirements specified in the licensee's application dated April 1, 1991.

Summary of Licensee's Response to Violation A.6

The Licensee denies the violation and indicates that there were differences of interpretation between the RSO and NRC, and that those differences arose as a result of the process of the Licensee proposing procedures in amendment applications and the NRC formally incorporating those procedures into the license by amendment. The Licensee also states that the RSO and RSC have thoroughly reviewed the license, including the basic document and all letters of additional commitments. The Licensee indicates that, based upon its review and discussion with the NRC Regional Office, it is the Licensee's intent to apply for modifications to the license which will meet the Licensee's actual and limited need. The Licensee also states that upon satisfactory resolution of the current issues with the NRC, it expects to request modification to a more limited license and to delete some of the current commitments which are not reasonable for the circumstances of this Licensee's use of radioactive materials.

NRC Evaluation of Licensee's Response to Violation A.6

License Condition 21 requires that licensed material be possessed and used in accordance with the statements, representations, and procedures contained in certain specified applications and letters submitted by the Licensee. The requirement is clear and leaves no room for differences of interpretation. As required by License Condition 21, application dated April 1, 1991, Item 10.3.1(j), the RSO is required to conduct periodic reviews of the terms and conditions of the license to ensure compliance with requirements.

Although the Licensee describes certain actions taken by the RSO and RSC in reviewing the license, it appears that the Licensee is referring to actions taken subsequent to the inspection. As documented in the inspection report, the RSO was not aware of the requirements for leak testing and physical inventory of sealed sources, and was unfamiliar with area survey requirements for authorized users, all of which are required by conditions of the license. Therefore, the NRC concludes that the violation occurred as stated in the Notice.

Restatement of Violation B

Condition 14 of the license requires that sealed sources and detector cells not in storage and containing greater than 100 microcuries of gamma emitting radioactive material be tested for leakage and/or contamination at intervals not to exceed 6 months or at such other intervals as are specified by the certificate of registration referred to in 10 CFR 32.210.

Contrary to the above, sealed sources and detector cells not in storage and containing greater than 100 microcuries of gamma emitting radioactive material were not tested for leakage and/or contamination at intervals not to exceed 6 months and no other intervals were specified by the certificate of registration referred to in 10 CFR 32.210. Specifically, a cesium-137 and cobalt-60 source with activities greater than 100 microcuries of gamma emitting radioactive material per source and in use by the licensee, were not tested for leakage and/or contamination during the period August 1991 to August 1994, an interval in excess of six months.

Summary of Licensee's Response to Violation B

The Licensee states that the only sealed source not in storage and requiring leak testing at the time of the NRC inspection was a 1.06 mCi cesium-137 source used once or twice a year in the Physics and Atmospheric Sciences Department. The Licensee also states that the cobalt-60 source, having decayed to 64 μCi, does not require leak testing and, for more than three years, has not required it. In addition, the Licensee notes that subsequent to the NRC inspection, the Cs-137 source was assayed on September 14, 1994, and again in October 1994 and leak tested with no evidence of any leakage found.

NRC Evaluation of Licensee's Response to Violation B

Since the Licensee acknowledges that leak-testing did not occur with respect to the cesium-137 source, the NRC concludes that this aspect of the violation occurred as stated in the Notice. Based on the additional information which has now been provided by the Licensee, but which was unavailable at the time of the inspection, the aspect of the violation regarding the cobalt-60 source is hereby withdrawn. The withdrawal of one example of a violation does not change the fact that the violation occurred, nor does it change the amount of the civil penalty assessed for the violations in this case.

Summary of Licensee's Response Regarding Severity Level

The Licensee states that it does not concur with the NRC classification of the violations collectively as a Severity Level III Problem, contending that in a number of instances, the NRC extrapolated a single, or even several replications of the identical, adverse findings among many activities and personnel, to suggest widespread disregard for either its radiation safety program or its responsibility in its oversight and management. The Licensee contends that it takes the protection of public health and safety as a serious responsibility, and to suggest otherwise from the violations cited by the NRC is a significant inaccuracy.

The Licensee also states that it finds it disturbing that the October 17, 1994, letter transmitting the civil penalty suggests that the NRC had an expectation that the corrective actions were to be completed prior to the enforcement conference, and not having them completed was a factor in classifying the violations at Severity Level III.

The Licensee further states that since the 1991 inspection, those involved at the time in the Radiation Safety Program leadership and management are no longer with the Licensee and significant change has taken place. The Licensee also states that the Provost and Senior Vice President for Academic Affairs, Senior Vice President for Administration and Finance, Vice Provost for Research and Graduate Studies, Radiation Safety Officer, and the New Chief Executive Officer of the University are all very seriously committed to a Radiation Safety Program which is in complete accord with NRC requirements.

NRC Evaluation of the Licensee's Response Regarding Severity Level

The violations identified during the 1994 inspection indicated a lack of management attention to the radiation safety program, as described in the October 17, 1994 letter transmitting the Notice. This NRC determination of a lack of adequate management attention was based on the fact that ten violations of NRC requirements were identified and cited, and more importantly, five of those violations were repetitive. If appropriate management attention had been provided, appropriate corrective actions would have been taken after the previous NRC findings in 1991, and these violations would not have recurred, or would have been promptly identified and corrected by current management. That did not happen. Rather, the violations were identified by the NRC.

The NRC did not suggest, in its letter, that there was widespread disregard for the program. If that had been the case, the NRC would have proposed a more severe sanction. However, given the number of violations, the repetitive nature of some of them, and the fact that the violations would have been identified by the RSO or RSC if adequate management attention was provided to the program, the NRC concludes that the violations were appropriately categorized collectively at Severity Level III.

The Licensee has confused the failure to take lasting corrective action to prevent the recurrence of the violations identified during the 1991 inspection with the issue of corrective actions for the violations identified during the July 1994 inspection. The latter issue was not a basis for considering the 1994 violations collectively as a Severity Level III problem; however, it was considered in determining the amount of the civil penalty for this Severity level III problem.

Summary of Licensee's Request for Mitigation

The Licensee, in its response disagrees with the NRC statement in the October 17, 1994 letter that the Licensee's corrective actions were not sufficiently prompt and comprehensive to warrant any mitigation of the penalty. The Licensee indicates that the NRC failed to recognize very significant additional actions that had already been taken by the time of the Enforcement Conference. The licensee details the corrective actions, which include the establishment of additional management oversight and monitoring controls. In addition, the Licensee maintains that the measures taken were effective, timely, comprehensive, and pro-active, and demonstrated a serious commitment to a quality and effective radiation safety program.

NRC Evaluation of Licensee's Request for Mitigation

The NRC letter, dated October 17, 1994, transmitting the civil penalty, notes that no credit was provided for the Licensee's corrective actions. As a result, a penalty of $6,250 was proposed. Upon reconsideration and evaluation of the licensee's corrective actions, after receipt of the Licensee's November 14, 1994 and January 17, 1995 responses, the NRC agrees that the actions taken subsequent to the inspection were prompt and comprehensive and that the full mitigation allowable based on corrective action should be applied. Therefore, 50% mitigation of the base civil penalty amount is being applied in this case based on the corrective actions, which reduces the civil penalty amount by $1,250. The Licensee did not provide any basis for any further mitigation of the penalty. Accordingly, no further adjustment is warranted.

NRC Conclusion

The NRC has concluded that the violations occurred as stated in the Notice, although an example of Violation B should be withdrawn, as described herein. In addition, the NRC has concluded that the Licensee provided an adequate basis for reduction of the civil penalty based on its corrective actions. Accordingly, a civil penalty in the amount of $5,000 should be imposed.

[FR Doc. 95–3878 Filed 2–15–95; 8:45 am]
BILLING CODE 7590–01–M

[Docket No. 030–12279, License No. 45–17151–01 EA 95–003]

Order Modifying License

In the Matter of Material Testing Laboratories, Inc.

I

Material Testing Laboratories, Inc. (Licensee) is the holder of Byproduct Material License No. 45–17151–01 (License) issued by the Nuclear Regulatory Commission (NRC or Commission) pursuant to 10 CFR parts 30 and 34. The License authorizes, in part, possession and use of byproduct material not to exceed 200 curies of Iridium-192 per source in the operation of radiography exposure devices. The License further authorizes the Licensee to perform radiography at temporary job sites in accordance with the conditions specified therein. The License, originally issued on March 17, 1977, was renewed on December 16, 1993, and is due to expire on December 1, 1998.

II

On November 15, 1994, an inspection of NRC-licensed activities was conducted at a temporary job site in Northern Virginia and at the Licensee's office in Norfolk, Virginia. As a result of the inspection, apparent violations of NRC requirements were identified, which are the subject of a Notice of Violation and Proposed Imposition of Civil Penalty issued this date. The violations identified during the NRC inspection include:

1. Use of NRC-licensed material by an unauthorized and unqualified individual, in violation of 10 CFR 34.31(b);

2. Failure to maintain direct surveillance of radiographic operations by an authorized and qualified individual, in violation of 10 CFR 34.41;

3. Failure to perform an adequate survey following a radiographic exposure, in violation of 34.43(b);

4. Failure to post a high radiation area, in violation of 10 CFR 34.42; and

5. Failure to post the Licensee's radiography vehicle as a radioactive material storage area at a temporary job site, in violation of Condition 20 A. of the License.

A transcribed enforcement conference was conducted in the NRC Region II office in Atlanta, Georgia, on December 20, 1994, to discuss the violations, their cause, and the Licensee's corrective actions. During the enforcement conference, the Licensee acknowledged that weaknesses in management and in Radiation Safety Officer oversight of the Lorton, Virginia, field office activities contributed to the violations. These weaknesses included a lack of appreciation by management and the Radiation Safety Officer (RSO) of the effect of excessive overtime work on employees' performance and failure to promptly monitor work practices of the radiographer involved in the November 15, 1994, violations following the indications of his poor performance by a State of Maryland inspection which identified a failure to maintain a radiography exposure device under constant surveillance and control.

III

Based on the above, the NRC has concluded that the Licensee has violated NRC requirements. The performance of NRC-licensed activities requires use of appropriate safety procedures, training of personnel regarding those procedures, meticulous attention to detail by personnel conducting radiography, and proper oversight by Licensee management to ensure these activities are conducted safely and in accordance with NRC requirements. This attention is particularly important during the performance of radiography given the high radiation levels that can result from use of the sources. The failure to properly control the use of the radiography devices could result in significant radiation exposure to individuals, both employees and members of the general public. The radiographer who had primary responsibility for use and control of NRC-licensed material at the temporary job site failed to maintain proper control and surveillance during radiographic operations. The radiographer, as noted above, one month earlier also failed to maintain constant surveillance and control of a radiography exposure device in the State of Maryland. In addition, based on the violations and weaknesses identified above and information and statements obtained during the transcribed enforcement conference, the RSO, who has the responsibility for ensuring that NRC requirements are met, had not adequately controlled or maintained oversight of the Licensee's NRC-licensed activities in the Northern Virginia area to ensure compliance with all NRC requirements including the conditions of the License.

The violations described in Section II of this Order and the concerns set forth above demonstrate a significant lack of attention to required radiation safety requirements by the radiographer and lack of management control and oversight of radiographic operations by the RSO and Licensee management. Specifically, after the incident in Maryland, the ROS did not identify the root causes of the violations, the RSO did not perform a field audit of the radiographer's performance, and the retraining of the involved radiographer was not sufficient to prevent the November 15, 1994 incident which had similar violations. Consequently, I lack the requisite reasonable assurance that the Licensee's current operations can be conducted under License no. 45–17151–01 in compliance with the Commission's requirements and that the

health and safety of the public, including the Licensee's employees, will be protected. Therefore, the public, health, and safety and interest require that the License be modified as described below in Section IV. Furthermore, pursuant to 10 CFR 2.202, I find that the significance of the violations described above is such that the public health, safety and interest require that this Order be immediately effective.

IV

Accordingly, pursuant to sections 81, 161b, 161i, 161o, 182 and 186 of the Atomic Energy Act of 1954, as amended, and the Commission's regulations in 10 CFR 2.202 and 10 CFR parts 30 and 34, it is hereby ordered, effective immediately, that license no. 45–17151–01 is modified as follows:

A. The Licensee shall retain and maintain the services of an RSO approved by Region II to oversee the activities of its radiographers based at the Lorton, Virginia, facility. The RSO duties must take priority over any other duty. The Licensee shall within 30 days submit the name and qualifications of the Lorton RSO for approval to the Regional Administrator, Region II.

B. The Licensee shall retain the services of an independent individual or organization (consultant) to perform an initial assessment of the Licensee's radiation safety program in Lorton, Virginia, and quarterly audits thereafter for a period of one year to determine compliance with all NRC requirements. The consultant shall also provide recommendations for program improvements to ensure effective management oversight and control of radiography operations. Within 30 days of the date of this Order, the Licensee shall submit to the Regional Administrator, NRC Region II, for review and approval, the name and qualifications of the consultant it proposes to conduct the assessment and audits. The consultant shall be independent of the Licensee's staff and have experience in the management and implementation of a radiation safety program, including activities similar to those authorized by the License.

C. Within 60 days of the date of NRC approval of the consultant selection, as described above, the Licensee shall have the consultant submit its assessment report to the Licensee and to the Regional Administrator, NRC Region II. Within 30 days of the end of each quarterly audit period, the Licensee shall have the consultant submit its audit report and any recommendations for improvements to the Licensee and to the Regional Administrator, NRC Region II. The assessment and audits of the Licensee's radiography program shall include, but not be limited to:

1. A review of the adequacy of the Licensee's management control and oversight in ensuring that radiographer and equipment requirements, personnel monitoring requirements, radiation safety procedures in radiographic operations, and other NRC requirements are followed including:

(a) The Licensee's program for training, retraining, and qualifying all individuals involved in using, supervising, inspecting, and auditing activities involving NRC-licensed material;

(b) The scope, methods, and frequency of the Licensee's program of surveillance and audits to determine compliance by individual users of NRC-licensed materials with NRC requirements, the conditions of the License, and the Licensee's own procedures for the safe use of radioactive materials;

(c) The RSO's functions and oversight activities, including the methods of monitoring the radiation of safety program to ensure that problems or violations are promptly identified and corrected; and

(d) The Licensee's radiation safety program for developing and implementing operating and emergency procedures for the safe use of NRC-licensed material, and record keeping and documentation.

2. On-site reviews at the Licensee's Lorton, Virginia, office of activities and records maintained for users, and interviews and observations of selected authorized users working at various locations.

3. Direct observation during each quarterly audit of, at a minimum, one radiographer employed at the Lorton, Virginia, office performing industrial radiography activities with NRC-licensed material. The audits should ensure that all radiographers at the Lorton, Virginia, office are observed within the year.

D. Within 30 days of the date of the initial assessment report and of each quarterly audit report, the Licensee shall submit to the Regional Administrator, NRC Region II, the Licensee's response to the report either describing the implementation of each of the necessary corrective actions or recommendations from the audit report, or justification for not needing any corrective action or for not adopting one or more of the specific recommendations. Each Licensee response shall include a status report on action items completed or to be completed with appropriate priorities assigned and any schedules for, or dates of, completion of each specific item.

E. The Licensee shall ensure that the work of the radiographer involved in the November 14, 1994 violations, as a radiographer using NRC-licensed material, is audited by the independent consultant within 30 days of the radiographer's return to unsupervised work and quarterly thereafter for one year. All audits shall include direct observation of the radiographer performing industrial radiography with NRC-licensed material.

F. For a period of one year from the date of this Order, the Licensee shall notify NRC Region II, by 9:00 a.m. (Eastern Time) Monday (or Tuesday, if Monday is a federal Holiday) of each week, of the location in non-Agreement states where the radiographer involved in the November 15, 1994 violations will be conducting radiography operations. This notification shall include the date, time, and specific location where radiography is planned to allow NRC to conduct an unannounced inspection. If unplanned work arises after the Monday notification, the new work can be performed by the involved radiographer in a non-Agreement state provided that the NRC has been given prior notice. Notification shall be made by telephone to Mr. Douglas M. Collins, Chief, Nuclear Materials Safety and Safeguards Branch, or his designated representative, at (404) 331–5586 or by facsimile at (404) 331–5559.

The Regional Administrator, Region II, may, in writing, relax or rescind any of the above conditions upon demonstration by the Licensee of good cause.

V

In accordance with 10 CFR 2.202, the Licensee must, and any other person adversely affected by this Order may, submit an answer to this Order, and may request a hearing on this Order, within 20 days of the date of this Order. The answer may consent to this Order. Unless the answer consents to this Order, the answer shall, in writing and under oath or affirmation, specifically admit or deny each allegation or charge made in this Order and set forth the matters of fact and law on which the Licensee or other person adversely affected relies and the reasons as to why the Order should not have been issued. Any answer or request for a hearing shall be submitted to the Secretary, U.S. Nuclear Regulatory Commission, ATTN: Chief, Docketing and Services Section, Washington, D.C. 20555. Copies also shall be sent to the Director, Office of Enforcement, U.S. Nuclear Regulatory

Commission, Washington, D.C. 20555, to the Assistant General Counsel for Hearings and Enforcement at the same address, to the Regional Administrator, NRC Region II, 101 Marietta Street, Suite 2900, Atlanta, Georgia 30323, and to the Licensee if the answer or hearing request is by a person other than the Licensee. If a person other than the Licensee requests a hearing, that person shall set forth with particularity the manner in which his interest is adversely affected by this Order and shall address the criteria set forth in 10 CFR 2.714(d). If a hearing is requested by the Licensee or a person whose interest is adversely affected, the Commission will issue an Order designating the time and place of any hearing. If a hearing is held, the issue to be considered at such hearing shall be whether this Order should be sustained.

Pursuant to 10 CFR 2.202(c)(2)(i), the Licensee, or any other person adversely affected by this Order, may, in addition to demanding a hearing, at the time the answer is filed or sooner, move the presiding officer to set aside the immediate effectiveness of the Order on the ground that the Order, including the need for immediate effectiveness, is not based on adequate evidence but on mere suspicion, unfounded allegations, or error.

In the absence of any request for hearing, the provisions specified in Section IV above shall be final 20 days from the date of this Order without further order or proceedings. An answer or a request for hearing shall not stay the immediate effectiveness of this order.

Dated at Rockville, Maryland this 9th day of February 1995.

For the Nuclear Regulatory Commission.

Hugh L. Thompson, Jr.,

Deputy Executive Director for Nuclear Materials Safety, Safeguards, and Operations Support.

[FR Doc. 95–3877 Filed 2–15–95; 8:45 am]

BILLING CODE 7590–01–M

[Docket No. 50–423]

Northeast Nuclear Energy Co.; Notice of Issuance of Amendment To Facility Operating License

The U.S. Nuclear Regulatory Commission (Commission) has issued Amendment No. 103 to Facility Operating License No. NPF–49 issued to Northeast Nuclear Energy Company (the licensee), which revised the Technical Specifications (TS) for operation of the Millstone Nuclear Power Station, Unit No. 3 located in New London County, Connecticut. The amendment is effective as of the date of issuance.

The amendment modified TS 3.5.2.a to allow a one-time extension of the allowable Residual Heat Removal (RHR) pump outage time for the purpose of mechanical seal replacement and its related modifications. The allowable outage time is extended from 72 hours to 120 hours, may only be used one time per pump, and is not valid after April 30, 1995. The amendment clearly defines the times in which each RHR pump and associated RHR hear exchanger must be restored to an operable state.

The application for the amendment complies with the standards and requirements of the Atomic Energy Act of 1954, as amended (the Act), and the Commission's rules and regulations. The Commission has made appropriate findings as required by the Act and the Commission's rules and regulations in 10 CFR chapter I, which are set forth in the license amendment.

Notice of Consideration of Issuance of Amendment and Opportunity for Hearing in connection with this action was published in the **Federal Register** on October 14, 1994 (59 FR 52200). No request for a hearing or petition for leave to intervene was filed following this notice.

The Commission has prepared an Environmental Assessment related to the action and has determined not to prepare an environmental impact statement. Based upon the environmental assessment, the Commission has concluded that the issuance of the amendment will not have a significant effect on the quality of the human environment (60 FR 7800).

For further details with respect to the action see (1) the application for amendment dated August 16, 1994, and supplemented January 10, 1995, (2) Amendment No. 103 to License No. NPF–49, (3) the Commission's related Safety Evaluation, and (4) the Commission's Environmental Assessment. All of these items are available for public inspection at the Commission's Public Document Room, the Gelman Building, 2120 L Street NW., Washington, DC, and at the local public document room located at the Learning Resource Center, Three Rivers Community-Technical College, Thames Valley Campus, 574 New London Turnpike, Norwich, CT 06360.

Dated at Rockville, Maryland, this 9th day of February 1995.

For the Nuclear Regulatory Commission.

Vernon L. Rooney, Sr.

Project Manager, Project Directorate I–4, Division of Reactor Projects - I/II, Office of Nuclear Reactor Regulation.

[FR Doc. 95–3875 Filed 2–15–95; 8:45 am]

BILLING CODE 7590–01–M

OFFICE OF PERSONNEL MANAGEMENT

The National Partnership Council; Strategic Action Plan for 1995

AGENCY: Office of Personnel Management.

ACTION: Notice.

SUMMARY: The National Partnership Council (the NPC; the Council) is announcing the approval of its strategic action plan for 1995.

DATES: The Council approved its strategic action plan for 1995 at its January 10, 1995, meeting in Philadelphia, Pennsylvania.

FOR FURTHER INFORMATION CONTACT: Douglas K. Walker, National Partnership Council, Executive Secretariat, Office of Personnel Management, Theodore Roosevelt Building, 1900 E Street, NW., Room 5315, Washington, DC 20415–0001, (202) 606–0001.

SUPPLEMENTARY INFORMATION: The strategic action plan outlines a number of actions the Council plans to take in 1995 to support and promote partnership efforts throughout the Federal Government, as it is mandated to do under Executive Order 12871, Labor-Management Partnerships. Additionally, the actions help the Council meet its responsibilities to change the culture of Federal labor-management relations so that managers, employees, and employees' elected union representatives work together as partners in designing and implementing comprehensive changes in support of the Government reform objectives of the National Performance Review.

Office of Personnel Management.

James B. King,

Director.

Accordingly, the 1995 strategic action plan for the Council is as follows:

Executive Summary—National Partnership Council 1995 Strategic Action Plan; National Partnership Council Charter: Executive Order 12871; NPC Strategic Goal

To institutionalize labor-management partnerships in Federal agencies for the purpose of achieving the National Performance Review goal of creating a

government that ''works better and costs less.''

NPC Objectives

To support the NPC Charter as stated in Executive Order 12871, the NPC objectives for 1995 are:

Objective 1. To promote cultural change.
Objective 2. To support NPC-recommended changes in labor-management relations.
Objective 3. To assess outcomes.

NPC STRATEGIC ACTIONS

Objectives advanced	Activities
1, 2 and 3	The NPC will collect, communicate, and utilize data and information illustrating the successes of labor and management working in partnership to improve effectiveness, efficiency, and customer service. Priority: ''sell'' success.
1, 2 and 3	The NPC will collect, analyze, and utilize data and information concerning existing barriers and impediments to the information and success of labor-management partnerships, how parties have overcome for barriers, including training activities, incentives to create successful partnerships, and how parties manage conflict. Priority: help overcome selected common problems.
1 and 3	The NPC will engage in efforts designed to measure the information, conduct, and achievements of partnerships. Priority: stimulate assessment.

National Partnership Council Strategic Action Plan; National Partnership Council Charter

The National Partnership Council (NPC) was created on October 1, 1993, by Executive Order 12871, ''Labor Management Partnerships.'' The NPC was created to ''establish a new form of labor-management relations throughout the Executive Branch to promote the principles and recommendations adopted as a result of the National Performance Review.'' The Executive Order provides:

The Council shall advise the President on matters involving labor-management relations in the Executive Branch. Its activities shall include:

(1) Supporting the creation of labor-management partnerships and promoting partnership efforts in the executive branch, to the extent permitted by law;

(2) Proposing to the President by January 1994 statutory changes necessary to achieve the objectives of this order, including legislation consistent with the National Performance Review (NPR) recommendations for the creation of a flexible and responsive hiring system and the reform of the General Schedule classification system;

(3) Collecting and disseminating information about and providing guidance on partnership efforts in the executive branch, including results achieved, to the extent permitted by law;

(4) Utilizing the expertise of individuals both within and outside the Federal Government to foster partnership arrangements; and

(5) Working with the President's Management Council (PMC) toward reform consistent with the National Performance Review's recommendations throughout the executive branch.

NPC Strategic Goal

To institutionalize labor-management partnerships in Federal agencies for the purpose of achieving the National Performance Review goal of creating a government that ''works better and costs less.''

NPC Objectives

To support the NPC Charter as stated in Executive Order 12871, the NPC objectives for 1995 are:

1. To promote cultural change.
2. To support NPC-recommended changes in labor-management relations.
3. To assess outcomes.

To achieve these objectives, the NPC will engage in the following activities:

Strategic Actions

I. To advance objectives 1, 2 and 3, the NPC will collect, communicate, and utilize data and information illustrating the successes of labor and management working in partnership to improve effectiveness, efficiency, and customer service. Priority: ''sell'' success.

A. Collect

1. Develop ''protocols'' for the information to be gathered, and verify all reported success stories by contacting all parties involved.

2. Conduct focus groups of parties and those who have assisted the parties in improving their relationship.

3. In follow-up interviews and/or survey, request further specific data and information focusing on success stories from those parties who respond to the NPC survey.

4. Find out about labor/management relations and activities among award winners (awards for quality, hammer awards, etc.).

5. Request information from regional employees of the neutrals and the parties on successes.

6. Review information already collected by other groups (e.g., NAPA, the Alliance).

B. Communicate

1. Design and implement a pro-active internal and external communications strategy (who to reach and how).

2. Feature successful partnerships in all NPC meetings, including meetings held outside the Washington, D.C. area.

3. Publish and regularly update partnership success stories through the NPC clearinghouse and the Office of Personnel Management's electronic bulletin board. Publicize the availability of this resource and how to access it.

4. Enhance the spectrum of speakers on the NPC speakers' bureau by adding individuals from different regions of the country with line management and frontline union perspectives. Identify and encourage targeted speaking opportunities.

5. Publish targeted articles on success stories in union newsletters and bulletins and agency publications.

6. Prepare ''talking papers'' on success stories and partnership issues for dissemination to trainers/speakers and for use by NPC Members during public discussions of NPC activities an partnership.

7. Present NPC Awards for successes in such areas as relationship building, joint problem solving, quantified improvement in quality, customer service, etc.

8. Prepare an NPC Report to the President on progress under Executive Order 12871.

C. Other Uses of This Information

1. Identify common elements of successful partnerships.

2. Provide written guidance and develop criteria as to what constitutes an effective and successful partnership.

II. To advance Objective 1, 2, and 3, the NPC will collect, analyze, and utilize information concerning existing barriers and other impediments (legal and other) to the formation and success of labor-management partnerships, how parties have overcome the barriers, including training activities, incentives to create successful partnerships, and how parties manage conflict. Priority: help overcome selected common problems.

A. Collect

1. Utilize the same sources, including focus groups, that are being used to obtain data and information about success stories to reveal legal and other barriers and impediments to parties achieving NPR goals.
2. Request parties in successful partnerships to indicate whether further progress is being impeded by legal or other barriers.
3. Obtain information from the parties during NPC meetings.
4. Meet with management groups, such as Federal Managers Association, the Senior Executives Association, and the Coalition for Effective Change, to identify ways to achieve NPR goals.
5. Consider a partnership facilitation simulation with NPC Members.
6. Extract and summarize legal barriers to partnership from the NPC Report to the President and existing GAO studies.

B. Analyze and Use

1. Compile a list of barriers to partnership, methods to overcome barriers, incentives to partnership and methods to manage conflict.
2. Provide guidance on how to overcome common barriers to partnership at different levels.
3. Problem-solve to help overcome common selected problems, including ''people'' issues (such as how to deal with resistant managers and union representatives); ''how to'' issues (such as meaning of ''employee'', how to deal with unrepresented employees, and compliance with Federal Advisory Committee Act requirements); and other problems where a more consultative role would facilitate the formation and success of partnerships.
4. Identify cost-effective ways of obtaining training.
5. Develop an instrument for parties to determine their training needs.
6. Develop an instrument to evaluate various training resource alternatives.
7. Integrate partnership training into existing training programs, such as union steward training, supervisory training, total quality program training, etc.
8. Develop resources for addressing partners' needs, such as: (1) enhancing the clearinghouse's information concerning trainers/providers/change promoters; (2) assisting resolution of resource and resource allocation issues; and (3) creating incentives by working with established awards programs to integrate labor/management partnership as an eligibility or ranking criterion.
9. Develop and implement plans which support NPC-recommended changes necessary to achieve the principles of Executive Order 12871.

III. To advance Objectives 1 and 3, the NPC will engage in efforts designed to measure the formation, conduct, and achievements in partnership. Priority: stimulate assessment.

A. Collect

Collect information on how parties are assessing whether success has been achieved; whether partnerships or partnership agreements exist; what activities are being undertaken by partnerships; the impact of partnership on productivity; the impact of partnership on quality of work and customer service; and information concerning various aspects of training activities undertaken under Executive Order 12871.

1. Utilize the same sources for the data and information collection, including focus groups, to identify criteria related to the assessment of partnership activity, and to identify training activities undertaken.
2. Request specific information concerning the measurement of partnership activities; the amount and types of training activities undertaken; who has been trained; who was the provider; how has training been evaluated; has training had desired results; what skills have been identified as necessary for successful partnerships; and whether there is a partnership training plan.

B. Analyze and Use

1. Identify and highlight good assessment techniques already in place.
2. Provide guidance on the tiers of success during the various stages of partnership.
3. Issue guidance on skills needed for partnership and high performance workplace.

Responsibility for NPC Activities

1. The foregoing NPC activities will be undertaken by NPC Members and by action teams, composed of representatives of NPC Member organizations.
2. The Executive Secretariat, Office of Personnel Management, will provide logistical and administrative support to the action teams.
3. The NPC Members will specifically charge the action teams with definitive objectives and time frames for completion of the objectives.

Coordination with PMC

The NPC recognizes the importance of the support of the President's Management Council in achieving the foregoing objectives.

[FR Doc. 95–3820 Filed 2–15–95; 8:45 am]
BILLING CODE 6325–01–M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–35350; File No. SR–CBOE–94–35]

Self-Regulatory Organizations; Order Approving Proposed Rule Change by the Chicago Board Options Exchange, Inc., Relating to Expedited Proceedings and Offers of Settlement

February 9, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule 19b–4 thereunder,[2] the Chicago Board Options Exchange, Inc. (''CBOE'' or ''Exchange'') submitted to the Securities and Exchange Commission (''SEC'' or ''Commission'') a proposal to amend CBOE Rules 17.3, ''Expedited Proceeding,'' and 17.8, ''Offers of Settlement,'' to (1) specify that the subject of an Exchange investigation must notify the CBOE staff in writing within 15 days of the date of notification under CBOE Rule 17.2(d), ''Notice, Statement and Access,'' that he elects to proceed in an expedited manner pursuant to CBOE Rule 17.3; (2) reduce the time period during which settlement offers may be submitted by a subject in an Exchange disciplinary matter who seeks to resolve the matter through expedited proceedings pursuant to CBOE Rule 17.3; and (3) allow either the subject or the Exchange staff to end the negotiations for a letter of consent at any point during the negotiations.[3]

[1] 15 U.S.C. 78s(b)(1) (1988).

[2] 17 CFR 240.19b–4 (1994).

[3] CBOE Rule 17.2(c), ''Report,'' requires the CBOE staff to submit a written report of an investigation to the Exchange's Business Conduct Committee (''BCC'') in every case where an investigation results in a finding that there are reasonable grounds to believe that a violation of the Act or the CBOE's rules has been committed. CBOE Rule 17.2(d) requires the CBOE staff to notify the subject of the report of the general nature of the allegations and of the specific provisions of the Act or of the CBOE's rules that appear to have been violated, and the subject has 15 days from the date of the notification to submit a written statement to the

Continued

The proposal was published for comment in the **Federal Register** in Securities Exchange Act Release No. 34987 (November 18, 1994), 59 FR 60858 (November 28, 1994). No comments were received on the proposed rule change.

CBOE Rule 17.3 establishes an expedited process under which the subject of an Exchange investigation may seek to resolve a disciplinary matter through a letter of consent with the Exchange prior to the issuance of a statement of charges against the subject.[4] Under CBOE Rule 17.3, a letter of consent must contain a description of the facts, violation, and sanction, and must be agreed upon by the Exchange staff, the subject of the investigation, and the BCC. If the Exchange staff and the subject are unable to agree upon a letter of consent or if they agree upon a letter of consent and the letter is rejected by the BCC, the matter proceeds as if no letter of consent had been submitted to the BCC (i.e., the BCC may decide to authorize the issuance of a statement of charges against the subject; the subject is then entitled to submit settlement offers to the BCC pursuant to CBOE Rule 17.8 during the 120-day settlement period).

The CBOE proposes to amend CBOE Rule 17.3 to (1) require that any subject who desires to resolve a disciplinary matter through the expedited proceedings using a letter of consent to submit a written notice of this fact to the Exchange staff within 15 days from the date of service of a notification letter; and (2) permit either the Exchange staff or the subject of an investigation to declare an end to the negotiations regarding a letter of consent at any point in the negotiations by providing written notice to the other party.[5] Thereafter, the subject will have 15 days to submit a notification response pursuant to CBOE Rule 17.2(d) and the Exchange staff will then be permitted to bring the matter to the BCC. The CBOE states that these new procedures will establish a start and end date for expedited proceedings so that the number of days a subject spends in the expedited process can be calculated and deducted accordingly from the 120-day settlement period, as proposed under CBOE Rule 17.8.

The proposed amendments to CBOE Rule 17.8, Interpretation and Policy .01 would reduce the time period during which settlement offers may be submitted to the BCC by a subject who seeks to resolve a disciplinary matter through expedited proceedings, is unable to reach an agreement with Exchange staff, and consumes over 30 days in the expedited proceedings. Specifically, under the proposal, the number of days in excess of 30 days that a subject spends in the expedited proceeding will be deducted from the 120-day settlement period applicable to the subject under CBOE Rule 17.8. Regardless of the amount of time spent in unsuccessful negotiations, the respondent will have no less than 14 days to submit a settlement offer to the BCC pursuant to CBOE Rule 17.8(a).

The mechanism for limiting settlement periods will apply only to a subject who attempts to resolve a disciplinary matter through expedited proceedings and is unable to reach an agreement with CBOE staff upon a letter of consent; it will not apply to a subject who attempts to resolve a disciplinary matter through expedited proceedings and who reaches an agreement with CBOE staff upon a letter of consent but finds that the agreed-upon letter of consent is not accepted by the BCC. In addition, under the proposal, the number of days between the time that the expedited process is deemed to end and the time that a subject is served with a statement of charges will not be deducted from the 120-day settlement period applicable to the subject.

Finally, the CBOE proposes to make certain editorial changes to clarify CBOE Rules 17.3 and 17.8 without affecting their substance.

The CBOE believes that the proposal will enhance the efficiency and effectiveness of the Exchange's disciplinary process. Specifically, the Exchange believes that the proposed changes will minimize opportunities for delay and thereby help to preserve evidence and the memories of witnesses.

The Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange, and, in particular, the requirements of Section 6(b)(5)[6] that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices and to protect investors and the public interest. In addition, the Commission finds that the Exchange's proposal is consistent with the requirement of Section 6(b)(1) of the Act that an exchange have the capacity to enforce compliance by its members with the Act and the rules and regulations thereunder and the rules of the exchange. The Commission also believes that the proposal is consistent with Section 6(b)(7) of the Act because it provides a fair procedure for disciplining members.

The Commission believes that the proposal strikes a reasonable balance between the Exchange's need to provide prompt, effective and meaningful discipline for violations of Exchange rules and the federal securities laws and the need to ensure fair procedures for the subjects of Exchange investigations to contest CBOE disciplinary proceedings. By streamlining the expedited proceedings established in CBOE Rule 17.3 and limiting the time allowed for the submission of settlement offers under CBOE Rule 17.8, the Commission believes that the proposal should minimize opportunities for delay, thereby helping to preserve evidence and the availability of witnesses. This, in turn, should enhance the quality, consistency, and fairness of the Exchange's disciplinary proceedings and enable the CBOE to better enforce compliance by its members with the Exchange's rules and the federal securities laws.

The CBOE states that the Exchange's current rules allow the subject of an Exchange investigation who unsuccessfully attempts to resolve a disciplinary matter through expedited proceedings to take advantage of the entire 120-day settlement period provided under CBOE Rule 17.8, so that a respondent may utilize the expedited process to circumvent the 120-day settlement period and delay the resolution of a case. Accordingly, the

BCC concerning why no disciplinary action should be taken. Under CBOE Rule 17.3, the subject of a report written pursuant to CBOE Rule 17.2 may seek to dispose of the matter through a letter of consent prior to the issue of a statement of charges.

[4] Under CBOE Rule 17.4(b), ''Initiation of Charges,'' when it appears to the BCC from the report of the exchange staff that there is probable cause for finding a violation within the disciplinary jurisdiction of the Exchange and that further proceedings are warranted, the BCC directs the Exchange staff to prepare a statement of charges against the person or organization alleged to have committed a violation (the ''respondent'') specifying the acts in which the Respondent is charged to have engaged and setting forth the specific provisions of the Act, as amended, and the rules and regulations promulgated thereunder, constitutional provisions, by-laws, rules, interpretations or resolutions of which such acts are in violation. Under CBOE Rule 17.8, at any time during the 120-day period following the date of service of a statement of charges, a respondent may submit a written offer of settlement to the BCC. The offer of settlement must contain a proposed stipulation of facts and consent to a specified sanction.

[5] The CBOE states that it will terminate the negotiations for a letter of consent if, among other things, it appears to the Exchange that the subject is not negotiating in good faith. Telephone conversation between Arthur Reinstein, Attorney, CBOE, and Yvonne Fraticelli, Staff Attorney, Options Branch, Division of Market Regulation, Commission, on February 8, 1995.

[6] 15 U.S.C. 78f(b)(5) (1988).

Exchange proposes to amend CBOE Rule 17.8, Interpretation and Policy .01 to deduct from the 120-day settlement period the number of days over 30 days which a subject spends in the expedited process unsuccessfully attempting to reach an agreement with the Exchange staff.

The Commission believes that the proposed amendments to CBOE Rule 17.8 should allow the Exchange's disciplinary proceedings to progress promptly without compromising members' rights to ''fair procedures'' in CBOE disciplinary proceedings. Specifically, by deducting from the 120-day settlement period the number of days over 30 spent in unsuccessful negotiations under the expedited process, the proposal will prevent the subject of an Exchange investigation from using the expedited process to delay the resolution of a case while continuing to ensure that the subject has adequate time to resolve the matter through a letter of consent or settlement. In this context, the proposal will deduct only the portion of days above 30 spent in unsuccessful negotiations under the expedited process from the 120-day settlement period, thereby limiting the total amount of time a subject may spend in attempts to resolve a case through either a letter of consent under CBOE Rule 17.3 or a settlement offer under CBOE Rule 17.8.

The Commission also believes that it is reasonable to allow the CBOE staff, as well as the subject, to terminate negotiations for a letter of consent at any time during the negotiations. As noted above,[7] the CBOE has stated that it will terminate the letter of consent negotiations if, among other things, it appears to the Exchange that a subject is not negotiating in good faith. The Commission believes that this provision will help to ensure that disciplinary matters are resolved quickly by preventing subjects who do not negotiate in good faith from using the letter of consent negotiations to delay the resolution of the matter.

At the same time, the Commission believes that the proposal should preserve the rights of respondents to submit settlement offers under CBOE Rule 17.8. By providing that respondents will have no less than 14 days following the date of service of the statement of charges to submit offers of settlement to the BCC, regardless of the amount of time spent in the expedited process, the proposal should provide respondents with sufficient time to submit settlement offers under CBOE Rule 17.8. Thus, the Commission believes that the proposed amendments to CBOE Rule 17.8 will help to safeguard the procedural rights of members while preserving the Exchange's ability to administer its disciplinary proceedings in a timely and efficient manner.

The Commission also believes that the proposed amendments to CBOE Rule 17.3 are consistent with the Act. Specifically, the Commission believes that the proposed amendments will streamline the Exchange's expedited proceedings by providing that a subject of an Exchange investigation who wishes to dispose of a matter through a letter of consent must notify the Exchange staff of his intent within 15 days of the receipt of notice under CBOE Rule 17.2(d). In addition, the proposal clarifies the requirements for expedited proceedings by specifying that the subject and the Exchange staff must agree upon the terms of a letter of consent and the letter must be signed by the subject. The proposal also allows either party to deliver a written notice declaring an end to the negotiations, thereby limiting the amount of time that may be spent in unsuccessful negotiations.

In summary, the Commission believes that the proposed amendments to CBOE Rules 17.3 and 17.8 should allow cases to be resolved more quickly and efficiently, while continuing to ensure adequate due process for subjects of disciplinary matters, consistent with Section 6(b)(7) of the Act. Accordingly, the changes should permit Exchange resources to be allocated more effectively in pursuing violations of the Exchange's rules and the federal securities laws and help to ensure that appropriate and fair discipline is imposed for violations. This should further the Exchange's mandate to protect investors and the public interest.

Finally, the Commission believes that it is reasonable for the Exchange to clarify its rules by making editorial changes to CBOE Rules 17.3 and 17.8 which do not affect the substance of those rules.

It is therefore ordered, pursuant to section 19(b)(2) of the Act,[8] that the proposed rule change (SR–CBOE–94–35) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.[9]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–3844 Filed 2–15–95; 8:45 am]

BILLING CODE 8010–01–M

[7] See note 5, *supra.*

[8] 15 U.S.C. 78s(b)(2) (1988).

[9] 17 CFR 200.30–3(a)(12) (1994).

[Release No. 34–35354; International Series Release No. 783; File No. SR–ISCC–94–01]

Self-Regulatory Organizations; International Securities Clearing Corporation; Notice of Filing add Immediate Effectiveness of a Proposed Rule Change Regarding the Global Clearing Network Service

February 10, 1995.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] notice is hereby given that on January 6, 1995, the International Securities Clearing Corporation (''ISCC'') filed with the Securities and Exchange Commission (''Commission'') the proposed rule change (File No. SR–ISCC–95–01) as described in Items I, II, and III below, which items have been prepared primarily by ISCC. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The proposed rule change consists of amendments to ISCC's Rule 50 to expand the categories of entities with which ISCC may establish relationships for its foreign clearance and settlement service.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, ISCC included statements concerning the purpose of and basis for the proposed rule change and discussed any comments that it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. ISCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.

(A) Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

(a) ISCC Rule 50 currently provides that ISCC may establish a foreign clearing, settlement, and custody service in conjunction with banks and trust companies to be known as the Global Clearance Network (''GCN'') Service. The proposed rule change expands the categories of entities with whom ISCC may enter into agreements in order to provide the GCN Service to include any type of entity. This change will permit

[1] 15 U.S.C. 78s(b)(1) (1988).

ISCC to enter into a relationship with entities such as INDEVAL, the Mexican securities clearing and depository company. However, ISCC will still be required to file a proposed rule change pursuant to Section 19(b) of the Act before entering into a clearing, settlement, or custody service relationship with any entity.

(b) The proposed change will facilitate the prompt and accurate clearance and settlement of securities transactions, and therefore, the proposed rule change is consistent with the requirements of the Act, specifically Section 17A of the Act, and the rules and regulations thereunder.

(B) Self-Regulatory Organization's Statement on Burden on Competition

ISCC does not believe that the proposed rule change will have an impact on or impose a burden on competition.

(C) Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants, or Others

No written comments have been solicited or received. ISCC will notify the Commission of any written comments received by ISCC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for the Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b–4(e)(4) thereunder in that the proposal effects a change in an existing service that does not adversely affect the safeguarding of securities or funds and does not significantly affect the respective rights of the clearing agency or persons using the service. At any time within sixty days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street NW., Washington, D.C. 20549. Copies of the submission, all subsequent amendments, all written statements with respect to the proposed rule change that are filed with the Commission, and all written communications relating to the proposed rule change between the Commission and any person, other than those that may be withheld from the public in accordance with the provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 450 Fifth Street NW., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the above-mentioned self-regulatory organization. All submissions should refer to the file number SR–ISCC–95–01 and should be submitted by March 9, 1995.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.[2]

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–3882 Filed 2–15–95; 8:45 am]

BILLING CODE 8010–01–M

[Rel. No. IC–20895; File No. 812–9244]

First SunAmerica Life Insurance Company, et al.; Notice of Application

February 10, 1995.

AGENCY: Securities and Exchange Commission (''SEC'' or ''Commission'')

ACTION: Notice of application for exemption under the Investment Company Act of 1940 (the ''Act'' or ''1940 Act'').

APPLICANTS: First SunAmerica Life Insurance Company (''First SunAmerica''), FS Variable Separate Account (''Separate Account''), and SunAmerica Capital Services, Inc.

RELEVANT ACT SECTIONS: Order requested under Section 6(c) for exemptions from Sections 26(a)(2) and 27(c)(2).

SUMMARY OF APPLICATION: Applicants request exemptions from Sections 26(a)(2) and 27(c)(2) of the Act to the extent necessary to allow first SunAmerica to deduct from the Separate Account the mortality and expense risk charges and the distribution expense charge imposed under the individual flexible payment deferred annuity contracts (''Contracts'') to be funded in the Separate Account.

FILING DATE: The application was filed on September 16, 1994 and amended on February 3, 1995.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving Applicants with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on March 7, 1995, and should be accompanied by proof of service on Applicants, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street NW., Washington, D.C. 20549. Applicants, c/o Routier, Mackey and Johnson, P.C., 1700 K Street NW., Suite 1003, Washington, D.C. 20006.

FOR FURTHER INFORMATION CONTACT: Edward P. Macdonald, Staff Attorney, or Wendy Friedlander, Deputy Chief, at (202) 942–0670, Office of Insurance Products, Division of Investment Management.

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicants' Representations

1. First SunAmerica is a stock life insurance company organized under the laws of the State of New York and is admitted to conduct a life insurance and annuity business in that state. SunAmerica Capital Services, Inc., the distributor for the Contracts, is a broker-dealer registered under the Securities Exchange Act of 1934 and is a member of the National Association of Securities Dealers, Inc.

2. The Separate Account was established by First SunAmerica to fund variable annuity contracts. The Contracts that are the subject of the application provide for accumulation of contract values and payment of annuity benefits on a fixed and variable basis. The Contracts will be initially funded through eighteen portfolios of the Separate Account; each portfolio will invest its assets in the shares of one of four available series of the Anchor Series Trust or one of fourteen available series of the SunAmerica Series Trust. Both the Anchor Series Trust and the SunAmerica Series Trust are registered under the 1940 Act as diversified, open-end, management investment companies and the securities they issue are registered under the Securities Act of 1933 (the ''1933 Act''). Additional underlying funds may become available in the future. Prior to the issuance of any Contracts, the Separate Account

[2] 17 CFR 200.30–3(a)(12) (1994).

will be registered under the 1940 Act as a Unit Investment Trust and the Contracts thereunder will be registered under the 1933 Act.

3. The Separate Account and each of its portfolios is administered and accounted for as part of the general business of First SunAmerica, but the income, gains or losses of each portfolio are credited to or charged against the assets held in that portfolio in accordance with the terms of the Contracts, without regard to other income, gains or losses of any other portfolio or arising out of any other business First SunAmerica may conduct.

4. The Contracts are available for both retirement plans which do and do not qualify for the special federal tax advantages available under the Internal Revenue Code. Purchase payments under the Contracts may be made to the general account of First SunAmerica under one of the Contracts' fixed account options (the ''Fixed Account''), the Separate Account, or allocated between them. The minimum initial purchase payment for a Contract issued on a non-qualified basis is $5,000 and additional purchase payments may be made in amounts of at least $500. The minimum initial purchase payment for a Contract issued on a qualified basis is $2,000, additional purchase payments may be made in amounts of at least $250.

5. If the contract owner dies during the accumulation period, a death benefit will be payable to the beneficiary upon receipt by First SunAmerica of due proof of death.

The standard death benefit is equal to the greater of:

(1) The contract value at the end of the valuation period during which due proof of death (and an election of the type of payment to the beneficiary) is received by First SunAmerica; or

(2) The total dollar amount of purchase payments, minus the sum of:

(a) The total dollar amount of any partial withdrawals and partial annuitizations; and

(b) Premium taxes incurred.

In addition, where permitted by state law, First SunAmerica will provide an enhanced death benefit after the seventh contract year. The enhanced death benefit is: (A) The greater of (1) the contract value at the end of the preceding contract year, plus purchase payments during the current contract year, or (2) the death benefit on the last day of the preceding contract year, minus (B) the total amount of withdrawals and partial annuitizations during the current contract year plus premium taxes incurred.

6. During the accumulation period, amounts allocated to the Separate Account may be transferred among the portfolios and/or the Fixed Account. The first fifteen transactions effecting such transfers in any contract year are permitted without the imposition of a transfer fee. A transfer fee of $25 is assessed on the sixteenth and each subsequent transfer within the contract year. This fee will be deducted from contract values which remain in the portfolio (or the Fixed Account) from which the transfer was made. If such remaining contract value is insufficient to pay the transfer fee, then the fee will be deducted from transferred contract values. After the annuity date, contract values may be transferred from the Separate Account to the Fixed Account but not from the Fixed Account to the Separate Account. Applicants represent that the transfer fee is at cost with no anticipation of profit.

7. Although there is a ''free withdrawal'' amount, a contingent deferred sales charge, which is referred to as the withdrawal charge, may be imposed upon certain withdrawals. Withdrawal charges will vary in amount depending upon the contribution year of the purchase payment at the time of withdrawal in accordance with the withdrawal charge table shown below.

WITHDRAWAL CHARGE TABLE

Contribution year [1]	Applicable Withdrawal Charge percentage
Zero	7
First	6
Second	5
Third	4
Fourth	3
Fifth	2
Sixth	1
Seventh and later	0

The withdrawal charge is deducted from remaining contract values so that the actual reduction in contract value as a result of the withdrawal will be greater than the withdrawal amount requested and paid. For purposes of determining the withdrawal charge, withdrawals will be allocated first to investment income, if any (which generally may be withdrawn free of withdrawal charge), and then to purchase payments on a first-in, first-out basis so that all withdrawal are allocated to purchase payments to which the lowest (if any) withdrawal charge applies.

8. First SunAmerica deducts a distribution expense charge from each portfolio of the Separate Account during each valuation period which is equal, on an annual basis, to 0.15% of the net asset value of each portfolio. This charge is designed to compensate First SunAmerica for assuming the risk that the cost of distributing the Contracts will exceed the revenues from the withdrawal charge. In no event will this charge be increased.

The distribution expense charge is assessed during both the accumulation period and the annuity period; however, it is not applied to contract values allocated to the Fixed Account.

9. The annuity rates may not be changed under the Contract. For assuming the risks that (1) the life expectancy of an annuity will be greater than that assumed in the guaranteed annuity purchase rates, (2) for waiving the withdrawal charge in the event of the death of the contract owner, and (3) for providing both a standard and enhanced death benefit prior to the annuity date, First SunAmerica deducts a mortality risk charge from the Separate Account. The charge is deducted from each portfolio of the Separate Account during each valuation period at an annual rate of 1.02% of the net asset value of each portfolio. The portion of the total morality risk charge attributable to First SunAmerica's assuming (1) and (2) and providing a standard death benefit is 0.9%; the balance of 0.12% is assessed for providing the enhanced death benefit. If the mortality risk charge is insufficient to cover the actual costs of assuming the mortality risks, First SunAmerica will bear the loss; however, if the charge proves more than sufficient, the excess will be a gain to First SunAmerica. To the extent First SunAmerica realizes any gain, those amounts may be used at its discretion, including offsetting losses experienced when the mortality risk charge is insufficient. The mortality risk charge may not be increased under the Contract.

10. A maintenance fee of $30 is charged against each Contract. The maintenance fee will be assessed each contract year on the anniversary of the issue date of the Contract on or prior to the annuity date. In the event that a total surrender of contract value is made other than on such anniversary, the fee will be assessed as of the date of surrender without proration. This fee reimburses First SunAmerica for expenses incurred in establishing and maintaining records relating to the

[1] With respect to a given purchase payment, a Contribution Year is a calendar year starting from the date of the purchase payment in one calendar year and ending on the anniversary of such date in the succeeding calendar year. The Contribution Year in which a purchase payment is made is ''Contribution Year Zero,'' and subsequent Contribution Years are successively numbered.

Contracts. The amount of this fee is guaranteed and cannot be increased by First SunAmerica. The maintenance fee is at cost with no anticipation of profit.

11. First SunAmerica bears to risk that the maintenance fee will be insufficient to cover the cost of administering the Contracts. For assuming this expense risk, First SunAmerica deducts an expense risk charge from the Separate Account. The charge is deducted from each portfolio of the Separate Account during each valuation period at an annual rate of 0.35% of the net asset value of each portfolio. If the expense risk charge is insufficient to cover the actual cost of administering the Contracts, First SunAmerica will bear the loss; however, if the charge is more than sufficient, the excess will be a gain to First SunAmerica. To the extent First SunAmerica realizes any gain, those amounts may be used at its discretion, including offsetting losses when the expense risk charge is insufficient. The expense risk charge may not be increased under the Contract.

Applicants' Legal Analysis

1. Pursuant to Section 6(c) of the Act the Commission may, by order upon application, conditionally or unconditionally exempt any person, security, or transaction, or any class or classes of persons, securities or transactions, from any provision or provisions of the Act or from any rule or regulation thereunder, if and to the extent that such exemption is necessary or appropriate in the public interest and consistent with the protection of investors and the purposes fairly intended by the policy and provisions of the Act.

2. Sections 26(a)(2)(C) and 27(c)(2) of the Act, in pertinent part, prohibit a registered unit investment trust and any depositor thereof or underwriter therefor from selling periodic payment plan certificates unless the proceeds of all payments (other than sales load) are deposited with a qualified bank as trustee or custodian and held under arrangements which prohibit any payment to the depositor or principal underwriter except a fee, not exceeding such reasonable amount as the Commission may prescribe, for performing bookkeeping and other administrative services of a character normally performed by the bank itself.

3. Applicants request an order under Section 6(c) of the Act exempting them from Sections 26(a)(2)(C) and 27(c)(2) of the Act to the extent necessary to permit the deduction of the mortality and expense risk charge and distribution expense charge from the assets of the Separate Account under Contracts.

4. Applicants assert that the mortality and expense risk charge of 1.25% (which includes all risk charges imposed under the Contracts with the exception of the 0.12% risk charge for the enhanced death benefit) is reasonable in relation to the risks assumed by First SunAmerica under the Contracts and reasonable in amount as determined by industry practice with respect to comparable annuity products. Applicants state that these determinations are based on their analysis of publicly available information about similar industry practices, and by taking into consideration such factors as current charge levels and benefits provided, the existence of expense charge guarantees and guaranteed annuity rates. First SunAmerica undertakes to maintain at its home office a memorandum, available to the Commission upon request, setting forth in detail the methodology used in making these determinations.

5. Applicants assert that the mortality risk charge of 0.12% for the enhanced death benefit is reasonable in relation to the risks assumed by First SunAmerica under the Contracts for the enhanced death benefit. First SunAmerica undertakes to maintain at its home office a memorandum, available to the Commission upon request, setting forth in detail the methodology used in determining that the risk charge of 0.12% for the enhanced death benefit is reasonable in relation to the risks assumed by First SunAmerica under the Contracts.

6. First SunAmerica has concluded that there is a reasonable likelihood that the Separate Account's distribution financing arrangement will benefit the Separate Account and its investors. First SunAmerica represents that it will maintain and make available to the Commission upon request a memorandum setting forth the basis of such conclusion. First SunAmerica further represents that the assets of the Separate Account will be invested only in management investment companies which undertake, in the event they should adopt a plan for financing distribution expenses pursuant to Rule 12b–1 under the 1940 Act, to have such plan formulated and approved by their board of directors, the majority of whom are not ''interested persons'' of the management investment company within the meaning of Section 2(a)(19) of the 1940 Act.

7. With respect to the distribution expense charge, Applicants represent that the amount of any withdrawal charge imposed when added to any distribution expense charge previously paid, will not exceed 9% of purchase payments and that First SunAmerica will monitor each Contract owner's account for the purpose of ensuring that this limitation is not exceeded.

Conclusion

For the reasons summarized above, Applicants represent that the exemptive relief requested is necessary or appropriate in the public interest and otherwise meets the standards of Section 6(c) of the Act.

For the Commission, by the Division of Investment Management, pursuant to delegated authority.

Margaret H. McFarland,

Deputy Secretary

[FR Doc. 95–3884 Filed 2–15–95; 8:45 am]

BILLING CODE 8010–01–M

[Investment Company Act Release No. 20894; File No. 811–6228]

Putnam Texas Tax Exempt Income Fund; Application for Deregistration

February 10, 1995.

AGENCY: Securities and Exchange Commission (''SEC'').

ACTION: Notice of application for deregistration under the Investment Company Act of 1940 (the ''Act'').

APPLICANT: Putnam Texas Tax Exempt Income Fund.

RELEVANT ACT SECTION: Section 8(f).

SUMMARY OF APPLICATION: Applicant seeks an order declaring that it has ceased to be an investment company.

FILING DATES: The application on Form N–8F was filed on December 9, 1994, and amended on February 9, 1995.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on March 8, 1995, and should be accompanied by proof of service on applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons who wish to be notified of a hearing may request notification by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 5th Street NW., Washington, DC 20549. Applicant, One Post Office Square, Boston, Massachusetts 02109.

FOR FURTHER INFORMATION CONTACT:

James J. Dwyer, Staff Attorney, at (202) 942–0581, or C. David Messman, Branch Chief, at (202) 942–0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee at the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant is an open-end non-diversified management investment company that was organized as a Massachusetts business trust. On November 26, 1990, applicant registered under the Act as an investment company, and filed a registration statement to register its shares under the Securities Act of 1933. The registration statement became effective on March 4, 1992, and applicant's initial public offering commenced on that date.

2. At a meeting held on January 7, 1994, applicant's trustees approved an agreement and plan of reorganization (the ''Plan'') whereby applicant would transfer all of its assets and liabilities to Putnam Tax Exempt Income Fund (the ''Income Fund''), a Massachusetts business trust registered under the Act, and subsequently liquidate. Applicant's trustees determined that the proposed reorganization would achieve economies of scale, including lower advisory and operating costs, and result in performance benefits for applicant's shareholders.

3. Applicant and Income Fund share a common investment adviser, officers, and trustees. Accordingly, applicant and Income Fund may be deemed to be affiliated persons of each other. Applicant therefore relied on the exemption provided by rule 17a–8 under the Act to effect the reorganization. Consequently, in accordance with rule 17a–8, applicant's trustees determined on January 7, 1994, that the purchase of the assets of applicant by Income Fund was in the best interests of applicant's shareholders, and that such purchase would not result in any dilution to the interests of the existing shareholders.[1]

4. Proxy materials relating to the Plan were filed with the SEC on March 14, 1994, and mailed to applicant's shareholders on March 29, a994. Applicant's shareholders voted to approve the Plan at a special meeting held on May 5, 1994.

5. As of May 6, 1994, applicant had 1,862,787.75 shares outstanding, having an aggregate net asset value of $16,314,742.28 and a per share net asset value of $8.76. On May 9, 1994, pursuant to the Plan, applicant transferred all of its assets and liabilities to Income Fund in exchange for a number of full and fractional Class A shares of Income Fund having an aggregate net asset value equal to the value of applicant's assets attributable to shares of applicant transferred to Income Fund. No brokerage commissions were paid in connection with such transfer. Applicant then distributed to its shareholders *pro rata* the Income Fund Class A shares it received, in complete liquidation of application.

6. The expenses applicable to the Plan, consisting of accounting, printing, administrative, and certain legal expenses, were $76,669. Applicant paid all expenses in connection with proxy printing and solicitation. All other expenses were assumed ratably by applicant and Income Fund in proportion to their net assets as of May 6, 1994.

7. Applicant has no shareholders, assets, or liabilities. Applicant is not a party to any litigation or administrative proceeding. Applicant is not engaged in, nor does it propose to engage in, any business activities other than those necessary for the winding up of its affairs.

8. On August 5, 1994, applicant filed the necessary documents in Massachusetts to terminate its existence as a Massachusetts business trust.

For the SEC, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–3883 Filed 2–15–95; 8:45 am]

BILLING CODE 8010–01–M

[1] Rule 17a–8 provides relief from the affiliated transaction prohibition of section 17(a) of the Act for a merger of investment companies that may be affiliated persons of each other solely by reason of having a common investment adviser, common directors, and/or common officers.

[Rel. No. IC–20896; 811–6433]

Smith Breeden Institutional Intermediate Duration U.S. Government Fund; Notice of Application

February 10, 1995.

AGENCY: Securities and Exchange Commission (''SEC'').

ACTION: Notice of application for deregistration under the Investment Company Act of 1940 (the ''Act'').

APPLICANT: Smith Breeden Institutional Intermediate Duration U.S. Government Fund.

RELEVANT ACT SECTION: Order requested under section 8(f).

SUMMARY OF APPLICATION: Applicant seeks an order declaring it has ceased to be an investment company.

FILING DATES: The application was filed on November 21, 1994 and amended on February 6, 1995.

HEARING OR NOTIFICATION OF HEARING: An order granting the application will be issued unless the SEC orders a hearing. Interested persons may request a hearing by writing to the SEC's Secretary and serving applicant with a copy of the request, personally or by mail. Hearing requests should be received by the SEC by 5:30 p.m. on March 7, 1995, and should be accompanied by proof of service on the applicant, in the form of an affidavit or, for lawyers, a certificate of service. Hearing requests should state the nature of the writer's interest, the reason for the request, and the issues contested. Persons may request notification of a hearing by writing to the SEC's Secretary.

ADDRESSES: Secretary, SEC, 450 Fifth Street NW., Washington, D.C. 20549. Applicant, 200 Europa Drive, Suite 200, Chapel Hill, North Carolina 27514.

FOR FURTHER INFORMATION CONTACT: Marianne H. Khawly, Staff Attorney, at (202) 942–0562, or C. David Messman, Branch Chief, at (202) 942–0564 (Division of Investment Management, Office of Investment Company Regulation).

SUPPLEMENTARY INFORMATION: The following is a summary of the application. The complete application may be obtained for a fee from the SEC's Public Reference Branch.

Applicant's Representations

1. Applicant is a registered open-end, diversified, management investment company under the Act and is organized as a business trust under the laws of the Commonwealth of Massachusetts. On October 8, 1991, applicant filed a Notification of Registration on Form N–8A pursuant to section 8(a) of the Act and a registration statement on Form N–1A under section 8(b) of the Act. With respect to the securities issued by applicant pursuant to the Securities Act of 1933, a registration statement on Form N–1A was filed on November 29, 1991. The registration statement became effective on February 24, 1992, and applicant's initial public offering commenced on March 12, 1992.

2. At a joint meeting held on June 2, 1994, applicant's Board of Trustee (the ''Trustees'') unanimously determined that applicant's continuation was no longer in the best interest of applicant or its shareholders. The Trustees determined that applicant's

shareholders would be better served by a liquidation of applicant's assets. The Trustees reached this conclusion based upon the recommendation of Smith Breeden Associates, Inc. (the ''Adviser'') that applicant's master-feeder structure was no longer the most economically viable alternative over the long term. The master-feeder structure was chosen initially to allow for flexibility in distribution. The Intermediate Series initially had a load and was to be marketed by brokers to a retail market. This plan was not successful and assets only grew to $8 million after two years. The Adviser was supporting an expense cap in both the master and feeder funds creating redundancies in expenses at small asset levels. After two years, the Adviser concluded that it could no longer support the expense caps. The Trustees voted to approve a plan of liquidation whereby the assets of applicant would be distributed in case or in-kind to applicant's shareholders in complete liquidation of the applicant.

3. According to applicant's Declaration of Trust, no shareholder vote was required. Prior to the time of liquidation, applicant was required to notify shareholders of the plan of liquidation in the form of a letter signed by a majority of the Trustees. The letter was sent by overnight courier on July 28, 1994.

4. On August 1, 1994, immediately preceding the liquidation, applicant had a total of 895,357.904 shares of beneficial interest outstanding. At such time, applicant's aggregate and per share net asset value was $8,813,488.2 and $9.843, respectively.

5. All portfolio securities and any other assets of applicant were distributed to applicant's shareholders in connection with the liquidation. On August 1, 1994, applicant transferred its assets to its shareholders at fair market value in cancellation of their shares. Prior to the liquidating distribution, Smith Breeden Intermediate Duration U.S. Government Series (''Intermediate Series'') held a majority of applicant's shares (870,004.56). The Intermediate Series received all of applicant's investments and remaining cash. The Intermediate Series assumed all of applicant's liabilities which consisted of: $7,483,827 for accounts payable for securities purchased; $3,697 for accrued expenses; and $2,652 for investment advisory fees. The value of assets and cash received by the Intermediate Series was $8,563,932.70.

6. On August 1, 1994, applicant transferred cash to its minority shareholders in the amount of $249,555.50. This payment was equal to the net asset value of such shareholders' shares on such date. Prior to the plan of liquidation, minority shareholders held 25,353.344 shares.

7. On July 29, 1994, the balance of unamortized organizational expenses was $24,256. Initially, these expenses were paid by the Adviser and applicant established an Account Payable for Organization Costs (The ''Account'') to the Adviser.

On July 29, 1994, the balance in the Account equalled the balance of unamortized organizational expenses. In liquidation, the Adviser forgave the Account and relinquished its right to be reimbursed for the organization costs it paid.

8. All expenses incurred in connection with applicant's liquidation were borne by the Intermediate Series. Such expenses, totalling $2,000, included legal and drafting fees.

9. As of the date of the application, applicant has no assets, debts, or shareholders. Applicant is not a party to any litigation or administrative proceeding. Applicant is neither engaged in nor proposes to engage in any business activities other than those necessary for the winding-up of its affairs.

10. Applicant will terminate its existence as a business trust under Massachusetts law.

For the SEC, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 95–3885 Filed 2–15–95; 8:45 am]

BILLING CODE 8010–01–M

DEPARTMENT OF STATE

[Public Notice 2167]

Shipping Coordinating Committee, Subcommittee on Safety of Life at Sea; Working Group on Safety of Navigation; Notice of Meeting

The Working Group on Safety of Navigation of the Subcommittee on Safety of Life at Sea (SOLAS) will conduct an open meeting at 9:30 a.m. on Wednesday, March 22, 1995, in room 6103, U.S. Coast Guard Headquarters, 2100 Second Street, SW., Washington, DC.

The purpose of the meeting is to prepare for the 41st session of the Subcommittee on Safety of Navigation (NAV) of the International Maritime Organization (IMO) which is tentatively scheduled for September 18–22, 1995, at the IMO Headquarters in London.

Items of principal interest on the agenda are:

—Routing of ships and related matters
—International Code of Signals
—Navigational aids and related matters
—Vessel Traffic Services (VTS) and ship reporting
—Revision of SOLAS chapter V
—Human element and bridge operations
—Review of World Meteorological Organization (WMO) handbooks on navigation in areas affected by sea-ice
—IMO standard marine communication phrases
—Removal of wrecks and towage of offshore installations, structures, and platforms
—Review of the Code for the Safe Carriage of Irradiated Nuclear Fuel (INF Code)
—Operational aspects of Wing in Ground (WIG)—craft
—Safety of passenger submersible craft
—Automatic ship identification transponder systems.

Members of the public may attend these meetings up to the seating capacity of the room. Interested persons may seek information by writing: Mr. Edward J. LaRue, Jr., U.S. Coast Guard (G–NSR–3), Room 1416, 2100 Second Street, SW., Washington, DC 20593–0001 or by calling: (202) 267–0416.

Dated: February 3, 1995.

Charles A. Mast,

Chairman, Shipping Coordinating Committee.

[FR Doc. 95–3891 Filed 2–15–95; 8:45 am]

BILLING CODE 4710–07–M

Shipping Coordinating Committee

[Public Notice 2166]

Subcommittee on Safety of Life at Sea Working Group on Containers and Cargoes; Meeting

The Working Group on Containers and Cargoes of the Subcommittee on Safety of Life at Sea (SOLAS) will conduct an open session from 1:00 p.m. to 4:00 p.m. on Wednesday, March 15, 1995, in room 6436 at U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593–0001. This will be a joint meeting of the Working Group's Panel on Multimodal Transport and Containers, and the Panel on Bulk Cargoes. The purpose of the meeting is to establish U.S. positions on matters to be addressed at the 34th session of the International Maritime Organization's (IMO) Subcommittee on Containers and Cargoes (BC 34) to be held at IMO Headquarters in London, March 27–31, 1995.

Items of particular interest that will be discussed at this meeting include:

1. Review of guidance and proposed amendments to the Containers and Cargoes (BC), Cargo Securing Manual Circular (MSC/Circular 385).

2. Incorporation of guidelines for the development of plans for the handling of offshore containers by offshore supply vessels pursuant to the International Safety Management (ISM) Code.

3. Interpretation of the International Convention for Safe Containers (CSC), regarding the applicability of CSC on component containers.

4. Development of a proposed Code of Safe Practice for the Safe Loading and Unloading of Bulk Cargoes, including cargo transfer check-off lists to ensure coordination between vessel crews and transfer facility personnel.

5. Review and amendment of guidelines for the fumigation of bulk grain cargoes pursuant to the International Code for Safe Carriage of Grain in Bulk.

Members of the public may attend these meetings up to the seating capacity of the room. Interested persons may seek information by writing LCDR D. Du Pont or Mr. Bob Gauvin, U.S. Coast Guard (G–MVI–2), 2100 Second Street SW., Washington, DC 20593–0001 or by calling (202) 267–1181.

Dated: February 6, 1995.

Charles A. Mast,

Chairman, Shipping Coordinating Committee.

[FR Doc. 95–3892 Filed 2–15–95; 8:45 am]

BILLING CODE 4710–07–M

DEPARTMENT OF TRANSPORTATION

Coast Guard

[CGD 95–008]

Towing Safety Advisory Committee

AGENCY: Coast Guard, DOT.

ACTION: Notice of meetings.

SUMMARY: The Towing Safety Advisory Committee (TSAC) and its working groups will meet to discuss various issues, to appoint new members, and to facilitate turnover of work in progress. Agenda will include elections, working group reports, and discussion of possible changes to licensing regulations. The meetings will be open to the public.

DATES: Meetings of the TSAC working groups will be held on Thursday, March 23, 1995. These meetings are scheduled to run from 8:30 a.m. to 4:30 p.m. The TSAC meeting will be held on Friday, March 24, 1995, from 8:30 a.m. to 1 p.m. Written material should be submitted by March 6, 1995, and persons wishing to make oral presentations should notify the Assistant Executive Director not later than March 16, 1995.

ADDRESSES: The TSAC working groups and committee will meet in Room 2415 at U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593.

FOR FURTHER INFORMATION CONTACT: Assistant Executive Director, LTJG Patrick J. DeShon, Commandant (G–MTH–4), U.S. Coast Guard, 2100 Second Street SW., Washington, DC 20593, telephone (202) 267–2997.

SUPPLEMENTARY INFORMATION: Notice of this meeting is given pursuant to the Federal Advisory Committee Act, 5 U.S.C. App. 2 section 1 *et seq.* The agenda for the Committee meeting will include:

(1) Licensing workgroup report;

(2) Model company workgroup report;

(3) Push Gear and face wire requirements for towing vessels;

(4) Tow wire for coastal tow vessels;

(5) Operational measures to reduce oil spills from existing tank vessels without double hulls;

(6) Structural measures to reduce oil spills from existing tank vessels without double hulls; and

(7) Possible changes to Coast Guard licensing requirements.

With advance notice, and at the discretion of the Chairman, members of the public may present oral statements during the meeting. Persons wishing to make oral presentations should notify the TSAC Assistant Executive Director no later than March 16, 1995. Written materials may be submitted for presentation to the Committee any time; however, to ensure distribution to each Committee member, 20 copies of the written material should be submitted to the Assistant Executive Director by March 6, 1995.

J. C. Card,

Rear Admiral, U.S. Coast Guard, Chief, Office of Marine Safety, Security and Environmental Protection.

[FR Doc. 95–3953 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–14–M

Federal Highway Administration

Environmental Impact Statement: Sauk County, Wisconsin

AGENCY: Federal Highway Administration (FHWA), DOT.

ACTION: Withdrawal of Notice of Intent to prepare an Environmental Impact Statement.

SUMMARY: The FHWA is issuing this notice to advise the public that an Environmental Impact Statement (EIS) will not be prepared for the proposed improvement of USH 141 between Abrams and STH 22 in Oconto County, Wisconsin.

FOR FURTHER INFORMATION CONTACT: Mr. Richard C. Madrzak, Statewide Projects Engineer, Federal Highway Administration, 4502 Vernon Boulevard, Madison, Wisconsin 53705–4905. Telephone (608) 264–5968.

SUPPLEMENTARY INFORMATION: The FHWA, in cooperation with the Wisconsin Department of Transportation, is withdrawing the notice of intent to prepare an Environmental Impact Statement for the construction of a four lane facility for Highway 141. The project beings at the intersection with CTH ''E'' near Abrams and extends northerly to LeMere Road approximately one mile north of STH 22 in the central section of Oconto County. The proposed project consists of adding two lanes to the existing facility, which will be accomplished by constructing four lanes on new location or a combination of new location and added lanes to the existing location. The project will serve to reduce heavy congestion and the accident potential along the existing route.

Initial review of the subject project indicated the possibility of having a significant impact on one or more environmental resources. In accordance with the provisions of the National Environmental Policy Act (NEPA), an intent to prepare an Environmental Impact Statement was filed. Through the course of the project scoping process and investigation of the potential impacts, no significant impacts were identified. An Environmental Assessment (EA) was prepared and a public hearing was held for the project; Based on the findings of the Environmental Assessment, including sufficient analysis to determine that an Environmental Impact Statement is not required, A Finding of No Significant Impact (FONSI) was prepared and approved. Therefore, the intent to prepare an Environmental Impact Statement is withdrawn.

Comments or questions concerning this action should be directed to FHWA at the address provided above.

(Catalog of Federal Domestic Assistance Program Number 20.205, Highway Planning and Construction. The regulations implementing Executive Order 112372 regarding intergovernmental consultation on Federal programs and activities apply to this program.

Issued February 6, 1995.

Richard C. Madrzak,

Statewide Projects Engineer, Madison, Wisconsin.

[FR Doc. 95–3902 Filed 2–15–95; 8:45 am]

BILLING CODE 4910–22–M

DEPARTMENT OF THE TREASURY

Public Information Collection Requirements Submitted to OMB for Review

February 6, 1995.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96–511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

Internal Revenue Service (IRS)

OMB Number: 1545–0045.
Form Number: IRS Form 976.
Type of Review: Extension.
Title: Claim for Deficiency Dividends Deductions by a Personal Holding Company, Regulated Investment Company, or Real Estate Investment Trust.
Description: Form 976 is filed by corporations that wish to claim a deficiency dividend deduction. The deduction allows the corporation to eliminate all or a portion of a tax deficiency. The IRS uses Form 976 to determine if shareholders have included amounts in gross income.
Respondents: Business or other for-profit.
Estimated Number of Respondents/ Recordkeepers: 500.
Estimated Burden Hours Per Respondent/Recordkeeper:
Recordkeeping—5 hr., 44 min.
Learning about the law or the form—47 min.
Preparing and sending the form to the IRS—55 min.
Frequency of Response: On occasion.
Estimated Total Reporting/ Recordkeeping Burden: 3,730 hours.
Clearance Officer: Garrick Shear, (202) 622–3869, Internal Revenue Service, Room 5571, 1111 Constitution Avenue, N.W., Washington, DC 20224.
OMB Reviewer: Milo Sunderhauf, (202) 395–7340, Office of Management and Budget, Room 10226, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports Management Officer.

[FR Doc. 95–3854 Filed 2–15–95; 8:45 am]

BILLING CODE 4830–01–P

Public Information Collection Requirements Submitted to OMB for Review

February 9, 1995.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96–511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

Bureau of Alcohol, Tobacco and Firearms (BATF)

OMB Number: 1512–0033.
Form Number: ATF F 1534–A (5000.19).
Type of Review: Extension.
Title: Tax Authorization Information.
Description: ATF F 1534–A (500.19) is required by ATF to be filed when a respondent's representative, not having a paper of attorney, wishes to obtain confidential information regarding the respondent. After proper completion of the form, information can be released to the representative.
Respondents: Individuals or households, business or other for-profit.
Estimated Number of Respondents: 50.
Estimated Burden Hours Per Respondent: 1 hour.
Frequency of Response: On occasion.
Estimated Total Reporting Burden: 50 hours.

OMB Number: 1512–0371.
Form Number: ATF REC 5400/1.
Type of Review: Extension.
Title: Inventories: Licensed Explosives Importers, Manufacturers, Dealers, and Permittees.
Description: These records show the explosive material inventories of those persons engaged in various activities within the explosives industry and are used by the government as initial figures from which an audit trail can be developed during the course of a compliance inspection or criminal investigation.
Respondents: Businesses or other for-profit.
Estimated Number of Respondents: 13,106.
Estimated Burden Hours Per Respondent: 2 hours.
Frequency of Response: On occasion.
Estimated Total Reporting Burden: 26,212 hours.
Clearance Officer: Robert N. Hogarth, (202) 927–8930, Bureau of Alcohol, Tobacco and Firearms, Room 3200, 650 Massachusetts Avenue, N.W., Washington, DC 20226.
OMB Reviewer: Milo Sunderhauf (202) 395–7340, Office of Management and Budget, Room 10226, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports Management Officer.

[FR Doc. 95–3855 Filed 2–15–95; 8:45 am]

BILLING CODE 4810–31–P

Public Information Collection Requirements Submitted to OMB for Review

February 9, 1995.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96–511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

U.S. Customs Service (CUS)

OMB Number: 1515–0069.
Form Number: CF 3461 and CF 3461 Alternate.
Type of Review: Extension.
Title: Immediate Delivery Application.
Description: Customs Forms 3461 and 3461 Alternate are used by importers to provide Customs with the necessary information in order to examine and release imported cargo.
Respondents: Businesses or other for-profit.
Estimated Number of Respondents: 6,100.
Estimated Burden Hours Per Respondent:
Form 3461—15 minutes.
Form 3461 Alternate—3 minutes.
Frequency of Response: On occasion.
Estimated Total Reporting Burden: 838,158 hours.
Clearance Officer: Laverne Williams (202) 927–0229 U.S. Customs Service, Printing and Records Management Branch, Room 6216, 1301 Constitution Avenue, N.W. Washington, DC 20229.
OMB Reviewer: Milo Sunderhauf (202) 395–7340, Office of Management and

Budget, Room 10226, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports Management Officer.

[FR Doc. 95–3856 Filed 2–15–95; 8:45 am]

BILLING CODE 4820–02–P

Public Information Collection Requirements Submitted to OMB for Review

February 9, 1995.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96–511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

Special Request

In order to conduct the survey described below in early March, 1995, the Department of Treasury is requesting Office of Management and Budget (OMB) review and approve this information collection by February 22, 1995. To obtain a copy of this survey, please contact the IRS Clearance Officer at the address listed below. All comments must be received by close of business February 15, 1995.

Internal Revenue Service (IRS)

OMB Number: 1545–1432.

Survey Project Number: IRS PC:V 95–004–G.

Type of Review: Revision.

Title: Jacksonville Customer Opinion Survey.

Description: As a result of the Reinvention of Government, the IRS has been asked to change the way they do business. To accomplish this goal, we are changing the configuration of Processing Centers and District Offices and aiming toward a Customer Service Site concept. The Jacksonville District has been selected as one such site, and is expected to be fully operational as such during Fiscal Year 1996.

Jacksonville will be the focal point for providing state-of-the-art service to the taxpaying public via the telephone. A key objective in the successful implementation of the Customer Service concept will be to maintain and improve public accessibility and increase the level of accurate responses provided to callers. An important measure of these factors will be the customers' perceptions and assessments of our services. The success of the Customer Service concept will be largely determined in these terms. Therefore, this feedback will be actively solicited via a Customer Opinion Survey.

Respondents: Individuals or households, Businesses or other for-profit.

Estimated Number of Respondents: 1,820.

Estimated Burden Hours Per Respondent: 4 minutes.

Frequency of Response: Other.

Estimated Total Reporting Burden: 121 hours.

Clearance Officer: Garrick Shear (202) 622–3869, Internal Revenue Service, Room 5571, 1111 Constitution Avenue, NW., Washington, DC 20224.

OMB Reviewer: Milo Sunderhauf (202) 395–7340, Office of Management and Budget, Room 10226, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports, Management Officer.

[FR Doc. 95–3857 Filed 2–15–95; 8:45 am]

BILLING CODE 4830–01–P

Public Information Collection Requirements Submitted to OMB for Review

February 9, 1995.

The Department of Treasury has submitted the following public information collection requirement(s) to OMB for review and clearance under the Paperwork Reduction Act of 1980, Public Law 96–511. Copies of the submission(s) may be obtained by calling the Treasury Bureau Clearance Officer listed. Comments regarding this information collection should be addressed to the OMB reviewer listed and to the Treasury Department Clearance Officer, Department of the Treasury, Room 2110, 1425 New York Avenue, NW., Washington, DC 20220.

Internal Revenue Service (IRS)

OMB Number: 1545–1305.

Form Number: IRS Forms 9460 and 9477.

Type of Review: Extension.

Title: Tax Forms Inventory Report.

Description: These forms are designed to collect tax forms inventory information from banks, post offices, and libraries that distribute Federal tax forms. Data is collected detailing the quantities and types of tax forms remaining at the end of the filing season. This data is combined with shipment data for each account and used to establish forms distribution guidelines for the following year. Source code data is collected to verify that the different entities received tax forms with the correct code.

Respondents: Business or other for-profit, Not-for-profit institutions, Federal Government.

Estimated Number of Respondents: 10,720.

Estimated Burden Hours Per Respondent:

Form 9460—10 minutes.

Form 9477—15 minutes.

Frequency of Response: Annually.

Estimated Total Reporting Burden: 2,600 hours.

OMB Number: 1545–1316.

Form Number: IRS Form 9452–A and Letter 2735(NO).

Type of Review: Extension.

Title: Reduce Unnecessary Filings (RUF) Worksheet ''Do I Need to File—Worksheet''.

Description: The RUF Program has been nationwide for two years. We have successfully decreased the filing of unnecessary returns by 1.1 million in those two years. This has reduced taxpayer burden and been cost effective for the service. This is in line with IRP initiatives and compliance.

Respondents: Individuals or households.

Estimated Number of Respondents: 1,000,000.

Estimated Burden Hours Per Respondent: 30 minutes.

Frequency of Response: Annually.

Estimated Total Reporting Burden: 500,000 hours.

Clearance Officer: Garrick Shear (202) 622–3869, Internal Revenue Service, Room 5571, 1111 Constitution Avenue, N.W., Washington, DC 20224.

OMB Reviewer: Milo Sunderhauf (202) 395–7340, Office of Management and Budget, Room 10226, New Executive Office Building, Washington, DC 20503.

Lois K. Holland,

Departmental Reports, Management Officer.

[FR Doc. 95–3858 Filed 2–15–95; 8:45 am]

BILLING CODE 4830–01–P

Sunshine Act Meetings

Federal Register

Vol. 60, No. 32

Thursday, February 16, 1995

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 MARITIME COMMISSION

TIME AND DATE: 10:00 a.m.—February 24, 1995.

PLACE: Room 100 (Hearing Room)—800 North Capital St., N.W., Washington, DC 20573–0001.

STATUS: Closed.

MATTER(S) TO BE CONSIDERED:

1. Trans-Atlantic Conference Agreement Proceedings (Fact Finding Investigation No. 21, Dockets No. 94–29 and 94–30)—Further Consideration of Proposed Settlement.

CONTACT PERSON FOR MORE INFORMATION: Joseph C. Polking, Secretary, (202) 523–5725.

Joseph C. Polking,

Secretary.

[FR Doc. 95–4055 Filed 2–14–95; 2:24 pm]

BILLING CODE 6730–01–M

FOREIGN CLAIMS SETTLEMENT COMMISSION

F.C.S.C. Meeting Notice No. 5–95

Announcement in Regard to Commission Meetings and Hearings

The Foreign Claims Settlement Commission, pursuant to its regulations (45 CFR Part 504), and the Government in the Sunshine Act (5 U.S.C. 552b), hereby gives notice in regard to the scheduling of open meetings and oral hearings for the transaction of Commission business and other matters specified, as follows:

Date, Time, and Subject Matter

Fri., Feb. 24, 1995 at 11:15 a.m.—Consideration of decisions on claims against Iran. Hearing (if required) on Claim No. IR–2781, Pittston Stevedoring Corporation.

All meetings are held at the Foreign claims Settlement Commission, 600 E Street, NW., Washington, DC. Requests for information, or advance notices of intention to observe a meeting may be directed to: Administrative Officer, Foreign Claims Settlement Commission, 600 E Street, NW., Room 6029, Washington, DC 20579. Telephone: (202) 616–6988.

Dated at Washington, DC on February 13, 1995.

Jeanette Matthews,

Administrative Assistant.

[FR Doc. 95–4004 Filed 2–14–95; 11:46 am]

BILLING CODE 4410–01–P

NATIONAL WOMEN'S BUSINESS COUNCIL

Notice of Meeting

SUMMARY: In accordance with the Women's Business Ownership Act, Public Law 100–403 as amended, the National Women's Business Council announces forthcoming Council Meetings. The meeting will cover action items to be taken by the National Women's Business Council in Fiscal Year 1995 including but not limited to increasing procurement opportunities and access to capital for women business owners.

DATE: February 23, 1995 from 2:00 pm to 5:30 pm.

ADDRESS: 2361 Rayburn House Office Building, Washington, DC 20515.

DATE: February 24, 1994 from 8:30 am to 1:30 pm.

ADDRESS: White House—Old Executive Office Building, Rooms 476 and 474.

STATUS: Open to the public.

CONTACT: For further information contact Amy Millman, Executive Director or Juliette Tracey, Deputy Director, National Women's Business Council, 409 Third Street, S.W., Suite 5850, Washington, D.C. 20024, (202) 205–3850.

[FR Doc. 95–4012 Filed 2–14–95; 11:46 am]

BILLING CODE 6820–AB–M

UNITED STATES POSTAL SERVICE BOARD OF GOVERNORS

Notice of Vote to Close Meeting

At its meeting on February 6, 1995, the Board of Governors of the United States Postal Service voted unanimously to close to public observation its meeting scheduled for March 6, 1995, in Washington DC. The members will consider a mail reclassification case filing before the Postal Rate Commission.

The meeting is expected to be attended by the following persons: Governors Alvarado, Daniels, del Junco, Dyhrkopp, Mackie, Pace, and Winters; Postmaster General Runyon, Deputy Postmaster General Coughlin, Secretary to the Board Harris, and General Counsel Elcano.

The Board determined that pursuant to section 552b(c)(3) of Title 5, United States Code, and section 7.3(c) of Title 39, Code of Federal Regulations, this portion of the meeting is exempt from the open meeting requirement of the Government in the Sunshine Act [5 U.S.C. 552b(b)] because it is likely to disclose information in connection with proceedings under Chapter 36 of Title 39, United States Code (having to do with postal ratemaking, mail classification and changes in postal services), which is specifically exempted from disclosure by section 410(c)(4) of Title 39, United States Code.

The Board has determined further that pursuant to section 552b(c)(10) of Title 5, United States Code, and section 7.3(j) of Title 39, Code of Federal Regulations, the discussion is exempt because it is likely to specifically concern participation of the Postal Service in a civil action or proceeding involving a determination on the record after opportunity for a hearing.

The Board further determined that the public interest does not require that the Board's discussion of these matters be open to the public.

In accordance with section 552b(f)(1) of Title 5, United States Code, and section 7.6(a) of title 39, Code of Federal Regulations, the General Counsel of the United States Postal Service has certified that in her opinion the meeting may properly be closed to public observation pursuant to section 552b(c)(3) and (10) of Title 5, United States Code; section 410(c)(4) of Title 39, United States Code; and section 7.3 (c) and (j) of Title 39, Code of Federal Regulations.

Requests for information about the meeting should be addressed to the Secretary of the Board, Davis F. Harris, at (202) 268–4800.

David F. Harris,

Secretary.

[FR Doc. 95–3996 Filed 2–14–95; 9:22 am]

BILLING CODE 7710–12–M

Corrections

Federal Register

Vol. 60, No. 32

Thursday, February 16, 1995

This section of the FEDERAL REGISTER contains editorial corrections of previously published Presidential, Rule, Proposed Rule, and Notice documents. 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 AGRICULTURE

Rural Utilities Service

7 CFR Part 1755

Standard for Splicing Copper and Fiber Optic Cables

Correction

In rule document 95–1937 beginning on page 5096 in the issue of Thursday, January 26, 1995, make the following correction:

§1755.200 [Corrected]

On page 5099, in the second column, in §1755.200(d)(4)(ii), in Table 5, in the middle column heading ''Maximum straight splice maximum load splice pair'' should read ''Maximum straight splice pair''.

BILLING CODE 1505–01–D

DEPARTMENT OF THE INTERIOR

Bureau of Land Management

[UT-942-1430-01; U-010084 et al.; 4-00152]

Proposed Continuation of Withdrawals; Utah

Correction

In notice document 95–2127 beginning on page 5696, in the issue of Monday, January 30, 1995, make the following correction:

On page 5697, in the first column, under the heading ''*Pine Valley Recreation Area*'', in the land description, in T 39 S., R 15 W., ''Sec. 24, SE¼SW¼NW¼, NE¼SE¼, NE¼NW¼SE¼.'' should read ''Sec. 24, SE¼SW¼NE¼, NE¼SE¼, NE¼NW¼SE¼.''.

BILLING CODE 1505–01–D

federal register

Thursday
February 16, 1995

Part II

Office of Personnel Management

SES Positions That Were Career Reserved During 1994; Notice

OFFICE OF PERSONNEL MANAGEMENT

SES Positions That Were Career Reserved During 1994

AGENCY: Office of Personnel Management.

ACTION: Notice.

SUMMARY: As required by the Civil Service Reform Act of 1978, this gives notice of all positions in the Senior Executive Service (SES) that were career reserved during 1994.

FOR FURTHER INFORMATION CONTACT: Charles Vaughn, Office of Executive Resources, (202) 606–1927.

SUPPLEMENTARY INFORMATION: Below is a list of titles of SES positions that were career reserved any time in calendar year 1994 whether or not they were still career reserved on December 31, 1994. Section 3132(b)(4) of title 5, United States Code, requires that the head of each agency publish the list by March of the following year. OPM is publishing a consolidated list for all agencies.

U.S. Office of Personnel Management.

James B. King,

Director.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994

Agency/organization	Career reserved positions
ADMINISTRATIVE CONFERENCE OF THE U.S.:	
ADMINISTRATIVE CONFERENCE OF THE U.S	EXECUTIVE DIRECTOR.
	RESEARCH DIRECTOR.
	GENERAL COUNSEL.
ADVISORY COUNCIL ON HISTORIC PRESERVATION:	
OFC OF THE EXEC DIRECTOR	EXECUTIVE DIRECTOR.
DEPARTMENT OF AGRICULTURE:	
OFC OF THE INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	DEP ASST INSPECTOR GENERAL FOR INVESTIGATION.
	ASST INSPECTOR GENERAL FOR AUDIT.
	DEP ASSISTANT INSPECTOR GENERAL FOR AUDIT.
	DEP ASST INSPECTOR GENERAL FOR AUDIT.
	ASST INSPECTOR GEN FOR POL DEV & RES MGMT.
	DEP ASST INSP GEN FOR INVEST IMMEDIATE OFFICE.
OFFICE OF ASST SEC'Y ADMINISTRATION	DEPUTY CHIEF FINANCIAL OFFICER.
OFFICE OF OPERATIONS	DIRECTOR OFFICE OF OPERATIONS.
	DEPUTY DIR FOR PROCUREMENT & REAL PROPERTY
OFFICE OF FINANCE AND MANAGEMENT	DIRECTOR, APPLICATIONS SYSTEMS DIVISION
	DIR, INFO RESOURCES MANAGEMENT DIVISION.
	DIRECTOR, FINANCIAL SERVICES DIVISION.
	DIR, THRIFT SAVINGS PLAN DIVISION.
FARMERS HOME ADMINISTRATION	DEPUTY ADMINISTRATOR FOR MANAGEMENT.
	ASSISTANT ADMINISTRATOR, FINANCE OFFICE.
	ASST ADMR FOR AUTOMATED INFORMATION SERVICES.
	ASST ADMR, COMMUNITY AND BUSINESS PROGRAMS.
FEDERAL CROP INSURANCE CORPORATION	ASSISTANT MANAGER FOR ADMINISTRATION.
	ASSISTANT MANAGER FOR INSURANCE SERVICES.
	ASST MANAGER FOR RESEARCH & DEVELOPMENT.
RURAL DEVELOPMENT ADMINISTRATION	ASST ADMR FIN PROG.
AGRICULTURAL MARKETING SERVICE	DEPUTY ADMINISTRATOR, MANAGEMENT.
	DIRECTOR, FRUIT & VEGETABLE DIVISION.
	DIRECTOR, COTTON DIVISION.
	DIRECTOR, DAIRY DIVISION.
	DIRECTOR, LIVESTOCK DIVISION.
	DIRECTOR, TOBACCO DIVISION.
	AGRICULTURAL MARKETING SVC, DIR POULTRY DIV.
	DIRECTOR, COMPLIANCE STAFF.
	DIRECTOR.
	DIRECTOR.
ANIMAL & PLANT HEALTH INSPECTION SERVICE	DEPUTY ADMINISTRATOR FOR MANAGEMENT & BUDGET.
	ASSOC DEP ADMINISTRATOR FOR MGT. & BUDGET.
	DEP ADMR, REGULATORY ENFORCEMENT/ANIMAL CARE.
VETERINARY SERVICES	DIRECTOR, NORTHERN REGION.
	DIR, S E REGION, VETERINARY SERVICES.
	DIRECTOR WESTERN REGION.
	DIRECTOR, SOUTH CENTRAL REGION.
	DEP ADMR, ANIMAL DAMAGE CONTROL.
	DIR, NATL CTR FOR VETERINARY EPIDEMIOLOGY.
PLANT PROTECTION & QUARANTINE SERVICE	DEP ADMR, INTERNATIONAL SERVICES.
	DIRECTOR NORTHEASTERN REGION.
	DIRECTOR, SOUTH CENTRAL REGION.
	DIRECTOR, WESTERN REGION.
	DIRECTOR, SOUTHEASTERN REGION.
	ASST TO THE ASST DEP ADRM, NATL PROGRAMS, PPQ.
	DIRECTOR OPERATIONAL SUPPORT PPQ.
SCIENCE AND TECHNOLOGY	DIRECTOR SCIENCE AND TECHNOLOGY.
FEDERAL GRAIN INSPECTION SERVICE	DIR FIELD MANAGEMENT DIVISION.
FOOD SAFETY AND INSPECTION SERVICE	ASST DEPUTY ADMIN TECHNICAL SERVICES.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEP ADMIR-ADMINISTRATIVE MGMT.
	DIR NORTHEAST REGION, PHILA., PA.
	REGL DIRECTOR, ATLANTA, GEORGIA.
	DIR, NORTH CENTRAL REGION, DES MOINES, IOWA.
	DIRECTOR, SOUTHWESTERN REGION, DALLAS, TEXAS.
	ASST DEP ADMR COMP & STAFF OPERATIONS.
	ASST DEP ADMIN (ADMIN MGT).
	ASST TO THE DEP ADMR INTERNATIONAL PROGRAMS.
	ASST DEPUTY ADMINISTRATOR.
	REGIONAL DIRECTOR.
	ASSISTANT DEPUTY ADMINISTRATOR.
	ASSOCIATE DEPUTY ADMINISTRATOR.
	ASSOCIATE ADMINISTRATOR.
	DEPUTY ADMINISTRATOR.
	MATRIX MANAGER, TRACK II.
	DEPUTY ADMINISTRATOR.
	DIRECTOR.
	DEPUTY ADMINISTRATOR.
	ASSISTANT DEPUTY ADMINISTRATOR.
	DEPUTY ADMINISTRATOR.
	U.S. COORDINATOR FOR CODEX ALIMENTARIUS.
FOOD & NUTRITION SERVICE	DEPUTY ADMIN FOR FINANCIAL MANAGEMENT.
	DEPUTY ADMR FOR MANAGEMENT.
AGRICULTURAL STABILIZATION & CONSERVATION SERVICE	ACCOUNTING OFFICER.
	DIRECTOR, BUDGET DIVISION.
FOREIGN AGRICULTURAL SERVICE	DIR, GRAIN & FEED DIV.
	ASSISTANT DEPUTY ADMINISTRATOR MANAGEMENT.
AGRICULTURE RESEARCH SERVICE	DEP ADMR FOR ADM MGMT.
	ASSOC DEP ADMIN FOR ADMINISTRATIVE MANAGEMENT.
	ASST ADMINISTRATOR FOR TECHNOLOGY TRANSFER.
	GLOBAL CHANGE RESEARCH STAFF ASSISTANT.
NATIONAL PROGRAM STAFF OFFICE	DEPUTY ADMINISTRATOR NATIONAL PROGRAM STAFF.
	ASSOC DEP ADMR.
	ASSOCIATE DEP ADMINISTRATOR, ANIMAL SCIENCES.
BELTSVILLE AREA OFFICE	DIRECTOR BELTSVILLE AREA OFFICE.
	ASSOC DIR BELTSVILLE AREA.
	ASSOC DEP ADMR, NATURAL RESOURCES/SYSTEMS.
	ASSOCIATE DEPUTY ADMIN GENETIC RESOURCES.
	ASSOCIATE DEPUTY ADMINISTRATOR.
	SUPERVISORY RESEARCH CHEMIST.
	DIR U.S. NATIONAL ARBORETUM.
	DIR BELTSVILLE HUMAN NUTRITION RESEARCH CTR.
	DIRECTOR PLANT SCIENCES INSTITUTE.
NORTH ATLANTIC AREA OFFICE	DIRECTOR, EASTERN REGL RESEARCH CENTER.
	RESEARCH PROGRAMS DIRECTOR.
	DIRECTOR, NORTH ATLANTIC AREA.
	ASSOC DIR, NORTH ATLANTIC AREA.
SOUTH ATLANTIC AREA OFFICE	RES LEADER-PLANT PHYSIO & PHOTOSYNTHESIS RES.
	ASSOCIATE DIR SOUTH ATLANTIC AREA.
	DIRECTOR, RUSSELL RESEARCH CENTER.
	SUPERVISORY RESEARCH GENETICIST.
	SUPERVISORY RESEARCH PHYSIOLOGIST.
	DIRECTOR, SOUTH ATLANTIC AREA.
MIDWEST AREA OFFICE	DIR MIDWEST AREA.
	ASSOC DIR, MIDWEST AREA.
	SUPERVISORY VETERINARY MEDICAL OFFICER.
	SUPERVISORY RESEARCH CHEMIST.
	SUPERVISORY RESEARCH GENETICIST (PLANTS).
	DIR NATL CTR FOR AGRI UTILIZATION.
MIDSOUTH AREA OFFICE	DIR, SOUTHERN REGIONAL RES CENTER, NEW ORLEANS.
	DIRECTOR, MID-SOUTH AREA.
	ASSOCIATE DIRECTOR, MID SOUTH AREA.
CENTRAL PLAINS AREA OFFICE	DIR NATL ANIMAL DISEASE CENTER.
SOUTHERN PLAINS AREA OFFICE	DIRECTOR SOUTHERN PLAINS AREA.
	DIRECTOR CONSERVATION & PRODUCTION RES LAB.
	ASSOC DIR, SOUTHERN PLAINS AREA.
	DIR, SUBTROPICAL AGRICULTURAL RES LABORATORY.
	RESEARCH LEADER F & F SAFETY RES LABORATORY.
NORTHERN PLAINS AREA OFFICE	DIRECTOR, NORTHERN PLAINS AREA.
	ASSOCIATE DIRECTOR, NORTHERN PLAINS AREA OFC.
	DIR R.L. HRUSKA US MEAT ANIMAL RES CENTER.
	SUPERVISORY SOIL SCIENTIST.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
PACIFIC WEST AREA OFFICE	DIRECTOR, WESTERN REGIONAL RESEARCH CENTER.
	RES LEADER NATURAL PRODUCTS CHEMISTRY RES.
	DIR, WESTERN HUMAN NUTRITION RESEARCH CENTER.
	DIRECTOR, PACIFIC WEST AREA OFFICE.
	DIRECTOR, PLANT GENE EXPRESSION CENTER.
	ASSOCIATE DIRECTOR, PACIFIC WEST AREA OFFICE.
	DIR, WESTERN COTTON RESEARCH LABORATORY.
	SUPERVISORY RESEARCH PLANT PATHOLOGIST.
	SUPERVISORY RESEARCH PLANT PATHOLOGIST.
	SUPERVISORY SOIL SCIENTIST.
	SUPERVISORY SOIL SCIENTIST.
COOPERATIVE STATE RESEARCH SERVICE	ASSOC ADMINISTRATOR FOR GRANTS & PROGRAM SYS.
EXTENSION SERVICE	DEPUTY ADMIN MANAGEMENT.
SOIL CONSERVATION SERVICE	DIRECTOR ENGINEERING DIVISION.
	DIR ECOLOGICAL SCIENCES AND TECHNOLOGY DIVISI.
	DEPUTY CHIEF FOR MANAGEMENT.
	DIR, CONSV PLANNING AND APP.
	DIRECTOR, WATERSHED PROJECTS DIVISION.
	DIR, BASIN & AREA PLANNING (SOIL CONSERV).
	ASSOCIATE DEPUTY CHIEF FOR MANAGEMENT.
	DIR, SOILS (SOIL SCIENTIST).
	DIR, LAND TREATMENT PROGRAM.
	DIR INFORMATION RES MANAGEMENT DIVISION.
	DIR SOUTH NATIONAL TECHNICAL CENTER.
	ASSOCIATE DEPUTY CHIEF FOR TECHNOLOGY SCI TEC.
	DIRECTOR, STRATEGIC PLANNING DIVISION.
FOREST SERVICE	DEP CHF FOR ADMINISTRATION.
	ASSOCIATE DEPUTY CHIEF-ADMINISTRATION.
	DIR FOREST PEST MGMT STAFF.
	DIR FISCAL AND ACCOUNTING MANAGEMENT.
	ASSOCIATE DEPUTY CHIEF FOR ADMINISTRATOR.
	DIRECTOR, FIRE AND AVIATION STAFF.
RESEARCH	DIRECTOR, TIMBER MGMT RESEARCH STAFF.
	DIR INSECT AND DISEASE RESEARCH STAFF.
	DIR FOREST ENVIRONMENT RESEARCH STAFF.
	DIRECTOR, FOREST RESOURCE ECONOMICS STAFF.
	DIR, FOREST FIRE & ATMOS SCIENCES RES STAFF.
NAT'L FOREST SYSTEM	DIR, RANGE MANAGEMENT STAFF.
	DIR, RECREATION, MGMT STAFF.
	DIR TIMBER MANAGEMENT STAFF.
	DIRECTOR, ENGINEERING STAFF.
	DIRECTOR, LANDS STAFF.
	DIR LAND MANAGEMENT PLANNING STAFF.
	DIR, WILDLIFE & FISHERIES MGMT STAFF.
	DIR, MINERALS & GEOLOGY STAFF.
	DIRECTOR, WATERSHED & AIR MANAGEMENT STAFF.
	DIR ECOLOGICAL MANAGEMENT.
	IPA ASSIGNMENT.
STATE & PRIVATE FORESTRY	DIR COOPERATIVE FORESTRY.
FIELD UNITS	NE AREA DIR, STATE & PRIVATE FORESTRY, U DARB.
	DIR INTERMOUNTAIN FOREST & RANGE EXP STAT, OGD.
	DIR N EASTERN FOREST EXPERIMENT STATION.
	DIR, NORTH CENTRAL FOREST EXP STATION.
	DIR, PACIFIC NW FOREST & RANGE EXP STATION.
	DIR, PACIFIC SW FOR & RANGE EXPER STA.
	DIRECTOR ROCKY MT FOREST & RANGE EXPER STAT.
	DIR S EASTERN FOREST EXPERIMENT STATION.
	DIRECTOR, FOREST PRODUCTS LABORATORY.
	DEP DIR FOREST PRODUCTS LAB.
	DEPUTY REGIONAL FORESTER.
INTERNATIONAL FOREST SYSTEM	ASSOCIATE DEPUTY CHIEF.
	DIR INTERNATIONAL INSTITUTE OF TROPICAL FOREST.
ECONOMIC RESEARCH SERVICE	ADMR, ECONOMIC RESEARCH SERVICE.
	ASSOCIATE ADMINISTRATOR-ECONOMIC RSCH SVC.
	DIRECTOR AGRICULTURE & TRADE ANALYSIS DIV.
	DIRECTOR COMMODITY ECONOMICS DIVISION.
	DIRECTOR RESOURCES & TECHNOLOGY DIVISION.
	DIRECTOR AGRICULTURE & RURAL ECON DIVISION.
	DEP ADMIN FOR INFO RES & MGT OPER.
ECONOMICS MANAGEMENT STAFF	DIRECTOR, ECONOMICS MANAGEMENT STAFF.
NATIONAL AGRICULTURAL STATISTICS SERVICE	ADMR, NATIONAL AGRICULTURAL STATISTICS SERV.
	DEPUTY ADMINISTRATOR FOR OPERATIONS.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIR ESTIMATES DIV.
	DIR, STATE STATISTICAL DIVISION.
	DEPUTY ADMINISTRATOR FOR PROGRAMS.
	DIR, SYSTEMS & INFORMATION DIVISION.
	DIRECTOR, SURVEY MANAGEMENT DIVISION.
WORLD AGRICULTURAL OUTLOOK BOARD	CHAIRPERSON.
	DEP CHAIRPERSON.
OFFICE OF ENERGY	DIRECTOR, OFFICE OF ENERGY.
AMERICAN BATTLE MONUMENTS COMMISSION:	
OFFICE OF EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR.
BOARD FOR INTERNATIONAL BROADCASTING:	
BOARD STAFF	EXEC DIRECTOR.
	DEP EXEC DIRECTOR/DIRECTOR OF PROGRAM REVIEW.
	GENERAL COUNSEL.
	DIRECTOR OF FINANCIAL & CONGRESSIONAL AFFAIRS.
	INSPECTOR GENERAL.
DEPARTMENT OF COMMERCE:	
OFFICE OF THE GENERAL COUNSEL	ASST GENERAL COUNSEL FOR FINANCE & LITIGATION.
	DIRECTOR, OFFICE OF INTELLIGENCE LIAISON.
OFC OF ASST SECY FOR ADMINISTRATION	DIR FOR FEDERAL ASST & MANAGEMENT SUPPORT.
	DIR FOR FINANCIAL MANAGEMENT.
DIRECTOR FOR MANAGEMENT AND INFORMATION	DIR, FOR INFORMATION RESOURCES MANAGEMENT.
DIRECTOR FOR PROCUREMENT & ADMINISTRATIVE SERVICES.	DIRECTOR FOR PROCUREMENT & ADMIN SERVICES.
	DEP DIR FOR PROCUREMENT & ADMIN SERVICES.
	DIRECTOR, OFFICE OF SECURITY.
	DEPUTY DIRECTOR FOR PROCUREMENT.
OFFICE OF HUMAN RESOURCES MANAGEMENT	DIRECTOR FOR HUMAN RESOURCES MANAGEMENT.
	DEP DIR OF HUMAN RESOURCES MANAGEMENT.
DIRECTOR FOR PLANNING BUDGET AND EVALUATION	DIRECTOR, OFFICE OF BUDGET.
OFC OF THE UNDER SECY FOR ECONOMIC AFFAIRS	DEP ASST SECY FOR STATISTICAL AFFAIRS.
	DIR OFFICE OF BUSINESS ANALYSIS.
BUREAU OF ECONOMIC ANALYSIS	DIRECTOR.
	DEP DIR, BUR OF ECONOMIC ANALYSIS.
	ASSOC DIR FOR NATL ECONOMIC ACCOUNTS.
	ASSOC DIR FOR REGIONAL ECONOMICS.
	ASSOC DIR FOR INTERNATIONAL ECONOMICS.
	CHIEF ECONOMIST.
	CHF STATISTICIAN.
	ASST TO THE DIRECTOR FOR ECONOMETRICS.
	CHF NATL INCOME & WEALTH DIV.
	CHIEF, BUSINESS OUTLOOK DIV.
	CHIEF INTERNATIONAL INVESTMENT DIVISION.
BUREAU OF THE CENSUS	DEP DIR.
	ASST DIRECTOR FOR ADP.
	PRINCIPAL ASSOC DIR & CHIEF FINANCIAL OFFICER.
	PRINCIPAL ASSOCIATE DIRECTOR FOR PROGRAMS.
	PROG MGR, COMPUTER-ASSISTED SURVEY INFO COLL.
	CHIEF, TECHNICAL SERVICES DIVISION.
	CHIEF, PERSONNEL DIVISION.
	CHIEF ADMIN & PUBLICATIONS SERVICES DIVISION.
	SENIOR PROGRAM ANALYST.
	ASST DIR FOR ADMINISTRATION.
	ASSOC DIR FOR PLANNING & ORGAN DEVELOPMENT.
	ASSOCIATE DIRECTOR FOR ADMINISTRATION.
	ASSOC DIR FOR INFORMATION TECHNOLOGY.
	CHIEF DATA USER SERVICES DIVISION.
	CHIEF, COMPUTER SERVICES DIVISION.
DEMOGRAPHIC PROGRAMS	ASSOCIATE DIR FOR DEMOGRAPHIC PROGS.
	CHF, POPULATION DIV.
	CHIEF DEMOGRAPHIC SURVEYS DIVISION.
	CHF, HOUSING & HOUSEHOLD ECON STATISTICS DIV.
	CHIEF, STATISTICAL METHODS DIVISION.
	CHIEF INTL STATISTICAL PROGRAMS CENTER.
DECENNIAL CENSUS	ASSOCIATE DIRECTOR FOR THE DECENNIAL CENSUS.
	ASSISTANT DIRECTOR FOR DECENNIAL CENSUS.
	CHF, GEOGRAPHY DIV.
	CHIEF DECENNIAL MANAGEMENT DIVISION.
	CHIEF, DECENNIAL STATISTICAL STUDIES DIV.
STATISTICAL DESIGN METHODOLOGY AND STANDARDS	ASSOC DIR FOR STATISTICAL STANDARDS & METHOD.
	CHIEF, YEAR 2000 RES & DEV STAFF.
	CHIEF STATISTICAL RESEARCH DIVISION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
FIELD OPERATIONS	ASSOC DIR FOR FIELD OPERATIONS.
	CHIEF, FIELD DIVISION.
	CHIEF, DATA PREPARATION DIVISION.
ECONOMIC PROGRAMS	ASSOCIATE DIRECTOR FOR ECONOMIC PROGRAMS.
	ASSISTANT DIRECTOR FOR ECONOMIC PROGRAMS.
	CHIEF, AGRICULTURE DIV.
	CHIEF, SERVICES DIVISION.
	CHF, CONSTRUCTION STATISTICS DIV.
	CHF, ECONOMIC PLANNING & COORDINATION DIV.
	CHF, FOREIGN TRADE DIV.
	CHF, GOVERNMENT DIV.
	CHF, MANUFACTURING & CONSTRUCTION DIVISION.
	CHF, ECONOMIC STATISTICAL M & P DIVISION.
	CHIEF, ECONOMIC PROGRAMMING DIVISION.
INSTITUTE FOR TELECOMMUNICATIONS SCIENCES	ASSOC ADMR FOR TELECOMMUNICATIONS SCIENCE.
	DEPUTY DIR FOR SYSTEMS & NETWORKS.
	DEPUTY DIRECTOR FOR SPECTRUM.
ECONOMIC DEVELOPMENT ADMINISTRATION	DEP DIRECTOR FOR PROGRAM OPERATIONS.
OFC OF THE INSPECTOR GENERAL	ASSISTANT INSPECTOR GENERAL FOR AUDITING.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	ASST INSPEC GEN FOR COMPL & AUDIT RESOLUTION.
	DEPUTY ASSISTANT INSPECTOR GEN FOR AUDITING.
	ASST INSP GEN FOR PLNG, EVAL & INSPECTIONS.
	COUNSEL TO THE INSPECTOR GENERAL.
	DEP ASST INSP GEN FOR INSP & RES.
	ASST INSPECTOR GENERAL FOR SYST EVALUATION.
OFC OF THE UNDER SEC FOR EXPORT ADMINISTRATION	DIRECTOR OF ADMINISTRATION.
OFC OF ASST SECY FOR TRADE DEVELOPMENT	DIRECTOR, OFFICE OF CONSUMER GOODS.
OFC OF DEP ASST SECY FOR COMPLIANCE	DIR, OFFICE OF AGREEMENTS COMPLIANCE.
	DIR, OFFICE OF ANTIDUMPING COMPLIANCE.
OFC OF DEP ASST SECY FOR INVESTIGATIONS	DIR, OFFICE OF ANTIDUMPING INVESTIGATIONS.
	DIR, OFFICE OF COUNTERVAILING INVESTIGATIONS.
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION	DIR FOR HIGH PERFORMANCE COMPUTING COMMUN.
	DIR, NOAA COASTAL OCEAN PROGRAM OFFICE.
SYSTEMS PROGRAM OFFICE	DIRECTOR, SYSTEMS ENGINEERING STAFF.
	NEXRAD PROGRAM MANAGER.
	GOES PROGRAM MANAGER.
	CHF/AWI INTERACTIVE PROCESSING SYSTEM/1990'S.
	FLEET MODERNIZATION PROGRAM MANAGER.
OFFICE OF ADMINISTRATION	DIR FOR INFORMATION SYSTEMS & FINANCE.
	DIR FOR HUMAN RESOURCES MANAGEMENT.
	DIR FOR PROCUREMENT, GRANTS & ADM SERVICES.
NATIONAL MARINE FISHERIES SERVICE	SENIOR SCIENTIST FOR FISHERIES.
	DIR, OFC OF RESEARCH & ENVIRONMENTAL INFO.
	DIRECTOR, OFFICE OF HABITAT PROTECTION.
FISHERIES RESOURCE MANAGEMENT	DIRECTOR, OFFICE OF ENFORCEMENT.
	DIR, OFFICE OF ENFORCEMENT.
FISHERIES CENTERS	SCIENCE & RESEARCH DIR, NORTHEAST REGION.
	SCIENCE & RESEARCH DIR.
	SCIENCE & RESEARCH DIR, SOUTHWEST REGION
	SCIENCE & RESEARCH DIR.
	SCIENCE AND RESEARCH DIRECTOR.
NATL ENVIRON SATELLITE, DATA & INFO SERVICES	SATELLITE SYSTEMS PROGRAM MANAGER.
DEPUTY ASST ADMR FOR SATELLITES	DIR, NATL OCEANOGRAPHIC DATA CENTER.
	DIRECTOR, NATIONAL CLIMATIC DATA CENTER.
	DIR, NATIONAL GEOPHYSICAL DATA CENTER.
	POES PROGRAM MANAGER.
	SYSTEMS PROGRAM DIRECTOR.
	DIR OFC OF SYS DEVELOPMENT.
OFFICE OF OCEANIC AND ATMOSPHERIC RESEARCH	DIRECTOR, FORECAST SYSTEMS LABORATORY.
OFFICE OF OCEANIC RESEARCH PROGRAMS	DEP DIR. OFC OF OCEANIC RESEARCH PROGRAMS.
	PROGRAM DIRECTOR FOR WEATHER RESEARCH.
	DEP ASST ADMR FOR EXTRAMURAL RESEARCH.
ENVIROMENTAL RESEARCH LABORATORIES	DEP DIR. ENVIRONMENTAL RESEARCH LABORATORIES.
	ASSOCIATE DIRECTOR FOR SCIENCE & DATA.
	DIR CLIMATE MONITORING & DIAGNOSTICS LAB.
ATLANTIC OCEANOGRAPHIC AND METROLOGICAL LABS	DIR, ATLANTIC OCEANOGRAPHIC & METEOROLOGICAL.
	DIR, SPACE ENVIRONMENT LABORATORY.
WAVE PROPAGATION LAB	DIRECTOR.
AERONOMY LAB	DIRECTOR, AERONOMY LABORATORY.
GEOPHSICAL FLUID DYNAMICS LABORATORIES	DIRECTOR.
	SUPERVISORY RSCH METEOROLOGIST.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	SUPERVISORY RSCH METEOROLOGIST.
	SUPERVISORY RSCH METEOROLOGIST.
GREAT LAKES ENVIRONMENTAL RESERCH LAB	DIR GREAT LAKES ENVIRONMENTAL RESEARCH LAB.
NATIONAL SEVERE STORMS LABORATORY	DIR NAT'L SEVERE STORMS LAB.
AIR RESOURCES LABORATORY	DIRECTOR AIR RESOURCES LABORATORY.
PACIFIC MARINE ENVIRONMENTAL LAB	DIR PACIFIC MARINE ENVIRONMENTAL LAB.
NATIONAL OCEAN SERVICES	CHF, MARINE ANALYSIS & INTERPRETATION DIV.
	DIR, OFFICE OF OCEAN & EARTH SCIENCES.
	SENIOR SCIENTIST FOR OCEAN SERVICES.
	CHIEF, OCEAN OBSERVATION DIVISION.
	CHIEF OCEAN & LAKE LEVELS DIVISION.
OCEAN RESOURCES CONSERVATION AND ASSESSMENT	CHF, STRATEGIC ENVIRONMENTAL ASSESSMENTS DIV.
	CHF, HAZARDOUS MATERIALS R & A DIVISION.
	CHIEF COSTAL MONITORING BIOEFFECTS ASSES DIV.
COAST AND GEODETIC SERVICES	CHIEF, GEOSCIENCES LABORATORY.
	CHIEF, AERONAUTICAL CHARTING DIVISION.
NATIONAL WEATHER SERVICE	ASOS PROGRAM MANAGER.
	DIRECTOR, NOAA DATA BUOY OFFICE.
	CHIEF, MANAGEMENT AND BUDGET STAFF.
	CHIEF, INTERNATIONAL AFFAIRS DIVISION.
	CHF. OFC OF THE FED COORDINATOR FOR METEOROLG.
	DEPUTY ASSISTANT ADMINISTRATOR FOR OPERATIONS.
	DIR, NEXRAD OPERATIONAL SUPPORT FACILITY.
	DIRECTOR, STORM PREDICTION CENTER.
	TRANSITION DIR, TRANSITION PROG OFC.
	DIRECTOR, MARINE PREDICTION CENTER.
OFFICE OF METEOROLOGY	DIR, OFFICE OF METEOROLOGY.
	CHIEF OPERATIONS DIVISION.
	CHF, PROG REQUIREMENTS & PLNG DIVISION.
OFFICE OF HYDROLOGY	DIRECTOR, OFFICE OF HYDROLOGY.
	CHIEF, HYDROLOGIC SERVICES DIVISION.
	CHIEF, HYDROLOGIC RESEARCH LABORATORY.
OFFICE OF SYSTEMS OPERATIONS	CHIEF, ENGINEERING DIVISION.
	CHIEF, SYSTEMS OPERATIONS CENTER.
	CHIEF, SYSTEMS INTEGRATION DIVISION.
	DIR, OFFICE OF SYSTEMS OPERATIONS.
OFFICE OF SYSTEMS DEVELOPMENT	DIRECTOR, OFFICE OF SYSTEMS DEVELOPMENT.
	CHIEF, INTEGRATED SYSTEMS LABORATORY.
	CHIEF, TECHNIQUES DEVEL LABORATORY.
	CHIEF, ADVANCED DEVEL & DEMONSTRATION LAB.
	DEP DIR, OFFICE OF SYSTEMS DEVELOPMENT.
NATIONAL METEOROLOGICAL CTR	DIRECTOR NATIONAL METEOROLOGICAL CENTER.
	DEPUTY DIRECTOR.
	DIRECTOR, CLIMATE ANALYSIS CENTER.
	CHIEF, AUTOMATION DIVISION.
	CHIEF, DEVELOPMENT DIV.
	CHF, METEOROLOGICAL OPERATIONS DIVISION.
	DIR, NATL SEVERE STORMS FORECAST CENTER.
	DIRECTOR NATL HURRICANE CENTER.
REGIONAL OFFICES & CENTERS	DIR SOUTHERN REGION, FT WORTH.
	DIR, SALT LAKE CITY REGION.
	DIR, ALASKA REGION, ANCHORAGE.
	DIR EASTERN REGION NWS.
	DIRECTOR CENTRAL REGION.
NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY	DIRECTOR FOR QUALITY PROGRAMS.
	DEP DIR, OFC OF QUALITY PROGRAMS.
	ASSOC DIR FOR TECH & BUSINESS ASSESSMENT.
	DIRECTOR, PROGRAM OFFICE.
OFFICE OF ASSOCIATE DIRECTOR	DIRECTOR FOR INTERNATIONAL & ACADEMIC AFFAIRS.
	DEPUTY DIRECTOR FOR INTERNATIONAL AFFAIRS.
	DEPUTY DIRECTOR FOR ACADEMIC AFFAIRS.
ADVANCED TECHNOLOGY PROGRAM	DEP DIRECTOR, ADVANCED TECHNOLOGY PROGRAM.
	DIRECTOR, ADVANCED TECHNOLOGY PROGRAM.
TECHNOLOGY SERVICES	DEPUTY DIRECTOR, TECHNOLOGY SERVICES.
	DIR, OFC OF TECHNOL EVALUATION & ASSESSMENT.
	ASSOCIATE DIRECTOR FOR PROGRAM QUALITY.
OFFICE OF TECHNOLOGY COMMERCIALIZATION	DIR, OFFICE OF TECHNOLOGY COMMERCIALIZATION.
OFFICE OF MEASUREMENT SERVICES	CHF, PHY MEAS S/P OFC OF MEASUREMENT SERVICES.
	DIRECTOR, OFFICE OF MEASUREMENT SERVICES.
OFFICE OF STANDARDS SERVICES	DIR, OFFICE OF STANDARDS SERVICES.
ELECTRONICS AND ELECTRICAL ENGINEERING LABORATORY.	DIR, ELECTRONICS & ELECTRICAL ENG LABORATORY.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEPUTY DIRECTOR.
	DIR, OFFICE OF MICROELECTRONICS PROGRAMS.
ELECTRICITY DIVISION	CHIEF, ELECTRICITY DIVISION.
ELECTROMAGNETIC TECHNOLOGY DIVISION	CHF-ELECTROMAGNETIC TECHNOLOGY DIVISION.
SEMICONDUCTOR ELECTRONICS DIVISION	CHIEF SEMICONDUCTOR ELECTRONICS DIVISION.
	SENIOR RESEARCH SCIENTIST.
MANUFACTURING ENGINEERING LABORATORY	DIR, MANUFACTURING ENGINEERING LABORATORY.
	CHIEF, AUTOMATED PRODUCTION, TECHNOLOGY DIV.
	MANAGER FOR INDUSTRIAL RELATIONS.
	PROGRAM MANAGER AUTOMATED MANUFACTURING RES.
	DEP DIR, MANUFACTURING ENGINEERING LABORATORY.
	DIR, MANUFACTURING EXTENSION PARTNERSHIP PROG.
PRECISION ENGINEERING DIVISION	CHIEF, PRECISION ENGINEERING DIVISION.
ROBOT SYSTEMS DIVISION	CHIEF, INTELLIGENT SYSTEMS DIVISION.
FACTORY AUTOMATION SYSTEM DIVISION	CHIEF, FACTORY AUTOMATION SYSTEMS DIVISION.
PHYSICS LABORATORY	DIRECTOR, PHYSICS LABORATORY.
	COORDINATOR OF RADIATION MEASUREMENT SERVICES.
	COORDINATOR OF PROGRAM DEVELOPMENT.
	DEPUTY DIRECTOR, PHYSICS LABORATORY.
IONIZING RADIATION DIVISION	CHIEF IONIZING RADIATION DIVISION.
FUNDAMENTAL CONSTANTS DATA CENTER	MGR, FUNDAMENTAL CONSTANTS DATA CENTER.
MOLECULAR PHYSICS DIVISION	CHIEF MOLECULAR PHYSICS DIV.
QUANTUM METROLOGY DIVISION	CHIEF, QUANTUM METROLOGY DIVISION.
ATOMIC PHYSICS DIVISION	CHIEF, ATOMIC PHYSICS DIVISION.
TIME AND FREQUENCY DIVISION	CHIEF, TIME AND FREQUENCY DIVISION.
QUANTUM PHYSICS DIVISION	SENIOR SCIENTIST.
	SENIOR SCIENTIST & FELLOW OF JILA.
	SENIOR SCIENTIST & FELLOW OF JILA.
ELECTRON AND OPTICAL PHYSICS	GROUP LEADER FOR FAR ULTRAVIOLET PHYSICS.
CHEMICAL SCIENCE AND TECHNOLOGY LABORATORY	DIR, CHEMICAL SCI & TECHNOLOGY LABORATORY.
	DEPUTY DIRECTOR FOR PROGRAMS.
INORGANIC ANALYTICAL RESEARCH DIVISION	CHIEF, INORGANIC ANALYTICAL RESEARCH DIVISION.
ORGANIC ANALYTICAL RESEARCH DIVISION	CHIEF, ORGANIC ANALYTICAL RESEARCH DIVISION.
	CHIEF, ANALYTICAL CHEMISTRY DIVISION.
SURFACE AND MICROANALYSIS SCIENCE DIVISION	CHF, SURFACE & MICROANALYSIS SCIENCE DIVISION.
	GROUP LEADER, SURFACE SPEC. & THIN FILMS.
BIOTECHNOLOGY DIVISION	CHIEF, BIOTECHNOLOGY DIVISION.
THERMOPHYSICS DIVISION	CHIEF, THERMOPHYSICS DIVISION.
MATERIALS SCIENCE AND ENGINEERING LABORATORY	DIR, MATERIALS SCI & ENG LABORATORY.
	SENIOR SCIENTIST.
	SCIENTIFIC ASSISTANT TO THE DIRECTOR, IMSE.
	DEP DIR, MATERIALS SCI & ENG LAB.
	CHIEF, FILM & FIBER TECHNOLOGY.
MATERIALS RELIABILITY DIVISION	CHIEF, MATERIALS RELIABILITY DIV.
OFFICE OF INTELLIGENT PROCESSING OF MATERIALS	CHF, OFC OF INTELL PROCESSING OF MATERIALS.
POLYMERS DIVISION	CHIEF, POLYMERS DIVISION.
METALLURGY DIVISION	CHF, METALLURGY DIVISION.
	PHYSICIST (SOLID STATE).
REACTOR RADIATION DIVISION	CHIEF, REACTOR RADIATION DIVISION.
	GROUP LEADER, NEUTRON CONDENSED MATTER SCIENCE.
	CHIEF, REACTOR OPERATIONS.
COMPUTER SYSTEMS LABORATORY	CHIEF, SYSTEMS & NETWORK ARCHITECTURE DIVISION.
	CHF, ADVANCED SYSTEMS DIVISION.
	CHF, INFO SYST ENGINEERING DIVISION.
	ASSOCIATE DIRECTOR FOR COMPUTER SECURITY.
	ASSOCIATE DIRECTOR FOR PROGRAM IMPLEMENTATION.
	CHIEF, COMPUTER SECURITY DIVISION.
BUILDING AND FIRE RESEARCH LABORATORY	CHIEF, STRUCTURES DIVISION.
	DIR, BUILDING & FIRE RESEARCH LABORATORY.
	DEP DIR, BUILDING & FIRE RESEARCH LABORATORY.
	ASST DIR, BUILDING & FIRE RESEARCH LABORATORY.
BUILDING ENVIRONMENT DIVISION	CHIEF, BUILDING ENVIRONMENT DIVISION.
BUILDING MATERIALS DIVISION	CHF, BUILDING MATERIALS DIV.
FIRE SCIENCE AND ENGINEERING DIVISION	CHIEF, FIRE SAFETY ENGINEERING DIVISION.
FIRE MEASUREMENT AND RESEARCH DIVISION	CHIEF, FIRE SCIENCE DIVISION.
COMPUTING AND APPLIED MATHEMATICS LABORATORY	DIR, COMPUTING & APPLIED MATHEMATICS LAB.
	DEP DIR, COMPUTING & APPLIED MATHEMATICS LAB.
	CHIEF, COMPUTER SERVICES DIVISION.
	CHIEF, SCIENTIFIC COMPUTING DIVISION.
	ASSOCIATE DIRECTOR FOR COMPUTING.
STATISTICAL ENGINEERING DIVISION	CHIEF, STATISTICAL ENGINEERING DIVISION.
PATENT AND TRADEMARK ADMINISTRATION	ASST COMMISSIONER FOR FINANCE AND PLANNING.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASSISTANT COMMISSIONER FOR EXTERNAL AFFAIRS.
	ADMIN FOR LEG & INTERNL AFFAIRS.
	DEP ASST COMR FOR PUBLIC SERVICES & ADM.
	DIR DIRECTORATE FOR INTERDISCIPL PROGRAM.
	CHIEF OF STAFF.
OFFICE OF ASSISTANT COMMISSIONER FOR PATENTS	ADMINISTRATOR FOR SEARCH & INFORMATION RES.
	DEP ASST COMM FOR PATENT PROCESS SERVICES.
CHEMICAL	GROUP DIRECTOR 110.
	GROUP DIRECTOR 120.
	GROUP DIRECTOR—130.
	GROUP DIRECTOR 150.
	DEPUTY GROUP DIRECTOR—110.
	GROUP DIRECTOR—180.
	DEPUTY GROUP DIR 150.
	DEPUTY GROUP DIRECTOR 180.
ELECTRICAL	GROUP DIRECTOR FOR 260.
	GROUP DIRECTOR 210.
	GROUP DIRECTOR FOR 220.
	GROUP DIRECTOR—230.
	GROUP DIRECTOR 240.
	GROUP DIRECTOR 250.
	DEPUTY GROUP DIRECTOR—250.
	DEPUTY GROUP DIRECTOR—260.
	DEPUTY GROUP DIRECTOR—230.
	DEPUTY GROUP DIRECTOR—220.
MECHANICAL	GROUP DIRECTOR—310.
	GROUP DIRECTOR—320.
	GROUP DIRECTOR—330.
	GROUP DIRECTOR—340.
	GROUP DIRECTOR—350.
OFFICE OF ASSISTANT COMMISSIONER FOR TRADEMARKS	CHAIRMAN, TRADEMARK TRIAL & APPEAL BOARD.
	DEPUTY ASST COMMISSIONER FOR TRADEMARKS.
	DIRECTOR, TRADEMARK EXAMINING OPERATION.
COMMODITY FUTURES TRADING COMMISSION:	
OFFICE OF THE GENERAL COUNSEL	DEPUTY GENERAL COUNSEL (OPINIONS & REVIEW).
	DEPUTY GENERAL COUNSEL (LITIGATION).
	DEPUTY GENERAL COUNSEL (REG & ADM).
OFFICE OF THE EXECUTIVE DIRECTOR	DEP EXEC DIR.
	DIR, OFC IN INFORMATION RESOURCES MGMT.
DIVISION ECONOMIC ANALYSIS	DEP CHF ECONOMIST.
	CHF, ANALYSIS SECTION.
	ASSOCIATE DIRECTOR FOR SURVEILLANCE.
	DIRECTOR OF ECONOMIC RESEARCH.
DIVISION OF ENFORCEMENT	DEPUTY DIRECTOR (WESTERN OPERATIONS).
	DEPUTY DIRECTOR (EASTERN OPERATIONS).
DIVISION OF TRADING AND MARKETS	DEPUTY DIRECTOR (CONTRACT MARKETS).
	CHIEF COUNSEL.
CONSUMER PRODUCT SAFETY COMMISSION:	
OFC OF EXECUTIVE DIR	ASST EXEC DIR FOR COMPLIANCE & ENFORCEMENT.
	ASSOC EXEC DIR FOR ADM.
	ASSOCIATE EXECUTIVE DIR FOR FIELD OPERATIONS.
OFFICE OF HAZARD IDENTIFICATION & REDUCTION	ASST EXEC DIR FOR HAZARD I & R.
	ASSOCIATE EXEC DIR FOR EPIDEMIOLOGY.
	ASSOCIATE EXECUTIVE DIRECTOR FOR ECONOMICS.
CORPORATION FOR NATIONAL AND COMMUNITY SERVICE:	
OFFICE INSPECTOR GENERAL	INSPECTOR GENERAL.
ASSOC DIRECTOR FOR MGMT & BUDGET	ASSOCIATE DIRECTOR FOR MANAGEMENT & BUDGET.
	ASST DIR FOR FINANCIAL MANAGEMENT.
OFC SECY OF DEFENSE:	
OFFICE OF THE SECRETARY	ASST TO THE SECY OF DEFENSE (INTEL OVERSIGHT).
OFFICE OF ASSISTANT SECRETARY (SOLIC)	DEP ASST SECY OF DEFENSE (FORCES & RESOURCES).
	DIRECTOR FOR BUDGET AND EXECUTION.
	DIRECTOR FOR REQUIREMENTS & PROGRAMS.
JOINT ACTIVITIES	DIRECTOR DESA.
DIRECTOR OPERATIONAL TEST AND EVALUATION	DEP DIR FOR RESOURCES & ADMINISTRATION.
OFC OF INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	DEP ASST INSPECTOR GEN FOR INVESTIGATIONS.
	DEP ASST INSPECTOR GENERAL FOR INSPECTIONS.
	ASST INSPECTOR GENL FOR ANALYSIS & FOLLOWUP.
	ASST INSP GEN FOR ADM & INFO MANAGEMENT.
	AIG FOR DEPARTMENTAL INQUIRIES.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEP ASST INSPECTOR GEN FOR ADM & INFO MGMT.
	DIR, AUDIT PLANNING & TECHNICAL SUPPORT.
	DIRECTOR, ACQUISITION MANAGEMENT.
	DIRECTOR, LOGISTICS AND SUPPORT.
	DIRECTOR, CONTRACT MANAGEMENT.
	DIR, READINESS & OPERATIONAL SUPPORT.
	DIRECTOR, FINANCIAL MANAGEMENT.
	ASST INSPECTOR GEN FOR AUDIT, POL & OVERSIGHT.
	DEPUTY ASST INSPECTOR GENERAL FOR AUDITING.
	ASST IG FOR INSPECTIONS.
	ASST INSPECTOR GENERAL FOR AUDITING.
	DIR FOR INVESTIGATIVE OPERATIONS.
	ASST INSP GEN FOR CRIMINAL INVESTIGATIVE P/O.
	DEP ASST INSPECTOR GEN FOR PROGRAM EVALUATION.
	DIRECTOR, READINESS & OPERATIONAL SUPPORT.
OFC OF ASST SECY OF DEFENSE (RESERVE AFFAIRS)	PRINCIPAL DIRECTOR (MANPOWER AND PERSONNEL).
OFC DEP ASST SECY (CIVILIAN PERSONNEL P/E OPPORTUNITY).	PRIN DIR (CIVILIAN PERS POL/EQUAL OPP).
	DIR PERSONNEL MANAGEMENT.
	DIRECTOR, STAFFING & CAREER MANAGEMENT.
OFC OF DIR OF DOD DEPENDENTS SCHOOLS	DIR PACIFIC REGION DODDS.
	DIRECTOR, GERMANY REGION.
	DEP DIR DEP OF DFENSE DEPENDENTS SCHOOL.
	ASSOC DIR FOR FINANCIAL, LOGISTL, & INFO MGMT.
OFFICE ASSISTANT SEC HEALTH AFFAIRS	DIR, DEFENSE MEDICAL SYSTEMS SUPPORT CENTER.
UNIFORMED SERV. UNIVERSITY OF THE HEALTH SCIENCES .	SCIENTIFIC DIRECTOR, AFRRI.
OFFICE OF ASST TO SECY OF DEF FOR PUBLIC AFFAIRS	DIR, FREEDOM OF INFORMATION & SECURITY REVIEW.
	DEP DIR, ARMED FORCES RADIO & TELEVISION SERV.
WASHINGTON HEADQUARTERS SERVICES	DIRECTOR OF PERSONNEL AND SECURITY.
	DIRECTOR REAL ESTATE AND FACILITIES.
	DEP DIR, REAL ESTATE & FACILITIES.
	DEP DIR, PERSONNEL AND SECURITY.
OFFICE OF THE GENERAL COUNSEL	DEPUTY GENERAL COUNSEL (IG).
	DEP GEN COUNSEL (ENVIRONMENT & INSTALLATIONS).
OFC OF UNDER SECY OF DEF FOR ACQ & TECHNOLOGY	DEP DIR MISSILE & SPACE SYSTEMS.
	DEP DIR AIR WARFARE.
	DIRECTOR FOR DEFENSE PROCUREMENT.
	SR STAFF SPECIALIST FOR S & A SYSTEMS.
	DEP DIR NAVAL WARFARE.
	SR STAFF SPEC FOR MISSILE & SPACE SYST ANAL.
	DEPUTY DIR, COST PRICING & FINANCE.
	SR STAFF SPEC FOR AIR WEAPONS DEF SUPP SYS.
	SR STAFF SPEC FOR GROUND AIR DEFENSE SYSTEMS.
	SR STAFF SPEC CLOSE AIR SUP & AIR INT SYS.
	SR STAFF SPEC FOR SHIP SYSTEMS.
	DEP DIR MUNITIONS.
	SR STAFF SPEC FOR AIR MOBILITY.
	SR STAFF SPECIAL FOR AIR SUPERIORITY SYSTEMS.
	DEP DIR, CONTRACT POL & ADMINISTRATION.
	DEPUTY DIR TEST FACILITIES & RESOURCES.
	DEP DIR LAND WARFARE.
	DEP DIR DEEP STRIKE WARFARE.
	EXECUTIVE DIRECTOR, DEFENSE SCIENCE BOARD.
	DIR COMPUTER AIDED LOGISTICS SUPPORT OFFICE.
	ADUSD (ASIA/MID EAST/S. HEMISPHERE AFFAIRS).
	DEP DIR, ACQUISITION RESOURCES.
	DEP DIR, DEF SYST PROCUREMENT STRATEGIES.
	ASST DEP DIR (PROGRAM & BUDGET INTEGRATION).
	DEP DIR ELECTRONIC WARFARE.
	DOD CONTRACTOR ADV & ASSISTANCE SERV DIRECTOR.
	DIR PLANNING & ANALYSIS.
	DIR, BASE CLOSURE AND UTILIZATION.
	DIR, DEF ACQUISITION REG SYS & COUNCIL.
	DEP DIR, FOREIGN CONTRACTOR.
	DIR, ACQISITION LOG & PRODUCTION READINESS.
	SR STAFF SPEC FOR SUBMARINE & SURVEIL SYS.
	DEP DIR MAJOR POLICY INITIATIVES.
	STAFF SPEC FOR SPEC TECH PROGRAM.
	DEP DIR STRATEGY ARMS CONTROL & COMPLIANCE.
	DEP DIR, AERONAUTICAL SYSTEMS.
	SPECIAL ASST CONCEPTS & PLANS.
	DEPUTY DIRECTOR DEFENSE SYSTEMS.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	PRIN DASD (ATOMIC ENERGY).
	DEP DIR, LAND & MARITIME PROGRAMS.
	DEP DIR, AIR & SPACE PROGRAMS.
	ADUSD (BALLISTIC MISSLE DEFENSE).
	DD MODELING & SIMULATION SOFTWARE.
	DIR OSD STUDIES & FFRDCA.
	ASST DEP UNDER SECY DEF (CRUISE MISSILE DEF).
	DEPUTY DIRECTOR AIR WARFARE.
OFC OF DD (RESEARCH AND ADVANCED TECH)	STAFF SPECIALIST FOR VEHICLE PROPULSION.
	STAFF SPECIALIST FOR MATERIALS & STRUCTURES.
	STAFF SPECIALIST FOR WEAPONS.
	DIR ENVIRONMENTAL & LIFE SCIENCES.
	STAFF SPEC/MOBILITY, LOGISTICS & ADV CONCEPTS.
	SPEC ASST FOR MCTL & LONG-RANGE PLNNG MATTERS.
	STAFF SPEC FOR ELECTRONIC W/C, CTRL & COMMS.
	STAFF SPECIALIST FOR ELECTRONIC S/D.
	DIR, BALANCED TECHNOLOGY INITIATIVE.
OFFICE OF DD (PLANS & RESOURCES)	DEPUTY DIRECTOR (PLANS & RESOURCES).
DIRECTOR, STRATEGIC & THEATER NUCLEAR FORCES	DIR STRATEGIC & THEATER NUCLEAR FORCES C3.
DIRECTOR, THEATER & TACTICAL C3	DIR THEATER & TACTICAL COMMUN COMMAND & CONTR.
DEPUTY ASSISTANT SECRETARY OF DEFENSE (INTELLIGENCE).	DIR SPECIAL TECHNOLOGY.
	SENIOR ADVISOR FOR MEASUREMENT & SIGNATURE.
	SENIOR ADVISOR FOR IMAGING INTELLIGENCE.
	DIRECTOR, INTELLIGENCE ISSUES.
	DIRECTOR, INTELLIGENCE RESOURCES.
	DIRECTOR, INTELLIGENCE POLICY.
	PRINCIPAL DIR TO DASD I & S.
	DIRECTOR, INTELLIGENCE SYSTEMS.
	DEP DIR INTELLIGENCE SYSTEMS.
	DIR INTELLIGENCE OPERATIONS.
	DEP DIR, INTELLIGENCE OPERATIONS.
ORGANIZATION ABOLISHED	SENIOR ADVISOR FOR HUMAN INTELLIGENCE.
ORGANIZATION ABOLISHED	SENIOR ADVISOR SIGNAL INTELLIGENCE.
DEPUTY ASSISTANT SECRETARY OF DEFENSE (DEFENSE-WIDE C3).	DIRECTOR, TELECOMMUNICATIONS.
	DEP DIR SPACE & NUCLEAR C3.
	DIRECTOR SPACE & NUCLEAR C3.
DIRECTOR, C3 MOBILIZATION SYSTEMS.	
ORGANIZATION ABOLISHED	DIRECTOR, COUNTER INTELLIGENCE.
ADVANCED RESEARCH PROJECTS AGENCY (ARPA)	DIRECTOR, ASTO.
	ASSISTANT DIRECTOR, SMART WEAPONS.
	DEPUTY DIRECTOR, ASTO.
	DEPUTY DIRECTOR, MANAGEMENT.
	DEPUTY DIRECTOR.
	DIR ELECTRONIC SYSTEMS TECHNOLOGY OFFICE.
	DIR LAND SYSTEMS OFFICE.
	DIRECTOR SPECIAL PROJECTS.
	DIR MICROCELECTRONICS TECHNOLOGY.
	DEP DIR MICRO ELECTRONICS TECHNOLOGY.
	DIR MARTIME SYSTEMS TECHNOLOGY.
	CHIEF, ADVANCED TECHNOLOGY.
	EXECUTIVE DIRECTOR MANUFACTURING.
	ASST DIR, SENSORS & PROCESSING.
	SPECIAL ASST, INFORMATION TECHNOLOGY.
COMPUTING SYSTEMS TECHNOLOGY OFFICE	EXECUTIVE DIRECTOR (SOFTWARE).
	DIR COMPUTING SYSTEMS TECHNOLOGY OFFICE.
DEFENSE SCIENCES OFFICE	DIR DEFENSE SCIENCES OFFICE.
	ASSISTANT DIRECTOR FOR MATERIAL SCIENCES.
DEFENSE MANUFACTURING OFFICE	EXECUTIVE DIRECTOR, M & M WAVE TECHNOLOGY.
CONTRACTS MANAGEMENT OFFICE	DIR, CONTRACTS MANAGEMENT OFFICE.
NUCLEAR MONITORING OFFICE	DIR NUCLEAR MONITORING RESEARCH OFC.
OFFICE OF THE JOINT CHIEFS OF STAFF	DEP DIR FOR TECHNICAL OPERATIONS.
BALLISTIC MISSILE DEFENSE ORGANIZATION	ASST DIR FOR SENSORS DEMONSTRATIONS.
	ASSISTANT DIRECTOR FOR SENSOR TECHNOLOGY.
	ASST DIR FOR INTERCEPTORS & COMMUNICATIONS.
	DIRECTOR, INFORMATION SYSTEMS.
	DEPUTY FOR PROGRAM OPERATIONS.
	DIRECTOR, CONTRACTS DIRECTORATE.
	DIR BATTLE MAGT COMMAND CONTROL & COMMUN.
	ASSISTANT DEP FOR ACQUISITION MANAGEMENT.
DEFENSE CONTRACT AUDIT AGENCY.	DIRECTOR, DCAA.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEPUTY DIRECTOR, DCAA.
	ASSISTANT DIRECTOR, OPERATIONS.
	ASST DIR, POLICY & PLANS.
	DIRECTOR, FIELD DETACHMENT.
REGIONAL MANAGERS	REGIONAL DIRECTOR, EASTERN.
	REGIONAL DIRECTOR, NORTHEASTERN.
	REGIONAL DIRECTOR, CENTRAL.
	REGIONAL DIRECTOR, WESTERN.
	REGIONAL DIRECTOR, MID-ATLANTIC.
	DEP REGIONAL DIRECTOR EASTERN REGION.
	DEPUTY REGIONAL DIRECTOR NORTHEASTERN REGION.
	DEPUTY REGIONAL DIR CENTRAL REGION.
	DEPUTY REGIONAL DIRECTOR, WESTERN.
	DEP REG DIR MID ATLANTIC REGION.
DEFENSE LOGISTICS AGENCY	SPECIAL ASST FOR INTEGRITY IN CONTRACTING.
	DIR, DEFENSE MANPOWER DATA CENTER.
	CHIEF ACTUARY.
	DEPUTY EXECUTIVE DIRECTOR, DISTRIBUTION.
	DEP COMMANDER DEFENSE INDUSTRIAL SUPPLY CTR.
DIRECTORATE FOR CONTRACT MANAGEMENT	EXECUTIVE DIRECTIVE, CONTRACT MANAGEMENT.
	ASST EXEC DIR, OPERATIONS/POLICY GROUP.
DIRECTORATE OF QUALITY ASSURANCE	DEPUTY COMMANDER.
OFC OF STAFF DIR-SMALL & DISADVANTAGED BUSINESS UNTIL.	STAFF DIR, SMALL & DISADV BUSIN UTILIZATION.
OFFICE OF CIVILIAN PERSONNEL	EXECUTIVE DIRECTOR, HUMAN RESOURCES.
	ASSOCIATE DIRECTOR, PERSONNEL PROGRAMS.
	ACQUISITION MANAGEMENT ADVISOR DLA CHAIR
DIRECTORATE OF SUPPLY OPERATIONS	DEP EXECUTIVE DIRECTOR, SUPPLY MANAGEMENT.
	DEPUTY COMMANDER.
	DEPUTY COMMANDER.
	ASST EXEC DIR, DLA INTERNATIONAL PROGRAMS.
DIRECTORATE OF CONTRACTING	EXECUTIVE DIRECTOR PROCUREMENT.
DIRECTORATE OF TECH & LOGISTICS SERVICES	CHF, PROPERTY DISPOSAL DIV.
	DEP COMMANDER DEFENSE ELECTRONICS SUPPLY CTR.
	DEPUTY COMMANDER.
DEFENSE TRAINING & PERFORMANCE DATA CENTER	DEPUTY DIR DEFENSE MANPOWER DATA CENTER.
DEFENSE CONTRACT MANAGEMENT	EXECUTIVE DIRECTOR, CONTRACT MANAGEMENT.
OFFICE OF THE DIRECTOR	DIRECTOR, DITSO.
	DEPUTY DIRECTOR, DITSO.
	DEPUTY MANAGER NATIONAL COMMUN SYSTEMS.
OFC OF ASSOC DIR FOR ENG, TECHNOL & CORPORATE PLANNING.	ASSOC DIR FOR ENG. TECHNOLOGY & CORP PLNG.
	CHIEF INFORMATION OFFICER.
	DEP DIR FOR OPERATIONS.
	DEP DIR FOR SYSTEMS.
	DEPUTY DIRECTOR DISA.
NATIONAL COMMUNICATIONS SYSTEM	DEPUTY MANAGER, NATL COMMUNICATIONS SYSTEMS.
	ASST MGR, NCS, TECHNOLOGY & STANDARDS.
	ASST MGR, NCS, PLANS & OPERATIONS.
CENTER FOR COMMAND, CONTROL & COMMUNICATIONS (C3) SYS.	DEP DIR, THEATER SYSTEMS.
	DEP DIR FOR SWITCHED NETWORK ENGINEERING.
	S/A TO THE DIR, CPSI FOR SATELLITE COM SYS.
	SPEC ASST TO DIR, CTR FOR C3 FOR INT DIG ARCH.
	DIR MILITARY SATELLITE COMMUNICATIONS.
	DIR CENTER FOR SYSTEMS INTERO & INTEGRATION.
	DEP DIR JOINT (IEO).
	DIR CENTER FOR TECHNICAL ARCHITECTURE.
	TECH DIR JOINT INTERO & ENG COMM (JIEO).
	DIR CENTER FOR STANDARDS.
	DIR CENTER FOR ENGINEERING.
	ASSOC DIR MISSION SUPPORT INFORMATION SYSTEMS.
	ASSOC DIR CENTER FOR STANDARDS.
	DIRECTOR, CENTER FOR INFO SYSTEMS SECURITY.
DEFENSE COMMUNICATIONS SYSTEM ORGANIZATION	DEP DIR, DEFENSE COMM SYSTEM ORGANIZATION.
	DEP DIR, DCS TELECOMMUNICATIONS NETWORKS.
	ASSOC DEPUTY DIRECTOR, DCS DATA SYSTEMS.
	PRINCIPAL DEPUTY DIRECTOR.
DEFENSE COMMERCIAL COMMUNICATIONS OFFICE	DIR DEFENSE COMMERCIAL COMMUNICATIONS OFFICE.
	DIR DEFENSE INFORMATION SYSTEMS.
CENTER FOR AGENCY SERVICES	DIRECTOR, CENTER FOR AGENCY SERVICES.
JOINT DATA SYSTEMS SUPPORT CENTER	DEPUTY DIRECTOR, NMCS ADP DIRECTORATE.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASSOC DIR FOR TECHNICAL & MANAGEMENT SUPPORT.
	DIR, DEF INFORMATION SYSTEMS PROGRAM ORG.
JOINT TACTICAL COMMAND, CONTROL & COMMUNICATIONS AGENCY.	DEPUTY DIRECTOR FOR TESTING.
	DEPUTY COMMANDER CENTER FOR SOFTWARE.
INFORMATION MANAGEMENT CENTER	DIRECTOR, INFORMATION MANAGEMENT CENTER.
	DIRECTOR, TECHNICAL INTEGRATION OFFICE.
	DIR, NAVY INFORMATION RESOURCES MANAGEMENT.
	TECHNICAL DIR, NAVAL DATA AUTOMATION COMMAND.
COMPTROLLER DIRECTORATE	COMTROLLER.
DEFENSE NUCLEAR AGENCY	CHIEF OF STAFF.
OFFICE OF THE DIRECTOR	DEPUTY DIRECTOR.
	ASSISTANT DIRECTOR FOR ARMS CONTROL.
ACQUISITION MANAGEMENT OFFICE	DIR, ACQUISITION MANAGEMENT.
OFFICE OF THE COMPTROLLER	DIR FOR INFORMATION MANAGEMENT.
OPERATIONS DIRECTORATE	DEPUTY DIRECTOR, OPERATIONS DIRECTORATE.
	CHIEF, STRUCTURAL DYNAMICS DIVISION.
	DIR FOR TECH APPLICATIONS.
	CHIEF, ENVIRONMENTS & MODELING DIVISION.
RADIATION SCIENCES DIRECTORATE	DIR FOR RADIATION SCIENCES.
	CHIEF, ATMOSPHERIC EFFECTS DIVISION.
	CHIEF, ELECTRONICS & SYSTEMS TECHNOLOGY DIV.
	CHIEF, ELECTROMAGNETIC APPLICATIONS DIVISION.
SHOCK PHYSICS DIRECTORATE	DIRECTOR FOR SHOCK PHYSICS.
	CHIEF, WEAPONS EFFECTS DIVISION.
TEST DIRECTORATE	DIRECTOR FOR TEST.
	CHF, NEVADA OPERATIONS OFC, TEST DIRECTORATE.
DEFENSE MAPPING AGENCY	CHIEF DIGITAL PRODUCTION SYSTEM DEPARTMENT.
D M A HEADQUARTERS	DEP DIR FOR HUM RES—DIR DMA OFC HUM RES MGT.
	DEP DIR FOR ACQ INSTALL & LOGISTICS.
	DEPUTY DIRECTOR FOR OPERATIONS.
	DEP DIR FOR TECH & INFORMATION.
	ASST DEP DIR FOR OPERATIONS.
	DEPUTY DIRECTOR.
	ASST DEP DIR FOR ADVANCED SYS REQUIREMENTS.
	DEPUTY DIRECTOR FOR PLANS & REQUIREMENTS.
	DEP DIR FOR INTL PROG OPERATIONS.
	DEP DIR FOR INFORMATION RESOURCES MANAGEMENT.
	CHIEF, ANALYSIS DIVISION.
	ASST DEP DIR FOR ADVANCED WEAPON SYSTEMS.
D M A FIELD ACTIVITIES	DEP DIR FOR PROG, PROD & OPERATIONS DMA HTC.
	DEP DIR FOR PROGS, PRODUCTION AND OPERATIONS.
	CHF, DIGITAL PRODUCTS DEPARTMENT AC.
	CHF, DIGITAL PRODUCTS DEPARTMENT HTC.
	CHIEF, SCIENTIFIC DATA DEPARTMENT.
	DIR DMA SYS CTR DEP DIR FOR RES & ENGINEERING.
	DEP DIR FOR MODERNIZATION DEVELOPMENT.
	DEP DIR FOR P/O, DMA SYST CNTR/ADD FOR RDT&E.
	CHIEF, MAPPING & CHARTING DEPARTMENT.
	CHIEF, MAPPING & CHARTING DEPARTMENT.
	CHIEF, RESTON DEPARTMENT.
	DIR DMA HYDROGRAPHIC/TOPOGRAPHIC CENTER.
	DIR DMA RESTON CENTER.
	DIR DMA AERODPACE CENTER.
	DEP DIR/DEP FOR DEVELOPMENT GROUP.
	DEP DIR FOR PRODUCTION RESTON CENTER.
	DEP DIR FOR PROGRAM EXECUTION.
	DEP DIR ENG & INTEGRATION DIRECTOR.
	DEP DIR DEP DIR FOR PRODUCTION.
DEFENSE FINANCE & ACCOUNTING SERVICE	DEPUTY DIRECTOR, CLEVELAND CENTER.
DEFENSE INVESTIGATIVE SERVICE	DIR, DEFENSE INVESTIGATIVE SERVICE.
	DEPUTY DIRECTOR (INVESTIGATIONS).
	DEP DIR (INDUSTRIAL SECURITY).
	DEPUTY DIRECTOR (RESOURCES).
	DIR, PERSONNEL INVESTIGATIONS CENTER.
DEPARTMENT OF AIR FORCE:	
OFC OF ADMINISTRATIVE ASSISTANT TO THE SECRETARY	ADMINISTRATIVE ASSISTANT TO THE SECY.
	DEP ADMINISTRATIVE ASSISTANT.
	ADMINISTRATIVE ASSISTANT.
OFC OF SMALL & DISADV BUS UTILIZATION	DIR, OFC OF SMALL & DISADV BUS UTILIZATION.
OFFICE OF THE INSPECTOR GENERAL	DEP ASST INSPECTOR GEN/SPEC INVESTIGATIONS.
OFFICE OF ASAF FOR FINANCIAL MANAGEMENT & COMPTROLLER.	PRINCIPAL DEP ASST SECRY (FINANCIAL MGMT).

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
ODAS BUDGET	DEPUTY FOR BUDGET.
	DIRECTOR OF BUDGET INVESTMENT.
	DIRECTOR OF BUDGET MANAGEMENT & EXECUTION.
	DEPUTY DIRECTOR OF BUDGET OPERATIONS.
ODAS COST & ECONOMICS	DEP ASST SECY (COST & ECONOMICS).
OFFICE OF ASAF FOR ACQUISITION	DIR SCIENCE & TECHNOLOGY.
	COMPETITION ADVOCATE GEN DIR, CAAS.
	PRINCIPAL DAS (ACQUISITION & MGMT).
ORGANIZATION ABOLISHED	DEPUTY ASSISTANT SECRETARY.
ODAS COMMUNICATIONS, COMPUTERS & SUPPORT SYSTEMS.	ASSOC DEP ASST SECY (TRANSPORTATION).
	ASSOC DEP ASST SECY (INFO & SUPPORT SYSTEMS).
ODAS RESEARCH & ENGINEERING	DAS (RESEARCH & ENGINEERING).
ODAS MANAGEMENT POLICY & PROGRAM INTEGRATION	ASSOC DEP ASST SECY MAGNT POL & PROG INTERAGT.
	DEP ASST SECY (MGMT POL & PROG INTEGRATION).
ODAS CONTRACTING	ASSOC DEP ASST SECY (CONTRACTING).
AIR FORCE PROGRAM EXECUTIVE OFFICE	AF PROGRAM EXEC OFFICER, INFO SYSTEMS.
	AIR FORCE PROG EXEC OFCR, CONVENTIONAL STRIKE.
	PROGRAM DIRECTOR, AMRAAM SPO.
OFC OF ASAF FOR MANPOWER, RESERVE AFFAIRS, INSTALL & ENV.	DEP FOR AIR FORCE REVIEW BOARDS .
	DIR AIR FORCE BASE CONVERSION AGENCY.
ODAS INSTALLATIONS	DEPUTY FOR INSTALLATIONS MANAGEMENT.
OFFICE, CHIEF OF STAFF	AIR FORCE HISTORIAN.
TEST AND EVALUATION	DEPUTY DIR TEST & EVALUATION.
MORALE, WELFARE, RECREATION AND SERVICES	DIR OF RES MGMT & DEP DIR FOR MWR & SERVICES.
ASST CHIEF OF STAFF FOR C3 AND COMPUTERS	DIRECTOR OF RESOURCES .
	DIR OF ARCHITECTURES TECH & INTEROPERABILITY.
DEPUTY CHIEF OF STAFF, LOGISTICS	ASSOC DIR FOR LOGISTICS PLANS & PROGRAMS.
	CHIEF MODIFICATION & O&M PROGRAMS DIVISION.
	CHIEF COMBAT SUPPORT PROGRAMS DIVISION.
	ASSOC DIR OF MAINTENANCE & SUPPLY.
CIVIL ENGINEER	ASSOCIATE CIVIL ENGINEER.
	DEPUTY CIVIL ENGINEER.
	DEPUTY CIVIL ENGINEER.
DEPUTY CHIEF OF STAFF, PERSONNEL	DIR CIVIL PERSONNEL POLICY & PERSONNEL PLANS.
	SPEC PROJECT OFCR FOR PERSONNEL MANAGEMENT.
	CHIEF RESOURCES DIVISION.
	CHIEF AIR FORCE PERSONNEL OPERATIONS AGENCY.
	CHF, AIR FORCE CIVILIAN PERSONNEL MGMT CENTER.
ASSISTANT CHIEF OF STAFF, INTELLIGENCE	ASSOC DIR, STRATEGY & PRODUCTION.
AIR FORCE MATERIEL COMMAND	CHAIRMAN A F LOGISTICS COMMAND PROCUR COMMITT.
PERSONNEL	DIRECTOR, PERSONNEL.
CONTRACTING	DEPUTY DIRECTOR CONTRACTING.
	DIR BUSINESS CLEARANCE.
	DEP DIR FOR PROGRAM S & B CLEARANCE.
LOGISTICS	DEPUTY DIRECTOR, LOGISTICS.
ENGINEERING & TECHNICAL MANAGEMENT	DIRECTOR, ENGINEERING & TECHNICAL MGMT.
FINANCIAL MANAGEMENT & COMPTROLLER	DEP DIRECTOR, FINANCIAL MGMT & COMPTROLLER.
CORPORATE INFORMATION	DIR CORPORATE INFORMATION.
PLANS & PROGRAMS	DEPUTY DIRECTOR, PLANS & PROGRAMS.
SPACE AND MISSILE SYSTEMS CENTER	EXECUTIVE DIRECTOR.
	DIRECTOR, PLANS & ADVANCED PROGRAMS.
PHILLIPS LABORATORY	DEPUTY DIRECTOR.
GEOPHYSICS DIRECTORATE	CH, ATMOSPHERIC STRUCTURE BR.
	DIR, SPACE PHYSICS DIVISION.
PROPULSION DIRECTORATE	DIRECTOR, PROPULSION DIRECTORATE.
ELECTRONIC SYSTEMS CENTER	EXECUTIVE DIRECTOR.
	ASST DEP FOR CONTRACTING & MANUFACTURING.
	PROG DIR FOR AIR BASE DECISION SYSTEMS.
	DIRECTOR, ENGINEERING & PROGRAM MANAGEMENT.
	CHIEF ENGINEER.
	DIRECTOR, PLANS & ADVANCED PROGRAMS.
PLANS AND PROGRAMS DIRECTORATE	DIR PLANS & PROGRAMS.
COMMAND, CONTROL AND COMMUNICATIONS DIRECTORATE.	DIR COMMAND CONTROL COMMUNICATIONS.
STANDARD SYSTEMS CENTER	DIRECTOR, STANDARD SYSTEMS CENTER.
AERONAUTICAL SYSTEMS CENTER	EXECUTIVE DIRECTOR.
	DIR FINANCIAL MANAGEMENT & COMPTROLLER.
	DIRECTOR CONTRACTING.
DEVELOPMENT PLANNING	DIR ADVANCED SYSTEMS ANALYSIS.
ORGANIZATION ABOLISHED	DEP DIR CONTRACTING.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
INTEGRATED ENGINEERING & TECH MANAGEMENT	DIR SUPPORT SYSTEMS ENGINEERING.
	DIRECTOR AVIONICS ENGINEERING.
	DIRECTOR, SYSTEMS ENGINEERING.
DIRECTORS OF ENGINEERING	DIRECTOR OF ENGINEERING (F–16).
	DIR OF ENG RECONNAISSANCE & ELEC WARFARE SYS.
	DIR OF ENGINEERING B–2.
	DIR OF ENGINEERING F–22.
	DIR OF ENGINEERING C–17.
	DIR OF ENGINEERING SUBSYSTEMS.
SYSTEMS PROGRAM OFFICES	DIR PROGRAM INTEGRATION & ANALYSIS.
	DEVELOPMENT SYSTEM MANAGER PROPULSION.
	PROGRAM DIR SUBSYSTEMS.
WRIGHT LABORATORY	DIR MANUFACTURING TECHNOLOGY.
	DIR, PLANS & PROGRAMS DIRECTORATE.
MATERIALS DIRECTORATE	DIR, METALS & CERAMICS DIV.
HUMAN SYSTEMS CENTER	EXECUTIVE DIRECTOR.
ARMSTRONG LABORATORY	DIRECTOR, PLANS AND PROGRAMS.
AIR FORCE DEVELOPMENT TEST CENTER	EXECUTIVE DIRECTOR.
AIR FORCE FLIGHT TEST CENTER	EXECUTIVE DIRECTOR.
JOINT LOGISTICS SYSTEMS CENTER	DIR DEPOT MAINTENANCE.
	DIR CORPORATE INTEGRATION.
AIR LOGISTICS CENTER, SAN ANTONIO	EXECUTIVE DIRECTOR.
	DIRECTOR, FINANCIAL MANAGEMENT.
	PRODUCT GROUP MANAGER, PROPULSION SYSTEM.
	DIRECTOR, CONTRACTING.
AIR LOGISTICS CENTER, OKLAHOMA CITY	EXECUTIVE DIRECTOR.
	DIRECTOR, FINANCIAL MANAGEMENT.
	DIRECTOR, COMMODITIES MANAGEMENT.
	DIRECTOR, CONTRACTING.
AIR LOGISTICS CENTER, WARNER ROBINS	EXECUTIVE DIRECTOR.
	DIRECTOR, FINANCIAL MANAGEMENT.
	DIRECTOR, TECHNOLOGY & INDUSTRIAL SUPPORT.
	DIRECTOR, CONTRACTING.
AIR LOGISTICS CENTER, OGDEN	EXECUTIVE DIRECTOR.
	DIRECTOR, FINANCIAL MANAGEMENT.
	DIRECTOR, TECHNOLOGY & INDUSTRIAL SUPPORT.
	DIRECTOR, CONTRACTING.
AIR LOGISTICS CENTER, SACRAMENTO	EXECUTIVE DIRECTOR.
	DIRECTOR CONTRACTING.
	DIRECTOR, FINANCIAL MANAGEMENT.
	DIRECTOR, TECHNOLOGY & INDUSTRIAL SUPPORT.
	DIRECTOR, CONTRACTING.
AIR FORCE AUDIT AGENCY	AUDITOR GENERAL OF THE AIR FORCE.
	ASST AUD GEN (ACQUISITION & LOG AUDITS).
	ASST AUD GEN (FIELD ACTIVITIES).
	ASST AUD GEN (OPERATIONS).
	ASST AUD GEN (FINANCIAL & SUPPORT AUDITS).
AIR INTELLIGENCE AGENCY	TECHNICAL DIRECTOR (AEROSPACE SYSTEMS).
AIR MOBILITY COMMAND	ASST DIRECTOR PLANS & PROGRAMS.
ORGANIZATION ABOLISHED	CHIEF SCIENTIST TACTICAL AIR WARFARE CTR.
AIR FORCE RESERVES	CHIEF, OPERATIONS ANALYSIS.
	AIR COMMANDER 4TH AIR FORCE.
	AIR COMMANDER 10TH AIR FORCE.
	AIR COMMANDER 22ND AIR FORCE.
AF SPACE COMMAND	SR SCIENTIST & TECH ADVISOR FOR AFSPACECOM.
AF OPERATIONAL TEST & EVAL CTR	TECHNICAL DIRECTOR.
AIR EDUCATION & TRAINING COMMAND	PROVOST, AIR UNIVERSITY.
ORGANIZATION ABOLISHED	SPEC ASST FOR GPALSP.
U.S. CENTRAL COMMAND	SCIENTIFIC ADVISOR.
U.S. STRATEGIC COMMAND	ASSOC DIR FOR STRATEGIC PLANNING.
U.S. TRANSPORTATION COMMAND	DIR PROGRAM ANALYSIS & FINANCIAL MGMT.
JOINT COMMAND AND CONTROL WARFARE CENTER	TECHNICAL DIRECTOR.
SHAPE TECHNICAL CENTRE	DEPUTY DIRECTOR.
DEPARTMENT OF ARMY:	
OFFICE OF THE UNDER SECRETARY	SPEC ASST FOR AIR & MISSILE DEFENSE.
	SPECIAL ASST FOR FORCES & PROGRAM EVALUATION.
	SPECIAL ASSISTANT FOR SYSTEMS.
	SPECIAL ASSISTANT FOR ELECTRONIC SYSTEMS.
	SPECIAL ASST TO THE UNDER SECRETARY.
OFC OF THE ADMINISTRATIVE ASSISTANT	ADM ASST TO THE SECY OF THE ARMY.
	DEP ADMINISTRATIVE ASSISTANT.
OFFICE OF THE GENERAL COUNSEL	DEPUTY GENERAL COUNSEL (FISCAL LAW & POLICY).

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
HQDA ARMY ACQUISITION EXECUTIVE	DEP PROG MGR, LIGHT HELICOPTER PROGRAM.
	DEPUTY PEO, CLOSE COMBAT VEHICLES.
	DEP PROG EXEC OFCR, COMMAND & CONTROL SYSTEMS.
	DEPUTY PROG EXECUTIVE OFFICER COMM SYSTEMS.
	PROGRAM EXECUTIVE OFFICER STAMIS.
	PROGRAM EXECUTIVE OFFICER, ARMAMENTS.
	PROGRAM MANAGER SUSTAINING BASE AUTOMATION.
	DEP PROGRAM EXECUTIVE OFFICER FOR AVIATION.
	DEP PEO, INTELLIGENCE & ELECTRONIC WARFARE.
	PROGRAM EXECUTIVE OFFICER, COMBAT SUPPORT.
	PROGRAM EXECUTIVE OFCR (TACTICAL MISSILES).
DIR OF INFO SYS FOR COMMAND, CONTROL, COMMS & COMPUTERS.	ARMY SPECTRUM MANAGER.
	DIR OFC US ARMY INFO SYST SEL ACQ AGENCY.
	DIR OF ARMY INFORMATION.
	VICE DIRECTOR TO THE DISC4.
OASA RESEARCH DEVELOPMENT AND ACQUISITION	DEP DIR US CONTRACTING SUPPORT AGENCY.
	ASSISTANT DEPUTY FOR PLANS & PROGRAMS.
	DIRECTOR FOR ASSESSMENT & EVALUATION.
ODASA RESEARCH AND DEVELOPMENT	DAS FOR RES & TECH/CHIEF SCIENTIST.
	DIRECTOR FOR ADVANCED CONCEPTS & SPACE.
	DIRECTOR OF RESEARCH.
	DIRECTOR FOR TECHNOLOGY.
	DIRECTOR FOR LABORATORY MANAGEMENT.
ODASA PROCUREMENT	DEPUTY ASST SECY OF THE ARMY (PROCUREMENT).
	DIRECTOR FOR PROCUREMENT POLICY.
ODASA MANAGEMENT AND PROGRAMS	DIR FOR PROGRAM EVALUATION.
	DEP ASST SECY FOR PLANS & PROGRAMS.
OFC OF ASST SECRETARY (INSTALLATIONS, LOGISTICS & ENVMT).	DEP FOR PROGRAMS & INSTALL ASSISTANCE
	DEP PROGRAM EXEC OFFICER FOR CHEM/DEMIL.
OFC OF ASST SECY (FINANCIAL MGMT)	ASSISTANT DEPUTY ASA FOR ARMY BUDGET.
	DEPUTY FOR COST ANALYSIS.
	DIRT OF INVESTMENT.
	DEP ASST SECY FOR ARMY (FINANCIAL OPERATIONS) SPEC ADV FOR ECONOMIC POC & PRODUCTIVITY PROG
	DEP FOR OPS. SUPPORT & BUSINESS ACTIVITIES.
	SPEC ASST TO THE PRIN DEP ASST SECY OF ARMY.
OFF OF ASST SECRETARY, MANPOWER & RESERVE AFFAIRS.	DAS (DAR BDS & EEO C & C REVIEW).
OFC OF ASST SECRETARY CIVIL WORKS	DEPUTY ASA (POLICY & EVALUATION).
	DEPUTY ASA (MANAGEMENT & BUDGET).
	DEPUTY ASA (PLANNING POLICY & LEGISLATION).
	DEPUTY ASA (PROJECT MANAGEMENT).
OFFICE, DIRECTOR OF ARMY STAFF	DEP ASST CHIEF OF STAFF FOR INSTALLATION MGNT.
OFFICE, DEPUTY CHIEF OF STAFF, INTELLIGENCE	ASST DEP CHIEF OF STAFF FOR INTELLIGENCE.
USA STRATEGIC DEFENSE COMMAND HUNTSVILLE AL OSCA FOA.	PR0J MGR, GROUND BASED INTERCEPTION PROJ OFC.
	DIRECTOR, DIRECTED, ENERGY WEAPONS DIRECTORATE.
	PROJ MGR HIGH ENDO ATMOS DEF INT PROJ.
	D/S LETHALITY & KEY TECHNOLOGIES DIRECTORATE.
	DIR KINETIC ENERGY WEAPON DIRECTORATE.
	CHIEF, BATTLE MANAGEMENT DIVISION.
	PRIN ASSISTANT RESP FOR CONTRACTING.
	CHF, DISCRIMINATION DIV SENSORS DIRECTORATE.
	DIR, ADVANCED TECHNOLOGY DIRECTORATE.
	PROJ MGR, G–B SURVEILLANCE & TRACKING SYST.
	DIRECTOR, SYSTEMS DIRECTORATE.
OPERATIONAL TEST & EVALUATION COMMAND	DIR, US ARMY COMBAT DEV EXPERMENTATION CENTER.
	DEPUTY TO THE COMMANDER TECHNICAL DIRECTOR.
ARMY CENTER OF MILITARY HISTORY	CHIEF HISTORIAN, ARMY CTR OF MILITARY HISTORY.
TEST AND EVALUATION MANAGEMENT AGENCY	DIR, TEST AND EVALUATION MANAGEMENT AGENCY.
OFFICE, DEP CHIEF OF STAFF FOR PERSONNEL	DIRECTOR FOR MANPRINT.
	DIRECTOR OF MANPOWER.
	ASST DEP CHF OF STAFF FOR PERSONNEL (A/C).
DIRECTORATE OF CIVILIAN PERSONNEL	DIRECTOR OF CIVILIAN PERSONNEL.
	DEP DIRECTOR OF CIVILIAN PERSONNEL.
US TOTAL ARMY PERSONNEL COMMAND	DIRECTOR, CIVILIAN PERSONNEL MGT.
ARMY RESEARCH INSTITUTE FOR BEHAVIORAL & SOCIAL SCIENCES.	DIR. TRNG RES LAB & ASSOC DIR. ARI.
	DIR. MANP & PERS RES LAB & ASSOC DIR, ARI
	DIR, US ARMY RES I & C PSYCHOLOGIST, US ARMY.
OFFICE, DEPUTY CHIEF OF STAFF FOR LOGISTICS	ASST DIRECTOR FOR SUPPLY MGMT.
	ASST DIR FOR MAINTENANCE MGMT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASST DIR FOR TRANSPORTATION.
	ASST DIR FOR ENERGY & TROOP SUPPORT.
	DIRECTOR FOR SECURITY ASSISTANCE.
	DIRECTOR FOR RESOURCES AND MANAGEMENT.
	EXECUTIVE DIRECTOR, STRATEGIC LOGISTICS AGCY.
ARMY AUDIT AGENCY	THE AUDITOR GENERAL, U.S. ARMY.
	DEPUTY AUDITOR GENERAL.
	DIRECTOR, LOGISTICAL & FINANCIAL AUDITS.
	DIR, ACQUISITION & FORCE MGMT DIRECTORATE.
	DIR AUDIT POLICY PLANS AND RESOURCES.
	REGL. AUDITOR GENERAL (SOUTHEASTERN REGION).
OFC DEP CHF OF STAFF FOR OPERATIONS & PLANS	TECH ADV. DCSOPS.
	TECHNICAL DIRECTOR, US ARMY NUC & CHEM AGENCY.
	DIR, U.S. ARMY NUCLEAR & CHEMICAL AGENCY.
PROGRAM MANAGER RESERVE COMPONENT AUTOMATION SYSTEM.	PROGRAM MANAGER.
WALTER REED ARMY INSTITUTE OF RESEARCH	CHIEF DEPT OF PHARMACOLOGY.
TRAINING AND DOCTRINE COMMAND (TRADOC)	SCIENTIFC ADVISOR TO CG
	ASST DEPUTY CHIEF OF STAFF FOR RESOURCES MGMT.
	ADCOS FOR TRAINING POLICY PLANS AND PROGRAMS.
	DEPUTY TO THE COMMANDING GENERAL.
	ASST DEP CHIEF OF STAFF FOR BASE OPS SUPPORT.
	ASST DEP CHIEF OF STAFF FOR COMBAT DEVELOP.
TRADOC ANALYSIS COMMAND	DIRECTOR OF OPERATIONS.
	DEPUTY DIRECTOR, TRAC.
	DIRECTOR OF OPERATIONS.
NATIONAL SIMULATIONS CENTER	TECHNICAL DIRECTOR NATIONAL SIMULATIONS CTR.
MILITARY TRAFFIC MGMT COMMD	DEPUTY TO THE COMMANDER.
	SPECIAL ASST FOR TRANSPORTATION ENGINEERING.
U.S. ARMY FORCES COMMAND	CIVILIAN PERSONNEL DIRECTOR.
	DEPUTY COMPTROLLER.
U.S. ARMY CORPS OF ENGINEERS	DIRECTOR OF HUMAN RESOURCES.
	DIRECTOR RESOURCE MANAGEMENT.
	DIR. ENGINEERING AND HOUSING SUPPORT CENTER.
	PRINCIPAL ASST RESPONSIBLE FOR CONTRACTING.
	DEP TO THE COMMANDER FOR PROG & TECH MGNT.
DIRECTORATE OF CIVIL WORKS	DEPUTY DIRECTOR, CIVIL WORKS.
	CHF, PROGRAMS DIV.
	CHIEF, PLANNING DIVISION.
	CHIEF ENGINEERING DIVISION.
	CHF, OPS, CONSTRUCTION & READINESS DIVISION.
DIRECTORATE OF ENGINEERING & CONSTRUCTION	DEPUTY CHIEF CONSTRUCTION DIVISION.
	CHIEF, DAEB, ENGINEERING DIVISION.
DIRECTORATE OF MILITARY PROGRAMS	CHIEF CONSTRUCTION DIVISION.
	DEPUTY DIRECTOR, MILITARY PROGRAMS.
	CHIEF, ENVIRONMENTAL RESTORATION DIVISION.
U.S. ARMY COE WATER RESOURCES CTR	CHIEF, WATER RESOURCES SUPPORT CENTER.
PLANNING DIVISIONS, COE	DIR OF PLANNING, NO PACIFIC.
	DIR OF PLANNING, SOUTH ATLANTIC.
	DIR OF PLANNING, LOWER MISS VALLEY.
	DIR OF PLANNING, SOUTH PACIFIC.
	DIR OF PLANNING, N. ATLANTIC.
ENGINEERING DIVISIONS, COE	DIR OF ENGINEERING, OHIO RIVER.
	DIR OF ENGINEERING, SOUTHWESTERN.
	DIR OF ENGINEERING, NORTH CENTRAL.
	DIR OF ENGINEERING, N ATLANTIC.
	DIR OF ENGINEERING, S. ATLANTIC.
	DIR OF ENGINEERING, LOWER MISS.
	DIR OF ENGINEERING, NORTH PACIFIC.
	DIR OF ENGINEERING, PACIFIC OCEAN.
CONSTRUCTION DIVS-COE	DIR OF CONSTRUC OPS, S ATLANTIC.
	DIR OF CONSTRUC OPS, S WESTERN.
	DIR OF CONSTRUC OPS, OHIO RIVER.
	DIR OF CONSTRUC OPS, LR MS VAL.
	DIR OF CONSTRUC OPS.
	DIR OF CONSTRUC OPS.
	DIR OF CONSTRUC OPS, N ATLANTIC.
	DIR OF CONSTRUC OPS, PACIFIC.
	DIR OF CONSTRUC OPS.
ENGINEERING WATERWAYS EXPERIMENT STATION, COE	DIR WATERWAYS EXPERIMENT STATION.
CONSTRUCTION ENGRG RSCH LAB CHAMPAIGN IL	DIRECTOR.
COLD REGIONS RSCH & ENGRG LAB HANOVER NH	DIRECTOR.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
ARMY MATERIEL COMMAND (AMC)	CHIEF SCIENTIST.
	CHIEF SPECIAL ANALYSIS OFFICE.
OFFICE OF DCS SUPPLY MAINTENANCE & TRANSPORTATION.	ASST DEP CHIEF OF STAFF FOR LOGISTICS.
OFC DEP CMDG RES, DEVELOPMENT AND ACQUISITION	PRIN ASST DEP FOR RES DEVELOP AND ACQUISITION.
	ASST DEP INT'L COOPERATIVE PROGRAMS.
	PRINCIPAL DEPUTY FOR ACQUISITION.
	PRINCIPAL DEPUTY FOR TECHNOLOGY.
DCS FOR DEVELOPMENT ENGINEERING & ACQUISITION	ASST DEP CHIEF OF STAFF FOR ACQ MGT.
DEPUTY CHIEF OF STAFF FOR CONCURRENT ENGINEERING	ADCS FOR RES, D & E FOR POL INTEG & ANALYSIS.
OFC DEPUTY COMMANDING GENERAL FOR MATL READINESS.	PRINCIPAL DEPUTY FOR LOGISTICS.
DEPUTY CHIEF OF STAFF FOR AMMUNITION	ASST DEPUTY CHIEF OF STAFF FOR AMMUNITION.
OFFICE OF DCS FOR READINESS	EXEC DIRECTOR, LOGISTICS SUPPORT ACTIVITY.
OFFICE OF DCS FOR PROCUREMENT	ASST DCS FOR PROCUREMENT.
EXECUTIVE DIRECTOR, TEST, MEASUREMENT & DIAG EQ	DEPUTY EXECUTIVE DIRECTOR FOR TMDE.
DEPUTY CHIEF OF STAFF FOR PERSONNEL	DEP CHIEF OF STAFF FOR PERSONNEL.
OFFICE OF THE DEPUTY CHIEF OF STAFF FOR RES MANAGEMENT.	ADCS FOR RESOURCE MGMT.
	ADCS FOR COST ANALYSIS.
USA SECURITY AFFAIRS COMMAND	DEPUTY.
U.S. ARMY SYSTEMS INTEGRATION AND MANAGEMENT ACTIVITY.	DIR, SYST INTEGRATION MGMT ACTIVITY.
US ARMY ARMAMENT, MUNITIONS & CHEMICAL COMMAND (AMCCOM).	DEPUTY FOR RESOURCES & MANAGEMENT.
	DEP FOR A & S MGR FOR CONVENTL AMMUN (SMCA)
	DEPUTY FOR LOGISTICS READINESS
	DEP FOR PRODUCT A & T & INDUSTRIAL OPS MGMT.
	DIR, U.S. ARMY DEF AMMUNITION CENTER & SCHOOL.
AMCCOM, ARDEC	A/TECH/DIR (SYSTEMS CONCEPTS & TECHNOLOGY).
	TECHNICAL DIRECTOR FOR ARMAMENT.
	A/TECH/DIR (SYS DEVELOPMENT & ENGINEERING).
	ASSOC TECH DIR (PRODUCIB & PROCESS TECHNOL).
ARMAMENT ENGINEERING DIRECTORATE	DIRECTOR, ARMAMENT ENGINEERING DIRECTORATE.
	CHF, ENERGETICS & WARHEADS DIVISION.
FIRE SUPPORT ARMAMENTS CENTER	CHF FIRE CONTROL DIVISION.
	DEP DIRECTOR FIRE SUPPORT ARMAMENTS CENTER.
	CHIEF ARTILLERY ARMAMENTS DIVISION.
CLOSE COMBAT ARMAMENT CENTER	DEPUTY DIRECTOR, CLOSE COMBAT ARMAMENT CTR.
CHEMICAL RESEARCH, DEVELOPMENT & ENGINEERING CENTER.	DIR MUNITIONS DIRECTORATE.
	DIRECTOR, RESEARCH DIRECTORATE.
	TECHNICAL DIRECTOR, CHEMICAL.
U.S. ARMY AVIATION & TROOP COMMAND (ATCOM)	TECH DIR-US ARMY AVIATION SYSTEMS COMMAND.
	DIRECTOR OF ENGINEERING.
	DIR AEROFLIGHT DYNAMICS/DIRECTORATE.
	ACQUISITION DIRECTOR.
	DIRECTOR OF ADVANCED SYSTEMS.
	ASSOC TECH DIR FOR TECH APPL/DIR OF SPEC PROG.
	LOGISTICS DIRECTOR.
	DIRECTOR OF ELECTRONICS & WEAPONIZATION.
BELVOIR RESEARCH & DEVELOPMENT CENTER	TECHNICAL DIRECTOR.
NATICK RESEARCH DEVELOPMENT & ENGINEERING CENTER	TECHN DIR.
	DIR, INDIVIDUAL PROTECTION DIRECTORATE.
	DIRECTOR, SOLDIER SCIENCE DIRECTORATE.
COMMUNICATIONS & ELECT COMD (CECOM)	COMPTROLLER.
	DIR ELECTRONIC INTEGRATION DIRECTORATE.
U.S. ARMY COMMUNICATION ELECTRONICS COMM	DIR CECOM CTR FOR COMMAND, CNTRL & COMMUN SYS.
	DIRECTOR C3I ACQUISITION CENTER.
	DIR, E/W, RECONNAISSANCE, SURVEILLANCE, TAD.
	DIR CENTER FOR SIGNALS WARFARE.
	TECH DIR/DIR, RD & E CENTER.
	ASSOC TECHN DIR (RESEARCH & TECHNOLOGY).
	DEPUTY TO THE COMMANDER.
	DIR FOR C3/INTELLIGENCE C3I, LOG & READINESS.
U.S. ARMY RESEARCH LABORATORY	TECHNICAL DIRECTOR.
	ADCS FOR TECHNOLOGY PLANNING & MANAGEMENT.
	DIRECTOR U.S. ARMY RESEARCH LABORATORY.
	DIRECTOR, S3I PROCESSING.
OPERATIONS	DIR OPERATIONS DIRECTORATE.
ADVANCED CONCEPTS AND PLANS	DIR ADVANCED CONCEPTS & PLANS DIRECTORATE.
SENSORS, SIGNATURES, SIGNAL & INFO PROCESSING	DIRECTOR.
ELECTRONICS & POWERS SOURCES	DIRECTOR.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
BATTLEFIELD ENVIRONMENT	DIRECTOR.
SURVIVABILITY/LETHALITY ANALYSIS	DIR, BALLISTIC VULNERABILITY DIVISION.
	DIRECTOR.
VEHICLE STRUCTURES	DIRECTOR.
ADVANCED COMPUTING & INFORMATION SCIENCES	DIRECTOR.
VEHICLE PROPULSION	DIRECTOR.
U.S. ARMY WEAPONS TECHNOLOGY DIRECTOR (ARL)	DIRECTOR.
	DIR, PROPULSION & FLIGHT DIVISION.
	DIR, TERMINAL EFFECTS DIVISION.
	DIRECTOR WEAPONS CONCEPT DIVISION.
HUMAN RESEARCH AND ENGINEERING DIRECTORATE	DIRECTORATE EXEC. HUMAN R & E DIRECTORATE.
ARMY RESEARCH OFFICE (AMC)	DIRECTOR ARO.
	DIR ELECTRONICS DIV.
	DIRECTOR, MATERIALS SCIENCE DIVISION.
	DIR PHYSICS DIV.
	DIR, MATHEMATICAL & COMPUTER SCIENCES DIV.
	DIR, ENG & ENVIRONMENTAL SCIENCES DIVISION.
	DIR, RESEARCH & TECHNOLOGY INTEGRATION.
	DIR CHEM & BIO SCI DIV.
U.S. ARMY MATERIALS DIRECTORATE (ARL)	DIR ARMY MTLS & TECH LAB.
U.S. ARMY MISSILE COMMAND (MICOM)	DIRECTOR ACQUISITION CENTER.
	DIR, INTEGRATED MATERIAL MGT CTR.
	ASSOC DIRECTOR FOR PRODUCT ASSURANCE.
	DEPUTY FOR PROCUREMENT AND READINESS.
	DIRECTOR FOR WEAPONS SCIENCES.
RESEARCH DEVELOPMENT & ENGINEERING CENTER	TECH DIR FOR MICOM & DIR.
	DIR FOR SYSTEM ENGINEERING & PRODUCTION.
	DIRECTOR FOR ADVANCED SENSORS.
	DIRECTOR FOR PROPULSION DIRECTORATE.
	DIR FOR SYSTEMS SIMULATION & DEVELOPMENT.
	ASSOCIATE DIRECTOR FOR SYSTEMS.
TANK-AUTOMOTIVE COMD (TACOM)	DIRECTOR OF RESOURCE MGT.
	DIRECTOR OF ACQUISITION CENTER.
	TECHNICAL DIRECTOR.
	DIRECTOR OF PRODUCT ASSURANCE & TEST.
	ASSISTANT DEPUTY FOR SYSTEMS & LOGISTICS.
	DEP TO THE COMMANDER FOR RES. DEV & ENG.
	DEP DIR FOR ENGINEERING & ACQUISITION.
	DIR. TANK-AUTOMOTIVE TECHNOLOGY DIRECTORATE.
	DEPUTY TO THE COMMANDER.
U.S. ARMY TEST AND EVALUATION COMMAND. (TECOM)	SCIENTIFIC DIRECTOR, DUGWAY PROVING GROUND.
	DIR, REDSTONE TECHNICAL TEST CENTER.
	TECHNICAL DIRECTOR COMBAT SYST TEST ACTIVITY.
	TECHNICAL DIRECTOR (ELECTRONIC PROVING GROUND).
	TECHNICAL DIR, NATIONAL RANGE OPERATIONS.
	TECH DIR & CHF SCI.
	TECHNICAL DIRECTOR, YUMA PROVING GROUND.
	DIR FOR TEST AND ASSESSMENT.
U.S. ARMY MATERIEL SYSTEMS ANALYSIS ACTIVITY	DIRECTOR.
	CHF COMBAT SUPPORT DIV.
	CHF AIR WARFARE DIV.
	CHF, RELIABILITY, AVAILABILITY & MAINTAINABIL.
	CHF GROUND WARFARE DIVISION-AMSAA.
ARMY INFORMATION SYSTEMS COMMAND	DEPUTY CHIEF OF STAFF FOR RESOURCE MANAGEMENT.
	DIR, INFO SYSTEMS COMMAND PENTAGON.
	TECHNICAL DIRECTOR.
HEADQUARTERS, US ARMY, EUROPE	ASST DEP CHF OF STAFF, PERSONNEL (CIV PERS).
	ASST DEP CHIEF OF STAFF ENG FOR ENG & HOUSING.
	ASST DEP CHF OF STAFF, RESOURCE MGMT USAREUR.
	ASST DEP CHF STAFF FOR ENG (INTL AFFAIRS).
U.S. ARMY SPECIAL OPERATIONS COMMAND	DIR OF FORCE DEVELOPMENT & INTEGRATION.
ARMY INTEL AND SECURITY COMMAND	DEPUTY & TECHNICAL DIRECTOR, FSTC.
ACISA, NATO	ASST DIR, COMMAND, CONTROL AND COMMS SYST.
JOINT LOGISTICS	PRINCIPAL DEPUTY TO THE COMMANDER.
DOD WAGE FIXING AUTHORITY	DIRECTOR, TECHNICAL STAFF.
NATIONAL DEFENSE UNIVERSITY	DIR, INFORMATION RESOURCES MANAGEMENT COLLEGE.
U.S. SOUTHERN COMMAND	SPEC ASST FOR TECHNOLOGY & REQUIREMENTS INTEG.
DEPARTMENT OF NAVY:	
OFFICE OF THE UNDER SECRETARY OF THE NAVY	ASSISTANT FOR ADMINISTRATION.
OFFICE OF THE AUDITOR GENERAL	AUDITOR GENERAL OF THE NAVY.
NAVALL AUDIT SERVICE	DIRECTOR, PLANS AND POLICY.
	DIR, NAVAL AUDIT SERVICE WESTERN REGION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIR, NAVAL AUDIT SERVICE CAPITAL REGION.
	DIRECTOR, AUDIT OPERATIONS.
OFFICE OF CIVILIAN PERSONNEL MANAGEMENT	DIR, CIVILIAN PERSONNEL PROGRAMS DIVISION.
	DIR, OFC OF CIVILIAN PERSONNEL MANAGEMENT.
	ASSOCIATE DIRECTOR (OCPM–30).
	ASSOCIATE DIRECTOR (OCPM–20).
	ASSOCIATE DIRECTOR (OCPM–10).
OAS OF THE NAVY (RESEARCH, DEV & ACQUISITION)	DIRECTOR, NAVY ACQUISITION R & S IMPROVEMENT.
	DIRECTOR, PROCUREMENT POLICY.
	DIRECTOR, PRODUCT INTEGRITY.
	HEAD, CONTRACT POLICY.
	DIR, INTL AGREEMENTS, TTSARB & SPECIAL PROJ.
	DIRECTOR, ACQUISION CAREER MANAGEMENT.
	DIRECTOR FOR AAW & STRIKE AIR PROGRAMS.
	DIRECTOR FOR ASW, LASMAP.
	DIR, NAVY INTERNATIONAL PROGRAMS OFFICE.
PROGRAM EXECUTIVE OFFICERS	DIRECTOR, PLANS & PROGRAMS DIVISION.
	HEAD FIRE CONTROL SECTION.
	HEAD OPERATIONS ENGINEERING SECTION.
	TEST & INSTRUMENTATION BRANCH ENGINEER.
	BRANCH ENGR, LAUNCHER BRANCH.
	CHF ENGR, MISSILE BRANCH.
	CHF ENGR.
	BR ENGR FIRE CONTROL & GUIDANCE BR.
	PROG MGR, MK–50 TORPEDO PROG OFC.
	SECT HEAD, REENTRY SYSTEMS SECT. MISSILE BR.
	DEP P/E OFFICER FOR UNMANNED AERIAL VEHICLES.
	DEP PROG EXEC OFFICER FOR THEATER AIR DEFENSE.
	DIR OF TECHNOLOGY.
	HEAD, RESOURCES BRANCH.
	BRANCH ENGINEER, NAVIGATION BRANCH.
	DEP P/E OFFICER FOR CRUISE MISSILES PROGRAM.
	PROG MANAGER FOR COMM SATELLITE PROGRAMS.
	DEP PROG OFFICER SUBMARINES.
	PROGRAM EXECUTIVE OFFICER, UNDERSEA WARFARE.
	DEP PROG EXEC OFCR FOR TACTICAL AIR PROGRAMS.
	DEP PROG EXEC OFFICER, MINE WARFARE.
	PROG EXEC OFFICER FOR SPACE COMMS & SENSORS.
	AEGIS DEPUTY PROGRAM MANAGER.
	PROG EXEC OFFICER ASW ASSAULT & SPEC MISS PRO.
	ASST DEP COMR & DEP PROG MGR—SHIP SELF DEF.
	CHIEF ENGINEER, PEO, SCS.
	PROGRAM MANAGER, SHIP SELF DEFENSE.
NAVAL CENTER FOR COST ANALYSIS	S/A FOR COST A/T DIR, NAVAL CTR FOR COST ANAL.
OFFICE OF THE COMPTROLLER OF THE NAVY	ASSOC DIR, BUDGET & REPORTS/FISCAL MANG DIV.
	ASST GENERAL COUNSEL (FINANCIAL MANAGEMENT).
	DIR, INVESTMENT & DEV DIV.
	DIR, BUDGET & MGMT, POLICY AND PROCEDURES DIV.
	DIR, OFC OF FIN MGT SYST.
	DIR, BUDGET EVALUATION GROUP.
	DIR, RESOURCE ALLOCATION & ANALYSIS DIVISION.
	DIRECTOR, CIVILIAN-CONTRACTOR MANPOWER DIV.
OFFICE OF THE NAVAL INSPECTOR GENERAL	DEPUTY NAVAL INSPECTOR GENERAL.
OFFICE OF THE GENERAL COUNSEL	ASST GEN COUN (RES, DEV & ACQUISITION).
	ASST GENERAL COUNSEL (INSTALL & ENVIRONMENT).
	ASSIST GEN COUN (MANPOWER & RESERVE AFFAIRS).
NAVAL CRIMINAL INVESTIGATIVE SERVICE	DIR, NAVAL CRIMINAL INVEST SERVICE.
	ASST DIR OF COUNTERINTELLIGENCE.
	SPECIAL AGENT IN CHARGE, NORFOLK FIELD OFC.
	SPECIAL AGENT IN CHARGE.
	ASST DIR OF CRIMINAL INVESTIGATION.
CHIEF OF NAVAL OPERATIONS	HEAD, STUDIES & ANALYSIS BRANCH.
	ASSOCIATE DIR, SPECTRUM MANAGEMENT & POLICY.
	ASSOCIATE DIRECTOR, ASSESSMENT DIVISION.
	TECH DIR, SUBMARINE & SSBN SECURITY PROGRAM.
	TECHNICAL DIRECTOR.
	TECHNICAL DIRECTOR.
	ADVISOR FOR RESEARCH & DEVELOPMENT PROGRAMS.
	DEPUTY DIRECTOR OF NAVAL INTELLIGENCE.
	ADVANCED TECHNOLOGY ADVISOR.
	EXECUTIVE ASSISTANT.
	DEP DIR, SUPPORTABILITY, M & M DIVISION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEPUTY DIRECTOR FOR PROGRAMMING.
	HEAD ASSESSMENT & AFFORDABILITY BRANCH.
	ASSOC DIR, EXPEDITIONARY WARFARE DIVISION.
	DIR NAVAL HISTORY/DIR, NAVAL HISTORICAL CTR.
	DIRECTOR RESOURCES DIVISION.
	TECHNICAL DIRECTOR.
	SPECIAL ASST FOR TECHNOLOGY AND ANALYSIS.
	HEAD, LOGISTICS & FLEET SUPPORT BRANCH.
	HEAD, DEEP SUBMERGENCE SYSTEMS BRANCH.
	DEP DIR, ENVIR PROTECTION SAFETY OCCP HEAL DIV.
	DIRECTOR, ADVANCED TECH DEV BRANCH.
	DIRECTOR, STRATEGIC SEALIFT DIVISION.
	ASST FOR EDUCATIONAL RESOURCES.
	CNO EXECUTIVE FOR TOTAL QUALITY MANAGEMENT.
	TECHN DIR, NAVAL WARFARE ANAL A/F LEVEL PLANS.
	ASST FOR WORLD NAVIES AND ANALYSIS.
BUREAU OF NAVAL PERSONNEL	ACNP FOR MPN FINANCIAL MANAGEMENT.
NAVAL OBSERVATORY	DIR, TIME SERVICE DIV.
ORGANIZATION ABOLISHED	TECHNICAL DIRECTOR.
NAVAL TECHNICAL INTELLIGENCE CENTER	TECHNICAL DIRECTOR.
BUREAU OF MEDICINE & SURGERY	DEP COMMANDER FOR FIN MGMT & COMPTROLLER.
MILITARY SEALIFT COMMAND	COUNSEL.
	ENGINEERING OFFICER.
	COMPTROLLER.
	DEPUTY COMMANDER.
NAVAL TACTICAL SUPPORT ACTIVITY	DIR, NAVY TACTICAL SUPPORT ACTY.
ORGANIZATION ABOLISHED	TECHNICAL DIRECTOR.
NAVAL OCEANOGRAPHY COMMAND	TECHNICAL/DEPUTY DIRECTOR.
OFC OF COMMANDER IN CHF/ALLIED FORCES/SOUTHERN EUR.	DIRECTOR, TACTICAL DEVELOPMENT & TRAINING.
OFC OF THE COMMANDER-IN-CHIEF, U.S. PACIFIC COMMAND.	CHIEF, RESEARCH & ANALYSIS.
OFC OF THE CHIEF OF NAVAL EDUCATION AND TRAINING	COMPTROLLER.
	DIRECTOR NROTC SELECTION AND PLACEMENT.
EXECUTIVE DEVELOPMENT CADRE	TECHNOLOGY ASSESSMENT CONSULTANT.
NAVAL AIR SYSTEMS COMMAND HEADQUARTERS	DEP DIR, FLEET SUPPORT & FIELD ACTIVITY MGMT.
	EXECUTIVE DIRECTOR, MANAGEMENT, PLANS & PROGR.
	EXEC DIR ACQUISITION MGT.
	EXECUTIVE DIRECTOR FOR CONTRACTS.
	DEPUTY COMPTROLLER.
	COUNSEL, NAVAL AIR SYSTEMS COMMAND.
	ASSOC DIRECTOR WEAPONS SYS ENG DIVISION.
	DIR PROD INTEGRITY & PRODUCTION ENG DIVISION.
	TEC DIR AVIONICS SYSTEMS ENG DIVISION.
	DIR, EVALUATION DIV.
	TECHNICAL DIRECTOR AIR VEHICLE DIVISION.
	ASSOC DIR, LOGISTICS MANAGEMENT DIVISION.
	COMBAT AIRCRAFT CONTRACTS DIRECTOR.
	DIR, MISSILE WEAPONS SYSTEMS CONTRACTS DIV.
	SPECIAL ASST FOR TOM.
	DIRECTOR COST ANALYSIS DIVISION.
	DEPUTY ACQUISITION EXECUTIVE.
	DIR FOR SYSTEMS DEFINITION & ALTERNATIVES.
	DIRECTOR, AIRCRAFT DIVISION.
	ASSOCIATE DIR PROPULSION & POWER DIVISION.
	ASSOC DIR FOR SYSTEMS ENGINEERING MANAGEMENT.
	DEPUTY COMMANDER, NAVAL AIR SYS COMMAND.
	DIR CRUISE MISSILE CONTRACTS DIVISION.
	DIRECTOR, PROCUREMENT BUDGET DIVISION.
	DEPUTY COUNSEL, NAVAIR.
	EXEC DIRECTOR FOR AVIATION DEPOTS.
	ASST COMMANDER FOR CORPORATE OPERATIONS.
	DIR, INFORMATION RESOURCES MGMT DIVISION.
	DIR, TECHNOLOGY MATURATION DIRECTORATE.
	DIR, ASW/SUPPORT A/A COMPONENTS CONTRACTS DIV.
NAVAL AIR WARFARE CENTER	TECHNICAL DIRECTOR.
NAVAL AIR WARFARE CENTER AIRCRAFT DIVISION WARMINSTER.	HEAD, AVCSTD.
	EXEC DIRECTOR.
	HEAD, MATD.
	HEAD, SYST & SOFTWARE TECHNOLOGY DEPARTMENT.
	HEAD, TACTICAL AIR SYSTEMS DEPARTMENT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	HEAD, WARFARE SYSTEMS ANALYSIS DEPARTMENT.
	ASSOC DEP HEAD A/W D/HEAD, ASW A/D DIVISION.
NAVAL AIR WARFARE CENTER AIRCRAFT DIVISION LAKEHURST.	EXECUTIVE DIRECTOR.
	CHIEF ENGINEER.
NAVAL AIR WARFARE CENTER AIRCRAFT DIVISION	EXECUTIVE DIRECTOR.
	DIRECTOR, RANGE DIRECTORATE.
	DEP COMMANDER, NAWC-AIRCRAFT DIVISION.
NAVAL AIR WARFARE CENTER AIRCRAFT DIV INDIANAPOLIS	EXECUTIVE DIRECTOR.
	DIR OF AVIONIC & ELECTRONIC SYSTEMS DESIGN.
	DIRECTOR, AESAMT.
NAVAL AIR WARFARE CENTER WEAPONS DIV, PT. MUGU, CA	DIR SEA RANGE DIRECTORATE.
	DIRECTOR WEAPONS SYSTEMS EVALUATION DIRECT.
	HEAD ELECTRONIC WARFARE DEP.
	DEP COMR FOR TEST & EVAL, NAWC-WEAPONS DIV.
	DIR, THREAT SIMULATION DIRECTORATE.
NAVAL AIR WARFARE CENTER WEAPONS DIV, CHINA LAKE, CA.	HEAD, ATTACK WEAPONS DEPARTMENT.
	HEAD, RESEARCH DEPARTMENT.
	DIRECTOR, LAND RANGE DIRECTORATE.
	HEAD AIRCRAFT WEAPONS INTEGRATION DEPT.
	HEAD, ENGINEERING DEPARTMENT.
	HEAD, INTERCEPT WEAPONS DEPARTMENT.
	HEAD, RANGE DEPARTMENT.
	DIR, WEAPONS DIRECTORATE.
	DIR, AIRCRAFT WEAPONS SYSTEMS DIRECTORATE.
	DEP COMMANDER FOR R&D, NAWC-WEAPONS DIVISION.
	HEAD WEAPONS PLANNING GROUP.
	DIR, SERVICES & INFORMATION DIRECTORATE.
NAVAL TRAINING SYSTEMS CENTER	EXECUTIVE DIRECTOR.
	DIR OF RESEARCH & ENGINEERING.
	DEP DIR OF RESEARCH & ENGINEERING.
SPACE & NAVAL WARFARE SYSTEMS COMMAND	EXEC DIR, CONTRACTS.
	DEPUTY COMPTROLLER.
	COUNSEL SPACE & NAVAL WARFARE SYSTEMS COM.
	CHIEF ENG COMMS SYS PROGRAM DIRECTORATE.
	EXEC DIR. COMM SYST PROG DIRECTORATE.
	CHIEF ENGINEER COMMAND SYS PROG DIRECTORATE.
	TECH DIR, SUBMARINE COMMUN PROG OFC.
	ASSOC TECH DIR FOR RESEARCH & TECHNOLOGY.
	EXEC DIR, SPACE TECHNOLOGY DIRECTORATE.
	CHIEF ENG SPACE TECH DIRECTORATE.
	EXEC DIR/COMMUNICATIONS SYST PROG DIRECTORATE.
	EXEC DIR, UNDERSEA SURVEILLANCE PROG DIR.
	CHIEF ENG UNDERSEA SURVEILLANCE PROG DIRECT.
	DIR OF TECH HEAD ENGINEERING TECH GROUP.
	CHIEF LOGIS/HD ACQUISITION & LOGIS POL APP GRP.
	DIRECTOR, INFORMATION SYSTEMS SECURITY OFFICE.
	ASST COMMANDER FOR TALESD.
	CHIEF ENG SPAWAR.
	EXEC DIR, NWSAED.
	ASST COMDR FOR POL, OPS & ACQ SUPPORT DIRECT.
	DEPUTY COMMANDER.
NAVAL COMMAND CONTROL & OCEAN SURVEILLANCE CENTER.	TECHNICAL DIRECTOR.
NAVAL COMMAND C & O SURVEILLANCE CTR. RDT&E DIVISION.	HEAD, SURVEILLANCE DEPT.
	EXECUTIVE DIRECTOR.
	DEP EXEC DIRECTOR.
	HEAD, NAVIGATION & AIR C3 DEPARTMENT.
	HEAD, COMMAND AND CONTROL DEPARTMENT.
NAV COMMAND CONTROL & OCEAN SURVEIL COMM WEST COAST DIV.	EXECUTIVE DIRECTOR WEST COAST ISE.
EAST COAST ISE DIVISION	EXECUTIVE DIRECTOR EAST COAST.
NAVAL FACILITIES ENGINEERING COMMAND	COUNSEL NAVAL FACILITIES ENGINEERING COMMAND.
	DEPUTY COMPTROLLER.
	DIRECTOR FOR CONTRACTS SUPPORT.
	CHIEF ENGINEER.
	DIR OF REAL ESTATE SUPPORT.
	SENIOR EXECUTIVE FOR BASE CLOSURE OFFICE.
	DIRECTOR FOR ENVIRONMENT.
	DIRECTOR, PLANNING & ENGINEERING SUPPORT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
NAVAL SEA SYSTEMS COMMAND	SPEC ADVISOR FOR RES DEV, TEST & EVALUATION. COUNSEL NAVAL SEA SYSTEMS COMMAND. ASST DEP COMMANDER FOR CONTRACTS. DEP PROG MGR & TECH DIR, PMS396B. EXECUTIVE DIRECTOR/DEPUTY COMPTROLLER. PROG MGR, MINE WARFARE SHIP PROGRAM. DIR, SUBMARINE SYSTEMS (S5W & S8G) DIVISION. DIRECTOR, REACTOR MATERIALS DIVISIONS. DIRECTOR, SECONDARY PLANT COMPONENTS DIVISION. HEAD, ADVANCED REACTOR BRANCH. DIR NAVAL ARCHITECTURE GROUP. DEPUTY DIRECTOR, SHIP DESIGN GROUP. DIRECTOR COST ESTIMATING & ANALYSIS. DIR, SHIPBUILDING CONTRACTS DIVISION. EXEC DIR, INDUSTRIAL & FACILITY MGMT DIR. EXECUTIVE DIRECTOR, SURFACE SHIP DIRECTORATE. EXEC DIR SUBMARINE DIRECTORATE. DEP PROG MANAGER & TECH DIR SUPPORT SHIP BOAT. DIR, REACTOR PLANT VALVE DIVISION. DIRECTOR, WARFARE SYSTEMS GROUP. DIRECTOR, CORPORATE OPERATIONS. DIR REACTOR MATERIALS DIVISION. DEPUTY COMMANDER FOR FLEET LOGISTICS SUPPORT. DIR, HRO–CC/COMMAND ASST HUMAN RES PROGRAMS. DEP PROG MANAGER TECH DIR ATTACK SUBM PROG. DEP PROGRAM MGR, SURFACE SHIP PROG MGMT OFC. DIR, NUCLEAR PROPULSION LOGISTICS DIVISION. DEP PROG MANAGER, AIRCRAFT CARRIER PROG OFC. DIR, PRODUCT INTEGRITY & ENG SUPPORT GROUP. DIR, ENVIRONMENTAL ENGINEERING GROUP. DIRECTOR FOR SUBMARINE REFUELINGS. DIR SURFACE SHIP SYSTEMS DIVISION. DEPUTY DIRECTOR, NUCLEAR COMPONENTS DIV. DIR, REACTOR PLANT SAFETY & ANALYSIS DIVISION. DIR, SHIP S & S INTEGRITY GROUP. DIRECTOR, PROPULSION SYSTEMS GROUP. DIRECTOR, FIELD ACTIVITY SUPPORT GROUP. DIRECTOR, MATERIALS ENGINEERING OFFICE. DIR ELECTRICAL ENGINEERING GROUP. EXEC DIR, SHIP DESIGN & ENGRNG DIRECTORATE. PROG MGR, AMPHIBIOUS W & S SEALIFT PROGRAM. DIR, NAVAL SHIPYARD MGT GROUP. PROGRAM MANAGER FOR COMMISSIONED SUBMARINES. COMMAND ASST FOR HUMAN RESOURCES PROG & DIR. DIR, SURFACE SYSTEMS CONTRACTS DIVISION. ASSOC DIRECTOR FOR REGULATORY AFFAIRS. ASST DEP COMMANDER, SURFACE & AREA AAW SYST. DIRECTOR, OFFICE OF RESOURCE MANAGEMENT. DIR, REACTOR REFUELING DIVISION. DEPUTY COUNSEL, NAVAL SEA SYSTEMS COMMAND. DIR ENVIRONMENTAL PROTECTION OFFICE. DIRECTOR, SHIP SIGNATURES GROUP. DEP COMR, WEAPONS & COMBAT SYST DIRECTORATE. DIRECTOR, AUXILIARY SYSTEMS GROUP. DIR, COMBAT SYSTEMS DESIGN & ENG GROUP. PROG MGR, DEEP SUBMERGENCE SYST PROG.
NAVAL ORDNANCE CENTER	DEPUTY COMMANDER, NAVAL ORDNANCE CENTER.
NORFOLK NAVAL SHIPYARD	NAVAL SHIPYARD NUCLEAR ENG MANAGER. NAVAL SHIPYARD NUCLEAR ENG MGR PUGET NAL SHIP.
NAVAL SURFACE WARFARE CENTER	TECHNICAL DIRECTOR.
NAVAL UNDERSEA WARFARE CENTER	TECHNICAL DIRECTOR.
NAVAL SHIP SYSTEMS ENGINEERING STATION	DEP DIR, CARDEROCK DIVISION/DIR, NAVSSES.
NAVAL SURFACE WARFARE CENTER, CRANE DIVISION	EXECUTIVE DIRECTOR.
NAVAL UNDERSEA WARFARE CENTER DIV, KEYPORT, WA	EXECUTIVE DIRECTOR. CHF RES SCIENTIST (ARCTIC SUBMARINE TECH).
NAVAL SURFACE WARFARE CENTER, PT. HUENEME DIVISION.	EXECUTIVE DIRECTOR.
NAVAL SURFACE WARFARE CENTER, INDIAN HEAD DIVISION	TECHNICAL DIRECTOR.
COASTAL SYSTEMS STATION	EXECUTIVE DIRECTOR. HEAD, COASTAL TECHNOLOGY DEPARTMENT. HEAD, COASTAL ENG TEST & OPERATIONS DEPART. HEAD, COASTAL WARFARE SYSTEMS DEPARTMENT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
NAVAL SURFACE WARFARE CENTER, CARDEROCK DIVISION	ASSOC DIR FOR SYST DEVEL/ HEAD, SYST DEPT DIRECTOR.
	ASSOC DIR FOR STRUCTURES/ HEAD, SSPD.
	ASSOC DIR/ HEAD SHIP ACOUSTICS DEPT.
	ASSOC DIR FOR MACHINERY R&D/H, MACHINERY R&D.
	ASSOC DIR FOR HYDROMECHANICS/HEAD, HD.
	ASSOC DIR, MST/HEAD, SMED.
	ASSOC DIR FOR BUSINESS OPS/HBD.
	ASSOC DIR FOR SYST/P & H SHIP S/P DIRECTORATE.
	ASSOC DIR/HEAD SHIP ELECTRO SIGNATURES DEPT.
	ASSOC DIR FOR TECH/DIR OF TECHNOLOGY & PLANS.
	ASSOC DIR FOR SHIP A/E S/H S/DIRECTORATE.
	ASSOC DIR FOR SS & M/HSS & M DIRECTORATE.
	ASSOC DIR FOR MISE/HMIS ENG DIRECTORATE.
NAVAL SURFACE WARFARE CENTER, DAHLGREN DIVISION ...	EXEC DIRECTOR.
	HEAD, STRATEGIC & SPACE SYSTEMS DEPARTMENT.
	HEAD, WEAPONS SYSTEMS DEPARTMENT.
	HEAD, COMBAT SYSTEMS DEPARTMENT.
	HEAD, SHIP DEFENSE SYSTEMS DEPARTMENT.
	DEPUTY EXECUTIVE DIRECTOR/BUSINESS MANAGER.
	HEAD, WEAPONS RESEARCH & TECHNOLOGY DEPART.
	HEAD, WEAPONS RESEARCH & TECHNOLOGY DEPART.
	HEAD, STRIKE SYSTEMS DEPARTMENT.
	HEAD, SYSTEMS RES & TECHNOLOGY DEPARTMENT.
	HEAD, WARFARE SYSTEMS DEPARTMENT.
	HEAD WARFARE ANALYSIS DEPARTMENT.
NAVAL UNDERSEA WARFARE CENTER DIVISION, NEWPORT, RI.	HEAD, SUBMARINE SONAR DEPARTMENT.
	TECH DIR, CONSULTANT.
	HEAD, COASTAL RES & TECHNOLOGY DEPARTMENT.
	ASSOC TECH DIR FOR SUBMAR COMBAT CONTROL ACOU.
	ASSOC TECHN DIR FOR SUBMARINE WARFARE SYSTS.
	A/T DIR FOR SURFACE ANTI-SUBMARIN WARFARE ASW.
	HD, SUBMARINE ELECTROMAGNETIC SYS DEPT.
	HEAD COMBAT CONTROL SYSTEMS DEPARTMENT.
	HEAD COMBAT SYSTEMS ANALYSIS STAFF.
NAVAL SUPPLY SYSTEMS COMMAND HDQTRS	COUNSEL.
	DIR, DEFENSE PRINTING SERV/DEP COMDR, NAVSUP.
	COMPETITION ADVOCATE GEN/ADC, CONTRACTING MGR.
	DIRECTOR OF CONTRACTING FOR SPECIAL PROGRAMS.
	DEP COMMR FOR INFO RESOURCES MANAGEMENT.
	DEP COMMANDER FOR CORPORATE MANAGEMENT.
	DIR INFO TECH INITIATIVES DIVISION.
	EXECUTIVE DIRECTOR.
NAVY SHIPS PARTS CONTROL CENTER	EXEC DIR ACQUISITION & LOGISTICS PLNG & SUPPT.
NAVY AVIATION SUPPLY OFFICE	EXECUTIVE DIR LOGISTICS PLANNING & SUPPORT.
	EXEC DIR, ACQUISITION MGMT & PLANNING.
NAVY FLEET MATERIAL SUPPORT OFFICE	EXEC DIR, ADP SYSTEM PLANNING AND DEVELOPMENT.
NAVAL SUPPLY CENTER, NORFOLK	EXECUTIVE DIRECTOR, PLANNING AND RESOURCES.
U.S. MARINE CORPS HEADQUARTERS OFFICE	DEP DIR FACILITIES & SERVICES DIVISION.
	FISCAL DIR OF THE MARINE CORPS.
	DIR CONTRACTS DIVISION.
	COUNSEL FOR THE COMMANDANT.
	DEPUTY ASST CHIEF OF STAFF INTELLIGENCE.
	DEPUTY COUNSEL FOR THE COMMANDANT.
	DIRECTOR OF ADMINISTRATION AND RESOURCES.
	ASST DEP CHF OF STAFF FOR INSTALLATIONS & LOG.
	ASST TO THE DEP CHF OF STAFF FOR M & R AFFS.
	ASST DEP CHF OF STAFF FOR REQUIREMENTS & PROG.
MARINE CORPS SYSTEMS COMMAND	EXECUTIVE DIRECTOR.
	DEPUTY FOR FINANCIAL MANAGEMENT.
MARINE CORPS LOGISTICS BASE ALBANY GA	DEPUTY COMMANDER FOR LOGISTICS OPERATIONS.
OFFICE OF NAVAL RESEARCH	DIR ANTI/AIR ANTI/SURF WARF & AERSPACE TEC DV.
	DIR, FIN MGMT/COMPT/SPEC ASST (FM) TO ASN (R, E&S.
	DIR OF PLANNING AND ASSESSMENT.
	DEP DIR FOR TECHNOLOGY PROGRAMS.
	DIRECTOR, COMPUTER SCIENCE DIVISION.
	DIRECTOR, MECHANICS DIVISION.
	DIR OCEAN BIOLOGY/OPTICS/CHEMISTRY DIV.
	SENIOR ADVISOR TO THE NAVY CHAIR.
	DEP CHIEF NAV RES & TECH DIR OFC OF NAV RES.
	DIRECTOR, TECHNOLOGY DIRECTORATE.
	DIR, INDUSTRY INDEPENDENT RES & DEV DIRECT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEP DIR, ONT/DIR, PLNG & ASSESS DIRECTORATE.
	EXECUTIVE DIR FOR ACQUISITION MANAGEMENT.
	DEPUTY COUNSEL (INTELLECUTUAL PROPERTY).
	DIR OCEAN ENG DIV.
	DIR, INDUSTRY INDEPENDENT RES & DEVEL DIR.
	COUNSEL, OFFICE OF NAVAL RESEARCH.
	DIRECTOR, PHYSICS DIVISION.
	DIRECTOR, CHEMISTRY DIVISION.
	DIRECTOR, SCIENCE DIRECTORATE.
	DIR, SUPPORT TECHNOLOGY DIRECTORATE.
	DIR, COGNITIVE & NEURAL SCIENCES DIV.
	DIRECTOR, LIFE SCIENCES DIRECTORATE.
	DIRECTOR, BIOLOGICAL SCIENCES DIVISION.
	DIR, MATHEMATICAL & PHYSICAL SCIENCES DIR.
	DIR, MATHEMATICAL SCIENCES DIVISION.
	DIR, ENGINEERING SCIENCES DIRECTORATE.
	DIRECTOR, ELECTRONICS DIVISION.
	DIR GEO-ACOUSTICS/ARCTIC SCIENCES DIV.
	DIR OCEAN & ATMOSPHERIC PHYSICS DIV.
	DIR OCEAN SCIENCE DIRECTORATE.
	DEPUTY DIRECTOR, TECHNOLOGY DIRECTORATE.
	DIR ANTI SUBMARINE WAREFAE & UNDERSEA TECH.
	DIRECTOR, MATERIALS DIVISION.
	DIR, UNIVERSITY BUSINESS AFFAIRS.
	DIR OPERATIONS RESOURCES & MAGNT DIR.
	SPEC ASST TO THE DIR, ONR FOR OCEANS SCIENCES.
NATO SACLANT ASW RESEARCH CENTER	DIRECTOR NATO SACLANT ASW RESEARCH CENTRE.
NAVAL RESEARCH LABORATORY	SUPERINTENDENT, CHEMISTRY DIVISION.
	SUPERINTENDENT, OPTICAL SCIENCES DIV.
	SUPT MATERIALS SCI AND TECH DIVISION.
	SUPERINTENDENT, PLASMA PHYSICS DIV.
	SUPT CONDENSED MATTER & RADIATION SCI DIV.
	ASSOC DIR OF RES FOR MATL SCI & COMP TECHNOL.
	SUPERINTENDENT, INFO TECHNOL DIV.
	DIR, NAVY TECH CTR FOR SAFETY & SURVIVABILITY.
	CHF SCI, LAB FOR STRUCTURE OF MATTER.
	DIR OF RESEARCH.
	SUPERINTENDENT SPACE SCIENCE DIV.
	SUPT, RADAR DIV.
	SUPT, ACOUSTICS DIV.
	SUPERINTENDENT ELECTRONICS TECHNOLOGY DIV.
	SUPT, TACTICAL ELECTRONIC WARFARE DIV.
	SUPT UNDERWATER SOUND REFERENCE DIVISION.
	TECHNICAL DIRECTOR.
	CHIEF SCIENTIST LAB FOR COMPT PHY FLUID DYNAM.
	HEAD, OFC OF SYST SUPPORT & REQUIREMENTS.
	CHF SCIENTIST & HEAD, SOLAR PHYSICS PROGRAM.
	SUPERINTENDENT, REMOTE SENSING DIVISION.
	ASSOC DIR OF RES FOR BUSINESS OPERATIONS.
	CHIEF SCI & HEAD, BEAM PHYSICS PROGRAM.
	SUPERINTENDENT, MARINE METEOROLOGY DIVISION.
	MGR, JOINT SPACE SYSTEMS TECHNOLOGY PROGRAMS.
	ASSOC DIR RES FOR OCEAN & ATMOSPHERIC SCI TEC.
	HEAD ELECT WARFARE STRATEGIC PLANNING ORG.
	ASSOC DIR OF RESEARCH FOR STRATEGIC PLANNING.
	ASSOC DIR OF RES FOR GEN S & S SYST TECHNOL.
	ASSOC DIR OF RES FOR WARFARE SYS & SENORS RES.
	SUPERINTENDENT, SPACE SYST DEVELOPMENT DEP.
	SUPERINTENDENT, OCEANOGRAPHY DIVISION.
	SUPERINTENDENT, SPACECRAFT ENGINEERING DEP.
	ASSOC TECH DIR&DIR, OCEAN SCIENCE DIRECTORATE.
	ASSOC TECH DIR&DIR OCEAN ACOUSTICS & TECH DIR.
	DIR, NAVAL CENTER FOR SPACE TECHNOLOGY.
	SUPERINTENDENT, MARINE GEOSCIENCES DIVISION.
	HEAD CENTER FOR ENVIRONMENTAL ACOUSTICS.
DEFENSE NUCLEAR FACILITIES SAFETY BOARD	ASST DIR FOR MATERIALS P & E RESTORATION PROG.
	ASST DIR FOR WEAPONS PROGRAMS.
	ASST DIR FOR ENGINEERING.
	ASSISTANT DIRECTOR FOR STANDARDS.
	SITE REVIEW OFFICER.
	DEP GEN COUNSEL FOR POL & LITIGATION.
	CHIEF, HEALTH PHYSICS BRANCH.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEPUTY GENERAL MANAGER.
DEPARTMENT OF EDUCATION:	
CHIEF FINANCIAL OFFICER	DIRECTOR, GRANTS AND CONTRACTS SERVICE.
	DEPUTY DIRECTOR FOR FINANCIAL MANAGEMENT.
OFFICE OF HUMAN RESOURCES AND ADMINISTRATION	DIR ADMIN RESOURCE MANAGEMENT SERVICE.
	DIRECTOR PERSONNEL MANAGEMENT SERVICE.
	CHAIRPERSON, EDUCATION APPEAL BOARD.
INSPECTOR GENERAL	ASSISTANT INSPECTOR GENERAL FOR AUDITS.
	ASST INSP GEN FOR POLICY PLNG & MGMT SERV.
	ASST INSPECTOR GENERAL FOR INVESTIGATION.
	DEP ASST INSP GEN FOR AUDIT OPERATIONS.
	DEP ASST INSPECTOR GEN FOR TECHN AUDIT SVC.
	ASSOCIATE INSPECTOR GENERAL.
	DEP ASST INSPECTOR GENERAL FOR INVESTIGATION.
GENERAL COUNSEL	ASST GEN COUN FOR BUSIN & ADM LAW.
	ASST GENERAL COUNSEL FOR EDUCATIONAL EQUITY.
	ASST GEN COUNSEL FOR REGULATIONS.
	ASST GEN COUN FOR DIV OF LEGISLATIVE COUNSEL.
	ASST GEN COUN FOR POSTSECONDARY ED & ED RES.
EDUCATIONAL RESEARCH AND IMPROVEMENT	SENIOR ADVISOR ON LIBRARY PROGRAMS.
NATIONAL CENTER FOR EDUCATION STATISTICS	ASSOC COMR, ELEM/SECOND EDUC STAT DIVISION.
	ASSOC COMR, DATA COLLECTION & DISSEMINATION.
	ASSOC COMR FOR STAT STD & METHODOLOGY DIV.
	ASSOC COMM EDUCATION ASSESSMENT DIVISION.
DEPARTMENT OF ENERGY:	
OFFICE OF ECONOMIC IMPACT & DIVERSITY	DIR OF SM AND DISADV BUS UTILZ.
OFFICE OF HEARINGS & APPEALS	DEP DIR FOR LEGAL ANALYSIS.
	DEP DIR FOR FINANCIAL ANALYSIS.
	DEP DIR FOR ECON ANALYSIS.
ASSOCIATE DEPUTY SECRETARY FOR FIELD MANAGEMENT	DIR, PROG/CONST MGM, PROCE & OPERATIONS DIV.
	DIRECTOR, POLICY DEVELOPMENT DIVISION.
	DIR, OFFICE OF CONTRACTOR EMPLOYEE PROTECTION.
	DIR, OFC OF RESOURCE MANAGEMENT & SERVICES.
ALBUQUERQUE OPERATIONS OFFICE	DIR, WEAPONS QUALITY DIVISION.
	DIR TRANSPORTATION SAFEGUARD DIV.
	DIR BUDGET & RESOURCES MGNT DIV.
	DIR, PRODUCTION ASSURANCE & OPS DIVISION.
	DIR, WEAPONS PROGRAMS DIV.
	DIR OF EMERGENCY PLANS & OPERATIONS.
	ASST MANAGER.
	DIR OFC OF MGT PLAN & ANALYSIS.
	DIR, WASTE MGMT & OPERATIONAL SURETY DIV.
	CARLSBAD AREA OFFICE MANAGER.
	CHIEF FINANCIAL OFFICER.
	DIRECTOR, OPS MANAGEMENT DIVISION.
CHICAGO OPERATIONS OFFICE	ASST MANAGER FOR ADMINISTRATION.
	AREA MANAGER BATAVIA AREA OFFICE.
	CHIEF FINANCIAL OFFICER.
IDAHO OPERATIONS OFFICE	DEPUTY MANAGER FOR BUSINESS MANAGEMENT.
	CHIEF FINANCIAL OFFICER.
	ASST MGR OFC OF PROGRAM EXECUTION.
	ASST MANAGER, OFC OF POL, A & R MANAGEMENT.
	ASST MANAGER FOR APPLIED E & T TRANSFER.
NEVADA OPERATIONS OFFICE	CHIEF COUNSEL.
	ASSISTANT MANAGER FOR ADMINISTRATION.
OAK RIDGE OPERATIONS OFFICE	ASST MANAGER FOR ADMINISTRATION.
	CHIEF FINANCIAL OFFICER.
RICHLAND OPERATIONS OFFICE	ASST MGR FOR ADMIN.
	ASSISTANT MANAGER FOR OPERATIONS.
	ASSISTANT MANAGER FOR TECHNICAL SUPPORT.
	ASSISTANT MANAGER FOR PROJECTS.
	CHIEF FINANCIAL OFFICER.
OAKLAND OPERATIONS OFFICE	ASST MGR FOR ADMIN.
	CHIEF FINANCIAL OFFICER.
SAVANNAH RIVER OPERATIONS OFFICE	ASST MGR FOR ADMIN.
	ASST MGR FOR SITE SAFEGUARDS & SECURITY.
	CHIEF FINANCIAL OFFICER.
ROCKY FLATS OPERATIONS OFFICE	MANAGER, ROCKY FLATS OFFICE.
	ASST MGR FOR PROJECT MANAGEMENT & ENGINEERING.
GOLDEN FIELD OFFICE	MANAGER, GOLDEN FIELD OFFICE.
OFFICE OF INSPECTOR GENERAL	ASST INSPECTOR GEN FOR INSPECTIONS & ANALYSIS.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	MANAGER, WESTERN REGIONAL AUDIT OFFICE.
	DIRECTOR, AUDIT POLICY, PLANS & PROGRAMS.
	MANAGER, EASTERN REGIONAL AUDIT OFFICE.
	DIRECTOR AUDIT MANAGEMENT DIVISION.
	DIR CAPITOL REGIONAL AUDIT OFFICE.
	DEPUTY ASST INSPECTOR GEN FOR INVESTIGATIONS.
	SPEC ASST FOR POLICY AND PLANNING.
	COUNSEL TO THE INSPECTOR GENERAL.
	ASST INSPEC GEN FOR POL & PLNG & MGT.
	PRINCIPAL DEPUTY INSPECTOR GENERAL.
	ASSISTANT INSPECTOR GENERAL FOR AUDITS.
	DEPUTY INSPECTOR GENERAL FOR INSPECTIONS.
	DEPUTY INSPECTOR GENERAL FOR AUDITS.
ENERGY INFORMATION ADMINISTRATION	DIRECTOR, EIA–ADP SERVICES STAFF.
	DIR, OFC OF OIL AND GAS.
	DIRECTOR PETROLEUM SUPPLY DIVISION.
	DIR OFC OF COAL NUCL ELEC & ALTERN FUELS.
	DIRECTOR, OFC OF ENERGY MARKETS & END USE.
	DIRECTOR ECONOMICS & STATISTICS DIVISION.
	DIR OFC OF STATISTICAL STANDARDS.
	DIRECTOR QUALITY ASSURANCE DIVISION.
	DIR RESERVES AND NATURAL GAS DIVISION.
	DIRECTOR PETROLEUM MARKETING DIVISION.
	DIR, OFC OF INTEGRATION NAL & FORECASTING.
	DIR, EEUISD.
	DIR, ENERGY SUPPLY & CONVERSION DIV.
	DIR, ANALYSIS & SYSTEMS DIV.
	DIR, ENERGY DEMAND & INTEGRATION DIV.
	DIR SURVEY MGMT DIV.
ASST SECRETARY ENERGY EFFICIENCY & RENEWABLE ENERGY.	DIR, GEOTHERMAL DIVISION.
	DIR, WIND/HYDRO/OCEAN TECHNOLOGY DIVISION.
	DIR OFC SOLAR ENERGY CONVERSION.
	ASSOC DEP ASST SECRETARY FOR UTILITY TECH.
	DIR OFC OF WASTE REDUCTION TECH.
ASST SECRETARY ENVIRONMENT, SAFETY & HEALTH	DIRECTOR, OFFICE OF ENVIRONMENTAL AUDIT.
	DIR NUCLEAR SAFETY ENFORCEMENT DIVISION.
	DEP DIR INVEST NUCLEAR SAFETY ENFORCEMENT DIV.
	DIR NUCLEAR OPERATIONS & ANALYSIS.
	DIR OFFICE OF ENVIRONMENTAL COMPLIANCE.
ASSISTANT SECRETARY DEFENSE PROGRAMS	ASSOC DEP ASST SECY FOR MILITARY APPLICATION.
	DIRECTOR OFC MGMT SUPPORT.
	DIR OFC OF PROGRAM ANALYSIS & FINANCIAL MGMT.
	DEP MGR ROCKY FLATS OFFICE.
	ASST MGR FOR ENVIRONMENTAL MGNT.
	TECHNICAL DIRECTOR.
	DIR, OFC OF ENVIRON SAFETY H&Q ASSURANCE.
	DIR, OFC OF RES, DEVELOPMENT & TESTING FACIL.
	NUCLEAR WEAPONS COMPLEX PROJECT MANAGER.
	DEPUTY DIR OFC SELF ASSESS & EMERGENCY MGNT.
	DIR OFC OF FIELD SECURITY OVERSIGHT.
	DIR OFFICE OF INSPECTIONS.
	ASSISTANT MANAGER FOR ADMINISTRATION.
	ASSOC DAS FOR HUMAN & ADMINISTRATIVE RES.
	DIRECTOR, OFFICE OF SPECIAL PROJECTS.
	ASSOC DAS FOR PROGRAM A&F MANAGEMENT.
OFFICE OF ENERGY RESEARCH	DIR ENGR MATH AND GEO SCI DIV.
	DIR CHEM SCI DIV.
	DIR MAT SCI DIV.
	CHF PROCESSES AND TECH BR.
	DIR HIGH EN PHYSICS DIV.
	DIRECTOR FOR MANAGEMENT.
	DIR HEALTH EFFECTS RESEARCH DIVISION.
	ASSOC DIR. OFC OF SCIENTIFIC COMPUTING.
	DEPUTY DIR FOR NUCLEAR SAFETY SAFEGUARD.
	DIR, INTERNATIONAL PROGRAMS STAFF.
	DIR, CONFINEMENT SYSTEMS DIV.
	DIR, OFFICE OF ASSESSMENT & SUPPORT.
	ASSOC DIR FOR SUPERCONDUCTING SUPER COLLIDE.
ASSISTANT SECRETARY FOSSIL ENERGY	DIRECTOR, OFC OF RESOURCE MANAGEMENT
OFFICE OF NUCLEAR ENERGY	DIR SUBMARINE SYSTEMS DIV.
	DIR INSTRUMENTATION & CONTROL DIV.
	DIRECTOR OFFICE OF RESOURCES MANAGEMENT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASST PROGRAM MANAGER FOR SURFACE SHIPS.
	DEPUTY DIRECTOR FOR NAVAL REACTORS.
	SR. NAVAL REACTORS REP. (NWPT NEWS).
	PROG MGR FOR PROTOTYPES & SAPSO.
	SENIOR NAVAL REACTORS REP (PEARL HARBOR).
	ASST CHIEF PHYSICIST.
	DIRECTOR NUCLEAR TECHNOLOGY DIV.
	DIR REACTOR ENGINEERING DIVISION.
	HEAD, CORE MANUFACTURING BRANCH.
	DEP DIRECTOR REACTOR MATERIALS DIVISION.
	DIRECTOR, FISCAL DIVISION.
	ASST MANAGER FOR OPERATIONS.
	PROGRAM MANAGER FOR SHIPYARD MATTERS.
	DIR NUCLEAR COMPONENTS DIVISION.
	SENIOR NAVAL REACTORS REPRESENTATIVE.
	MANAGER, IDAHO BRANCH OFFICE.
	PROG MANAGER FOR ADVANCED SUBMARINES.
	DIR ISOTOPE PRODUCTION & DISTRIBUTION PROG.
	HEAD ADVANCED CONCEPTS BRANCH.
	ASST MANAGER FOR OPERATIONS.
	SENIOR NAVAL REACTORS REPRESENTATIVE.
	ENGEL WALTER P.
	DIRECTOR ACQUISITION DIVISION.
	DEP PROGRAM MANAGER FOR SHIPYARD OPERATIONS.
	DIRECTOR FOR SUBMARINE REFUELINGS.
ASSISTANT SECRETARY, HUMAN RESOURCES & ADMINISTRATION.	DIR OFC OF INDUSTRIAL RELATIONS.
	DIRECTOR, ADMINISTRATIVE SUPPORT STAFF.
	DIRECTOR, MANAGEMENT SYSTEMS DIVISION.
	DIR OFC OF ADMIN SVCS.
	DEP DIR OFC OF ADP MGMT.
	DIR OFC OF PROCUREMENT OPERATIONS.
	DIR, ORGANIZATION & MANPOWER ANALYSIS DIV.
	DIR, OFC OF IRM POL, PLANS, & OVERSIGHT.
	ASSOC DIR FOR PROSEAM/PROJ MGT & CTRL.
	DEP DIR OF ADMINISTRATIVE SERVICES (GTN).
	ASSOC DIR, OFC OF PROCUREMENT, ASST & PROPERTY.
	DEP DIR OF ADMINISTRATIVE SERVICES (WASH,DC).
	DIR OF PERSONNEL.
	DIR, OFC OF ORGANIZATION & MANAGEMENT.
	DEP DIR OF PERSONNEL.
	DIR OFC OF INFORMATION RESOURCES MANAGEMENT.
	DIR OFC OF CONTRACTOR MGMT & ADMIN.
	DIR OFC OF CLEARANCE & SUPPORT.
	DIR OFC POLICY.
	DIR OFC OF MAGNT REVIEW & ASSISTANCE.
	DEP DIR, HEADQUARTERS PROCUREMENT OPERATIONS.
OFFICE OF CIVILIAN RADIOACTIVE WASTE MANAGEMENT.	ASSOC DIR, OFFICE OF SYSTEM & COMPLIANCE.
OFFICE OF NEW PRODUCTION REACTORS	DEPUTY DIR OFC BUSINESS MANAGEMENT.
ASSISTANT SECRETARY ENVIRONMENTAL MANAGEMENT	DIRECTOR, OFFICE OF RESEARCH & DEVELOPMENT.
	ASSOC DAS FOR OVERSIGHT & SELF-ASSESSMENT.
	DIRECTOR, OFFICE OF ACQUISITION MANAGEMENT.
OFFICE OF NONPROLIFERATION & NATIONAL SECURITY	DIR OFC OF CLASSIFICATION & TECHNOLOGY.
	DIR OFC OF SECURITY AFFAIRS.
	DEP DIR, OFC OF SECURITY AFFAIRS.
OFFICE OF CHIEF FINANCIAL OFFICER	DIR DEP OFC OF BUDGET.
	DEP DIR OFC OF BUDGET.
	DIR OFC OF HEADQUARTERS ACCOUNTING OPERATIONS.
	DIRECTOR, BUDGET OPERATIONS DIVISION.
	DIR OFC OF DEP ACCOUNTING & FIN SYS DEV.
	DIR OFC COMPLIANCE AND AUDIT LIAISON.
	DEPUTY CONTROLLER.
	CONTROLLER.
OFFICE OF SCIENCE EDUCATION & TECHNICAL INFORMATION.	DIR FOR UNIVERSITY & SCIENCE ED PROG.
WESTERN AREA POWER ADMINISTRATION	ASST ADMR FOR MGMT SVCS.
ENVIRONMENTAL PROTECTION AGENCY:	
OFC OF THE ASST ADMR FOR ADMIN & RESOURCES MANAGEMENT.	DEP ASST ADMR FOR FINANCE & ACQUISITION.
	DIRECTOR, OFC OF ENVIRONMENTAL JUSTICE.
	DIR PROGRAM 7 POLICY COORDINATION OFFICE.
OFFICE OF THE COMPTROLLER	DIR OFC OF THE COMPTROLLER.
	DIR, FINANCIAL MGMT DIV.
	ASSOCIATE COMPTROLLER.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIRECTOR, BUDGET DIVISION.
	ASSOC DIR, FINANCIAL MANAGEMENT DIVISION.
	DIR, RESOURCE MANAGEMENT DIVISION.
OFFICE OF ADMINISTRATION	DIR OFC OF ADMINISTRATION.
	DEPUTY DIR OFC OF ADMINISTRATION
	DIR, GRANTS ADMIN DIV.
	DIR, FACILITIES & SUPPORT SERVICES DIVISION.
	DIRECTOR, MANAGEMENT & ORGANIZATION DIVISION.
	DIR, NEW HEADQUARTERS PROJECT STAFF.
	DIR, SFTY, HEALTH & ENVIRONMENTAL MGMT DIV.
OFFICE OF INFORMATION RESOURCES MANAGEMENT	DIR OFC OF INFORMATION RESOURCES MANAGEMENT.
	DEP DIR OFC OF INFORMATION RESOURCES MAGNT.
	DIR, ADMINISTRATIVE SYSTEMS DIVISION.
	DIR, INFORMATION MANAGEMENT & SERVICES DIV.
OFC OF ADMINISTRATION & RESOURCES MGMT—CINCINNATI OH.	DIR OFC OF ADMIN AND RESOURCES MANAGEMENT.
OFFICE OF ADMINISTRATION & RESOURCES MGMT—RTP, NC.	DEP DIR OFC OF ADMIN & RESOURCES MGT RTP.
	DIRECTOR OFFICE OF ADMINISTRATION & RES MGMT.
	DIRECTOR, OFFICE OF DATA PROCESSING.
OFFICE OF HUMAN RESOURCE MANAGEMENT	DIRECTOR, OFFICE OF HUMAN RESOURCE MGMT.
	SPECIAL ASST TO DIRECTOR, OHRM.
	DEP DIR FOR POL, PROGRAMS & EXEC RESOURCES.
	DEP DIR FOR OPERATIONS COMM & CLIENT SERVICES.
	DIR EXEC RES & SPEC PROG DIV.
OFFICE OF ACQUISITION MANAGEMENT	DIR, SUPERFUND/RCRA PROCUREMENT OPS DIVISION.
	DIRECTOR, OFFICE OF ACQUISITION MANAGEMENT.
	DEP DIR, OFFICE OF ACQUISITION MANAGEMENT.
OFFICE OF GRANTS AND DEBARMENT	DIRECTOR, OFFICE OF GRANTS & DEBARMENT
OFFICE OF THE ASSISTANT ADMR FOR E & C ASSURANCE	DIR, ADM & RESOURCE MGMT SUPPORT STAFF.
	DIR, ENFORCEMENT CAPACITY & OUTREACH OFFICE.
NATIONAL ENFORCEMENT INVESTIGATIONS CTR-DENVER	DIR NAT'L ENFORCEMENT INVESTIGATIONS CENTER.
OFFICE OF FEDERAL ACTIVITIES	DIR, INTERNATIONAL ENFORCEMENT PROGRAM.
OFFICE OF REGULATORY ENFORCEMENT	DIRECTOR, OFFICE OF REGULATORY ENFORCEMENT.
	DEP DIR, OFFICE OF REGULATORY ENFORCEMENT.
	DIR WATER ENFORCEMENT DIVISION.
	DIR AIR ENFORCEMENT DIVISION.
OFFICE OF CRIMINAL ENFORCEMENT	DIRECTOR, OFFICE OF CRIMINAL ENFORCEMENT.
OFFICE OF SITE REMEDIATION ENFORCEMENT	DIR OFC COMPLIANCE ANALYSIS PROG OPERATIONS.
	DEP DIR, OFC OF COMPLIANCE A & P OPERATIONS.
	DIRECTOR, OFFICE OF COMPLIANCE.
	SENIOR LEGAL ADVISOR.
	DIR, ENFORCEMENT PLANNING, T & D DIVISION.
	DEP DIR, ENFORCEMENT PLANNING, T & D DIVISION.
	DIR, MANUFACTURING, E & T DIVISION.
	DIR, CHEMICAL, COMMERCIAL S & M DIVISION.
	DIRECTOR, OFC OF SITE REMEDIATION ENFORCEMENT.
OFFICE OF POLICY ANALYSIS	DIR WATER & AGRICULTURE POLICY DIV.
	DIR AIR & ENERGY POLICY DIVISION.
	DIR, ECONOMIC ANALYSIS & INNOVATIONS DIV.
OFFICE OF INTERNATIONAL ACTIVITIES	DIR MULTILATERAL STAFF.
OFFICE OF THE INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	SPEC ASST TO THE INSPECTOR GENERAL.
OFFICE OF INVESTIGATIONS	ASSIST INSPECTOR GEN FOR INVESTIGATIONS.
	DEP ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
OFFICE OF ACQUISITION & ASSISTANCE AUDITS	ASST INSPECTOR GENERAL FOR AUDITS.
	DEP ASST INSPECTOR GENERAL FOR AUDITS.
	ASSOC ASST INSPECT GENERAL FOR AQUIST ASST
OFFICE OF MANAGEMENT & TECHNICAL ASSESSMENT	ASST INSPECTOR GEN FOR MGMT & TECH ASSESSMENT.
OFFICE OF WASTEWATER ENFORCEMENT AND COMPLIANCE.	DIRECTOR ENFORCEMENT DIVISION.
	DIRECTOR, PERMITS DIVISION.
	DIRECTOR, MUNICIPAL SUPPORT DIVISION.
	DEPUTY DIRECTOR, MUNICIPAL SUPPORT DIVISION.
OFFICE OF SCIENCE AND TECHNOLOGY	SENIOR SCIENCE ADVISOR.
	DIR, STANDARDS & APPLIED SCIENCE DIVISION.
	DIRECTOR, ENGINEERING & ANALYSIS DIVISION.
	DIR, HEALTH & ECOLOGICAL CRITERIA DIVISION.
OFFICE OF WETLANDS, OCEANS AND WATERSHEDS	DIR, ASSESSMENT & WATERSHED PROTECTION DIV.
	DIR, OCEANS & COASTAL PROTECTION DIVISION.
	DIRECTOR, OFFICE OF ACQUISITION MANAGEMENT.
OFFICE OF GROUND WATER & DRINKING WATER	DIR, E & P IMPLEMENTATION DIVISION.
	DIRECTOR, DRINKING WATER STANDARDS DIVISION.
	DIRECTOR, GROUND WATER PROTECTION DIVISION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
OFC OF THE ASST ADMR FOR SOLID WASTE AND EMGY RESP.	DIR, SUPERFUND REAUTHORIZATION TASK FORCE.
ORGANIZATION ABOLISHED	DEP DIR, OFFICE OF WASTE PROGRAMS ENFORCEMENT.
	DIR, CERCLA ENFORCEMENT DIVISION.
	DIRECTOR, RCRA ENFORCEMENT DIVISION.
OFFICE OF SOLID WASTE	DIR. CHARACTERIZATION & ASSESSMENT DIVISION.
	DIRECTOR, PERMITS & STATE PROGRAMS DIVISION.
	DIR, MUNICIPAL & INDUSTRIAL SOLID WASTE DIV.
OFFICE OF EMERGENCY AND REMEDIAL RESPONSE	DIRECTOR, HAZARDOUS SITE EVALUATION DIVISION.
	DIR, EMERGENCY RESPONSE DIV.
	DIRECTOR, HAZARDOUS SITE CONTROL DIVISION.
OFFICE OF AIR QUALITY PLANNING AND STANDARDS	DIR, STATIONARY SOURCE COMPLIANCE DIVISION.
	DIR, EMISSION STANDARDS DIVISION.
	ASSOC DIR FOR INTERMEDIA & INTGOVT PROG.
	DIRECTOR, AIR QUALITY MANAGEMENT DIVISION.
	DIRECTOR, TECHNICAL SUPPORT DIVISION.
	DEPUTY DIR OFC OF AIR QUALITY PLANNING & STDS.
OFFICE OF MOBILE SOURCES	DIRECTOR CERTIFICATION DIVISION.
	DIR MANUFACTURERS OPERATIONS DIVISION.
	DIR FIELD OPERATIONS & SUPPORT DIVISION.
OFFICE OF RADIATION & INDOOR AIR	DIR, CRITERIA & STANDARDS DIV.
	DIRECTOR, RADON DIVISION.
	DIR RADIATION STUDIES DIVISION.
OFFICE OF ATMOSPHERIC PROGRAMS	DIR GLOBAL CHANGE DIVISION.
	DIRECTOR, ACID RAIN DIVISION.
OFC OF ASST ADMR FOR PESTICIDES & TOXIC SUBSTANCES.	DIR OFC OF PROGRAM MANAGEMENT OPERATIONS.
OFFICE OF PESTICIDES PROGRAMS	DIR-REGISTRATION DIVISION.
	DIRECTOR-PROGRAM SUPPORT DIVISION.
	DIR, BIOLOGICAL & ECONOMIC ANALYSIS DIVISION.
	SENIOR ADVISOR.
	DIR, SPEC REVIEW & REREGISTRATION DIVISION.
	DIR ENVIR FATE AND EFFECTS DIVISION.
	DIR HEALTH EFFECTS DIVISION.
	DIR POLICY & SPECIAL PROJECTS STAFF
OFFICE OF POLLUTION PREVENTION AND TOXICS	DIR, HEALTH & ENVIRONMENTAL REV DIV
	DIRECTOR, ENVIRONMENTAL ASSISTANCE DIVISION.
	DIR, ECONOMICS EXPOSURE AND TECHNOLOGY DIV.
	DIRECTOR, CHEMICAL CONTROL DIVISION.
	DIRECTOR, INFORMATION MANAGEMENT DIVISION.
	DIR, POLLUTION PREVENTION DIV.
	DIR CHEMICAL SCREENING & RISK ASSESSMENT DIV.
	DIR CHEMICAL MANAGEMENT DIVISION.
OFFICE OF HEALTH AND ENVIRONMENTAL ASSESSMENT	DIRECTOR EXPOSURE ASSESSMENT GROUP.
	DIRECTOR, HUMAN HEALTH ASSESSMENT GROUP.
ENVIRONMENTAL CRITERIA & ASSESSMENT OFC (RTP)	DIR ENVIRONMENTAL CRITERIA & ASSES OFC RTP.
ENVIRONMENTAL CRITERIA & ASSESSMENT OFFICE (CN)	DIR, ENVIRONMENTAL CRITERIA & ASSESSMENT OFC.
OFC OF MODELING, MONITORING SYSTEMS & QUALITY ASSUR.	DIR, ENVIRONMENTAL M & A PROGRAM CENTER.
ATMOSPHERIC RSCH & EXPOSURE ASSESSMENT LAB, RTP	DIR, ATMOSPHERIC RES & EXP ASSESSMENT LAB.
ENVIRONMENTAL MONITORING SYSTEMS LAB—CINCINNATI	DIR ENVIRONMENT MONITORING SYST LAB.
ENVIRONMENTAL MONITORING SYSTEMS LAB—LAS VEGAS	DIR, ENV MONITORING SYS LAB, LAS VEGAS.
AIR & ENERGY ENGINEERING RESEARCH LABORATORY—RTP.	DIR AIR & ENERGY ENG RES LAB.
RISK REDUCTION ENGINEERING LABORATORY—CINCINNATI	DIR RISK REDUCTION ENGINEERING LABORATORY.
ENVIRONMENTAL RESEARCH LABORATORY—CORVALLIS	DIR, ENV RESEARCH LABORATORY CORVALLIS.
ENVIRONMENTAL RESEARCH LABORATORY—ATHENS	DIR ENVIRONMENTAL RESEARCH LAB ATHENS GA.
ROBERT B KERR ENVIRONMENTAL RES LABORATORY—ADA	DIR, ROBERT S KERR ENVIRONMENTAL RES LAB.
ENVIRONMENTAL RESEARCH LABORATORY—DULUTH	DIR ENVIRONMENTAL RESEARCH LAB—DULUTH.
ENVIRONMENTAL RESEARCH LABORATORY—NARRAGANSETT.	DIR, ENVIRONMENTAL RES LAB, NARRAGANSETT.
ENVIRONMENTAL RESEARCH LABORATORY—GULF BREEZE	DIR ENV LAB GULF BREEZE.
HEALTH EFFECTS RESEARCH LABORATORY—RTP	DIR—HEALTH EFFECTS RESEARCH LAB—RTP.
	DEP DIR HEALTH EFFECTS RES LAB RTP.
OFFICE OF SCIENCE PLANNING & REGULATORY EVALUATION.	DIR, OFC OF SCI, PLANNING & REGULATORY EVAL.
CENTER FOR ENVIRONMENTAL RESEARCH INFORMATION	DIR. CENTER FOR ENVIRONMENTAL RESEARCH INFO.
OFFICE OF EXPLORATORY RESEARCH	DIR, OFC OF EXPLORATORY RESEARCH.
REGION I—BOSTON	DIRECTOR, WATER MANAGEMENT DIVISION.
	DIR WASTE MANAGEMENT DIVISION.
	REGIONAL COUNSEL.
	ASST REGL ADMR FOR PLANNING & MANAGEMENT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
REGION II—NEW YORK	DIR AIR PESTICIDES & TOXICS MANAGEMENT DIV. DIRECTOR, ENVIRONMENTAL SERVICES DIVISION. DIRECTOR, WATER MANAGEMENT DIVISION. ASST REGL ADMR FOR POLICY AND MANAGEMENT. DIR AIR & WASTE MANAGEMENT DIVISION. REGIONAL COUNSEL, REGION II, NEW YORK. DIR, OFFICE OF EMERGENCY & REMEDIAL RESPONSE.
REGION III—PHILADELPHIA	DIRECTOR, WATER MANAGEMENT DIVISION REG III. REGIONAL COUNSEL. DIRECTOR, HAZARDOUS WASTE MGMT DIV. DIRECTOR, ENVIRONMENTAL SERVICES DIVISION. ASST REG ADMIN FOR POLICY & MANAGEMENT. DIR, AIR MANAGEMENT DIVISION. DIR CHESAPEAKE BAY PROGRAM OFFICE.
REGION IV—ATLANTA	DIR WATER MANAGEMENT DIVISION REGION IV. DIRDIR ENVIRONMENTAL SERVICES DIVISION REGION IV. ASST REGIONAL ADMIN FOR POLICY AND MGMT. REGIONAL COUNSEL, REG IV, ATLANTA, GEORGIA. DIRECTOR WASTE MANAGEMENT DIVISION.
REGION V—CHICAGO	DIR AIR MANAGEMENT DIV REGION V. DIR ENVIR SERVICES DIV REGION V. DIR WATER MANAGEMENT DIV REGION V. ASST REGIONAL ADMR FOR POLICY & MANAGEMENT. REGIONAL COUNSEL. DIRECTOR, WASTE MANAGEMENT DIVISION. ASSOCIATE DIVISION DIRECTOR FOR RCRA. ASSOC DIV DIRECTOR FOR SUPERFUND. DIR GREAT LAKES NATL PROG OFC.
REGION VI—DALLAS	DIR AIR & WASTE MANAGEMENT DIV. DIR WATER MANAGEMENT DIVISION. DIRECTOR, ENVIRONMENTAL SERVICES DIVISION. ASST REGIONAL ADMR FOR MANAGEMENT. REGIONAL COUNSEL. DIR, AIR, PESTICIDES & TOXIC DIVISION.
REGION VII—KANSAS CITY	DIR WATER MANAGEMENT DIVISION. REGIONAL COUNSEL. DIRECTOR, WASTE MGMT DIVISION. ASST REG ADMIN FOR POLICY & MGNT—REG VII. DIRECTOR, AIR AND TOXICS DIVISION.
REGION VIII—DENVER	DIR WATER MANAGEMENT DIVISION. REGIONAL COUNSEL. DIR AIR TOXICS DIVISION. ASST REGIONAL ADMR FOR POLICY & MANAGEMENT. DIR, ENVIRONMENTAL SERVICES DIVISION.
REGION IX—SAN FRANCISCO	DIRECTOR, WATER MANAGEMENT DIVISION. DIRECTOR, AIR MANAGEMENT DIVISION. REGIONAL COUNSEL, REG IX, SAN FRAN, CAL. DIR, TOXICS & WASTE MANAGEMENT DIV. ASST REGIONAL ADMR FOR POLICY & MANAGEMENT.
REGION X—SEATTLE	DIR—WATER DIV REG X. DIRECTOR, ENVIRONMENTAL SERVICES DIVISION. REGIONAL COUNSEL. DIRECTOR AIR AND TOXICS DIVISION. DIRECTOR, HAZARDOUS WASTE DIVISION. ASST REGL ADMR FOR POLICY & MANAGEMENT.
EQUAL EMPLOYMENT OPPORTUNITY COMMISSION:	
OFFICE OF THE CHAIRMAN	INSPECTOR GENERAL.
FIELD MANAGEMENT—EAST	DIRECTOR FIELD MANAGEMENT PROGRAMS (EAST) PROGRAM MANAGER (BALTIMORE). DIST DIR (NEW YORK). DIST DIR (ATLANTA). DISTRICT DIRECTOR (DETROIT). DIST DIR (MIAMI). DIST DIR (MEMPHIS). DIST DIR—(BIRMINGHAM). DIST DIR—(NEW ORLEANS). DIST DIR—(CHARLOTTE). PROGRAM MANAGER. DIST DIR (PHILADELPHIA).
FIELD MANAGEMENT—WEST	PROG MANAGER (DIR FIELD MGT PROGRAMS (WEST). DIST DIR (HOUSTON). DIST DIR (SAN FRANCISCO).

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIST DIR (DALLAS).
	DIST DIR (CHICAGO).
	DIST DIR (ST LOUIS).
	DIST DIR (INDIANAPOLIS).
	DISTRICT DIRECTOR (LOS ANGELES).
	DIST DIR (DENVER).
	DIST DIR (PHOENIX).
	DISTRICT DIR (SAN ANTONIO).
	PROGRAM MANAGER (SEATTLE).
	PROGRAM MANAGER (MILWAUKEE).
FEDERAL COMMUNICATIONS COMMISSION:	
OFFICE OF INSPECTOR GENERAL	INSPECTOR GENERAL.
OFFICE OF THE MANAGING DIRECTOR	ASSOC MANAGING DIRECTOR/HUMAN RESOURCES MGMT.
MASS MEDIA BUREAU	CHIEF AUDIO SERVICES DIVISION.
	CHIEF VIDEO SERVICES DIVISION.
	CHF, ENFORCEMENT DIV.
PRIVATE RADIO BUREAU	CHIEF LAND MOBILE & MICROWAVE DIVISION.
FIELD OPERATIONS BUREAU	CHIEF ENFORCEMENT DIVISION.
COMMON CARRIER BUREAU	CHIEF, TARIFF DIVISION.
	ASST BUREAU CHIEF (INTERNATIONAL).
	CHIEF DOMESTIC FACILITIES DIVISION.
	CHIEF ACCOUNTING & AUDITS DIVISION.
OFC OF ENGINEERING TECHNOLOGY	CHIEF, SPECTRUM ENGINEERING DIVISION.
	ASSISTANT BUREAU CHIEF FOR TECHNOLOGY.
FEDERAL EMERGENCY MANAGEMENT AGENCY:	
OFFICE OF THE DIRECTOR	CHIEF OF STAFF.
OFFICE OF GENERAL COUNSEL	DIRECTOR OF SECURITY.
OFFICE OF FINANCIAL MANAGEMENT	CHIEF FINANCIAL OFFICER.
	DEPUTY CHIEF FINANCIAL OFFICER.
OFFICE OF INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR AUDITING.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
PREPAREDNESS, TRAINING AND EXERCISES DIRECTORATE	DIV DIR, STATE & LOCAL PREPAREDNESS DIVISION.
RESPONSE & RECOVERY DIRECTORATE	DIV DIR, INFRASTRUCTURE SUPPORT DIVISION.
FEDERAL INSURANCE ADMINISTRATION	DEPUTY ADMINISTRATOR.
OPERATIONS SUPPORT DIRECTORATE	ASSOCIATE DIRECTOR.
	DIVISION DIR, ACQUISITION SERVICES DIVISION.
FEDERAL ENERGY REGULATORY COMMISSION (DOE):	
OFC OF CHIEF ACCOUNTANT	DEPUTY CHIEF ACCOUNTANT.
	DIR DIVISION OF AUDITS.
	DIRECTOR, DIVISION OF ACCOUNTING SYSTEMS.
OFC OF HYDROPOWER LICENSING	DIR, DIV OF INSPECTION.
	DIR, DIV OF DAM SAFETY & INSPECTIONS.
FEDERAL LABOR RELATIONS AUTHORITY:	
OFFICE OF THE CHAIRMAN	SOLICITOR.
	CHIEF COUNSEL.
OFFICE OF MEMBER	CHIEF COUNSEL.
OFFICE OF MEMBER	CHIEF COUNSEL.
FEDERAL SERVICE IMPASSES PANEL	EXEC DIRECTOR FSIP.
OFC OF THE EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR.
	DIR, INFORMATION RESOURCES & RESEARCH SERV.
OFC OF THE GENERAL COUNSEL	DEPUTY GENERAL COUNSEL.
	ASST GENERAL COUNSEL (FIELD MANAGEMENT).
	ASST GENERAL COUNSEL (APPEALS).
	REGIONAL DIRECTOR—LOS ANGELES.
	ASST GEN COUNSEL, LEGAL POLICY & ADVICE.
	DIRECTOR OF OPERATIONS & RESOURCES MANAGEMENT.
REGIONAL OFFICES	REGIONAL DIRECTOR—WASHINGTON, D.C.
	REGIONAL DIRECTOR—BOSTON.
	REGIONAL DIRECTOR—ATLANTA.
	REGIONAL DIRECTOR—DALLAS.
	REGIONAL DIRECTOR—CHICAGO ILLINOIS.
	REGIONAL DIRECTOR—SAN FRANCISCO.
	REGIONAL DIRECTOR—DENVER.
FEDERAL MARITIME COMMISSION:	
OFFICE OF THE MEMBERS	SECRETARY.
OFFICE OF THE MANAGING DIRECTOR	DEP MANAGING DIR.
	DIR, BUREAU OF ADMINISTRATION.
	PROG MANAGER (DIR BUR OF TRADE M & A).
	PROG MGR (DIR BUR OF TARIFFS C & L).
	DIR, BUREAU OF INVESTIGATIONS.
	DIR, BUREAU OF HEARING COUNSEL.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEPUTY MANAGING DIRECTOR.
FEDERAL RETIREMENT THRIFT INVESTMENT BOARD:	
	ASSISTANT GENERAL COUNSEL (ADMIN).
	ASSISTANT GENERAL COUNSEL (PROGRAMS).
	DIRECTOR OF INVESTMENTS.
	DIRECTOR OF CONTRACTS & ADMINISTRATION.
	DIRECTOR OF AUTOMATED SYSTEMS.
	DIRECTOR OF BENEFITS AND PROGRAM ANALYSIS.
	DIRECTOR OF ACCOUNTING.
	DIRECTOR OF COMMUNICATIONS.
	DEPUTY GENERAL COUNSEL.
FEDERAL TRADE COMMISSION:	
OFFICE OF THE INSPECTOR GENERAL	INSPECTOR GENERAL.
OFC OF EXECUTIVE DIRECTOR	DEPUTY EXEC DIR FOR MANAGEMENT.
	DEP EXEC DIR FOR PLANNING & INFORMATION.
GENERAL SERVICES ADMINISTRATION:	
OFFICE OF MANAGEMENT SERVICES AND HUMAN RESOURCES.	DIRECTOR OF PERSONNEL.
	DIR OF ADMINISTRATIVE PROGRAMS & SUPPORT.
	DIR TOTAL QUALITY MANAGEMENT & TRAINING.
OFFICE OF FTS 2000	DEP ASSOC ADMR FOR NETWORK SERVICES.
OFFICE OF THE INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GEN FOR AUDITING.
	DEPUTY ASST INSPECTOR GENERAL FOR AUDITING.
	COUNSEL TO THE INSPECTOR GENERAL.
	ASST INSPECTOR GEN FOR ADMINISTRATION.
	ASST INSPECTOR GEN FOR INVESTIGATIONS.
	ASST INSPECTOR GENERAL FOR QUALITY MANAGEMENT.
OFFICE OF ACQUISITION POLICY	ASSOC ADMINISTRATOR FOR ACQUISITION POLICY.
	DEPUTY ASSOCIATE ADMR FOR ACQUISITION POLICY.
	DIR OF ACQUIS MGMT AND CONTRACT CLEARANCE.
	DIR, OFFICE OF GSA ACQUISITION POLICY.
	DIR OF MULTIPLE AWARD SCHEDULE PROG MGMT.
OFFICE OF THE CHIEF FINANCIAL OFFICER	DIRECTOR OF FINANCE.
	DIRECTOR OF BUDGET.
	EXEC ASST TO THE CHIEF FINANCIAL OFFICER.
	DEPUTY DIRECTOR OF FINANCE.
	DIR OF FINANCIAL MANAGEMENT SYSTEMS.
FEDERAL PROPERTY RESOURCES SERVICE	ASST COMM FOR REAL ESTATE POLICY/SALES (FPRS).
PUBLIC BUILDINGS SERVICE.	ASST COMM FOR REAL PROP MGMT & SAFETY.
	ASST COMR FOR PHYSICAL SECURITY & LAW ENF.
	ASST COMR FOR PROCUREMENT.
	DEP ASST COMR FOR PROCUREMENT.
	ASST COMR FOR REAL PROPERTY DEVELOPMENT.
	DEP ASST COMR FOR REAL PROPERTY DEVELOPMENT.
	DEP ASST COMM FOR REAL PROP MGMT & SAFETY.
	ASSISTANT COMMISSIONER FOR PLANNING.
	ASST COMM FOR GOVT WIDE REAL PROP RELATIONS.
	SPEC ASST/ASST COMR FOR REAL PROPERTY DEV.
INFORMATION RESOURCES MANAGEMENT SERVICE	ASST COMM FOR INFO RESOURCES PROCUREMENT.
	DEP ASST COMR FOR INFO RES MGMT POLICY.
	ASST COMR FOR GSA INFO RESOURCES MANAGEMENT.
	ASST COMMISSIONER FOR TECHNICAL ASSISTANCE.
	DEP ASST COMR FOR REGL TELECOMM SERVICES.
	DIR OF ADMIN AND PLANNING.
FEDERAL SUPPLY SERVICE	ASST COMMR FOR QUALITY AND CONTRACT ADMIN.
	ASST COMMISSIONER FOR COMMODITY MANAGEMENT.
	ASST COMR FOR TRANSPORTATION & PROPERTY MGT.
	ASST COMMR FOR STRATEGIC BUSINESS PLANNING.
	ASST COMM FOR DISTRIBUTION MGT.
	DEP ASST COMMISSIONER FOR COMMODITY MGR.
	DAS FOR TRANSPORTATION & PROPERTY MGMT.
	ASSISTANT COMMISSIONER FOR FSS INFO SYSTEMS.
REGION 2—NEW YORK	ASST REG ADMR FOR PUBLIC BLDS SERVICE.
	ASST REG ADMR FOR FEDERAL SUPPLY SERVICE.
REGION 3—PHILADELPHIA	ASST REG ADMR FOR PUBLIC BLDS SERVICE.
	ASST REG ADMR FOR INFO RESO MGMT SER, NE ZONE.
	ASST REGL ADMR FEDERAL SUPPLY SERVICE.
NATIONAL CAPITAL REGION	ASST REGL ADMR FOR INFO RESOURCES MGMT.
	ASST REG ADMR FOR PUBLIC BLDGS SERVICE, NCR.
	DIR OF FED DOMES ASST CTLG STAFF (IRMS) NCR.
	ASSISTANT REGIONAL ADMINISTRATOR, PBS, NCR.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
REGION 4—ATLANTA	ASST REG ADMR FOR PUBLIC BLDS SERVICE.
	ASSISTANT REG ADMIN FOR INFORM RES MGMT–R–4.
	ASST REG ADMR FOR FEDERAL SUPPLY & SERVICES.
REGION 5—CHICAGO	ASST REG ADMR FOR PUBLIC BLDS SERVICE.
REGION 6—KANSAS CITY	ASST REG ADMR FOR PUBLIC BLDS SERVICE.
REGION 7—FORT WORTH	ASST REG ADMR FOR PUBLIC BLDS SERVICE.
	ASST REGL ADMR FOR INFO RESOURCES MGMT R–7.
	ASST REG ADMR FOR FEDERAL SUPPLY SERVICE.
REGION 8—DENVER	ASST REG ADMR FOR PUBLIC BLDS SERVICE.
REGION 9—SAN FRANCISCO	ASST REGL ADMR FOR PUBLIC BUILDINGS SERVICES.
	ASST REG ADMR FOR FEDERAL SUPPLY SERVICE.
	ASST REG ADMR FOR INFORMATION RES MANAGEMENT.
REGION 10—AUBURN, WASHINGTON	ASST REGIONAL ADMINISTRATOR, PBS REGION 10.
	DEP ASST REGL ADMINISTRATOR, PBS.
DEPARTMENT OF HEALTH AND HUMAN SERVICES:	
ODAS FOR BUDGET	DIR DIV OF INTEGRITY & ORGAN REVIEW.
ODAS FOR FINANCE	DEP ASST SEC, FINANCE.
	DIR, OFFICE OF FINANCIAL POLICY.
ODAS FOR GRANTS & ACQUISITION MANAGEMENT	DIR OFFICE OF GRAN & MGMT.
	DEP ASST SECY, OGAM.
OAS FOR PLANNING AND EVALUATION	DEP TO DEPUTY ASST SECRY FOR PLANN & EVALUAT.
OAS FOR PERSONNEL ADMINISTRATION	ASST SEC FOR PERSONNEL ADMINISTRATION.
	DIR, OFC OF HUMAN RELATIONS.
	DIR, CENTER FOR HUMAN RES STRATEGIC P & P.
ASSOCIATE GENERAL COUNSEL DIVISIONS	ASSOC GEN COUN, BUSINESS & ADM LAW DIVISION.
OFFICE OF THE INSPECTOR GENERAL	PRINCIPAL DEP INSPECTOR GENERAL.
	ASST INSPECTOR GEN FOR MGMT & POLICY.
ODIG FOR INVESTIGATIONS	DEP INSP GEN FOR INVESTIGATIONS.
	ASST INSP GENERAL FOR CRIMINAL INVESTIGATIONS.
	ASST INSP GEN FOR CIVIL & ADM REMEDIES.
	ASST INSP GEN FOR INVESTIGATION P & O.
ODIG FOR AUDIT SERVICES	DEP INSPECTOR GENERAL FOR AUDIT SERVICES.
	ASST INSPECTOR GEN FOR SOCIAL SECURITY AUDITS.
	ASST INSP GEN FOR ADM OF C/F & AGIN AUDITS.
	ASST INSPECTOR GEN FOR HEALTH CARE FIN AUDITS.
	ASST INSPECTOR GEN FOR AUDIT POL & OVERSIGHT.
	ASST INSP GEN FOR PUBLIC HEALTH SERV AUDITS.
	ASST I.G. FOR SOCIAL SECURITY AUDITS OFC A/S.
ODIG FOR EVALUATION & INSPECTIONS	DEP INSP GEN FOR EVALUATION & INSPECTIONS.
	ASST INSP GEN FOR ANALYSIS & INSPECTIONS.
OFFICE OF PROGRAM SUPPORT	DIR OFC OF FINANCIAL MANAGEMENT.
OFC OF INFORMATION SYSTEMS/CHILD SUPPORT SYSTEMS	DIR, OFC OF INFORMATION SYSTEMS MANAGEMENT.
OAA FOR MANAGEMENT	DIR, OFFICE OF FINANCIAL MANAGEMENT.
	CHIEF ACTUARY.
	DIR, BUREAU OF DATA MANAGEMENT AND STRATEGY.
	DEP DIR, BUREAU OF DATA MANAGEMENT & STRATEGY.
	DIR, OFFICE OF MEDICARE & MEDICAID COST EST.
	DIR, OFFICE OF ACQUISITIONS AND GRANTS.
	DEPUTY DIR, OFFICE OF FINANCIAL MANAGEMENT.
	DEP DIRECTOR, OFFICE OF THE ACTUARY.
OAA FOR OPERATIONS	DIR, OFC OF CONTRACTING & FINANCIAL MANAGEMENT.
	DIR, OFC OF MEDICARE BENEFITS ADMIN.
OAA FOR PROGRAM DEVELOPMENT	DIR, OFFICE OF DEMONSTRATIONS AND EVALUATIONS.
	DIR, OFFICE OF RESEARCH.
OFFICE ASSOC ADMR. FOR OPERATIONS & RES MANAGEMENT.	DIRECTOR, OFFICE OF FINANCIAL & HUMAN RES.
	DIRECTOR, OFFICE OF FINANCIAL MANAGEMENT.
	DEPUTY DIRECTOR, OFC OF FINANCIAL MANAGEMENT.
	DIR, OFC OF MEDICARE BENEFITS ADMINISTRATION.
OAS FOR HEALTH	DEPUTY DIRECTOR, OFFICE OF MANAGMENT.
	DIRECTOR, OFFICE OF RESOURCE MANAGEMENT.
	DIR, DIV OF PUBLIC HEALTH SERVICE BUDGET.
	DIRECTOR, OFFICE OF RESEARCH INTEGRITY
	DEPUTY DIRECTOR, OFFICE OF RESEARCH INTEGRITY.
REGIONAL ADMINISTRATORS	REGL HEALTH ADMINISTRATION.
SUBSTANCE ABUSE & MENTAL HEALTH SERVICES ADMINISTRATION.	ASSOC ADMR FOR EXTRAMURAL PROGRAMS.
CENTER FOR SUBSTANCE ABUSE PREVENTION	DIR, DIV OF COMM PREVENTION & TRAINING.
	DIRECTOR, DIVISION OF WORKPLACE PROGRAMS.
	DIR, DIV OF DEMONSTRATION FOR HIGH RISK POP.
CENTER FOR MENTAL HEALTH SERVICES	CHIEF RETROVIRUS BRANCH.
	DIR, DIV OF STSTE & COMMUNITY SYSTEMS DEVELOP.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
CENTER FOR SUBSTANCE ABUSE TREATMENT	DIR, OFC OF SCIENTIFIC ANALYSIS & EVAULATION.
CENTERS FOR DISEASE CONTROL & PREVENTION	SENIOR ADVISOR FOR PUBLIC HEALTH MANAGEMENT.
	SENIOR ADVISOR FOR PREVENTIVE HEALTH SERVICES.
	DIRECTOR, FINANCIAL MANAGMENT OFFICE.
	SENIOR ADVISOR FOR MINORITY HEALTH EDUCATION.
CENTER FOR INFECTIOUS DISEASES	ASST DIR FOR LABORATORY SCIENCE.
NATL INSTITUTE FOR OCCUPATIONAL SAFETY & HEALTH	ASSISTANT DIRECTOR FOR SCIENCE.
	EXECUTIVE OFFICER, NIOSH.
CENTER FOR ENV HEALTH & INJURY CONTROL	DIR, DIV OF ENVIRONMENTAL HEALTH LAB SCIENCES.
CENTER FOR PREVENTION SERVICES	DIR, DIV OF STD/HIV PREVENTION.
NATIONAL CENTER FOR HEALTH STATISTICS	ASSOC DIR, FOR ANALYSIS & EPIDEMIOLOGY.
	ASSOCIATE DIR, OFC OF P & E PROGRAMS.
	ASSOC DIR, FOR RESEARCH & METHODOLOGY.
	ASSOC DIR, OFC OF VITAL & HEALTH STATS SYST.
	ASSOC DIR, FOR INTERNAL STATISTICS.
CENTER FOR BIOLOGICAL EVALUATION & RESEARCH	DIR, DIV OF BLOOD COLLECTION & PROCESSING.
	DIRECTOR, DIVISION OF BACTERIAL PRODUCTS.
	DEP DIR, OFC OF BIOLOGICAL PRODUCT REVIEW.
	DIR, DIV OF BIOSTATISTICS & EPIDEMIOLOGY.
	DIR, DIV OF ALLERGENCI PRODUCTS/PARASITOLOGY.
	DIR, OFC OF VACCINES RESEARCH & REVIEW.
	DIR, OFC OF THERAPEUTICS RESEARCH & REVIEW.
CENTER FOR DRUG EVALUATION & RESEARCH	DIR, CENTER FOR DRUG EVALUATION & RESEARCH.
	DIRECTOR, OFFICE OF MANAGEMENT.
	DIR, OFFICE OF DRUG EVALUATION I.
	DEP DIR FOR PROGRAM MANAGEMENT.
	DIR, DIV OF CARDIO-RENTAL DRUG PRODUCTS.
	DIR, DIV OF NEUROPHARMACOLOGICAL DRUG PROD.
	DIR, DIV OF MIDICAL IMAGING S & D PRODUCTS.
	DIR, DIV OF G & C DRUG PRODUCTS.
	DIR, DIV OF ANCOLOGY & PULMONARY DRUG PROD.
	DIRECTOR, OFFICE OF DRUG STANDARDS.
	DEP DIR, OFFICE OF DRUG STANDARDS.
	DIR, DIVISION OF OTC DRUG EVALUATION.
	DEP DIR, OFFICE OF GENERIC DRUGS.
	DIR, MONOGRAPH REVIEW STAFF.
	DIR, OFC OF OVER-THE-COUNTER DRUG EVALUATION.
	DEP DIR, OFC OF EPIDEMIOLOGY & BIOSTATISTICS.
	DIR, DIV OF BIOMETRICS.
	DIR, OFFICE OF DRUG EVALUATION II.
	DEP DIR, OFFICE OF DRUG EVALUATION II.
	DIR, DIV OF M & E DRUG PRODUCTS.
	DIR, DIV OF ANTI-INFECTIVE DRUG PRODUCTS.
	DIR, DIV OF ANTI-VIARAL DRUG PRODUCTS.
	DIRECTOR, OFFICE OF COMPLIANCE.
	DIR, DIV OF SCIENTIFIC INVESTIGATIONS.
	DIRECTOR, OFFICE OF RESEARCH RESOURCES.
	DIRECTOR, DIVISION OF BIOPHARMACENTICS.
	DEP DIR, OFFICE OF RESEARCH RESOURCES
	ASSOC DIRECTOR FOR SCIENCE & MEDICAL AFFAIRS
CENTER FOR FOOD SAFETY & APPLIED NUTRITION	DIRECTOR, OFFICE OF SEAFOOD
	DIRECTOR, OFFICE OF SPECIAL RESEARCH SKILLS.
	DIRECTOR, DIV OF TOXICOLOGICAL RESEARCH.
	DIRECTOR, OFFICE OF PHYSICAL SCIENCES.
	DIR, OFC OF PLANT & DAIRY FOODS & BEVERAGES.
	DIRECTOR, OFFICE OF FOOD LABELING.
	DIR, OFC OF POL, P & S INITIATIVES.
CENTER FOR DEVICES & RADIOLOGICAL HEALTH	DIR, OFFICE OF STANDARDS & REGULATIONS.
	DIR, OFFICE OF DEVICE EVALUATION.
	DIR, DIV OF SURGICAL & REHABILITATION DEVICES.
	DIR, DIVISION OF CARDOVASCULAR DEVICES.
	DIR, DIV OF GENERAL & RESTORATIVE DEVICES.
	DIR, OFFICE OF COMPLIANCE AND SURVEILLANCE.
	DIR, OFFICE OF SCIENCE AND TECHNOLOGY.
	DEP DIR, OFC OF SCIENCE & TECHNOLOGY.
	DIR DIV OF REPRODUCTIVE ABDOMINAL EAR THROAT.
CENTER FOR VETERINARY MEDICINE	DIRECTOR, OFFICE OF SCIENCE.
	DIRECTOR, OFFICE OF SURVEILLANCE.
	DIR, OFC OF NEW ANIMAL DRUG EVALUATION.
	DEP DIR FOR HFSCS.
	DEP DIR, THERAPEUTIC & PRODUCTION DRUG REVIEW.
	DIR, DIV OF BIOMETRICS & PRODUCITON DRUGS.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
OFFICE OF REGULATORY AFFAIRS	ASSOC COMR FOR REGULTORY AFFAIRS.
	DEP ASSOC COMR FOR REGULATORY AFFAIRS.
	REGL FOOD & DRUG DIRECTOR, NE REGION.
	REGL FOOD & DRUG DIRECTOR MID–ATLANTIC REGION.
	REGL FOOD & DRUG DIRECTOR, SOUTHEAST REGION.
	REGL FOOD & DRUG DIRECTOR, MIDWEST REGION.
	REGL FOOD & DRUG DIRECTOR, SOUTHWEST REGION.
	REGL FOOD & DRUG DIRECTOR, PACIFIC REGION.
NATIONAL CENTER FOR TOXICOLOGICAL RESEARCH	DIRECTOR, DIV OF BIOMETRY.
	DIRECTOR, OFFICE OF RESEARCH.
OFFICE OF HEALTH AFFAIRS	DIRECTOR MED STAFF, OFC OF HEALTH AFFAIRS.
OFFICE OF MANAGEMENT	DIR, PARKLAWN COMPUTET CENTER
BUREAU OF HEALTH RESOURCES DEVELOPMENT	DEP DIR, BUREAU OF HEALTH RESOURCES DEV.
OFFICE OF THE DIRECTOR	DIRECTOR, DIV OF FINANCIAL MANAGEMENT.
	DIRECTOR, DIVISION OF CONTRACTS & GRANTS.
	ASSOCIATE DIRECTOR FOR EXTRAMURAL AFFAIRS.
	ASSOCIATE DIRECTOR FOR DISEASE PREVENTION.
	DIR, OFC OF MEDICAL APPLICATIONS OF RESEARCH.
	DIR, OFFICE OF SCIENTIFIC INTEGRITY.
	DEPUTY DIRECTOR FOR MANAGEMENT, NIH.
	DEP DIR FOR SCI POL & TECHNOLOGY TRANSFER.
	ASSOC DIR FOR INFORMATION RESOURCE MGMT.
	DIRECTOR, ACQUISITIONS MANAGEMENT.
	ASSOCIATE DIRECTOR FOR ADMINISTRATION.
NAT'L HEART, LUNG & BLOOD INSTITUTE	ASSOC DIRECTOR FOR REVIEW.
	ASSOC DIR EPIDEMIOLOGY & BIOMETRY PROGRAM.
	CHIEF, SICKLE CELL DISEASE BR.
	DIR DIV OF LUNG DISEASES.
	DIR, DIV OF BLOOD DISEASES & RESOURCES.
	DIR, A/SCLEROSIS, HYPERTENSION & LIP MET PROG.
	DEP DIRECTOR DIV OF EXTRAMURAL AFFAIRS.
	DIRECTOR, DIVISION OF EXTRAMURAL AFFAIRS.
	ASSOC DIR FOR INTERNATIONAL PROGRAMS.
	DIR OFC OF BIOSTATICS RESEARCH.
	DEP DIR DIV OF HEART VASCULAR DISEASES.
	DEP DIR DIV OF EPIDEM & CLINICAL APPLICATION.
INTRAMURAL RESEARCH	DIR, DIVISION OF INTRAMURAL RESEARCH.
	CHF LAB OF BIOCHEMICAL GENETICS.
	CHF LAB OF BIOCHEMISTRY.
	CHIEF LAB OF BIOPHYSICAL CHEMISTRY.
	CHIEF, LABORATORY OF CHEMICAL PHARAMACOLOGY.
	CHIEF MACROMOLECULES SECTION.
	CHF, INTERMEDIARY M & B SECTION.
	CHIEF, LABORATORY OF CELLULAR METABOLISM.
	CHF, LAB OF KIDNEY & ELECTROLYTE METABOLISM.
	CHIEF LAB OF CARDIAC ENERGETICS.
DIVISION OF CANCER BIOLOGY, DIAGNOSIS AND CENTERS	DIR, DIV OF CANCER BIOLOGY DIAGNOSIS & CTRS.
	DEP DIR, DIV OF CANCER BIOLOGY DIAG & CENTERS.
	CHF, MICROBIAL G & B SECTION, LAB OF BIOCHEM.
	CHIEF, LAB OF BIOCHEM INTRAMURAL RES PROG.
	ASSOC DIR, EXTRAMURAL RESEARCH PROGRAM.
	CHIEF DERMATOLOGY BR, INTRAMURAL RES PROG.
	CHIEF, CELL MEDIATED IMMUNITY SECTION.
	CHIEF, LAB OF TUMOR & BIOL IMMUNOLOGY, IRP.
	ASSOC DIR, CTRS TRAINING & RESOURCES PROG.
	CHIEF, LABORATORY OF MOLECULAR BIOLOGY.
DIVISION OF CANCER ETIOLOGY	DIR, DIV OF CANCER ETIOLOGY.
	CHIEF LAB OF BIOLOGY.
	CHIEF CLINICAL EPIDEMIOLOGY BRANCH.
	CHIEF LABORATORY OF MOLECULAR CARCINOGENESIS.
	CHF LAB OF EXPERIMENTAL PATHOLOGY.
	HEAD, MATH STATISTICS & APPLIED MATHEMATICS S.
	HEAD IN VITRO CARCINOGENESIS SECTION.
DIVISION OF CANCER PREVENTION & CONTROL	DEP DIR, DIV OF CANCER PREVENTION & CONTROL.
	ASSOCIATE DIR, SURVEILLANCE PROGRAM, DCPC.
	ASSOC DIR, CANCER CONTROL SCI PROGRAM, DCPC.
	ASSOC DIR, EARLY D & C ONCOLOGY PROGRAM.
DIVISION OF EXTRAMURAL ACTIVITIES	DIR. DIV OF EXTRAMURAL ACTIVITIES.
	DEPUTY DIR, DIV OF EXTRAMURAL ACTIVITIES.
DIVISION OF CANCER TREATMENT	ASSOC DIR DEVELOPMENT THERAPEUTICS PROG.
	CHF-RADIATION ONCOLOGY BR.
	ASSOC DIR RADIATION RESEARCH PROGRAM.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
NATL INSTITUTE OF DIABETES & KIDNEY DIS	DIR DIV KIDNEY UROLOGIC & HEMATLOGIC DISEASES.
	DIR DIVISION OF EXTRAMURAL ACTIVITIES.
	ASSOC DIRECTOR FOR RESEARCH & ASSESSMENT.
	ASSOC DIR DISEASE PREVENTION TECHNOL TRANSFER.
	ASSOC DIR FOR MGT & OPERATIONS.
INTRAMURAL RESEARCH	CHIEF SECTION ON BIOCHEMICAL MECHANISMS.
	CHF SECT ON METABOLIC ENZYMES.
	CHF SECT ON PHYSICAL CHEMISTRY.
	CHIEF, SECTION ON MOLECULAR STRUCTURE.
	SR RES PHYSICIST, MATHEMATICAL RESEARCH BR.
	CHIEF THEORETICAL BIOPHYSICS SECTION.
	CHIEF, LABORATORY OF BIO-ORGANIC CHEMISTRY.
	CHIEF OXIDATION MECHANISMS SECTION L B C.
	CHIEF LABORATORY OF BIOCHEMISTRY & METABOLISM.
	CHF, SEC ON NUCLEAR MAG RES, LAB/CHEM PHYSICS.
	CLINICAL DIR & CHIEF, KIDNEY DISEASE SECTION.
	CHIEF, SECTION ON MOLECULAR BIOPHYSICS.
	CHF, SEC CARBOHYDRATES LAB OF CHEMISTRY/NIDDK.
	CHIEF, METABOLIC DISEASES BRANCH.
	CHIEF, LABORATORY OF NEUROSCIENCE, NIDDK.
	CHIEF EPIDEMIOLOGY & CLINICAL RESEARCH BRANCH.
	CHF, LABORATORY OF MEDICINAL CHEMISTRY.
	CHIEF, MORPHOGENESIS SECTION.
NATL INST OF ARTHR & MUSCULOSKELETAL & SKIN DISEASES.	CHF, LAB OF PHYSICAL BIOLOGY.
	DIRECTOR, EXTRAMURAL PROGRAM.
	DEPUTY DIR.
	CHIEF, LABORATORY OF STRUCTURAL BIOLOGY RES.
	CHIEF, LABORATORY OF SKIN BIOLOGY.
NATIONAL LIBRARY OF MEDICINE	DEP DIR, NATL LIB OF MEDICINE.
	DEP DIR FOR RES AND EDUCATION.
	ASSOCIATE DIRECTOR FOR LIBARY OPERATIONS.
	ASSOC DIR FOR EXTRAMURAL PROGRAMS.
	ASSOC DIR, SPECIALIZED INFO SERVICES.
	DEP DIR LISTER HILL NATL CTR FOR BIOMED COMMS.
	DIRECTOR, INFORMATION SYSTEMS.
	DIR NATL CTR FOR BIOTECH INFO.
	ASSOC DIR FOR HEALTH & INFO PROG DEVELOPMENT.
NATL INST OF ALLERGY & INFECTIOUS DISEASES	DIR, DIV OF ALLERGY/IMMUNOLOGY/TRANSPLANTATN.
	CHF, LAB OF PARASITIC DISEASES.
	DIR, DIV OF MICROBIOLOGY/INFECTIOUS DISEASES.
	CHIEF, LAB OF IMMUNOGENETICS.
	DIR, DIV OF EXTRAMURAL ACTIVITIES.
	CH, LAB OF MICROBIAL STRUCTURE AND FUNCTION.
	CHIEF LAB OF MOLECULAR MICROBIOLOGY.
	DIR. DIV ACQUIRED IMMUNIDEFICIENCY SYNDROME.
	ASSOC DIR FOR ADMINISTRATION & OPERATIONS.
	DEPUTY DIR, DIVISION OF EXTRAMURAL ACTIVITIES.
	CHIEF, BIOLOGICAL RESOURCES BRANCH.
	HEAD, LYMPHOCYTE BIOLOGY SECTION.
	CHIEF, LABORATORY OF INFECTIOUS DISEASES.
	HEAD EXPERIMENTAL PATHOLOGY SECTION.
	DEP DIR DIV OF ACQUIRED IMMUNODEFICIENCY.
	HEAD EPIDEMIOLOGY SECTION.
	CHIEF, LABORATORY OF MALARIA RESEACH.
NATL INST ON AGING	SCIENTIFIC DIRECTOR GERONTOLOGY RSCH CNTR.
	CLIN DIRECTOR AND CHIEF CLIN PHYSIOLOGY BR.
	CHIEF LAB OF CELLULAR & MOLECULAR BIOLOGY.
	ASSOCIATE DIR FOR BEHAVIOR SCIENCES RES.
	ASSOC DIR BIOLOGY OF AGING PROGRAM.
	ASSOC DIR, OFFICE OF EXTRAMURAL AFFAIRS.
	ASSOC DIR, EPIDEMI, DEMO, & BIOMETRY PROGRAM.
	ASSOC DIR, OFFICE OF PLNNG, A & I ACTIVITIES.
	ASSOC DIR NEUROSCI & NEUROPSYCH OF AGING PROG.
NATL INST OF CHILD HEALTH & HUMAN DEVELOPMENT	CHIEF, LABORATORY OF MOLECULAR GENETICS.
	DEP DIR CENTER FOR POPULATION RES.
	CHF, ENDOCRINOLOGY & REPRODUCTION RESEARCH BR.
	DIRECTOR CTR FORRES FOR MOTHERS & CHILDREN.
	DIRECTOR CNTR FOR POPULATION RESEARCH.
	CHIEF, SECTION ON GROWTH FACTORS.
	ASSOC DIR FOR PREVENTION RESEARCH.
	CHIEF LABORATORY OF MAMALIAN GENES & DEVELOP.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	CHIEF, SECTION ON MOLECULAR ENDOCRINOLOGY.
	CHIEF, SECTION NUROENDOCRINOLOGY.
	CHIEF SECTION ON MICROBIAL GENETICS.
	CHIEF, LABORATORY OF COMPARATIVE ETHOLOGY.
	ASSOCIATE DIRECTOR FOR ADMINISTRATION.
	DIR, NATL CENTER FOR MEDICAL REHAB RESEARCH.
NATL INST OF DENTAL RESEARCH	CHIEF, LABORATORY OF IMMUNOLOGY.
	CHF, ENZYME CHEMISTRY SECTION.
	DIR, EXTRAMURAL PROGRAM.
	CHIEF NEUROBIOLOGY & ANESTHESIOLOGY BRANCH.
NATL INST OF ENVIRONMENTAL HEALTH SCIENCES	DIR, DIV OF INTRAMURAL, NIEHS.
	CHF LAB OF PULMONARY PATHOBIOLOGY.
	CHIEF, LAB OF GENETICS.
	HEAD MUTAGENESIS SECTION.
	HEAD MAMMALIAN MUTAGENESIS SECTION.
	SENIOR SCIENTIFIC ADVISOR.
	DIR, DIV OF TOXICOLOGY RESEARCH & TESTING.
	ASSOCIATE DIRECTOR FOR MANAGEMENT.
	CHIEF, SIGNAL TRANSDUCTION SECTION.
	CHIEF LAB OF MOLECULAR CARCINOGENESIS.
	DIR NATL INST OF ENVIRONMENTAL HEALTH SCIENCE.
NATL INST OF GENERAL MEDICAL SCIENCES	DEP DIR NATL INSTITUTE OF GENERAL MED SCI.
	DIR, CELL & MOLEC BASIS OF DISEASE PROG.
	DIR GENETICS PROGRAM.
	ASSOC DIR FOR PROGRAM ACTIVITIES.
	DIR PHARMACOLOGY & BIORELATED CHEMISTRY PR BR.
	DIR BIO PHYS SCIENCES PROGRAM BRANCH.
	DIR, MINORITY OPPORTUNITIES IN RES PROG BR.
NATL INST OF NEUROLOGICAL DISORDERS AND STROKE	DIR, DIV OF FUNDAMENTAL NEUROSCIENCES.
	DIRECTOR, DIVISION OF STROKE & TRAUMA.
	ASSOCIATE DIRECTOR FOR ADMINISTRATION.
	DIR, BASIC NEUROSCI PROG/CHF/LAB OF NEUROCHEM.
	CHF, LAB OF MOLECULAR & CELLULAR NEUROBIOLOGY.
INTRAMURAL RESEARCH	CHIEF LAB OF CENTRAL NERVOUS SYSTEM STUDIES.
	CHF, DEV & METABOLIC NEUROLOGY BRANCH.
	DEPUTY CHIEF, LAB OF CENTRAL NERVOUS SYS STUD.
	HD CELLULAR NEUROPATHOLOGY SECTION.
	CHIEF, NEUROIMAGING BRANCH.
	CHF, SURGICAL NEUROLOGY BRANCH.
	CHIEF BIOMETRY & FIELD STUDIES BRANCH.
	CHIEF, LABORATORY OF NEUROBIOLOGY.
	CHIEF, LABORATORY OF NEURA CONTROL.
	CHIEF BRAIN STRUCTURAL PLATICITY SECTION.
	CHF, LAB OF VIRAL & MOLECULAR PATHOGENESIS.
	CHIEF STROKE BRANCH.
NATL EYE INSTITUTE	CHIEF LABORATORY OF RETINAL CELL & MOL BIOLOG.
	CHIEF, LAB OF MOLECULAR & DEV. BIOLOGY.
	CHIEF, LABORATORY OF SENSORIMOTOR RESEARCH.
	CHIEF LABORATORY OF CELLULAR BIOLOGY.
NATL INST ON DEAFNESS & OTHER COMMUNICATION DISORDERS.	CHIEF, LABORATORY OF MOLECULAR BIOLOGY.
	DIR, DIV OF COMMUNICATION SCIENCES & DISORDER.
	DIR, DIV OF INTRA RES, NID & OTHER COMM DISOR.
	DIR, DIV OF EXTRAM ACT, NID & OTHER COMM DISO.
	DEP DIR, NATL INST ON D & O COMMUNICATION DIS.
NIH CLINICAL CENTER	ASSOC DIR FOR CLINICAL CARE/DIR, CLINICAL CTR.
	HEALTH SYSTEMS ADMINISTRATOR.
	ASSOCIATE DIRECTOR FOR PLANNING.
	ASSOC CHF, POSITION EMISSION T & R.
	DEPUTY DIRECTOR FOR MAGAMENT AND OPERATIONS.
DIVISION OF COMPUTER RESEARCH & TECH	CHIEF, COMPUTER CENTER BRANCH.
	CHIEF, PHYSICAL SCIENCES LAB.
	CHIEF, INFORMATION SYSTEMS BRANCH.
	DEPUTY DIRECTOR.
	ASSOC DIR OFC OF COMPUTING RESOURCES SERVICES.
JOHN E FOGARTY INTL CENTER	ASSOC DIR FOR INTL ADVANCED STUDIES.
NATIONAL CENTER FOR RESEARCH RESOURCES	DEP DIR FOR EXTRAMURAL RESEARCH RESOURCES.
	DIR, NATL CENTER FOR RESEARCH RESOURCES.
	DIR, GEN CLINICAL RES CTR FOR RES RESOURCES.
	DIR, BIOMEDICAL ENGR & INSTRUMENTATION BRANCH.
	DEP DIR, NATL CENTER FOR RESEARCH RESOURCES.
DIVISION OF RESEARCH GRANTS	ASSOCIATE DIRECTOR FOR REFERRAL AND REVIEW.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASSOC DIR FOR STATISTICS & ANALYSIS.
NATIONAL CENTER FOR NURSING RESEARCH	DIRECTOR NATIONAL CNTR FOR NURSING RESEARCH.
NATIONAL CENTER FOR HUMAN GENOME RESEARCH	DEPUTY DIRECTOR.
	DIR DIV OF INTRAMURAL RES NATL CTR H G R.
	CHIEF DIAG DEVEL BR NATL CTR HUMAN GEN RES.
	CHF, LABOR OF GENETIC DIS RES NATL CTR FOR HGR.
NATIONAL INSTITUTE ON DRUG ABUSE	DIRECTOR, DIVISION OF CLINICAL RESEARCH.
	DIR, OFC OF SCI POL, EDUCATION & LEGISLATION.
	ASSOC DIR FOR PLANNING & RESOURCES MANAGEMENT.
	DIR, OFFICE OF EXTRAMURAL PROGRAM REVIEW.
	DIRECTOR DIVISION OF CLINICAL RESEARCH.
	DIR, MEDICATIONS DEVELOPMENT DIVISION.
	DIRECTOR, ADDICTION RESEARCH CENTER.
	CHIEF, NEUROSCIENCE RESEARCH BRANCH.
NATIONAL INSTITUTE OF MENTAL HEALTH	DEP DIR, NATIONAL INSTITUTE OF MENTAL HEALTH.
	ASSOCIATE DIRECTOR FOR SPECIAL POPULATIONS.
	ASSOCIATE DIRECTOR FOR PREVENTION.
	EXEC OFCR, NATL INSTITUTE OF MENTAL HEALTH.
	DIR, OFC OF LEGISLATIVE ANALYSIS & COORD.
	DIR, DIV OF NEUROSCIENCE & BEHAVIORAL SCI.
	DIRECTOR, DIVISION OF EXTRAMURAL ACTIVITIES.
	CHIEF, NEUROPSYCHIATRY BRANCH.
	CHIEF, CHILD PSYCHIATRY BRANCH.
	CHIEF, BIOLOGICAL PSYCHIATRY BRANCH.
	CHIEF, LABORATORY PSYCHIATRY BRANCH.
	CHIEF, LABORATORY OF CLINICAL SCIENCE.
	CHIEF, SECTION ON HISTOPHARMACOLOGY.
NATIONAL INSTITUTE ON ALCOHOL ABUSE & ALCOHOLISM	DIR, NATL INSTITUTE ON ALCOHOL A & A.
	DIRECTOR. DIVISION OF BASIC RESEARCH.
	DIR, DIV OF BIOMETRY & EPIDEMIOLOGY.
AGENCY FOR HEALTH CARE POLICY & RESEARCH	DIR CTR FOR MEDICAL EFFECTIVENESS RESEARCH.
	DIR, CTR FOR GEN HEALTH SERV INTRAMURAL RES.
	DIR, CTR GEN HEALTH SVCE EXTRAMURAL RESEARCH.
	DIR, OFC OF SCI & DATA DEV/AGCY FOR HCP & RES.
OFC OF ACTUARY	CHF ACTUARY.
	DEP CHIEF ACTUARY (LONG-RANGE)
	DEP CHIEF ACTUARY SHORT RANGE SSA
OFFICE OF FINANCE, ASSESSMENT AND MANAGEMENT	SENIOR FINANCIAL EXECUTIVE.
OFC OF FINANCIAL POLICY & OPERATIONS	ASSOC COMR, OFFICE OF FIN POLICY & OPERATIONS.
	DEP ASSOC COMM FINANCIAL POLICY & OPERATIONS.
OFFICE OF ACQUISITION AND GRANTS	ASSOC COMMISSIONER FOR ACQUISITION & GRANTS.
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT:	
OFFICE OF THE GENERAL COUNSEL	ASSOC GEN COUN FOR PROGRAM ENFORCEMENT.
OFFICE OF THE INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	ASSISTANT INSPECTOR GENERAL FOR AUDIT.
	ASST INSPECTOR GENERAL FOR MANAGEMENT & POL.
	DEPUTY ASST INSPECTOR GEN FOR AUDIT OPERATION.
	DEP ASST INSPECTOR GEN FOR P & O.
	DEP ASST INSPECTOR GENERAL FOR INVESTIGATION.
	COUNSEL TO THE INSPECTOR GENERAL.
OFFICE OF THE CHIEF FINANCIAL OFFICER	DEPUTY DIRECTOR OFFICE OF FINANCE & ACCOUNTG.
	ADM COMPTROLLER-DIR, OFC OF FIN & ACCOUNTING.
	DEP CHIEF FINANCIAL OFFICER FOR OPERATIONS.
	DEP CHIEF FINANCIAL OFFICER FOR FINANCE.
	DIR, SECTION 8 SYSTEMS PROJECT STAFF.
ASSISTANT SECRETARY FOR ADMINISTRATION	DEP DIR OFFICE OF PERSONNEL.
	DIR, OFC OF BUDGET.
	DEP DIR, OFC OF BUDGET.
	DIRECTOR OFC OF PROCUREMENTS & CONTRACTS
	SPECIAL ADVISOR/COMPTROLLER.
ASSISTANT SECY FOR HOUSING	DIR, MORTGAGE INSURANCE ACCTNG & SERV GROUP.
	HOUSING/FED HOUSING ADM COMPTROLLER.
	DIR OFC OF MULTIFAMILY HOUSING PRES PROP DIS.
	DIR OFC OF INSURED MULTIFAMILY HOUSING DEVEL.
	HOUSING-FHA DEPUTY COMPTROLLER.
	DIR, OFC OF POL, P & F SYSTEMS ENHANCEMENTS.
	DIRECTOR, RESPA ENFORCEMENT UNIT.
	DIRECTOR, OFFICE OF EVALUATION.
	PROGRAM SYSTEMS PROJECT OFFICER.
ASST SECY FOR FAIR HOUSING AND EQUAL OPPORTUNITY	DIR, OFC OF FAIR HOUSING I & V PROGRAMS.
ASST SECY FOR COMMUNITY PLANNING AND DEVELOPMENT.	DIR OFFICE OF ENVIRONMENT AND ENERGY.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIR OFC OF BLOCK GRANT ASST.
	DIRECTOR, OFFICE OF ECONOMIC DEVELOPMENT.
GOVERNMENT NATIONAL MORTGAGE ASSOCIATION	VICE PRESIDENT FOR ASSET MANAGEMENT.
	VICE PRESIDENT FOR MORTGAGE BACKED SECURITIES.
	VICE PRESIDENT FOR FINANCE.
ASST SECY FOR PUBLIC AND INDIAN HOUSING	GEN DEP ASST SECY FOR PUBLIC & INDIAN HOUSING.
	DIR RENTAL ASSISTANCE DIVISION.
	PUBLIC & INDIAN HOUSING-COMPTROLLER.
	DIR, OFC OF CONSTRUCTION, REH & MAINTENANCE.
	DIR OFFICE OF ASSISTED HOUSING.
	DEPUTY PUBLIC & INDIAN HOUSING COMPTROLLER.
NEW YORK (NEW JERSEY)	MANAGER BUFFALO.
SOUTHEAST (ATLANTA)	MANAGER JACKSONVILLE.
MIDWEST (CHICAGO)	MANAGER COLUMBUS.
	MANAGER DETROIT.
	MANAGER INDIANAPOLIS.
	MANAGER MN/ST PAUL.
SOUTHWEST (FORT WORTH)	MANAGER OKLAHOMA
PACIFIC/HAWAII (SAN FRANCISCO)	MANAGER LOS ANGELES.
DEPARTMENT OF INTERIOR:	
OFC OF THE INSPECTOR GENERAL	ASSISTANT INSPECTOR GENERAL FOR AUDITING.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	GENERAL COUNSEL.
	DEPUTY ASST INSPECTOR GENERAL FOR AUDITS.
OFC OF THE SOLICITOR	DEPUTY ASSOC SOLICITOR, GENERAL LAW.
	ASST SOLICITOR BUREAU OF PARKS AND RECREATION.
	SPECIAL ASST TO THE ASSOC SOLICITOR-GEN LAW.
	DEP ASSOCIATE SOLICITOR-ENERGY & RESOURCES.
	DEP ASSOCIATE SOLICTOR-INDIAN AFFAIRS.
ASST SECY FOR POLICY, BUDGET & ADMINISTRATION	ASST DIR FOR ECONOMICS.
	ASST DIR, PROGRAM ANALYSIS STAFF.
	CHIEF, DIV OF BUDGET OPERATIONS (A).
	CHIEF DIV OF BUDGET & PROGRAM REVIEW.
	ASST DIR FOR SPECIAL ANALYSIS.
	DEP AGCY ETHICS & AUDIT COORDINATION OFFICER.
	CHIEF DIVISION OF BUDGET OPERATIONS (B).
	CHIEF DIV OF BUDGET ADMIN.
	DEPUTY AGENCY ETHICS STAFF OFFICER.
ASST SECRETARY FOR FISH & WILDLIFE & PARKS	EXECUTIVE DIR REGIONAL ECOSYSTEM OFFICE.
	ASST DIR FOR INFORMATION & TECHNOLOGY SERVICE.
NAT'L PARK SERVICE	PARK MANAGER (SUPERINTENDENT)
	SENIOR SCIENTIST.
	SCIENCE & TECHNOLOGY ADVISOR
	PARK MANAGER EVERGLADES.
	SPEC ASST TO THE DIR (R & C COUNCIL)
	PARK MANAGER (SUPERINTENDENT).
	ASST DIR, DESIGN & CONSTRUCTION (MGR, DSC).
	PARK MANAGER.
US FISH & WILDLIFE SERVICE	DEP REG DIR REG 8 RSCH & DEV.
	DEPT ASST DIR—POL, BUDGET, & ADMINISTRATION.
	RESEARCH DIRECTOR PATUXENT RESEARCH CENTER.
	SPEC ASST TO THE REG DIR RESEARCH & DEVELOP.
BUREAU OF MINES	RESCH DIR, PITTSBURGH RESEARCH CENTER.
	RESEARCH DIR, TWIN CITIES RESEARCH CTR.
	RESEARCH DIRECTOR, ALBANY RESEARCH CTR.
	CHIEF DIV OF ENVIRONMENTAL TECHNOLOGY.
	CHIEF DIVISION OF HEALTH SAFETY & MIN TECH.
	SPEC ASST TO THE DIR, BUREAU OF MINES.
	SENIOR TECHNICAL ADVISOR.
	CHIEF, DIVISION OF RESOURCE EVALUATION.
	CHIEF, DIVISION OF POLICY ANALYSIS.
BUREAU OF RECLAMATION	CHIEF DIV OF RESEARCH & LAB SERVICES
	DEP ASST COMMISSIONER—ENGINEERING & RESEARCH.
	DIRECTOR, POLICY & PROGRAMS.
	SENIOR SCIENTIST.
	DEPUTY ASST COMMISSIONER—RESOURCES MANAGEMENT.
	PROJECT MANAGER/ARIZONA PROJECTS OFFICE.
	CHIEF DIV PROG COORDINATION & FINANCE.
	DEPUTY AST COMMISSIONER ADMINISTRATION.
US GEOLOGICAL SURVEY	STAFF GEOLOGIST FOR NPRA/ALASKA ACTIVITIES
NATIONAL MAPPING DIV	CHIEF, NATIONAL MAPPING DIVISION
	ASSOCIATE CHIEF, NATIONAL MAPPING DIVISION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	CHIEF, EROS DATA CENTER.
	CHIEF WESTERN MAPPING CENTER.
	CHIEF MID-CONTINENT MAPPING CENTER.
	CHIEF ROCKY MOUNTAIN MAPPING CENTER.
	ASST DIV CHIEF FOR INFORMATION & DATA SVC.
	CHIEF EASTERN MAPPING CENTER.
	ASST DIV CHF FOR PROGRAM, BUDGET & ADM.
	ASST DIV CHF FOR RESEARCH.
	ASST DIV CHF FOR COORDINATION & REQUIREMENTS.
	ASST DIV CHIEF FOR PRODUCTION MANAGEMENT.
	SR STAFF SCI FOR MAPPING & GEOGRAPHIC DATA.
WATER RESOURCES DIV	CHIEF HYDROLOGIST.
	ASSOC CHIEF HYDROLOGIST.
	REGL HYDROLOGIST CENTRAL REG LAKEWOOD.
	REGL HYDROLOGIST SOUTHEASTERN REGION.
	REGIONAL HYDROLOGIST, WESTERN REGION.
	REGIONAL HYDROLOGIST, NORTHEASTERN REGION.
	ASST CHF HYDROLOGIST FOR OPERATIONS.
	ASST CHIEF HYDROLOGIST FOR SCIEN INFO MGMT.
	ASST CHF HYDROLOGIST FOR WATER A & D COORD.
	ASST CHF HYDRO FOR RES & EXTRNL COORDINATION.
	CHIEF, NATL WATER QUALITY ASSESSMENT (NAWQA).
	ASST CHF HYDROLOGIST/PROG COORD & TECH SUPP.
	CHF, OFC OF ATMOSPHERIC DEPOSITION ANALYSIS.
	CHF, OFC OF HYDROLOGIC RESEARCH.
	CHIEF, WRSIC PROGRAM.
	CHIEF OFFICE OF WATER QUALITY.
	CHF, BR OF WATER INFORMATION TRANSFER.
	CHIEF, OFFICE OF GROUND WATER.
	CHIEF OFFICE OF SURFACE WATER.
	CHF, NATIONAL WATER DATA EXCHANGE PROGRAM.
GEOLOGIC DIV	CHIEF GEOLOGIST.
	CHIEF, OFC OF EARTHQUAKES, VOLCANOES & ENGR
	CHIEF, OFC OF SCIENTIFIC PUBLICATIONS.
	ASSOC CHF GEOLOGIST.
	CHF OFC OF MINERAL RESOURCES.
	CHIEF, OFFICE OF ENERGY & MARINE GEOLOGY.
	CHIEF, OFFICE OF INTERNATIONAL GEOLOGY.
	CHIEF, OFFICE OF REGIONAL GEOLOGY.
	ASST CHIEF, OFC OF ENERGY AND MARINE GEOLOGY.
	ASST CHIEF GEOLOGIST FOR PROGRAMS.
BUREAU OF LAND MANAGEMENT	CHIEF, OFFICE OF IRM/MODERNIZATION
	DEPT ASST DIR LANDS & RENEWABLE RESOURCES.
	DEP ASST DIR ENERGY & MINERALS RESOURCES.
	SPEC ASST TO THE DIRECTOR/ FQI REPRESENTATIVE.
OFC OF SURFACE MINING RECLAM & ENFORCEMENT	DEP ASST DIR EASTERN FLD OPS (PROGRAMS OPS)
	AST DIR FOR EASTERN FIELD OPERATIONS.
	ASSTANT DIRECTOR, WESTERN FIELD OPERATIONS.
MINERALS MANAGEMENT SERVICE	REGIONAL DIRECTOR, GULF OF MEXICO OCS REGION.
	DEP ASSOCIATE DIRECTOR FOR OFFSHORE LEASING.
	CHIEF, LEASING MANAGEMENT DIVISION.
	REGIONAL MANAGER, ATLANTIC OCS REGION.
	REGIONAL MANAGER, ALASKA OCS REGION.
	ASSTANT ASSOC DIR FOR OFFSHORE MINERALS MGT.
	REGIONAL MANAGER, PACIFIC OCS REGION.
	PROGRAM DIRECTOR FOR INDIAN ROYALTY ASST.
	DEP ASSOCIATE DIR FOR OFFSHORE OPERATIONS.
	PROG DIR, OFC OF STRATEGIC & INTERNATL MINLS.
	DEP ASSOC DIR FOR AUDIT.
	DEP ASSOC DIR FOR COMPLIANCE.
	DEPUTY ASSOC DIRECTOR FOR COMPLIANCE.
	DEPUTY ASSOC DIRECTOR FOR ADMINISTRATION.
ASST SECY-INDIAN AFFS	SPEC ASST TO THE ASST SECY—INDIAN AFFAIRS.
BUREAU OF INDIAN AFFAIRS	ASST DIR OF ADMINISTRATION (FINANCIAL MGMT).
	SPECIAL ASSISTANT (SPECIAL PROJECTS OFFICER).
	DEP TO THE DIR INDIAN EDUCATION PROGRAMS.
INTERNATIONAL DEVELOPMENT COOPERATION AGENCY:	
OFFICE OF THE ADMINISTRATOR	SENIOR ADVISOR FOR MANAGEMENT IMPROVEMENT.
OFFICE OF THE GENERAL COUNSEL	DEPUTY GENERAL COUNSEL.
	ETHICS OFFICER.
OFFICE OF THE INSPECTOR GENERAL	ASST INSPECTOR GENERAL FOR SECURITY.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	COUNSEL TO THE INSPECTOR GENERAL.
	DEPUTY INSPECTOR GENERAL.
OFFICE OF EQUAL OPPORTUNITY PROGRAMS	DIR OFC OF EQUAL OPPORTUNITY PROGRAMS.
BUREAU FOR GLOBAL PROGRAMS, FIELD SUPPORT AND RESEARCH.	DEP ASST ADMR CTR FOR POP, H/N BFGP, FS/RES.
BUREAU FOR EUROPE AND THE NEW INDEPENDENT STATES.	DEPUTY ASST ADMINISTRATOR.
BUREAU FOR MANAGEMENT	ASSOC ADMIN FOR FINANCE & ADMIN.
	DIRECTOR OFFICE OF PROCUREMENT.
	DEPUTY DIRECTOR OFFICE OF INFOR RES MANAG.
	DEPUTY ASSOCIATE ADMINISTRATOR.
	DIRECTOR OFFICE OF FINANCIAL MGMT.
	DEPUTY DIR OFC OF FINANCIAL MANAGEMENT.
	DIR OFFICE OF INFORMATION RESOURCE MANAGEMENT.
	DEPUTY DIRECTOR OFC OF PROCUREMENT.
	DEP, DIR, OFFICE OF HRDM.
	DIR, OFC OF ADMIN SERVICES.
	DEP DIR OFC OF PROCUREMENT BUEAU FOR MAGNT.
INTERSTATE COMMERCE COMMISSION:	
OFFICE OF THE CHIEF OPERATING OFFICER	ASSOC MANAGING DIR & DIRECTOR OF PERSONAL.
OFFICE OF THE GENERAL COUNSEL	ASSOC GEN COUNSEL—LITIGATION.
	SENIOR ASSOC GENERAL COUNSEL—LITIGATION.
OFFICE OF PROCEEDINGS	DEPUTY DIRECTOR—LEGAL COUNSEL II.
	DEPUTY DIRECTOR—LEGAL COUNSEL.
	ASSISTANT DEP DIRECTOR—LEGAL COUNSEL II.
	ASSISTANT TO THE DIRECTOR.
OFFICE OF COMPLIANCE & ENFORCEMENT	ASSOC DIR, OFC OF COMPLIANCE & ENFORCEMENT.
	DIRECTOR.
	DEP DIR, SECT OF INVESTIGATIONS & ENFORCEMENT.
	ASSOCIATE DIRECTOR POLICY & REVIEW.
	DEPUTY DIRECTOR, SECTION OF TARIFFS.
	DEP DIRECTOR, SECTION OF OPS & INSURANCE.
REGIONAL OFFICES	REGIONAL DIRECTOR (PHILADELPHIA).
	REGIONAL DIRECTOR (CHICAGO).
	REGIONAL DIRECTOR (SAN FRANCISCO).
ORGANIZATION ABOLISHED	DIRECTOR, OFFICE OF TARIFFS.
DEPARTMENT OF JUSTICE:	
OFFICE OF THE ATTORNEY GENERAL	COUNSEL ON PROFESSIONAL RESPONSIBILITY.
	DEP COUNSEL ON PROFESSIONAL RESPONSIBILITY.
OFC OF THE LEGAL COUNSEL	SPECIAL COUNSEL.
	SPECIAL COUNSEL.
OFFICE OF THE INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR INSPECTORS.
	ASSISTANT INSPECTOR GENERAL FOR AUDIT.
	ASSISTANT INSPECTOR GENERAL FOR INVESTIGATION.
	ASST INSPECTOR GEN FOR MANAGEMENT & PLANNING.
	GENERAL COUNSEL.
	DEP ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
OFFICE OF THE DEPUTY ATTORNEY GENERAL	DIR EXEC OFC FOR ORGAN CRIME DRUG ENFOR TASK.
	ASSOCIATE DEPUTY ATTORNEY GENERAL.
JUSTICE MANAGEMENT DIVISION	ASST ATTORNEY GENERAL FOR ADMINISTRATION.
	DEPUTY ASST ATTORNEY GENERAL.
	DEP ASST ATTORNEY GEN; PERSONNEL ADM.
	ASST ATTNY GEN E & N RESOURCES.
	DIR, FACILITIES AND ADMINISTRATIVE SVC STAFF.
	ASSOCIATE ASST ATTORNEY GENERAL LEGAL COUNSEL.
	DIR TELECOMMUNICATIONS SERVICES STAFF.
	ASSOCIATE ASSISTANT ATTORNEY GENERAL.
	DIRECTOR MANAGEMENT AND PLANNING STAFF.
	DIRECTOR, BUDGET STAFF.
	SENIOR MANAGEMENT COUNSEL.
	PROCUREMENT EXECUTIVE.
	SENIOR POLICY ADVISOR.
	DEP ASST ATTORNEY GENERAL, INFO RES MGT.
	DIR PROCUREMENT SERVICES STAFF.
	DIR, SYSTEMS TECHNOLOGY STAFF.
	GENERAL COUNSEL.
	DIR, EQUAL EMPLOYMENT OPPORTUNITY STAFF.
	SENIOR COUNSEL.
OFFICE OF THE CONTROLLER	DEP ASST ATTORNEY GENERAL; CONTROLLER.
	DIR FINANCE STAFF.
	DEP ASST ATTY GEN FOR DEBT COLLECTION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASST DIR, MANAGEMENT & PLANNING STAFF.
OFFICE OF PERSONNEL AND ADMINISTRATION	DIRECTOR PERSONNEL STAFF.
	DIRECTOR, OFC OF ATTY PERS MGMT.
OFFICE OF INFO & ADMIN SERVICES	DIRECTOR, COMPUTER SERVICES STAFF.
	DIRECTOR, SYSTEMS POLICY STAFF.
	DIR, LEGAL AND INFORMATIONS SYSTEMS STAFF.
EXECUTIVE OFFICE FOR IMMIGRATION REVIEW	CHIEF IMMIGRATION JUDGE.
	ASSISTANT TO THE DIRECTOR.
	CHIEF ADMIN HEARING OFFICER.
ANTITRUST DIVISION	SENIOR LITIGATOR.
OFFICE OF LITIGATION	DEP DIR OF OPERATIONS.
	CHIEF, COMPETITION POLICY SECTION.
CIVIL DIVISION	DIRECTOR OF MANAGEMENT PROGRAMS.
COMMERCIAL LITIGATION BRANCH	SPEC LITIGATION COUNSEL (FOREIGN LITIGATION.
	SPEC LITIGATION COUNSEL.
	DEPUTY BRANCH DIRECTOR/COMMERCIAL LITIGATION.
	DEPUTY BRANCH DIR CIVIL FRAUDS.
FEDERAL PROGRAMS BRANCH	SPECIAL LITIGATION COUNSEL (FEDERAL PROGRAMS).
	DEPUTY BRANCH DIRECTOR (FEDERAL PROGRAMS).
TORTS BRANCH	SPEC LITIGATION COUNSEL.
	SPEC LITIGATION COUNSEL.
	SPECIAL LITIGATION COUNSEL (TORT LITIGATION).
	DEPUTY BRANCH DIRECTOR.
	DEPUTY BRANCH DIRECTOR.
	DEPUTY BRANCH DIRECTOR.
	DIRECTOR OFFICE OF CONSUMER LITIGATION.
CIVIL RIGHTS DIVISION	SPECIAL LITIGATION COUNSEL.
OFFICE OF ENVIRONMENTAL RESOURCES	SPECIAL LITIGATION COUNSEL.
	DEP CHF, ENVIRONMENTAL ENFORCEMENT SECTION.
	DEPUTY CHIEF.
DEPUTY ASSISTANT ATTORNEY GENERAL—I	SPECIAL LITIGATION COUNSEL (LEGISLATIVE).
	SR TRIAL ATTORNEY.
	SPECIAL LITIGATION COUNSEL.
	SPEC LITIGATION COUNSEL.
IMMIGRATION AND NATURALIZATION SERVICE	ASSOCIATE COMMISSIONER FOR FINANCE.
	ASST COMMISSIONER FOR DETENTION & DEPORTATION.
	ASST COMMISSIONER FOR ADJUDICATION & NATURAL.
	ASSISTANT COMMISSIONER FOR BORDER PATROL.
	ASST COMM FOR EMPLOYER & LABOR RELATIONS.
	DIRECTOR OF INTERNAL AUDIT.
	DIRECTOR OF SECURITY.
	ASSOC COMR FOR HUMAN RESOURCES & ADMIN.
	ASST COMR, BUDGET.
	REGIONAL DIRECTOR CENTRAL REGION.
ASSOCIATE COMMISSIONER FOR INFORMATION SYSTEMS	ASSISTANT COMMISSIONER FOR RECORDS SYSTEMS.
ASSOCIATE COMMISSIONER FOR EXAMINATIONS	ASST COMM FOR INSPECTIONS.
ASSOCIATE COMMISSIONER FOR ENFORCEMENT	ASSISTANT COMMISSIONER FOR INVESTIGATIONS.
EXECUTIVE ASSOCIATE COMMISSIONER FOR MANAGEMENT	ASST COMMISSIONER FOR ADMINISTRATION.
	ASST COMMR FOR PERSONNEL & TRAINING.
OFC OF THE ASSOCIATE ATTORNEY GENERAL	DEPUTY ASSOCIATE ATTORNEY GENERAL.
EXECUTIVE OFC FOR U.S. ATTORNEYS	DIR OFC OF MGNT INFORMATION SYSTEMS SUPPORT.
	DIR, OFFICE OF ADMINISTRATION & REVIEW.
CRIMINAL DIVISION	DEPUTY CHIEF, FRAUD SECTION.
	DIR OFC OF ASSET FORFEITURE.
	SPECIAL COUN FOR INTERNATIONAL PROGRAMS.
	SENIOR COUNSEL.
	SENIOR APPELLATE COUNSEL.
	SENIOR COUNSEL.
	EXECUTIVE OFFICER.
OFC OF SENIOR COUNSELS	SR COUNSEL FOR LITIGATION.
OFC OF DEPUTY ASST ATTORNEY GENERAL I	CNSL TO THE OFC; OFC OF SPEC INVESTIGATIONS.
	COUNSEL TO THE OFFICE FRAUD SECTION.
OFC OF DEPUTY ASST ATTORNEY GENERAL II	CHF PUBLIC INTEGRITY SECTION.
	DEPUTY CHIEF PUBLIC INTEGRITY SECTION.
FEDERAL PRISON SYSTEM	ASST DIR FOR PLANNING AND DEVELOPMENT.
	GENERAL COUNSEL.
	ASSOC COMMR, FED PRISON INDUSTRIES, UNICOR.
	DEP ASSOC COMM FOR FED PRISON INDUSTRIES.
	WARDEN FT WORTH TEXAS.
	WARDEN MARIANNA FL.
	CORTL PROG ADMR ASST DIR FOR HUMAN RES MGMT.
	CORRECTIONAL PROG ADMR ASST DIR FOR PROG REV.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	SEN DEP ASST DIR ADMIN DIV.
	SENIOR DEPUTY ASST DIR HEALTH SERVICES DIV.
	SENIOR DEPUTY ASSISTANT DIRECTOR.
	ASSISTANT DIR, PROGRAM REVIEW DIVISION.
	SR DEP ASST DIR FEDERAL PRISON INDUSTRIES.
	REGIONAL DIRECTOR MID ATLANTIC DIVISION.
	CHIEF OF STAFF TO THE DIRECTOR.
	CORRECTIONAL INSTITUTION ADMINISTRATOR.
	ASST DIR., COMMUNITY CORRECTIONS & DETENTION.
	ASST DIR. INFO, POL, & PUBLIC AFRS DIV.
	WARDEN TALLADEGA AL.
	CIA (WARDEN) FCI, TEXARKANA, TEXAS.
	SEN DEP ASST DIR HEALTH SERVICES DIVISION.
	CORRECTIONAL INSTITUTION ADMIN (WARDEN).
	SR DEP REGL DIRECTOR, MID-ATLANTIC REGION.
	GEN COUNSEL, FED PRISON INDUSTRIES (UNICOR).
	WARDEN, ALLENWOOD, PENNSYLVANIA.
	CHIEF EXECUTIVE OFFICER (WARDEN).
	CORRECTL INSTIT ADMR (WARDEN) FCC,—FLOREN, CO.
	CORRECTIONAL INST ADMR (ARD) SCR, DALLAS, TX.
	CORRL INST ADMR (SDAD), CC & D DIV, WASH, DC.
	WARDEN, USP, FLORENCE, CO.
	CIA (WARDEN) FED MEDICAL CENTER CARSWELL, TX.
	CIA (WARDEN) U.S. PENITENTIARY, ALLENWOOD, PA.
	CORRECTIONAL INSTITUTION ADMIN (WARDEN).
	CORRECTIONAL PROGRAM OFFICER.
OFFICE OF CORRECTIONAL PROGRAMS	ASST DIR CORRECTIONAL PROGRAMS DIV.
NORTHEAST REGION	REGIONAL DIRECTOR.
	WARDEN, LEWISBURG, PA.
	WARDEN DANBURY CONN.
	WARDEN, MCKEAN, PA.
	SENIOR DEPUTY REGIONAL DIRECTOR.
	CORRECTIONAL INST ADMR (WARDEN), DAKDALE, LA.
SOUTHEAST REGION	REGIONAL DIRECTOR.
	WARDEN ATLANTA.
	WARDEN, LEXINGTON KENTUCKY.
	WARDEN BUTNER NORTH CAROLINA.
NORTH CENTRAL REGION	REGIONAL DIRECTOR.
	WARDEN LEAVENWORTH KANSAS.
	WARDEN SPRINGFIELD MO.
	WARDEN MARION IL.
	WARDEN TERRE HAUTE, IN.
	CORRECTIONAL INSTITUTION ADMR.
	WARDEN, FED CORRECTIONAL INSTITUTION.
	CORRECTIONAL INSTITUTION ADMR (WARDEN).
SOUTH CENTRAL REGION	REGIONAL DIRECTOR.
	WARDEN EL RENO OKLA.
	WARDEN MEMPHIS TN.
WESTERN REGION	REGIONAL DIRECTOR.
	WARDEN TERMINAL ISLAND, CA.
	WARDEN, LOMPOC, CA.
	WARDEN PHOENIX AZ.
	WARDEN FEDERAL CORRECTIONAL INSTITUTION.
OFC OF JUSTICE PROGRAMS	COMPTROLLER, OFC OF THE COMPTROLLER.
NATIONAL INSTITUTE OF JUSTICE	ASST DIR, OFC OF DEV TESTING & DISSEMINATION.
BUREAU OF JUSTICE STATISTICS	DEPUTY DIR, BUREAU OF JUSTICE STATISTICS.
U.S. MARSHALS SERVICE	SR MGT COUNSEL (FEDERAL BUREAU OF PRISONS).
	ASSOCIATE DIRECTOR FOR ADMINISTRATION.
	ASSOCIATE DIRECTOR FOR OPERATIONS.
	ASSISTANT DIRECTOR FOR HUMAN RESOURCES.
	SPECIAL PROJECTS OFFICER.
	ASSOCIATE DIRECTOR FOR OPERATIONS SUPPORT.
	ASSOCIATE DIRECTOR FOR ADMINISTRATIVE SERV.
	ASST DIR FOR RESEARCH & DEVELOPMENT.
	ASSOC DIRECTOR FOR OPERATIONAL SUPPORT.
	SENIOR MANAGEMENT ADVISOR.
	ASSOCIATE DIRECTOR FOR TRAINING.
DEPARTMENT OF LABOR:	
OFC OF THE INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	ASST INSPECTOR GEN FOR AUDIT.
	DEPUTY ASSISTANT INSPECTOR GENERAL FOR AUDIT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIR OFC RESOURCE MGNT & LEGISLATIVE ASSMT.
	ASST INSPECTOR GEN FOR LABOR RACKETEERING.
	COUNSEL TO THE INSPECTOR GENERAL.
OFFICE OF LABOR-MANAGEMENT STANDARDS	DIR OFC OF ELECT TRUSTSHP/INTERN'L UNION AUDIT.
	DIRECTOR, OFC OF POLICY & PROGRAM SUPPORT.
OFFICE OF THE SOLICITOR	DEPUTY SOLICITOR (REGIONAL OPERATIONS).
	ASSOCIATE SOLICITOR FOR LABOR-MANAGEMENT LAWS.
	ASSOC SOLICITOR FOR PLAN BENEFITS SECURITY.
	ASSOC SOLICITOR FOR CIVIL RIGHTS.
	ASSOC SOLICITOR FOR OCCUPATIONAL SAFETY & HLT.
	ASSOC SOLICITOR FOR MINE SAFETY & HEALTH.
	ASSOC SOLICITOR FOR FAIR LABOR STANDARDS.
	ASSOC SOLICITOR FOR EMPLOYEE BENEFITS.
	ASSOC SOL FOR SPEC APPEL & SUP COURT LIT.
	DEP SOLICITOR FOR PLANNING AND COORDINATION.
	DIR, OFFICE OF MANAGEMENT.
	ASSOCIATE SOLICITOR FOR BLACK LUNG BENEFITS.
REGIONAL SOLICITORS	REGIONAL SOLICITOR.
	REGIONAL SOLICITOR REGION IV-ATLANTA.
	REGL SOLICITOR BOSTON.
	REGL SOLICITOR NEW YORK.
	REGIONAL SOLICITOR PHILADELPHIA.
	REGL SOLICITOR DALLAS.
	REGL SOLICITOR KANSAS CITY.
	REGL SOLICITOR SAN FRANCISCO.
OAS FOR ADMINISTRATION AND MANAGEMENT	ASST SEC'Y FOR ADMIN & MGMT.
	DEP ASST SEC FOR ADM AND MGMT.
	DIR OF MANAGEMENT POLICY AND SYSTEMS.
	DIRECTOR OF HUMAN RESOURCES.
	DEPUTY DIRECTOR OF HUMAN RESOURCES.
	DIRECTOR, DIRECTORATE OF CIVIL RIGHTS.
	DIR NATL CAPITAL SERVICE CENTER.
	DIRECTOR OF INFORMATION RESOURCES MANAGEMENT.
	DIR, ADMINISTRATIVE & PROCUREMENT PROGRAMS.
	DIRECTOR, DOL ACADEMY.
	DIRECTOR OFFICE OF BUDGET.
	DEPUTY CHIEF FINANCIAL OFFICER.
	DIR OFC OF FIN INTEGRITY.
OFFICE OF MANAGEMENT, ADMINISTRATION AND PLANNING	DIR OFC OF MGMT, ADMINISTRATION AND PLANNING.
OFC OF FEDERAL CONTRACT COMPLIANCE PROGRAMS	DIRECTOR DIVISION OF PROGRAMS OPERATIONS.
WAGE AND HOUR DIVISION	ASST ADMIN FOR POLICY PLANNING & REVIEW.
	DEP WAGE & HOUR ADMIN.
OFC OF WORKERS COMPENSATION PROGRAMS	DIR FEDERAL EMPLOYEES COMPENSATION.
	DIR COAL MINE WORKERS COMPENSATION.
PENSION & WELFARE BENEFITS ADMINISTRATION	DIRECTOR OF ENFORCEMENT.
	DIR OF REGULATIONS & INTERPRETATIONS.
	DIRECTOR OF PROGRAM SERVICES.
	DEPUTY DIRECTOR OF PROGRAM SERVICES.
	SENIOR DIR OF POLICY & LEGISLATIVE ANALYSIS.
	DEP ASST SECY FOR PROGRAM OPERATIONS.
	DIRECTOR OF EXEMPTION DETERMINATIONS.
	SENIOR POLICY ADVISOR.
	DIR OF ENFORCEMENT.
BUREAU OF LABOR STATISTICS	DEPUTY COMMISSIONER.
	ASSOCIATE COMMISSIONER FOR FIELD OPERATIONS.
	ASSOC COMMR FOR PUBLICATIONS & SPEC STUDIES.
DATA ANALYSIS	ASSOC COMMR, ECONOMIC GROWTH.
	ASSOC COMR FOR PRICES AND LIVING CONDITIONS.
	ASSOC COMMR PRODUCTIVITY & TECHNOLOGY.
	ASSOC COMR FOR RESEARCH & EVALUATION.
	ASSOC COMM FOR EMPLOYMENT & UNEMPL STATISTICS.
	ASST COMMR FOR CONSUMER PRICES & PRICE INDEXES.
	ASST COMMR FOR INDUST PRICES & PRICE INDEXES.
	ASSISTANT COMMISSIONER FOR ECONOMIC RESEARCH.
	ASST COMMISSIONER FOR FEDERAL-STATE PROGRAMS.
	ASST COMMISSIONER FOR CURRENT EMPLOY ANALYSIS.
	ASST COMR FOR COMPENSATION LEVELS & TRENDS.
	ASST COMR FOR SAFETY, H & W CONDITIONS.
	ASSOC COMR COMPENSATION & WORKING CONDITIONS.
	ASST COMM FOR SURVEY METHODS RESEARCH.
	ASST COMM FOR INTERNATIONAL PRICES.
ADMINISTRATIVE AND INTERNAL OPERATIONS	DEP COMM FOR ADM AND INTERNAL OPERATIONS.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASSISTANT COMMISSIONER FOR ADMINISTRATION.
	DIRECTOR OF SURVEY PROCESSING.
	DIR OF TECHNOLOGY & COMPUTING SVCS.
	ASST COMR FOR TECHNOLOGY & SURVEY PROCESSING.
	DIR QUALITY & INFO MANAGEMENT.
OFFICE OF WORK-BASED LEARNING	DIRECTOR, OFC OF TRADE ADJUSTMENT ASSISTANCE.
OFFICE OF FINANCIAL & ADMINISTRATIVE MANAGEMENT	COMPTROLLER.
	ADMR, OFC OF FINANCIAL & ADMINISTRATIVE MGMT.
	DIR, OFC OF INFORMATION RESOURCES MANAGEMENT.
ADMINISTRATIVE PROGRAMS	DIR, ADM PROGS.
HEALTH STANDARDS PROGRAMS	DIR HEALTH STANDARDS PROGRAMS.
SAFETY STANDARDS PROGRAMS	DIRECTOR SAFETY STANDARDS PROGRAMS.
FEDERAL/STATE OPERATIONS	DIRECTOR, FEDERAL/STATE OPERATIONS.
TECHNICAL SUPPORT	DIRECTOR, TECHNICAL SUPPORT.
MINE SAFETY AND HEALTH ADMINISTRATION	CHF OF STANDARDS, REGULATIONS & VARIANCES.
	DIRECTOR OF ADMINISTRATION AND MANAGEMENT.
	DIRECTOR OF TECHNICAL SUPPORT.
MERIT SYSTEMS PROTECTION BOARD:	
OFFICE OF THE BOARD	DEPUTY GENERAL COUNSEL.
	CLERK OF THE BOARD.
OFC OF THE EXECUTIVE DIRECTOR	EXECUTIVE DIRECTOR.
	DEPUTY EXECUTIVE DIRECTOR.
	DIRECTOR, OFFICE OF POLICY & EVALUATION.
	DIRECTOR, OFFICE OF ADMINISTRATION.
	DIR, OFFICE OF MANAGEMENT ANALYSIS.
	DIRECTOR, OFFICE OF REGIONAL OPERATIONS.
REGIONAL OFFICES	REGIONAL DIRECTOR, SAN FRANCISCO.
	REGIONAL DIRECTOR, CHICAGO.
	REGIONAL DIRECTOR, ATLANTA.
	REGIONAL DIRECTOR, PHILADELPHIA.
	REGIONAL DIRECTOR, DALLAS.
	REGIONAL DIRECTOR, WASHINGTON, D.C.
NATIONAL AERONAUTICS AND SPACE ADMINISTRATION:	
OFC OF THE ADMINISTRATOR	DIR, BENCHMARKING & EXTERNAL PROGRAMS DIV.
	ASSOCIATE DEPUTY ADMINISTRATOR (TECHNICAL).
	TECHNICAL ASSISTANT TO THE CHIEF ENGINEER.
	DEPUTY CHIEF ENGINEER.
OFFICE OF THE CHIEF FINANCIAL OFFICER/COMPTROLLER	ASSISTANT COMPTROLLER FOR SYSTEMS ANALYSIS.
	DEPUTY CHIEF FINANCIAL OFFICER.
	DIRECTOR, FINANCIAL MANAGEMENT DIVISION.
	DIRECTOR, RESOURCES ANALYSIS DIVISION.
	DEPUTY DIRECTOR FOR PROGRAM RESOURCES.
	ASST COMPTROLLER FOR PROG S & C ASSESSMENT.
OFFICE OF EQUAL OPPORTUNITY PROGRAMS	DIRECTOR, DISCRIMINATION COMPLAINTS DIVISION.
	SPECIAL ASSISTANT TO ASSOCIATE ADMINISTRATOR.
	DIRECTOR, MULTICULTURAL PROG & SUPPORT DIV.
	TECHNICAL ADVISOR FOR SR M QA INITIATIVES.
OFFICE OF HUMAN RESOURCES & EDUCATION	ASSOCIATE ADMINISTRATOR FOR HUMAN RESOURCES.
	DIRECTOR, EDUCATION DIVISION.
	DIRECTOR, PERSONNEL DIVISION.
	DIRECTOR, MANAGEMENT SYSTEMS DIVISION.
	DEP ASSOC ADM FOR HUMAN RES & EDUCATION.
	DIRECTOR, NATIONAL SERVICE OFFICE.
	SPECIAL ASST TO THE ASSOCIATE ADMR.
OFFICE OF PROCUREMENT	ASST ADMR FOR PROCUREMENT.
	DIRECTOR, PROGRAM OPERATIONS DIVISION.
	DIRECTOR, PROCUREMENT POLICY DIVISION.
	DIR PROCUREMENT MANAGEMENT DIVISION.
	DEP ASSISTANT ADMINISTRATOR FOR PROCUREMENT.
	DIR CONTRACT PRICING & FINANCE OFFICE.
	SPEC ASST TO THE ASSOC ADMR FOR PROCUREMENT.
	DIR CONTRACT MANAGEMENT DIVISION.
	DIRECTOR HEADQUARTERS AQUISITION DIVISION.
OFFICE OF POLICY COORDINATION & INTERNATIONAL RELATIONS.	DIRECTOR OF SPECIAL STUDIES.
	CHF, U S CIVIL & INTL PAYLOADS BRANCH.
	DEP DIR INDUSTRY AFFAIRS DIVISION.
	DEP ASSOC ADMIN FOR POL COOR & INTEL RELATION.
SPECIAL STUDIES	MANAGER, FLIGHT REQUIREMENTS & ANALYSIS.
	DEP DIR TRANSPORTATION SERVICES DIVISION.
	DIR TRANSPORTATION SERVICES OFFICES.
DEFENSE AFFAIRS	MANAGER NATIONAL SECURITY & DOD AFFAIRS.
	ASST DIR FOR INDUSTRY & TECHNOLOGY.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
SPACE FLIGHT	DEP DIR, INTERNATIONAL RELATIONS DIVISION.
	DEP SPACE STATION SUPPORT.
	SPEC ASST TO THE DIR INTL RELATIONS DIV.
	SPECIAL ASSISTANT TO THE DIRECTOR.
	DEP ASSOC ADM FOR SPACE STATION FREEDOM.
POLICY COORDINATION	DIRECTOR, SHUTTLE CARRIER SYSTEMS DIVISION.
	MANAGER, HEAVY LIFT LAUNCH VEHICLE.
INTERNATIONAL RELATIONS	DEPUTY MANAGER, INTERNATIONAL PROGRAMS.
	ASSISTANT MANAGER, INTERNATIONAL PROGRAM OFC.
	MANAGER, INTERNATIONAL PROGRAM OFFICE.
	CHIEF, SHUTTLE PROPULSION.
	DIR, PROGRAM PLANNING & CONTROL DIVISION.
	SPECIAL ASST TO THE DIRECTOR.
ORGANIZATION ABOLISHED	CHIEF, SHUTTLE SYSTEMS BRANCH.
	DEP DIR, SYST ENG & ANALYSIS DIVISION.
	CHIEF, SHUTTLE ORBITER/GFE.
ORGANIZATION ABOLISHED	CHIEF, KSC PROJECTS.
	DIRECTOR, OPERATIONS UTILIZATION DIVISION.
ORGANIZATION ABOLISHED	DIR ENGINEERING DIVISION.
ORGANIZATION ABOLISHED	MANAGER, SPECIAL PROJECTS OFFICE.
	DEPUTY MANAGER SPECIAL PROJECTS OFFICE.
ORGANIZATION ABOLISHED	MANAGER SPACE OPERATIONS OFFICE.
	DEP MANAGER, UTILIZATION & OPERATIONS OFFICE.
	MANAGER GROUND OPERATIONS AND LOGISTICS.
	MANAGER MISSION INTEGRATION.
	MANAGER PAYLOAD INTEGRATION.
ORGANIZATION ABOLISHED	DEP MGR MGT INTEGRATION OFFICE.
	MANAGER TECH MGMT & INFO SYSTEM OFFICE.
	MANAGER, MANAGEMENT INTEGRATION OFFICE.
OFFICE OF MANAGEMENT SYSTEMS & FACILITIES	DEP DIR WIND TUNNEL PROJECT.
	TECHNICAL ASSISTANT TO DEPUTY DIRECTOR.
	DEP MGR SPACE STATION FREED PROG & OPERATIONS.
	DEP DIR. SPACE STATION FREEDOM P & OPS.
SECURITY, LOGISTICS & INDUSTRIAL RELATIONS	SPEC ASST TO THE DIR LOGIS AIRCRAFT SEC OFC.
	PROGRAM MANAGER
	CHIEF, INFORMATION SYST & TECHNOL OFFICE.
	DIR. LOGISTICS & SECURITY DIVISION.
AIRCRAFT MANAGEMENT	DIRECTOR, AIRCRAFT MANAGEMENT OFFICE.
INFORMATION RESOURCES MANAGEMENT	DIRECTOR, INFORMATION RESOURCES MGMT DIVISION.
	DEP DIR, INFORMATION RES MGMT DIVISION.
	DIRECTOR AUTOMATED INFO MGMT. PROG OFC.
FACILITIES ENGINEERING	DIR, FAC UTILIZATION, M & E COMPLIANCE DIV.
	DIR FACILITIES PLAN & CONSTRUCTION DIVISION.
	DEPUTY DIRECTOR, FACILITIES ENGINEERING DIV.
	DIRECTOR, FACILITIES ENGINEERING DIVISION.
OFFICE OF SMALL & DISADVANTAGED BUSINESS UTILIZATION.	MANAGER, UTILIZATION & OPERATIONS OFFICE.
	ASSOC ADMR FOR S & D BUSINESS UTILIZATION.
	CHIEF, TECHNOLOGY UTILIZATION.
OFFICE OF LEGISLATIVE AFFAIRS	CHIEF FINANCIAL OFFICER FOR SPACE STATION.
	DEP ASSOC ADMIN.
	DEP ASSOC ADMIN FOR PROGRAMS.
OFFICE OF SPACE FLIGHT	DEPUTY MANAGER PROGRAM ENGINEERING OFFICE.
	MANAGER SYSTEMS ENGINEERING OFFICE.
	MANAGER SYSTEM INTEGRATION.
	SPECIAL ASST TO THE ASSOC ADMR.
	TECH ASST TO DEP ASSOC ADMIN FOR SPACE SHUTTLE.
	MANAGER FOR INTEGRATION.
	MANAGER AVIONICS SYSTEMS.
POLICY & PLANS	DIR POLICY & PLANS.
	MANAGER, MAN-TENDED CAPABILITY.
	DIRECTOR, MISSION OPERATIONS.
INSTITUTIONS	DIRECTOR, RESOURCES MANAGEMENT DIVISION.
	DIR INSTITUTIONS.
	MGR. INSTITUTIONAL PLANNING & OPERATIONS.
CHIEF ENGINEER	MANAGER SYSTEMS ENGINEERING INTEGRATION.
	TECH ASST TO THE CHIEF ENGINEER.
	DEPUTY CHIEF ENGINEER.
	MANAGER PAYLOAD INTEGRATION & UTILIZATION OFC.
MISSION DIRECTOR	DEP ASSOC ADMR FOR SPACE FLIGHT (RUSSIAN AFS).
	ASST MISSION DIR MIR.
SPACE SHUTTLE PROGRAM	MANAGER NATL SPACE TRANS SYST ENG INTEGRATION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEPUTY MANAGER FOR INTEGRATION.
	MGR. NATL SPACE TRANS SYST INTEGRATION & OPS.
	ASSISTANT DIRECTOR FOR SPACE SHUTTLE PROGRAM.
	MGR. ASSURED SHUTTLE AVAILABILITY.
	TECHNICAL ASST TO THE ASSOC ADMIR.
	MANAGER, SHUTTLE PROJECTS OFFICE (MSFC).
	MANAGER SPACELAB.
	MANAGER LAUNCH INTEGRATION (KSC) SPACE SHUTTLE.
	DIRECTOR, SPACE SHUTTLE OPERATIONS
	MANAGER, PROGRAM CONTROL (JSC).
SPACE STATION PROGRAM	DIR SPACE STATION OPNS & UTILIZATION DIV.
	MANAGER STRATEGIC UTILIZATION & OPS OFFICE.
	SPACE STATION PROGRAM MANAGER.
	CHIEF UTILIZATION.
	SPACE STATION VEHICLE MANAGER.
	BUSINESS MANAGER, SPACE STATION PROGRAM OFC.
	DEPUTY DIRECTOR, SPACE STATION PROGRAM.
JOHNSON SPACE CENTER	DEP MANAGER, ORBITER & GFE PROJECTS OFFICE.
	COMPTROLLER.
	ASSISTANT DIRECTOR (PLANS).
	DIR OF PUBLIC AFFAIRS.
	SPEC ASST FOR ENGINEERING OPERATIONS & SAFETY.
	MANAGER FOR TECHNICAL PROJECTS.
	DEPUTY MANAGER FOR INTEGRATION.
	DIRECTOR OF HUMAN RESOURCES.
	MANAGER NEW INITIATIVES OFFICE.
	DEP MGR, SPACE STATION PROJECTS OFFICE.
	MANAGER, ORBITER AND GFE PROJECTS OFFICE.
	DEPUTY MANAGER FOR PROJECT CONTROL.
	SPEC ASST FOR COMMUNITY R&S PROJECTS.
	DIR OF TECH TRANSFER & COMMERCIALIZATION.
	CHIEF INFORMATION OFFICER.
	DEPUTY CHIEF INFORMATION OFFICER.
MISSION OPERATIONS	ASSISTANT DIRECTOR, MISSION OPERATIONS.
	DIRECTOR, MISSION OPERATIONS.
	DEPUTY ASST DIR FOR PROGRAM SUPPORT.
	CHIEF FLIGHT DIRECTOR OFFICE.
	DEPUTY DIRECTOR, MISSION OPERATIONS.
	ASSISTANT DIRECTOR FOR PROGRAM SUPPORT.
	CHIEF, SPACE STATION GROUND SYSTEMS DIVISION.
	ASST DIR FOR SPACE SHUTTLE PROGRAM.
	CHIEF, SPACE SHUTTLE GROUND SYST DIVISION.
	CHIEF INTEGRATED PLANNING SYSTEM OFFICE.
	CHIEF, SIMULATOR & TRAINING SYSTEMS DIVISION.
	SPECIAL ASST FOR MANAGEMENT INTEGRATION.
FLIGHT CREW OPERATIONS	CHIEF, AIRCRAFT OPERATIONS DIVISION.
	DEP DIR, FLIGHT CREW OPERATIONS.
	MANAGER ASSURED CREW RETURN VEHICLE PROJECT.
ENGINEERING	DEPUTY DIRECTOR, ENGINEERING.
	CHIEF STRUCTURES AND MECHANICS DIVISION.
	CHIEF, CREW & THERMAL SYSTEMS DIVISION.
	CHIEF, AUTOMATION AND ROBOTICS DIVISION.
	CHIEF, SYSTEMS ENGINEERING DIVISION.
	ASSOCIATE DIRECTOR, ENGINEERING.
	DIRECTOR, ENGINEERING.
	CHIEF ENGINEER, NEW INITIATIVES.
	CHIEF TRACKING & COMMUNICATIONS DIVISION.
	DEPUTY MANAGER, ENGINEERING TECHNOL OFFICE.
	ASSISTANT TO THE DIRECTOR.
	CHIEF, NAVIGATION, CONTRL & AERONAUTICS DIV.
SPACE & LIFE SCIENCES	CHIEF, MEDICAL SCIENCES DIVISION.
	ASSISTANT DIRECTOR FOR ENGINEERING.
	ASSISTANT TO THE DIRECTOR FOR RUSSIAN PROGS.
	CHF, MAN-SYSTEMS DIVISION.
	ASSISTANT DIRECTOR FOR SPACE SCIENCE.
	DEPUTY DIRECTOR, SPACE AND LIFE SCIENCES.
	DIRECTOR, RUSSIAN PROGRAMS.
INFORMATION SYSTEMS	DIR INFO SYSTEMS OFFICE.
	DIRECTOR INFORMATION SYSTEMS.
	DEPUTY DIRECTOR, INFORMATION SYSTEMS.
BUSINESS MANAGEMENT	DIRECTOR OF PROCUREMENT.
	ASST DIR ADMINISTRATION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	SPECIAL ASSISTANT TO THE DIRECTOR.
	ASSISTANT TO THE DIRECTOR.
CENTER OPERATIONS	DEPUTY DIR CENTER OPERATIONS.
	DEPUTY DIRECTOR, ADMINISTRATION.
	DIR CENTER OPERATIONS.
	DEPUTY DIRECTOR CENTER OPERATIONS.
	DEPUTY DIRECTOR, CENTER OPERATIONS.
SAFETY, RELIABILITY & QUALITY ASSURANCE	DIR, SAFETY, RELIABILITY, & QUALITY ASSURANCE.
	DEP DIR, SAFETY, RELIABILITY & QUAL ASSURANCE.
WHITE SANDS TEST FACILITY	MANAGER, NASA WHITE SANDS TEST FACILITY.
KENNEDY SPACE CENTER	DIR, EXEC MANAGEMENT OFC.
	DIR PUBLIC AFFAIRS.
	ASSOCIATE DIRECTOR.
	ASSOCIATE DIRECTOR.
	DEPUTY CONTROLLER.
	SPEC ASST TO THE CENTER DIRECTOR.
SHUTTLE MANAGEMENT & OPERATIONS	DIRECTOR, SHUTTLE OPERATIONS.
	DIR, SHUTTLE LOGISTICS PROJECT MANAGEMENT.
	DIR OF SPACE TRANS SYSTEM MGMT & OPERATIONS.
	DIRECTOR, GROUND ENGINEERING.
	DEP MANAGER, SPACE SHUTTLE SYST INTEGRATION.
SAFETY, RELIABILITY & QUALITY ASSURANCE	DIRECTOR, SAFETY AND RELIABILITY.
	DIR MISSION ASSURANCE.
	DIRECTOR, QUALITY ASSURANCE.
	DIRECTOR MISSION ASSURANCE.
ENGINEERING DEVELOPMENT	DEPUTY DIRECTOR OF ENGINEERING DEVELOPMENT.
	DIR, MECHANICAL ENGINEERING.
	DIRECTOR, ELECTRONIC ENGINEERING.
INSTALLATION MANAGEMENT & OPERATIONS	DIRECTOR OF CENTER SUPPORT OPERATIONS.
	DIRECTOR, FACILITIES ENGINEERING.
	DEPUTY DIR, OF INSTALLATION MGMT & OPERATIONS.
PAYLOAD MANAGEMENT & OPERATIONS	DIRECTOR, STS PAYLOAD OPERATIONS.
	MANAGER SPACE STATION PROJECTS OFFICE.
	DEPUTY DIR, OF PAYLOAD MGMT & OPERATIONS.
	DIRECTOR, EXPENDABLE VEHICLES.
PROCUREMENT	DIRECTOR, PROCUREMENT.
BIOMEDICAL OPERATIONS & RESEARCH	CHF., BIOMEDICAL OFFICE.
MARSHALL SPACE FLIGHT CENTER	DIR, SYSTEMS SAFETY & RELIABILITY OFFICE.
	DIRECTOR, PROCUREMENT OFFICE.
	COMPTROLLER.
	ASSOC DIR FOR ADVANCED PLANNING.
	DIRECTOR, SAFETY & MISSION ASSURANCE OFFICE.
	DIR, HUMAN RES & ADMINISTRATIVE SUPPORT OFC.
	ASSOCIATE DIRECTOR.
	ASSISTANT TO THE ASSOCIATE DIRECTOR.
	ASSISTANT TO THE CENTER DIR FOR SPACE STATION.
PROGRAM DEVELOPMENT	DEPUTY DIRECTOR, PROGRAM DEVELOPMENT.
	DIRECTOR, PRELIMINARY DESIGN OFFICE.
	DEPUTY MANAGER, TECHNOLOGY TRANSFER OFFICE.
	DIR, RESEARCH & TECHNOLOGY OFFICE.
SCIENCE & ENGINEERING	CHIEF, PROPULSION & POWER DIVISION.
	DIRECTOR, SPACE SCIENCES LAB.
	DIRECTOR, PROPULSION LABORATORY.
	DIRECTOR, SYST ANAL & INTEGRATION LABORATORY.
	DEPUTY DIRECTOR, SPACE SCIENCE LABORATORY.
	DEP DIR STRUCTURES & DYNAMICS LABORATORY.
	DEPUTY DIR, MATERIALS & PROCESSES LABORATORY.
	DEP DIR, MISSION OPERATIONS LABORATORY.
	DEP DIR, SYST ANAL & INTEGRATION LABORATORY.
	DEPUTY DIRECTOR, PROPULSION LABORATORY.
	DIR ASTRIONICS LABORATORY.
	DEPUTY DIRECTOR FOR SPACE SYSTEMS.
	DIR STRUCTURES DYNAMICS LABORATORY.
	CHIEF ENGINEER SPACE SHUTTLE MAIN ENGINE PROJ.
	MANAGER, MANAGEMENT INTEGRATION.
	ASSISTANT TO THE DIRECTOR, S & E.
	DIR, MATERIALS & PROCESSES LABORATORY.
	DEP DIR FOR SPACE TRANSPORTATION SYSTEMS.
	MANAGER SPACE STATION FURNACE FACILITY.
	CHIEF ENGINEER HEAVY LIFT LAUNCH VEHICLE.
	MANAGER SPACE TRANSPORTATION MAIN ENGINE SYS.
	DEPUTY MANAGER FOR DEVELOPMENT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASSOC DIR SCI & ENGINEERING DIRECTORATE.
	DIR ADV TRANSPORTATION TECHN OFFICE.
	DIRECTOR, MISSION OPERATIONS LABORATORY.
	DEP MANAGER SUPER LIGHTWEIGHT EXTERNAL TANK.
INSTITUTIONAL & PROGRAM SUPPORT	DIR, INSTITUTIONAL & PROGRAM SUPPORT.
	DEP DIR, INSTITUTIONAL & PROGRAM SUPPORT.
	DIRECTOR, FACILITIES OFFICE.
	ASST DIR FOR DATA SYSTEMS.
SPACE SHUTTLE PROJECTS	MANAGER, SPACE STATION PROJECTS OFFICE.
	MANAGER, EXTERNAL TANK PROJECT.
	MGR SOLID ROCKET BOOSTER PROJECT.
	MANAGER SPACE SHUTTLE MAIN ENGINE PROJECTS.
	MANAGER, ADV X-RAY ASTROPHYSICS FACILITY-S.
	MGR REDESIGN SOLID ROCKET MOTOR PROJECT.
	DEPUTY MANAGER FOR ADVANCED LAUNCH SYSTEM.
	CHIEF ENGINEER, SPACE STATION PROJECTS.
	MGR, ADVANCED SRMP SPACE SHUTTLE PROJECTS OFC.
	DEPUTY MANAGER SPACE STATION PROJECTS OFFICE.
SCIENCE & APPLICATIONS PROJECTS	MANAGER, GLOBAL HYDROLOGIC PROJECTS.
	MANAGER MICROGRAVITY PROJECTS.
	MANAGER AUTOMATED RENDEZVOUS & CAPTURE PROJ.
OBSERVATORY PROJECTS	MANAGER, OBSERVATORY PROJECTS OFFICE.
	DEP MGR, OBSERVATORY PROJECTS OFFICE.
	MGR, ADVANCED X-RAY ASTROPHYSICS FACILITY-I.
	CHIEF, OBSERVATORIES DEVELOPMENT BRANCH.
PAYLOAD PROJECTS	DEP MANAGER PAYLOAD PROJECTS OFFICE.
TECHNOLOGY TRANSFER	DIRECTOR, TECHNOLOGY TRANSFER OFFICE.
	MGR EARTH & SPACE SCIENCES PROJECTS.
STENNIS SPACE CENTER	DIR SCI & TECH LAB.
	DIRECTOR, CENTER OPERATIONS.
	DEPUTY DIRECTOR, NASA STENNIS SPACE CENTER.
	ASSOC DIRECTOR FOR INSTITUTION.
	DIR, PROPULSION TEST OPERATIONS.
	DIR INFOR MANAGEMENT SYSTEMS.
OFFICE OF SPACE COMMUNICATIONS	MANAGER, WHITE SANDS SPACE NETWORK COMPLEX.
	CHIEF, COMMUNICATIONS SYSTEMS BRANCH.
GROUND NETWORKS	ASSISTANT ASSOCIATE ADMINISTRATORS (PLANS).
	DIR PROGRAM INTEGRATION DIVISION.
	SPECIAL ASST (OPERATIONS).
PROGRAM INTEGRATION	DIR. COMMUNICATIONS & DATA SYSTEMS DIV.
COMMUNICATIONS & DATA SYSTEMS	DIR. GROUND NETWORK DIVISION.
	DEP DIR. GROUND NETWORK DIVISION.
SPACE NETWORK	DEPUTY DIRECTOR SPACE NETWORK DIVISION.
OFFICE OF SAFETY & MISSION ASSURANCE	DIRECTOR, SAFETY DIVISION.
	DIR. SOFTWARE INDEPENDENT V & V FACILITY.
	DIR. RELIABILITY, M/Q ASSURANCE DIVISION.
	DEP ASSOC ADM FOR SAFETY & MISSION QUALITY.
	DIR TECHNICAL STANDARDS DIVISION.
	DIRECTOR, PROGRAMS ASSURANCE DIVISION.
	MGR INTL SP STN INDEP A & O ACT.
	DIRECTOR, PAYLOADS & AERONAUTICS DIVISION.
	DIRECTOR, QUALITY MANAGEMENT OFFICE.
OFFICE OF AERONAUTICS	DIRECTOR STRATEGY & POLICY OFFICE.
	DEP ASSOC ADMIN FOR AERONAUTICS MGMT.
	MANAGER TECHNOLOGY TRANSFER.
RESOURCES & MANAGEMENT SYSTEMS	DIR, RESOURCES & MANAGEMENT SYSTEMS OFFICE.
HIGH PERFORMANCE COMPUTING & COMMUNICATIONS	MGR HIGH-PERFORMANCE COMPUTING/COMMUNICATIONS.
HIGH PERFORMANCE AIRCRAFT	ASST DIR FOR AERONAUTICS SUBSONIC AIRCRAFT.
HIGH SPEED RESEARCH	ASST DIR FOR AERONAUTICS (H-S AIRCRAFT).
	DEPUTY DIR AERODYNAMICS DIVISION.
INSTITUTIONS	ASST DIRECTOR FOR INSTITUTIONS (FACILITIES).
	ASST DIR FOR INSTITUTION (INFORMATION SYST).
	DIRECTOR, INSTITUTIONS DIVISION
NATIONAL AERO-SPACE PLANE	NASA DEP PROG MGR, NATL AERO-SPACE PLANE PROG.
	DEP PROG MANAGER NATL AERO-SPACE PLANE.
	DEP DIR, NATIONAL AERO-SPACE PLANE OFFICE.
	DIRECTORM NATIONAL AERO-SPACE PLANE.
	ASSISTANT DIRECTOR (PROGRAM DEVELOPMENT).
	DIRECTOR FOR PLANS.
CRITICAL TECHNOLOGIES	DEPUTY DIRECTOR FOR SPACE TECHNOLOGY.
	ASST DIR FOR SPACE (SPACECRAFT TECHNOLOGY).
	DIRECTOR FOR SPACE TECHNOLOGY.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
AMES RESEARCH CENTER	DIRECTOR, CRITICAL TECHNOLOGIES DIVISION.
	COMPTROLLER.
	ASST TO CENTER DIR FOR ADVANCED SYS DESIGN.
	DEPUTY DIRECTOR OF ADMINISTRATION.
	SPECIAL ASST FOR ADVANCED CONCEPTS.
	SPECIAL ASSISTANT FOR PROGRAMS.
AEROSPACE SYSTEMS	CHIEF, AERODYNAMICS DIVISION.
	CHF FLIGHT SYSTEMS & SIMULATION RSCH DIV.
	DEPUTY DIR AEROSPACE SYSTEMS DIRECTORATE.
	CHIEF AIRCRAFT TECHNOLOGY DIVISION.
	MANAGER, ROTORCRAFT TECHNOLOGY PNNG ACTIVITY.
	CHIEF FLIGHT MGMT & HUMAN FACTORS DIVISION.
	ASSOCIATE DIRECTOR FOR AERONAUTICS.
	CHIEF, APPLIED AERODYNAMICS DIVISION.
FLIGHT OPERATIONS	CHIEF, FLUID DYNAMICS DIVISION.
	CHIEF, SCIENCE & APPLICATIONS AIRCRAFT DIV.
	CHF, AMES RESEARCH AIRCRAFT OPERATIONS DIV.
	CHIEF, AIRBORNE SCIENCE & FLIGHT RES DIV.
	DEPUTY CHF, AIRBORNE SCIENCE & FLIGHT RES DIV.
AEROPHYSICS	DEP DIR OF AEROPHYSICS.
	CHIEF AERONAUTICAL T & S DIVISION.
	DEPUTY DIRECTOR OF CENTER OPERATIONS (ADM).
	CHIEF, SPACE TECHNOLOGY DIVISION.
	DEPUTY DIRECTOR OF INFORMATION SYSTEMS.
	CHIEF, SPACE SCIENCE DIVISION.
SPACE RESEARCH	CHIEF, EARTH SYSTEMS SCIENCE DIVISION.
	CHIEF FULL SCALE AERODYNAMICS RESEARCH CENTER.
	CHIEF COMPUTER SYSTEMS & RESEARCH DIVISION.
	CHIEF THERMOSCIENCE DIVISION.
	CHIEF, ADVANCED LIFE SUPPORT DIVISION.
	CHIEF, INFORMATION SCIENCES DIVISION.
	DEPUTY DIRECTOR OF SPACE RESEARCH.
ENGINEERING & TECHNICAL SERVICES	CHF, SYSTEMS ENGINEERING DIV.
	DEP DIRECTOR ENGINEERING & TECH SVCS.
	DEPUTY DIRECTOR OF AERONAUTICS.
DRYDEN FLIGHT RESEARCH CENTER	CHIEF AEROSPACE PROJECTS OFFICE.
	CHIEF RESEARCH ENGINEERING DIVISION.
	ASSOC DIR, DRYDEN FLIGHT RESEARCH FACILITY.
	DEP DIR, NASA AMES RES CENTER DFRF.
	ASST CHIEF, FLIGHT OPERATIONS DIVISION.
FLIGHT OPERATIONS	CHF, FLIGHT OPERATIONS DIVISION.
RESEARCH ENGINEERING	CHF ENGINEER.
LANGLEY RESEARCH CENTER	DEPUTY DIRECTOR FOR MANAGEMENT OPERATIONS.
	CHIEF SCIENTIST.
	CHIEF ENGINEER.
	DIR OF EDUCATION PROGRAMS.
	ASSISTANT DIRECTOR.
AERONAUTICS	DIR OF INTERAGENCY PROGRAMS.
	CHIEF, AERONAUTICS SYSTEMS ANALYSIS DIV.
	CHIEF, ADVANCED VEHICLES DIVISION.
SPACE & ATMOSPHERIC SCIENCES	CHIEF, SPACE SYSTEMS DIVISION.
	CHIEF ATMOSPHERIC SCIENCES DIVISION.
	CHIEF, ADVANCED SPACE CONCEPTS DIVISION.
	DEPUTY DIR, S & A SCIENCES PROGRAM GROUP.
	CHIEF, GAS DYNAMICS DIVISION.
RESEARCH & TECHNOLOGY	CHF. ACOUSTICS DIVISION.
	CHIEF MATERIALS DIVISION.
	CHIEF, STRUCTURAL DYNAMICS DIVISION.
	CHIEF INFORMATION SYSTEMS DIVISION
	CHF, GUIDANCE AND CONTROL DIVISION.
	CHIEF, FLUID MECHANICS DIVISION.
	DEPUTY DIR, RESEARCH & TECHNOLOGY GROUP.
	CHIEF, FLIGHT APPLICATIONS DIVISION.
	CHIEF FLIGHT MANAGEMENT DIVISION.
	MANAGER, SPACE TECHNOLOGY INITIATIVES OFFICE.
	DIRECTOR, RESEARCH & TECHNOLOGY GROUP.
INTERNAL OPERATIONS	DEP DIR FOR SYST ENGINEERING & OPERATIONS.
	CHF., ANALYSIS & COMPUTATION DIVISION.
	CHIEF, PROJECTS DIVISION.
	CHIEF SYSTEMS ENGINEERING DIV.
	DEPUTY DIR. INTERNAL OPS GROUP (FE & O)
	CHIEF FLIGHT ELECTRONICS DIVISION.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	CHIEF INSTRUMENT RESEARCH DIVISION.
	CHIEF EXPERIMENTAL TESTING TECHNOLOGY DIV.
	DEPUTY DIR, FOR ENGINEERING & INFO SYST (IOG).
	CHIEF, AEROSPACE MECHANICAL SYSTEM DIVISION.
	HEAD, PLANNING & RESOURCES MGMT OFFICE.
	CHIEF ENGINEER S E & O.
	CHIEF FACILITIES ENGINEER DIVISION.
HYPERSONIC VEHICLES	DIR, NATIONAL AERO-SPACE PLANE OFFICE.
	CHIEF, FLUID MECHANICS DIVISION.
SAFETY, ENVIRONMENTAL & MISSION ASSURANCE	CHF, SYST SFTY, QUALITY, & RELIABILITY DIV.
COMPTROLLER	COMPTROLLER.
LEWIS RESEARCH CENTER	DIRECTOR OF LEWIS RESEARCH ACADEMY.
AERONAUTICS	CHF, PROPULSION SYSTEMS DIV.
	CHIEF, INSTRUMENTATION & CONTROL TECHNOL DIV.
	CHF, INTERNAL FLUID MECHANICS DIVISION.
	CHIEF TECHNOLOGIST.
	CHF, AEROPROPULSION ANALYSIS OFFICE.
AEROSPACE TECHNOLOGY	CHIEF, SPACE PROPULSION TECHNOLOGY DIVISION.
	CHIEF, STRUCTURAL SYSTEMS DIVISION.
	CHIEF, STRUCTURES DIVISION.
	DEPUTY DIRECTOR OF AEROSPACE TECHNOLOGY.
	CHIEF, SPACE COMMUNICATIONS DIVISION.
	CHIEF, POWER TECHNOLOGY DIVISION.
	CHIEF, INTERDISCIPLINARY TECHNOLOGY OFFICE.
	CHF, AEROPROPULSION FACILITIES & EXPER DIV.
SPACE FLIGHT SYSTEMS	DEP DIR OF SPACE STATION SYSTEMS
	CHF, ADVANCED SPACE ANALYSIS OFFICE.
	MANAGER, ACTS PROJECT OFFICE.
	CHIEF, SPACE EXPERIMENTS DIVISION.
	DEPUTY DIRECTOR OF SPACE FLIGHT SYSTEMS.
	CHIEF, SYSTEMS ENGINEERING & INTEGRATION DIV.
ENGINEERING	CHF, ELECTRONICS & CONTROL SYSTEMS DIVISION.
	CHIEF ELECTRICAL SYSTEMS DIVISION.
	DIRECTOR OF ENGINEERING.
	CHIEF ENGINEER.
	DEPUTY DIRECTOR OF ENGINEERING.
	CHIEF, PROPULSION & FLUID SYSTEMS DIVISION.
ADMINISTRATION & COMPUTER SERVICES	CHIEF, COMPUTER SERVICES DIVISION.
	DIR, ADM & COMPUTER SERVICES DIRECTORATE.
EXTERNAL PROGRAMS	DIRECTOR, EXTERNAL PROGRAMS.
MISSION SAFETY & ASSURANCE	CHF, OFC OF SFTY, RELIABILITY & QUALITY ASSUR.
OFFICE OF SPACE SCIENCE	SPECIAL AST TO THE DEPUTY ASSOC ADMIN.
	ASST ASSOC ADMINISTRATOR (INSTITUTIONS).
	ASST ASSOCIATE ADMR FOR TECHNOLOGY.
	MANAGER, CASSINI PROGRAM.
SOLAR SYSTEM EXPLORATION	DEP ASSISTANT ADMINISTRATOR FOR EXPLORATION.
	ASST DIR FOR SPACE EXPLORATION (PROG DEFIN).
	CHIEF, FLIGHT PROGRAMS BRANCH.
	DEP DIR, SOLAR SYSTEM EXPLORATION DIVISION.
	CHIEF FLIGHT PROGRAMS BRANCH.
SPACE PHYSICS	CHIEF, SOLAR PHYSICS BRANCH.
	DEP DIR, SPACE PHYSICS DIVISION.
	CHIEF FLIGHT PROGRAMS BRANCH.
	DIRECTOR, SPACE PHYSICS DIVISION.
	SPEC ASST FOR SPACE STATION FREEDOM UTLITIZ.
	CHIEF, PLANETARY SCIENCE BRANCH.
TECHNOLOGY & INFORMATION SYSTEMS	CHIEF, MISSION OPS/SMALL MISSIONS DEV BRANCH.
	CHF, HEADQUARTERS INFO SYST & TECHNOL OFFICE.
	CHF, INFORMATION SYSTEMS BRANCH.
LAUNCH VEHICLES	MANAGER, LAUNCH VEHICLES OFFICE.
ASTROPHYSICS	CHF, HIGH ENERGY ASTROPHYSICS BR.
	CHIEF, ASTRONOMY/RELATIVITY BRANCH.
	CHF, ULTRAVIOLET/VISIBLE ASTROPHYSICS BRANCH.
	DEPUTY DIR ASTROPHYSICS DIVISION.
	ASSISTANT DIRECTOR FOR STRATEGIC PLANNING.
	DIRECTOR, RESOURCES ANALYSIS & INTEGRATION.
OFFICE OF CONTINUAL IMPROVEMENT	SPEC ASST FOR EXTERNAL CONT IMPROVEMENT PROGS.
OFFICE OF LIFE & MICROGRAVITY SCIENCES & APPLICATIONS.	DIR, PROPULSION, POWER AND ENERGY DIVISION.
MICROGRAVITY SCIENCE & APPLICATIONS	DEP DIR MICROGRAVITY SCIENCE APPLICATIONS DIV.
	DIRECTOR, PLANNING & ADVANCED PROGRAMS.
	DIR, MICROGRAVITY SCIENCES & APPLICATIONS DIV.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
LIFE & BIOMEDICAL SCIENCES	CHIEF ENVIR SYS & LIFE SUPPORT BRANCH.
	DIR LIFE & BIOMEDICAL SCIENCE & APPLICS DIV.
AEROSPACE MEDICINE & OCCUPATIONAL HEALTH	DIRECTOR, PROGRAM INTEGRATION OFFICE.
FLIGHT SYSTEMS	ASSOCIATE DIRECTOR.
	CHF, SPACE STATION UTILIZATION BRANCH.
	CHIEF MISSION MANAGEMENT BRANCH.
	DEPUTY DIRECTOR, FLIGHT SYSTEMS DIVISION.
	DEPUTY DIR FLIGHT SYSTEMS DIVISION.
	CHIEF, FLIGHT PROGRAMS BRANCH.
OFFICE OF INSPECTOR GENERAL	ASSIST INSPECTOR GENERAL FOR INVESTIGATION.
	ASSISTANT INSPECTOR GENERAL FOR AUDITING.
ORGANIZATION ABOLISHED	DIRECTOR ADMINISTRATION.
OFFICE OF SPACE ACCESS & TECHNOLOGY	MANAGER SYSTEMS INTEGRATION.
	DIR, COMMERCIAL DEVELOPMENT DIVISION.
	CHIEF ENGINEER.
	DEPUTY ASSISTANT ADMINISTRATOR (PROGRAMS).
	DIR. SMALL BUSINESS INNOVATION RES OFFICE.
	TECHNICAL ASSISTANT TO THE DIRECTOR.
	SPECIAL ASST FOR INDUSTRY PLANNING.
	SPECIAL ASST TO THE ASSOC ADMINISTRATOR.
	MANAGER, ORBIT MANEUVERING VEHICLES.
	MANAGER, COMMUNICATIONS EXPERIMENTS.
	DEPUTY ASSOC ADMR FOR SPACE ACCESS & TECHNOL.
	DIRECTOR, COMMERCIAL DEV & TECHNOL TRANSFER.
	MANAGER FOR PROPULSION TECHNOLOGY.
	MANAGER FOR PROGRAM INTEGRATION.
	DIRECTOR, SPACE PROCESSING DIVISION.
	DEPUTY DIRECTOR, MANAGEMENT OPS DIVISION.
	SPECIAL ASST TO THE ASSOC ADMINISTRATOR.
	SPECIAL ASST FOR COMMERCIAL DEVELOPMENT.
	SPECIAL ASSISTANT FOR FACILITIES.
	DEPUTY DIR SPACECRAFT SYSTEMS DIVISION.
	DEPUTY DIR COMMERCIAL DEV & TECHNOL TRANSFER.
OFFICE OF MISSION TO PLANET EARTH	DEP ASSOC ADMR FOR MISSION TO PLANET EARTH.
	SPECIAL ASST FOR INTERGOVERNMENTAL SCI COORD.
FLIGHT SYSTEMS	DIR, FLIGHT SYST AND INSTRUMENT DEVELOPMENT.
OPERATIONS, DATA & INFORMATION SYSTEMS	DIRECTOR, OPERATIONS DATA & INFO SYST DIV.
	DIRECTOR SCIENCE DIVISION.
	CHIEF, EARTH SCIENCE D & I SYSTEM BRANCH.
SCIENCE	CHF, UPPER ATMOSPHERIC R/T CHEMISTRY BRANCH.
	CHF, ATMOSPHERIC DYNAMICS AND RADIATION BR.
GODDARD SPACE FLIGHT CENTER	DIRECTOR OF HUMAN RESOURCES.
	DIR OF UNIVERSITY PROGRAMS.
COMPTROLLER	COMPTROLLER.
MANAGEMENT OPERATIONS	DEP DIR OF MANAGEMENT OPERATIONS.
	ASSOCIATE DIRECTOR FOR ACQUISITION.
FLIGHT ASSURANCE	DIRECTOR OF FLIGHT ASSURANCE.
FLIGHT PROJECTS	DEP ASSOC DIR OF FLIGHT PROJ FOR H–S–T.
	(GOES) PROJECT MANGER.
	DEP DIR FLIGHT PROJECT FOR PLNG BUSINESS MGMT.
	MGR HUBBLE SPACE TELESCOPE OPER & GROUND SYST.
	DEPUTY DIRECTOR FOR INSTITUTIONAL PROJECTS.
	PROJECT MGR. EARTH OBSERVING SYST AM PROJECT.
	ASSOC DIR OF FLT PROJ HUBBLE SPACE TELESCOPE.
	PROJ MGR, INTL SOLAR TERR PHYSICS PROJ (ISTP).
	DIR OF FLIGHT PROJECTS.
	PROJ MGR HUBBLE SPC TELESCOPE SYST & SER.
	ASSOCIATE DIRECTOR OF FLIGHT PROJECTS.
	PROJECT MANAGER METEOROLOGICAL (METSAT) PROJEC.
MISSION OPERATIONS & DATA SYSTEMS	CHIEF, INSTRUMENT DIVISION.
	ASST DIRECTOR FOR SYSTEMS ENGINEERING.
	CHIEF, NASA COMMUNICATIONS DIVISION.
	ASSOC DIR OF MISSION OPERATIONS & DATA SYST.
	DEP DIR OF MISSION OPERATIONS & DATA SYSTEMS.
	CHIEF NETWORKS DIVISION.
	CHIEF, FLIGHT DYNAMICS DIVISION.
	PROJECT MGR, EARTH SCI DATA & INFO SYSTEM.
	CHIEF, MISSION OPERATION DIVISION.
	CHIEF MISSION OPERATIONS DIVISION.
SPACE SCIENCES	CHIEF, LAB FOR ASTRONOMY AND SOLAR PHYSICS.
	CHIEF, LAB FOR EXTRATERRESTRIAL PHYSICS.
	DIRECTOR OF SPACE SCIENCES.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	CHIEF, GODDARD INSTITUTE FOR SPACE STUDIES.
	CHIEF LABORATORY FOR HIGH ENERGY ASTROPHYSICS.
	DEPUTY DIRECTOR OF SPACE SCIENCES.
ENGINEERING	DEP DIR OF ENGINEERING.
	CHF, APPLIED ENGINEERING DIV.
	CHIEF ENGINEER.
	CHIEF, SPECIAL PAYLOADS DIVISION.
	DEP DIR OF FLIGHT ASSURANCE.
	ASST DIR OF ENGINEERING FOR DEVELOPMENT PROJ.
	ASSOCIATE DIRECTOR OF ENGINEERING.
	TRACKING & DATA RELAY SATELLITE TDRS PROJ MGR.
	CHIEF, MECHANICAL SYSTEMS DIVISION.
SUBORBITAL PROJECTS & OPERATIONS	CHIEF, OPERATIONS DIVISION.
	CHF, OPERATIONS DIVISION.
	GLOBAL GEOSPACE SCIENCES (GGS) PROJECT MGR.
EARTH SCIENCES	DEPUTY DIRECTOR OF FLIGHT PROJECTS.
	CHIEF LAB FOR HYDROSPHERIC PROCESSES.
	CHIEF, SPACE DATA AND COMPUTING DIVISION.
	DIR OF MISSION TO PLANET EARTH.
	ASST DIR OF EARTH SCI FOR PROJECTS ENG.
	CHF, LABORATORY FOR ATMOSPHERES.
	DEP DIR (RESOURCES) MISSION TO PLANET EARTH.
	DEPUTY DIRECTOR FOR EARTH SCIENCES.
	DIRECTOR FOR EARTH SCIENCES.
	CHIEF LABORATORY FOR TERRESTRIAL PHYSICS.
OFFICE OF POLICY AND PLANS	DIRECTOR OF SPECIAL PROJECTS.
ORGANIZATION ABOLISHED	MANAGER LAUNCH VEHICLE PROJECT OFFICE.
NATIONAL ARCHIVES & RECORDS ADMINISTRATION:	
NATIONAL ARCHIVES & RECORDS ADMINISTRATION	DEPUTY ARCHIVIST OF THE UNITED STATES.
	ASST ARCHIVIST FOR THE NATIONAL ARCHIVES.
	ASST ARCHIVIST FOR PRESIDENTIAL LIBRARIES.
	ASST ARCHIVIST FOR FEDERAL RECORDS CENTERS.
	DIRECTOR OF THE FEDERAL REGISTER.
	ASST ARCHIVIST FOR RECORDS ADMINISTRATION.
	ASST ARCHIVIST FOR MGT AND ADMINISTRATION.
	DIRECTOR, LYNDON B. JOHNSON LIBRARY.
	DIRECTOR, HARRY S. TRUMAN LIBRARY.
	ASST ARCHIVIST FOR SPEC & REGL ARCHIVES.
	ASSISTANT ARCHIVIST FOR ADMINISTRATIVE SERV.
	ASSISTANT ARCHIVIST FOR POLICY & IRM SERVICES.
NATIONAL CAPITAL PLANNING COMMISSION:	
NATIONAL CAPITAL PLANNING COMMISSION STAFF	EXECUTIVE DIRECTOR.
	DEPUTY EXECUTIVE DIRECTOR.
	DIR OF INTERGOVERNMENTAL & PUBLIC AFFAIRS.
	GENERAL COUNSEL.
NATIONAL ENDOWMENT FOR THE ARTS:	
NATIONAL ENDOWMENT FOR THE ARTS	DIRECTOR OF PROGRAM COORDINATION.
	DIRECTOR OF ADMINISTRATION.
NATIONAL ENDOWMENT FOR THE HUMANITIES:	
NATIONAL ENDOWMENT FOR THE HUMANITIES	DIR, OFFICE OF PLANNING & BUDGET.
	ASST CHAIRMAN FOR OPERATIONS.
NATIONAL LABOR RELATIONS BOARD:	
OFC OF THE BOARD MEMBERS	EXECUTIVE SECY.
	DEPUTY EXECUTIVE SECRETARY.
	INSPECTOR GENERAL.
DIV OF ENFORCEMENT LITIGATION	DEPUTY ASSOC. GEN. COUNSEL APPELLATE COURT BR.
	DIRECTOR, OFFICE OF APPEALS.
DIV OF ADVICE	ASSOCIATE GEN COUNSEL, DIV OF ADVICE.
	DEPUTY ASSOC GEN COUNSEL.
DIV OF ADMINISTRATION	DIRECTOR OF ADMINISTRATION.
	DEPUTY DIRECTOR OF ADMINISTRATION.
DIV OF OPERATIONS MANAGEMENT	ASSOC GENERAL COUNSEL, DIV OF OPERATION-MGMT.
	DEP ASSO GEN COUNSEL, DIV OF OPERATIONS-MGMT.
	ASSISTANT GENERAL COUNSEL.
	ASSISTANT GENERAL COUNSEL.
	ASSISTANT GENERAL COUNSEL.
	ASSISTANT GENERAL COUNSEL.
	ASST TO THE GENERAL COUNSEL.
REGIONAL OFFICES	REGL DIR REG 1 BOSTON.
	REGIONAL DIRECTOR, REG. 2, NEW YORK.
	REGIONAL DIRECTOR, REG. 3, BUFFALO.
	REGL DIR REG 4 PHILADELPHIA.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	REGIONAL DIRECTOR, REG. 5, BALTIMORE.
	REGIONAL DIRECTOR, REG. 6, PITTSBURGH.
	REGL DIR, REGION 7, DETROIT, MICH.
	REGIONAL DIRECTOR, REG. 8, CLEVELAND.
	REGIONAL DIRECTOR, REG. 9, CINCINNATI.
	REGL DIR REG 10 ATLANTA.
	REGL. DIR., REG. 11, WINSTON SALEM.
	REGIONAL DIRECTOR, REG. 12, TAMPA.
	REGIONAL DIRECTOR, REG. 13, CHICAGO.
	REGL DIR REG 14 ST LOUIS.
	REGL DIR REG 15 NEW ORLEANS.
	REGL DIR REG 16 FT WORTH.
	REGL DIR REG 17 KANSAS CITY.
	REGL DIR REG 18 MINNEAPOLIS.
	REGL DIR REG 19 SEATTLE.
	REGIONAL DIR, REG 20, SAN FRANCISCO.
	REGIONAL DIRECTOR, REG. 21, LOS ANGELES.
	REGIONAL DIRECTOR, REG 22 NEWARK.
	REGIONAL DIRECTOR, REG 24 HATO REY, PUERTO RICO.
	REGL DIR, REG 25, INDIANAPOLIS.
	REGL DIR REG 26 MEMPHIS.
	REGL DIR REG 27 DENVER.
	REGL. DIR. REG. 28 PHOENIX.
	REGL DIR REG 29 BROOKLYN.
	REGL DIR REG 30 MILWAUKEE.
	REGL. DIR., REG 32, OAKLAND.
	REGIONAL DIRECTOR, REG. 33 PEORIA, ILL.
	REGL DIR REG 31 LOS ANGELES.
	REGIONAL DIRECTOR REG 34 HARTFORD.
NATIONAL SCIENCE FOUNDATION:	
OFFICE OF THE DIRECTOR	SENIOR SCIENCE ADVISOR.
	EXECUTIVE ASST & SPECIAL COUNSEL
OFFICE OF THE GENERAL COUNSEL	DEPUTY GENERAL COUNSEL.
OFFICE OF PLANNING AND ASSESSMENT	SENIOR STAFF ASSOCIATE PROGRAM EVALUATION.
	SENIOR STAFF ASSOCIATE POLICY ANALYSIS.
	SENIOR ADVISOR.
OFFICE OF POLAR PROGRAMS	MANAGER POLAR OPS SECTION.
	HEAD, POLAR COORDINATION & INFO SECTION.
	DEPUTY OFFICE DIRECTOR.
OFFICE OF THE INSPECTOR GENERAL	INSPECTOR GENERAL.
	ASSISTANT INSPECTOR GENERAL FOR OVERSIGHT.
	DEP INSPECTOR GEN & SENIOR LEGAL ADVISOR.
	ASST INSPECTOR GENERAL FOR AUDIT.
DIRECTORATE FOR GEOSCIENCES	DEPUTY ASST DIR.
	SENIOR SCIENCE ASSOCIATE.
DIVISION OF ATMOSPHERIC SCIENCES	HEAD, NCAR COORDINATION STAFF.
	SECTION HEAD, UPPER ATMOSPHERE SECTION.
	HEAD LOWER ATMOSPHERE SECTION.
DIVISION OF EARTH SCIENCES	SECTION HEAD, RESEARCH GRANTS SECTION.
	HEAD MAJOR PROJECTS SECTION.
DIVISION OF OCEAN SCIENCES	SECTION HEAD OCEAN SCIENCES RESEARCH SECTION.
DIRECTORATE FOR ENGINEERING	SENIOR ENGINEERING ADVISOR.
DIVISION OF ENGINEERING EDUCATION & CENTERS	DEPUTY DIVISION DIRECTOR (EDUCATION).
	SENIOR STAFF ASSOCIATE.
DIVISION OF DESIGN, MANUFACTURE & INDUSTRIAL INNOVATION.	DEPUTY DIVISION DIRECTOR.
	SENIOR ADVISOR, TECHNOLOGY INTEGRATION
DIV OF ELECTRICAL AND COMMUNICATIONS SYSTEMS	DEPUTY DIVISION DIRECTOR.
DIVISION OF CIVIL AND MECHANICAL SYSTEMS	DEPUTY DIVISION DIRECTOR.
	HEAD HAZARD MITIGATION SECTION.
	HEAD, MECHANICAL & STRUCTURAL SYST SECTION.
ORGANIZATION ABOLISHED	DEP DIR DIV OF INDUSTRIAL INNOVATION INTERF.
DIRECTORATE FOR BIOLOGICAL SCIENCES	EXECUTIVE OFFICER.
DIVISION OF ENVIRONMENTAL BIOLOGY	DEPUTY DIVISION DIRECTOR.
DIRECTORATE FOR MATHEMATICAL AND PHYSICAL SCIENCES.	EXECUTIVE OFFICER.
	SENIOR STAFF ASSOCIATE.
	SENIOR ADVISOR FOR PLANNING, ANALY & POLICY.
DIVISION OF PHYSICS	DEPUTY DIVISION DIRECTOR.
DIVISION OF ASTRONOMICAL SCIENCES	EXECUTIVE OFFICER.
DIVISION OF MATHEMATICAL SCIENCES	DEPUTY DIVISION DIRECTOR.
DIVISION OF MATERIALS RESEARCH	DEPUTY DIRECTOR.
	HEAD, SPECIAL PROGRAMS IN MATERIALS OFFICE.
	EXECUTIVE OFFICER.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	SENIOR STAFF SCIENTIST.
DIVISION OF CHEMISTRY	DEP DIR DIVISION OF CHEMISTRY.
DIRECTORATE FOR EDUCATION & HUMAN RESOURCES	DEPUTY ASST DIRECTOR.
	SENIOR STAFF ASSOCIATE.
	SENIOR STAFF ASSOCIATE.
OFFICE OF SYSTEMIC REFORM	DEPUTY OFFICE HEAD.
DIRECTORATE FOR SOCIAL, BEHAVIORAL AND ECONOMIC SCIENCES.	EXE OFFICER SOCIAL BEHAVIORAL ECON SCIENCES.
	SENIOR ADVISOR PLANNING & POLICY.
DIVISION OF INTERNATIONAL PROGRAMS	DEPUTY DIVISION DIRECTOR.
	SENIOR STAFF ASSOCIATE.
	SENIOR STAFF ASSOCIATE.
	SENIOR STAFF ASSOCIATE.
DIVISION OF SOCIAL, BEHAVIORAL & ECONOMIC RESEARCH	DEPUTY DIRECTOR.
	SENIOR STAFF ASSOCIATE.
DIRECTORATE FOR COMPUTER & INFO SCIENCE & ENGINEERING.	DEPUTY ASST DIR.
DIV OF ADVANCED SCIENTIFIC COMPUTING	DEPUTY DIRECTOR.
DIV OF COMPUTER AND COMPUTATION RESEARCH	DEPUTY DIVISION DIRECTOR.
DIV OF INFORMATION, ROBOTICS & INTELLIGENT SYSTEMS	DEPUTY DIVISION DIRECTOR.
DIVISION OF MICROELECTRONIC INFORMATION PROCESSING SYS.	DEPUTY DIVISION DIRECTOR.
DIV OF NETWORKING & COMM RES & INFRASTRUCTURE	DEPUTY DIVISION DIRECTOR.
OFFICE OF BUDGET, FINANCE AND AWARD MANAGEMENT	DIRECTOR, OFC OF BUDGET, F & A MANAGEMENT.
BUDGET DIVISION	DIRECTOR, BUDGET DIVISION.
DIVISION OF FINANCIAL MANAGEMENT	DIVISION DIRECTOR.
DIVISION OF GRANTS & AGREEMENTS	DIVISION DIRECTOR.
DIVISION OF CONTRACTS, POLICY & OVERSIGHT	DIVISION DIRECTOR.
OFFICE OF INFORMATION AND RESOURCE MANAGEMENT	DEP DIR, OFC OF INFORMATION & RESOURCE MGMT.
	SENIOR STAFF ASSOCIATE.
	DIR PLANNING & EVALUATION.
DIVISION OF INFORMATION SYSTEMS	DEP DIR, DIV OF INFORMATION SYSTEMS.
DIVISION OF HUMAN RESOURCE MANAGEMENT	DIV DIR, DIV OF HUMAN RESOURCE MANAGEMENT.
DIVISION OF ADMINISTRATIVE SERVICES	DIR, DIVISION OF ADMINISTRATIVE SERVICES.
NATIONAL TRANSPORTATION SAFETY BOARD:	
OFFICE OF THE MANAGING DIRECTOR	DEP MANAGING DIR FOR MGMT & POLICY.
	DEP MANAGING DIR FOR PROGRAM OPERATIONS.
	CHIEF TECHNICAL ADVISOR.
OFFICE OF ADMINISTRATION	DIR OFFICE OF ADMINISTRATION.
OFFICE OF AVIATION SAFETY	DIRECTOR OFC OF AVIATION SAFETY.
	DEPUTY DIRECTOR OFC OF AVIATION SAFETY.
OFFICE OF RESEARCH & ENGINEERING	DIR OFC OF RESEARCH AND ENGINEERING.
	DEPUTY DIR OFC OF RESEARCH AND ENGINEERING.
OFFICE OF SAFETY RECOMMENDATIONS	DIRECTOR OFC OF SAFETY RECOMMENDATIONS.
OFFICE OF SURFACE TRANSPORTATION SAFETY	DIR OFC OF SURFACE TRANSPORTATION SAFETY.
	DEPUTY DIRECTOR.
NUCLEAR REGULATORY COMMISSION:	
ATOMIC SAFETY AND LICENSING BRD PANEL	CHAIRMAN ASLBP.
	DEPUTY CHIEF ADMINISTRATIVE JUDGE EXECUTIVE.
OFFICE OF THE INSPECTOR GENERAL	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	ASST INSPECTOR GENERAL FOR AUDITS.
DEPUTY GC FOR LICENSING & REGULATION	DEPUTY ASSISTANT GC/LEGISLATIVE COUNSEL.
DEP GC FOR HEARINGS, ENFORCEMENT & ADMINISTRATION	DEPUTY ASSISTANT GC FOR ADMINISTRATION.
ASSISTANT GC FOR HEARINGS AND ENFORCEMENT	DEPUTY ASSISTANT GENERAL COUNSEL.
	DEPUTY ASSISTANT GENERAL COUNSEL.
	DEPUTY ASSISTANT GENERAL COUNSEL.
	DEPUTY ASSISTANT GENERAL COUNSEL.
OFFICE OF COMMISSION APPELLATE ADJUDICATION	DIR OFC OF COMM APPELLATE ADJUDICATION.
DIVISION OF OPERATIONAL ASSESSMENT	CHIEF ENERGY RESPONSE BRANCH.
	CHF, DIAGNOSTIC EVAL & INCIDENT INVEST BRANCH.
DIVISION OF SAFETY PROGRAMS	CHIEF REACTOR ANALYSIS BRANCH.
	CHF RELIABILITY & RISK ASSESSMENT BRANCH.
OFFICE OF ADMINISTRATION	ASSOC DIR FOR CONTRACT, SECURITY, FOI & PUBL.
	DIRECTOR, DIV OF SECURITY.
OFFICE OF INFORMATION RESOURCES MANAGEMENT	DEP DIR/LSS ADMR, OFC OF INFO RES MGMT.
OFFICE OF THE CONTROLLER	DEP CHIEF FINANCIAL OFFICER/CONTROLLER.
	DEPUTY CONTROLLER.
	DIR DIVISION OF BUDGET AND ANALYSIS.
	DIR DIVISION OF ACCOUNTING AND FINANCE.
	SPECIAL ASSISTANT FOR INTERNAL CONTROLS.
OFC OF SMALL AND DISADV BUS UTILIZATION/CIVIL RIGHTS	DIRECTOR.
DIRECTORATE FOR INSPECTION AND SUPPORT PROGRAMS	DIR, INSPECTION & SUPPORT PROGRAMS.
BRANCH.	CHIEF, PLNG, PROGRAM & MGMT SUPPORT BRANCH.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	CHF, INSPECTION PROGRAM BRANCH.
ASSOCIATE DIRECTOR FOR PROJECTS	DIR, COST BENEFITS LICENSE ACT PROGRAMS.
DIVISION OF REACTOR PROJECTS I–II	DEPUTY DIR, DIV OF REACTOR PROJECT I & II.
ASSISTANT DIRECTOR FOR REGION I REACTORS	PROJECT DIR, PROJECT DIRECTORATE I–1.
	PROJECT DIRECTOR, PROJECT DIRECTORATE I–2.
	PROJECT DIRECTOR, PROJECT DIRECTORATE I–3.
	PROJECT DIRECTOR, PROJECT DIRECTORATE I–4.
ASSISTANT DIRECTOR FOR REGION II REACTORS	PROJ DIR PROJECT DIRECTORATE II–1.
	PROJ DIR PROJECT DIRECTORATE II 2.
	PROJ DIR PROJECT DIRECTORATE II 3.
	PROJ DIR PROJECT DIRECTORATE II–4.
ASSISTANT DIRECTOR FOR REGION III REACTORS	PROJ DIR PROJECT DIRECTORATE III 1.
	PROJ DIR PROJECT DIRECTORATE III 2.
	PROJ DIR PROJECT DIRECTORATE III 3.
	PROJ DIRECTOR PROJECT DIRECTORATE IV–3.
	PROJ DIR, PROJECT DIRECTORATE IV–1.
	PROJECT DIR, PROJ DIRECTORATE IV–2.
DIVISION OF PROJECT SUPPORT	DEP DIR DIV OF PROJECT SUPPORT.
	CHF, TECHNICAL SPECIFICATION BRANCH.
	CHF, EVENTS A & G COMMUNICATIONS BRANCH.
	PROJ DIR, N–P REACTOR D & E PROJ DIRECTORATE.
DIVISION OF ENGINEERING	CHIEF, MATERIALS & CHEMICAL ENGINEERING BR.
	CHF, MECHANICAL ENGINEERING BRANCH.
	CHIEF CIVIL ENG & GEOSCIENCES BRANCH.
	CHIEF ELECTRICAL ENGINEERING BRANCH.
DIVISION OF SYSTEMS SAFETY & ANALYSIS	CHF, PLANT SYSTEMS BRANCH.
	CHF, REACTOR SYSTEMS BRANCH.
	CHIEF PROBABLISTIC SAFETY ASSESSMENT BRANCH.
	CHIEF CONTAINMENT SYS & SEVERE ACCIDENT BRCH.
DIVISION OF TECHNICAL SUPPORT	CHF, EMERGENCY P & R PROTECTION.
	CHF, VENDOR INSPECTION BRANCH.
	CHF, SAFEGUARDS BRANCH.
	CHF, SPECIAL INSPECTIONS BRANCH.
	CHF, PERFORMANCE & QUALITY EVALUATION BRANCH.
DIVISION OF RADIATION SAFETY AND SAFEGUARDS	CHF, RADIATION PROTECTION BRANCH.
	DEP DIR DIV OF RADIATION SAFETY & SAFEGUARDS.
DIVISION OF REACTOR CONTROLS AND HUMAN FACTORS	CHF, HUMAN FACTORS ASSESSMENT BRANCH.
	CHF, OPERATOR LICENSING BRANCH.
	CHF, INSTRUMENTATION & CONTROL BRANCH.
ASSOCIATE DIR FOR ADVANCED REACTORS & LICENSE RENEWAL.	PROJECT DIR, STANDARDIZATION PROJ DIRECTORATE.
	PROJ DIR LICENSE RENEWAL & ENVIRONMENTAL REV.
DIVISION OF FUEL CYCLE SAFETY & SAFEGUARDS	CHIEF, OPERATIONS BRANCH.
	CHIEF, REGL & INTL SAFEGUARDS BRANCH.
	CHIEF, ENRICHMENT BRANCH.
	CHIEF, LICENSING BRANCH.
DIV OF INDUSTRIAL & MEDICAL NUCLEAR SAFETY	CHIEF, OPERATIONS BRANCH.
	CHIEF, MEDICAL, ACAD & COM USE SFTY BRANCH.
	CHIEF, STORAGE & TRANSPORT SYSTEMS BRANCH.
	CHIEF SOURCE CONTAINMENT & DEVICES BR.
DIVISION OF WASTE MANAGEMENT	CHIEF, GEOLOGY & ENGINEERING BRANCH.
	CHF, HIGH LEVEL WASTE & URANIUM RECOVERY PROJ.
	CHIEF, PERF ASSESS & HYDROLOGY BRANCH.
	CHIEF, ENGINEERING & GEOSCIENCES BRANCH.
	ASST TO THE DIR, DIV OF WASTE MANAGEMENT.
	CHF, LOW LEVEL WASTE & DECOMMISSIONING PROJ.
OFC OF NUC REGULATORY RESEARCH	DIRECTOR: FIN MGT, PROCUREMENT & ADMIN STAFF.
DIVISION OF ENGINEERING	CHIEF, MATERIALS ENGINEERING BRANCH.
	CHIEF, WASTE MANAGEMENT BRANCH.
	CHIEF, ELECTRICAL AND MECHANICAL ENGINEER BRH.
	CHIEF, STRUCTURAL AND SEISMIC ENGINEERING BRH.
DIVISION OF SAFETY ISSUE RESOLUTION	CHIEF, SEVERE ACCIDENT ISSUES BRANCH.
	CHIEF, ENGINEERING ISSUES BRANCH.
DIVISION OF REGULATORY APPLICATIONS	CHIEF REGULATION DEVELOPMENT BRANCH.
	CHF, RADIATION PROTECTION & HEALTH EFFECTS BR.
DIVISION OF SYSTEMS RESEARCH	CHIEF ACCIDENT EVALUATION BRANCH.
	CHF, PROBABILISTIC RISK ANALYSIS BRANCH.
	CHIEF, REACTOR AND PLANT SYSTEMS BRANCH.
	CHIEF HUMAN FACTORS BRANCH.
REGION I	DEPUTY REGIONAL ADMINISTRATOR.
	DIR. DIV OF RADIATION SAFETY & SAFEGUARDS.
	DEP DIR, DIV OF RADIATION SAFETY & SAFEGUARDS.
	DIRECTOR DIVISION OF REACTOR SAFETY.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
REGION II	DEP DIR, DIV OF REACTOR SAFETY. DIRECTOR, DIVISION OF REACTOR PROJECTS. DEPUTY DIRECTOR, DIVISION OF REACTOR PROJECTS. DEPUTY REGIONAL ADMINISTRATOR REGION II. DIR, DIV OF RADIATION SAFETY & SAFEGUARDS. DEP DIR, DIV OF RADIATION SAFETY & SAFEGUARDS.
REGION III	DIRECTOR, DIVISION OF REACTOR PROJECTS. DEPUTY DIRECTOR, DIVISION OF REACTOR PROJECTS. DIRECTOR, DIVISION OF REACTOR SAFETY. DEP DIR, DIV OF REACTOR SAFETY. DEP REGIONAL ADMINISTRATOR REGION III.
REGION IV	DIRECTOR, DIVISION OF REACTOR SAFETY. DEP DIR, DIV OF REACTOR SAFETY. DIRECTOR, DIVISION OF REACTOR PROJECTS. DEPUTY DIRECTOR DIVISION OF REACTOR PROJECTS. DIR, DIV OF RADIATION SAFETY & SAFEGUARDS. DEP DIR, DIV OF RADIATION SAFETY & SAFEGUARDS. DEPUTY REGIONAL ADMINISTRATOR REGION IV.
WALNUT CREEK FIELD OFFICE	DIRECTOR URANIUM RECOVERY FIELD OFFICE. DIRECTOR DIV OF REACTOR PRJECTS. DEPUTY DIRECTOR, DIV OF REACTOR PROJECTS. DIR, DIV OF RADIATION SAFETY & SAFEGUARDS. DIR, DIVISION OF REACTOR SAFETY. DEP DIR, DIV OF RADIATION SAFETY & SAFEGUARDS. DIR DIR, DIVISION OF REACTOR SAFETY. DEPUTY REGIONAL ADMINISTRATOR REGION V.
	DIR DIV OR REACTOR SAFETY AND PROJECTS. DEP DIR DIV OF REACTOR SAFETY AND PROJECTS. DIR, DIV OF RADIATION SAFETY & SAFEGUARDS.
OFFICE OF GOVERNMENT ETHICS:	
OFFICE OF GOVERNMENT ETHICS	DEPUTY DIRECTOR. DEPUTY DIRECTOR. DEPUTY GENERAL COUNSEL. ASSOC DIR FOR PROGRAM DEVELOP & COMPLIANCE.
OFFICE OF MANAGEMENT AND BUDGET:	
OFFICE OF THE DIRECTOR	ASSISTANT DIRECTOR FOR ADMINISTRATION. DEPUTY ASSOCIATE DIR FOR ECONOMIC POLICY. ASSOC DIR FOR LEGISLATIVE REF & ADM. DEP ASSISTANT DIRECTOR FOR ADMINISTRATION.
OFFICE OF GENERAL COUNSEL	DEP GEN COUNSEL. ASSOCIATE GENERAL COUNSEL FOR BUDGET.
LEGISLATIVE REFERENCE DIVISION	ASST DIR LEGISLATIVE REFERENCE. DEP/ASST/DIR FOR LEGISLATIVE REFERENCE. CHIEF, ECONOMICS, SCIENCE & GOVT. BRANCH. CHIEF, RESOURCES-DEFENSE-INTERNATIONAL BRANCH.
OFFICE OF FEDERAL PROCUREMENT POLICY	DEP ADMIN FOR PROCUREMENT LAW & LEGISLATION. ASSOC. ADMINISTRATOR FOR MANAGEMENT CONTROL.
OFFICE OF INFORMATION AND REGULATORY AFFAIRS	CHIEF INFORMATION POLICY BRANCH. CHIEF, HUMAN RESOURCES AND HOUSING BRANCH. CHIEF, COMMERCE AND LANDS BRANCH. CHIEF STATISTICAL POLICY BRANCH. CHIEF, NATURAL RESOURCES BRANCH. CHF, INFO TECHNOLOGY MANAGEMENT BRANCH. ENIOR ADVISOR.
ASSOCIATE DIRECTOR FOR MANAGEMENT	CHIEF MANAGEMENT INTEGRITY BRANCH. CHIEF PERSONNEL & GENERAL SERVICES BRANCH. CHIEF, CREDIT AND CASH MANAGEMENT BRANCH. ASSISTANT DIRECTOR FOR GENERAL MANAGEMENT. DEPUTY ASSISTANT FOR GENERAL MANAGEMENT. BRANCH CHIEF, FEDERAL PERSONNEL POLICY BRANCH. CHIEF, FEDERAL SERVICES BRANCH. BRANCH CHIEF MBO EVALUATION & PLANNING BRANCH. CHIEF FIN STANDARDS OF REPORTING BRANCH. CHIEF FEDERAL FINANCIAL SYSTEMS BRANCH. SENIOR ADVISER.
BUDGET REVIEW DIVISION	ASST DIR FOR BUDGET REVIEW. DEP ASSISTANT DIRECTOR FOR BUDGET REVIEW. CHIEF FISCAL ANALYSIS BRANCH. DEP CHIEF FISCAL ANALYSIS BRANCH. DEP ASST DIR FOR BUDGET REVIEW & CONCEPTS. CHIEF, RESOURCES SYSTEMS BRANCH. CHIEF, CENTRAL BUDGET MANAGEMENT STAFF. DEPUTY CHIEF BUDGET PREPARATION BRANCH.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
ASSOC DIR FOR NATIONAL SECURITY AND INTERNATIONAL AFFS.	DEPUTY ASSOCIATE DIRECTOR FOR SPECIAL STUDIES.
INTERNATIONAL AFFAIRS DIVISION	DEP ASSOC DIR FOR INTERNATL AFFAIRS.
	CHIEF, STATE-USIA BRANCH.
	CHIEF, ECONOMIC AFFAIRS BRANCH.
NATIONAL SECURITY DIVISION	DEP ASSOC DIR FOR NATIONAL SECURITY.
	CHIEF, COMMAND, CTRL, COMMS, & INTELLIG BRANCH.
	CHIEF, NAVY BRANCH.
	CHIEF, FORCE STRUCTURE & INVESTMENT BRANCH.
	CHIEF, OPER & SUPPORT BRANCH.
HEALTH AND INCOME MAINTENANCE DIVISION	DEP ASSOC DIR FOR HEALTH & INCOME MAINTENANCE.
	CHF, INCOME MAINTENANCE BRANCH.
	CHIEF HEALTH & SOCIAL SERVICES BRANCH.
	CHIEF HEALTH & FINANCIAL BRANCH.
LABOR, VETERANS, AND EDUCATION DIVISION	CHIEF, LABOR BRANCH.
	DEP TO THE DEP ASSOCI DIR FOR HUMAN R/C ED BR.
	CHF VETERAN AFFAIRS BRANCH.
ASSOCIATE DIRECTOR FOR ECONOMICS AND GOVERNMENT	DEP ASSOC DIR FOR SPECIAL STUDIES.
	ADVISER TO THE ASSOC DIR FOR ECONOMICS & GOV.
TRANSPORTATION, COMMERCE, AND JUSTICE DIVISION	DEP ASSOC DIR FOR TRANSP COMMERCE & JUSTICE.
	CHIEF COMMERCE & JUSTICE BRANCH.
	CHIEF TRANSPORT GENERAL SERVICES BRANCH.
HOUSING, TREASURY AND FINANCE DIVISION	DEPUTY ASSOC DIR FOR HOUSING TREASURY FINANCE.
	CHIEF, TREASURY/POST BRANCH.
	CHIEF, FINANCIAL INSTITUTIONS BRANCH.
	CHIEF, HOUSING BRANCH.
ASSOC DIR FOR NATURAL RESOURCES, ENERGY, AND SCIENCE.	DEP ASSOC DIR FOR SPEC STUDIES.
NATURAL RESOURCES DIVISION	DEP ASSOCIATE DIR. FOR NATURAL RESOURCES.
	CHIEF, WATER RESOURCES BRANCH.
	CHIEF, AGRICULTURAL BRANCH.
	CHIEF, ENVIRONMENT BRANCH.
	CHIEF INTERIOR BRANCH.
	ASST DIVISION CHIEF NRD.
ENERGY AND SCIENCE DIVISION	DEP ASSOC. DIR FOR ENERGY & SCIENCE.
	CHIEF, NUCLEAR ENERGY BRANCH.
	CHIEF SCIENCE AND SPACE PROGRAMS BRANCH.
	CHIEF NON-NUCLEAR ENERGY BRANCH.
OFFICE OF PERSONNEL MANAGEMENT:	
OFFICE OF THE CHIEF FINANCIAL OFFICER	CHIEF FINANCIAL OFFICER.
OFFICE OF THE INSPECTOR GENERAL	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR AUDITS.
OFFICE OF EXECUTIVE RESOURCES	ASST DIR FOR EXECUTIVE & MANAGEMENT POLICY.
	ASSISTANT DIRECTOR FOR EXECUTIVE RESOURCES.
OFFICE OF INFORMATION MANAGEMENT	EXECUTIVE FOR ADP OPERATIONS.
OFFICE OF ACTUARIES	DIRECTOR, OFFICE OF ACTUARIES.
OFFICE OF INSURANCE PROGRAMS	ASST DIR FOR INSURANCE PROGRAM.
OFFICE OF RETIREMENT PROGRAMS	ASST DIR FOR RETIREMENT PROGRAMS.
OFFICE OF PERSONNEL RESEARCH AND DEV	ASST DIR FOR PERSONNEL RESEARCH & DEVELOPMENT.
STAFFING SERVICE CENTER	ASSISTANT DIRECTOR FOR STAFFING AUTOMATION.
OFFICE OF AGENCY COMPLIANCE & EVALUATION	ASST DIR FOR AGENCY COMPLIANCE & EVALUATION.
OFFICE OF CLASSIFICATION	ASST DIR FOR CLASSIFICATION.
OFFICE OF FEDERAL INVESTIGATIONS	ASST DIR FOR FEDERAL INVESTIGATIONS.
OFFICE OF WASHINGTON EXAMINING SERVICES	ASST DIR FOR WASH EXAMINING SERVICES.
OFFICE OF SPECIAL COUNSEL:	
HEADQUARTERS, OFFICE OF SPECIAL COUNSEL	ASSOC SPEC COUNSEL (INVESTIGATION).
	ASSOC SPECIAL COUNSEL (PROSECUTION).
	DEPUTY ASSOCIATE SPEC COUNSEL FOR PROSECUTION.
	DIRECTOR FOR MANAGEMENT.
RAILROAD RETIREMENT BOARD:	
	ASSOCIATE SPECIAL COUNSEL FOR PLAN & ADVICE.
BOARD STAFF	DIR OF UNEMPLOYMENT & SICKNESS INSURANCE.
	DIRECTOR OF DATA PROCESSING.
	DIRECTOR OF ADMINISTRATIVE SERVICES.
	DIR OF RETIREMENT & SUPERVISOR PROGRAMS.
	CHIEF ACTUARY.
	DIRECTOR OF FIELD SERVICE.
	DIRECTOR OF ADMINISTRATION & OPERATIONS.
	DEPUTY GENERAL COUNSEL.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	CHIEF FINANCIAL OFFICER.
	ASSISTANT INSPECTOR GENERAL FOR AUDIT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIRECTOR OF SYSTEMS INITIATIVES.
	DIRECTOR OF TAXATION.
	GENERAL COUNSEL.
SECURITIES AND EXCHANGE COMMISSION:	
OFFICE OF THE CHIEF ACCOUNTANT	DEP CHF ACCOUNTANT.
OFFICE OF ADMINISTRATIVE AND PERSONNEL MANAGEMENT.	DEP EXEC DIRECTOR.
	ASSOCIATE EXECUTIVE DIRECTOR (FINANCE).
	ASSOCIATE EXECUTIVE DIRECTOR (ADMINISTRATION).
DIV OF CORPORATION FINANCE	ASSOCIATE DIRECTOR (OPERATIONS).
	ASSOCIATE DIRECTOR (LEGAL).
SELECTIVE SERVICE SYSTEM:	
SELECTIVE SERVICE SYSTEM	ASSOC DIR INFORMATION MANAGEMENT.
SMALL BUSINESS ADMINISTRATION:	
OFFICE OF THE ADMINISTRATOR	DEPUTY DIRECTOR OF PROGRAM REVIEW.
OFFICE OF THE INSPECTOR GENERAL	ASST INSPECTOR GENERAL FOR AUDITING.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	COUNSEL TO THE INSPECTOR GENERAL.
	DEPUTY INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR MAGNT LEGAL COUSL.
OFFICE OF THE GENERAL COUNSEL	ASSOCIATE GENERAL COUNSEL FOR GENERAL LAW.
	ASSOC GEN COUNSEL LITIGATION.
OFFICE OF EQUAL EMPLOYMENT O & C RIGHTS COMPLIANCE.	ASST ADMR FOR EQUAL EMPLOY O & C RIGHT COMPL.
	ASST ADMINSTRATOR FOR HEARINGS AND APPEALS.
OFFICE OF FINANCIAL ASSISTANCE	ASSOC ADMINISTRATOR FOR FINANCIAL ASSIST.
	ASST ADMR FOR PORTFOLIO MANAGEMENT.
	DEP ASSOC ADMR FOR FINANCIAL ASSISTANCE.
OFFICE OF GOVERNMENT C & M ENTERPRISE DEVELOPMENT.	DEP ASSOC ADMR FOR POL COOR. PROG C & E.
OFFICE OF MINORITY ENTERPRISE DEVELOPMENT	ASSOC ADMR FOR MSB–COD.
	DEP ASSOC ADMR FOR PROGRAMS (MSB & COD).
OFFICE OF MANAGEMENT AND ADMINISTRATION	CHIEF FIN OFC & ASSOC DEP ADM FOR MGT & ADM.
	DIRECTOR OF PROGRAM REVIEW.
OFFICE OF INFORMATION RESOURCES MANAGEMENT	ASST ADM FOR INFORMATION RESOURCES MANAGEMENT.
	DEP ASST ADM FOR INFORMATION RES MGMT.
OFFICE OF PERSONNEL	ASSISTANT ADMINISTRATOR FOR PERSONNEL.
OFFICE OF COMPTROLLER	COMPTROLLER.
DISTRICT DIRECTORS	DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
ORGANIZATION ABOLISHED	DEP DIR OF PROG ANALYSIS & QUALITY ASSURANCE.
	DEPUTY DIRECTOR OF PROGRAM REVIEW.
DEPARTMENT OF STATE:	
BUREAU OF ADMINISTRATION	SUPERVISORY STRUCTURAL ENGINEER.
BUREAU OF ECONOMIC & BUSINESS AFFAIRS	DIR, OFFICE OF EAST–WEST TRADE.
BUREAU OF INTELLIGENCE AND RESEARCH	DIR OFC OF INTELLIGENCE RESOURCES.
OFFICE OF THE INSPECTOR GENERAL	ASSITANT INSPECTOR GENERAL FOR AUDITS.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	COUNSEL TO THE INSPECTOR GENERAL.
	DEP ASST INSPECTOR GENERAL FOR AUDITS.
	DEP ASST INSPECTOR GEN FOR INVESTIGATIONS.
	ASST INSP GEN FOR POLICY, PLNG AND MANAGEMENT.
	DEP ASST INSPECTOR GEN FOR INSPECTIONS.
	DEP ASST INSPT GEN FOR OFC OF SECUR OVERSIGHT.
BUREAU OF PERSONNEL	DIRECTOR, OFC OF CIVIL SERVICE PERSONNEL MGMT.
INTERNATIONAL BOUNDARY & WATER COMMISSION	SUPERVISORY CIVIL ENGINEER, OPERATIONS.
DEPARTMENT OF TRANSPORTATION:	
OFC OF COMMERCIAL SPACE TRANSPORTATION	SENIOR ADVISOR.
OFFICE OF INSPECTOR GENERAL	ASST INSPE GENERAL FOR AUDITING.
	ASST I/G POLICY, PLANNING AND RESOURCES.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	DIR, OFC OF A & S TRANSPORTATION AUDITS.
	DIR., OFC OF MARINE & DEPARTMENT WIDE AUDITS.
	DEP ASST INSPECTOR GENERAL FOR AUDITING.
	DIR, OFC OF INFORMATION TECHNOL & FIN AUDITS.
	DEP ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	DEPUTY INSPECTOR GENERAL.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASST INSPECTOR GENERAL FOR INSPECTIONS & EVAL.
	DEP ASST INSPECTOR GEN FOR INSPECTIONS & EVAL.
	DEP ASST INSPECTOR GENERAL FOR POLICY PLAN RES.
	DIRECTOR OF ADMINISTRATION.
	DIR OFC ONFO TECH FINANCIAL & SECRETARIAL AUD.
	SENIOR COUNSEL TO THE INSPECTOR GENERAL.
ASST SECRETARY FOR BUDGET & PROGRAMS	DEPUTY CHIEF FINANCIAL OFFICER.
ASST SEC FOR PUBLIC AFFAIRS	ASSOCIATE DIRECTOR PUBLIC INFORMATION DIV.
ASST SEC FOR ADMINISTRATION	ASST SECY FOR ADMINISTRATION.
	SENIOR PROCUREMENT ADVISOR.
OFFICE OF ACQUISITION & GRANT MANAGEMENT	DIRECTOR OFC OF ACQUISITION & GRANT MGNT.
	DEP DIR, OFC OF ACQUISITION & GRANT MGMT.
ASSOC ADM'R FOR SAFETY	ASSOC ADMR FOR SAFETY.
	DIRECTOR, OFFICE OF SAFETY ENFORCEMENT.
ASSOCIATE ADMINISTRATION FOR PIPELINE SAFETY	ASSOC ADMR FOR PIPELINE SAFETY.
OFC OF ASSOC ADMR FOR MARKETING	ASSOCIATE ADMINISTRATOR FOR MARKETING.
OFFICE OF ASSOCIATE ADMINISTRATOR FOR MARITIME AIDS.	ASSOCIATE ADMINISTRATOR FOR MARITIME AIDS.
OFFICE OF ACCOUNTING	DIR OFFICE OF ACCOUNTING.
OFFICE OF AIRPORT PLANNING & PROGRAMMING	DIR, OFFICE OF AIRPORT PLANNING & PROGRAM.
	MGR, GRANTS-IN-AID DIVISION.
ASSISTANT ADMINISTRATOR FOR CIVIL AVIATION SECURITY	DEP ASST ADMR FOR CIVIL AVIATION SECURITY.
OFFICE OF CIVIL AVIATION SECURITY POLICY & PLANNING	DIR, OFC OF CIVIL AVN SECURITY POL & PLANNING.
OFFICE OF CIVIL AVIATION SECURITY OPERATIONS	DIR OFC OF CIVIL AVIATION SECURITY OPERATIONS.
	DEP DIR, OFC OF CIVIL AVIATION SECURITY OPS.
OFFICE OF CIVIL AVIATION SECURITY INTELLIGENCE	DIR OFC CIVIL AVIATION SECURITY INTELLIGENCE.
ORGANIZATION ABOLISHED	DIR OFC OF CIVIL AVIATION SECURITY PROG MGMT.
ASIA/PACIFIC OFFICE	DIRECTOR ASIA/PACIFIC OFFICE.
ASSOCIATE ADMINISTRATOR FOR AIR TRAFFIC	ASSOC. ADMINISTRATOR FOR AIR TRAFFIC.
	DEP ASSOC ADMIN FOR AIR TRAFFIC.
REGIONAL AIR TRAFFIC DIVISIONS	MGR, AIR TRAFFIC DIVISION.
	MGR, AIR TRAFFIC DIVISION.
	MGR, AIR TRAFFIC DIV.
	MANAGER, AIR TRAFFIC DIVISION.
	MGR, AIR TRAFFIC DIVISION.
	MGR, AIR TRAFFIC DIVISION.
	MANAGER, AIR TRAFFIC DIVISION.
	MANAGER, AIR TRAFFIC DIVISION.
AIR TRAFFIC RULES & PROCEDURES SERVICE	MANAGER, PROCEDURES DIVISION.
	MGR. AIRSPACE-RULES & AERONAUTICAL INF. DIV.
	DIR, AIR TRAFFIC RULES & PROCEDURES SERVICE.
OFFICE OF AIR TRAFFIC SYSTEM MANAGEMENT	DIRECTOR, AIR TRAFFIC SYSTEM MANAGEMENT.
AIR TRAFFIC PLANS AND REQUIREMENTS SERVICE	DIR, AIR TRAFFIC PLANS & REQUIREMENTS SERV.
	MANAGER SYSTEM PLANS & PROGRAMS DIV.
	MGR AUTOMATION SOFTWARE POL & PLNNG DIVISION.
	MANAGER ADVANCED SYST & FACILITIES DIV.
OFFICE OF AIR TRAFFIC SYSTEM EFFECTIVENESS	DIR, OFC OF AIR TRAFFIC SYST EFFECTIVENESS.
OFFICE OF AIR TRAFFIC PROGRAM MANAGEMENT	DIR, OFC OF AIR TRAFFIC PROGRAM MANAGEMENT.
ASSOCIATE ADMINISTRATOR FOR AVIAITON STANDARDS	ASSOC ADMINISTRATOR FOR AVIATION STANDARDS.
	DEPUTY ASSOC ADMINISTRATOR AVIATION STANDARDS.
	AIRCRAFT OVERSIGHT EXECUTIVE.
OFFICE OF AVIATION MEDICINE	FED AIR SURGEON.
	DEPUTY FEDERAL AIR SURGEON.
	MGR, MEDICAL SPECIALTIES DIVISION.
	DIRECTOR CIVIL AEROMED INSTITUTE.
OFFICE OF ACCIDENT INVESTIGATION	DIR, OFFICE OF ACCIDENT INVESTIGATION.
OFFICE OF AVIATION SYSTEMS STANDARDS	DIR, OFC OF AVIATION SYSTEMS STANDARDS.
	DEPUTY DIRECTOR.
NAS TRANSITION & IMPLEMENTATION SERVICE	DIR, NAS TRANSITION & IMPLEMENTATION DIR.
OPERATIONAL SUPPORT SERVICE	DIRECTOR OPERATIONAL SUPPORT SERVICE.
SPECTRUM POLICY & MANAGEMENT DIRECTORATE	DIR, SPECTRUM POL & MANAGEMENT DIRECTORATE.
NAS OPERATIONS DIRECTORATE	DIRECTOR, NAS OPERATIONS DIRECTORATE.
ASSOCIATE ADMINISTRATOR FOR REGULATION & CERTIFICATION.	ASSOC ADMR FOR REGULATIONS & CERTIFICATION.
	DEP ASSOC ADMR FOR REGUL & CERTIFICATION.
AIRCRAFT CERTIFICATION SERVICE	DIR, AIRCRAFT CERTIFICATION SERVICE.
	DEPUTY DIRECTOR AIRCRAFT CERTIFICATION SERVIC.
	ASST DIR, AIRCRAFT CERTIFICATION SERVICE.
	MANAGER, AIRCRAFT ENGINEERING DIVISION.
	MANAGER, AIRCRAFT MANUFACTURING DIVISION.
REGIONAL AIRPORT CERTIFICATION DIVISIONS	MGR TRANSPORT AIRPLANE DIRECTORATE.
	MGR ENGINE & PROPELLER DIRECTORATE.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	MGR SMALL AIRPLANE DIRECTORATE.
	MANAGER ROTOCRAFT DIRECTORATE.
FLIGHT STANDARDS SERVICE	DIR, FLIGHT STANDARDS SERVICE
	DEP DIR, FLIGHT STANDARDS SERVICE.
	MGR, GENERAL AVIATION AND COMMERCIAL DIV.
	MANAGER, AIR TRANSPORTATION DIVISION.
	MANAGER, AIRCRAFT MAINTENANCE DIVISION.
	MANGER, FIELD PROGRAMS DIVISION.
	MANAGER, TECHNICAL PROGRAMS DIVISION.
REGIONAL FLIGHT STANDARDS DIVISIONS	MGR, FLIGHT STANDARDS DIV
	MGR, FLIGHT STANDARDS DIVISION.
	MGR, FLIGHT STANDARDS DIV.
	MANAGER, FLIGHT STANDARDS DIVISION.
	MGR, FLIGHT STANDARDS DIV.
	MGR, FLIGHT STANDARDS DIV.
	MGR, FLIGHT STANDARDS DIVISION.
	MGR, FLIGHT STANDARDS DIV.
	MGR, FLIGHT STANDARDS DIVISION.
ASSOC ADMINISTRATOR FOR CONTRACTING & QUALITY ASSURANCE.	MGR, CONTRACTS DIVISION.
	ASSOCIATE ADMINISTRATOR.
	DEPUTY ASSOCIATE ADMINISTRATOR.
PROGRAM MANAGER FOR ADVANCED AUTOMATION	PROGRAM MGR FOR ADVANCED AUTOMATION.
	DEP PROG MGR FOR ADVANCED AUTOMATED SYSTEM.
	DEP PROG MGR FOR VOICE S & C SYSTEM.
	PROGRAM MANAGER FOR TERMINAL SYSTEMS.
	PROGRAM MANAGER FOR ENROUTE SYSTEMS.
PROGRAM DIRECTOR FOR AUTOMATION	PROGRAM DIRECTOR FOR AUTOMATION.
PROGRAM DIR FOR COMMUNICATIONS & AIRCRAFT ACQUISITION.	PROG DIR FOR COMMUNICATIONS & AIRCRAFT ACQ.
PROGRAM DIRECTOR FOR NAVIGATION & LANDING AIDS	PROGRAM DIR FOR NAVIGATION & LANDING AIDS.
PROGRAM DIRECTOR FOR SURVEILLANCE	PROG DIRECTOR FOR SURVEILLANCE.
PROGRAM DIRECTOR FOR WEATHER & FLIGHT SERVICE SYSTEMS.	PROGRAM DIR FOR WEATHER & FLIGHT SERVICE SYST.
OFFICE ACQUISITION POLICY & OVERSIGHT	DIR, OFC OF ACQUISITION POL & OVERSIGHT.
ASSOCIATE ADMINISTRATOR FOR AVIATION SAFETY	ASSOC ADMIN FOR AVIATION SAFETY.
	DEP ASSOC ADMIN FOR AVIATION SAFETY.
FEDERAL HIGHWAY ADMINISTRATION	EXECUTIVE DIRECTOR.
ASSOC ADMR FOR ADMIN	DIRECTOR OFFICE OF FISCAL SERVICES.
	DIRECTOR OFFICE OF CONTRACTS AND PROCUREMENT.
ASSOCIATE ADMINISTRATOR FOR SAFETY & SYSTEM APP	ASSOC ADMR FOR SAFETY & SYSTEM APPLICATIONS.
OFFICE OF HIGHWAY SAFETY	DIR, OFFICE OF HIGHWAY SAFETY.
OFFICE OF MOTOR CARRIER STANDARDS	DIR, OFFICE OF MOTOR CARRIER STANDARDS.
OFFICE OF MOTOR CARRIER SAFETY FIELD OPERATIONS	DIR, OFC OF MOTOR CARRIER S/F OPERATIONS.
OFFICE OF ENVIRONMENT & PLANNING	CHIEF ENVIRONMENTAL OPERATIONS DIVISION.
OFFICE OF RIGHT OF WAY	DIR OFC OF RIGHT OF WAY.
	CHIEF, OPERATIONS DIVISION.
NATL CENTER FOR STATISTICS AND ANALYSIS	CHF, ACCIDENT INVESTIGATION DIV.
ASSOC ADMR FOR ENFORCEMENT	ASSOC. ADMINISTRATOR FOR ENFORCEMENT.
OFC OF DEFECTS INVESTIGATION	DIR-OFC OF DEFECTS INVESTIGATION.
OFC OF VEHICLE SAFETY COMP	DIR-OFC OF VEHICLE SAFETY COMPLIANCE.
OFFICE OF THE CHIEF OF STAFF	CHIEF, PROCUREMENT MANAGEMENT DIVISION.
DEPARTMENT OF TREASURY:	
DEPUTY ASSISTANT SECRETARY (INTL MONETARY POLICY)	DIR OFC OF FOREIGN EXCHANGE OPERATIONS.
FISCAL ASSISTANT SECRETARY	FISCAL ASSISTANT SECRETARY.
	ASSISTANT FISCAL ASSISTANT SECRETARY.
FINANCIAL MANAGEMENT SERVICE	COMMR OF FINANCIAL MANAGEMENT SERVICE.
	DEP COM FINANCIAL MANAGEMENT SERVICE.
	DIR, REGIONAL FINANCIAL CENTER (CHICAGO).
	DIRECTOR, REGL FIN CTR (PHILADELPHIA).
	DIRECTOR, REGL FIN CTR (SAN FRANCISCO).
	DIRECTOR, REGL FIN CTR (AUSTIN).
	DEPUTY DIRECTOR, OPERATIONS GROUP.
	COMPTROLLER.
	DIRECTOR, SYSTEMS SERVICES DIRECTORATE.
	ASST COMMISSIONER, INFORMATION RESOURCES.
	ASSISTANT COMMISSIONER, FEDERAL FINANCE.
	DIRECTOR OPERATIONS GROUP.
	DIRECTOR CASH MANAGEMENT DIRECTORATE.
	ASSISTANT COMMISSIONER, REGIONAL OPERATIONS.
	ASST COMR, MANAGEMENT (CHIEF FIN OFCR).
	ASSISTANT COMMISSIONER, AGENCY SERVICES.
	DIR, SYSTEMS DEVELOPMENT DIRECTORATE.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIR, FIN INFORMATION MANAGEMENT DIRECTORATE.
	DIR, TECHNOLOGY & INFORMATION GROUP.
	ASSISTANT COMMISSIONER, FINANCIAL INFORMATION.
	ASSISTANT COMMISSIONER (AGENCY SERVICES).
	DIR, FINANCIAL ACCOUNTING & SYST DIRECTORATE.
	ASSOCIATE DEPUTY COMMISSIONER FOR RE-ENGINEER.
BUREAU OF THE PUBLIC DEBT	COMMISSIONER.
	DEP COMMR OF THE PUBLIC DEBT.
	ASST COMMISSIONER (SAVINGS BOND OPERATIONS).
	ASST COMMR (FINANCING).
	ASST COMMR (ADMINISTRATION).
	GOVERNMENT SECURITIES ACT PROGRAM DIRECTOR.
	GOVERNMENT SECURITIES POLICY ADVISOR.
	ASST COMMR/SECURITIES & ACCOUNTING SERVICES.
	ASST COMMISSIONER (AUTOMATED INFO SYSTEMS).
	ASST COMMISSIONER (PUBLIC DEBT ACCOUNTING).
ASSISTANT SECRETARY (ECONOMIC POLICY)	ASST DIR FOR ECONOMIC FORECASTING.
	SR ECONOMIST.
OFC OF THE INSPECTOR GENERAL	DEP ASST INSP GEN FOR AUDIT (AUDIT PROG SERV).
	DEP ASST INSPECTOR GEN FOR AUDIT (AUDIT OPS).
	AIG FOR POLICY, PLANNING & RESOURCES.
	ASST INSP GEN FOR OVERSIGHT & QUALITY ASSUR.
	ASST INSPECTOR GENERAL FOR AUDIT.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
ASSISTANT SECRETARY (TAX POLICY)	DIR (ECONOMIC MOD & COMPUTER APPLICATIONS).
ASSISTANT SECRETARY (MANAGEMENT)	DIR, MANAGEMENT PROGRAMS DIRECTORATE.
	DIRECTOR, OFFICE OF PROCUREMENT.
ASSISTANT SECRETARY (ENFORCEMENT)	DIR FIN CRIMES ENFORCEMENT NETWORK.
	DEP DIR, FINANCIAL CRIMES ENFORCEMENT NETWORK.
	DIRECTOR, OFFICE OF LAW ENFORCEMENT.
BUREAU OF ALCOHOL, TOBACCO, AND FIREARMS	ASSISTANT DIRECTOR INTERNAL AFFAIRS.
	ASST DIR, CONGRESSIONAL AND MEDIA AFFAIRS.
	ASST DIR (INTERNAL AFFAIRS).
	DIRECTOR, LABORATORY SERVICES.
	DEPUTY DIRECTOR.
OFFICE OF LAW ENFORCEMENT	ASSOCIATE DIRECTOR (LAW ENFORCEMENT).
	CHIEF, SPEC OPERATIONS DIVISION.
	CHIEF, PLANNING & ANALYSIS STAFF.
	CHIEF, INTELLIGENCE DIVISION.
	CHIEF, EXPLOSIVES DIVISION.
	DEPUTY ASSOC DIR (LAW ENFORCEMENT).
	CHIEF, FIREARMS DIVISION.
FIELD OPERATIONS	SPECIAL AGENT IN CHARGE (NY DISTRICT OFFICE).
	SPECIAL AGENT IN CHARGE (LA DISTRICT OFFICE).
	SPECIAL AGENT IN CHARGE (MIAMI DISTRICT OFC).
	SPEC AGENT IN CHARGE (WASHINGTON DIST OFFICE).
	SPECIAL AGENT-IN-CHARGE (NEW YORK FIELD DIV).
OFFICE OF COMPLIANCE OPERATIONS	ASSOCIATE DIRECTOR (COMPLIANCE OPERATIONS).
	DEP. ASSOCIATE DIR. (COMPLIANCE OPERATIONS).
	CHIEF, REVENUE PROGRAMS DIVISION.
	CHIEF, INDUSTRY COMPLIANCE DIVISION.
FIELD OPERATIONS	REGIONAL DIRECTOR (NORTH ATLANTIC REGION).
CHIEF COUNSEL	ASSISTANT CHIEF COUNSEL (CHICAGO).
	ASSISTANT CHIEF COUNSEL (NEW YORK).
	STAFF ASSISTANT TO THE CHIEF COUNSEL.
US CUSTOMS SERVICE	REGL COMMR REG 2 NY.
	REG COMMR, REG 1, BOSTON.
	ASST REGN COMMR OPERATIONS REG II NEW YORK.
	ASST COMMISSIONER FOR INTERNAL AFFAIRS.
	REGL COMMR. REG 4, MIAMI.
	REG COMMR, REG V. NEW ORLEANS.
	REGIONAL COMMISSIONER, CHICAGO.
	ASST REGIONAL COMMR (OPERATIONS).
	ASST REGL COMMR (OPERATIONS).
	ASST REGL COMMR (OPERATIONS).
	ASST REGIONAL COMMR (OPERATIONS).
	DEPUTY ASST COMR (INTERNATIONAL AFFAIRS.
	ASST COMMISSIONER (OFC OF INFO MGMT).
	DISTRICT DIRECTOR, MIAMI.
	DISTRICT DIRECTOR, LAREDO.
	AREA DIR, NEWARK.
	ASST COMR (INSPECTION & CONTROL).

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	COMPTROLLER.
	DEPUTY ASST COMMR (INSPECTION & CONTROL).
	AREA DIRECTOR, JFK AIRPORT.
	AREA DIRECTOR, NEW YORK SEAPORT.
	DEPUTY ASSISTANT COMMISSIONER (MANAGEMENT).
	DIRECTOR, OFC OF AUTOMATED SYSTEMS OPERATIONS.
	DIR BUDGET AND PLANNING.
	EXEC DIR THE INTERDICTION COMMITTEE.
	REGIONAL COMMISSIONER.
	ASSISTANT COMMISSIONER, OFFICE OF MANAGEMENT.
	DISTRICT DIRECTOR, LOS ANGELES.
	SENIOR ADV FOR AUTO COMM SYS SELECT PROJECTS.
	DEP ASSOC COMR FOR ORGANL EFFECTIVENESS.
	DIR OFC OF HUMAN RESOURCES.
	ASST COMMISSIONER, STRATEGIC TRADE.
	DIRECTOR, OFC OF AUTOMATED COMMERCIAL SYSTEMS.
OFFICE OF REGULATIONS & RULINGS	ASST COMMISSIONER, REGULATIONS & RULINGS.
OFFICE OF INVESTIGATIONS	DEPUTY ASSISTANT COMMISSIONER (ENFORCEMENT).
	SPECIAL AGENT IN CHARGE, MIAMI.
	DIR, OFFICE OF INVESTIGATIVE PROGRAMS.
	DIR, OFFICE OF ENFORCEMENT SUPPORT.
	SPECIAL AGENT IN CHARGE—NEW YORK.
	SPECIAL AGENT IN CHARGE.
	DIR OFC OF DOMESTIC OPERATIONS.
	SPECIAL AGENT IN CHARGE (NEW ORLEANS)
	DIRECTOR OFC OF FOREIGN OPERATIONS.
	ASST COMMISSIONER, INVESTIGATIONS.
	SPECIAL AGENT IN CHARGE.
	DEP ASST COMR, OFC OF A & M INTERDICTION.
	SPECIAL AGENT IN CHARGE (HOUSTON).
	SPECIAL AGENT-IN-CHARGE (SAN DIEGO).
	SPECIAL AGENT-IN-CHARGE (CHICAGO).
	SPECIAL AGENT-IN-CHARGE-DALLAS.
ORGANIZATION ABOLISHED	SPECIAL AGENT IN CHARGE (NEWARK).
OFFICE OF FIELD OPERATIONS	DEPUTY ASST COMM OFC OF REGUL & RULINGS.
	DIR, INTERNATIONAL TRADE COMPLIANCE DIVISION.
	DIR OFC OF REGULATORY AUDIT.
	ASST COMMISSIONER, FIELD OPERATIONS.
	DIR, OFFICE OF TECHNICAL SERVICES.
	DEP ASST COMM (OFC OF TRADE OPERATIONS).
	DEP ASST COMMISSIONER COMMERCIAL OPERATIONS.
	DEP DIR, OFC OF REGULATORY AUDIT.
	DIR, COMMERCIAL RULINGS DIVISION.
OFFICE OF FINANCE	ASSISTANT COMMISSIONER, FINANCE.
OFFICE OF INFORMATION & TECHNICAL SERVICES	ASST COMMISSIONER, INFOR & TECHNICAL SERVICES.
OFFICE OF HUMAN RESOURCES MANAGEMENT	ASST COMMISSIONER, HUMAN RESOURCES MGMT.
OFFICE OF STRATEGIC TRADE	ASST REGL COMMR (OPERATIONS).
OFFICE OF THE CHIEF COUNSEL	ASST CHIEF COUNSEL (CUSTOMS COURT LITIGAT).
	MIAMI REGL COUNSEL.
	CHICAGO REGL COUNSEL.
	NEW YORK REGL COUNSEL.
	ASSOCIATE CHIEF COUNSEL ENFORCEMENT.
	ASSOC CHIEF COUNSEL (TRADE TARIFF & LEG).
	REGIONAL COUNSEL (SOUTHWEST REGION).
	REGIONAL COUNSEL (PACIFIC REGION).
US SECRET SERVICE	DIRECTOR OF THE SECRET SERVICE.
	DEPUTY DIRECTOR U.S. SECRET SERVICE.
	ASSISTANT DIRECTOR, ADMINISTRATION.
	ASSISTANT DIRECTOR INSPECTION.
	ASSISTANT DIRECTOR—TRAINING.
	ASST DIRECTOR—GOVT LIAISON AND PUBLIC AFF.
	DEP ASST DIR (SPEC AGENT TRNG), OFC OF TRNG.
	DAD—ADMINISTRATION.
	DAD (UNIFORMED FORCES, F & E DEV), OFC TRNG.
	EXEC DIR FOR WORKFORCE PLANN & DIVERSITY MGNT.
	SPECIAL ASST TO THE DIRECTOR.
	DEPUTY ASST DIRECTOR OFFICE OF INSPECTION.
OFFICE OF PROTECTIVE OPERATIONS	ASST DIR (PROTECTIVE OPERATIONS).
	DEP ASST DIR (PROTECTIVE OPERATIONS).
	SPEC AGENT IN CHARGE-PRESIDENTIAL PROTECTIVE.
	SPEC AGENT IN CHARGE-VP PROTECT DIV.
	SPEC AGENT IN CHARGE DIGNITARY PROTECTIVE DIV.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DEPUTY SPECIAL AGENT IN CHARGE PRES PROT DIV.
	DEPUTY SPECIAL AGENT IN CHARGE—VP PROT DIV.
OFFICE OF PROTECTIVE RESEARCH	ASST DIR (PROTECTIVE RESEARCH).
	DEP. ASST. DIR. (PROTECTIVE RESEARCH).
	SPEC AGENT IN CHARGE-TECH SEC DIV.
	SPEC AGENT IN CHARGE-INTELLIGENCE DIV.
	DEP SPEC AGENT IN CHARGE, INTELLIGENCE DIV.
	CHF, INFO RESOURCES MANAGEMENT DIVISION.
OFFICE OF INVESTIGATIONS	ASST DIRECTOR, INVESTIGATIONS.
	DEPUTY ASST DIR INVESTIGATIONS.
	DEP ASST DIR INVESTIGATIONS.
FIELD OPERATIONS	SPECIAL AGENT IN CHARGE, NEW YORK OFFICE.
	SPECIAL AGENT IN CHARGE, CHICAGO.
	SPECIAL AGENT IN CHARGE, LOS ANGELES OFFICE.
	SPEC AGENT IN CHARGE-WASHINGTON FIELD OFFICE.
	SPEC AGENT IN CHARGE-PHILADELPHIA FIELD OFFIC.
	DEPUTY SPECIAL AGENT IN CHARGE, NEW YORK.
	SPC AGENT IN CHARGE SAN FRANCISCO OFFICE.
	SPECIAL AGENT IN CHARGE, DETROIT.
	SPECIAL AGENT IN CHARGE, DALLAS FIELD OFFICE.
	SPECIAL AGENT IN CHARGE—HOUSTON FIELD OFC.
	SPECIAL AGENT IN CHARGE—MIAMI FIELD OFFICE.
	SPECIAL AGENT IN CHARGE—BOSTON FIELD OFFICE.
	SPECIAL AGENT IN CHARGE—ATLANTA FIELD OFFICE.
US MINT	ASSOC DIRECTOR, CHIEF OPERATING OFFICER.
	DEP ASSOC DIR FOR FINANCE & DEP CHIEF FIN OFC.
	ASSOCIATE DIRECTOR FOR MARKETING.
	ASSOCIATE DIRECTOR FOR MARKETING.
INTERNAL REVENUE SERVICE	REGL DIR OF APPEALS-CENTRAL REGION.
	REG DIR OF APPEALS, MID-ATLANTIC REGION.
	REG DIR OF APPEALS-SOUTHWEST REG.
	REGIONAL DIR OF APPEALS NORTH ATLANTIC REGION.
	REGIONAL DIRECTOR OF APPEALS-WESTERN REGION.
	ASST TO THE COMMISSIONER (EQUAL OPPORTUNITY).
	CHIEF APPEALS OFFICE NEW YORK CITY.
	DEPUTY COMMISSIONER.
	REGIONAL DIRECTOR OF APPEALS.
	TAXPAYER OMBUDSMAN.
	CHIEF, APPEALS OFFICE, LONG ISLAND.
	REGIONAL DIRECTOR OF APPEALS.
	NATIONAL DIRECTOR OF APPEALS.
	CHIEF COMPLIANCE.
	DISTRICT OFFICE TRANSITION SITE EXECUTIVE.
	COMPUTING CET TRANSITION SITE EXECUTIVE.
	DEPUTY NATIONAL DIR OF APPEALS.
	SUBMISSION PROCESSING TRANSITION SITE EXEC.
	CUSTOMER SERVICE TRANSITION SITE EXECUTIVE.
	ASST TO THE SENIOR DEP COMMISSIONER.
	DIRECTOR, OFFICE OF BUSINESS TRANSITION.
NORTH ATLANTIC REGION	REG COMMR.
	ASST REG COMMR (EXAM) NORTH ATLANTIC REG.
	ARC (CRIMINAL INVESTIGATION).
	ARC (RESOURCES MGMT).
	ARC (COLLECTION) NORTH ATLANTIC REGION.
	ASSISTANT REGIONAL COMMISSIONER (DATA PROC).
	SERVICE CENTER DIRECTOR, ANDOVER, MASS.
	SRVC CTR DIR, BROOKHAVEN.
	DISTRICT DIR, MANHATTAN.
	DISTRICT DIR, BROOKLYN.
	DISTRICT DIR, BOSTON.
	DISTRICT DIR, ALBANY.
	DIST DIR (HARTFORD).
	DISTRICT DIR, BUFFALO.
	ASST DIST DIR, BROOKLYN.
	ASSISTANT DISTRICT DIRECTOR MANHATTAN.
	ASST DISTRICT DIR, BOSTON.
	DISTRICT DIRECTOR PROVIDENCE.
	DIST DIR, AUGUSTA.
	DISTRICT DIRECTOR, PORTSMOUTH.
	DISTRICT DIRECTOR, BURLINGTON.
	DIRECTOR OF SUPPORT SERVICES.
	CHIEF COMPLIANCE.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
MID-ATLANTIC REGION	REG COMMISSIONER.
	ARC (EXAMINATION) MID-ATLANTIC.
	ARC (CRIMINAL INVESTIGATION) MID ATLANTIC REG.
	ASST REG COMMR (COLLECTION).
	ASSISTANT REGIONAL COMMISSIONER (DATA PROC).
	SERVICE CENTER DIR, PHILADELPHIA.
	DISTRICT DIR, NEWARK.
	DISTRICT DIR, PITTSBURGH.
	DISTRICT DIRECTOR RICHMOND DISTRICT.
	ASST DISTRICT DIR, PHILADELPHIA.
	ASST DISTRICT DIRECTOR (NEWARK).
	ASSISTANT DISTRICT DIRECTOR—BALTIMORE, MD.
	DISTRICT DIRECTOR, WILMINGTON.
	DISTRICT DIR, BALTIMORE.
	ASST SERVICE CENTER DIRECTOR.
	CHIEF COMPLIANCE.
	DISTRICT DIRECTOR.
	ASSIST REG'L COMMISSIONER (RESOURCES MGMT).
	DIR OF SUPPORT SERVICES.
SOUTHEAST REGION	REG COMMR.
	ARC (EXAMINATION) SOUTHEAST REGION
	ASST REG COMMISSIONER-CRIMINAL INVESTIGATION.
	ASST REG'L COMMR (RESOURCES MANAGEMENT).
	ASST REG (COLLECTION) SE REG ATLANTA.
	ASSISTANT REGIONAL COMMISSIONER (DATA PROC).
	SERVICE CENTER DIRECTOR, MEMPHIS.
	SRVC CTR DIR, ATLANTA.
	DISTRICT DIR, JACKSONVILLE.
	DISTRICT DIR, ATLANTA.
	DISTRICT DIRECTOR GREENSBORO.
	DISTRICT DIR, NASHVILLE.
	DISTRICT DIRECTOR BIRMINGHAM.
	DISTRICT DIR, NEW ORLEANS.
	DISTRICT DIRECTOR, COLUMBIA.
	DISTRICT DIRECTOR LITTLE ROCK DISTRICT.
	DISTRICT DIRECTOR, JACKSON, MISS.
	ASST DISTRICT DIRECTOR, JACKSONVILLE.
	ASSISTANT DISTRICT DIRECTOR, ATLANTA.
	DIR OF SUPPORT SERVICES.
	ASSISTANT DISTRICT DIRECTOR.
	DISTRICT DIRECTOR.
	ASSISTANT SERVICE CENTER DIRECTOR.
CENTRAL REGION	REGIONAL COMMR, CENTRAL.
	ARC (EXAMINATION) CENTRAL REGION.
	ASST REGL COMR (CRIMINAL INVESTIGATION).
	ASST REG COMM (RESOURCE MANAGEMENT).
	ASSISTANT REGIONAL COMMISSIONER (COLLECTION).
	ASST REGL COMMISSIONER (DATA PROCESSING).
	DIR SERVICE CTR CINCINNATI.
	DISTRICT DIR (CLEVELAND).
	DISTRICT DIRECTOR DETROIT.
	DISTRICT DIRECTOR (PARKERSBURG).
	DISTRICT DIRECTOR, INDIANAPOLIS.
	DISTRICT DIRECTOR, LOUISVILLE.
	DISTRICT DIR, CINCINNATI.
	ASST SERVICE CENTER DIRECTOR.
	DIRECTOR OF SUPPORT SERVICES.
	CHIEF COMPLIANCE.
	ASSISTANT DISTRICT DIRECTOR.
	ASSISTANT DISTRICT DIRECTOR DETROIT.
MIDWEST REGION	REGIONAL COMMR, MIDWEST REGION.
	ASST REG COMMR (RESOURCES MGMT).
	ARC (CRIMINAL INVESTIGATION) MIDWEST REGION.
	ASSISTANT REGIONAL COMMISSIONER (DATA PROC).
	ARC (EXAMINATION), MIDWEST REGION.
	ARC (COLLECTION) MIDWEST REGION.
	SRVC CTR DIR, KANSAS CITY.
	DISTRICT DIR, CHICAGO.
	DISTRICT DIRECTOR ST LOUIS.
	DISTRICT DIR, ST PAUL.
	DISTRICT DIR, OMAHA.
	DISTRICT DIR, SPRINGFIELD.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
SOUTHWEST REGION	DISTRICT DIR, MILWAUKEE. ASST DISTRICT DIR, CHICAGO. DISTRICT DIRECTOR, FARGO. DISTRICT DIRECTOR, ABERDEEN. DIR OF SUPPORT SERVICES. DISTRICT DIRECTOR, HELENA. CHIEF COMPLIANCE DEPT OF THE TREAS. DISTRICT DIRECTOR. ASSISTANT SERVICE CENTER DIRECTOR. REGIONAL COMMISSIONER. ASST REGL COMMR (EXAMINATION). ARC (CRIMINAL INVESTIGATION) S W REGION. ARC (RESOURCES MGMT). ASSISTANT REGIONAL COMMISSIONER (COLLECTION). ASSISTANT REGIONAL COMMISSIONER (DATA PROC). SERVICE CENTER DIR, OGDEN. SERVICE CENTER DIRECTOR, AUSTIN. DISTRICT DIR, AUSTIN. DISTRICT DIRECTOR, DALLAS. DISTRICT DIRECTOR, WICHITA. DISTRICT DIRECTOR, OKLAHOMA CITY. DISTRICT DIR, PHOENIX. DISTRICT DIR, DENVER. ASSISTANT DISTRICT DIRECTOR, DALLAS. DISTRICT DIRECTOR, ALBUQUERQUE. DISTRICT DIRECTOR, CHEYENNE. DISTRICT DIRECTOR, SALT LAKE CITY. COMPLIANCE CENTER DIRECTOR. ASSISTANT SERVICE CENTER DIRECTOR. DIRECTOR OF SUPPORT SERVICES. CHIEF COMPLIANCE. ASSISTANT DISTRICT DIRECTOR, HOUSTON. DISTRICT DIRECTOR, HOUSTON.
WESTERN REGION	REG COMMR. ARC (CRIMINAL INVESTIGATION). ASSISTANT REGIONAL COMMISSIONER (DATA PROC). ASST REGIONAL COMMISSIONER (EXAMINATION). ASST REGL COMMR (COLLECTION). ASST REGL COMMR/(RESOURCES MANAGEMENT). SERVICE CENTER DIRECTOR, FRESNO. DISTRICT DIR, LOS ANGELES. DISTRICT DIR, SAN FRANCISCO. DISTRICT DIRECTOR, PORTLAND DISTRICT. DISTRICT DIR, SEATTLE. ASST DISTRICT DIR, LOS ANGELES. ASST DIST DIR, SAN FRANCISCO. DISTRICT DIRECTOR, HONOLULU. DISTRICT DIRECTOR, ANCHORAGE. DISTRICT DIRECTOR, BOISE. DISTRICT DIRECTOR (SACRAMENTO). DISTRICT DIRECTOR (LAS VEGAS). DISTRICT DIRECTOR, SAN JOSE. ASSISTANT DISTRICT DIRECTOR, LAGUNA NIGUEL. ASST SERVICE CENTER DIRECTOR. CHIEF COMPLIANCE. DISTRICT DIRECTOR, LAGUNA NIGUEL. DIR OF SUPPORT SERVICES. ASSISTANT DISTRICT DIRECTOR.
CHIEF COMPLIANCE OFFICER	ASST COMR (EMPLOYEE P & E ORGANIZATIONS). SPECIAL ASST FOR EXEMPT ORGANIZATION MATTERS. ASST COMMISSIONER (TAXPAYER SERVICE). MODERNIZATION EXECUTIVE. ASSISTANT COMMISSIONER (EXAMINATION). ASST COMMR (CRIMINAL INVESTIGATION). DIR EXEMPT ORGANIZATIONS TECHNICAL DIVISION. D/EMPLOYEE PLANS TECH & ACTUARIAL DIVISION. DIRECTOR, STATISTICS OF INCOME DIVISION. DEPUTY ASSISTANT COMMISSIONER (EXAMINATION). DEP ASST COMMR (CRIMINAL INVESTIGATION). DIRECTOR, INPUT PROCESSING DIVISION. DIRECTOR OF OPERATIONS. ASST/DIR EMPLOYEE PLANS TECHN & ACTURIAL DIV.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	OPERATIONS DEP ASST COMR (RETURNS PROCESSING).
	DIRECTOR, COORDINATED EXAMINATION PROGRAM.
	DIR OF INVESTIGATIONS.
	DIRECTOR, OFFICE OF NATIONAL OPERATIONS.
	ASSISTANT DIR, TAXPAYER SERVICE DIVISION.
	D/A COMR (EMPLOYEE PLANS & EXEMPT ORGS).
	DIRECTOR, CASE PROCESSING DIVISION.
	COMPLIANCE 2000 EXECUTIVE.
	BUSINESS INTEGRATION DAC (RETURNS PROCESSING).
	CHIEF OPERATIONS OFFICER.
	ASST COMMISSIONER (RETURNS PROCESSING).
	DIR TAXPAYER SERVICE DIVISION.
	ASSISTANT COMMISSIONER (COLLECTION).
	NATL DIRECTOR CORPORATE EXAMINATIONS.
	EXEC DIR, ENSUING COMPLIANCE CORE BUSIN SYST.
	ASSISTANT COMMISSIONER (INTERNATIONAL).
	NATIONAL DIRECTOR, COMPLIANCE SPECIALIZATION.
	NATIONAL DIRECTOR SPECIALTY TAXES.
	CHIEF COMPLIANCE OFFICER.
	SPEC ASST TO THE ASST COMR (CRIMINAL INVEST).
	DIR INFORMATION REPORTING PROGRAM.
	NATIONAL DIR, RES & STATISTICAL ANALYSIS.
	DEP ASST COMR (TAXPAYER SERVICES).
	DEPUTY ASST COMMISSIONER (INTERNATIONAL).
	DIRECTOR, FED STATE RELATIONS DIVISION.
CHIEF, TAXPAYER SERVICES	EXECUTIVE FOR ELECTRONIC FILING STRATEGY.
	DEP ASST COMMR (COLLECTION).
	NATL DIR, SUBMISSION PROCESSING DIVISION.
	EXECUTIVE OFCR FOR SERVICE CENTER OPERATIONS.
	CHIEF TAXPAYER SERVICES.
	DIR, TAXPAYER SERVICES DESIGN & REVIEW DIV.
CHIEF FINANCIAL OFFICER	CHIEF FINANCIAL OFFICER.
	CONTROLLER NATIONAL DIR FOR FINANCIAL MGMT.
	NATIONAL DIRECTOR FOR BUDGET.
	DEPUTY ASSISTANT COMMISSIONER (PROCUREMENT).
	ACCOUNTS RECEIVABLE EXECUTIVE OFFICER.
	DIR TRAINING & DEVELOPMENT DIVISION.
	DIR, FACILITIES & INFO MGMT SUPPORT DIVISION.
	DIRECTOR, RESEARCH DIVISION.
	DIRECTOR, SUPPORT & SERVICES DIVISION.
	SPEC ASST TO DEP COMR (P & R)/CHF FIN OFFICER.
	PROJECT DIR ADMIN SERVICES CTR PROJECT OFC.
	A/C (PLANNING & RESEARCH).
	DIR, SUPPORT & SERVICES DIVISION.
	DEP ASST COMMISSIONER (PLANNING & RESEARCH).
	DIRECTOR, HUMAN RESOURCES DIVISION.
	ASST COMMISSIONER (FINANCE)/CONTROLLER.
	DEP ASST COMMISSIONER (HUMAN RES & SUPPORT).
	NATIONAL DIRECTOR FOR SYSTEMS & ACCOUNT STDS.
	ASSISTANT COMMISSIONER (HUMAN RES & SUPPORT).
	ASST COMR (PROCUREMENT).
CHIEF, MANAGEMENT & ADMINISTRATION	DEAN SCHOOL OF INFORMATION TECHNOLOGY.
	DEAN SCHOOL OF PROFESSIONAL DEVELOPMENT.
	NATIONAL DIRECTOR OF EDUCATION.
	DIR RESOURCING BUSINESS SYSTEM & INTEGRATION.
	CHIEF MANAGEMENT AND ADMINISTRATION.
CHIEF INFORMATION OFFICER	DIR MARTINSBURG COMPUTING CENTER.
	DIR, IRS DATA CENTER DETROIT.
	DIRECTOR, SYSTEMS DESIGN DIVISION.
	DIRECTOR SYSTEMS ACQUISITION DIVISION.
	DIR INPUT SYSTEMS DIVISION.
	DEP ASST COMMISSIONER (INFO SYSTEMS MGMT).
	DIR PROJECT MGNT DIVISION.
	DIR SYSTEMS MANAGEMENT & OPER SERVICES DIV.
	ASST COMMISSIONER (INFORMATION SYSTEMS DEV).
	PRIVACY ADVOCATE.
	DIR TECHNICAL MANAGEMENT DIVISION.
	DIR CASE SYSTEMS DIVISION.
	DIRECTOR, SYSTEMS INTEGRATION DIVISION.
	DEP ASST CHF INFO OFFICER INFO SYSTEM DEV.
	ASST DIR DETROIT COMPUTING CTR.
	NATL DIR NETWORK & SYSTEMS MANAGEMENT.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DIR TELECOMMUNICATIONS DIVISION.
	DIR OPERATIONS MANAGEMENT DIVISION.
	DIRECTOR, QUALITY ASSURANCE DIVISION.
	DEAN SCHOOL OF TAXATION.
	CHIEF INFORMATION OFFICER.
	DIRECTOR, CORPORATE SYSTEMS DIVISION.
	ASST COMMISSIONER (INFORMATION SYSTEMS MGMT).
CHIEF, STRATEGIC PLANNING & COMMUNICATIONS	DIRECTOR, TAX FORMS & PUBLICATIONS DIVISION.
	DIRECTOR, LEGISLATIVE AFFAIRS DIVISION.
	NATL DIRECTOR, STRATEGIC PLANNING DIVISION.
	NATIONAL DIRECTOR OF QUALITY.
	DIRECTOR, EXTERNAL LIAISON DIVISION.
	CHIEF STRATEGIC PLANNING & COMMUNICATIONS.
CHIEF, HEADQUARTERS OPERATIONS	CHIEF HEADQUARTERS OPERATIONS.
CHIEF INSPECTOR	CHIEF INSPECTOR.
	DEP CHIEF INSPECTOR.
	ASSISTANT CHIEF INSPECTOR (INT AUDIT).
	ASSISTANT DIRECTOR INTERNAL AUDIT DIVISION.
	ASST CHIEF INSPECTOR (INTERNAL SECURITY).
	ASST DIR, INTERNAL SECURITY DIVISION.
	REGIONAL INSPECTOR, MIDWEST REG.
	REGIONAL INSPECTOR, NORTH ATLANTIC.
	REGIONAL INSPECTOR, WESTERN REGION.
	REGIONAL INSPECTOR, SOUTHWEST REG.
	REGIONAL INSPECTOR, MID-ATLANTIC REG.
	REGIONAL INSPECTOR, CENTRAL.
	REGIONAL INSPECTOR SOUTHEAST.
CHIEF COUNSEL	ASST CHIEF COUNSEL (GENERAL LITIGATION).
	ASST CHIEF COUNSEL (CRIMINAL TAX).
	ASST CHIEF COUNSEL (GENERAL LEGAL SERVICES).
	ASST CHIEF COUNSEL (DISCLOSURE LITIGATION).
	ASSISTANT CHIEF COUNSEL (INTERNATIONAL).
	ASSISTANT CHIEF COUNSEL (CORPORATE).
	DEP ASST CHF COUN (INCOME TAX & ACCOUNTING).
	DEP ASST CHF COUN (PASSTHROUGHS/SPEC INDUST).
	ASST TO THE ASSOC CHF COUN (FIN & MGMT).
	ASST CHIEF COUNSEL (FIELD SERVICE).
	ASST CHF COUN (PASSTHROUGHS/SPEC INDUSTRIES).
	DEPUTY ASST CHIEF COUNSEL (CORPORATE).
	DEP ASSOC CHIEF COUNSEL (FIN & MANAGEMENT).
	SPECIAL APPELLATE COUNSEL.
	DEP ASST CHIEF COUNSEL (FIELD SERVICE).
	DEP ASST CHIEF COUN (FINANCIAL INST & PROD).
	DEP ASSOC CHF COUN (ENFORCEMENT LITIGATION).
	DEP ASSOC CHIEF COUNSEL INTERNATIONAL.
	ASST CHF COUN (FIN INSTITUTIONS & PRODUCTS).
	DEP ASST CHIEF COUN (INCOME TAX & ACCOUNTING).
	DEP ASSOC CHIEF COUNSEL (EBED).
	DEP ASST CHF COUN (INCOME TAX & ACCOUNTING).
	ASST CHIEF COUNSEL (INCOME TAX & ACCOUNTING).
	ASSOC CHIEF COUNSEL (ENFORCEMENT LITIGATION).
	ASSOC CHIEF COUNSEL EMP BENEFITS EXEMPT ORG.
	SPECIAL COUNSEL (LARGE CASE).
	SPECIAL LITIGATION COUNSEL.
	DEPUTY CHIEF COUNSEL.
	DEP ASSOC CHIEF COUNSEL (DOMESTIC) (TECHNICAL).
	ASSOCIATE CHIEF COUNSEL (INTERNATIONAL).
	ASSOC CHF COUNSEL (FINANCE & MANAGEMENT).
	DEP ASSOC CHIEF COUN (DOMESTIC) (FIELD SERV).
	ASSOC CHIEF COUNSEL (DOMESTIC).
REGIONAL COUNSELS	REGL COUNSEL, CENTRAL REG.
	REGIONAL COUNSEL, MID-ATLANTIC REGION.
	REGL COUNSEL MIDWEST REGION.
	REGL COUNSEL, NORTH ATLANTIC REGION.
	DEP REGL COUN (TAX LITIGAT) NO-ATLANTIC REG.
	DEPUTY REGIONAL COUNSEL (GENERAL LITIGATION).
	REGIONAL COUNSEL SE REGION.
	REGL COUNSEL SOUTHWEST REGION.
	REGIONAL COUNSEL.
	DISTRICT COUNSEL—BOSTON.
	DISTRICT COUNSEL—LOS ANGELES.
	DISTRICT COUNSEL CINCINNATI.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	DISTRICT COUNSEL—PHILADELPHIA.
	DISTRICT COUNSEL—NEWARK.
	DISTRICT COUNSEL—CHICAGO.
	DISTRICT COUNSEL—MANHATTAN.
	DISTRICT COUNSEL—DALLAS.
	DISTRICT COUNSEL—SAN FRANCISCO.
	DEP REGIONAL COUNSEL (TAX LITIGATION).
	DEP REGIONAL COUNSEL (TAX LITIGATION).
	DISTRICT COUNSEL.
	DISTRICT COUNSEL.
	DEPUTY REGIONAL COUNSEL (TAX LITIGATION).
	DISTRICT COUNSEL, WASHINGTON, DC.
	DEPUTY REGIONAL COUNSEL (TAX LITIGATION).
	DISTRICT COUNSEL, BROOKLYN, NEW YORK.
	DISTRICT COUNSEL, HOUSTON, TEXAS.
	DISTRICT COUNSEL, DENVER.
U.S. ARMS CONTROL AND DISARMAMENT AGENCY:	
INTELLIGENCE, VERIFICATION & INFORMATION SUPPORT BUREAU.	CHIEF, VERIFICATION DIVISION.
OFC OF ADMINISTRATION	DIRECTOR OF ADMINISTRATION.
STRATEGIC AND EURASIAN AFFAIRS BUREAU	CHF, THEATER & STRATEGIC DEFENSES DIVISION.
	CHIEF, DEFENSE CONVERSION DIVISION.
	CHIEF, STRATEGIC TRANSITION DIVISION.
	CHF, STRATEGIC NEG & IMPLEMENTATION DIVISION.
NON-PROLIFERATION AND REGIONAL ARMS CONTROL BUREAU.	CHIEF SCIENTIST.
	CHF, INTERNATIONAL NUCLEAR AFFAIRS DIVISIONS.
MULTILATERAL AFFAIRS BUREAU	CHIEF SCI & TECHNOLOGICAL DIVISION.
UNITED STATES INFORMATION AGENCY:	
OFC OF THE DIRECTOR	ASSISTANT INSPECTOR GENERAL FOR AUDITS.
	ASSISTANT INSPECTOR GENERAL FOR INSPECTIONS.
BUREAU OF MANAGEMENT	DIRECTOR, OFFICE OF PERSONNEL.
	DIRECTOR, OFFICE OF THE COMPTROLLER.
	DIR OFF SECURITY.
	DIR OFC OF CONTRACTS.
	DEP DIRECTOR, OFFICE OF ADMINISTRATION.
	DIRECTOR, OFFICE OF TECHNOLOGY.
BUREAU OF BROADCASTING	DIR ENGINEERING AND TECHNICAL OPERATIONS
	DEPUTY OF SYSTEMS ENGINEERING.
	DEPUTY FOR PROJECTS MANAGEMENT.
	DEPUTY FOR OPERATIONS.
OFC OF THE GEN COUNSEL	DEPUTY GENERAL COUNSEL.
U.S. INTERNATIONAL TRADE COMMISSION:	
OFFICE OF INDUSTRIES	DIR, OFC OF INDUSTRIES.
OFFICE OF INVESTIGATIONS	DIR, OFC OF INVESTIGATIONS.
DEPARTMENT OF VETERANS AFFAIRS:	
OFFICE OF THE INSPECTOR GENERAL	DEP INSPECTOR GENERAL.
	ASSISTANT INSPECTOR GENERAL FOR AUDITING.
	ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	ASST INSP GEN FOR POLICY, PLAN & RESOURCES.
	DEP ASST INSPECTOR GENERAL FOR INVESTIGATIONS.
	COUNSELOR TO THE INSPECTOR GENERAL.
	ASST INSPECTOR GENERAL FOR HEALTHCARE INSPECT.
	DIRECTOR FOR NATIONAL AUDITS.
	DEP ASST INSPECTOR GENERAL FOR AUDITING.
BOARD OF VETERANS APPEALS	VICE CHAIRMAN.
	DEPUTY VICE CHAIRMAN.
OFFICE OF FINANCIAL MANAGEMENT	DEP ASST SECY FOR FINANCIAL MANAGEMENT.
	ASSOC DEP ASST SECY FOR FINANCIAL OPERATIONS.
	ASSOC DEP ASST SECY FOR ADP SYSTEMS.
	DIR, AUSTIN FINANCE CENTER, AUSTIN, TX.
OFFICE OF INFORMATION RESOURCES MANAGEMENT	DIR, VA AUTOMATION CTR, AUSTIN, TX.
	ASSOC DEP ASST SECY FOR TELECOMMUNICATIONS.
	ASSOC DAS FOR INFO RES PLANS & TECHNOLOGY.
	ASSOC DEP ASST SECY FOR INFO RES MANAGEMENT.
OFFICE OF HUMAN RESOURCES MANAGEMENT	ASSOC DEP ASST SECY FOR HUMAN RES MANAGEMENT.
	ASSOC DEP ASST SECY FOR HUMAN RES MANAGEMENT.
OFC OF THE ASST SECRETARY FOR ACQUISITION AND FACILITIES.	DIR CANTEEN SERVICE.
OFFICE OF ACQUISITION AND MATERIEL MANAGEMENT	DEP ASST SEC FOR ACQUISITION & MATERIEL MGMT.
	ASSOC DEP ASSISTANT SECY FOR ACQUISITIONS.
	ASSOCIATE DEP ASST SECY FOR DEPOTS.
	ASSOC DEP ASST SECY FOR RESOURCES.

POSITIONS THAT WERE CAREER RESERVED DURING CALENDAR YEAR 1994—Continued

Agency/organization	Career reserved positions
	ASSOCIATE DEPUTY ASST SECRETARY FOR MATERIEL.
	ASSOC DAS FOR VA NATL ACQ CENTER HINES, IL.
OFFICE OF SECURITY AND LAW ENFORCEMENT	DEP ASST SECY FOR SECURITY & LAW ENFORCEMENT.
VETERANS BENEFITS ADMINISTRATION	DIRECTOR, BUDGET & FINANCE STAFF.
	DEP DIR COMPENSATION & PENSION SERVICE.
	DEP DIR LOAN GUARANTY SVC.
	DIR INFO MANAGEMENT & TECH ASSESSMENT SERVICE.
	CHIEF FINANCIAL OFFICER.
VETERANS HEALTH ADMINISTRATION	NORTHEASTERN AREA PROJECT MANAGER.
	SOUTHERN AREA PROJECT MANAGER.
	CENTRAL AREA PROJECT MANAGER.
	WESTERN AREA PROJECT MANAGER.
	DEP DIR, MENTAL H & B SCIENCES SERVICE.
	DIRECTOR, BUDGET OFFICE.
	DEPUTY DIRECTOR, BUDGET OFFICE.
	DIR, OFFICE OF PROJECT MANAGEMENT.
	DIRECTOR OFC OF ARCHITECTURE & ENGINEERING.
	DIR, OFFICE OF REAL PROPERTY MANAGEMENT.
	DIR OFFICE OF MEDICAL SHARING.
	DIR, MEDICAL CARE COST RECOVERY OFFICE.
	DIR EMERGENCY MEDICAL PREPAREDNESS OFFICE.
	DEPUTY DIRECTOR EMERGENCY MEDICAL PREP OFC.
	CHIEF FINANCIAL OFFICER.
	DIRECTOR, WESTERN AREA OFFICE.
	DIRECTOR, EASTERN AREA OFFICE.
	DIRECTOR, FACILITIES QUALITY OFFICE.
	DIR CONSULTING SUPPORT OFFICE.

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Federal Register

Thursday
February 16, 1995

Part III

Department of Housing and Development

Office of the Secretary

24 CFR Part 81

The Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac) Regulations; Proposed Rule

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Secretary

24 CFR Part 81

[Docket No. R–95–1754; FR–3481–P–01]

RIN 2501–AB56

The Secretary of HUD's Regulation of the Federal National Mortgage Association (Fannie Mae) and the Federal Home Loan Mortgage Corporation (Freddie Mac)

AGENCY: Office of the Secretary, HUD.

ACTION: Proposed rule.

SUMMARY: This proposed rule would establish new regulations implementing the Secretary of Housing and Urban Development's regulatory authorities respecting the Federal National Mortgage Association (''Fannie Mae'') and the Federal Home Loan Mortgage Corporation (''Freddie Mac''). Under the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (''the Act''), the Secretary has general regulatory authority over Fannie Mae and Freddie Mac (''GSEs'').

Status as a GSE provides substantial advantages to Fannie Mae, Freddie Mac, and their shareholders. With such public benefits flow public responsibilities. In the Act, Congress set forth a framework to ensure that the GSEs fulfill the public purposes set forth in their Charter Acts and serve the housing needs of the country, without threatening the GSEs' safety and soundness. Under the Act, the Secretary is responsible for establishing housing goals to require the GSEs to extend access to mortgage credit to very low-, low-, and moderate-income families and families in central cities, rural areas, and other underserved areas. The Secretary is also responsible for advancing fair lending by requiring that the GSEs not discriminate in their mortgage purchases because of race, color, religion, sex, handicap, familial status, age, or national origin. This regulation requires that the GSEs facilitate enforcement of the Fair Housing Act and the Equal Credit Opportunity Act (ECOA) by submitting data on mortgage lenders to assist investigations of possible Fair Housing Act and ECOA violations. The proposed regulation also directs the GSEs to undertake remedial action against sellers found to violate the Fair Housing Act and ECOA and provides for the Secretary periodically to review and comment on each GSE's underwriting and appraisal guidelines. In addition, the regulation sets forth the scope of other Secretarial responsibilities, including the statutory authority to review and approve new programs of the GSEs, obtain data and reports from the GSEs on their housing activities, and disseminate publicly information related to the GSEs' housing activities while protecting proprietary information.

DATES: Comment due date: May 2, 1995.

ADDRESSES: Comments should be sent to Rules Docket Clerk, Office of General Counsel, room 10276, Department of Housing and Urban Development (HUD), 451 Seventh Street, SW, Washington DC 20410–0500. Communications should refer to the docket number and title. Facsimile (FAX) comments are not acceptable. A copy of each communication submitted will be available for public inspection and copying between the hours of 7:30 a.m. and 5:30 p.m. weekdays at the above address.

FOR FURTHER INFORMATION CONTACT: Harold Bunce, Acting Director, Financial Institutions Regulation, Office of Policy Development and Research, telephone (202) 708–2770; or, for legal questions, Kenneth A. Markison, Assistant General Counsel for Government Sponsored Enterprises/ RESPA, Office of the General Counsel, telephone (202) 708–3137; Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, D.C. 20410. A telecommunications device for deaf persons (TDD) is available at (202) 708–9300. (These are not toll-free telephone numbers.)

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act Statement

The information collection requirements contained in this rule have been submitted to the Office of Management and Budget (OMB) for review under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501–3520). No person may be subjected to a penalty for failure to comply with these information collection requirements until they have been approved and assigned an OMB control number. The OMB control number, when assigned, will be announced by separate notice in the **Federal Register**.

Public reporting burden for the collection of information requirements contained in this rule is estimated to include the time for reviewing the instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Information on the estimated public reporting burden is provided under the Preamble heading, *Other Matters.* Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Department of Housing and Urban Development, Rules Docket Clerk, 451 Seventh Street, SW, Room 10276, Washington, DC 20410–0500; and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Attention: Desk Officer for HUD, Washington, DC 20503.

I. General

A. Purpose

This proposed rule would establish new regulations implementing the authorities of the Secretary of Housing and Urban Development (''the Secretary'') to regulate the GSEs under the GSEs' respective Charter Acts (the Federal National Mortgage Association Charter Act (Fannie Mae Charter Act), Title III of the National Housing Act, section 301 *et seq.* (12 U.S.C. 1716 *et seq.*); and the Federal Home Loan Mortgage Corporation Act (Freddie Mac Act), Title III of the Emergency Home Finance Act of 1970, section 301 *et seq.* (12 U.S.C. 1451 *et seq.*) and the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (''FHEFSSA'' or ''the Act''), enacted as Title XIII of the Housing and Community Development Act of 1992 (Pub. L. 102–550, approved October 28, 1992, and codified, generally, at 12 U.S.C. 4501–4641). FHEFSSA substantially changed the Secretary's authorities to regulate the GSEs, requiring the Secretary to promulgate new regulations. The Secretary proposes these regulations to implement these new authorities, to replace the Secretary's current regulations governing Fannie Mae and, for the first time, to establish regulations governing Freddie Mac.

B. Background

In 1968, Congress chartered Fannie Mae as a stockholder-owned, privately managed corporation to fulfill various public purposes by providing a secondary market for home mortgages. In 1970, Congress chartered Freddie Mac within the Federal Home Loan Bank System.

The GSEs' Charter Acts set forth identical purposes for Fannie Mae and Freddie Mac [1] to: (1) Provide stability in the secondary market for residential mortgages; (2) respond appropriately to the private capital market; (3) provide ongoing assistance to the secondary

[1] *Cf.* Fannie Mae Charter Act, section 301, to Freddie Mac Act, section 301.

market for residential mortgages (including activities relating to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing; and (4) promote access to mortgage credit throughout the Nation (including central cities, rural areas, and other underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.[2]

1. The Current Fannie Mae Regulations

In 1978, the Secretary promulgated regulations governing Fannie Mae.[3] These regulations were issued under the authority of the Fannie Mae Charter Act and, among other things, implemented the Secretary's ''general regulatory power'' over Fannie Mae and established other specific regulatory powers of the Secretary, including procedures under which the Secretary must approve stock and debt issuances, changes to a statutory debt-to-capital ratio, and new conventional mortgage programs.[4] The regulations also require Secretarial approval of Fannie Mae's underwriting guidelines to implement fair housing requirements and regulate equal opportunity in employment.[5] To ensure that Fannie Mae fulfilled its Charter Act purpose of providing a secondary market for home mortgages for low- and moderate-income families, the regulations required that 30 percent of Fannie Mae's aggregate mortgage purchases be mortgage purchases financing housing secured by mortgages located in central cities and that 30 percent of its aggregate mortgage purchases be mortgages financing housing for low- and moderate-income families.[6] Housing for low- and moderate-income families under the Fannie Mae regulations included multifamily housing insured under Federal Housing Administration (FHA) programs, housing receiving housing assistance payments (HAP), and, for single-family housing, housing purchased at a price not in excess of 2.5 times the area median family income.[7]

2. FIRREA and the Secretary's Assumption of Regulatory Responsibility Over Freddie Mac

Section 731 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (''FIRREA'') (Pub. L. 101–73, approved August 9, 1989) amended the Freddie Mac Act. The Secretary of HUD was granted general regulatory power and essentially the same specific regulatory powers with respect to Freddie Mac as the Secretary had respecting Fannie Mae, so that the Secretary's regulatory authority was ''identical, on all relevant matters, to (the Secretary's) regulatory power over (Fannie Mae).''[8]

3. The Federal Housing Enterprises Financial Safety and Soundness Act

Congress was concerned about the potential for loss to the taxpayers if the GSEs suffered serious losses.[9] In FIRREA, Congress required the Treasury Department, the Congressional Budget Office (CBO), and the General Accounting Office to study the regulation of the GSEs and present recommendations to the Congress.[10] These studies concluded that the current regulatory authorities over the GSEs were inadequate to protect the taxpayer and ensure that the GSEs served the public purposes for which they were chartered. All three agencies recommended that the Government be granted additional authority to regulate the GSEs. The Treasury study formed the basis for a 1991 Administration proposal to create an independent office within HUD to regulate the safety and soundness of the GSEs.

In 1991, the House of Representatives passed H.R. 2900 (102d Cong., 1st Sess. (1991)), establishing an independent office within HUD to regulate the financial safety of the GSEs.[11] The House bill also provided for the establishment of special affordable housing goals to ensure that the GSEs meet the unaddressed needs of very low-income families and lower-income families in lower income areas.[12] The Senate made substantial revisions to the House bill, including changes to clarify the Secretary's authority to establish central cities and low- and moderate-income goals and to modify provisions concerning fair housing.[13]

In 1992—as the Department was preparing regulations governing Freddie Mac and revising its Fannie Mae regulations—Congress enacted FHEFSSA, which revamped the regulatory structure concerning the GSEs and the GSEs' Charter Acts. In FHEFSSA, Congress chose to separate authority over the GSEs' safety and soundness from authority to assure that the GSEs accomplished their public purposes. FHEFSSA established a new Office of Federal Housing Enterprise Oversight (OFHEO) charged with new regulatory powers over the financial safety of the GSEs.[14] FHEFSSA also granted the Secretary more specific powers and authorities over the housing purposes and fair lending responsibilities of the GSEs.

The Act granted the Secretary the power to establish, monitor, and enforce goals for the GSEs' purchases of mortgages financing housing for low- and moderate-income families, housing located in central cities, rural areas, and other underserved areas, and special affordable housing meeting the unaddressed housing needs of targeted families.[15] Although the authority to establish goals previously existed under the Charter Act and was implemented under the current Fannie Mae regulations,[16] FHEFSSA defined and expanded this authority. Moreover, the Act provided that the goals would be achieved based on income of owners and renters. The regulations, promulgated in 1978, had allowed a proxy of house price[17] that was easier to achieve.

Generally, the Act authorizes the Secretary to establish each of the goals after consideration of certain prescribed factors relevant to the particular goal.[18] However, for a transition period of calendar years 1993 and 1994, the Act established target percentage amounts for purchases by the GSEs of mortgages on housing for low- and moderate-income families and housing located in central cities—which were based on the Fannie Mae regulations—and specific dollar amounts for purchases of mortgages on special affordable

[2] Fannie Mae Charter Act, section 301, and Freddie Mac Act, section 301(b).

[3] 24 CFR part 81.

[4] 24 CFR 81.12, 81.14, 81.15, and 81.16(c).

[5] 24 CFR 81.18 and 81.19.

[6] 24 CFR 81.16(d) and 81.17.

[7] 24 CFR 81.2(l).

[8] H.R. Rep. No. 101–54, 101st Cong., 1st Sess., pt. 3, at 2 (1989), and S. Rep. No. 101–19, 101st Cong., 1st Sess. 38 (1989).

[9] *See, e.g.*, H.R. Rep. 101–54, Part 1, 101st Cong., 1st Sess. 389 (1989).

[10] FIRREA, sections 1004 (Comptroller General study) and 1404 (Treasury study), and 2 U.S.C. 621 note (Treasury study and CBO study).

[11] H.R. 2900, section 101.

[12] *Id.*, at sections 121(n) and 122(l).

[13] S. 2733, 102d Cong., 2d Sess., sections 502, 504, and 514 (1992).

[14] Section 1311, and *see, e.g.*, section 1313. Unless otherwise specified, all section cites herein are cites to the Federal Housing Enterprises Financial Safety and Soundness Act of 1992.

[15] *See generally*, sections 1331–34.

[16] *See* 24 CFR 81.16(d) and 81.17.

[17] 24 CFR 81.2(l)(3).

[18] Sections 1332(b), 1333(a)(2), and 1334(b).

housing.[19] For the transition years, the Act set targets for both GSEs that low- and moderate-income and central cities mortgage purchases comprise at least 30 percent of the units financed by the GSEs' total mortgage purchases for these years.[20] The Act also set targets for the special affordable housing goals in the transition years,[21] which, unlike the other goals, were set at no less than a minimum number of dollars of mortgage purchases rather than units financed. For the transition, the Act required that the Secretary establish interim goals to improve the GSEs' performances relative to the statutory targets, so that the GSEs would meet the targets by the end of the transition period.[22]

The Act also established new fair lending requirements for the GSEs under which the Secretary must, by regulation, prohibit the GSEs from discriminating in their mortgage purchases because of ''race, color, religion, sex, handicap, familial status, age, or national origin, including any consideration of age or location of the dwelling or the age of the neighborhood or census tract where the dwelling is located in a manner that has a discriminatory effect.'' [23] Under the Act, the Secretary also must: require the GSEs to submit data to assist the Secretary in investigating whether a mortgage lender has failed to comply with the Fair Housing Act and the Equal Credit Opportunity Act (ECOA); obtain and make available to the GSEs information from other regulatory and enforcement agencies on violations by lenders of the Fair Housing Act and ECOA; direct the GSEs to take remedial action against lenders found to have engaged in discriminatory lending practices in violation of the Fair Housing Act or ECOA; and periodically review and comment on the underwriting and appraisal guidelines of each GSE to ensure that such guidelines are consistent with the Fair Housing Act and the Act.[24]

The Act details the Secretary's authority to review and approve new programs of the GSEs and establishes procedures under which the GSEs may contest determinations on new program requests.[25] The Act affirms the Secretary's authority to require reports from the GSEs [26] and details specific data and reports that the GSEs must provide.[27] The Act assigns the Secretary other responsibilities, including establishing a public use data base and implementing requirements for the protection of proprietary information provided by the GSEs.[28] The Act also requires the Secretary to establish procedures to ensure due process for the GSEs in exercising the Secretary's regulatory authorities.[29]

In light of the $850 billion in mortgage-backed securities that were currently outstanding from the GSEs, their $190 billion combined mortgage portfolios, and the GSEs' importance to the National economy, Congress determined that the taxpayers needed increased protection from potential financial losses or risks posed by the GSEs.[30] The Act therefore established a new independent financial regulator for the GSEs within HUD—the Office of Federal Housing Enterprise Oversight (OFHEO) [31]—to design and administer a stress test for capital adequacy and to carry out all regulatory functions to ensure the financial safety of the GSEs.[32] In establishing a new regulatory framework for regulation of the GSEs' financial safety and soundness, the Act deleted several specific authorities of the Secretary, including authority to approve stock offerings, the rate of dividends, and changes in the GSEs' debt-to-capital ratio.[33] The Act assigns authority to approve dividends to the Director of OFHEO [34] and replaces the debt-to-capital ratio with a risk-based capital standard and stress test administered by the Director of OFHEO.[35] Under the Act, the Secretary retains general regulatory power over both GSEs, ''(e)xcept for the authority of the Director of the (OFHEO) described in section 1313(b) and all other matters relating to the safety and soundness of the (GSEs) * * *.'' [36]

4. Previous Proposed Rule

On August 16, 1991, the Secretary published a proposed rule to update the Fannie Mae regulations and establish new regulations governing Freddie Mac.[37] Prior to the promulgation of a final rule, the President signed FHEFSSA into law on October 28, 1992. Since the new Act required complete revision of the rule, the Secretary is withdrawing the former proposed rule and issuing this new proposed rule.

5. Interim Housing Goals

On October 13, 1993, the Secretary published a Notice in the **Federal Register** establishing the interim goals for the GSEs' purchases of mortgages financing low- and moderate-income housing, housing in central cities, and special affordable housing—applicable to the transition years of 1993 and 1994—and requirements for implementation of the goals.[38]

For the transition period of 1993 and 1994, the Act established annual targets for the purchases by both GSEs of mortgages financing housing for low- and moderate-income families and housing located in central cities.[39] The Act set these targets at 30 percent of the units financed by mortgage purchases of the GSEs; [40] the targets were based on the goals established under HUD's Fannie Mae regulations.[41] For the transition period, the Act provided that, where a GSE was not meeting a target as of January 1, 1993, the Secretary must establish the annual goal so that the GSE would improve its performance relative to the 30 percent target.[42] Where a GSE was meeting a target, the Act required the Secretary to establish the goal so that the GSE would improve its performance relative to the 30 percent target.[43] The Act also established dollar targets for the GSEs' purchases of mortgages financing special affordable housing, *i.e.*, housing meeting the needs of and affordable to low-income families in low-income areas and very low-income families.[44] The Secretary established these goals and implementation requirements in the Interim Notice published in October 1993.[45]

The Notice established the goal that 30 percent of the units financed by mortgages purchased by Fannie Mae in 1993 and 1994 should be housing for low- and moderate-income families.[46] The Notice also established the goal that 28 percent of units financed by mortgages purchased by Fannie Mae in 1993, and 30 percent in 1994, should be on housing located in central cities.[47] For the year 1993, Fannie Mae exceeded

[19] Sections 1332(d), 1333(d), and 1334(d).
[20] Sections 1332(d)(1) and 1334(d)(1).
[21] Section 1333(d) (1) and (2).
[22] Sections 1332(d)(2)(A) and 1334(d)(2)(A).
[23] Section 1325(1).
[24] Section 1325 (2)–(6).
[25] Section 1322.
[26] Section 1327.
[27] *See* sections 1381 (o and p) and 1382 (r and s).
[28] Sections 1323 and 1326.
[29] Sections 1322, 1336, and 1341–49.
[30] *See, e.g.*, S. Rep. No. 102–282, 102d Cong., 2d Sess. 10 (1992) (hereinafter cited as ''S. Rep.'').
[31] Section 1311.
[32] *See generally*, section 1313.
[33] Sections 1381 (d)(2), (e)(1), and (k), and 1382(e).
[34] Sections 1381(d)(2) and 1382(e).
[35] Sections 1361–64.
[36] Section 1321.
[37] 56 FR 41022 (1991).
[38] 58 FR 53048 and 53072 (1993).
[39] Sections 1332(d)(1) and 1334(d)(1).
[40] Sections 1332(d)(1) and 1334(d)(1).
[41] 24 CFR 81.16(d) and 81.17.
[42] Sections 1332(d)(2)(A) and 1334(d)(2)(A).
[43] Sections 1332(d)(2)(B) and 1334(d)(2)(B).
[44] Section 1333 (a)(1), (d)(1), and (d)(2).
[45] 58 FR 53048 and 53072 (1993).
[46] 58 FR 53048, 53061 (1993).
[47] *Id.* at 53063.

the goal for low- and moderate-income housing with 35.58 percent and is performing at a rate for 1994[48] that likely will result in Fannie Mae's exceeding the goal and achieving 40 percent. In 1993, Fannie Mae did not meet the goal for central cities and has developed a housing plan to increase its efforts for 1994.

The Notice established Freddie Mac's goal for purchases of mortgages financing housing for low- and moderate-income families at 28 percent for 1993 and 30 percent for 1994.[49] The Notice established Freddie Mac's goal for purchases of mortgages financing housing located in central cities for 1993 at 26 percent and 30 percent for 1994.[50] For the year 1993, Freddie Mac exceeded the goal for low- and moderate-income housing with 29.18 percent and is performing at a rate for 1994[51] that likely will result in Freddie Mac's exceeding the goal and achieving 35 percent. In 1993, Freddie Mac did not meet the goal for central cities and has developed a housing plan to increase its efforts for 1994.

C. Secretary's Approach to Regulating the Enterprises

The Secretary recognizes that the GSEs occupy a unique position in this country's housing finance system. The GSEs were created by the Congress, chartered for public purposes and receive significant public benefits, but the GSEs are privately owned and operated. Because of their status as government-sponsored enterprises, the GSEs receive significant benefits not enjoyed by any other shareholder-owned corporation in the mortgage market. The explicit benefits the GSEs receive include: (1) conditional access to a $2.25 billion line of credit from the U.S. Treasury;[52] (2) exemption from securities registration requirements of the Securities and Exchange Commission and the states;[53] (3) exemption from all State and local taxes except property taxes;[54] and (4) higher demand for the GSEs' securities, since the Government gives those securities the attributes of and the same preferred investment status as Treasury debt.[55] These explicit benefits are far outweighed by an implicit benefit—the market's assumption that, even though no explicit Federal guarantee exists,[56] should a GSE fail to meet its obligations, Congress, and ultimately the American taxpayer, would assist the GSEs. As a result of this implicit guarantee, the GSEs can borrow at near-Treasury rates, and they can sell securities at prices that exceed those of wholly private firms.[57] Consequently, the GSEs' cost of doing business is less than that of other competitors in the mortgage market.

This competitive advantage, combined with the GSEs' solid management, has resulted in enormous growth for both GSEs. In 1989, the GSEs purchased $171 billion of mortgages; in 1993, $543 billion, a three-fold increase. In 1993, the GSEs collectively purchased 70 percent of the mortgages originated in the conventional conforming loan market.[58] The GSEs' profitability has more than doubled in the same period, with combined profits of $2.7 billion in 1993, compared to $1.2 billion in 1989. At the end of the first quarter of 1994, the combined dollar amount of mortgages held in portfolio and mortgage-backed securities outstanding between the two GSEs is nearly 2.5 times the thrift industry's holdings and twice as large as the holdings by commercial banks.[59]

Because they are publicly created entities that enjoy substantial publicly derived benefits, Congress requires the GSEs to carry out public purposes not required of other private-sector entities in the housing finance industry. The GSEs' Charter Acts require them to assist in the efficient functioning of a secondary market for residential mortgages, including mortgages for low- and moderate-income families, and to promote access to mortgage credit throughout the nation, including central cities, rural areas, and other underserved areas. The Charter Act requirements create an obligation for the GSEs to ensure that citizens throughout the country have the opportunity to enjoy access to the public benefits provided by these federally related entities.

The GSEs have been successful at achieving an important part of their mission of providing stability in primary mortgage markets and bringing liquidity to housing finance markets through standardization and the development of mortgage-backed securities. Many home buyers have benefitted from lower interest rates and increased access to capital as a result of the GSEs' activities. The importance of the secondary market and its impact on who is able to buy a home and which communities have access to mortgage credit is substantial. Even lenders intending to hold loans in portfolio originate loans using the GSEs' standards, so that the lenders have the option to sell to the GSEs at a future date.

The Act and the legislative history make clear that the GSEs should be serving Americans across the income spectrum and throughout the country. The GSEs do an excellent job of facilitating the availability of mortgage credit for home buyers with more than moderate incomes and for residents of suburban communities. The GSEs must also use their entrepreneurial talents and position in the marketplace to ''ensure that citizens throughout the country enjoy access to the public benefits provided by these federally related entities.'' [60] The GSEs are not expected to provide deep subsidies for the financing of affordable housing on the scale needed to solve the nation's housing problems. However, given the purposes for which Congress created these enterprises and the substantial federal benefits that they receive, it is essential that the GSEs' activities promote the achievement of national housing goals.

D. Leading the Industry

During the consideration of the Act, Congress noted its strong concern that the GSEs were not doing enough to benefit low- and moderate-income families or the residents of underserved areas that lack access to credit.[61] The Act specifically requires that in establishing the goals, the Secretary consider the ability of the GSEs to lead the industry. The intent of the Congress was clearly stated: the GSEs should ''lead the mortgage finance industry in making mortgage credit available for

[48] Fannie Mae's report on its performance under the goal for the first three quarters of 1994 provides that 43.29 percent of its mortgage purchases count toward achievement of the goal for low- and moderate-income families.

[49] 58 FR 53072, 53085 (1993).

[50] *Id.* at 53088.

[51] Freddie Mac's report on its performance under the goal for the first three quarters of 1994 indicates that 36.31 percent of its mortgage purchases count toward achievement of the goal for low- and moderate-income families.

[52] Sections 306(c)(2) of the Freddie Mac Act and 304(c) of the Fannie Mae Charter Act.

[53] Sections 306(g) of the Freddie Mac Act and 304(d) of the Fannie Mae Charter Act.

[54] Sections 303(e) of the Freddie Mac Act and 309(c)(2) of the Fannie Mae Charter Act.

[55] *See, e.g.,* 12 CFR 208, App. A, section III.C.2.

[56] The GSEs' obligations are not guaranteed by the United States. *See, e.g.,* sections 1302(4), 1381(f), and 1382(n) (requiring each GSE to state in its obligations and securities that such obligations and securities ''are not guaranteed by the United States'').

[57] Congressional Budget Office, Controlling the Risks of Government-Sponsored Enterprises, at 10 (April 1991).

[58] Fannie Mae Economics Department.

[59] Commercial banks held $555 billion, thrifts held $458 billion, and the GSEs held or backed $1,164 billion. Federal Reserve Bulletin, Vol. 80, No. 8, Table 1.54, at A38 (August 1994).

[60] S. Rep. at 34.

[61] *See, e.g.,* S. Rep. at 34.

low- and moderate-income families''.[62] The Act also clarified the GSEs' responsibility to complement the requirements of the Community Reinvestment Act and fair lending laws in order to expand access to capital to those traditionally underserved by the housing finance market.

Fannie Mae and Freddie Mac do not lead the mortgage finance industry in expanding housing opportunities for low-income home buyers and for families who must rent because they cannot afford to be homeowners. The GSEs do not lead the mortgage finance industry in providing access to mortgage credit for residents of communities that are underserved. But the GSEs can and should provide this leadership. As noted in the Act's legislative history, ''the GSEs need to provide more leadership in all of these areas, and they have indicated a desire to do so. But direct and potentially forceful federal oversight is the only way to ensure that it will happen.'' [63]

The Secretary shares the concern of Congress about the GSEs' level of activity in making mortgage credit available for lower-income families. Loans originated for families with incomes below 80 percent of area median income are less likely to be purchased by the GSEs. Five out of six single-family mortgages purchased by the GSEs are for borrowers with incomes above 80 percent of area median income. Almost 60 percent of the GSEs' single-family business is for borrowers with incomes above 120 percent of area median income.

In considering whether the GSEs are leading the industry and in establishing the appropriate levels for the housing goals, the level of originations by the primary market must be examined. The primary market is able to sell to the GSEs more loans for higher-income families than loans for lower-income families. Based on 1993 mortgage market data, the GSEs purchased 55 percent of the loans originated by the primary market for borrowers with incomes above 120 percent of area median income, but only 41 percent of the mortgages originated for borrowers with incomes less than 60 percent of area median income. This occurred notwithstanding that, in response to the Community Reinvestment Act and their desire to meet the mortgage needs of a broad range of families, lenders are originating many more mortgages for very low- and low-income families than the GSEs are purchasing.

[62] S. Rep. at 34.

[63] S. Rep. at 11.

E. Establishing the Housing Goals

The Secretary recognizes that both GSEs have improved their performance in 1993 in the provision of mortgages financing for low- and moderate-income home buyers and central city residents. Both GSEs have begun new programs to increase their ability to deliver the benefits of their activities to traditionally underserved borrowers. These activities are commendable and the Secretary looks forward to seeing those initiatives carried forward. Both GSEs have also been engaged in initiatives to communicate to lenders that the GSEs' underwriting guidelines are not intended to prevent lenders from originating loans for previously underserved segments of their communities.

The Secretary notes these initiatives and the performance of the GSEs under the 1993 housing goals. Both Fannie Mae and Freddie Mac have made progress in carrying out their Charter-required activities to expand access to credit. At the same time, greater accomplishments are needed to assure that the GSEs fully realize their Charter Act purposes. To meet the intent of the Act, the GSEs must purchase more loans originated by the market for borrowers with lower incomes.

The Secretary does not intend that the GSEs do less business for borrowers with high incomes in order to increase their purchases of mortgages for lower-income families. Given the capacity of the GSEs, a tradeoff between high-income and low-income business does not need to occur. When the mortgage market spiked to a trillion dollars in volume in 1993, the GSEs demonstrated their capacity to expand their volume tremendously. The Secretary does not believe that the GSEs will have to shrink one portion of their business to expand their focus on achieving their Charter purposes of providing access to credit to all Americans.

This view has also been expressed by James A. Johnson, Chairman and Chief Executive Officer of Fannie Mae, in Congressional testimony in April 1994:

> It is a governmental frame of reference to assume (Fannie Mae's) resources are limited (as appropriations would be for a government department) and then to 'assign' them through numerous subgoals to categories of need. But the fact that Fannie Mae helps moderate-income families in no way diverts (Fannie Mae) from supporting low-income families.[64]

[64] Testimony before the Committee on Banking, Finance, and Urban Affairs, Subcommittee on General Oversight, Investigations, and the Resolution of Failed Financial Institutions, U.S. House of Representatives, at 17 (April 20, 1994).

In setting the levels of the housing goals, the Secretary has considered carefully the six factors stipulated in the Act: National housing needs; economic, housing, and demographic conditions; the previous performance and effort of the enterprises in achieving the specific goal; the size of the market for that goal; the ability of the GSEs to lead the industry; and the need to maintain the sound financial condition of the enterprises.[65] The Secretary has concluded that these factors, as well as the requirement that the GSEs lead the industry in affirmative efforts to meet the needs of lower-income families and residents of central cities, rural areas, and other underserved communities, dictate that the levels of the housing goals should be increased for 1995–1996. The Secretary considered the following factors which are analyzed in detail in the appendices:

(1) *Housing Needs.* Homeownership is a key aspiration of most Americans. Homeownership fosters family responsibility and self-sufficiency, expands housing choice and economic opportunity and promotes community stability. A homeowner has the most secure physical environment in which to raise a family. Children of homeowners are more likely to graduate from high school, less likely to commit crime, and less likely to themselves have children as teenagers than children of renters. Recent surveys indicate that lower-income families and minority families who do not own their own homes will make considerable sacrifices to purchase a home.

During the past decade, the goal of homeownership has become more elusive for very low-, low-, and moderate-income families. The homeownership rate in this country declined from on all-time high of 65.6 percent in 1980 to 63.9 percent in 1985, where it has remained essentially unchanged. The families that bore the brunt of this decline in homeownership are households who earn less than the median, particularly single-parent households and households with children.

At the same time, housing needs of families who rent have also increased. Finding affordable housing is by far the most common housing problem for American families nationwide. Poor households compete for a diminishing number of affordable apartments as low-cost units are lost to disrepair or are upgraded to serve higher-income renters. The result is growing numbers of low-income households who pay high shares of their income for

[65] 12 U.S.C. 4562.

inadequate housing. Six million low-income families paid more than 50 percent of their income for rent, leaving them with less money for other necessities like food, clothing, health care, and education. The very lowest income renters (families with incomes below 30 percent of area median income) are particularly hard-hit by high rents relative to their incomes, with over 50 percent of these families spending more than half of their income on rent.

The most unfortunate families have no homes. Precise counts of homeless people are not available. An estimated 600,000 people are homeless on any given night and as many as seven million Americans have experienced homelessness during the late 1980s, some for brief periods and some for years.[66]

(2) *Economic, Housing, and Demographic Conditions.* The Department estimates that in 1995 originations for single-family mortgages will be $615 billion. The demand for purchase mortgages will increase in 1995 and 1996, because of demographic trends, including high levels of immigration, changing age and family composition of households, the growth of the affluent elderly population, and potentially increased homeownership by native-born minorities. In addition, although volatile interest rates strongly influence both housing starts and mortgage market activity, rates that are low by historic standards have improved affordability for first-time home buyers, many of whom were closed out of the market during the 1980s. Increasing income inequality and changes in household composition will continue to create an acute need for rental housing affordable to very low-income families, placing additional pressure on the widespread shortages of rental housing affordable to families with incomes below 30 percent of area median income.

(3) *Previous Performance of the GSEs.* The GSEs exceeded the 1993 goals for low- and moderate-income housing. Neither enterprise met the central cities goal for 1993. For the special affordable housing goal, a two-year goal, both GSEs are on track to meet the single-family portion of the goal. Fannie Mae should meet the multifamily portion of the goal by the end of 1994. It is unclear whether Freddie Mac will meet the multifamily portion of the goal by the end of 1994. The Secretary notes that, during the transition period 1993–1994, both GSEs have engaged in new marketing efforts, and introduced new programs, products, and relationships in an effort to achieve the goals.

(4) *Size of the Conventional Market for Each Goal.* The Secretary recognizes the importance of accurately determining, to the extent possible given current data, the size of the various markets applicable to each of the goals. HUD devoted significant analytical resources to estimating market shares, using information from four major data sources: The 1993 purchases by the GSEs, 1993 HMDA data, the American Housing Survey, and the Residential Finance Survey. HUD estimates that 50 to 55 percent of the mortgage market in 1995–1996 will be composed of mortgages from low- and moderate-income households. As a subset of that market, at least 17–20 percent of the conventional conforming market will be composed of mortgages for very low-income households and low-income households in low-income areas. The market share for the central cities, rural areas, and other underserved areas goal (as redefined) is 21–23 percent.

(5) *Ability of the Enterprises to Lead the Industry.* The Secretary believes that the GSEs are well-positioned to provide the leadership that is needed to encourage the mortgage finance industry to better serve very low-, low-, and moderate-income families and residents of communities underserved by the mortgage markets. The GSEs' ability to lead the industry flows from their dominant role in the mortgage market, their ability—through their underwriting standards and new programs and products—to influence the types of loans that primary lenders are willing to make, their development and use of cutting-edge technology, their competent and well-trained staff, and their financial resources.

(6) *Need to Maintain the Sound Financial Condition of the Enterprises.* The enterprises are very substantial corporations as measured by their assets and profits. The Secretary has determined that the GSEs can accomplish the goals established in this regulation in such a way that limited, if any, risk is posed to their safety and soundness. The goals would require reasonable increases in the GSEs' purchases of mortgages that are affordable to very low-, low-, and moderate-income households or finance units located in areas that meet the proposed definition of underserved areas. Given the relatively small size of the proposed increases compared to their current business, the potential increase in the credit risk borne by the GSEs will be limited.

F. Setting the Levels of the Housing Goals

In establishing the housing goals for 1995 and 1996, the Secretary balanced the congressionally mandated factors, *i.e.*, size of the market, housing needs, safety and soundness considerations, economic and demographic conditions, previous performance and the GSEs ability to lead the industry.[67] The Secretary was guided by the overarching principle that both enterprises were created by Congress to serve public purposes for which they receive public benefits, and that their unique status requires that they lead the industry in expanding access to mortgage credit for more Americans and communities. The factors and the public purposes of the GSEs also require that the GSEs lead the industry in affirmative efforts to meet the needs of lower-income families and residents of central cities, rural areas, and other underserved communities.[68]

Based on a consideration of the factors, set forth fully in appendices A, B and C to this rule, the Secretary proposes to establish the goals for 1995 and 1996 for mortgage purchases for low and moderate income housing at 38 percent for 1995 and 40 percent for 1996, the goal for mortgage purchases for central cities, rural areas and other underserved housing at 18 percent for 1995 and 21 percent for 1996, and the goals for special affordable housing at 11 percent for 1995 and at 12 percent for 1996.

Based on a consideration of the factors, set forth in the same appendices to the rule, the Secretary proposes to establish all three goals for 1997 and 1998 so that the goals will move the GSEs steadily over a reasonable period of years, including these two years, to a level of mortgage purchases where the GSEs will be leading the industry in purchasing mortgages meeting the goals. In carrying out this objective, the Secretary proposes to establish the goals for 1997 and 1998 at levels ranging from the same amounts established for 1996 to higher levels. The purpose of any higher levels would be to continue to move the GSEs toward purchasing a greater proportion of mortgages originated by the market. The goals for 1997 to 1998 are therefore proposed for comment as a range; in finalizing the goals, the Secretary will specify definite figures on this range. In order to finalize the goals, the Secretary seeks responses from the public on what ''leading the industry'' should mean and what the goals should be over this period and in

[66] *Priority: HOME! The Federal Plan to Break the Cycle of Homeless,* 17 (1994).

[67] *See* Appendices A–C for the Secretary's analysis of these factors.

[68] 12 U.S.C. 4501.

the future to achieve this objective. The Secretary anticipates at this time that future market conditions will require additional adjustment of the goals by future rulemaking in the latter part of the 1990s.

(1) Should the goals be established so that the GSEs are required to lead the industry by buying at least the percentages of mortgages that the market originates for each goal? If yes, at what levels and over what period should the GSE goals be established to achieve this objective and, specifically, at what levels should the 1997 and 1998 goals be established to meet this objective? In responding, please note:

(A) For the housing goal for low- and moderate-income families—the Secretary determined that for 1995 and 1996, 50 percent of the market is comprised of mortgages qualifying under this goal.

(B) For the special affordable housing goal—the Secretary determined that for 1995 and 1996, 17–20 percent of the market would be mortgages qualifying under this goal.

(C) For the central cities, rural areas, and other underserved areas goal—the Secretary determined that for 1995 and 1996, 21–23 percent of the market would be mortgages qualifying under this goal.

(2) Should leading the industry mean and should the goals be established for future years so that the GSEs are required to purchase (as a percentage of the GSEs' total purchases) a higher percentage of mortgages than are originated by the market under each housing goal? For example, if 16 percent of the mortgages originated and available are expected to be originated for mortgages for very low-income families, should the GSEs be expected to purchase, as a percentage of their overall business, an amount greater than 16 percent of mortgages on housing for very low-income families at some future date? If yes, at what levels and over what period should the goals be established to achieve this objective and, specifically, at what levels should the 1997 and 1998 goals be established to achieve this objective? Also, what percentage over the market should be required?

(3) Should the goals be established such that the GSEs purchase an equivalent proportion of loans originated by the market for borrowers under 80 percent of area median income as they do for borrowers over 120 percent of area median income? If yes, at what levels and over what period should the goals be established to achieve this objective and, specifically, at what levels should the 1997 and 1998 goals be established to achieve this objective?

(4) Should the goals be adjusted as the GSEs reach or fail to achieve the goals or should the goals be established and the GSEs' performance evaluated against relatively fixed goals? If the commenter believes that the goals should be adjusted, how frequently or under what conditions should the Secretary take action to adjust the goals?

(5) To what extent should the GSEs' share of the overall mortgage market affect the levels of the goals? The GSEs currently purchase approximately 70 percent of all conventional, conforming mortgages originated. Should the goals increase as the GSEs' market share increases? If yes, how should this work? How and in what manner should the goals be adjusted?

G. Principles Governing Regulation

In considering these regulations, the Secretary has set forth the following principles:

(1) To fulfill the intent of the Act, the GSEs should lead the industry in ensuring that access to credit is made available for very low-, low- and moderate-income families and residents of underserved areas. The Secretary recognizes that, to lead the mortgage industry over time, the GSEs will have to stretch to reach certain goals, which is consistent with the Congressional statement that it ''fully expects the enterprises will need to stretch their efforts to achieve'' the goals.[69]

(2) The Secretary's role as a regulator is to set direction through the goals, but not to dictate the products or delivery mechanisms the GSEs will use to achieve those goals. Regulating two enormous financial enterprises in a dynamic market requires that the GSEs be allowed to use their innovative capacities to determine how best to deliver products to the primary market. Regulation should allow the GSEs to maintain their flexibility and the ability to respond quickly to market opportunities in order to meet the goals stipulated by the Secretary.

(3) Discrimination in lending—albeit often subtle and even unintentional—has denied racial and ethnic minorities the same access to credit to purchase a home that has been available to similarly situated non-minorities. The GSEs have a critical role and position in promoting access to capital by minorities and other historically underserved groups and demonstrating to other private-sector market players the profit potential in these traditionally underserved markets.

[69] S. Rep. at 35.

(4) In addition to the GSEs' core business of purchasing single-family-home loans, the GSEs also must assist in the creation of an active secondary market for multifamily loans. As noted, this country has a critical need for affordable rental housing to provide adequate housing for families who cannot afford to become homeowners. Availability of capital is a key constraint in the expansion of development activity to build more rental housing.

(5) Parity between the two enterprises in the level of the goals they are required to meet should be established. Both enterprises operate in the same markets and have similar opportunities to purchase mortgages that will satisfy the goals. Freddie Mac has no operational or organizational constraints that would prevent it from meeting goals that Fannie Mae could meet.[70]

II. Section-by-Section Discussion of Proposed Changes to Fannie Mae Regulations and New Freddie Mac Regulations (Part 81)

Subpart A—General

Section 81.1—Scope of Part

This section provides that these regulations implement the authority of the Secretary concerning the GSEs under the Charter Acts and FHEFSSA. The section states that subpart A contains definitions applicable to this part; subpart B contains the housing goals; subpart C contains Fair Housing requirements; subpart D sets forth program review procedures for new programs; subpart E contains requirements for reports to the Secretary; subpart F contains regulations dealing with access to information; subpart G contains procedures available to the GSEs; subpart H contains book-entry procedures; and subpart I contains regulations dealing with regulatory examinations and other provisions. The section provides that, except where the

[70] During the transition period of 1993–1994, the Act established annual targets for the purchases by both GSEs of mortgages financing housing for low- and moderate-income families and housing located in central cities. Sections 1332(d)(1) and 1334(d)(1). For both GSEs, the Act set identical targets at 30 percent of the units financed by mortgage purchases of the GSEs. Although the targets were identical, the Secretary established differential goal levels for Freddie Mac and Fannie Mae, in order to allow Freddie Mac sufficient time to reenter the multifamily market in a prudent and organized manner. Freddie Mac had announced its withdrawal from the multifamily market in 1990. In 1993, Freddie Mac announced its reentry into the multifamily market, after it had reorganized its multifamily division, greatly increased its staffing, implemented new information systems, released a new underwriting guide for multifamily properties, and established a network of originators and servicers with proven local expertise.

Secretary and the Director of the Office of Federal Housing Enterprise Oversight share authority, this part does not implement any authority of the Director of OFHEO.

Section 81.2—Definitions

This section defines terms which are relevant to the Secretary's regulatory authorities. These terms relate to the housing goals, fair housing/fair lending, new program approval, and collection, dissemination and protection of GSE information furnished to the Secretary. Some of the terms are defined in FHEFSSA, some are defined under the Freddie Mac Act and the remainder were defined for these regulations.

The Freddie Mac Act defines terms that are relevant to both GSEs although the same terms are not defined under the Fannie Mae Charter Act. The legislative history of FIRREA indicates that Congress intended that competitive parity exist between the GSEs and that the regulatory power granted to the Secretary be identical for both GSEs.[71] The proposed regulation, therefore, defines terms the same for both GSEs even where the definitions were originally provided in the Freddie Mac Act.

Defined terms that are relevant to all of the housing goals include ''Balloon mortgage'', ''Conventional Mortgage'', ''Dwelling unit'', ''Mortgage'', ''Mortgage purchase'', ''Multifamily Housing'', ''Refinancing'', ''Rental housing'', ''Residence'', ''Seasoned mortgage'', ''Single family housing''. ''Conventional mortgage'' is defined as a mortgage other than a mortgage as to which a GSE has the benefit of any guaranty, insurance or other obligation by the United States. ''Mortgage purchase'' is defined as a transaction where a GSE buys or otherwise acquires with cash or other thing of value a mortgage for its portfolio or for securitization. ''Multifamily housing'' means a residence having more than four dwelling units. ''Single family housing'' is a residence consisting of one to four dwelling units.''

Terms relating to the low- and moderate-income housing goals include ''Low-income'', ''Median income'', ''Moderate income'', ''Rent,'' ''Utilities,'' and ''Utility allowance''. The term ''Low-income'' is defined as income not in excess of 80 percent of area median income, adjusted for family size for rental units but unadjusted for owner-occupied units. ''Median income'' means, with respect to an area, the unadjusted median family income of the area, as most recently established by the Secretary; an area is the metropolitan statistical area (MSA) if the property is located in an MSA—otherwise, an area is the county in which the property is located. ''Moderate-income'' means income not exceeding area median income and, in the case of rental units, income not in excess of median income with adjustments for family size. ''Rent'' is defined as contract rent if the cost of all utilities are included in contract rent; if all utilities are not included, ''Rent'' is contract rent plus the cost of those utilities or contract rent plus a utility allowance. ''Utilities'' means charges for electricity, gas, water, sewage disposal, fuel, and garbage collection.

Defined terms concerning the central cities, rural areas, and other underserved areas goal include the terms ''Central cities'', ''Rural'' and ''Underserved areas''. As discussed fully below, in this preamble's discussion of the housing goals, the term ''central cities'' is defined as the underserved areas of any political subdivision designated as a central city by the Office of Management and Budget. ''Rural area'' is defined as the underserved areas located outside of any metropolitan statistical area (MSA) designated by the Office of Management and Budget. ''Underserved area'' is defined as a census tract: With a median income at or below 120 percent of the area median income and a minority population of 30 percent or greater; or with a median income at or below 80 percent of area median income.

The special affordable housing goals have specific rules requiring the definition of certain terms. These terms include ''Low-income areas'', ''Portfolio of loans'' and ''Very low-income''. ''Low-income area'' means a census tract in which the median income does not exceed 80 percent of area median income. ''Portfolio of loans'' means ten or more loans. ''Very low-income'' is defined as income not exceeding 60 percent of the area median income—under the Act's definition, this percentage is adjusted for family size for rental units but is not adjusted for family size for owner-occupied units.

Terms concerning the fair housing provisions of these regulations include ''Familial status'', ''Handicap'' and ''Minority''. The terms ''familial status'' and ''handicap'' are defined under these regulations by reference to the definitions contained in the Fair Housing Act regulations at 24 CFR 100.20 and 100.201. ''Minority'' includes American Indians, Alaskan Natives, Asian and Pacific Islanders, African Americans, and Hispanics.

The defined term pertaining to the Secretary's new program approval authority is ''New program.'' ''New program'' is defined in the Act and under these regulations as a program for the purchasing, servicing, lending on the security of, or otherwise dealing in conventional mortgages that is significantly different from a program that: Was approved or engaged in by the GSE at the time of the enactment of FHEFSSA; or represents an expansion above limits expressly contained in any prior approval.

Terms that are relevant to both the reports and information provisions of the regulations include ''Mortgage data'', ''Proprietary information'' and ''Public data''. ''Mortgage data'' is defined as data obtained by the Secretary from the GSEs under the Fannie Mae Charter Act and the Freddie Mac Act relating to the GSEs' mortgage purchases. ''Proprietary information'' is defined as all categories of information and data submitted to the Secretary by the GSE which contain trade secrets and commercial or financial information of the GSE which is privileged or confidential and which, if released, would cause substantial competitive harm. Although this definition parallels the definition under Exemption 4 of the Freedom of Information Act (FOIA), 5 U.S.C. 552(b)(4), in determining which GSE information is proprietary, the Department will not be bound by FOIA, its legislative history, or Exemption 4 case law. ''Public data'' means all mortgage data obtained by the Secretary from the GSEs which the Secretary determines is not proprietary and should be made publicly available; Appendix D to the regulations lists and describes this data.

Finally, the proposed regulation defines the terms: ''Act,'' ''Day,'' ''Director,'' and ''Secretary.'' ''Act'' is defined to mean the Federal Housing Enterprises Financial Safety and Soundness Act or FHEFSSA. ''Day'' is defined as a calendar day rather than a working day. ''Director'' means the Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development. ''Secretary'' means the Secretary of Housing and Urban Development.

Subpart B—Housing Goals

Background

The Secretary is required to establish, by regulation, annual housing goals for each GSE. The goals include a low- and moderate-income housing goal,[72] a

[71] H.R. Rep. No. 101–54, 101st Cong., 1st Sess., pt. 3, at 2 (1989), and S. Rep. No. 101–19, 101st Cong., 1st Sess. 38 (1989).

[72] Section 1332.

special affordable housing goal,[73] and a central cities, rural areas and other underserved areas housing goal.[74] The Act provides that the goals are to be established in a manner consistent with sections 301(3) of the Fannie Mae Charter Act and 301(b)(3) of the Freddie Mac Act, which require the GSEs ''to provide ongoing assistance to the secondary market for residential mortgages (including * * * mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities) * * *.'' Under the Act, the Secretary may, by regulation, adjust any housing goal from year to year.[75] The statute provides that, in establishing these goals, the Secretary shall apply certain prescribed factors, as described in Appendices A, B, and C.[76] In this regulation, the Secretary proposes to establish the three housing goals for 1995 and 1996. The Secretary is also planning to establish the level of the goals for 1997 and beyond in the final regulation.

In this regulation, each housing goal requires that a certain percentage of the dwelling units financed by each GSE's total mortgage purchases for the year be the type of dwelling units targeted by the housing goal. For example, for 1995, the housing goal for low- and moderate-income families is established at 38 percent—in other words, 38 percent of the dwelling units financed by each GSE's mortgage purchases would have to be affordable to low- or moderate-income families; thus, if a GSE's mortgage purchases financed 2 million dwelling units, the proposed regulation would require that 38 percent of those 2 million dwelling units, or 760,000 dwelling units, be affordable to low- or moderate-income families.

A single mortgage can count for all three goals. For example, a mortgage that finances a house for a low-income family in a central city would count under the special affordable housing goal (low-income family in a low-income area), the low- and moderate-income housing goal (low-income borrower), and the central cities, rural areas, and other underserved areas goal (central city). Under the housing goals for 1993, the majority of the mortgages that qualified for one goal also qualified for a second goal.

[73] Section 1333.

[74] Section 1334.

[75] Section 1331(c).

[76] Sections 1332(b), 1333(a)(2), and 1334(b).

Housing Goal for Low- and Moderate-Income Families

The Secretary is establishing an annual housing goal for each GSE's purchase of mortgages on housing for low- and moderate-income families (''the low- and moderate-income goal''). The Secretary's detailed findings under the factors for establishing the goal are attached as Appendix A. The annual goal for 1995 for each GSE's purchases of conventional mortgages financing housing for low- and moderate-income families is established at 38 percent of the total number of dwelling units financed by each GSE's mortgage purchases in 1995. The annual goal for 1996 is 40 percent. The final regulation shall establish the annual goals for 1997 and 1998 and the Secretary intends that the 1998 goal apply thereafter, unless revised through subsequent rulemaking; the Secretary seeks comment on the level of the goals for 1997, 1998, and thereafter—see the questions listed above (in the leading the industry discussion) and repeated at the end of this preamble.

Housing Goal for Central Cities, Rural Areas, and Other Underserved Areas

The Secretary is establishing an annual goal for 1995 and 1996 for the GSEs' purchase of mortgages on housing located in central cities, rural areas, and other underserved areas. In accordance with the Act, under this proposed rule, the Secretary is expanding and redefining this goal from the central cities goal, which applied during the transition years of 1993 and 1994, to a goal that is directed to mortgage purchases in central cities, rural areas and other areas, with a focus on underserved areas within those geographic locations. ''Underserved areas'' are those areas that experience problems with the availability of mortgage credit.

For the transition period of 1993 and 1994, the goal was directed solely to the GSEs' purchases of mortgages financing housing located anywhere in ''central cities.'' The Act defined ''central cities'' for the transition period as those cities designated as central cities by the Office of Management and Budget (OMB). These provisions were modelled on HUD's existing Fannie Mae regulations. The legislative history of the Act states that for the transition period the goal only applied to purchases in OMB-defined ''central cities'' to allow time to gather data and establish an appropriate methodology to ''redefine and expand'' the goal.[77] The legislative history also provides that ''following the transition period, geographic areas relating to the goal will be as determined by (the regulator).'' [78]

Following the transition period, the Act requires the Secretary to establish an annual goal for the purchase of mortgages located in ''rural areas and other underserved areas'' as well as ''central cities.'' In establishing the central cities, rural areas, and other underserved areas goal, Congress was concerned with the ''acute'' ''housing problems'' in the nation's cities and with the ''neglected and decaying'' parts of the cities.[79] Congress directed HUD to target ''areas with relatively poor access to mortgage credit,'' areas with ''(i)nadequate access to mortgage credit,'' and areas suffering from ''the vestiges of redlining.'' [80]

The legislative history provides that ''(t)he purpose of these goals is * * * to service the mortgage finance needs of low- and moderate-income persons, racial minorities and *inner-city* residents.'' [81] Congress noted that ''* * * mortgage discrimination and redlining have effectively disadvantaged certain geographic areas, particularly *inner city* and rural areas.'' [82] In explaining the conference bill on the floor of the Congress, Chairman Gonzalez stated: ''In establishing the definition of a central city and in determining compliance with such a goal, the Secretary should, to the extent possible, exclude purchases made in non-low income census tracts that happen to otherwise be within the central cities area.'' [83]

The title of this goal also leads to the conclusion that Congress intended this geographically targeted goal to focus on underserved areas. ''Central cities, rural areas, and *other* underserved areas'' indicate that central cities and rural areas are intended to be proxies for underserved areas.

[77] *See* S. Rep. at 38 and 65.

[78] S. Rep. at 65.

[79] S. Rep. at 28.

[80] S. Rep. at 38; *see also, id.* at 34 (the GSEs must address ''the disinvestment in central cities and rural communities''). ''(R)edlining ha(s) effectively disadvantaged certain geographic areas, particularly inner city and rural areas.'' *Id.* at 41. *See also,* 138 Cong. Rec. S8606 (daily ed. June 23, 1992) (statement of Sen. Riegle) (the bill would provide ''a greater flow of credit to people who otherwise have a very difficult time financing home mortgages'').

[81] S. Rep. at 34 (emphasis added); *see also, id.* at 32, and 138 Cong. Rec. S8606 (daily ed. June 23, 1992) (statement of Sen. Riegle) (''inner-city lending * * * is a very important part of this legislation'').

[82] S. Rep. at 41 (emphasis added).

[83] 138 Cong. Rec. H11453, H11457 (daily ed. Oct. 5, 1992). Rep. Gonzalez made the identical statement at 138 Cong. Rec. H11077, H11099 (daily ed. Oct. 3, 1992).

Expanding and Redefining the Goal

In accordance with the requirements of the Act, the Secretary is expanding this goal for 1995 and 1996 to include rural and other underserved areas as well as central cities. At the same time, the Secretary has redefined the term ''central cities'' to encompass the underserved areas of central cities and defined ''rural areas'' as the underserved areas of non-metropolitan areas. The goal is, therefore, intended to focus on communities within central cities, rural areas and other areas which are ''underserved'' in terms of availability of mortgage credit. This determination is based on the legislative intent, the factors for establishing the goal, HUD's research on underserved areas during the transition period, the results of two public forums held with researchers, public-interest groups, other federal agencies, and the GSEs, and data received from the GSEs during the transition.

Underserved Areas

The Act did not define the term ''underserved area'' but the legislative history indicates that it should be defined as those areas that lack access to mortgage credit. As detailed in Appendix B, the Secretary considers ''underserved'' to mean those areas that have an unmet demand for mortgage credit. Using 1993 HMDA data and 1990 Census data, the Department analyzed mortgage application denial and origination rates throughout the country, as well as reports and other research on the availability of mortgage credit and mortgage flows. The research indicated that pervasive and widespread disparities exist in lending across the nation. The Department found, as have other researchers, that the availability of mortgage credit to an area is related to its minority concentration and income characteristics of its residents. Two patterns are clear in the Department's research and that of other researchers:

- Census tracts with higher percentages of minority residents have higher mortgage denial and lower loan origination rates than all-white or predominately white census tracts; and
- Census tracts with lower incomes have higher denial rates and lower origination rates than higher income tracts.

As Appendix B details, HUD's research and that of others has found that the location of a census tract—whether it is located within a central city or a suburb—has minimal impact on whether the tract is underserved.[84] Mortgage flows in a census tract have far less to do with the physical location of a tract, *i.e.*, central city versus suburb, than the minority concentration and median income of that tract. The most thorough studies available demonstrate that areas with lower incomes and higher shares of minority residents consistently have poorer access to mortgage credit, with higher denial rates and lower origination rates for mortgages. With income, minority composition, and other relevant census tract variables controlled for, differences in credit availability between central cities and suburbs are minimal.

Based on this research, the Secretary has determined that this goal should target those areas in central cities, rural areas, and other areas where: 30 percent or more of the residents in a census tract are minority and the median income of families in the census tract is at or below 120 percent of the area median income; or where the median income of families in the census tract is less than 80 percent of the area median income. The goal therefore is directed to census tracts in central cities, rural areas, and all other parts of the country meeting these criteria. (For purposes of defining ''rural areas,'' the Secretary is seeking comments on whether counties or Block Numbering Areas, which are equivalent to census tracts in rural areas, are the appropriate geographic unit.)

The Department has conducted an intensive research effort on identifying geographic areas underserved by the mortgage markets. This research effort is ongoing and will continue during the period of proposed rulemaking. Research underway includes the analysis of the implications of alternative definitions of underserved areas in urban, suburban, and rural communities. The Department will also engage in a multi-year research effort to identify and analyze indicators of unmet demand for mortgage credit. This long-term research effort will be used by the Department in future years to review the level of the housing goals established for the GSEs. In conducting this research effort on identifying indicators of unmet demand, the Department fully intends to consult with other Federal agencies including Treasury and with the GSEs.

Central Cities

For purposes of this housing goal, the Secretary is defining ''central cities'' as the underserved areas of any political subdivisions designated as central cities by the Office of Management and Budget (OMB). Directing the goal to all areas of central cities identified by the Office of Management and Budget (OMB) would not appropriately target the GSEs' activities to areas that have a relative lack of access to mortgage credit. OMB defines the central city or central cities of a metropolitan statistical area based on population and other factors that measure job location and commuting patterns. OMB does not take into account mortgage credit availability or measures of economic distress. As a result, the list of 545 central cities includes very affluent and well served cities and excludes other obviously distressed cities. For example, Palo Alto, California—with a per capita income of $32,500 and a poverty rate of 2 percent—is a central city but Compton, California—with a per capita income of $7,800 and a poverty rate of 24 percent—is not a central city.

In addition, there are substantial regional variations in the portion of state urban population that are included in central cities. In the southern and western parts of the country, cities have often expanded by annexing adjacent territory. This option was generally not available to cities in the Northeast, which have retained their historical boundaries. As a result, a substantially greater portion of the population lives in central cities in the South and West than in the more urbanized Northeastern states. This has led to perverse results for the central cities goal in place for 1993: Central cities accounted for more than 50 percent of both GSEs' mortgage purchases in Arizona, New Mexico, and North Dakota. In New Jersey, on the other hand, purchases in central cities accounted for only 4 percent of GSE purchases.

James A. Johnson, Fannie Mae's Chairman and Chief Executive Officer, in April 1994 testimony before a Congressional sub-committee summarized some of the problems with using the OMB designation of central cities:

> Central cities are also of limited value as proxies for distressed, needy, minority or low- and moderate-income census tracts. Especially in older cities that are hemmed in by separately incorporated suburbs and other communities, political jurisdictions enforce artificial barriers to describing areas of need. Conversely, where cities can annex neighboring communities as growth occurs, the result is a central city that encompasses so much territory of such diverse nature that

[84] *See, e.g.*, Robert B. Avery, Patricia E. Beeson, and Mark S. Sniderman, ''Underserved Mortgage Markets: Evidence from HMDA Data,'' (presented at the Western Economic Association Annual Meetings, Vancouver BC), July 1994, and William Shear, James Berkovec, Ann Dougherty, and Frank Nothaft, ''Unmet Housing Needs: The Role of Mortgage Markets,'' unpublished paper, June 1, 1994.

it loses much of its distinctive urban character.[85]

Rural Areas

Determining how to define ''rural areas'' within the context of this goal is even more difficult than the complex analyses of HMDA and Census data for cities and suburbs summarized in Appendix B. This occurs for three interrelated reasons: (1) The general lack of accurate data on mortgage flows and credit activity outside metropolitan statistical areas (MSAs), (2) the scarcity of careful current studies on access to mortgage credit in rural locations, and (3) the existence of a variety of statutory and statistical definitions for ''rural.''

To address the many issues pertinent to developing an appropriate and workable definition of ''rural areas'' for purposes of this rule, the Department has consulted with rural demographers and economists at the Department of Agriculture's Economic Research Service, the Census Bureau, the Farmers Home Administration, and the Housing Assistance Council. All of these issues were also discussed at a forum attended by researchers from academia, the Department of Agriculture, the Census Bureau, the Housing Assistance Council, the Congressional Budget Office, public-interest groups, and the GSEs. The Secretary's decisions about defining ''rural areas'' are based on these consultations as well as ongoing analyses of data from the 1990 Census, the American Housing Survey, and the Residential Finance Survey.

Framework for Defining Rural Areas

In considering the issue of how to define rural areas for the central cities, rural areas, and other underserved areas goal, the Department analyzed available data and research on mortgage flows and credit access in rural locations, consulted with rural demographers and economists at government agencies and elsewhere, and considered the multiple existing definitions of ''rural'' currently in use. Based on the evidence that income and housing needs vary as greatly between nonmetropolitan counties and block numbering areas[86] as they do within MSAs, the Secretary has determined that the basic definition of ''underserved areas'' developed above—as areas with high minority shares or low median family income—should also apply in rural areas, that is, outside of MSAs. The Secretary has determined that for purposes of this housing goal that ''rural areas'' are the underserved areas in nonmetropolitan counties, *i.e.,* outside of Metropolitan Statistical Areas.

The Secretary seeks comments on whether the appropriate unit of geographic focus for defining underserved areas in non-MSAs is the county or the Block Numbering Area (the rural equivalent of census tracts). In addition, the Secretary seeks comment on whether this definition of rural should be expanded by including indicators of access to metropolitan areas and/or indicators of jurisdictional size (*i.e.,* include small communities of less than 2,500 people). The following section summarizes the factors the Secretary considered in determining this proposed definition of rural and closes with questions on which the Secretary solicits comments about the proposed definition.

(1) *Unavailability of accurate data on mortgage flows and credit activity in rural locations.* HMDA data, the source used for most of the studies of credit needs summarized in Appendix B, does not provide information on mortgage activity outside of metropolitan statistical areas (MSAs), and within MSAs census tracts may contain both rural and urban segments.[87] Other sources of mortgage flow information, like the Federal Reserve Call Reports, do not detail locations of loans.

(2) *Studies of access to mortgage credit.* Researchers participating in the Department's forum agreed that available studies do not show that rural areas endemically have problems with access to credit, although this (lack of) conclusion may stem from data unavailability. A 1990 study by the Urban Institute, for example, found little evidence of a national rural home credit shortage, and attributed low mortgage activity in some local markets to lack of demand in weak local economies.[88] Yet abundant anecdotal evidence exists that underserved areas in rural communities require a special focus by the GSEs, to redress years of historic neglect by the mortgage market. According to the Housing Assistance Council, access to mortgage credit appears worse as distance from metropolitan centers increases,[89] while Department of Agriculture representatives judge that communities with population below 2,500 or 5,000 are more likely than other rural communities to lack access to credit. More generally, the forum participants agreed that, as found for central cities, rural communities with low income and minority concentrations were those more likely to be underserved by the mortgage markets.

A report by the Economic Research Service of the Department of Agriculture shows that urban proximity is important: economic conditions and housing problems tend to be worse in counties most remote from metropolitan areas or smaller cities.[90] In particular, counties with ''persistent low-income,'' which are disproportionately more rural and remote, have had little recent economic activity, stagnation in real family income during the 1980s, and continue to have the highest incidence of housing lacking complete plumbing. These high poverty counties are concentrated in Appalachia and in areas with high proportions of minority residents.

(3) *Current Definitions of Rural.* In considering a workable definition of ''rural areas,'' the Secretary focused on three major definitions in use: (i) The Census Bureau's official designation; (ii) the Farmer's Home Administration's designation for several of its programs; and (iii) the designation of ''non-metropolitan.'' In this proposed rule, rural areas are defined as ''underserved areas'' ''located outside of any Metropolitan Statistical Area designated by the Office of Management and Budget.'' The reasons for choosing to focus on non-metropolitan areas are described below:

(a) *Census Bureau definition.* The Census Bureau bases its definition of rural on population size and density.[91] Locations that meet the rural definition are designated once per decade, based on decennial Census results. There are two major disadvantages of using the Census Bureau definition as part of a definition of rural areas for this goal. First, few relevant intercensal data

[85] Testimony before the Committee on Banking, Finance, and Urban Affairs, Subcommittee on General Oversight, Investigations, and the Resolution of Failed Financial Institutions, U.S. House of Representatives, at 17 (April 20, 1994).

[86] For data collection in the 1990 Census, block numbering areas (BNAs) are the non-metropolitan equivalent of census tracts—subareas of counties that contain approximately 4,000 people.

[87] Only lending institutions with offices in metropolitan statistical areas (MSAs) report mortgage origination data under HMDA. 12 U.S.C. 2803(a)(1).

[88] The Urban Institute, *The Availability and Use of Mortgage Credit in Rural Areas* (1990), examined data on ownership, mortgage terms and conditions, and Federal program coverage, particularly for moderate-income home buyers.

[89] Statement of Moises Loza, Executive Director of the Housing Assistance Council (HAC), July 21, 1994, to the Subcommittee on Environment, Credit, and Community Development of the House Committee on Agriculture.

[90] *Rural Conditions and Trends,* Vol. 4, No. 3 (Fall 1993), a special 1990 census issue, documents differences between counties in population, education, employment, income, poverty, and housing.

[91] *See* U.S. Bureau of the Census, *1990 Census of Population and Housing: Guide, Part B. Glossary,* 16–17 (1993) (hereinafter cited as ''Census Glossary'').

sources are based on the Census Bureau definition, complicating the work required to establish market segments and set the level of the housing goals. Second, geocoding addresses to rural locations based on this definition would be difficult and burdensome for the GSEs, given the current state of geographic information systems software. The Census Bureau's 1992 Tiger/Line file's ability to provide accurate addresses is weakest in rural areas, particularly for rural route addresses.[92]

(b) *Farmers Home Administration's definition of rural.* The Farmers Home Administration (FmHA) defines rural areas eligible for several programs, including the 515 loan program,[93] and the definitions vary among the programs. Generally, more locations qualify as ''rural'' under these definitions than under the Census Bureau's definition because the FmHA definitions include places with populations above 2,500 and the Bureau would categorize such places as ''urban.'' [94] The most critical disadvantage in using a FmHA definition as the rural identifier is that there is no central or machine-readable source of information on areas defined by FmHA as rural; instead, local maps are marked to show the appropriate boundaries and then stored in field offices.

(c) *Non-Metropolitan Statistical Areas.* The Secretary chose to incorporate this designation into the definition of ''rural areas.'' First, geocoding and reporting would be straightforward, since MSAs are composed of counties in most parts of the country. This definition appears to correspond better to the parts of the country where availability of mortgage credit has been an issue. The availability of mortgage credit in the rural fringes of metropolitan areas appears to be less of a problem than in rural communities distant from metropolitan areas. Finally, most intercensal data, including population and household estimates, employment, income estimates, etc., are produced at least annually at the county level.

[92] The Tiger/Line files are the extract of the Census Bureau's geographic data base and are produced for geocoding by data users. They categorize all polygons and blocks as either rural or urban and have address ranges for most of the country.

[93] 42 U.S.C. 1490.

[94] *Cf.* 42 U.S.C. 1490 to Census Glossary at 16–17.

Questions Related to the Definition of Rural Areas

The Secretary invites comment on the following questions:

(1) Should rural areas be based on the characteristics of Block Numbering Areas or counties? Which of these two options makes better sense for lenders and for GSE reporting? Which option better directs goal performance at areas with poor access to mortgage credit?

(2) In establishing the definition for rural areas, should the income and minority criteria (used for defining central cities and other underserved areas) be supplemented with other indicator(s) of the needs for better access to mortgage credit? Should population size (*e.g.*, communities below 2500 or non-metropolitan counties below 50,000) be considered as such an indicator?

(3) What are the relative merits of indicators of access to metropolitan areas or nonmetropolitan cities such as the ''Beale'' or ''Ghelfi-Parker'' codes? [95]

(4) In New England, where MSAs are not composed of counties, should the definition of rural areas include areas ''outside (P)MSAs'' or ''outside NECMAs''?

Other Underserved Areas

For purposes of this housing goal, the Secretary has determined that ''other underserved areas'' are census tracts located in metropolitan areas located outside of central cities and having the minority and income characteristics described above. This definition will cover suburban communities that lack access to credit.

Alternative Approaches to Defining the Central Cities, Rural Areas, and Other Underserved Areas Goal

The Secretary considered alternative approaches to establishing this goal. One alternative would be to simply expand the goal by retaining all areas in all 545 OMB-designated central cities, all rural areas, and all other underserved areas. If underserved areas are defined as described above, this alternative approach would result in a goal that targets nearly 70 percent of the country's population. The Secretary decided this approach was inconsistent with the intent of the Act.

Congress established the goals to ensure that Fannie Mae and Freddie Mac take special consideration of specific housing needs in carrying out their work. The goals are intended to be priority areas for the GSEs as they carry out their Charter Act purposes. A goal that encompasses so much of the nation's population and geography would be unlikely to provide the GSEs with appropriate direction. Further, this approach would lead to a dispersion of the GSEs' goal-oriented business to a large number of communities that do not meet the Congressional directive that they be areas with a relative lack of mortgage credit. Finally, an overly-broad approach would result in less support for the critical efforts of cities and rural communities to improve and stabilize neighborhoods that, because of past practices and historic patterns, have an unsatisfactory availability of mortgage credit.

The Size of the Goal

Because this goal has been redefined, the market of mortgages originated and available for GSE purchase is different from and indeed smaller than the market of mortgage originations for the 1993–1994 goal. The Secretary estimates that mortgages originated in underserved areas of central cities, rural areas, and other areas comprise 21 to 23 percent of the conventional conforming mortgage market. Thus, the goal is established at a percentage that is lower than the central cities goal in the transition period (1993–94).

Based on a consideration of the factors for establishing the goal detailed in Appendix B, the Secretary establishes the annual goal for 1995 for each GSE's purchases of mortgages financing housing located in underserved areas at 18 percent of the total number of dwelling units financed by each GSE's mortgage purchases. The goal for 1996 is 21 percent. The final regulation shall establish the annual goals for 1997 and 1998 and the Secretary intends that the 1998 goal apply thereafter, unless revised through subsequent rulemaking; the Secretary seeks comment on the level of the goals for 1997, 1998, and thereafter—see the questions listed above (in the leading the industry discussion) and repeated at the end of this preamble. In 1993, 15.9 percent of the dwelling units financed by Fannie Mae's mortgage purchases were in areas defined under the proposed definition of central cities, rural areas, and other underserved areas, while Freddie Mac's performance was 14.4 percent.

Units will count toward this goal if the units are located in a central city as redefined, a rural area as defined, or any other underserved area. Through the use of geocoding or any similarly accurate and reliable method, the GSEs are required to determine whether units

[95] These indicators of urban influence were developed by the Department of Agriculture's Economic Research Service. Linda M. Ghelfi, ''County Classifications,'' Rural Conditions and Trends, 4(3): 6–11 (1993).

financed under mortgages purchased by the GSEs are located in central cities, rural areas, and other underserved areas as defined by regulation.

Special Affordable Housing Goal—Background

This goal had no antecedent in the current Fannie Mae regulations. The Act requires that the Secretary ''establish a special annual goal designed to adjust the purchase by each (GSE) of mortgages on rental and owner-occupied housing to meet the then-existing, unaddressed needs of, and affordable to, low-income families in low-income areas and very low-income families.'' [96]

During the transition period (1993–1994), the Act required that each GSE's mortgage purchases under the special affordable housing goal be equally divided between mortgages on single family housing and mortgages on multifamily housing.[97] The multifamily goal was further divided, with 45 percent of the goal devoted to mortgages on multifamily housing where dwelling units were affordable to low-income families.[98] The remaining 55 percent of the dollar volume of multifamily mortgages purchased had to comprise mortgages on multifamily housing in which either: (1) ''at least 20 percent of the units are affordable to families whose incomes do not exceed 50 percent'' of area median income; [99] or (2) ''at least 40 percent of the units are affordable to very low-income families.'' [100] Only the portions of qualifying mortgages on multifamily properties that are attributable to units affordable to low-income families contributed to the achievement of this goal.[101] Under the transition standard, where at least 20 percent of the units were affordable to especially low-income families (families whose incomes do not exceed 50 percent of area median income) or at least 40 percent of the units were affordable to very low-income families, all units from such multifamily projects that were affordable to low-income families counted toward the goal.

The Act required that, for each GSE's mortgage purchases financing single family housing to be counted toward achievement of the special affordable housing goal, 45 percent of the dollar volume of single family mortgages had to comprise mortgages of low-income families living ''in census tracts in which the median income does not exceed 80 percent of the area median income.'' [102] The remaining 55 percent of the dollar volume of single family mortgage purchases had to comprise mortgages of very low-income families.[103]

The Special Affordable Housing Goal

Following the transition period, the Act does not specify the types of mortgage purchases that shall count toward achievement of the special affordable housing goal.[104] Based on experience during the transition, the Secretary concluded that determining GSE performance under these provisions was cumbersome and did not clearly reflect the number of especially low- and very low-income families actually served under the multifamily portion of the special affordable housing goal. Accordingly, as described below, the proposed regulation simplifies the counting under this portion of the goal.

The proposed regulation would substantially simplify the special affordable housing goal to apply to ''rental housing and owner-occupied housing.'' [105] Under the proposed regulation, rental housing would include all units in multifamily housing and all units in single family rental housing. The proposed regulation makes this change in part because of the high percentage of renters in single family dwelling units—41 percent of rental units in properties secured by conventional, conforming mortgages are located in single family properties.[106]

The rental portion of the special affordable housing goal would be targeted to very low-income families because of the substantial housing needs of these renters. Five-eighths of renters with incomes below 50 percent of area median income pay more than 30 percent of their income for housing, live in inadequate housing, or are overcrowded.[107] Even worse, almost half of the 7.4 million renters with incomes below 30 percent of area median income pay more than half of their income for housing or live in severely inadequate housing.[108] The high incidence of severe housing problems among these extremely-low-income renters reflects the severe shortages of units affordable to them.

Under the proposed regulation, only those rental units that are affordable to very low-income families would count toward the goal rather than all low-income units in buildings that had a certain percentage of very low- or especially low-income units. Under the owner-occupied housing portion of the goal, the dwelling units that count toward the goal are units: (1) Located in low-income areas and owned by low-income families; and (2) owned by very low-income families.

The Act provides that, for each GSE, the special affordable housing goal ''shall not be less than 1 percent of the dollar amount of the mortgage purchases by the (GSE) for the previous year.'' [109] Although the goal has been established to exceed one percent of each GSE's total mortgage purchases in the preceding year, to maintain consistency, the special affordable housing goal, like the other two goals, is expressed as a percentage of dwelling units rather than dollars. The Secretary determined that expressing this goal as a percentage of the previous year's business was not preferable for several reasons: (1) Due to the cyclicality of the mortgage market and the GSEs' business volume, use of a fixed percentage of the previous year's purchases could make such a goal less realistic in a year such as 1995, when total purchases are projected to fall sharply from prior-year levels due to the decline in refinancing activity; (2) conversely, in years of sharply increasing activity, the goal represented by a set percentage of total mortgage purchases in the previous year could represent an insufficient commitment by the GSEs to special affordable housing; and (3) where a GSE purchases (for a given sum) mortgages financing two dwelling units that are affordable to families at 30 percent of area median income, the GSE would be making a greater contribution to affordable housing than if the GSE purchased (for the same sum) one mortgage that was affordable to one family at 60 percent of area median income. A units-based goal takes this consideration into account, but a strict dollar-based goal would not.

The proposed regulation provides that for 1995 the special affordable housing goal will be 11 percent of the total

[96] Section 1333(a)(1).

[97] Section 1333(d)(1)–(2).

[98] Section 1333(d)(3)(A)(i).

[99] Section 1333(d)(3)(A)(ii)(I). The Department defined ''especially low-income families'' as those with incomes not in excess of 50 percent of area median income.

[100] Section 1333(d)(3)(A)(ii)(II).

[101] Section 1333(d)(3)(C).

[102] Section 1333(d)(3)(B)(i).

[103] Section 1333(d)(3)(B)(ii).

[104] *See* section 1333.

[105] *See* section 1333(a).

[106] Special tabulation derived from Bureau of the Census, Housing and Household Economic Statistics Division, *1991 Residential Finance Survey*.

[107] U.S. Department of Housing and Urban Development, Office of Policy Development and Research, *Worst Case Needs for Housing Assistance in the United States in 1990 and 1991—A Report to Congress*, 4 (June 1994).

[108] U.S. Department of Housing and Urban Development, Office of Policy Development and Research.

[109] Section 1333(a).

number of dwelling units financed by each GSE's mortgage purchases for 1995. The goal will be 12 percent for 1996. The goal is equally divided between rental housing and owner-occupied housing, *i.e.*, for 1995 the goal for rental housing is 5.5 percent and the goal for owner-occupied housing is 5.5 percent. For 1996, the goal is 6 percent for rental housing and 6 percent for owner-occupied housing. The final regulation shall establish annual goals for 1997 and 1998 and the Secretary intends that the 1998 goal apply thereafter, unless revised through subsequent rulemaking; the Secretary seeks comment on the level of the goals for 1997, 1998, and thereafter—see the questions listed above (in the leading the industry discussion) and repeated at the end of this preamble.

Performance Under the Special Affordable Housing Goal

In evaluating each GSE's performance in achieving this goal, the Act requires that the Secretary give full credit toward achievement of the special affordable housing goal for: (1) The purchase or securitization of federally related mortgages that cannot be readily securitized through the Government National Mortgage Association (GNMA) [110] or another Federal agency, where the GSE's participation substantially enhances the affordability of the housing subject to such mortgages,[111] and the mortgages are on housing that otherwise qualifies under this goal; (2) the purchase or refinancing of seasoned loan portfolios where the seller has a specific program to use the proceeds of such sales to originate new loans that meet the special affordable housing goal and such purchases or refinancings support additional lending for housing that otherwise qualifies under this goal; and (3) the purchase of direct loans made by the Resolution Trust Corporation (RTC) or the Federal Deposit Insurance Corporation (FDIC) where the loans are not guaranteed by the RTC or the FDIC or other Federal agencies, the loans include recourse provisions similar to those offered through private mortgage insurance or other conventional sellers, and such loans are for the purchase of housing that otherwise qualifies under this goal.[112]

This proposed regulation provides that entities qualify as sellers, under (2) above, where the sellers currently operate on their own or actively participate in an ongoing program that results in the origination of loans meeting the special affordable housing goal; thus, a GSE's purchase of such loans supports additional lending for housing that will qualify under this goal. By encompassing active participation, the proposed regulation allows purchases of portfolios from sellers, who actively participate with qualified housing groups that operate programs resulting in the origination of loans meeting this goal, to count toward achievement of the goal. However, if a GSE wants to count portfolio purchases toward achievement of this goal, it must verify and monitor that the sellers currently operate or actively participate in such ongoing programs that result in the origination of additional loans meeting the requirements of this goal. Where a seller's primary business is originating mortgages on housing that qualifies under the special affordable housing goal, the proposed regulation provides that such a seller is presumed to meet the requirement for actively participating in program(s) supporting lending meeting the special affordable housing goal.

Under the Interim Notices, no credit was given toward achieving the special affordable housing goal for any purchases or securitization of mortgages associated with the refinancing of existing GSE portfolios. The intent of this prohibition was to preclude the GSEs from swapping portfolios toward the end of the year in an effort to achieve the special affordable housing goal. After reviewing the experience of the transition period, the Secretary has determined that wholesale exchanges of mortgages between the GSEs shall not count toward achievement of the housing goal; however, refinancings of individual mortgages should count toward the special affordable housing goal so long as the refinancing is an individual ''arms-length'' refinancing by a borrower. This is appropriate for several reasons: (1) The GSEs have very little influence on whether a particular single family mortgagor decides to refinance the mortgage—such refinancings are market driven and normally due to decreases in interest rates, and the Secretary concluded that such market driven refinancings should count toward the goal; and (2) determining whether the GSE had purchased the previous mortgage was time consuming and burdensome for the GSEs and for the Department and yielded little incremental value in producing more affordable housing finance.

General Requirements

Performance under the goals is determined by assessing the portion or percentage of each GSE's business that satisfies each goal. In determining this percentage, a fraction is used with the denominator of the fraction measuring all mortgages purchased that could under appropriate circumstances count towards such a goal and the numerator including only those purchases that count toward the goal. The denominator does not include GSE transactions or activities that are not included in the terms ''mortgage'' or ''mortgage purchase.'' For example, where a GSE purchases a non-conventional mortgage, such as a mortgage insured or guaranteed by the Federal Housing Administration (FHA), such a mortgage purchase shall not be included in the denominator for purposes of determining that GSE's performance under the housing goal for low- and moderate-income housing because ''mortgage purchase'' does not include the purchase of non-conventional mortgages.

In establishing the goals for housing for low- and moderate-income families, housing located in central cities, rural areas, and other underserved areas, and special affordable housing, the Secretary may consider the number of housing units financed by any multifamily housing mortgage purchase.[113] The Secretary has decided to count all dwelling units, whether in multifamily or single family housing, under these goals if the units otherwise meet the requirements of the Act and this proposed regulation.

Special Counting Rules Under the Goals

During the transition period, the Department analyzed the impact of requirements under the Interim Notices concerning the extent various types of transactions should count toward achievement of the goals. Based on that analysis, the Secretary is proposing changes to or is clarifying the treatment of certain transactions, including credit enhancements, cooperative loans, refinancings, second loans, and risk-sharing arrangements between the Department and the GSEs. In determining the level of credit for

[110] A mortgage originated more than 2 years before a GSE purchases it is an example of a mortgage that cannot be readily securitized by GNMA.

[111] Mortgages that cannot be readily securitized through GNMA or another Federal agency, and mortgages where a GSE's participation substantially enhances the affordability of the housing subject to the mortgages, include mortgages under the Home Equity Conversion Mortgage (HECM) Insurance Demonstration Program (sec. 255 of the National Housing Act), 12 U.S.C. 1715z–20, and under the Guaranteed Rural Housing Loan program, 7 U.S.C. 1933.

[112] Section 1333(b)(1).

[113] *See* section 1331(b).

various transactions, the Secretary developed certain principles to guide the determination, and these principles will be used in the future when the Secretary determines whether new types of transactions count toward the goals. The principles are: (1) Where a transaction is substantially equivalent to a mortgage purchase, the transaction generally should receive full credit; (2) where a transaction is less risky than the risk associated with the GSE's mortgage purchases, the amount of credit should be less than full credit; and (3) where a transaction creates a new market or increases liquidity in an existing market, the amount of credit should generally be full credit.

(1) *Credit Enhancements.* Under this proposal, mortgages supported by the following credit enhancements would count toward achievement of the housing goals. Under these credit enhancement transactions, the GSE guarantees housing finance bonds issued by any entity, including a state or local housing finance agency; the GSE provides collateral in the form of specific mortgages owned by the GSE; and the GSE's guarantee has a credit risk substantially equivalent to the credit risk the GSE would have assumed if it had securitized the mortgages financed by the housing bonds. The Secretary will consider whether other types of credit enhancements should count toward the housing goals and, if other types are counted, whether those types of credit enhancements should receive full or partial credit. The Secretary is seeking comments on whether other types of credit enhancements should count.

(2) *REMICs.* The final regulation will provide whether real estate mortgage investment conduits (REMICs) will count toward achievement of any of the housing goals. The Secretary seeks public comment on REMICs and requests views from the public on the following questions:

(i) Where a REMIC contains a GSE's mortgages or mortgage-backed securities (MBS), should that type of REMIC count toward any of the housing goals? How should double counting be avoided?

(ii) Where a REMIC does not contain a GSE's mortgages or MBS, should that type of REMIC count toward any of the housing goals?

(iii) Should other types of REMICs be counted toward any of the housing goals?

(iv) In determining whether any REMICs count toward achievement of the housing goals, what should the Secretary consider?

(v) If any of these REMICs should count toward the housing goals, should the REMICs receive full credit or some level of partial credit? If partial credit, how should the level of credit be determined?

(vi) How should the final regulation deal with types of REMICs that have not yet been created or used in the market? Should such REMICs only count if that type of REMIC is reviewed by the Secretary and the Secretary determines that the type of REMIC should count toward the housing goals?

(3) *Risk-sharing.* Risk-sharing transactions would receive partial credit toward achievement of the housing goals where: (1) The GSE's risk-sharing arrangement is with the Department or another Federal agency; and (2) the GSE and the agency acquire mortgages and share the risks associated with those acquisitions. The credit to be awarded for these risk-sharing activities is to be equal to the amount of the GSE's risk under the risk-sharing arrangement.

For example, under section 542 of the Housing and Community Development Act of 1992, codified as a note to 12 U.S.C. 1707, the Department has entered into separate multifamily risk-sharing agreements with Fannie Mae and Freddie Mac. Under those agreements, each GSE shares risk of mortgage default through re-insurance with HUD on a 50 percent expected loss basis. If, under these agreements, a GSE shares the risk for 1,000 multifamily dwelling units and the GSE certifies that its share of the risk is equal to 50 percent, that GSE's performance under the low- and moderate-income housing goal would include the following calculation: The numerator would include 50 percent of the dwelling units affordable to low- and moderate-income families; and 500 dwelling units would be added to the denominator.

Where a GSE enters a risk-sharing arrangement, to receive credit toward the goals, it must certify what the real percentage of risk is and how that percentage was calculated—that percentage will then be used in calculating the GSE's performance under the relevant goal. The Department notes that in some risk-sharing arrangements, a GSE may assume top loss or catastrophic loss. In those instances, the actual risk assumed by the GSE clearly will not equal the percentage of the risk stipulated, *e.g.*, if a GSE assumes the first 20 percent of the risk, its actual risk is higher than 20 percent.

(4) *Participations.* Where a GSE purchases only a portion of a mortgage, that participation receives partial credit equivalent to the percentage of the mortgage purchased. For example, if a GSE has a 20 percent participation in a mortgage, the denominator shall include 20 percent of the units financed by the mortgage and the numerator will include that portion of the 20 percent of the units that meet the requirements for the particular housing goal.

(5) *Cooperative housing loans.* The purchase of a mortgage on stock in a cooperative housing unit (''a share loan'') is counted the same way as the purchase of single family owner-occupied units and, thus, affordability is based on the income of the owners. Where a GSE purchases a mortgage on a cooperative building (''the blanket loan'') and share loans for units in the same building, both purchases receive full credit, *i.e.*, the blanket loan counts under the housing goals in the same manner as a multifamily mortgage purchase.

(6) *Seasoned loans.* Purchases of seasoned loans are treated the same as purchases of recently originated mortgages and receive full credit under the goals. However, such purchases shall not count if the GSE already counted the mortgages under these housing goals or the goals in the Interim Notice of Housing Goals. To ensure that the housing covered by seasoned loans is affordable and counts, where a mortgage is more than three (3) years old, affordability must be determined based on income and/or rent level information at the time of purchase by the GSE.

(7) *Second loans.* A second mortgage on a residential property will be counted under the goals, if the property otherwise counts. The Secretary is seeking comment on whether these loans should receive partial or full credit toward the goals and, if partial credit, how the amount of credit should be determined. These loans, many of which are originated to pay for the costs of rehabilitating a single-family home, are an important part of lending in underserved communities. Many low-income homeowners cannot purchase new homes but seek to borrow funds to make repairs to their existing homes to increase their habitability and comfort. In many cases, however, these loans will have smaller unpaid principal balances than loans originated for purchase.

(8) *Tax Credit and Mortgage Revenue Bond Purchases.* The Secretary commends the GSEs' involvement in a wide variety of undertakings, including equity investments in projects eligible for Low-Income Housing Tax Credits (tax credits) [114] and purchases of State and local government housing bonds,

[114] 26 U.S.C. 42.

such as mortgage revenue bonds,[115] which serve significant purposes related to low- and moderate-income housing. The Secretary has concluded, however, that—although important in providing financing for low-income housing development—these activities are not equivalent to ''mortgage purchases'' and credit will not be granted toward the goals for these activities. This approach is consistent with the language in the Senate report concerning such activities: ''The (GSEs) are expected to continue such investments, but to carry them out in addition to initiatives necessary to meet the goals contained in this legislation.'' [116]

(9) *Second homes.* Mortgages financing secondary residences would not count toward achievement of any of the goals because the Secretary has determined that the goals should be directed to increasing the supply of primary residences, not secondary residences.

(10) *Refinancings.* The purchase of refinanced mortgages shall fully count toward achievement of the housing goals except as provided in the specific restrictions under the special affordable housing goal which, generally, permits arms-length borrower-driven refinancings to count toward achievement of the goal but excludes wholesale exchanges of mortgages between the GSEs.

Affordability Determination Under the Goals

In analyzing a GSE's performance in achieving these goals, the Secretary will, for mortgage purchases on owner-occupied dwelling units, consider the mortgagors' income as required by the Act.[117]

For mortgage purchases on rental dwelling units, the Secretary will consider, based on data at the time of mortgage purchase, the income of prospective or actual tenants if available. Where such income information is not available, rent on the dwelling units is used as a proxy and compared to the rent levels affordable to very low-, low-, and moderate-income families.[118] To be considered affordable, the rent cannot exceed 30 percent of the maximum income level of the family's classification, *i.e.*, very low-, low-, or moderate-income, with adjustments for unit size.[119]

Consistent with the Act,[120] the Secretary is requiring that tenants' income information be collected by each GSE where such income information is available. Based on the legislative history, income information is available ''when it is known by the lender because, for example, such information is required as a condition of an existing federal housing program.'' [121] Thus, where, as a condition of an existing federal, state, or local housing program, income information of tenants is required to be collected, such income information is considered as known to a lender and, therefore, available to the GSEs.

Where tenant income is not known to the lender, the 30 percent rent proxy is to be used to monitor and evaluate each GSE's performance in achieving the goals.[122] (The Secretary notes that the 30-percent rent standard prescribed by the Act for determining affordability under the low- and moderate-income housing goal is too inclusive. In applying this standard, it can be anticipated that more than 80 percent of rental housing will be regarded as affordable to low- and moderate-income families.)

The term ''rent'' is not defined in the Act. Where the term ''rent'' is used in eligibility and affordability requirements for government housing programs, the term means ''gross rent,'' which includes all utilities, based on either actual data or allowances. Likewise, this proposed regulation defines ''rent'' as gross rent, *i.e.*, contract rent including utilities or contract rent plus utilities where some or all of the utilities are not included in the contract rent.

Where all utilities are not included in rent, use of contract rent is unsatisfactory and excludes a significant component of housing costs from the rent calculation. Utility costs comprise a significantly larger share of total housing costs for lower income families in comparison with higher income families. Moreover, applying the rent test, with rent exclusive of utility costs, would result in an even more unrealistically inclusive test of affordability for rental dwelling units than is the case using gross rent. If contract rent were used, the Department projects that more than 95 percent of all rental units would be classified as affordable to low- and moderate-income families.[123]

To resolve the problem of assuring consideration of gross rents including utility costs, while at the same time providing workable means for including those costs, this proposed regulation allows the GSEs to use: Actual data on utilities; utility allowances based on data from the American Housing Survey (AHS) and issued annually by the Secretary; utility allowances established for the HUD Section 8 Program (section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437f); and/or an alternative adjustment formula subject to approval by the Secretary. The proposed regulation provides that, unless such an alternative approach is approved by the Secretary, the GSEs shall use actual data, the AHS-derived allowances, or the Section 8 allowances.

Where tenant income is not available, the Act requires that the test for affordability of rental dwelling units be applied to units ''with appropriate adjustments for unit size as measured by the number of bedrooms.'' [124] Thus, to determine whether a unit counts toward achievement of a goal, rent on the unit is considered in terms of the number of bedrooms in the unit. The Low-Income Housing Tax Credit (LIHTC) provides an accepted formula for adjustments to determine housing capacity, *see* 26 U.S.C. 42(g)(2)(C), and this proposed regulation requires the use of those adjustments for these goals. These adjustments assume that an efficiency houses one person, a one bedroom unit houses 1.5 persons and each additional bedroom houses an additional 1.5 persons.

Income adjustments for family size, required under the Act to determine whether a renter family's income qualifies as very low, low, or moderate, are established for the HUD Section 8 program and use of these adjustments is also required under this proposed regulation. To determine which rental dwelling units qualify as affordable, this proposed regulation combines the LIHTC unit size adjustment factors with the Section 8 family size adjustment factors to develop the necessary unit size adjustment factors to be applied to rent. For example, under the LIHTC an efficiency is assumed to house one person; under Section 8, for moderate-income, one person's rent may not exceed 70 percent of 30 percent of area median income; thus, an efficiency is affordable for a moderate-income person if the rent does not exceed 21 percent

[115] 26 U.S.C. 143.

[116] *Id.* at 38. *See also, id.* at 31, and H.R. Rep. No. 102–206, 102d Cong., 1st Sess. 60 (1991) (hereinafter cited as ''H. Rep.'').

[117] Sections 1332(c)(1) and 1333(c)(1)(A).

[118] Sections 1332(c) and 1333(c).

[119] Sections 1332(c)(2) and 1333(c)(2).

[120] Sections 1332(c)(1)(B) and 1333(c)(1)(B).

[121] S. Rep. at 35.

[122] *See* sections 1332(c) and 1333(c).

[123] Using rent as defined in this Notice, consistent with current law, 93 percent of existing rental dwelling units and 78 percent of recently constructed rental dwelling units qualify as affordable to low- and moderate-income families.

[124] Sections 1332(c)(2) and 1333(c)(2).

of area median income.[125] Similarly, a two-bedroom unit is assumed to house three persons; three persons' rent may not exceed 90 percent of 30 percent of area median income; thus, a two-bedroom unit is affordable for a moderate-income family if the rent does not exceed 27 percent of area median income. These percentages are included below under ''General Requirements.''

In some instances, the LIHTC unit size adjustments and the Section 8 family size adjustments do not directly correspond to each other. For example, under the LIHTC a one-bedroom apartment is assumed to house 1.5 persons but Section 8 does not provide a family size adjustment for 1.5 persons. Therefore, the HUD Section 8 adjustment factors for one person (70 percent) and two persons (80 percent) have been averaged to obtain a rent not in excess of 75 percent of 30 percent of area median income, yielding a net one-bedroom unit size adjustment factor of 22.5 percent of area median income.[126] Similar interpolations also are made for three-bedroom and five-bedroom units.

In certain rare instances (normally in New England), it may be unclear which area median income should be applied to determine the affordability of certain dwelling units. Under the proposed regulation, where a GSE knows that a property is located in a census tract that is split between two different areas and it is not clear which area median income should be used, the GSE must calculate a median income for the split census tracts. The median income for such split areas equals: (A) The percentage of the population of the census tract that is located in the first area times the median income of that area; plus (B) the percentage of the population of the geographic segment that is located in the second area times the median income of that area.

For example, a GSE purchases a mortgage on a property located in a census tract that is partially in a metropolitan statistical area (MSA) and partially outside the MSA; seventy-five percent of the census tract's population is in the MSA and the remaining 25 percent is outside the MSA; the median income for the MSA is $40,000; the median income for the county outside the MSA is $30,000. The median income for the split census tract would be 75 percent of $40,000 plus 25 percent of $30,000, or $37,500.

HUD seeks guidance on the appropriate reference for income in non-metropolitan areas for determining affordability under the housing goals for low- and moderate-income families and special affordable housing and for defining low-income areas in the goal for central cities, rural areas and other underserved areas. Should borrower and area income in non-metropolitan areas be defined: (1) Relative to the county median income; or (2) relative to the maximum of the county median income or the median income of the non-metropolitan balance of the State?

Housing Plans

The proposed rule provides procedures if a GSE fails to meet any housing goal. If the Secretary determines that either GSE has failed to meet any housing goal or there is a substantial probability that a GSE will fail to meet a housing goal, the Secretary shall, by written notice, preliminarily require that the GSE submit a housing plan.[127] The GSE would then have 30 days (which may be extended by the Secretary) to respond in writing to the Secretary's notice.[128] The GSE's response may include any information that the GSE considers appropriate for the Secretary to consider in determining whether the GSE failed to meet a housing goal, whether there is a substantial probability that the GSE will fail to meet a housing goal, and whether achievement of the housing goal was or is feasible.

After reviewing the GSE's response, the Secretary shall issue a final determination as to whether the GSE has failed or there is a substantial probability that the GSE will fail to meet the housing goal.[129] Additionally, the Secretary shall determine whether achievement of the housing goal was or is feasible based on market and economic conditions and the GSE's financial condition.[130] Where the Secretary determines that the GSE has failed or there is a substantial probability that the GSE will fail to meet the housing goal and that achievement of the housing goal was or is feasible, the Secretary shall require the GSE to submit a housing plan.[131]

Each housing plan must be feasible and sufficiently specific to enable the Secretary to monitor the GSE's performance under and compliance with the plan.[132] A housing plan must describe the specific actions that the GSE will take to achieve the goal in the next calendar year or, where the Secretary has determined that a substantial probability exists that the GSE will fail to meet a goal in the current year, the plan must describe the reasonable improvements the GSE will make in the remainder of the year.[133]

Subpart C—Fair Housing Requirements

The Act requires the Secretary, by regulation, to prohibit the GSEs from discriminating in their mortgage purchase activities and to require that the GSEs submit specified data to the Secretary on mortgage lenders to assist the Secretary's investigative activities under the Fair Housing Act and to assist investigative activities under the Equal Credit Opportunity Act (ECOA).[134] The Act also requires the Secretary to: Obtain and provide to the GSEs information on violators of the Fair Housing Act and ECOA; direct the GSEs to take action against mortgage lenders found to discriminate; and periodically review and comment on the GSEs' underwriting guidelines.[135]

In enacting FHEFSSA, Congress recognized the unique position and responsibilities of the GSEs in the mortgage market and their unparalleled capabilities to effectuate fair housing and fair lending in that market. The GSEs are Federally sponsored and purchase a large majority of all of the conventional mortgages originated by primary lenders. The House Report on the Act stated:

> While the Committee does not intend that the (GSEs) be responsible for investigating and punishing acts of discrimination, the Committee does expect the (GSEs) to use their considerable influence over the mortgage market to ensure that lenders with which they deal are acting in a nondiscriminatory manner.[136]

Discrimination on a prohibited basis is intolerable and socially and economically destructive. The GSEs on many occasions have expressed their commitment to combatting discrimination and advancing fair lending. The Secretary, through this regulation, seeks to make concrete the

[125] Similarly, for purposes of determining affordability to low-income families: An efficiency is assumed to house one person; one person's rent may not exceed 70 percent of 30 percent of 80 percent of area median income (using family size to adjust income); thus, an efficiency is affordable to a low-income family if the rent does not exceed 16.8 percent of the area median income.

[126] Similarly, for purposes of low-income affordability, the same 75 percent figure is used to obtain a rent not in excess of 75 percent of 30 percent of 80 percent of area median income, yielding a net unit size adjustment factor of 18 percent.

[127] Section 1336(b)(1).

[128] Section 1336(b)(2).

[129] Section 1336(b)(3)(A).

[130] *Id.*

[131] Section 1336(c)(1).

[132] Section 1336(c)(2).

[133] *Id.*

[134] Sections 1325(1)–(3).

[135] Section 1325(4)–(6).

[136] H. Rep. at 57.

GSEs' significant fair housing and fair lending responsibilities under the Act.

These provisions are intended ultimately to further fair lending by primary lenders. Accordingly, in developing these sections, the Secretary consulted with Federal agencies that regulate lending institutions including the Office of Comptroller of the Currency, the Office of Thrift Supervision, the Treasury Department, and the Federal Reserve. Those consultations proved extremely beneficial. Responsibility for enforcement of the Act's fair housing provisions is solely vested in the Department of Housing and Urban Development under the Act, including the HUD Office of Federal Housing Enterprise Oversight (OFHEO), and no provisions in this regulation may impede those authorities. However, the Secretary has concluded that in the implementation of these regulations further consultations in the operational arrangements of these regulations would be valuable.

Consultation will assure needed coordination of regulatory actions within the government and the provision of beneficial information and views from the regulators to the Secretary. The regulations, therefore, specifically require that memoranda of understanding will be established with regulators to specify procedures for submission and dissemination of information from the regulators to the Secretary and to the GSEs. Also, prior to directing any remedial action by a GSE against a lender, the Secretary would be required to solicit and fully consider the views of the lender's regulator. Finally, at all points in the process where warranted, including, without limitation, the Secretary's review of the GSEs' underwriting guidelines and business practices affecting lenders, the Secretary will fully consider the views of the appropriate regulators in the standards used by such regulators in similar circumstances.

Prohibitions Against Discrimination

The regulations generally prohibit the GSEs from discriminating *in any manner* in their mortgage purchases because of race, color, religion, sex, handicap, familial status, age or national origin, including any consideration of the age or location of the dwelling or the age of the neighborhood or census tract where the dwelling is located in a manner that has a discriminatory effect. The proposed regulation provides that the GSEs are liable for any discrimination by them, or their officers, or employees, or agents in making mortgage purchases. Just as the term ''mortgage purchase'' includes transactions which are substantively similar to mortgage purchases for purposes of the housing goal provisions, the term is similarly inclusive for purposes of the restrictions against discrimination.

The regulation makes clear that prohibited conduct is subject to certain exemptions. For example, while the regulations generally forbid the GSEs from considering factors concerning the age and location of a dwelling, or the area in which the dwelling is located in a manner that has a discriminatory effect, these factors may be considered in certain cases. The age of a dwelling may be used by an appraiser as a basis for conducting more extensive inspections of structural aspects of the dwelling. Location factors that may have a negative effect on a dwelling's value may be properly considered in an appraisal and in other aspects of the underwriting process.

The GSEs may also consider factors justified by business necessity, including requirements of Federal law, relating to a transaction's financial security or to protection against default or reduction of the value of the security. For example, age or location may be considered in circumstances other than appraisals, including requiring a different loan-to-value ratio for an older, more expensive to maintain, multifamily building. However, where a GSE's consideration of a factor or factors has a disparate result based upon race, color, religion, sex, handicap, familial status, age or national origin, including any consideration of the age or location of the dwelling or the age of the neighborhood or census tract where the dwelling is located, in order for the factor or factors to continue to be considered, the factor must be justified by business necessity. The business necessity must be manifest and neither hypothetical nor speculative. Even if consideration of the factor can be justified based on business necessity, its use still may be impermissible if an alternative policy or practice could serve the same purpose with less discriminatory effect.

Business Practices Analysis and Underwriting and Appraisal Guidelines

The regulations provide that following their effective date and periodically thereafter as requested by the Secretary, each GSE shall conduct and submit to the Secretary a Business Practices Analysis to further implement the prohibitions against discrimination under the Act and facilitate the reporting requirements under sections 309(n)(2)(G) of the Fannie Mae Act and 307(f)(2)(G) of the Freddie Mac Act [137] and the underwriting and appraisal guideline review requirements under the Act.[138] The GSEs will develop a methodology for conducting the Business Practices Analyses and the Secretary will review and comment on the methodology.

The Business Practices Analysis must assess the GSE's underwriting standards and appraisal practices, repurchase requirements, pricing, fees, procedures, and other business practices that affect the purchase of mortgages for low- and moderate-income families or that may yield disparate results based on the race, color, religion, sex, handicap, familial status, age or national origin of the borrower. The analysis shall specify revisions that will be made to promote affordable housing and fair lending. If disparate results occur because of any business practices, the GSE must demonstrate that a business necessity exists for the practice or demonstrate how the GSE plans to remedy the situation. The GSEs' Charter Acts as amended by FHEFSSA require an analysis of business practices as part of a required report.[139] The analysis will serve as a baseline for future reporting and as a necessary action by the GSEs toward remedying any systemic practices that are discriminatory and assuring that the GSEs are not in violation of the prohibitions under this subpart.

The Secretary recognizes that, at least initially, this highly important analysis will require a considerable amount of time to complete. Accordingly, the Secretary specifically seeks comments concerning the deadline for completing the initial analysis and the time for review by the Secretary which should be included in the final regulations.

Under the Act, the Secretary is required to review the GSEs' underwriting and appraisal guidelines to ensure compliance with the Fair Housing Act, the regulations promulgated thereunder, section 1325 of the Act, and these regulations.[140] In implementing this responsibility—in a manner intended to maximize industry self-regulation—this proposal places initial responsibility on the GSEs themselves, rather than the Department,

[137] These Charter Act sections require the GSEs to ''assess underwriting standards, business practices, repurchase requirements, pricing fees, and procedures, that affect the purchase of mortgages for low- and moderate-income families, or that may yield disparate results based on the race of the borrower, including revisions thereto to promote affordable housing or fair lending.''

[138] Section 1325(6).

[139] Fannie Mae Charter Act, section 309(n)(2)(G), and Freddie Mac Act, section 307(f)(2)(G).

[140] Section 1325(6).

to review all current guidelines and future revisions of the guidelines. Review of the GSEs' current guidelines therefore will involve analyses by the GSEs followed by Secretarial review and comment. The GSEs' analyses of the current guidelines will occur for the first time, under this regulation, as part of the Business Practices Analysis. The regulations require that before instituting a revision, the GSE must certify that after reasonable evaluation and analysis, the GSE has determined in good faith that to the best of its knowledge the change will not be discriminatory.

The Secretary will provide comments and recommendations for changes to guidelines and revisions to ensure consistency with the Fair Housing Act. If a GSE does not make such changes or otherwise resolve comments to the satisfaction of the Secretary, the Secretary may take action under the Fair Housing Act.

In addition to requiring an analysis of the GSEs' business practices as a means of effectuating fair lending, the Secretary seeks comment concerning whether the GSEs should be required to develop a fair lending plan to identify and address impediments to fair housing and fair lending in the primary market. Lending discrimination remains a pervasive and persistent problem in the mortgage industry. The Secretary seeks comment on the following questions:

(1) Should the GSEs be required to prepare a fair lending plan?

(2) Could a fair lending plan offer new ways to lead the primary lending market in eradicating discrimination? If so, how?

(3) What are the appropriate components of such a plan? and

(4) How would the plan effectuate fair housing/fair lending objectives?

Submission of Information to Assist the Secretary

The GSEs are required to submit information and data to the Secretary to assist in investigating whether any mortgage lender with which the GSE does business has failed to comply with the Fair Housing Act or ECOA.[141] The regulation requires that the GSEs: (a) Respond to a specific Secretarial request for information on a particular lender or lenders; (b) provide information when the GSE becomes aware of a questionable activity by a lender; and (c) develop and provide data that could be generated by GSE data systems, *e.g.*, relating data on census tracts to lender mortgage sales. When investigating the practices of a particular lender, GSE data could provide the Secretary useful information on lending patterns of that lender and other lenders in the same area.

The Secretary invites the GSEs and the public to provide comments on additional information that the GSEs could usefully gather on lenders for the Secretary's review in connection with the enforcement of the Fair Housing Act.

Submission of Information by the Secretary to the GSEs

The Secretary will obtain information from Federal, State, and local enforcement agencies with information regarding violations of ECOA, the Fair Housing Act, or State and local anti-discrimination laws. The Secretary will provide this information to the GSEs. Such information may indicate violations of the GSEs' underwriting guidelines and/or representations or certifications from lenders. The specific nature of the violation information to be obtained by the Secretary and the procedures for referral applicable to Federal financial regulators will be governed by memoranda of understanding entered into between the Secretary and such regulators. The Secretary shall also consult with such regulators on the nature of the information to be provided to the GSEs. The Secretary is particularly sensitive to ensuring that only relevant and legally appropriate information—considering financial privacy and other pertinent matters—is obtained and provided to the GSEs under this provision. Although other provisions of the Act and regulations described below allow the Secretary to *direct* sanctions against lenders found to discriminate,[142] these information dissemination provisions neither directly nor indirectly require actions by the GSEs based upon violation information provided by the Secretary. The regulations merely provide that the GSEs may take appropriate action under their procedures based on information provided by HUD concerning lender violations of the Fair Housing Act or ECOA, *i.e.*, the GSEs, in their discretion, may choose to take action against lenders based on violations of binding contractual arrangements with the GSEs forbidding discrimination.

Remedial Actions

The Secretary is required to direct the GSEs to take remedial actions—including suspension, probation, reprimand, or settlement—against lenders which have been found to have engaged in discriminatory lending practices in violation of the Fair Housing Act and ECOA following appropriate proceedings.[143]

For purposes of remedial action, a lender will have been found to have violated ECOA only after a final determination on the matter has been made by an appropriate United States District Court or any other court of competent jurisdiction. A lender will have been found to have violated the Fair Housing Act only after a final determination on the matter has been made by a District Court, a HUD Administrative Law Judge, or the Secretary. Based on such violations, the Secretary shall direct the GSE to take remedial action(s) under this section. Prior to the date the action is to be imposed, the lender may request and, if the request is timely filed, will be entitled to a hearing before a HUD Administrative Law Judge; such hearing shall be limited to review of the appropriateness of the proposed remedial action only. The determination on the underlying violation will not be subject to review at the hearing.

To ensure regulatory coordination and avoid any unnecessary regulatory burden, the Secretary will be required under the proposed regulation, prior to directing any remedial actions under this section, to solicit and fully consider the views of the particular lender's Federal financial regulator concerning the action or actions contemplated. Views will be solicited and considered in accordance with the foregoing memoranda of understanding between the Secretary and such regulators. The regulations address the lenders' due process rights and factors that the Secretary may consider in determining an appropriate action. The Act empowers the Director of OFHEO to enforce violations of section 1325 by the GSEs. Potential violations are to be referred to the Director by the Secretary.

The Fair Housing Act

The Secretary's regulatory authority under section 1325 of the Act is in addition to the Secretary's responsibilities under the Fair Housing Act[144] and Executive Order 12,892.[145] The Fair Housing Act requires that the Secretary administer all HUD programs and activities relating to housing and urban development (which would include GSE oversight responsibilities) so as ''to affirmatively further'' the

[141] Sections 1325 (2)–(3).

[142] Section 1325(5).

[143] Section 1325(5).

[144] 42 U.S.C. 3601–19.

[145] 59 FR 2939 (1994).

purposes of the Fair Housing Act.[146] The Secretary is in the process of developing regulations under the Fair Housing Act that will update HUD's current regulations concerning fair housing and fair lending. Those forthcoming regulations will supplement these GSE regulations. Nothing in these regulations is intended to diminish in any manner the GSEs' responsibilities under the Fair Housing Act.

Subpart D—Review of New Programs

Background

Under both Charter Acts, prior to amendment by FHEFSSA, the Secretary had statutory authority to approve the GSEs' purchasing, servicing, selling, lending on the security of or otherwise dealing in conventional mortgages. Under provisions of FHEFSSA, the Secretary must approve new programs unless the Secretary determines that the program was not authorized under specific provisions of the GSEs' Charter Acts or that the program was not in the public interest.[147] Until one year after the Director's regulations under section 1361(a) of FHEFSSA are issued, the Director also must review new programs and, if the Director determines that the new program would risk significant deterioration of the GSE's financial condition, the new program must be disapproved by the Secretary.[148] The purpose of the Secretary's approval is ''to ensure that (programs) are authorized by the relevant (C)harter Act, not detrimental to housing availability and affordability, and, for an undercapitalized (GSE),to ensure that such programs (will) not worsen the financial condition of the (GSE).'' [149]

Scope of Authority

The Secretary intends to make certain that the GSEs continue to have sufficient latitude to develop innovative programs to serve America's housing needs. In the area of housing finance, dramatic innovations have occurred during the last 25 years, with the introduction of the mortgage-backed security, the REMIC, and other financing vehicles that have brought new sources of investment capital into housing. The GSEs have either developed or refined these vehicles. The Secretary wants to ensure that future innovations are also allowed to develop without unnecessary impediment.

As noted in the House Report on the Act, ''(t)he Secretary's role with regard to approval authority over new programs is not designed to entangle Fannie Mae and Freddie Mac in unnecessary delays, bureaucratic red tape, or extraneous consideration by HUD.'' [150] In reviewing new programs, the Secretary will follow judiciously the standards for review in the Act and will only disapprove a request for new program approval where the program is not within the scope of the GSE's statutory authority, the program is not in the public interest, or, during the transition period, where the Director determines that the new program would risk significant deterioration in a GSE's financial condition.[151]

Each GSE is required to obtain the approval of the Secretary for any ''new program'' before the GSE implements the program.[152] Section 1303(13) of the Act defines ''new program'' as ''any program for the purchasing, servicing, selling, lending on the security of, or otherwise dealing in, conventional mortgages that—(A) is significantly different from programs that have been approved under this Act or that were approved or engaged in by (a GSE) before (October 28, 1992); or (B) represents an expansion, in terms of the dollar volume or number of mortgages or securities involved, of programs above limits expressly contained in any prior approval.'' (Programs that were specifically approved are referred to as ''approved programs.'')

Under the Act, all GSE programs engaged in prior to October 28, 1992, which are referred to in the regulations as ''authorized programs,'' are deemed to be approved even where the GSE did not actually obtain approval from the Secretary and such programs need not be submitted to the Secretary for further review. However, where programs are significantly different from authorized programs, unless such programs are otherwise approved they are ''new programs'' subject to the Secretary's approval.

Under these regulations, the ''new program'' approval procedure applies to ongoing ''programs,'' pilots, and demonstration programs that ''significantly differ'' from authorized or approved programs. ''New program'' also would include a program that is expanded, in dollar volume or number of mortgages or securities involved, above any limits expressly contained in any prior approval by the Secretary.

Where a question exists as to whether an activity is a program, if submission is otherwise required, the GSE must submit the activity for Secretarial review. As noted in the legislative history, where a planned program ''could reasonably raise significant questions'' as to whether the program is within a GSE's statutory purposes or in the public interest, that program ''should be viewed as significantly different from existing programs and, therefore, must be submitted for approval.'' [153] Accordingly, the GSEs shall submit programs for review if the Secretary could reasonably consider the program to be new, even where the GSE believes the program is not new. Where the GSE does not believe that the program is new, the GSE may, in its submission, fully explain its basis for that position.

Fannie Mae undertakes certain housing related activities under section 309(a) of its Charter Act, which authorizes Fannie Mae ''to do all things as are necessary or incidental to the proper management of its affairs and the proper conduct of its business.'' Freddie Mac has similar authority under which Freddie Mac's ''(f)unds * * * may be invested in such investments as (its) Board of Directors may prescribe,'' and Freddie Mac has the power ''to determine its necessary expenditures and the manner in which the same shall be incurred, allowed, and paid.'' [154] Where any of these activities could be regarded as new programs subject to the Secretary's review, the proposed regulation would require the GSEs to submit requests for program approval for those activities (under sections 309(a) of the Fannie Mae Charter Act or 303(c)(9) or (d) of the Freddie Mac Act). The purpose of this requirement is to ensure that the Secretary appropriately reviews all new programs and ensures that the GSEs do not, through use of their corporate powers, violate any provisions of their Charter Acts such as the prohibition against the GSEs originating mortgage loans.[155]

Although new programs will be subject to Secretarial review, the Secretary does not intend to interfere with the GSEs' other activities under sections 309(a) of the Fannie Mae Charter Act or 303(c)(9) or (d) of the Freddie Mac Act. The Secretary encourages the GSEs to continue their activities under these provisions.

[146] 42 U.S.C. 3608(e)(5).

[147] Section 1322(b)(2).

[148] Section 1322(b)(2).

[149] S. Rep. at 15.

[150] H. Rep. at 55.

[151] Section 1322(b)(1).

[152] Sections 1322(a) of FHEFSSA, 305(c) of the Freddie Mac Act, and 302(b)(6) of the Fannie Mae Charter Act.

[153] S. Rep. at 15.

[154] Freddie Mac Act, sections 303(d) and 303(c)(9).

[155] *See* sections 304(a)(2)(B) of the Fannie Mae Charter Act and 305(a)(5)(B) of the Freddie Mac Act.

Products

A program differs from a product. As noted in the legislative history, ''(o)nce a program is approved, Fannie Mae and Freddie Mac are expected and encouraged to develop a range of specific products under the umbrella of the new program. The Secretary's prior approval authority does not extend to the introduction of new products under an approved program.'' [156]

Significantly Different

To determine whether a planned GSE program is ''significantly different'' from a GSE program that has been approved or authorized, and, therefore, requires the Secretary's approval, the proposed regulation provides that a program is significantly different if it materially differs from the GSE's other approved or authorized programs by entailing substantially greater risk or substantially expanding the GSE's role in the housing markets by involving new categor(ies) of borrowers, properties or other securities, borrowing purposes, or credit enhancements. New programs do not include new activities that are designed to refine approved or authorized programs by repackaging features of those programs, making technical improvements, or creating other nonmaterial variations.

Requested Comments on New Program Approval

In connection with new program approval, the Secretary seeks comments on the following questions:

(1) The Act defines ''new program,'' generally, as a program that is significantly different from GSE programs previously approved or authorized. The Act does not define ''program,'' ''product,'' or ''significantly different.'' Should these term(s) be defined in the final rule and, if so, how should the term(s) be defined?

(2) The Act requires the Secretary to approve a new program unless the program is not authorized by the GSE's Charter Act or the Secretary determines that the new program is not in the public interest. Should the final rule include factors that the Secretary will consider in determining whether a program is not in the public interest and, if so, what factors should be included?

Procedures

Requests from a GSE for new program approval must be submitted in writing and fully explain the program and whether the program is implemented under the authority of sections 305(a) (1), (4), or (5) of the Freddie Mac Act or 302(b) (2)–(5) of the Fannie Mae Charter Act. Each program request shall include: An opinion from counsel setting forth the statutory authority for the new program; a good faith estimate of the anticipated dollar volume of the program over the short- and long-term; a full description of the purpose and operation of the proposed program, the market targeted by the program, the delivery system for the program, the effect of the program on the mortgage market, and material relevant to the public interest.

The Secretary and the Director (where the Director has new program approval authority) may, within 45 days of receiving a request for new program approval, determine that additional information from the GSE is needed to make a decision on the request.[157] When additional information is needed by the Secretary or the Director, the Secretary shall request such information from the GSE. The GSE must provide such information within 10 days of the Secretary's request and, if the GSE fails to do so, the Secretary may deny the request based on the GSE's failure.

The Secretary shall approve or disapprove new program requests within 45 days, or 60 days if additional information is requested from the GSE.[158] When the Secretary approves a new program, the Secretary shall provide written notice of the approval to the GSE. When a new program is not approved, the Secretary shall submit an explanatory report to the Committee on Banking, Finance and Urban Affairs of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.[159] If the Secretary fails to approve or disapprove a new program within 45 days (or 60 days where additional information is requested), the request shall be deemed approved.[160]

Where the Secretary disapproves a new program request from a GSE under sections 305(a) (1), (4), or (5) of the Freddie Mac Act or 302(b) (2)–(5) of the Fannie Mae Charter Act and these regulations, the GSE may request within 30 days of the disapproval an opportunity to supplement the administrative record at a meeting with the Secretary or the Secretary's designee or in writing.[161] A meeting will be scheduled within 10 days of a request. Within 10 days after written submission or a meeting, the Secretary will notify the GSE whether the decision is withdrawn, modified or affirmed.

Where the Secretary disapproves a new program because it is not in the public interest or because the Director determined that the program would risk significant deterioration of the GSE's financial condition, the Act [162] and these regulations provide the GSE with notice of and an opportunity for a hearing on the record concerning the disapproval as provided in subpart G.

Subpart E—Reporting Requirements

Sections 309 (m) and (n) of the Fannie Mae Charter Act and 307 (e) and (f) of the Freddie Mac Act require that the GSEs submit data about their mortgage purchases to the Secretary and also submit reports to Congress and the Secretary concerning the GSEs' housing activities. The Act requires that the Secretary report to Congress by June 30 of each year on the activities of the GSEs.[163] These regulations implement all of the applicable reporting requirements so that the Secretary is capable of appropriately monitoring the GSEs' activities and reporting to the Congress.

The current Fannie Mae regulations required Fannie Mae to submit numerous reports to the Secretary. The Secretary has reviewed these reporting requirements and determined that a simpler, more effective and less burdensome reporting system should be instituted for both GSEs.

Under the proposed regulations the following submissions would no longer be required from Fannie Mae and would not be instituted for Freddie Mac: A report on business activities (24 CFR 81.22), including a description of any planned or proposed new business activities and the GSE's competitive position in the marketplace; a general plan for the conduct of the GSE's secondary market operations, a special budget plan for the GSE's secondary market operations, a description of pending legal proceedings, and details on each executive officer's ownership of GSE securities, remuneration, and stock options (24 CFR part 81, App. B); a report on each auction of commitments (24 CFR 81.23(a)(1)); a report on investors purchasing Fannie Mae securities (24 CFR 81.23(a)(3)); a statement of the composition of the GSE's loan portfolio (24 CFR 81.23(a)(4)); a report on the characteristics of home loans purchased (24 CFR 81.23(a)(5)); a report on average yields of mortgage loans purchased (24 CFR 81.23(a)(6)); a report on the lender

[156] H. Rep. at 55.

[157] Section 1322(c)(2).

[158] Section 1322(c)(2).

[159] Section 1322(c)(2).

[160] Section 1322(c)(3).

[161] *See* Section 1322(c)(4)(A).

[162] Section 1322(c)(4)(B).

[163] Section 1324.

groups from or to whom the mortgage loans were purchased or sold (24 CFR 81.23(a)(7)); a report on the composition of revenues received, expenditures made, and net income earned (24 CFR 81.23(a)(8)); a report on the distribution of holdings of the GSE's common stock (24 CFR 81.23(a)(9)); and an estimate of the dollar amounts of purchase commitments the GSE expects to issue in its FHA-VA mortgage auction and in its conventional mortgage auction (24 CFR 81.24).

On the other hand, in enacting FHEFSSA, the lack of information on the GSEs' *mortgage purchases* particularly concerned Congress.

> [A]n information vacuum has severely impeded Congressional efforts to measure Fannie Mae's compliance with regulatory housing goals that have been in force since 1978. The Committee believes that enactment of this bill will fill this vacuum on an expeditious basis * * *. The bill requires the collection of data that are central to understanding and evaluating the GSEs' single-family and multifamily businesses.[164]

The Act therefore required detailed reporting of mortgage data and extensive annual reporting on GSE housing activities to both Congress and the Secretary.[165]

To ensure that the Secretary has the information needed to carry out monitoring, compliance, and other regulatory responsibilities, the GSEs shall submit the following:

(1) Quarterly submittals of detailed data and aggregations on mortgage purchases (''the mortgage reports''); and

(2) An annual report (''the annual housing activities report'') that details the GSE's actions toward meeting the housing goals and other issues of concern to Congress as well as year-to-date mortgage data.

The GSEs shall also provide a few periodic reports and the Secretary may require special reports, additional analyses, or such underlying data as the Secretary considers appropriate.

Mortgage Data

Each GSE is required to submit on a quarterly basis, except for the fourth quarter, detailed data on each mortgage purchased (''mortgage data'') in the previous quarter (within 60 days after the end of the quarter). All data shall be submitted in a format specified by the Secretary and shall be year-to-date data. Data will be provided on an aggregate basis, and also on a loan-level basis (in computer-readable format). Appendix D details the reporting formats and the data elements required on each single-family and multifamily mortgage purchased. The Secretary seeks comment on whether Appendix D should include additional data.

The Annual Housing Activities Report

The regulations require each GSE to provide an Annual Housing Activities Report (within 60 days after the end of each calendar year) concerning its performance during the calendar year in achieving the housing goals. The report must describe actions that the GSE has undertaken during the preceding year or is planning to undertake to: Promote and expand its attainment of its statutory purposes; standardize credit terms and underwriting guidelines for multifamily housing and securitize multifamily housing mortgages; and promote and expand opportunities for first-time home buyers. The report also must include annual compilations of mortgage data year-to-date and any other information that the Secretary considers necessary for the report and requests in writing. To reduce the reporting burden, the Secretary has combined two annual reports required either by the Charter Act or the Act into the Annual Housing Activities Report.

As part of the Annual Housing Activities Report, the Act requires that each GSE include a discussion of its business practices.[166] To the extent a Business Practices Analysis, required under subpart C, encompasses the information required in this report and where the GSE has conducted such a Business Practices Analysis within the preceding three years, the GSE may reference such Analysis and use the Annual Housing Activities Report to update the GSE's progress concerning any problems referenced in the Analysis.

Subpart F—Access to Information

The Act requires the Secretary to establish a public use data base and to release to the public certain categories of information submitted by the GSEs concerning their mortgage purchases.[167] The Act also requires the protection of proprietary information the GSEs submit to the Secretary.[168] In characterizing the lack of information on the GSEs' performance as ''an information vacuum,'' [169] the Senate Committee noted that ''public access and disclosure of information is a key tool for permitting appropriate public scrutiny and oversight of the activities of the [GSEs] and in evaluating possible improvements in housing finance markets.'' [170] The Act required a public use data base so that the public could obtain information on the GSEs' performance toward meeting their Charter Act purposes of serving a broad range of families and communities. In addition, Congress intended for the GSE public use data base to supplement HMDA data.[171] Finally, the Senate Report stated: ''[E]very effort should be made to provide public disclosure of the information required to be collected and/or reported to the (Secretary), consistent with the exemption for proprietary data * * *. The (Secretary) should also take such action as is necessary to protect the privacy concerns of individual borrowers or renters.'' [172]

Consistent with the legislative intent, the Department shall serve as an information clearinghouse, facilitating an end to the ''information vacuum'' on GSE activities—as expeditiously as possible. To achieve this objective, the Secretary intends that:

(1) Data on the GSEs' activities be made available to the widest range of housing groups, state and local governmental entities, academicians and other persons and entities so that—the efforts of the GSEs in making housing finance available to all segments of the population can be monitored by housing groups, State, and local governments, and similar entities and areas of partnership with the GSEs can be identified to expand housing opportunities;

(2) Data made available should be as inclusive as possible, balancing the proprietary concerns of the GSEs;

(3) Data should supplement data available under the Home Mortgage Disclosure Act (HMDA) to facilitate fair housing review and enforcement; and

(4) Data should be available by all reasonable means.

Public Use Data Base

Consistent with the Act,[173] the regulations establish a public use data base for mortgage data submitted by the GSEs under section 309(m) of the Fannie Mae Charter Act and section 307(e) of the Freddie Mac Act. This data concerns the characteristics of individual mortgage purchases of the

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[164] S. Rep. at 39; *see also*, H. Rep. at 60 (''One reason for adopting the low-income housing provisions set forth in the Committee bill is the Committee's frustration with the lack of concrete information on [the GSEs'] current activity in the area of housing for low-income persons.'')

[165] *See, e.g.*, sections 1324, 1327, 1328, 1381 (o and p), and 1382 (r and s).

[166] Sections 1381(p) and 1382(s).

[167] Section 1323(a).

[168] Sections 1323 and 1326.

[169] S. Rep. at 39.

[170] *Id.* at 44.

[171] *See, e.g.*, S. Rep. at 39.

[172] *Id.* at 40.

[173] Section 1323(a).

GSEs, including, *inter alia,* census tract, location, race and gender of mortgagors. This data may include other characteristics such as the loan-to-value (LTV) ratio of the mortgage, whether the loan was seasoned or whether the units were owner-occupied. In accordance with the Act, these regulations provide that the Secretary may not, by regulation or order, make available to the public data that the Secretary determines are proprietary under section 1326 of the Act *except* that the Secretary may not restrict access to the income, census tract location, race, and gender data of single family properties.[174]

The Secretary shall, from time to time, issues orders providing that certain GSE information is proprietary and shall not be included in the public use data base. The most current Secretarial orders will be periodically published and included as Appendix F of this regulation. On June 7, 1994, the Secretary published a Temporary Order protecting GSE information deemed to be proprietary, pending public comment and further review.[175] As part of the process for establishing the public use data base, the Secretary intends to finalize a revised order early in 1995.

In addition to not including proprietary information of the GSEs, the public use data base will not include information the release of which would invade personal privacy. Additionally, the data base will not include information required to be withheld, including requirements of the Trade Secrets Act, 18 U.S.C. 1905.

The Secretary will routinely disclose to the public information contained in the GSEs' Annual Housing Activities Reports which are submitted to the Secretary, the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Committee on Banking, Housing, and Urban Affairs of the Senate, and comprise a detailed picture of the GSEs' activities each year in relation to the housing goals and the Fair Housing provisions of the Act. Proprietary information from this report may be withheld if the GSEs request its designation as proprietary and the Secretary determines that it is proprietary.[176] Under the Act, none of the information under section 1323 or reports under section 1326 may be disclosed where the Secretary issues a final decision, by regulation or order, determining information is proprietary.[177]

Requests for Proprietary Treatment

The regulations establish procedures for the GSEs to request proprietary treatment of information submitted to the Secretary in reports or otherwise. When a GSE submits information to the Secretary, the GSE shall designate which of the information the GSE deems to be proprietary; the GSE's submission must include the bases for the GSE's assertion and a statement or certification from an officer or authorized representative providing that the information is proprietary and has not been disclosed to the public.

Determinations on Requests

The Secretary will review the information and the GSE's views. If the Secretary determines the information is proprietary, the Department will not disclose the data. The regulations then establish procedures for the Secretary to issue a temporary order, an order or a regulation to withhold proprietary information and to inform the public of the withholding. If the Secretary does not determine that information that is the subject of a GSE request is proprietary, the Secretary shall provide the GSE with an opportunity for a meeting on the matter where the GSE may provide comments and additional information on release. After the meeting date, the Secretary shall determine, in writing, which information is proprietary and shall provide the GSE with 10 days' notice before the information is made available to the public.

FOIA Requests

Information on the GSEs may be requested by the public pursuant to the Freedom of Information Act (FOIA)[178] and these regulations provide guidance on FOIA's applicability to GSE information. For purposes of FOIA, HUD is considered an agency responsible for the regulation and supervision of financial institutions.[179] Accordingly, where appropriate, the Secretary may invoke FOIA Exemption (b)(8)[180] to withhold GSE information ''contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of'' the Secretary.

FOIA Exemption 4[181] allows confidential business information to be protected from disclosure, and the Trade Secrets Act[182] forbids Government officers and employees from releasing trade secret and other confidential business information. Executive Order No. 12,600[183] requires that agencies notify submitters of FOIA requests for confidential business information and afford submitters an opportunity to comment before releasing information. If an agency determines to release notwithstanding a submitter's objections, the Executive Order requires that the agency notify the submitter a reasonable time prior to release. The President of the United States, by memorandum, dated October 4, 1993, to Heads of Departments and Agencies, emphasized the importance of public disclosures under FOIA and the implementing memorandum from the Attorney General, attached to the President's memorandum, instructs agencies to disclose information unless disclosure would harm an interest protected by a FOIA exemption. The President's and the Attorney General's memoranda do not, however, alter Executive Order 12600.

Congressional Requests

If the Department receives a request on behalf of a Congressional Committee or Subcommittee, the Comptroller General, a subpoena from a court of competent jurisdiction, or is otherwise compelled by law to release information determined to be proprietary, personal, or otherwise withheld from the public, the Department will provide the information in accordance with the request. In releasing proprietary information under this provision, the Department will advise the requester that the Secretary has determined that the information is proprietary and that public disclosure of the information may cause competitive harm to the GSEs. To the extent practical, the Department will provide notice to the GSEs after a request under this paragraph is received and before the Department provides information in response to the request.

Subpart G—Procedures for Actions and Review

This subpart establishes procedures for hearings, disclosure of orders and agreements between the Secretary and the GSEs, enforcement of actions by the Secretary, and judicial review. These procedures concern actions by the Secretary to enforce housing goal related matters under subpart B and reporting violations under subpart E, and actions by GSEs seeking review of new program denials under subpart D.

The Act empowers the Secretary to enforce requirements under the housing

[174] Section 1323(b)(2).

[175] 59 FR 29514 (1994).

[176] Section 1326.

[177] Section 1326(c).

[178] 5 U.S.C. 552.

[179] Section 1319F.

[180] 5 U.S.C. 552(b)(8).

[181] 5 U.S.C. 552(b)(4).

[182] 18 U.S.C. 1905.

[183] 3 CFR 235 (1988).

goals provisions through cease-and-desist orders and to assess civil money penalties against the GSEs.[184] In view of the seriousness of these actions, the Act itself details the procedural requirements for enforcement and rights of the GSEs during the sanctions process.[185] Because the Act details procedural requirements, this subpart mainly restates and rarely augments these procedures in the regulations.

Secretarial Enforcement Through Cease-and-Desist Orders and Civil Money Penalties

The Secretary may issue a cease-and-desist order where a GSE fails to: Submit a housing plan that complies with the Act; make a good faith effort to comply with a housing plan approved by the Secretary; or submit any information required under the reporting requirements under the Fannie Mae Charter Act or the Freddie Mac Act.[186] The Secretary will provide the GSEs with written notice of the charges which will fix a date for a hearing to be conducted by a HUD Administrative Law Judge. If, based on the record of the hearing, the Administrative Law Judge finds sufficient facts to sustain the action or the GSE fails to appear at the hearing, the Administrative Law Judge may issue and serve an order. The order may require the GSE to: (1) Submit a housing plan, where the notice of charges was based on the GSE's failure to submit a plan; (2) comply with a housing plan, where the notice was based on the lack of good faith efforts of the GSE to comply with a housing plan; or (3) provide the information, where the notice of charges was based on the GSE's failure to submit information.

Civil Money Penalties

The Secretary may impose civil money penalties on a GSE if the GSE has failed to: Submit a housing plan in substantial compliance with the Act; make a good faith effort to comply with a housing plan approved by the Secretary; or submit information required under the GSEs' Charter Acts.[187] Civil money penalties shall not exceed the following: (1) For failing to submit a housing plan, $25,000 for each day that the failure occurs; and (2) for failing to make a good faith effort to comply with a housing plan or failing to submit information, $10,000 for each day that the failure occurs.[188]

Hearings, Enforcement and Judicial Review

Under this subpart, all hearings are on the record, heard before a HUD Administrative Law Judge, and conducted in accordance with chapter 5 of title 5 of the United States Code and applicable HUD regulations. The Secretary will make available to the public any final order and any written agreement or other written statement for which a violation may be redressed by the Secretary.[189] The Secretary may withhold release of an agreement or statement if the Secretary determines that public disclosure would: seriously threaten the GSE's financial health or security, or be contrary to the public interest.[190]

To enforce any notice or order under this subpart, the Secretary may request that the Attorney General bring an action against the GSE in the United States District Court for the District of Columbia.[191] A GSE may obtain judicial review of a final order by filing a petition praying that the United States Court of Appeals for the District of Columbia modify, terminate, or set aside the order.[192]

Subpart H—Book-Entry Procedures

This subpart authorizes the GSEs' use of book-entry systems to issue and maintain records of the GSEs' securities. The Secretary is authorized to promulgate these provisions under section 1321 of FHEFSSA, which confers on the Secretary general regulatory authority and the authority to ''make such rules and regulations as shall be necessary and proper'' to ensure that the purposes of the Act, the Fannie Mae Charter Act, and the Freddie Mac Act are accomplished.

The GSEs currently issue and maintain records of their securities by entries in record systems maintained by the Federal Reserve banks; these systems are also used for U.S. Treasury securities. The Treasury Department has promulgated regulations establishing book-entry procedures.[193] Treasury regulations[194] permit the GSEs to use the system provided regulations are in force authorizing book-entry. Since 1978, HUD's Fannie Mae regulations (24 CFR 81.41 *et seq.*), authorized Fannie Mae to use book-entry procedures and recently, by regulation, the Secretary specifically extended the Fannie Mae book-entry regulations to allow Fannie Mae to continue to use the book-entry system pending the issuance of these comprehensive regulations.[195] Freddie Mac currently operates under book-entry regulations (1 CFR part 462) that it promulgated in 1978.

Virtually all of the GSEs' debt and mortgage-backed securities issuances and trading market depend on book-entry procedures. As of September 30, 1994, Fannie Mae debt outstanding was $239.3 billion and Fannie Mae MBS outstanding was $523.5 billion; as of that date, Freddie Mac's debt outstanding was $82 billion and Freddie Mac's MBS outstanding was $464 billion. Providing for use of book-entry GSE securities instead of definitive GSE securities has increased administrative efficiencies for investors, brokers and dealers as well as the GSEs themselves and facilitated the investment of capital in the GSEs' instruments. Use of the book-entry system facilitates the GSEs' Charter Act purposes of assisting the secondary market by improving the distribution of investment capital available for home financing.[196]

The regulations proposed in this subpart track the latest book-entry procedures established by the Department of the Treasury at 31 CFR part 306, subpart O, which are applicable to Treasury securities. The existing Fannie Mae book-entry regulations, 24 CFR part 81, subpart E, tracked an earlier version of Treasury's regulation. Minor changes have been made to adapt the Treasury regulation to the GSEs. In the interest of ensuring that the GSEs may continue to use the book-entry system and, at the same time, ensuring that the GSEs are subject to the same regulations, these regulations would replace Fannie Mae's book-entry regulations at 24 CFR 81.41 *et seq.* and would supersede Freddie Mac's book-entry regulations at 1 CFR part 462.

Subpart I—Other Provisions

This subpart includes miscellaneous regulatory provisions concerning equal employment opportunity and regulatory examinations.

The Secretary has general regulatory power over the GSEs and is directed to make rules and regulations to ensure that the purposes of the Charter Acts are accomplished.[197] To monitor the GSEs' compliance with the Secretary's regulatory authorities under the Charter Acts, these regulations, and the Act, and to verify the GSEs' data submissions and

[184] Sections 1341 and 1345.

[185] *See, e.g.*, sections 1341–1348.

[186] Section 1341(a).

[187] Section 1345(a).

[188] Section 1345(b).

[189] Section 1346(a).

[190] Section 1346(c).

[191] Section 1344(a).

[192] Section 1343(a).

[193] *See* 31 CFR 306.115 *et seq.*

[194] 31 CFR 306.0, n.1.

[195] 59 FR 54366 (Oct. 28, 1994).

[196] Fannie Mae Charter Act, sections 301(3) and (4), and Freddie Mac Act, sections 301(b) (3) and (4).

[197] Section 1321.

reports, the Secretary shall conduct regulatory examinations of the GSEs from time to time.

FIRREA and this regulation require that the GSEs comply with sections 1 and 2 of Executive Order 11478, providing for the adoption and implementation of equal employment opportunity requirements.[198]

Specific Areas for Public Comment

Comment is invited on all aspects of the proposed regulation. In addition, the Secretary requests comments on a number of specific issues. A number of these questions are raised in the preamble and are repeated below for the convenience of commenters:

(1) *Measuring the Goals:* The Act does not require that the goals be established as a percentage of units financed by each GSE in any one year (as required during the transition period for the low- and moderate-income and central cities goals). The Secretary is interested in considering alternative ways of measuring the goals.

(a) Should the Secretary establish the goals on a numerical, instead of a percentage, basis? If so, should the goals be established as:

(i) A certain number of mortgages purchased in one year?

(ii) A certain number of units financed in one year?

(iii) A certain dollar volume of mortgages purchased in one year?

(b) Should the Secretary establish the goals as shares of the target mortgage markets, rather than as shares of each GSE's total purchases; *e.g.*, should each GSE purchase a specified percent of mortgages originated for low- and moderate-income families?

If a commenter supports any of these alternatives or others not described, the commenter should explain in full how such goals might be established, taking into account data availability, and how the Secretary would fulfill the responsibility under section 1326 of the Act to monitor each GSE's compliance with the goals.

(2) *Establishing the Future Level of the Goals:* (a) Should the goals be established so that the GSEs are required to lead the industry by buying at least the percentages of mortgages that the market originates for each goal? If yes, at what levels and over what period should the GSE goals be established to achieve this objective and, specifically, at what levels should the 1997 and 1998 goals be established to meet this objective? In responding, please note:

(i) For the housing goal for low- and moderate-income families—the Secretary determined that for 1995 and 1996, 50 percent of the market is comprised of mortgages qualifying under this goal.

(ii) For the special affordable housing goal—the Secretary determined that for 1995 and 1996, 17–20 percent of the market would be mortgages qualifying under this goal.

(iii) For the central cities, rural areas, and other underserved areas goal—the Secretary determined that for 1995 and 1996, 21–23 percent of the market would be mortgages qualifying under this goal.

(b) Should ''leading the industry'' mean and should the goals be established for future years so that the GSEs are required to purchase (as a percentage of the GSEs' total purchases) a higher percentage of mortgages than are originated by the market under each housing goal? For example, if 16 percent of the mortgages originated and available are expected to be originated for mortgages for very low-income families, should the GSEs be expected to purchase, as a percentage of their overall business, an amount greater than 16 percent of mortgages on housing for very low-income families at some future date? If yes, at what levels and over what period should the goals be established to achieve this objective and, specifically, at what levels should the 1997 and 1998 goals be established to achieve this objective? Also, what percentage over the market should be required?

(c) Should the goals be established such that the GSEs purchase an equivalent proportion of loans originated by the market for borrowers under 80 percent of area median income as they do for borrowers over 120 percent of area median income? If yes, at what levels and over what period should the goals be established to achieve this objective and, specifically, at what levels should the 1997 and 1998 goals be established to achieve this objective?

(d) Should the goals be adjusted as the GSEs reach or fail to achieve the goals or should the goals be established and the GSEs' performance evaluated against relatively fixed goals? If the commenter believes that the goals should be adjusted, how frequently or under what conditions should the Secretary take action to adjust the goals?

(e) To what extent should the GSEs' share of the overall mortgage market affect the levels of the goals? The GSEs currently purchase approximately 70 percent of all conventional, conforming mortgages originated. Should the goals increase as the GSEs' market share increases? If yes, how should this work? How and in what manner should the goals be adjusted?

(3) *Central Cities, Rural Areas, and Other Underserved Area Goal:* (a) Should rural areas be based on the characteristics of Block Numbering Areas or counties? Which of these two options makes better sense for lenders and for GSE reporting? Which option better directs goal performance at areas with poor access to mortgage credit?

(b) In establishing the definition for rural areas, should the income and minority criteria (used for defining central cities and other underserved areas) be supplemented with other indicator(s) of the need for better access to mortgage credit? Should population size (*e.g.*, communities below 2,500 or nonmetropolitan counties below 50,000) be considered as such an indicator?

(c) What are the relative merits of indicators of access to metropolitan areas or nonmetropolitan cities such as the ''Beale'' or ''Ghelfi-Parker'' codes?[199]

(d) In New England, where MSAs are not composed of counties, should the definition of rural areas include areas ''outside (P)MSAs'' or ''outside NECMAs''?

(4) *Counting of Specific Transactions:* (a) *Second mortgages.* Should second mortgages receive full credit or partial credit? If partial credit, how should the level of credit be determined?

(b) *REMICs.*

(i) Where a REMIC contains a GSE's mortgages or mortgage-backed securities (MBS), should that type of REMIC count toward any of the housing goals? How should double counting be avoided?

(ii) Where a REMIC does not contain a GSE's mortgages or MBS, should that type of REMIC count toward any of the housing goals?

(iii) Should other types of REMICs be counted toward any of the housing goals?

(iv) In determining whether any REMICs count toward achievement of the housing goals, what factors should the Secretary consider?

(v) If any of these REMICs should count toward the housing goals, should the REMICs receive full credit or some level of partial credit? If partial credit, how should the level of credit be determined?

(vi) How should the final regulation deal with types of REMICs that have not yet been created or used in the market?

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[198] FIRREA, section 1216(b), codified as 12 U.S.C. 1833e(b).

[199] These indicators of urban influence were developed by the Department of Agriculture's Economic Research Service. Linda M. Ghelfi, ''County Classifications,'' *Rural Conditions and Trends*, 4(3): 6–11 (1993).

Should such REMICs only count if that type of REMIC is reviewed by the Secretary and the Secretary determines that the type of REMIC should count toward the housing goals?

(5) *Fair Lending Plan:* (a) Should the GSEs be required to prepare a fair lending plan?

(b) Could a fair lending plan offer new ways to lead the primary lending market in eradicating discrimination? If so, how?

(c) What are the appropriate components of such a plan? and

(d) How would the plan effectuate fair housing/fair lending objectives?

(6) *Provision of Data:* (a) Is there data, beyond that described in the regulation, that the GSEs could usefully gather on lenders for the Secretary's review in connection with the enforcement of the Fair Housing Act and for review by other agencies in connection with the enforcement of ECOA?

(b) In addition to the loan level data required under Appendix D, what other loan level data should the Secretary collect from the GSEs?

(7) *Affordability in Non-Metropolitan Areas:* HUD seeks guidance on the appropriate reference for income in non-metropolitan areas for determining affordability under the housing goals for low- and moderate-income families and special affordable housing and for defining low-income areas in the goal for central cities, rural areas and other underserved areas. Should borrower and area income in non-metropolitan areas be defined: (a) Relative to the county median income; or (b) relative to the maximum of the county median income or the median income of the non-metropolitan balance of the State?

(8) *New Program Approval:* (a) The Act defines ''new program,'' generally, as a program that is significantly different from GSE programs previously approved or authorized. The Act does not define ''program,'' ''product,'' or ''significantly different.'' Should these term(s) be defined in the final rule and, if so, how should the term(s) be defined?

(b) The Act requires the Secretary to approve a new program unless the program is not authorized by the GSE's Charter Act or the Secretary determines that the new program is not in the public interest. Should the final rule include factors that the Secretary will consider in determining whether a program is not in the public interest and, if so, what factors should be included?

(9) *Indicators of Unaddressed Needs:* The Act states that the special affordable housing goal is designed to meet the ''unaddressed needs of * * * low-income families in low-income areas and very low-income families.'' [200] But the Act does not indicate specifically what these unaddressed needs are. The Department has presented its views regarding ''unaddressed needs'' in Appendices A–C in detail, and the Secretary will closely review the GSEs' performance relative to the factors discussed therein. Specifically, the Secretary is committed to a monitoring and research agenda that will examine: (i) How the GSEs attempt to reach the 1995–96 goals (*e.g.,* balance of rental and owner occupied properties, single and multifamily loans); (ii) the changing risk profiles of their businesses that result from the 1995–96 goals; (iii) the potential for new affordable housing incentives that could increase the pool of qualifying loans for purchase; (iv) how the goals affect local portfolio lender business incentives (*e.g.,* incentives to sell seasoned portfolios to and obtain pre-origination purchase commitments from the GSEs and competitive pressures on loan originations); (v) how economic conditions affect the pool of potential qualifying mortgage originations; and (vi) the extent to which achieving the housing goals and meeting ''unaddressed needs'' require the GSEs to take on unduly risky business.

The Secretary welcomes the views of others regarding ''unaddressed needs.'' Specifically:

(a) What are appropriate definitions for and measures of unaddressed needs?

(b) What is the magnitude of unaddressed needs? Are GSE goals consistent with the level of unaddressed needs or do the goals require the GSEs to take on unduly risky business?

(c) How can the Department best monitor unaddressed needs and how the GSEs are addressing them?

(d) How should indicators of unaddressed needs be utilized in setting the various goals for the GSEs?

Other Matters

Public Reporting Burden

The information collection requirements contained in this rule have been submitted to the Office of Management and Budget under the Paperwork Reduction Act of 1980 (44 U.S.C. 3501–3520). The Department has determined that the following provisions contain information collection requirements.

BURDEN TO RESPONDENTS

Information	Number of respondents	Frequency of response	Hours required	Total hours
Business Practices Analyses	2	1	500	1,000

(**Note:** this is a one-time report, not an annual report.)

Information	Annual number of respondents	Frequency of response (per year)	Hours required	Total hours
Mortgage Data Reports	2	3	20	120
Annual Housing Activities Report	2	1	40	80
Periodic Reports	2	61	0.08	10
Other Information and Analyses	2	0.25	20	10
Fair Housing Act/ECOA Information	2	1	15	30

[200] Section 1333(a)(1).

ANNUAL COSTS TO RESPONDENTS

Information	Hours required	Cost per hour	Total cost
Business Practices Analyses	1,000	$20	$20,000
Mortgage Data Reports	120	20	2,400
Annual Housing Activities Reports	80	20	1,600
Periodic Reports	10	20	200
Other Information and Analyses	10	20	200
Fair Housing Act/ECOA Information from GSEs	30	20	600

ANNUAL COST TO FEDERAL GOVERNMENT (FOR REVIEWING INFORMATION)

Information	Hours required	Cost per hour	Total cost
Business Practices Analyses	4800	$30	$144,000
Mortgage Data Reports	1440	30	43,200
Annual Housing Activities Reports	400	30	12,000
Periodic Reports	122	30	3,660
Other Information and Analyses	10	30	300
Fair Housing Act/ECOA Information from GSEs	40	30	1,200

Regulatory Flexibility Act

The Secretary, in accordance with the Regulatory Flexibility Act (5 U.S.C. 605(b)), has reviewed this rule before publication and by approving it certifies that this rule does not have a significant economic impact on a substantial number of small entities, other than those impacts specifically required to be applied universally by the Act.

Environmental Impact

A Finding of No Significant Impact with respect to the environment has been made in accordance with HUD regulations in 24 CFR part 50 that implement section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332). The finding is available for public inspection during regular business hours in the Office of the General Counsel, Rules Docket Clerk, room 10276, 451 Seventh Street SW., Washington, DC 20410.

Executive Order 12866

The Office of Management and Budget reviewed this proposed rule under Executive Order 12866, Regulatory Planning and Review. Any changes made to the rule as a result of that review are clearly identified in the docket file, which is available for public inspection at the Office of the Rules Docket Clerk, Office of General Counsel, Room 10276, Department of Housing and Urban Development, 451 Seventh Street, SW, Washington, DC. 20410–0500. A Regulatory Impact Analysis (RIA) performed on this proposed rule is also available for review at the same address.

Executive Order 12612, Federalism

The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, Federalism, has determined that the policies contained in this proposed rule will not have substantial direct effects on states or their political subdivisions, or the relationship between the federal government and the states, or on the distribution of power and responsibilities among the various levels of government. As a result, the rule is not subject to review under the Order. Promulgation of this rule expands coverage of the applicable regulatory requirements pursuant to statutory direction.

Executive Order 12606, the Family

The General Counsel, as the Designated Official under Executive Order 12606, The Family, has determined that this proposed rule does not have potential for significant impact on family formation, maintenance, and general well-being, and, thus, is not subject to review under the order. No significant change in existing HUD policies or programs will result from promulgation of this rule, as those policies and programs relate to family concerns.

Regulatory Agenda

This rule was listed as Item 1722 in the Department's Semiannual Agenda of Regulations published on November 14, 1994 (59 FR 57632, 57641), in accordance with Executive Order 12866 and the Regulatory Flexibility Act.

List of Subjects in 24 CFR Part 81

Accounting, Federal Reserve System, Mortgages, Reporting and recordkeeping requirements, Securities.

Accordingly, part 81 in Title 24 of the Code of Federal Regulations is proposed to be revised as follows:

PART 81—THE SECRETARY OF HUD'S REGULATION OF THE FEDERAL NATIONAL MORTGAGE ASSOCIATION (FANNIE MAE) AND THE FEDERAL HOME LOAN MORTGAGE CORPORATION (FREDDIE MAC)

Subpart A—General

Sec.

Subpart B—Housing Goals

Subpart C—Fair Housing

Authority: 12 U.S.C. 1451 *et seq.*, 1716–1723h, and 4501–4641; 42 U.S.C. 3535(d) and 3601–3619.

Subpart A—General

§ 81.1 Scope of part.

(a) *Authority.* This part implements the regulatory power of the Secretary of the Department of Housing and Urban Development over the Federal National Mortgage Association (''Fannie Mae'') and the Federal Home Loan Mortgage Corporation (''Freddie Mac'') (referred to collectively as Government-sponsored enterprises (GSEs).) The Secretary has general regulatory power respecting the GSEs and is required to make such rules and regulations as are necessary and proper to ensure that the provisions of the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA or the Act), codified generally at 12 U.S.C. 4501–4641; the Fannie Mae Charter Act, 12 U.S.C. 1716–1723h; and the Freddie Mac Act, 12 U.S.C. 1451–59, are accomplished. Under FHEFSSA, the Secretary's responsibilities include: establishing, monitoring, and enforcing housing goals; regulating fair housing requirements; approving new program requests; disseminating information and protecting proprietary information; and requiring reports and data submissions.

(b) *Subparts.* The provisions of this part are as follows: Subpart A contains definitions and other general provisions relating to the entire part; subpart B implements housing goal requirements; subpart C implements Fair Housing requirements; subpart D sets forth procedures for Secretarial review of requests for new program approval by the GSEs; subpart E contains reporting requirements; subpart F sets forth requirements for access to information; subpart G sets forth procedures for Secretarial actions and review of actions; subpart H contains book-entry procedures; and subpart I contains other provisions.

(c) *Purposes of the GSEs.* The purposes of the GSEs are to: Provide stability in the secondary market for residential mortgages; respond appropriately to the private capital market; provide ongoing assistance to the secondary market for residential mortgages (including activities relating to mortgages on housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing; and promote access to mortgage credit throughout the Nation (including central cities, rural areas, and underserved areas) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing.

(d) *Relation between this part and the authorities of OFHEO.* The Director of the Office of Federal Housing Enterprise Oversight (OFHEO) will issue separate regulations implementing the Director's authority respecting the GSEs. In this part, OFHEO and the Director are only referenced when the Director's responsibilities are connected with the Secretary's authorities.

§ 81.2 Definitions.

As used in this part, the term—

The Act or FHEFSSA means the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, enacted as Title XIII of the Housing and Community Development Act of 1992, and codified generally at 12 U.S.C. 4501–4641.

Affiliate means any entity that controls, is controlled by, or is under common control with, a GSE.

AHS means the American Housing Survey.

Balloon mortgage means a mortgage providing for payments at regular intervals, with a final payment (''balloon payment'') that is at least five percent more than the periodic payments. The periodic payments may cover some or all of the periodic principal and/or interest. Typically, the periodic payments are level monthly payments that would fully amortize the mortgage over a stated term and the balloon payment is a single payment due after a specified period (but before the mortgage would fully amortize) and pays off or satisfies the outstanding balance of the mortgage.

Central cities means the underserved areas located in any political subdivision designated as a central city by the Office of Management and Budget of the Executive Office of the President.

Charter Act or Charter Acts means the Federal National Mortgage Association Charter Act (Title III of the National Housing Act, 12 U.S.C. 1716 *et seq.*) (''Fannie Mae Charter Act'') and/or the Federal Home Loan Mortgage Corporation Act (Title III of the Emergency Home Finance Act of 1970, 12 U.S.C. 1451 *et seq.*) (''Freddie Mac Act'').

Contract rent means the total rent that is, or is anticipated to be, specified in the rental contract payable by the tenant to the owner for rental of a dwelling unit, including fees or charges for management and maintenance services and those utility charges that are included in the contract rent. In determining contract rent, rent concessions shall not be considered, *i.e.*, contract rent is not decreased by any rent concessions. Contract rent is rent net of rental subsidies.

Conventional mortgage means a mortgage other than a mortgage as to which a GSE has the benefit of any guaranty, insurance or other obligation by the United States or any of its agencies or instrumentalities.

Day means a calendar day.

Director means the Director of the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development.

Dwelling unit means a single, unified combination of rooms designed for use as a dwelling by one family and includes a dwelling unit in a single family property, multifamily property, condominium, cooperative, or planned unit development project.

ECOA means the Equal Credit Opportunity Act, 15 U.S.C. 1691 *et seq.*

Familial status has the same definition as is set forth at 24 CFR 100.20.

Family means one or more individuals who occupy the same dwelling unit.

Family size means, for purposes of reporting on single family mortgages purchased, the number of people in a family including the borrower, the borrower's dependents, the co-borrower, and the co-borrower's dependents.

Fannie Mae means the Federal National Mortgage Association and any affiliate thereof.

FHEFSSA or The Act means the Federal Housing Enterprises Financial Safety and Soundness Act of 1992, codified generally at 12 U.S.C. 4501–4651.

Freddie Mac means the Federal Home Loan Mortgage Corporation and any affiliate thereof.

Government-sponsored enterprise or GSE means:

(1) The Federal National Mortgage Association (or ''Fannie Mae'') and any affiliate thereof; and

(2) The Federal Home Loan Mortgage Corporation (or ''Freddie Mac'') and any affiliate thereof.

Handicap has the same definition as is set forth at 24 CFR 100.201.

Lender means any entity that makes, originates, sells, or services mortgages, and includes the secured creditors named in the debt obligation and document creating the mortgage.

Low-income means:

(1) In the case of owner-occupied units, income not in excess of 80 percent of area median income; and

(2) In the case of rental units, income not in excess of 80 percent of area median income, with adjustments for smaller and larger families, as determined by the Secretary.

Low-income area or low-income census tract means a census tract in which the median income does not exceed 80 percent of the area median income.

Median income means, with respect to an area, the unadjusted median family income for the area, as most recently determined and published by the Secretary. An area means the metropolitan statistical area (MSA) if the property is located in an MSA; otherwise, an area means the county in which the property is located.

Minority means any individual who is included within any one or more of the following racial and ethnic categories:

(1) American Indian or Alaskan Native—a person having origins in any of the original peoples of North America, and who maintains cultural identification through tribal affiliation or community recognition;

(2) Asian or Pacific Islander—a person having origins in any of the original peoples of the Far East, Southeast Asia, the Indian subcontinent, or the Pacific Islands;

(3) African-American—a person having origins in any of the black racial groups of Africa; and

(4) Hispanic—a person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

Minority census tract means a census tract in which minority residents comprise 30 percent or more of the total population in the census tract.

Moderate-income means:

(1) In the case of owner-occupied units, income not in excess of area median income; and

(2) In the case of rental units, income not in excess of area median income, with adjustments for smaller and larger families, as determined by the Secretary.

Moderate-income census tract means a census tract in which the median income does not exceed 100 percent of the area median income.

Mortgage means a member of such classes of liens as are commonly given or are legally effective to secure advances on, or the unpaid purchase price of, real estate under the laws of the State in which the real estate is located, or a manufactured home that is personal property under the laws of the State in which the manufactured home is located, together with the credit instruments, if any, secured thereby, and includes interests in the stock or membership certificate issued to a tenant-stockholder or resident-member by a cooperative housing corporation, as defined in section 216 of the Internal Revenue Code of 1986, and on the proprietary lease, occupancy agreement, or right of tenancy in the dwelling unit of the tenant-stockholder or resident-member in such cooperative housing corporation.

Mortgage data means data obtained by the Secretary from the GSEs under sections 309 (m) and (n) of the Fannie Mae Charter Act and 307 (e) and (f) of the Freddie Mac Act relating to the GSEs' mortgage purchases. Appendix D of this part lists and details this data.

Mortgage purchase means a transaction in which a GSE buys or otherwise acquires with cash or other thing of value, a mortgage for its portfolio or for securitization.

Multifamily housing means a residence consisting of more than 4 dwelling units.

New program means any program, including a pilot or demonstration program, for the purchasing, servicing, selling, lending on the security of, or otherwise dealing in, conventional mortgages that:

(1) Is significantly different from programs that have been approved under the Act or that were approved or engaged in by Fannie Mae or Freddie Mac before October 28, 1992; or

(2) Represents an expansion, in terms of the dollar volume or number of mortgages or securities involved, of programs above limits expressly contained in any prior approval.

OFHEO means the Office of Federal Housing Enterprise Oversight of the Department of Housing and Urban Development.

Ongoing program means a program that is expected to continue for the foreseeable future.

Owner-occupied unit or owner-occupied dwelling unit means a single family dwelling unit in which the borrower or co-borrower (on the mortgage that financed the dwelling unit) resides.

Participation means a fractional interest in the principal amount of a mortgage.

Portfolio of loans means 10 or more loans.

Proprietary information means all categories of information and data submitted to the Secretary by a GSE that contain trade secrets or privileged or confidential, commercial or financial information that, if released, would cause the GSE substantial competitive harm.

Public data means all mortgage data submitted to the Secretary by the GSEs that the Secretary determines is not proprietary and should be made publicly available.

Real estate mortgage investment conduit (REMIC) means multi-class mortgage securities issued by a tax-exempt entity.

Refinancing means a transaction where an existing mortgage is satisfied or replaced by a new mortgage undertaken by the same borrower. Refinancings do not include:

(1) A renewal of a single payment obligation with no change in the original terms;

(2) A reduction in the annual percentage rate of the mortgage as computed under the Truth in Lending Act with a corresponding change in the payment schedule;

(3) An agreement involving a court proceeding;

(4) A workout agreement, where a change in the payment schedule or in collateral requirements is agreed to as a result of the mortgagor's default or delinquency, unless the rate is increased or the new amount financed exceeds the unpaid balance plus earned finance charges and premiums for the continuation of insurance;

(5) The renewal of optional insurance purchased by the mortgagor and added to an existing mortgage; and

(6) The renegotiation of a mortgage on a multifamily property where the property has a balloon mortgage and the balloon payment is due within one year of the date of the closing on the renegotiated mortgage.

Rent means:

(1) The contract rent for a dwelling unit, but only where such contract rent includes all utilities for the dwelling unit;

(2) Where the contract rent for a dwelling unit does not include all utilities, the contract rent for the dwelling unit plus the actual cost of utilities not included in the contract rent; or

(3) The contract rent for a dwelling unit plus a utility allowance as set forth in this part.

Rental housing means multifamily dwelling units, and dwelling units in single family housing that are not owner-occupied.

Rental unit or rental dwelling unit means a dwelling unit that is not owner-occupied and is rented or available to rent.

Residence means a property where one or more families reside.

Residential mortgage means a mortgage on single family or multifamily housing.

Rural area means the underserved areas located outside of any metropolitan statistical area (MSA), primary metropolitan statistical area (PMSA), or consolidated metropolitan statistical area (CMSA) designated by the Office of Management and Budget.

Seasoned mortgage means a mortgage where the date of the mortgage note is more than one year before the GSE purchased the mortgage.

Second mortgage means any mortgage that has a lien position subordinate only to the lien of the first mortgage.

Secondary residence or second home means a dwelling where the mortgagor maintains (or will maintain) a part-time place of abode and typically spends (or will spend) less than the majority of the calendar year. A person may have more than one secondary residence at a time.

Secretary means the Secretary of Housing and Urban Development and, where appropriate, any person designated by the Secretary to perform a particular function for the Secretary, including any officer, employee, or agent of the Department.

Single family housing means a residence consisting of one to four dwelling units. Single family housing includes condominiums and dwelling units in cooperative housing projects.

State means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, Guam, the Virgin Islands, American Samoa, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

Underserved area means a census tract having:

(1) A median income at or below 120 percent of the area median income and a minority population of 30 percent or greater; or

(2) A median income at or below 80 percent of area median income.

Utilities means charges for electricity, piped or bottled gas, water, sewage disposal, fuel (oil, coal, kerosene, wood, solar energy, or other), and garbage and trash collection. Utilities do not include charges for telephone service.

Utility allowance means either:

(1) The amount to be added to contract rent when utilities are not included in contract rent (also referred to as the ''AHS-derived utility allowance''), as issued annually by the Secretary; or

(2) The utility allowance established under the HUD Section 8 Program (section 8 of the United States Housing Act of 1937, 42 U.S.C. 1437f) for the area where the property is located.

Very low-income means:

(1) In the case of owner-occupied units, income not in excess of 60 percent of area median income; and

(2) In the case of rental units, income not in excess of 60 percent of area median income, with adjustments for smaller and larger families, as determined by the Secretary.

Wholesale exchange means a transaction where one GSE buys or otherwise acquires mortgages held in portfolio or securitized by the other GSE, or where both GSEs swap such mortgages.

Subpart B—Housing Goals

§ 81.11 General.

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 requires that the Secretary establish, by regulation, three annual housing goals for the GSEs: A low- and moderate-income housing goal; a central cities, rural areas, and other underserved areas housing goal; and a special affordable housing goal. The Act requires that the Secretary establish these goals after considering prescribed factors and implement these goals in a manner consistent with Section 301(3) of the Fannie Mae Charter Act and Section 301(b)(3) of the Freddie Mac Act, which provide that one purpose of each GSE is to provide ongoing assistance to the secondary market for residential mortgages (including mortgages securing housing for low- and moderate-income families involving a reasonable economic return that may be less than the return earned on other activities) by increasing the liquidity of mortgage investments and improving the distribution of investment capital available for residential mortgage financing. This subpart establishes these goals, implements requirements for measuring performance under the goals, and establishes procedures for monitoring and changing the goals. The Act provides that from year-to-year the Secretary may, by regulation, adjust any housing goal.

§ 81.12 Low- and moderate-income housing goal.

(a) *Authority.* Section 1332 of FHEFSSA requires the Secretary to establish an annual goal for the purchase by each GSE of mortgages on housing for low- and moderate-income families (''the low- and moderate-income housing goal'').

(b) *Purpose of goal.* This goal is intended to achieve increased purchases by the GSEs of mortgages on housing for low- and moderate-income families.

(c) *Factors.* In establishing the low- and moderate-income housing goals, the Act requires the Secretary to consider:

(1) National housing needs;

(2) Economic, housing, and demographic conditions;

(3) The performance and effort of the GSEs toward achieving the low- and moderate-income housing goal in previous years;

(4) The size of the conventional mortgage market serving low- and moderate-income families relative to the size of the overall conventional mortgage market;

(5) The ability of the GSEs to lead the industry in making mortgage credit

available for low- and moderate-income families; and

(6) The need to maintain the sound financial condition of the GSEs.

(d) *Consideration of factors.* The Secretary fully considered these factors in establishing the goals in this section. A statement documenting the Secretary's considerations and findings with respect to these factors, entitled ''Secretarial Considerations to Establish the Low- and Moderate-Income Housing Goal,'' is Appendix A of this part.

(e) *Goals.* Based on the Secretary's consideration of the factors in paragraph (c) of this section, the Secretary has established the following goals for each GSE's purchases of conventional mortgages on housing for low- and moderate-income families:

(1) The annual goal for 1995 shall be 38 percent of the total number of dwelling units financed by that GSE's mortgage purchases in 1995;

(2) The annual goal for 1996 shall be 40 percent of the 1996 purchases;

(3) The annual goal for 1997 shall be a number ranging from 40 percent of the 1997 purchases to the proportion or percentage of mortgages qualifying under the goal that are originated by that year's market (''the amount of the market'') or the amount of the market plus an additional percentage;

(4) The annual goal for 1998 shall be a number ranging from 40 percent of the 1998 purchases to the amount of the market or the amount of the market plus an additional percentage; and

(5) The annual goal for each succeeding year after 1998 shall be a number ranging from 40 percent of that year's purchases to the amount of the market or the amount of the market plus an additional percentage, or, if the Department does not set an annual goal for such succeeding years, the goal for such years shall be the same as the most recent goal established by the Secretary, pending further adjustment by the Secretary through rulemaking.

(f) The Secretary shall monitor the GSEs' performance under this goal and the GSEs' performance shall be measured as set forth in this subpart.

§ 81.13 Central cities, rural areas, and other underserved areas housing goal.

(a) *Authority.* Section 1334 of FHEFSSA requires the Secretary to establish an annual goal for the purchase by each GSE of mortgages on housing located in central cities, rural areas and other underserved areas.

(b) *Purpose of the goal.* This goal is intended to achieve increased purchases by the GSEs of mortgages financing housing in areas that are underserved by mortgage credit.

(c) *Factors.* In establishing the central cities, rural areas, and other underserved areas goals, the Act requires the Secretary to consider:

(1) Urban and rural housing needs and the housing needs of underserved areas;

(2) Economic, housing, and demographic conditions;

(3) The performance and efforts of the GSEs toward achieving the central cities, rural areas, and other underserved areas housing goal in previous years;

(4) The size of the conventional mortgage market for central cities, rural areas, and other underserved areas relative to the size of the overall conventional mortgage market;

(5) The ability of the GSEs to lead the industry in making mortgage credit available throughout the United States, including central cities, rural areas, and other underserved areas; and

(6) The need to maintain the sound financial condition of the GSEs.

(d) *Consideration of Factors.* The Secretary fully considered these factors in establishing the goals in this section. A statement documenting the Secretary's considerations and findings with respect to these factors, entitled ''Secretarial Considerations to Establish the Central Cities, Rural Areas, and Other Underserved Areas Housing Goal'' is Appendix B of this part.

(e) *Goals.* Based on the Secretary's consideration of the factors in paragraph (c) of this section, the Secretary has established the following goals for each GSE's purchases of conventional mortgages on housing located in central cities, rural areas, and other underserved areas:

(1) The annual goal for 1995 shall be 18 percent of the total number of dwelling units financed by that GSE's mortgage purchases in 1995;

(2) The annual goal for 1996 shall be 21 percent of the 1996 purchases;

(3) The annual goal for 1997 shall be a number ranging from 21 percent of the 1997 purchases to the proportion or percentage of mortgages qualifying under the goal that are originated by that year's market (''the amount of the market'') or the amount of the market plus an additional percentage;

(4) The annual goal for 1998 shall be a number ranging from 21 percent of the 1998 purchases to the amount of the market or the amount of the market plus an additional percentage; and

(5) The annual goal for each succeeding year after 1998 shall be a number ranging from 21 percent of that year's purchases to the amount of the market or the amount of the market plus an additional percentage, or, if the Department does not set an annual goal for such succeeding years, the goal for such years shall be the same as the most recent goal established by the Secretary, pending further adjustment by the Secretary through rulemaking.

(f) *Measuring performance.* The Secretary shall monitor the GSEs' performance under this goal. The GSEs shall determine on a mortgage-by-mortgage basis, through geocoding or any similarly accurate and reliable method, whether a mortgage finances dwelling unit(s) located in a central city, rural area, or other underserved area.

§ 81.14 Special affordable housing goal.

(a) *Authority.* Section 1333 of FHEFSSA requires the Secretary to establish a special annual goal designed to adjust the purchase by each GSE of mortgages on rental and owner-occupied housing to meet the then-existing unaddressed needs of, and affordable to, low-income families in low-income areas and very low-income families.

(b) *Purpose of the goal.* This goal is intended to achieve increased purchases by the GSEs of mortgages meeting the needs of low-income families in low-income areas and very low-income families.

(c) *Factors.* In establishing the special affordable housing goals, the Act requires the Secretary to consider:

(1) Data submitted to the Secretary in connection with the special affordable housing goal for previous years;

(2) The performance and efforts of the GSEs toward achieving the special affordable housing goal in previous years;

(3) National housing needs within the categories set forth in this section;

(4) The ability of the GSEs to lead the industry in making mortgage credit available for low-income and very low-income families; and

(5) The need to maintain the sound financial condition of the GSEs.

(d) *Consideration of Factors.* The Secretary fully considered these factors in establishing the goals in this section. A statement documenting the Secretary's considerations and findings with respect to these factors, entitled ''Secretarial Considerations to Establish the Special Affordable Housing Goal'' is Appendix C of this part.

(e) *Goals.* Based on the Secretary's consideration of the factors in paragraph (c) of this section, the Secretary has established the following annual special affordable housing goals for each GSE:

(1) *Rental housing.* For purchases of conventional mortgages financing rental housing units meeting the then-existing,

unaddressed needs of and affordable to very low-income families:

(i) The annual goal for 1995 shall be 5.5 percent of the total number of dwelling units financed by that GSE's mortgage purchases in 1995;

(ii) The annual goal for 1996 shall be 6 percent of the 1996 purchases;

(iii) The annual goal for 1997 shall be a number ranging from 6 percent of the 1997 purchases to the proportion or percentage of mortgages qualifying under the goal that are originated by that year's market (''the amount of the market'') or the amount of the market plus an additional percentage;

(iv) The annual goal for 1998 shall be a number ranging from 6 percent of the 1998 purchases to the amount of the market or the amount of the market plus an additional percentage; and

(v) The annual goal for each succeeding year after 1998 shall be a number ranging from 6 percent of that year's purchases to the amount of the market or the amount of the market plus an additional percentage, or, if the Department does not set an annual goal for such succeeding years, the goal for such years shall be the same as the most recent goal established by the Secretary, pending further adjustment by the Secretary through rulemaking.

(2) *Owner-occupied housing.* For purchases of conventional mortgages financing owner-occupied dwelling units either located in low-income areas and meeting the then-existing, unaddressed needs of and owned by low-income families, or meeting the then-existing, unaddressed needs of and owned by very low-income families:

(i) The annual goal for 1995 shall be 5.5 percent of the total number of dwelling units financed by that GSE's mortgage purchases in 1995;

(ii) The annual goal for 1996 shall be 6 percent of the 1996 purchases;

(iii) The annual goal for 1997 shall be a number ranging from 6 percent of the 1997 purchases to the proportion or percentage of mortgages qualifying under the goal that are originated by that year's market (''the amount of the market'') or the amount of the market plus an additional percentage;

(iv) The annual goal for 1998 shall be a number ranging from 6 percent of the 1998 purchases to the amount of the market or the amount of the market plus an additional percentage; and

(v) The annual goal for each succeeding year after 1998 shall be a number ranging from 6 percent of that year's purchases to the amount of the market or the amount of the market plus an additional percentage, or, if the Department does not set an annual goal for such succeeding years, the goal for such years shall be the same as the most recent goal established by the Secretary, pending further adjustment by the Secretary through rulemaking.

(f) *Performance.* The Secretary shall monitor the GSEs' performance under this goal.

(g) *Double counting.* Each mortgage purchase, or portion of a mortgage where only a portion counts toward achievement of this goal, shall count only once toward achievement of the goal, *i.e.*, shall count under only one subsection of the goal.

(h) *Full credit activities.* (1) As required by FHEFSSA, the Secretary will give full credit toward achievement of the special affordable housing goals for the following mortgage purchases by the GSEs:

(i) (A) The purchase or securitization of federally insured or guaranteed mortgages where:

(*1*) Such mortgages cannot be readily securitized through the Government National Mortgage Association (GNMA) or any other Federal agency;

(*2*) Participation of the GSE substantially enhances the affordability of the housing subject to such mortgages; and

(*3*) The mortgages involved are on housing that otherwise qualifies under the special affordable housing goal to be considered for purposes of such goal.

(B) Mortgages under the Department's Home Equity Conversion Mortgage (HECM) Insurance Demonstration Program, section 255 of the National Housing Act, 12 U.S.C. 1715z–20, and the Farmers Home Administration's Guaranteed Rural Housing Loan Program, 7 U.S.C. 1933, meet the requirements of paragraphs (h)(1)(i)(A) (*1*) and (*2*) of this section.

(ii) The purchase or refinancing of existing, seasoned portfolios of loans where:

(A) The seller is engaged in a specific program to use the proceeds of such sales to originate additional loans that meet the special affordable housing goal; and

(B) Such purchases or refinancings support additional lending for housing that otherwise qualifies under the goal.

(iii) The purchase of direct loans made by the Resolution Trust Corporation (RTC) or the Federal Deposit Insurance Corporation (FDIC) where such loans are:

(A) Not guaranteed by the RTC, FDIC, or other Federal agencies;

(B) Made with recourse provisions similar to those offered through private mortgage insurance or other conventional sellers; and

(C) Made for the purchase of housing that otherwise qualifies under the special affordable housing goal to be considered for purposes of such goal.

(2) For purposes of determining whether a seller is engaging in a specific program to use proceeds of sales to originate additional loans that meet the special affordable housing goal under paragraph (h)(1)(ii) of this section:

(i) A seller must currently operate on its own or actively participate in an ongoing program that will result in originating additional loans that meet the goal. Actively participating in such a program includes actively participating with a qualified housing group that operates a program resulting in the origination of loans that meet the requirements of the goal;

(ii) To determine whether a seller meets the requirement in paragraph (h)(2)(i) of this section, the GSE shall verify and monitor that the seller meets the requirement and develop any necessary mechanisms to ensure compliance with this requirement; and

(iii) Where a seller's primary business is originating mortgages on housing that qualifies under this special affordable housing goal, such seller is presumed to meet the requirements in paragraph (h)(2)(i) of this section.

(3) For purposes of this section, full credit means that each unit financed by a mortgage purchased by a GSE and meeting the requirements of this section shall count toward achievement of the special affordable housing goal for that GSE.

(i) *No credit activities.* As provided in FHEFSSA, neither the purchase nor the securitization of mortgages associated with the refinancing of a GSE's existing mortgage or mortgage-backed securities portfolios shall receive credit toward the achievement of the special affordable housing goal. In applying this restriction, refinancings that result from the wholesale exchange of mortgages between the two GSEs shall not count toward the achievement of this goal; refinancings of individual mortgages shall count toward achievement of this goal where the refinancing is an arms-length transaction that is borrower-driven and the mortgage otherwise counts toward achievement of this goal. For purposes of this paragraph, ''portfolios of mortgages'' includes mortgages retained by Fannie Mae or Freddie Mac and mortgages utilized to back mortgage-backed securities.

§ 81.15 General requirements.

(a) *General.* The Secretary shall monitor and count the performance of each GSE under each of the housing goals. In determining each GSE's performance, the general requirements in this section shall apply.

(b) *Calculating the numerator and denominator.* Performance under each of the housing goals is based on a fraction that is converted into a percentage. The numerator of each fraction is the number of dwelling units that count toward achievement of the housing goal. The denominator of each fraction is, for all mortgages purchased, the number of dwelling units that could count toward achievement of the goal under appropriate circumstances. The denominators shall not include GSE transactions or activities that are not included in the terms ''mortgage'' or ''mortgage purchase.'' Where a GSE lacks sufficient information to determine whether a mortgage purchase counts toward achievement of a particular housing goal, such a mortgage purchase shall be included in the denominator for that housing goal.

(c) *Properties with multiple dwelling units.* For the purposes of counting toward the achievement of the goals, whenever the real property securing a conventional mortgage contains more than one dwelling unit, each such dwelling unit shall be counted as a separate dwelling unit financed by a mortgage purchase.

(d) *Credit toward multiple goals.* For the purposes of counting toward the achievement of the goals, a mortgage purchase (or dwelling unit financed by such purchase) by a GSE in a particular year shall count toward the achievement of each housing goal for which such purchase (or dwelling unit) qualifies in that particular year.

(e) *Counting owner-occupied units.* For purposes of counting owner-occupied dwelling units toward achievement of the low- and moderate-income housing goal or the special affordable housing goal, mortgage purchases financing such owner-occupied units shall be evaluated based on the income of the mortgagors at the time of origination of the mortgage. To determine whether mortgagors may be counted under a particular family income level, *i.e.*, very low-, low-, or moderate-income, the income of the mortgagors is compared to the median income for the area at the time of mortgage origination, using the appropriate percentage factor provided under § 81.17.

(f) *Counting rental units.*—(1) *Use of income, rent.*—(i) *Generally.* For purposes of counting rental dwelling units toward achievement of the low- and moderate-income housing goal or the special affordable housing goal, mortgage purchases financing such rental units shall be evaluated based on the income of actual or prospective tenants where such data is available, *i.e.*, known to a lender.

(ii) *Availability of income information.* (A) Each GSE shall require lenders to provide tenant income information to the GSE, but only where such information is known to the lender.

(B) Where such tenant income information is available for all occupied units, the GSE's performance shall be based on the income of the tenants in the occupied units. For unoccupied units that are vacant and available for rent and for unoccupied units that are under repair or renovation and not available for rent, the GSE shall use the income of prospective tenants, if paragraph (f)(4) of this section is applicable. If paragraph (f)(4) (income of prospective tenants) is inapplicable, the GSE shall use rent levels for comparable units in the property to determine affordability.

(2) *Model units and rental offices.* A model unit or rental office in multifamily properties may count toward achievement of the housing goals only if a GSE determines that:

(i) It is reasonably expected that the space will be occupied by a family within one year;

(ii) The number of such units is reasonable and minimal; and

(iii) Such space otherwise meets the requirements for the goal.

(3) *Income of actual tenants.* Where the income of actual tenants is available, to determine whether tenant(s) are very low-, low-, or moderate-income, the income of the tenant(s) shall be compared to the median income for the area, adjusted for family size as provided in § 81.17.

(4) *Income of prospective tenants.* Where income for tenants is available to a lender because a project is subject to a Federal housing program that establishes the maximum income for a tenant or a prospective tenant in rental units, the income of prospective tenants may be counted at the maximum income level established under such housing program for that unit. Each GSE shall require lenders to provide such prospective tenants' income information to the GSE where such information is known to the lender. In determining the income of prospective tenants, the income shall be projected based on the types of units and market area involved. Where the income of prospective tenants is projected, each GSE must determine that the income figures are reasonable considering the rents (if any) on the same units in the past and considering current rents on comparable units in the same market area.

(5) *Use of rent.* Where the income of the prospective or actual tenants of a dwelling unit is not available, performance under these goals will be evaluated based on rent and whether the rent is affordable to the income group targeted by the housing goal. A rent is affordable if the rent does not exceed 30 percent of the maximum income level of very low-, low-, or moderate-income families as provided in § 81.19. In determining contract rent for a dwelling unit, the actual rent shall be used where such information (whether computerized, automated, or not) is available.

(6) *Timeliness of information.* In determining performance under the housing goals, each GSE shall use tenant information required under this subsection as of the time of mortgage acquisition or, if underwriting occurs within two years of the GSE's purchasing a mortgage, the time of underwriting.

(g) *Median income.* (1) Where, for purposes of comparing a mortgagor's income to the median income for an area, a GSE cannot precisely determine whether the mortgage is on dwelling unit(s) located in one area but can determine that the mortgage is on dwelling unit(s) located in a census tract, or within a census place code, block-group enumeration district, or nine-digit zip code, or another appropriate geographic segment, that is partially located in more than one area (''split area''), the GSE shall calculate a median income for the split area. The median income for such split areas shall equal:

(i) The ratio of the population of the geographic segment that is located in the first area to the total population of the split area times the median income of that area; plus

(ii) The ratio of the population of the geographic segment that is located in the second area to the total population of the split area times the median income of that area.

(2) Where, for purposes of comparing the median income of a census tract to the area median income, a mortgage is on dwelling unit(s) located in a census tract that is partially located in more than one area (''split area''), the GSE shall calculate a median income for the split area as prescribed in paragraph (g)(1) of this section and that area median income shall be compared to the median income of the census tract.

(h) *Sampling not permitted.* Performance under the housing goals for a particular year shall be based on a complete accounting of mortgage purchases for that year; a sampling of such purchases is not acceptable.

(i) *Newly available data.* Where a GSE uses data to determine whether a mortgage purchase counts toward achievement of any goal and new data is released after the start of a calendar quarter, the GSE need not use the new data until the start of the following quarter; the GSE may continue to use the data that was available at the beginning of the quarter.

§ 81.16 Special counting requirements.

(a) *General.* This section details the extent to which transactions or activities of the GSEs count toward achievement of any of the housing goals and, where the transaction or activity does count, whether full credit or some level of partial credit shall be provided for such transaction or activity. In determining the level of credit to be counted for each transaction or activity, the Secretary considers the following criteria:

(1) Where a transaction or activity is substantially equivalent to a mortgage purchase, the GSE shall receive full credit for the transaction or activity toward achievement of any of the housing goals;

(2) Where a transaction or activity has less than the normative risk associated with the GSE's mortgage purchases, the GSE shall receive less than full credit for the transaction or activity; and

(3) Where a transaction or activity creates a new market or adds liquidity to an existing market, the GSE shall receive full credit for the transaction or activity.

(b) *Not counted.* The following transactions or activities do not count toward achievement of any of the housing goals and shall not be included in the denominator in calculating either GSE's performance under the housing goals:

(1) Equity investments in projects eligible for Low-Income Housing Tax Credits (LIHTC), 26 U.S.C. 42;

(2) Purchases of State and local government housing bonds, including mortgage revenue bonds;

(3) Purchases of non-conventional mortgages, including mortgages insured under HUD's One- to Four-Family Home Mortgage Insurance Program (section 203 (b) and (i) of the National Housing Act, 12 U.S.C. 1709 (b) and (i)), and mortgages guaranteed by the Department of Veterans Affairs, except where such mortgages are acquired under a risk-sharing arrangement with the Department or another Federal agency and except where such mortgages are permitted to count toward achievement of the special affordable housing goals under § 81.14(h)(1)(i);

(4) Commitments to buy mortgages at a later date or time; and

(5) Mortgage purchases to the extent mortgage purchases finance any dwelling units that are secondary residences.

(c) *Other special rules.*—(1) *Credit enhancements.*

(i) Credit enhancement transactions shall count toward achievement of the housing goals where:

(A) The GSE provides specific mortgages it owns as collateral to guarantee bonds issued to finance housing; such bonds may be issued by any entity, including a State or local housing finance agency; and

(B) The GSE assumes a credit risk in the transaction by pledging or guaranteeing repayment and such credit risk is substantially equivalent to that assumed by the GSE if it had securitized the mortgages financed by such State or local housing finance agency.

(ii) Dwelling units financed under this type of credit enhancement transaction shall count toward a goal to the extent such dwelling units otherwise qualify under this rule.

(2) *Real estate mortgage investment conduits (REMICs).*

[Reserved pending responses received on the questions contained in the preamble].

(3) *Risk-sharing.* Mortgage purchases under risk-sharing arrangements between the GSEs and the Department or any other Federal agency under which the GSE and the agency acquire mortgages and share the risk associated with such acquisition shall count toward achievement of the housing goals on a partial credit basis equal to the percentage of risk that the GSE takes under the risk-sharing arrangement multiplied by the number of dwelling units that would have counted toward the goal(s) if the GSE had purchased all of the mortgages. In calculating performance under the housing goals, the denominator shall include the number of dwelling units included in the risk-sharing arrangement multiplied by the percentage of risk that the GSE takes under the arrangement. The GSE shall provide a certification to the Secretary stating the actual percentage of risk to the GSE for each risk-sharing arrangement and explain how that percentage was calculated; that percentage of risk shall be used to count toward achievement of the housing goals.

(4) *Participations.* Participations purchased by a GSE shall receive partial credit toward achievement of the housing goals equivalent to the percentage of the mortgage that the GSE purchases.

(5) *Cooperative housing.* (i) For purposes of counting a GSE's purchase of a mortgage on a cooperative housing unit (''a share loan'') toward achievement of any of the housing goals, such a purchase is counted in the same manner as a mortgage purchase of single family owner-occupied units, *i.e.*, affordability is based on the income of the owner(s).

(ii) The purchase of a mortgage on a cooperative building (''a blanket loan'') shall count toward achievement of the housing goals. Where a GSE purchases both ''a blanket loan'' and mortgages for units in the same building (''share loans''), both the blanket loan and the share loan(s) shall count toward achievement of the housing goals.

(6) *Seasoned mortgages.* A GSE's purchase of a seasoned mortgage may be treated as a mortgage purchase for purposes of these goals except as provided under the special affordable housing goal and except where the GSE has already counted the mortgages under a housing goal applicable to 1993 or any subsequent year. For seasoned, single family mortgages that are more than 3 years old when purchased by a GSE, the affordability of the housing must be determined based on income and/or rent level information at the time of purchase by the GSE. For multifamily dwelling units, a seasoned, multifamily mortgage will be counted toward achievement of the housing goals based on rental information and area median income as of the time that the GSE purchases the mortgage.

(7) *Purchase of refinanced mortgages.* The purchase of a refinanced mortgage by a GSE shall count toward achievement of the housing goals to the extent the mortgage qualifies, except to the extent that the specific restrictions under the special affordable housing goal apply.

(8) *Second mortgages.* [Reserved pending responses received on the questions contained in the preamble].

§ 81.17 Income level definitions for owner-occupied units, actual tenants, and prospective tenants (if family size is known).

In determining whether a dwelling unit is affordable to very low-, low-, or moderate-income families, where (for rental housing) family size is known, the affordability of the unit shall be determined as follows:

(a) *Moderate-income* means:

(1) In the case of owner-occupied units, income not in excess of 100 percent of area median income; and

(2) In the case of rental units, where the income of actual or prospective tenants is available, income not in excess of the following percentages of

area median income corresponding to the following family sizes:

Number of persons in family	Percentage of area median income
1	70
2	80
3	90
4	100
5 or more	*

*100% plus (8% multiplied by the number of persons in excess of 4).

(b) *Low-income* means:

(1) In the case of owner-occupied units, income not in excess of 80 percent of area median income; and

(2) In the case of rental units, where the income of actual or prospective tenants is available, income not in excess of the following percentages of area median income corresponding to the following family sizes:

Number of persons in family	Percentage of area median income
1	56
2	64
3	72
4	80
5 or more	*

*80% plus (6.4% multiplied by the number of persons in excess of 4).

(c) *Very low-income* means:

(1) In the case of owner-occupied units, income not in excess of 60 percent of area median income; and

(2) In the case of rental units, where the income of actual or prospective tenants is available, income not in excess of the following percentages of area median income corresponding to the following family sizes:

Number of persons in family	Percentage of area median income
1	42
2	48
3	54
4	60
5 or more	*

*60% plus (4.8% multiplied by the number of persons in excess of 4).

§ 81.18 Income level definitions for prospective tenants (if family size is not known).

In determining whether a rental dwelling unit is affordable to very low-, low-, or moderate-income families and counts toward achievement of one or more of these goals, the income of the prospective tenants shall be adjusted for family size. If family size is not known, income will be adjusted using unit size:

(a) *For moderate-income,* the income of prospective tenants shall not exceed the following percentages of area median income with adjustments depending on unit size:

Unit size	Percentage of area median income
Efficiency	70
1 bedroom	75
2 bedrooms	90
3 bedrooms or more	*

*104% plus (12% multiplied by the number of bedrooms in excess of 3).

(b) *For low-income,* income of prospective tenants shall not exceed the following percentages of area median income with adjustments depending on unit size:

Unit size	Percentage of area median income
Efficiency	56
1 bedroom	60
2 bedrooms	72
3 bedrooms or more	*

*83.2% plus (9.6% multiplied by the number of bedrooms in excess of 3).

(c) *For very low-income,* income of prospective tenants shall not exceed the following percentages of area median income with adjustments depending on unit size:

Unit size	Percentage of area median income
Efficiency	42
1 bedroom	45
2 bedrooms	54
3 bedrooms or more	*

*62.4% plus (7.2% multiplied by the number of bedrooms in excess of 3).

§ 81.19 Rent level definitions for tenants (if income is not known).

For purposes of determining whether a rental dwelling unit is affordable to very low-, low-, or moderate-income families, where the income of the family in the dwelling unit is not known, the affordability of the unit is determined based on unit size as follows:

(a) *For moderate-income,* maximum affordable rents to count as housing for moderate-income families shall not exceed the following percentages of area median income with adjustments depending on unit size:

Unit size	Percentage of area median income
Efficiency	21
1 bedroom	22.5
2 bedrooms	27
3 bedrooms or more	*

*31.2% plus (3.6% multiplied by the number of bedrooms in excess of 3).

(b) *For low-income,* maximum affordable rents to count as housing for low-income families shall not exceed the following percentages of area median income with adjustments depending on unit size:

Unit size	Percentage of area median income
Efficiency	16.8
1 bedroom	18
2 bedrooms	21.6
3 bedrooms or more	*

*24.96% plus (2.88% multiplied by the number of bedrooms in excess of 3).

and

(c) *For very low-income,* maximum affordable rents to count as housing for very low-income families shall not exceed the following percentages of area median income with adjustments depending on unit size:

Unit size	Percentage of area median income
Efficiency	12.6
1 bedroom	13.5
2 bedrooms	16.2
3 bedrooms or more	*

*18.72% plus (2.16% multiplied by the number of bedrooms in excess of 3).

(d) *Missing Information.* Each GSE shall make every effort to obtain the information necessary to make the calculations in this section. If a GSE makes such efforts but cannot obtain data on the number of bedrooms in particular units, in making the calculations on such units, it shall be assumed that such units are efficiencies.

§ 81.20 Actions to be taken to meet the goals.

To meet the goals established in this rule, each GSE shall:

(a) Design programs and products that facilitate the use of assistance provided by the Federal, State, and local governments;

(b) Develop relationships with nonprofit and for-profit organizations that develop and finance housing and with State and local governments, including housing finance agencies;

(c) Develop the institutional capacity to help finance low- and moderate-income housing, including housing for first-time home buyers; and

(d) (1) Take affirmative steps to assist:
(i) Primary lenders to make housing credit available in areas with concentrations of low-income and minority families; and
(ii) Insured depository institutions to meet their obligations under the Community Reinvestment Act of 1977.
(2) The steps under paragraph (d)(1) of this section shall include developing appropriate and prudent underwriting standards, business practices, repurchase requirements, pricing, fees, and procedures.

§ 81.21 Notice and determination of failure to meet goals.

(a) *Notice.* If, based on a GSE's reports or other data available to the Secretary, the Secretary determines that the GSE has failed or there is a substantial probability that the GSE will fail to meet any housing goal, the Secretary shall, by written notice to the GSE, issue to the GSE a preliminary determination notice that shall propose to require the GSE to submit a housing plan. Such notice shall include:
(1) The preliminary determination;
(2) The reasons for the determination;
(3) The information on which the Secretary based the determination; and
(4) The proposal to require the GSE to submit a housing plan.
(b) *Response period.*—(1) *In general.* The GSE shall have 30 days from the date of the preliminary determination notice (''response period'') to submit any written information that the GSE considers appropriate for consideration by the Secretary in determining whether:
(i) The GSE has failed to meet the housing goal;
(ii) A substantial probability exists that the GSE will fail to meet any housing goal; or
(iii) Whether achievement of the relevant housing goal was or is feasible.
(2) *Extended period.* If the Secretary determines that good cause exists for extending the response period, the Secretary may extend the response period for up to 30 days.
(3) *Shortened period.* If the Secretary determines that good cause exists for shortening the response period, the Secretary may shorten the response period.
(4) *Waiver of right to comment.* The GSE's failure to provide any written information during the response period (as extended or shortened, if applicable) shall constitute a waiver of any right of the GSE to comment on the determination or the action of the Secretary on the matters addressed in the notice.
(c) *Consideration of information and final determination.* After the expiration of the response period or upon receipt of the GSE's response, whichever occurs first, the Secretary shall consider the GSE's response to the preliminary notice, if any, and finally determine, in writing, whether:
(1) The GSE has failed or there is a substantial probability that the GSE will fail to meet the relevant housing goal; and
(2) Considering market and economic conditions and the GSE's financial condition, the achievement of the housing goals was or is feasible.
(d) *Notice to Congress.* (1) The Secretary shall provide written notice, including the Secretary's response to any information submitted by the GSE during the response period, of:
(i) Each determination that the GSE has failed, or that there is a substantial probability that the GSE will fail, to meet a housing goal;
(ii) Each determination that the achievement of a housing goal was or is feasible; and
(iii) The reasons for each such determination.
(2) The Secretary shall provide such notice to the GSE; the Committee on Banking and Financial Services of the House of Representatives; and the Committee on Banking, Housing, and Urban Affairs of the Senate.

§ 81.22 Housing plans.

(a) If the Secretary determines, under § 81.21(c), that a GSE has failed or there is a substantial probability that a GSE will fail to meet any housing goal and that the achievement of the housing goal was or is feasible, the Secretary shall provide notice to the GSE requiring the GSE to submit a housing plan for approval by the Secretary.
(b) *Nature of plan.* Each housing plan shall:
(1) Be feasible;
(2) Be sufficiently specific to enable the Secretary to monitor compliance periodically;
(3) Describe the specific actions that the GSE will take:
(i) To achieve the goal for the next calendar year; or
(ii) If the Secretary determines that there is substantial probability that the GSE will fail to meet a housing goal in the current year, to make such improvements as are reasonable in the remainder of the year; and
(4) Address any additional matters as required, in writing, by the Secretary.
(c) *Deadline for submission.* The GSE shall submit a housing plan to the Secretary within 30 days after issuance of a notice under paragraph (a) of this section. The Secretary may extend the deadline for submission of a plan, in writing and for a time certain, to the extent the Secretary determines an extension is necessary.
(d) *Review of housing plans.*—(1) *Standard.* The Secretary shall approve a housing plan if the Secretary determines that the plan:
(i) Is likely to succeed; and
(ii) Conforms with the appropriate GSE's Charter Act, the Act, and any other applicable laws and regulations.
(2) *Time period.* The Secretary shall review each housing plan and approve or disapprove the plan within 30 days of the Secretary's receipt of the plan. The Secretary may extend this period for one 30-day period if the Secretary determines such an extension is necessary and shall provide written notice to the GSE of such extension.
(3) *Notice to the GSE.* The Secretary shall provide written notice to the GSE of the approval or disapproval of a housing plan. If the Secretary disapproves a housing plan, the notice shall include the reasons for disapproval.
(e) *Resubmission.* If the Secretary disapproves an initial housing plan submitted by a GSE, the GSE shall submit an amended plan acceptable to the Secretary within 30 days of the Secretary disapproving the initial plan; the Secretary may extend the deadline if the Secretary determines an extension is in the public interest. If the amended plan is not acceptable to the Secretary, the Secretary may afford the GSE 15 days to submit a new plan.

Subpart C—Fair Housing

§ 81.41 General.

(a) *Authority.* This subpart is authorized under sections 1321, 1325, and 1327 of the Act; 309(n)(2)(G) of the Fannie Mae Charter Act; 307(f)(2)(G) of the Freddie Mac Act; and the Fair Housing Act (42 U.S.C. 3601–3619).
(b) *Scope.* The Act requires the Secretary, by regulation, to: Prohibit discrimination by the GSEs in their mortgage purchases because of race, color, religion, sex, handicap, familial status, age, or national origin, including any consideration of the age or location of a dwelling or age of the neighborhood or census tract where the dwelling is located in a manner that has a discriminatory effect; require that the GSEs submit information to the Secretary to assist Fair Housing Act and Equal Credit Opportunity Act investigations; advise the GSEs of Fair Housing Act and ECOA violations; review the GSEs' underwriting and appraisal guidelines to ensure compliance with the Fair Housing Act; and require that the GSEs take actions

as directed by the Secretary following Fair Housing Act and ECOA adjudications. The Act provides, generally, that the Director of OFHEO shall enforce violations by the GSEs of FHEFSSA and regulations in this subpart. This subpart establishes requirements implementing the Secretary's authority and provides for referral of cases to the Director.

§ 81.42 Prohibitions against discrimination.

(a) *General.* Neither GSE shall discriminate in any manner in making any mortgage purchases because of race, color, religion, sex, handicap, familial status, age, or national origin, including any consideration of the age or location of the dwelling or the age of the neighborhood or census tract where the dwelling is located in a manner that has a discriminatory effect.

(b) *Bases.* In following the prohibition in paragraph (a) of this section, the GSEs shall not discriminate based on:

(1) The race, color, religion, sex, handicap, familial status, age or national origin of:

(i) The borrower or joint borrower, or applicant or joint applicant;

(ii) Any persons associated with the borrower or joint borrower, or applicant or joint applicant in connection with such mortgage or the purposes thereof;

(iii) The present or prospective owners, lessees, tenants, or occupants of the dwelling or dwellings securing such mortgage; or

(iv) Persons in neighborhoods or communities in which properties secured by mortgages are located; or

(2) The age or location of the dwelling securing the mortgage or the age of the neighborhood or census tract where the dwelling is located or the housing stock in such neighborhood or census tract in a manner that has a discriminatory effect.

(c) *Liability.* Each GSE shall be liable for violations of this subpart that it or its officers, agents, or employees commit.

(d) *Exemptions.* Notwithstanding the prohibitions of paragraphs (a) and (b) of this section:

(1) Certain factors concerning the age and location of a dwelling, or the area in which the dwelling is located, properly may be considered.

(i) The age of the dwelling may be properly considered in the appraisal and underwriting process:

(A) To select comparable properties that have been sold or listed recently in the neighborhood for an appraisal; and

(B) As a basis for conducting more extensive inspections of structural aspects of the dwelling. The structural soundness of a dwelling rather than its age may be considered in appraisal and other aspects of the underwriting process.

(ii) Certain location factors that may have a negative effect on a dwelling's value may be properly considered in an appraisal and in other aspects of the underwriting process. These factors include recent zoning changes, the number of abandoned homes in the immediate vicinity of the property, the condition of streets, parks and recreation areas, availability of public utilities and municipal services, and exposure to flooding, land faults, and other natural or human-made environmental hazards. Such factors, if used, must be specifically documented in the appraisal. Location factors may be used to select comparable properties that have been sold or listed recently in the neighborhood for an appraisal.

(2) This section does not prevent consideration of factors justified by business necessity, including requirements of Federal law, relating to a transaction's financial security or to protection against default or reduction of the value of the security. However, where such factors have a disparate result on the basis of race, color, religion, sex, handicap, familial status, age, or national origin, including any consideration of the age or location of the dwelling or the age of the neighborhood or census tract where the dwelling is located, as set forth in paragraph (b) of this section, the factors cannot be considered unless they both are justified by business necessity and no less discriminatory alternative to such factors exists.

(3) Age of the borrower or co-borrower may be considered in the underwriting process when required by statute, including the age requirements for Home Equity Conversion Mortgages (HECMs), 12 U.S.C. 1715z–20.

(e) *Business Practices Analysis.* Within ____ days of the effective date of this part, and thereafter periodically as requested by the Secretary, each GSE shall complete a Business Practices Analysis.

(1) Each Business Practices Analysis shall include a complete review of the GSE's business practices respecting the purchase of mortgages, including, without limitation, its underwriting guidelines and appraisal standards, repurchase requirements, pricing criteria, fees, and other procedures and practices affecting mortgage purchases that lead or could lead to discrimination because of race, color, religion, sex, handicap, familial status, age, or national origin, including any consideration of the age or location of the dwelling or the age of the neighborhood or census tract where the dwelling is located in a manner that has a discriminatory effect. The purpose of the analysis is to determine whether any such business practices yield disparate results because of race, color, religion, sex, handicap, familial status, age, or national origin, including any consideration of the age or location of the dwelling or the age of the neighborhood or census tract where the dwelling is located in a manner that has a discriminatory effect, and whether such disparate results are justified by business necessity.

(2) Within ____ days after the effective date of this part, each GSE shall submit for the Secretary's review and comment a detailed outline and methodology for its Business Practices Analysis. Within ____ days following receipt of the outline and methodology, the Secretary will respond with comments, if any.

(3) Following completion of its Business Practices Analysis, each GSE shall report the results of the analysis to the Secretary. If a Business Practices Analysis identifies practices yielding disparate results affecting the protected classes under this subpart, the GSE must:

(i) Set forth fully the basis for the GSE's conclusion that a business necessity exists for the practice;

(ii) Present plans to end the practice; or

(iii) Report that the practice has ended.

§ 81.43 Review of underwriting guidelines.

(a) Each GSE shall analyze its underwriting and appraisal guidelines to determine whether such guidelines comply with the Fair Housing Act, the regulations promulgated thereunder, section 1325 of the Act, and this subpart including whether any of the guidelines are discriminatory on the basis of race, color, religion, sex, handicap, familial status, age, or national origin, including any consideration of the age or location of a dwelling or age of the neighborhood or census tract where the dwelling is located in a manner that has a discriminatory effect. Following the analysis, the GSE shall provide to the Secretary a full report on the analysis, including, without limitation, a description of remedies or plans to address any problems reported.

(b) Each GSE shall undertake its first review and analysis of its underwriting and appraisal guidelines as part of its Business Practices Analysis under § 81.42. Thereafter, each GSE shall conduct such a review and analysis periodically as requested by the Secretary.

(c) The Secretary shall review and comment on each report. The Secretary's comments shall specify any guidelines which are, in the Secretary's judgment, inconsistent with the Fair Housing Act or ECOA.

(d) *Revisions to underwriting guidelines.* Each time a GSE revises its underwriting or appraisal guidelines, the GSE shall submit a copy of the revision to the Secretary and a certification by the GSE that after reasonable evaluation and analysis, the GSE has determined in good faith that, to the best of its knowledge, the change does not and will not be discriminatory on the basis of race, color, religion, sex, handicap, familial status, age, or national origin, including any consideration of age or location of a dwelling, or age of a neighborhood or census tract where the dwelling is located in a manner that has a discriminatory effect. To the extent that a revision has or will have disparate results on protected classes under this subpart, the GSE must set forth fully the basis for the GSE's conclusion that a business necessity exists for the practice. The Secretary may review and comment on such changes after they are implemented.

(e) *Additional requests for review.* The GSEs shall, at such times as requested by the Secretary, submit underwriting and appraisal guidelines to the Secretary for the Secretary's review and comment.

(f) *Day-to-day operations.* Review of the GSEs' underwriting and appraisal guidelines and revisions thereto shall not involve the Secretary in the day-to-day operations of the GSEs. The Secretary shall review underwriting guidelines to ensure compliance with the Fair Housing Act, the regulations promulgated thereunder, section 1325 of the Act, and this subpart.

§ 81.44 Submission of information to the Secretary.

(a) *General.* The GSEs shall submit information and data to the Secretary to assist in investigating whether any mortgage lender with which the GSE does business has failed to comply with the Fair Housing Act or ECOA.

(b) *Information requests and submissions.*—(1) *Information requests by the Secretary.* The Secretary may require the GSEs to submit information to assist in Fair Housing Act or ECOA investigations of lenders. Other Federal agencies responsible for the enforcement of ECOA may submit requests for information through the Secretary or directly to the GSEs. Requested information may include, without limitation, information on mortgages sold by the lender or lenders under investigation to the GSE, the mortgage sales of lenders operating in the same or similar areas, and information on representations and certifications to the GSEs by the lender or lenders under investigation.

(2) *Information from established data systems.* The Secretary may request that a GSE generate information or reports from its data system(s) to assist a Fair Housing Act or ECOA investigation. Such information may include, without limitation, comparing the loans purchased by the GSE from a particular lender to data on the racial composition of census tract(s) or providing data on loans sold to the GSE by lenders operating in the same geographical area.

(3) *Information available to a GSE.* Whenever a GSE knows of information relevant to a potential violation of the Fair Housing Act or the Equal Credit Opportunity Act by a particular lender or lenders, the GSE shall report such information to the Secretary.

(4) A GSE receiving any request(s) for information under this subsection shall reply in a complete and timely manner with any and all information that it possesses that is responsive to the request.

(c) *ECOA.* The Secretary shall submit any information received under paragraph (b) of this section concerning compliance with the Equal Credit Opportunity Act to appropriate Federal agencies responsible for ECOA enforcement, as provided in section 704 of ECOA.

(d) *Other assistance.* The GSEs shall, at the request of the Secretary or an official responsible for enforcing ECOA, provide other assistance to the Secretary or other officials in investigating and enforcing Fair Housing Act or ECOA violations. Such assistance may include providing additional relevant materials and testimony concerning information or data produced by the GSE.

§ 81.45 Submission of information to the GSEs.

(a) *Obtaining and disseminating information.* The Secretary shall obtain information from other regulatory and enforcement agencies of the Federal Government and State and local governments regarding violations by lenders of the Fair Housing Act, the Equal Credit Opportunity Act, and/or State or local fair housing/lending laws, and make such information available to the GSEs as the Secretary deems appropriate in accordance with applicable law, memoranda of understanding, and other arrangements between the Secretary and Federal financial regulators and other agencies.

(b) *Permissible action.* The GSEs may take appropriate action under their procedures based on such information. Such violations may constitute violations of the GSEs' underwriting guidelines and representations or certifications of lenders.

§ 81.46 Remedial actions.

(a) *General.* The Secretary shall direct the GSEs to take one or more remedial actions, including suspension, probation, reprimand or settlement, against lenders found to have engaged in discriminatory lending practices in violation of the Fair Housing Act and ECOA, pursuant to a final adjudication on the record and an opportunity for a hearing under subchapter II of chapter 5 of title 5, United States Code.

(b) *Definitions.* For purposes of this subpart, the following definitions apply:

Indefinite suspension means that, until directed to do otherwise by the Secretary, the GSEs will refrain from purchasing mortgages from a lender.

Probation means that, for a fixed period of time specified by the Secretary, a lender, that has been found to have violated the Fair Housing Act or ECOA, will be subject automatically to more severe sanctions than probation, *e.g.*, suspension, if further violations are found.

Remedial action means a reprimand, probation, temporary suspension, indefinite suspension, or other remedial action.

Reprimand means a written letter to a lender from a GSE, which has been directed to be sent by the Secretary, stating that the lender has violated the Fair Housing Act or ECOA and warning of the possibility that the Secretary may impose more severe remedial actions than reprimand if any further violation occurs.

Temporary Suspension means that, for a fixed period of time specified by the Secretary, the GSEs will not purchase mortgages from a lender.

(c) *Institution of remedial actions.* (1) When a charge is issued against a lender for violating the Fair Housing Act or ECOA, the Secretary will notify each GSE. Such notice will inform the GSE of the facts and that the GSE may take action under its procedures.

(2) The Secretary shall direct the GSE to take remedial action(s) against a lender charged with violating ECOA only after a final determination on the charge has been made by an appropriate United States District Court or any other court of competent jurisdiction. The Secretary shall direct the GSE to take remedial action(s) against a lender charged with violating the Fair Housing Act only after a final determination on

the matter has been made by a United States Court, a HUD Administrative Law Judge, or the Secretary.

(3) Following a final determination sustaining a charge against a lender for violating the Fair Housing Act or ECOA in accordance with paragraph (c)(2) of this section, the Secretary shall determine the remedial action(s) that the GSE is to be directed to take for such violation.

(4) In determining the appropriate remedial action(s), the Secretary shall solicit and fully consider the views of the Federal financial regulator responsible for the subject lender concerning the action(s) that are contemplated to be directed against such lender, prior to directing any such action(s). In determining what action(s) to direct, the Secretary in addition will also, without limitation, consider the following:

(i) The gravity of the violation;

(ii) If a judgment by an Administrative Law Judge or a court has previously been rendered against the lender for discriminatory actions, the lender's response to that judgment, including the actions taken and the timeliness of such actions;

(iii) The nature and extent of cases under substantially equivalent State or local laws, or ECOA against the lender including cases which were settled, conciliated, or otherwise resolved;

(iv) The nature and extent of fair housing enforcement actions or judgments by HUD, the Department of Justice, or other regulatory agencies, including cases that were settled or otherwise resolved;

(v) The nature and extent of private fair housing lawsuits and judgments against the lender including cases that were settled, conciliated, or otherwise resolved;

(vi) Whether the lender's actions demonstrate a discriminatory pattern or practice or an individual instance of discrimination;

(vii) The impact or seriousness of the harm;

(viii) The number of people affected by the discriminatory act(s);

(ix) Whether the lender operates an effective program of self assessment and correction;

(x) The extent of any actions or programs by the lender designed to compensate victims and prevent future fair lending violations;

(xi) The effect of the contemplated action(s) on the safety and soundness of the lender (in considering this factor the Secretary shall solicit and fully consider the views of the regulator responsible for regulating the lender and, where warranted, the Director); and

(xii) Any other information deemed relevant by the Secretary.

(d) *Notice of remedial action(s).* (1) Following the Secretary's decision concerning the appropriate remedial action(s) that the GSE is to be directed to take, the Secretary shall prepare and issue to the GSE and the lender a written notice setting forth the remedial action(s) to be taken and the date such remedial action(s) are to commence. The Notice shall inform the lender of its right to request a hearing on the appropriateness of the proposed remedial action(s), within 20 days of receipt of the Notice, by filing a request with the Docket Clerk, HUD Administrative Law Judge (ALJ).

(2) Where a lender does not timely request a hearing on a remedial action, the GSE shall take the action in accordance with the Notice.

(e) *Review and decision on remedial action(s).* (1) Where a lender timely requests a hearing on a remedial action, a hearing shall be conducted before a HUD ALJ and a final decision rendered in accordance with the procedures set forth in 24 CFR 30.10, 30.15, and part 30, subpart E, to the extent such provisions are not inconsistent with this subpart or the Act. The lender and the Secretary, but not the GSE, shall be parties to the action. At such hearing, the appropriateness of the remedial action for the violation(s) will be the sole matter for review. The validity or appropriateness of the underlying determination on the violation(s) shall not be subject to review at such hearing.

(2) The Secretary shall transmit to the GSEs each final decision by the Department on a remedial action and any dispositive settlement of a proceeding on such action.

(3) The GSE shall take the action(s) set forth in a final decision by the Department on remedial action(s) or any dispositive settlement of such a proceeding setting forth remedial action(s) in accordance with such decision or settlement.

§ 81.47 Violations of provisions by the GSEs.

(a) The Act empowers the Director of the Office of Federal Housing Enterprise Oversight to initiate enforcement actions for GSE violations of the provisions of section 1325 of the Act and these regulations. The Secretary shall refer violations and potential violations of section 1325 and these regulations to the Director.

(b) Where a private complainant or the Secretary is also proceeding against a GSE under the Fair Housing Act, the Assistant Secretary for Fair Housing and Equal Opportunity shall conduct the investigation of the complaint and make the reasonable cause/no reasonable cause determination required by section 810(g) of the Fair Housing Act. Where reasonable cause is found, a charge shall be issued and the matter will proceed to enforcement pursuant to sections 812(b) and (o) of the Fair Housing Act.

Subpart D—New Program Approval

§ 81.51 General.

Sections 305(c) of the Freddie Mac Act and 302(b)(6) of the Fannie Mae Act provide that neither GSE may implement any new program before obtaining the approval of the Secretary under section 1322 of the Act. Section 1322(a) provides that the Secretary shall require each GSE to obtain the Secretary's approval before implementing any new program. This subpart details the requirements and procedures for review of requests for new program approval by the Secretary.

§ 81.52 Requirement for program requests.

(a) Before implementing a new program, a GSE shall submit a request for new program approval (''program request'') to the Secretary for the Secretary's review.

(b) Submission of a program request and Secretarial review is not required where the program that the GSE proposes to implement is not significantly different from:

(1) A program that has already been approved in writing by the Secretary (hereinafter an ''approved program''); or

(2) A program that was engaged in by the GSE prior to October 28, 1992, the date of enactment of FHEFSSA (hereinafter an ''authorized program'').

(c) Section 1303(13) of FHEFSSA approves all authorized programs.

(d) Approved programs remain subject to all limitations and requirements under which such programs were being operated by the GSEs on or before October 28, 1992.

(e) *Significantly different programs.* (1) A significantly different program of a GSE is a program that materially differs from approved or authorized programs of the GSE by:

(i) Entailing substantially greater risk than the average financial risks under approved or authorized programs; or

(ii) Substantially expanding the GSE's role in the housing markets by involving new categories of borrowers, properties or other securities, borrowing purposes, or credit enhancements.

(2) Where a planned program reasonably raises questions as to whether it is significantly different from existing programs, the GSE shall submit a program request and may indicate in

its request its views respecting whether the program is subject to the Secretary's review.

(3) New activities that are designed to refine approved or authorized programs by repackaging features of those programs, making technical improvements, or creating other non-material variations are not new programs.

(f) *Requests by the Secretary.* If a GSE does not submit a program request for a program, the Secretary may request information about a program and require that the GSE submit a program request. The GSE shall comply with the request and may indicate in such response its views respecting whether the program is subject to the Secretary's review.

§ 81.53 Processing of Program Requests.

(a) Each program request submitted to the Secretary by a GSE shall be in writing and shall be submitted to the Secretary and the Director, Financial Institutions Regulation, U.S. Department of Housing and Urban Development, Washington, D.C. For those requests submitted prior to the date occurring one year after the effective date of the regulations issued by the Director of OFHEO under section 1361(e) of FHEFSSA establishing the risk-based capital test, the GSE shall simultaneously submit the program request to the Director.

(b) Each program request shall include:

(1) An opinion from counsel stating the statutory authority for the new program (Freddie Mac Act section 305 (a) (1), (4), or (5), or Fannie Mae Charter Act section 302(b) (2)–(5));

(2) A good faith estimate of the anticipated dollar volume of the program over the short- and long-term;

(3) A full description of:

(i) The purpose and operation of the proposed program;

(ii) The market targeted by the program;

(iii) The delivery system for the program;

(iv) The effect of the program on the mortgage market; and

(v) Material relevant to the public interest.

(c) Following receipt of a program request, the Secretary and, where a program request is submitted before the date occurring one year after the effective date of the regulations issued by the Director under section 1361(e) of FHEFSSA establishing the risk-based capital test, the Director shall review the program request.

(d) *Transition standard for approval by the Secretary and the Director.* Program requests submitted by the GSEs before the date occurring one year after the effective date of the regulations issued by the Director under section 1361(e) of FHEFSSA establishing the risk-based capital test shall be approved by the Secretary unless:

(1) The Secretary determines that the new program is not authorized, for a Freddie Mac program, under sections 305(a) (1), (4), or (5) of the Freddie Mac Act, or, for a Fannie Mae program, sections 302(b) (2)–(5) of the Fannie Mae Charter Act;

(2) The Secretary determines that such program is not in the public interest; or

(3) The Director determines that such program would risk significant deterioration of the GSE's financial condition.

(e) *Permanent standard for approval by the Secretary.* Program requests submitted after the date occurring one year after the effective date of the regulations issued by the Director under section 1361(e) of FHEFSSA establishing the risk-based capital test shall be approved by the Secretary unless:

(1) The Secretary determines that the new program is not authorized, for a Freddie Mac program, under sections 305(a) (1), (4), or (5) of the Freddie Mac Act, or, for a Fannie Mae program, 302(b) (2)–(5) of the Fannie Mae Charter Act; or

(2) The Secretary determines that the program is not in the public interest.

(f) *Time for review.* Unless the Secretary and, where appropriate, the Director of OFHEO, need additional information, a program request shall be approved or disapproved within 45 days from the date it is received by the Director, Financial Institutions Regulation and, where applicable, the Director of OFHEO. If within 45 days after receiving a request, the Secretary and/or the Director of OFHEO determine that additional information is necessary to review the matter and request such information from the GSE, the time period for consideration may be extended for an additional 15 days.

(1) Where additional information is requested, the GSE must provide the requested information to the Secretary and, where appropriate, the Director, within 10 days of receipt of the request for additional information.

(2) If the GSE fails to furnish requested information within 10 days after the request for information, the Secretary may deny the GSE's request for approval based on such failure and so report to Congress under paragraph (g) of this section.

(g) *Approval or report.* Within the 45-day period or, if the period is extended, within 60 days following receipt of a program request, the Secretary shall approve the request, in writing, or submit a report to the Committee on Banking and Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate, explaining the reasons for not approving the request. If the Secretary does not act within the time period allowed, the GSE's program request will be deemed approved.

§ 81.54 Review of disapproval.

(a) *Programs disapproved as unauthorized.* Where the Secretary disapproves a program request on the grounds that the new program is not authorized under sections 305(a) (1), (4), or (5) of the Freddie Mac Act, or 302(b) (2)–(5) of the Fannie Mae Charter Act, the GSE may, within 30 days of the date of receipt of the decision on disapproval, request: An opportunity to review and supplement the administrative record for the decision; and/or a meeting with the Secretary or the Secretary's designee. If the request for either is timely, the Secretary shall grant the request.

(1) *Supplementing the record.* A GSE seeking to supplement the record in writing must submit written materials within 30 days after the request to supplement is granted.

(2) *Meeting.* Upon receipt of a timely request from a GSE for a meeting, the Secretary shall arrange such a meeting which shall be conducted by the Secretary or the Secretary's designee within 10 business days of receipt of the request. Such a meeting shall not be on the record and formal rules of procedure shall not apply. The GSE may be represented by counsel and may present all relevant information and materials to the Secretary or the Secretary's designee.

(3) *Determination.* Within 10 days after submission of the information and materials presented in writing or a meeting, the Secretary shall in writing withdraw, modify, or affirm the program disapproval and shall provide the GSE with that decision.

(b) *Program disproved under public interest determination.* Where a program request is disapproved because the Secretary determines that the program is not in the public interest or because the Director determined that the new program would risk significant deterioration of the GSE's financial condition, the Secretary shall provide the GSE with notice of, and an opportunity for, a hearing on the record

regarding such disapproval. A request for a hearing must be submitted by a GSE within 30 days of the Report to Congress under § 81.53(g). The procedures for such hearings are provided in subpart G of this part.

Subpart E—Reporting Requirements

§ 81.61 General.

Sections 309(m) of the Fannie Mae Charter Act and 307(e) of the Freddie Mac Act require each GSE to collect, maintain, and provide to the Secretary data, in a form determined by the Secretary, on each single family and multifamily mortgage purchased by each GSE. Sections 309(n) of the Fannie Mae Charter Act and 307(f) of the Freddie Mac Act require each GSE to report on its housing activities under the housing provisions of the Act to the Committee on Banking, Finance and Urban Affairs of the House of Representatives, the Committee on Banking, Housing, and Urban Affairs of the Senate, and the Secretary. Section 1327 of the Act provides that the Secretary shall require reports from the GSEs as the Secretary considers appropriate, and section 1328 requires the Secretary to submit an annual report to the Congress on the activities of the GSEs. This subpart establishes quarterly and annual data submission and reporting requirements to carry out the requirements of the GSEs' Charter Acts and FHEFSSA.

§ 81.62 Mortgage data.

(a) *Required data.* Under sections 309(m) of the Fannie Mae Charter Act and 307(e) of the Freddie Mac Act, the GSEs are required to provide the Secretary with the following data relating to mortgage purchases:

(1) *For single family mortgages:*

(i) The income, census tract location, race, and gender of mortgagors under such mortgages;

(ii) The loan-to-value ratios of purchased mortgages at the time of origination;

(iii) Whether a particular mortgage purchased is newly originated or seasoned;

(iv) The number of units in the housing subject to the mortgage and whether the units are owner-occupied; and

(v) Any other characteristics that the Secretary considers appropriate and to the extent practicable.

(2) *For multifamily mortgages:*

(i) Census tract location of housing;

(ii) Income levels and characteristics of tenants (where such data is available);

(iii) Rent levels for units in the housing;

(iv) Mortgage characteristics (such as the number of units financed per mortgage and the amount of loans);

(v) Mortgagor characteristics (such as nonprofit, for-profit, limited equity cooperative);

(vi) Use of funds such as new construction, rehabilitation, refinancing);

(vii) Type of originating institution; and

(viii) Any other information that the Secretary considers appropriate, to the extent practicable.

(b) *Data elements and aggregated data.* To implement the data collection and submission requirements for mortgage data under paragraph (a) of this section, each GSE shall collect and compile computerized loan level data on each mortgage purchased. Appendix D of this part details the loan level data.

(c) *Mortgage reports.* Each GSE shall submit to the Secretary quarterly a Mortgage Report consisting of the loan level data compiled under paragraph (b) of this section. Such data shall be aggregated and the mortgage reports shall include the dollar volume, the number of units, and the number of mortgages on owner-occupied and rental properties purchased by the GSE that do and do not qualify under each housing goal and subgoal as set forth in this part and aggregations of the data in the formats specified, in writing, by the Secretary. The GSEs shall submit the Mortgage Report for each of the first three quarters within 60 days of the end of the quarter, and each Mortgage Report shall provide data on both a quarterly and a year-to-date basis. Any time prior to submission of the Annual Housing Activities Report, the GSE may revise any of the quarterly reports for that year. The GSEs shall submit to the Secretary computer-generated data included in the Mortgage Report in the format specified by the Secretary.

§ 81.63 Annual Housing Activities Report.

(a) *General.* Sections 309(n) of the Fannie Mae Charter Act and 307(f) of the Freddie Mac Act require each GSE to report annually to the Secretary and to the Congress concerning its housing activities under the housing goal provisions of FHEFSSA. Under the Act, the report must include:

(1) In aggregate form and by appropriate category:

(i) The dollar volume and number of mortgages on owner-occupied and rental properties that relate to each of the housing goals;

(ii) The number of families served by the GSE; the income class, race, and gender of home buyers served; the income class of tenants of rental housing (to the extent such information is available); the characteristics of census tracts; and the geographic distribution of the housing financed;

(2) The extent to which the mortgages purchased by the GSE have been used in conjunction with public subsidy programs;

(3) Information on the proportion of mortgages purchased by the GSE and financing housing for first-time home buyers;

(4) In aggregate form and by appropriate category the mortgage data required under § 81.62 for the year;

(5) A comparison of the level of securitization by the GSE versus portfolio activity by the GSE;

(6) An assessment of the GSE's underwriting standards, business practices, repurchase requirements, pricing, fees, and procedures that affect the purchase of mortgages for low- and moderate-income families or that may yield disparate results based on the race of the borrower, including revisions thereto to promote affordable housing or fair lending;

(7) A description of trends in both the primary and secondary multifamily markets, including a description of progress made and any factors impeding progress toward the standardization and securitization of mortgage products for multifamily housing;

(8) A description of trends in the delinquency and default rates for mortgages secured by housing for low- and moderate-income families bought by the GSE, a comparison of these rates with rates for families above median income, and an evaluation of the impact of such trends on the standards and levels of risk of mortgage products serving low- and moderate-income families;

(9) A description of the seller servicing network of the GSE, including the volume of mortgages purchased from minority-owned, women-owned and community-oriented lenders and a description of the GSE's efforts to facilitate relationships with such lenders;

(10) A description of the activities undertaken by the GSE with nonprofit and for-profit organizations and with State and local governments and housing finance agencies, including activities supporting comprehensive housing affordability strategies under section 105 of the Cranston-Gonzalez National Affordable Housing Act; and

(11) Other information that the Secretary considers appropriate.

(b) To implement the requirements in paragraph (a) of this section and to assist the Secretary in preparing the Secretary's Annual Report to the

Congress, each GSE shall submit to the Secretary an Annual Housing Activities Report including the information in paragraph (a) of this section and mortgage year-to-date data as specified, in writing, by the Secretary. Each GSE shall submit such report, within 60 days after the end of each calendar year, to the Secretary; the Committee on Banking and Financial Services of the House of Representatives; and the Committee on Banking, Housing, and Urban Affairs of the Senate. Each GSE shall make its Annual Housing Activities Report available to the public at its principal and regional offices. Before making such reports available to the public, the GSE may exclude from the report any information that the Secretary has deemed proprietary.

(c) Subpart C of this part requires each GSE to submit Business Practices Analyses. To the extent such a Business Practices Analysis encompasses the information required under paragraph (a)(6) of this section, and where the GSE has conducted such a Business Practices Analysis within the preceding three years, the GSE may, in connection with meeting the requirements of paragraph (a)(6) of this section, reference such Analysis and use the Annual Housing Activities Report to update the GSE's progress concerning the GSE's most recent Business Practices Analysis.

§ 81.64 Periodic reports.

Each GSE shall provide to the Secretary all releases of information that are disclosed to entities outside of the GSE, at the time such information is disclosed, including, but not limited to:

(a) Material prepared for the GSE's Housing Advisory Council;

(b) Press releases;

(c) Investor reports; and

(d) Proxy statements.

§ 81.65 Other information and analyses.

In addition to the regular reports required under this subpart, the GSEs shall furnish to the Secretary the data underlying the reports required under this subpart and conduct additional analyses, as required by the Secretary. The GSEs shall submit additional reports concerning their activities, as the Secretary considers appropriate and requests.

§ 81.66 Submission of reports.

Each GSE shall submit all hard copy reports or other written information required under this subpart to the Secretary and the Director, Financial Institutions Regulation Staff, Department of Housing and Urban Development, 451 7th Street, SW. Washington, DC. 20410. Each GSE shall submit computerized data, reports, and information required under this subpart to the Director, Financial Institutions Regulations Staff.

Subpart F—Access to Information

§ 81.71 General.

This subpart provides for the establishment of a public use data base to make available to the public mortgage data that the GSEs are required to submit to the Secretary under section 309(m) of the Fannie Mae Charter Act, section 307(e) of the Freddie Mac Act, and subpart E of this part. The Act provides that proprietary information and data may not be made publicly available. This subpart establishes mechanisms for the GSEs to designate information as proprietary and for the Secretary to determine whether information is proprietary and to withhold such proprietary information from the public. This subpart provides procedures for disclosure of information submitted by or relating to the GSEs under the Freedom of Information Act or at the request of Congress and sets forth protections for treatment of GSE information by the Secretary, Departmental officers and employees, and contractors. This subpart provides that information submitted by or relating to the GSEs that would constitute a clearly unwarranted invasion of personal privacy shall not be disclosed to the public.

§ 81.72 Public use data base and public information.

(a) *General.* The Secretary shall establish and make available for public use, in accordance with this section, a public use data base and shall make available for public inspection and copying the GSE's Annual Housing Activities Reports, except for information the Secretary determines to be proprietary.

(b) *Examination of submissions.* Following receipt of mortgage data and Annual Housing Activity Reports from the GSEs and any other information submissions from the GSEs, the Secretary shall, as expeditiously as possible, examine the submissions for information that:

(1) Has been deemed proprietary under this part or subsequent order;

(2) The GSE has designated as proprietary in accordance with § 81.73;

(3) Would constitute a clearly unwarranted invasion of personal privacy if such information were released to the public; or

(4) Is required to be withheld under applicable laws or regulations.

(c) *Public data and proprietary data.* The Secretary shall exclude from the public use data base and from public disclosure all information within the scope of paragraphs (b)(1), (b)(3), and (b)(4) of this section and, following a determination under § 81.74, concerning data identified by the GSE as proprietary, the Secretary shall place all public data in the public use data base.

(d) *Access.* The Secretary shall provide such means as the Secretary determines are reasonable for the public to gain access to the public use data base. To obtain access to the public use data base, the public should contact the Director, Financial Institutions Regulation, 451 7th St. SW. Washington, DC. 20410, (202) 708–1464 (this is not a toll-free number).

(e) *Fees.* The Secretary may charge reasonable fees to cover the cost of providing access to the public use data base. These fees will include the costs of system access, computer use, copying fees, and other costs.

§ 81.73 GSE request for proprietary treatment.

(a) *General.* A GSE may request proprietary treatment of data and information submitted to the Secretary. Such a request does not in any manner affect the GSE's responsibility to provide the information to the Secretary.

(b) *Request for proprietary treatment.* Where a GSE seeks to have information treated as proprietary information by the Secretary and withheld from public disclosure, the GSE shall submit a Request for Proprietary Treatment that shall:

(1) Clearly designate those portions of the information to be treated as proprietary with a prominent stamp, typed legend, or other suitable form of notice, stating ''Proprietary Information—Confidential Treatment Requested by [name of GSE]'' on each page or portion of each page. If such marking is impractical under the circumstances, the GSE shall attach a cover sheet prominently marked ''Proprietary Information—Confidential Treatment Requested by (name of GSE)'' to the information for which confidential treatment is requested;

(2) Accompany its request with a certification by an officer or authorized representative of the GSE that the information is proprietary;

(3) Submit a statement explaining the reasons for the assertion that the information is proprietary, including without limitation:

(i) A description of the information; the nature of the adverse consequences to the GSE, financial or otherwise, that would result from its disclosure and the reasons therefor, including any adverse

effect on the GSE's competitive position. Conclusory statements that particular information would be useful to competitors or would impair business dealings, or similar statements, ordinarily will not be considered sufficient to justify a determination that the information is proprietary;

(ii) The existence and applicability of any prior determinations by the Department, other Federal agencies, or a court, concerning similar information;

(iii) The measures taken by the GSE to protect the confidentiality of the information in question and of similar information prior to and after its submission to the Secretary;

(iv) The extent to which the information is publicly available from other entities, such as information available to the public through local government offices or records, including deeds, recorded mortgages, and similar documents;

(v) The difficulty of a competitor, including a seller/servicer, obtaining or compiling the information; and

(vi) Such additional facts and such legal and other authorities as the GSE may consider appropriate.

§ 81.74 Secretarial determination on GSE request.

(a) *General.* The Secretary shall review Requests for Proprietary Treatment from the GSEs and other information, if any, that the Secretary may elicit from other sources. The Secretary shall determine whether the information designated as proprietary by the GSE is proprietary information, or whether the information is not proprietary and should be released notwithstanding the GSE's request. During the time a request is pending determination by the Secretary, information submitted by the GSE that is the subject of such request shall not be disclosed to, or subject to the examination of data by, the public or any person or representative of any person or agency outside of HUD.

(b) *Determination to withhold.* (1) Where the Secretary determines that information is proprietary, the Secretary shall notify the GSE that the request has been granted and may, in the discretion of the Secretary, issue a temporary order, a final order or a regulation providing that the information is not subject to public disclosure. Where the Secretary determines that information is proprietary, the Secretary shall not make such information publicly available.

(2) Such a temporary order, final order, or regulation shall:

(i) Document the reasons for the determination; and

(ii) Be provided to the GSE, made available to members of the public, and published in the **Federal Register**, except that any portions of an order that would reveal the proprietary information shall be withheld from public disclosure.

(3) Publications of temporary orders shall invite public comments where feasible.

(c) *Determination not to withhold or to seek further information.* Where the Secretary determines, in response to a Request for Proprietary Treatment, that information submitted by the GSE may not be proprietary information, that the request may only be granted in part, or that questions exist concerning the request, the following procedure shall apply:

(1) The Secretary shall provide the GSE with an opportunity for a meeting with departmental officers or employees to discuss the matter, for the purpose of gaining additional information concerning the request. Such meetings shall be informal and not on the record;

(2) Following the meeting, based on the Secretary's review of the information and the GSE's views as to whether the information is proprietary, the Secretary shall make a determination;

(3) If the Secretary determines to withhold the information as proprietary, the procedures in paragraph (b) of this section shall apply; and

(4) If the Secretary determines that any information covered by the request is not proprietary, the Secretary shall provide notice in writing to the GSE of the reasons for this conclusion, and such notice shall provide that the Secretary shall not release the information to the public for 7 days.

§ 81.75 Mortgage data withheld by order and regulation.

(a) *List of withheld data.* Appendix E of this part shall include a list and appropriately identify those categories of mortgage data (''data elements'') that the GSEs submit under sections 309(m) of the Fannie Mae Charter Act and 307(e) of the Freddie Mac Act, and that are determined to be proprietary information. Appendix E shall identify the reasons data elements have been withheld.

(b) *Updating of list.* Following issuance of regulations or orders to withhold mortgage data, the Secretary shall expeditiously update Appendix E where needed to inform the public of any modifications to the list of proprietary information.

§ 81.76 Requests for GSE Information.

(a) *General.* Information submitted to the Secretary by the GSEs is subject to request under the Freedom of Information Act (FOIA), 5 U.S.C. 552. The Department shall process such FOIA requests in accordance with the Department's FOIA and Privacy Act regulations, 24 CFR parts 15 and 16, and other applicable statutes, regulations, and guidelines, including the Trade Secrets Act, 18 U.S.C. 1905, and Executive Order 12,600.

(b) *Protection from disclosure.* In responding to requests for information submitted by or relating to the GSEs, the Secretary may invoke provisions of the Freedom of Information Act and FHEFSSA to protect information from disclosure.

(1) *Exemption (b)(8).* Under section 1319F of the Act, the Secretary may invoke FOIA exemption (b)(8) to withhold from the public any GSE information contained in or related to examination, operating, or condition reports prepared by, on behalf of, or for the use of HUD.

(2) *Other FOIA exemptions.* Under 24 CFR part 15, the Secretary may invoke other exemptions including, without limitation, exemption 4 (5 U.S.C. 552(b)(4)), to withhold from public disclosure confidential GSE business information, and exemption 6 (5 U.S.C. 552(b)(6)), to protect information that would constitute a clearly unwarranted invasion of personal privacy.

(c) *Requests for business information under Executive Order 12600.* The Department will process FOIA requests for confidential business information of the GSEs to which FOIA exemption 4 may apply in accordance with 24 CFR part 15 and the predisclosure notification procedures of Executive Order 12600. Under these procedures, the Secretary will not release records marked by the GSE as proprietary or records that are reasonably expected to contain proprietary materials, if at all, until the following occurs:

(1) The Secretary notifies the GSE that a request for such records has been received;

(2) The GSE is provided a reasonable opportunity to provide detailed comments on and objections to the release of the records; and

(3) Following receipt of any objection by a GSE, if the Secretary determines not to sustain wholly the objection, the GSE must be notified in writing of the Secretary's determination and given a brief explanation of such decision. The Secretary shall provide such notification enough in advance of a specified disclosure date so that the GSE will have an opportunity to obtain judicial review.

(d) *Release in response to requests on behalf of Congress, the Comptroller*

General, a Subpoena, or Other Legal Process. If the Department receives a request on behalf of a congressional committee or subcommittee, the Comptroller General, or a subpoena from a court of competent jurisdiction, or is otherwise compelled by law to release information determined to be proprietary under this section, the Secretary shall provide the information in accordance with the request without regard to the provisions of this section. In releasing requested information under this paragraph, the Secretary will, where applicable, include a statement with the information to the effect that the GSE regards the information as proprietary, public disclosure of the information may cause competitive harm to the GSE, and the Secretary has determined that the information is proprietary under this section. To the extent practicable, the Secretary will provide notice to the GSE after a request under this paragraph is received and before the information is provided in response to the request.

§ 81.77 Protection of GSE Information.

(a) *Protection of information by officers and employees.* The Secretary will institute all reasonable safeguards to protect GSE information, including, but not limited to, advising all departmental officers and employees having access to information submitted by or pertaining to either GSE of the legal restrictions against unauthorized disclosure of such information under HUD Standards of Conduct regulations, 24 CFR part 0; the government-wide Standards of Ethical Conduct, 5 CFR part 2635; and the Trade Secrets Act, 18 U.S.C. 1905. Officers and employees shall be advised of the penalties for unauthorized disclosure ranging from disciplinary action under 24 CFR part 0 and 5 CFR part 2635 to criminal prosecution.

(b) *Protection of information by contractors.* (1) In relevant contracts and agreements where contractors have access to confidential business information submitted by or pertaining to either GSE, the Department shall include detailed provisions specifying that neither the contractor nor any of its officers, employees, agents, or subcontractors may release data submitted by or pertaining to either GSE without HUD's authorization, and that unauthorized disclosure may be a basis for:

(i) Terminating the contract for default;

(ii) Suspending or debarring the contractor; or

(iii) Criminal prosecution of the contractor, its officers, employees, agents, or subcontractors under the Federal Criminal Code.

(2) Contract provisions shall require safeguards against unauthorized disclosure, including training of contractor and subcontractor agents and employees, and that the contractor indemnify and hold HUD harmless against unauthorized disclosure of data belonging to the GSEs or HUD.

Subpart G—Procedures for Actions and Review of Actions

§ 81.81 General.

This subpart sets forth procedures for the Secretary to issue cease-and-desist orders and institute civil money penalties to enforce housing goal provisions at subpart C of this part and information submission and reporting requirements under subpart E of this part. The subpart also provides procedures for hearings, enforcement of Secretarial actions, public disclosure of agreements, and judicial review of enforcement actions.

§ 81.82 Cease-and-desist proceedings.

(a) *Issuance.* The Secretary may issue and serve upon a GSE a notice of charges for a cease-and-desist order, in accordance with this section, if the Secretary determines:

(1) The GSE has failed to submit a housing plan that substantially complies with § 81.22 within the applicable period for submission under that section;

(2) The GSE is engaging or has engaged, or the Secretary has reasonable cause to believe that the GSE is about to engage, in any failure to make a good faith effort to comply with a housing plan submitted and approved by the Secretary; or

(3) The GSE has failed to submit any of the information required under sections 309 (m) or (n) of the Fannie Mae Charter Act, or 307 (e) or (f) of the Freddie Mac Act, or under §§ 81.62 or 81.63 of this part.

(b) *Procedure for issuance.*—(1) *Notice of charges.* The Secretary shall notify the GSE in writing of the notice of charges. The notification shall provide:

(i) A concise statement of the facts constituting the conduct upon which the Secretary has relied in determining that an order should be issued and the violations with which the GSE is charged;

(ii) Notice of the GSE's right to a hearing on the record on the cease-and-desist order;

(iii) A time and date for a hearing on the record on whether the order should issue;

(iv) The consequences of failing to contest the matter; and

(v) The effective date of the order if the GSE does not contest the matter.

(2) *Administrative Law Judge.* The hearing and other proceedings conducted under this section shall be presided over by a HUD Administrative Law Judge, in accordance with § 81.84 and 24 CFR 30.10, 30.15, and part 30, subpart E, to the extent such provisions are not inconsistent with any of the procedures in these regulations or the Act.

(3) *Issuance of order.* If the Administrative Law Judge finds, based on the record, that any of the conduct specified in the notice of charges sufficient to sustain the charges has been established by substantial evidence (or a GSE consents to the order), the Administrative Law Judge may issue and serve upon the GSE an order requiring the GSE to:

(i) Submit a housing plan in compliance with § 81.22;

(ii) Comply with the housing plan; or

(iii) Provide the information required under subpart E of this part.

(4) *Effective date.* An order under this section shall be effective upon the expiration of the 30-day period beginning on the service of the order upon the GSE (except in the case of an order issued upon consent, which shall become effective at the time specified therein), and shall remain effective and enforceable as provided in the order, except to the extent that the Secretary stays, modifies, terminates, or sets aside the order as provided in § 81.84(l).

§ 81.83 Civil money penalties.

(a) *Imposition.* The Secretary may impose a civil money penalty, in accordance with the provisions of this section, on a GSE that has failed:

(1) To submit a housing plan that substantially complies with § 81.22 within the applicable period required under the regulations;

(2) To make a good faith effort to comply with a housing plan for the GSE submitted and approved by the Secretary; or

(3) To submit any of the information required under subsection (m) or (n) of Section 309 of the Fannie Mae Charter Act, under subsection (e) or (f) of section 307 of the Freddie Mac Act, or under §§ 81.62 or 81.63.

(b) *Amount of penalty.* The Secretary shall determine the amount of the penalty, and such penalty shall not exceed:

(1) For any failure described in paragraph (a)(1) of this section, $25,000 for each day that the failure occurs; and

(2) For any failure described in paragraphs (a) (2) or (3) of this section,

$10,000 for each day that the failure occurs.

(c) *Factors in determining amount of penalty.* In determining the amount of a penalty under this section, the Secretary shall give consideration to such factors as:

(1) The gravity of the offense;

(2) Any history of prior offenses;

(3) The GSE's ability to pay the penalty;

(4) The nature of the injury to the public caused by the failure;

(5) The benefits received by the GSE because of the GSE's failure;

(6) Deterrence of future violations that would result from the penalty; and

(7) Other factors that the Secretary determines in the public interest warrant consideration.

(d) *Procedures.*—(1) *Notice of determination to impose civil money penalties.* The Secretary shall notify the GSE in writing of the Secretary's determination to impose a civil money penalty by issuing a Notice of Intent to Impose Civil Money Penalties (''Notice of Intent''). The Notice of Intent shall provide:

(i) A concise statement of the facts constituting the conduct upon which the Secretary has relied in determining that a civil penalty should be imposed;

(ii) The amount of the civil money penalty that the Secretary intends to impose;

(iii) Notice of the GSE's right to a hearing on the record on the civil money penalty;

(iv) The procedures to follow to obtain such a hearing;

(v) The consequences of failing to request a hearing; and

(vi) The date the penalty shall be due unless stayed or rescinded.

(2) To appeal the Secretary's decision to impose a civil money penalty, a GSE shall, within 20 days after receiving service of the Notice of Intent, file a written Answer with the Chief Docket Clerk, Office of Administrative Law Judges, Department of Housing and Urban Development, at the address provided in the Notice of Intent.

(3) The hearing and other proceedings conducted under this section shall be presided over by a HUD Administrative Law Judge, in accordance with § 81.84 and 24 CFR 30.10, 30.15, and part 30, subpart E, to the extent such provisions are not inconsistent with any of the procedures in these regulations or the Act.

(4) *Issuance of order.* If the Administrative Law Judge finds, on the record made at a hearing, that any conduct specified in the notice of charges has been established by a preponderance of the evidence (or a GSE consents to the order pursuant to § 81.84), the Administrative Law Judge may issue an order imposing a civil money penalty.

(5) *Consultation with the Director.* In the Secretary's discretion, the Director of the Office of Federal Housing Enterprise Oversight may be requested to review any Notice of Intent, determination, order, or interlocutory ruling arising from a hearing.

(e) *Action to collect penalty.* If a GSE fails to comply with an order by the Secretary imposing a civil money penalty under this section, after the order is no longer subject to review as provided by sections 1342 and 1343 of the Act, the Secretary may request the Attorney General of the United States to bring an action in the United States District Court for the District of Columbia to obtain a monetary judgment against the GSE and such other relief as may be available. The monetary judgment may, in the court's discretion, include attorney fees and other expenses incurred by the United States in connection with the action. In an action under this subsection, the validity and appropriateness of the order imposing the penalty is not subject to review.

(f) *Settlement by Secretary.* The Secretary may compromise, modify, or remit any civil money penalty that may be, or has been, imposed under this section.

(g) *Deposit of penalties.* The Secretary shall deposit any civil money penalties collected under this section into the general fund of the Treasury.

§ 81.84 Hearings.

(a) *Applicability.* The hearing procedures in this section apply to hearings on the record to review cease-and-desist orders, civil money penalties, and new programs disapproved based upon a determination by the Secretary that such programs are not in the public interest.

(b) *Hearing requirements*—(1) Hearings shall be held on the record and in the District of Columbia.

(2) Hearings shall be conducted by a HUD Administrative Law Judge authorized to conduct proceedings under 24 CFR part 30.

(c) *Timing.* Unless an earlier or later date is requested by a GSE and such request is granted by the Administrative Law Judge, hearings shall be fixed for a date not earlier than 30 days, nor later than 60 days, after: service of the notice of charges under § 81.82; service of the Notice of Intent to Impose Civil Money Penalt(ies) under § 81.83; or a request for a hearing under § 81.54(b).

(d) *Procedure.* Hearings shall be conducted in accordance with the procedures set forth in 24 CFR 30.10, 30.15, and part 30, subpart E, to the extent that such provisions are not inconsistent with any of the procedures in these regulations or the Act.

(e) *Method of service.* Any service required or authorized to be made by the Secretary under this subpart may be made to the Chief Executive Officer of a GSE or such other representative as the GSE may designate in writing to the Secretary.

(f) *Subpoena authority*—(1) *General.* In the course of or in connection with any hearing, the Secretary and/or the Administrative Law Judge shall have the authority to:

(i) Administer oaths and affirmations;

(ii) Take and preserve testimony under oath;

(iii) Issue subpoenas and subpoenas duces tecum; and

(iv) Revoke, quash, or modify subpoenas and subpoenas duces tecum issued by the Secretary.

(2) *Witnesses and documents.* The attendance of witnesses and the production of documents provided for in this section may be required from any place in any State at any designated place where such proceeding is being conducted.

(3) *Enforcement.* The Secretary may request the Attorney General of the United States to bring an action in the United States District Court for the judicial district in which such proceeding is being conducted or where the witness resides or conducts business, or in the United States District Court for the District of Columbia, for enforcement of any subpoena or subpoena duces tecum issued pursuant to this section.

(4) *Fees and expenses.* Witnesses subpoenaed under this section shall be paid the same fees and mileage that are paid witnesses in the district courts of the United States. Any court having jurisdiction of any proceeding instituted under this section may allow to any such party such reasonable expenses and attorneys fees as the court deems just and proper. Such expenses and fees shall be paid by the GSE or from its assets.

(g) *Failure to appear.* If a GSE fails to appear at a hearing through a duly authorized representative, the GSE shall be deemed to have consented to the issuance of the cease-and-desist order, the imposition of the penalty, or the disapproval of the new program, whichever is applicable.

(h) *Public hearings.* All hearings shall be open to the public, unless the Secretary, in the Secretary's discretion,

determines that holding an open hearing would be contrary to the public interest.

(i) *Decision of Administrative Law Judge.* After each hearing, the Administrative Law Judge shall issue an initial decision and serve the initial decision on the GSE, the Secretary, any other parties, and the General Counsel of the Department.

(j) *Review of initial decision*—(1) *At the Secretary's discretion.* The Secretary, in the Secretary's discretion, may review any initial decision.

(2) *Requested by a party.* Any party may file within 15 days after receipt of the initial decision a notice of appeal to the Secretary seeking review of an initial decision. The Secretary shall decide within 30 days after receipt of a notice of appeal whether to review or to decline review of the initial decision.

(k) *Final decision.* (1) The initial decision will become the final decision of the Department unless the Secretary or the Secretary's designee issues a final decision within 90 days after the initial decision is served on the Secretary. The Secretary by written notice to the parties may extend such 90 day period for an additional 30 days.

(2) *Issuance of final decision by Secretary.* The Secretary or the Secretary's designee may review any finding of fact, conclusion of law, or order contained in the initial decision of the Administrative Law Judge and may issue a final decision in the proceeding. Any decision shall include findings of fact upon which the decision is predicated. The Secretary or the Secretary's designee may affirm, modify, or set aside, in whole or in part, the initial decision or may remand the initial decision for further proceedings. The final decision shall be served on all parties and the Administrative Law Judge.

(l) *Decisions on remand.* If the initial decision is remanded for further proceedings, the Administrative Law Judge shall issue an initial decision on remand within 60 days of the date of issuance of the final decision, unless it is impractical to do so.

(m) *Modification.* The Secretary or the Secretary's designee may at any time, modify, terminate, or set aside any order, upon such notice and in such manner as the Secretary or designee considers proper. When a petition for judicial review is timely filed as provided in § 81.87, and after the Secretary has filed the record in the proceeding with the court, the Secretary or designee may modify, terminate, or set aside any such order with permission of the court.

§ 81.85 Public disclosure of final orders and agreements.

(a) *General.* The Secretary shall make available to the public:

(1) Any written agreement or other written statement for which a violation may be redressed by the Secretary, or any modification to or termination of such agreement or statement, unless the Secretary, in the Secretary's discretion, determines that public disclosure would be contrary to the public interest, or determines under paragraph (b) of this section that public disclosure would seriously threaten the GSE's financial health or security;

(2) Any order that is issued with respect to any administrative enforcement proceeding initiated by the Secretary under this subpart and that has become final in accordance with §§ 81.84 and 81.87; and

(3) Any modification to or termination of any final order made public pursuant to this section.

(b) *Delay of public disclosure under exceptional circumstances.* If the Secretary makes a determination in writing that the public disclosure of any final order pursuant to paragraph (a)(1) of this section would seriously threaten a GSE's financial soundness, the Secretary may delay the public disclosure of such order for a reasonable time.

(c) *Documents filed under seal in public enforcement hearings.* The Secretary may file any document or part thereof under seal in any hearing under this subpart if the Secretary determines in writing that disclosure thereof would be contrary to the public interest.

(d) *Retention of documents.* The Secretary shall keep and maintain a record, for not less than 6 years, of all documents described in paragraph (a) of this section and all enforcement agreements and other supervisory actions and supporting documents issued with respect to, or in connection with, any enforcement proceeding initiated by the Secretary under this subpart.

(e) *Disclosures to Congress.* This section shall not be construed to authorize the withholding, or to prohibit the disclosure, of any information to the Congress or any committee or subcommittee thereof.

§ 81.86 Enforcement and jurisdiction.

(a) *Enforcement.* If a GSE fails to comply with a final decision, the Secretary may request the Attorney General of the United States to bring an action in the United States District Court for the District of Columbia for the enforcement of the notice or order. Such court has the jurisdiction and power to order and require compliance with such notice or order.

(b) *Limitation on jurisdiction.* Except as otherwise provided in sections 1341–49 of the Act, no court has jurisdiction to affect, by injunction or otherwise, the issuance or enforcement of any notice or order under §§ 81.82 or 81.83, or to review, modify, suspend, terminate, or set aside any such notice or order.

(c) *Other relief.* The Secretary may obtain such other relief as may be available, including attorney fees and other expenses, in connection with the action.

(d) *Interest.* In the case of civil money penalties, interest on and other charges for any unpaid penalty may be assessed in accordance with 31 U.S.C. 3717.

§ 81.87 Judicial review.

(a) *Commencement.* A GSE may obtain review of any final order issued under § 81.84 by filing in the United States Court of Appeals for the District of Columbia Circuit, within 30 days after the date of service of such order, a written petition praying that the order of the Secretary be modified, terminated, or set aside. The clerk of the court shall transmit a copy of the petition to the Secretary and the Chief Docket Clerk, Office of Administrative Law Judges.

(b) *Filing of record.* Upon receiving a copy of a petition, the Chief Docket Clerk, Office of Administrative Law Judges, shall file in the court the record in the proceeding, as provided in 28 U.S.C. 2112.

(c) *Jurisdiction.* Upon the filing of a petition, such court shall have jurisdiction, which upon the filing of the record by the Secretary shall be exclusive (except as provided in § 81.84(l)), to affirm, modify, terminate, or set aside, in whole or in part, the order of the Secretary.

(d) *Review.* Review of such proceedings shall be governed by chapter 7 of title 5, United States Code.

(e) *Order To pay penalty.* Such court has the authority in any such review to order payment of any penalty imposed by the Secretary under this subpart.

(f) *No automatic stay.* The commencement of proceedings for judicial review under this section shall not, unless specifically ordered by the court, operate as a stay of any order issued by the Secretary.

Subpart H—Book-Entry Procedures

§ 81.91 Definition of terms.

In this subpart, unless the context otherwise requires or indicates:

Book-entry GSE security means a GSE security in the form of an entry made as

prescribed in this subpart on the records of a Reserve Bank.

Date of call means:

(1) With respect to GSE securities issued by Fannie Mae under section 304 (d) and (e), the date fixed in the authorizing resolution of the Board of Directors of Fannie Mae on which the obligor will make payment of the security before maturity in accordance with its terms;

(2) With respect to GSE securities issued by Fannie Mae under section 304(b) of the Fannie Mae Charter Act, the date fixed in the offering notice issued by Fannie Mae; and

(3) With respect to GSE securities issued by Freddie Mac, the date fixed in the authorizing resolution of the Board of Directors of Freddie Mac on which Freddie Mac will make payment of the security before maturity in accordance with its terms.

Definitive GSE security means a GSE security in engraved or printed form.

GSE security means any obligation of a GSE (except short-term discount notes and obligations convertible into shares of common stock) issued under the Freddie Mac Act, or sections 304 (b), (d), or (e) of the Fannie Mae Charter Act, in the form of a definitive GSE security or book-entry GSE security.

Member bank means any national bank, State bank, or bank or trust company that is member of a Reserve Bank.

Pledge includes a pledge of, or any other security interest in, GSE securities as collateral for loans or advances or to secure deposits of public monies or the performance of an obligation.

Reserve Bank means a Federal Reserve bank and its branches acting as Fiscal Agent of a GSE and, when indicated, acting in its individual capacity or as Fiscal Agent of the United States.

§ 81.92 Authority of Reserve Banks.

Each Reserve Bank is hereby authorized, in accordance with the provisions of this subpart, to:

(a) Issue book-entry GSE securities by means of entries on its records that shall include the name of the depositor, the amount, the loan title (or series), and maturity date;

(b) Effect conversions between book-entry GSE securities and definitive GSE securities;

(c) Otherwise service and maintain book-entry GSE securities; and

(d) Issue a confirmation of transaction in the form of a written advice (serially numbered or otherwise) that specifies the amount and description of any securities; that is, loan title (or series) and maturity date, sold or transferred, and the date of the transaction.

§ 81.93 Scope and effect of book-entry procedure.

(a) (1) A Reserve bank as fiscal agent of a GSE may apply the book-entry procedure provided for in this subpart to any GSE securities that have been or are hereafter deposited for any purpose in accounts with it in its individual capacity, under terms and conditions which indicate that the Reserve bank will continue to maintain such deposit accounts in its individual capacity, notwithstanding application of the book-entry procedure to such securities. This paragraph is applicable, but not limited, to securities deposited:

(i) As collateral pledged to a Reserve bank (in its individual capacity) for advances by it;

(ii) By a member bank for its sole account;

(iii) By a member bank held for the account of its customers;

(iv) In connection with deposits in a member bank of funds of States, municipalities, or other political subdivisions; or

(v) In connection with the performance of an obligation or duty under Federal, State, municipal, or local law, or judgments or decrees of courts.

(2) The application of the book-entry procedure under this paragraph shall not derogate from or adversely affect the relationships that would otherwise exist between a Reserve bank in its individual capacity and its depositors concerning any deposits under this paragraph. Whenever the book-entry procedure is applied to such GSE securities, the Reserve bank is authorized to take all action necessary in respect of the book-entry procedure to enable such Reserve bank in its individual capacity to perform its obligations as depositary with respect to such GSE securities.

(b) A Reserve bank, as fiscal agent of a GSE, shall apply the book-entry procedure to GSE securities deposited as collateral pledged to the United States under current revisions of Department of the Treasury Circulars Nos. 92 and 176 (31 CFR parts 203 and 202), and may apply the book-entry procedure, with the approval of the Secretary of the Treasury, to any other GSE securities deposited with a Reserve bank, as fiscal agent of the United States.

(c) Any person having an interest in GSE securities that are deposited with a Reserve bank (in either its individual capacity or as fiscal agent of the United States) for any purpose shall be deemed to have consented to their conversion to book-entry GSE securities pursuant to the provisions of this subpart and in the manner and under the procedures prescribed by the Reserve bank.

(d) No deposits shall be accepted under this section on or after the date of maturity or call of the securities.

§ 81.94 Transfer or pledge.

(a) (1) A transfer or a pledge of book-entry GSE securities to a Reserve bank (in its individual capacity or as fiscal agent of the United States), or to the United States, or to any transferee or pledgee eligible to maintain an appropriate book-entry account in its name with a Reserve bank under this subpart, is effected and perfected, notwithstanding any provision of law to the contrary, by a Reserve bank making an appropriate entry in its records of the securities transferred or pledged. The making of such an entry in the records of a Reserve bank shall:

(i) Have the effect of a delivery in bearer form of definitive GSE securities;

(ii) Have the effect of a taking of delivery by the transferee or pledgee;

(iii) Constitute the transferee or pledgee a holder; and

(iv) If a pledge, effect a perfected security interest therein in favor of the pledgee.

(2) A transfer or pledge of book-entry GSE securities effected under paragraph (a) of this section shall have priority over any transfer, pledge, or other interest, theretofore or thereafter effected or perfected under paragraph (b) of this section or in any other manner.

(b) A transfer or a pledge of transferable GSE securities, or any interest therein, that is maintained by a Reserve bank (in its individual capacity or as fiscal agent of the United States) in a book-entry account under this subpart, including securities in book-entry form under § 81.93(a)(3), is effected, and a pledge is perfected, by any means that would be effective under applicable law to effect a transfer or to effect and perfect a pledge of the GSE securities, or any interest therein, if the securities were maintained by the Reserve bank in bearer definitive form. For purposes of transfer or pledge hereunder, book-entry GSE securities maintained by a Reserve bank shall, notwithstanding any provision of law to the contrary, be deemed to be maintained in bearer definitive form. A Reserve bank maintaining book-entry GSE securities either in its individual capacity or as fiscal agent of the United States is not a bailee for purposes of notification of pledges of those securities under this section, or a third person in possession for purposes of acknowledgment of transfers thereof under this paragraph. Where transferable GSE securities are recorded on the books of a depositary (a bank,

banking institution, financial firm, or similar party that regularly accepts in the course of its business GSE securities as a custodial service for customers and maintains accounts in the names of such customers reflecting ownership of or interest in such securities) for account of the pledgor or transferor thereof, and such securities are on deposit with a Reserve bank in a book-entry account hereunder, such depositary shall, for purposes of perfecting a pledge of such securities or effecting delivery of such securities to a purchaser under applicable provisions of law, be the bailee to which notification of the pledge of the securities may be given, or the third person in possession from which acknowledgment of the holding of the securities for the purchaser may be obtained. A Reserve bank will not accept notice or advice of a transfer or pledge effected or perfected under this paragraph, and any such notice or advice shall have no effect. A Reserve bank may continue to deal with its depositor in accordance with the provisions of this subpart, notwithstanding any transfer or pledge effected or perfected under this section.

(c) No filing or recording with a public recording office or officer shall be necessary or effective with respect to any transfer or pledge of book-entry GSE securities or any interest therein.

(d) A Reserve bank shall, upon receipt of appropriate instructions, convert book-entry GSE securities into definitive GSE securities and deliver them in accordance with such instructions; no such conversion shall affect existing interests in such GSE securities.

(e) A transfer of book-entry GSE securities within a Reserve bank shall be made in accordance with procedures established by the bank not inconsistent with this subpart. The transfer of book-entry GSE securities by a Reserve bank may be made through a telegraphic transfer procedure.

(f) All requests for transfer or withdrawal must be made prior to the maturity or date of call of the securities.

§ 81.95 Withdrawal of GSE securities.

(a) A depositor of book-entry GSE securities may withdraw them from a Reserve bank by requesting delivery of like definitive GSE securities to itself, or on its order, to a transferee.

(b) GSE securities that are actually to be delivered upon withdrawal may be issued either in registered or in bearer form.

§ 81.96 Delivery of GSE securities.

A Reserve bank that has received GSE securities and effected pledges, made entries regarding them, or transferred or delivered them according to the instructions of its depositor is not liable for conversion or for participation in breach of fiduciary duty, even though the depositor had no right to dispose of or take other action in respect of the securities. A Reserve bank shall be fully discharged of its obligations under this subpart by the delivery of GSE securities in definitive form to its depositor or upon the order of such depositor. Customers of a member bank or other depositary (other than a Reserve bank) may obtain GSE securities in definitive form only by causing the depositor of the Reserve bank to order the withdrawal thereof from the Reserve bank.

§ 81.97 Registered bonds and notes.

No formal assignment shall be required for the conversion to book-entry GSE securities of registered GSE securities held by a Reserve bank (in either its individual capacity or as fiscal agent of the United States) on the effective date of this subpart for any purpose specified in § 81.93(a). Registered GSE securities deposited thereafter with a Reserve bank for any purpose specified in section 81.93 shall be assigned for conversion to book-entry GSE securities. The assignment, which shall be executed in accordance with the provisions of subpart F of 31 CFR part 306, as amended or revised, so far as applicable, shall be to ''Federal Reserve Bank of _____, as fiscal agent of [name of the GSE], for conversion to book-entry [name of the GSE] securities.''

§ 81.98 Servicing book-entry GSE securities; payment of interest, payment at maturity or upon call.

Interest becoming due on book-entry GSE securities shall be charged on the interest-due date and remitted or credited in accordance with the depositor's instructions. Such securities shall be redeemed and charged in the account on the date of maturity or call, and the redemption proceeds, principal and interest shall be disposed of in accordance with the depositor's instructions. For Fannie Mae, interest becoming due on book-entry Fannie Mae securities shall be charged to Fannie Mae's account at the New York Federal Reserve Bank.

§ 81.99 Treasury Department regulations; applicability to GSEs.

The provisions of Treasury Department Circular No. 300, 31 CFR part 306 (other than subpart O), as amended or recodified from time to time, shall apply, insofar as appropriate, to GSE obligations for which a Reserve bank shall act as Fiscal Agent of the GSE, and to the extent that such provisions are consistent with agreements between the GSE and the Reserve banks acting as Fiscal Agents of the GSE. Definitions and terms used in Treasury Department Circular No. 300 should read as though modified to effectuate the application of the regulations to the GSEs.

Subpart I—Other Provisions

§ 81.101 Equal employment opportunity.

Fannie Mae and Freddie Mac shall comply with sections 1 and 2 of Executive Order 11478 (3 CFR 803 (1966–70 Compilation), as amended by Executive Order 12106, 3 CFR 263 (1978)), providing for the adoption and implementation of equal employment opportunity, as required by section 1216 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833e).

§ 81.102 Regulatory examinations.

Each GSE may be examined at any time by the Secretary or any contractors, agents, officers, or employees of the Department (hereinafter ''the examiners'') to monitor compliance with the Secretary's regulatory authorities under these regulations, the Act, or the applicable Charter Act. The examiners shall have access, upon request to a GSE, to any relevant books, accounts, financial records, reports, files, or other papers, things, or property belonging to or in use or used by the GSE.

Appendix A—Secretarial Considerations to Establish the Low- and Moderate-Income Housing Goal

A. Establishment of Goal

In establishing the annual low- and moderate-income housing goal, the Federal Housing Enterprises Financial Safety and Soundness Act of 1992 requires the Secretary to consider:

1. National housing needs;

2. Economic, housing, and demographic conditions;

3. The performance and effort of the enterprises toward achieving the low- and moderate-income housing goal in previous years;

4. The size of the conventional conforming mortgage market serving low- and moderate-income families relative to the size of the overall conventional conforming mortgage market; [1]

[1] ''Conventional'' mortgages are those which do not carry any government guarantee or insurance. That is, conventional mortgages exclude FHA, FmHA, and VA loans. ''Conforming'' loans are those whose principal amount does not exceed the maximum allowed for purchase by Fannie Mae or Freddie Mac. Currently, this limit is $203,150 for 1-unit properties, except that it is 50 percent higher

Continued

5. The ability of the enterprises to lead the industry in making mortgage credit available for low- and moderate-income families; and

6. The need to maintain the sound financial condition of the enterprises.

B. Underlying Data

In considering the factors under the Act to establish these goals, the Secretary relied upon data gathered from the American Housing Survey, the 1990 Census of Population and Housing, the 1991 Residential Finance Survey, other government reports, the Home Mortgage Disclosure Act (HMDA) reports, and the GSEs. The Secretary used data provided by the GSEs to determine their prior performance in meeting the needs of low- and moderate-income families and their financial condition. These data included loan-level information on all mortgages purchased by the GSEs in 1993.

Section C discusses each of the factors listed above. Section D summarizes the Secretary's rationale for selecting the low- and moderate-income goals for 1995 and 1996.

C. Consideration of the Factors

Overview of Sections C.1 and C.2. These sections cover a range of topics on housing needs and economic and demographic trends that are important for understanding mortgage markets. Certain information, such as trends in income inequality, is provided because it helps explain problems that the low- and moderate-income housing goal is intended to address. Other information, such as trends in refinancing activity, is provided because it describes the market environment in which the GSEs must operate and is therefore useful for gauging the reasonableness of specific levels of the low- and moderate-income goal. Finally, information is provided that documents the severe housing problems faced by lower income families.

This information has led the Secretary to the following conclusions:

- Purchasing a home became increasingly difficult for lower income and younger families during the 1980s. Low-income families with children, who could most benefit from the advantages of ownership, bore the brunt of the decline in ownership rates. The share of the nation's children living in owner-occupied homes fell from 71 percent to 63 percent between 1980 and 1991.
- Very low-income renters often must pay an unduly high share of their income for rent.
- Several demographic changes will affect the demand for housing over the next few years. The continued increase in immigrants will increase the demand for both rental and owner-occupied housing. Non-traditional households have become more important as overall household formation rates have slowed. With later marriage, divorce, and other non-traditional living arrangements, the fastest growing household groups are single-parent and single-person households.
- The volume of mortgage originations is expected to fall from its 1993 record level of one trillion dollars to about $600 billion in 1995. Purchase mortgages, including those for first-time homebuyers, will replace refinance mortgages as the dominant mortgage type.
- The predominance of purchase mortgages, as opposed to refinance mortgages, will make it easier for the GSEs to meet a given low- and moderate-income goal. Historically, mortgages for low- and moderate-income borrowers have represented a larger proportion of purchase mortgages than of refinance mortgages.
- The recent rise in interest rates from 25 year lows could make it more difficult for marginal borrowers to afford homeownership. However, interest rates continue to remain lower and housing more affordable than was true for any previous extended period since 1977. Borrowers will also be helped by the rising incomes that accompany economic growth.

1. National Housing Needs

a. Housing Problems Among Low- and Moderate-Income Owners and Renters

Under the income definitions in the Act, almost three-fifths of U.S. households qualified as ''low-'' or ''moderate-''income families in 1991. Almost half of all homeowners (49 percent) had incomes below their (unadjusted) area median family income, while 71 percent of renters had income below their area's HUD-adjusted median family income.[2]

Housing needs in 1991 varied sharply with income. One-eighth of owners with moderate incomes (income 80 to 100 percent of area median) and one-fourth of moderate-income renters had a housing problem, compared to 17 percent of low-income owners and 44 percent of low-income renters (with income 60 to 80 percent of area median). Moreover, two-thirds of the 14 million households with incomes below 30 percent of median paid more than 30 percent of income for housing or lived in inadequate or crowded housing.[3]

b. Affordability Problems and Worst Case Housing Needs

Finding affordable housing is by far the most common housing problem for American families nationwide.[4] Between 1979 and 1991, shares of households paying more than 30 percent of their income for housing fluctuated around 42 percent among renters and rose from 17 percent to 20 percent among owners.[5] Over this period, the number of low-income renter households spending 50 percent or more of their income on housing rose from 4.3 million in 1978 to 6.0 million in 1991.[6] Poor homeowners also pay high proportions of their income for housing costs. Between 1978 and 1989, the share of poor homeowners spending over 60 percent of income on housing rose from 30.6 percent to 33.1 percent.[7]

Although affordability problems affect two-fifths of low-income renters and one-eighth of low-income owners, they are most frequent and severe among the very lowest income owners and renters. In 1991, when the average gross rent/income ratio for renters with incomes above area median income was 23 percent, this ratio was 72 percent for renters with incomes below 30 percent of area median income and 41 percent for renters with incomes between 30 and 49 percent of median.[8]

Priority problems—defined as paying more than half of income for rent and utilities, being displaced, or living in severely inadequate housing—were heavily concentrated among renters with incomes below 50 percent of area median. Half of renters with incomes below 30 percent of median, and one-fourth of those with incomes 31–50 percent of median, had these severe ''worst case'' housing needs.[9]

According to HUD's third Congressionally-mandated study of worst case needs, severe affordability problems were not only the overwhelming cause of worst case needs but often a family's only housing problem.[10]

in Alaska, Hawaii, Guam, and the Virgin Islands. The conforming loan limit is adjusted annually based on the October-to-October percentage increase in house prices, as determined by the Federal Housing Finance Board's Monthly Interest Rate Survey. In practice, the conforming loan limit has only been increased since 1990; in the case of declines in house prices, the limit has been held constant.

[2] HUD is required by statute to adjust median family income in developing its official income cutoffs for each Metropolitan Statistical Area (MSA) and non-metropolitan county. Income limits based on HUD-Adjusted Area Median Family Incomes (HAMFI) are adjusted (1) With upper and lower caps for areas with low or high ratios of housing costs to income; (2) by setting state nonmetropolitan average income as a floor for nonmetropolitan counties; and (3) by household size. The adjusted annual estimates of area median family income provide the base for the ''50 percent'' and ''80 percent'' of HAMFI cutoffs that are assigned to a household of four. Household size adjustments then range from 70 percent of the base for a 1-person household to 132 percent of the base for an 8-person household.

[3] Tabulations of U.S. Departments of Housing and Urban Development and Commerce, *American Housing Survey for the United States in 1991* (April 1993) performed by HUD Office of Policy Development and Research.

[4] Since the early 1980s, ''affordable housing'' has generally been interpreted as housing in which the homeowner or renter pays no more than 30 percent of family income for housing costs, including utilities.

[5] U.S. Departments of Housing and Urban Development and Commerce, *American Housing Survey for the United States in 1991*, April 1993.

[6] 1974–1979 figures from Nelson and Khadduri, ''To Whom Should Limited Housing Resources Be Directed,'' 3 *Housing Policy Debate 1*, 16, 1992. 1991 figure from *Worst Case Needs for Housing Assistance in the United States in 1990 and 1991*. HUD–1481–PDR, June 1994.

[7] Center on Budget and Policy Priorities and Low Income Housing Service, *A Place to Call Home*, April 1989; and U.S. Departments of Housing and Urban Development and Commerce, *American Housing Survey for the United States in 1989*, July 1991.

[8] Tabulations of U.S. Departments of Housing and Urban Development and Commerce, *American Housing Survey for the United States in 1991*, April 1993, performed by HUD Office of Policy Development and Research.

[9] Congress defines ''worst case needs'' for housing assistance as unassisted renters with incomes below 50 percent of area median income who have priority problems.

[10] *Worst Case Needs for Housing Assistance in the United States in 1990 and 1991*. HUD–1481–PDR, June 1994.

Fully 94 percent of the 5.3 million households with worst case needs reported severe rent burden as a problem, and for almost three-fourths, severe rent burden was their only problem.

The number of households with worst case needs increased by nearly 400,000 between 1989 and 1991, rising most rapidly among families with children. Large families were more likely than smaller ones to have priority problems and the need to move to another housing unit because of crowding or excessive rent burden. Between 1989 and 1991, worst case needs among very low-income families with three or more children increased from 34.7 percent to 40.2 percent. Elderly households were the least likely to have worst case needs.

c. Increasing Numbers of Homeless Individuals and Families

The homeless clearly have the most acute housing needs. Precise counts of homeless individuals are difficult to determine, but a study by the Urban Institute estimated that there were between 496,000 and 600,000 homeless persons in the United States during a seven-day period in March 1987, and more than one million persons were homeless at some time during that year.[11] The Congressional Budget Office estimated a one-day homeless population of approximately 700,000 for 1991.[12] The Census Bureau supplemented its regular 1990 census operations with a special one-night ''Street and Shelter Night'' count of the homeless, and found more than 228,000 homeless individuals at emergency homeless shelters and at pre-identified street locations on the night of March 20, 1990.[13] Recent studies of turnover in shelters suggest, moreover, that the number ''who experience at least one episode of homelessness * * * (over a one to five-year period) may exceed the best estimates of single-shot street and shelter counts by a factor of ten or more.'' [14]

d. Unmet Demands for Homeownership

Homeownership is a key aspiration of most Americans and a basic concern of government. Homeownership fosters family responsibility and self-sufficiency, expands housing choice and economic opportunity, and promotes community stability. Ownership also improves access to the larger homes and better neighborhoods particularly needed by those families with children. Children of homeowners are more likely to graduate from high school, less likely to commit crime, and less likely to have children as teenagers than children of renters.[15] Recent surveys indicate that lower-income and minority families who do not own their homes will make considerable sacrifices to attain this goal.

During the 1980s, the goal of homeownership became more elusive for low- and moderate-income families. Ownership rates rose dramatically in the late 1940s and 1950s, increasing from 43.6 percent to 61.9 percent between 1940 and 1960. During the 1960s, homeownership rates rose more slowly, reaching 62.9 percent by 1970, and—after several years of high house price appreciation—an all-time high of 65.6 percent in 1980. In the early 1980s, historically high interest rates, low price appreciation, and a series of deep regional recessions caused the homeownership rate to decline to 63.9 percent by 1985. The rate increased only slightly between 1985 and 1993.

Declines in ownership rates during the 1980s were most pronounced for younger, lower-income households, particularly families with children. Although homeownership rates held steady or increased among families where the head of the household was born before or shortly after World War II, homeownership rates declined among younger households with lower incomes:

Between 1980 and 1992, homeownership among younger households dropped roughly 10 percentage points from 1980 levels, from 43.3 percent to 33.1 percent for households with the head aged 25 to 29, and from 61.1 percent 50.0 percent for households with the head aged 30 to 34. These declines were concentrated among single-parent households and married couples with children.[16]

Homeownership rates fell by 4 percentage points each for moderate-income households and low-income households during the 1980s, and by 3 percentage points for households below 50 percent of area median, adjusted for family size. At each income level, declines were greatest for families with children. Among very low-income families with children, homeownership rates dropped by nearly a fourth.[17]

The stability in ownership after 1985 resulted from increases among elderly households and single individuals, offset by further declines among families with children. Declines among families with children were greatest at incomes 80–100 percent and 30–50 percent of unadjusted area median income.

In sum, the families with children who could most benefit from ownership were most adversely affected by declines in ownership. Between 1980 and 1991, the dip in total ownership rate from 65.6 to 64.2 percent translated into a fall of seven percentage points among families with children, from an ownership rate of 70.4 percent down to 63.4 percent.

e. Obstacles to Increased Homeownership

Insufficient income, high debt burdens, and limited savings pose obstacles for younger families in purchasing a home. As home prices skyrocketed during the late 1970s and early 1980s, real incomes stagnated, with earnings growth particularly slow for blue collar jobs and less educated workers. The combination of relatively high interest rates and slow income growth through most of the 1980s made homeowner mortgage payments claim larger fractions of family income, and increasing rents made saving for home purchase more difficult. Thus, fewer households had the financial resources to meet down payment requirements, closing costs, and monthly mortgage payments. A 1991 survey by the National Association of Home Builders found that one-fifth of first-time homeowners had to rely on their relatives for most of their down payment.[18] A survey by the National Association of Realtors found that approximately one-third of recent first-time homeowners relied on gifts and loans from parents.[19]

In addition to low income, high debts are a primary reason households cannot afford homes. Nearly 53 percent of renter families have both insufficient income and excessive debt problems that may cause difficulty in financing a home purchase. High debt-to-income ratios frequently make potential borrowers ineligible for mortgages based on the underwriting criteria established in the conventional mortgage market.

In a recent study, the Census Bureau estimated that in 1991 nearly 90 percent of renters could not afford a modest home (priced at the bottom twenty-fifth percentile) in their Census division.[20] Seventy-eight percent could not afford a home priced at the tenth percentile. Such affordability problems are especially pronounced among single-parent households. While almost 76 percent of married-couple renter families could not afford a modestly priced home in their area using fixed-rate FHA financing, the figure rises to 90.3 percent for single male householders and 96 percent for households headed by single women.

2. Economic, Housing, and Demographic Conditions

A number of economic, housing, and demographic considerations have influenced the Secretary's determination of housing goals for low- and moderate-income families. Increasing income inequality and changes in household composition suggest that needs for housing affordable to very low-income families will continue to be most acute, placing additional pressure on the widespread shortages of rental housing

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[11] Interagency Council on the Homeless, *Executive Summary: The 1990 Annual Report of the Interagency Council on the Homeless,* 1991.

[12] *Ibid.* at 21. This figure was based on a memorandum written by the Congressional Budget Office which used the 1987 Urban Institute study as its starting point and was updated using a 5 percent annual growth rate.

[13] Interagency Council on the Homeless, Fact Sheet, ''How Many Homeless People Are There?,'' April 1991, No. 1–1.

[14] Interagency Council on the Homeless, *Priority: Home! The Federal Plan to Break the Cycle of Homelessness,* 1994, p. 19.

[15] These tendencies are especially strong for lower income households. Children of low-income homeowners are 15 percent more likely to stay in school than children of non-homeowners. Michelle White and Richard Green, ''Measuring the Benefits of Homeowning: Effects on Children,'' University of Chicago, unpublished paper, February 1994.

[16] Joint Center for Housing Studies of Harvard University, *The State of the Nation's Housing,* 1993, Table A–4.

[17] Kathryn Nelson and Jill Khadduri, ''To Whom Should Limited Housing Resources Be Directed?'' *Housing Policy Debate* Vol. 3, 1992, pp. 1–55, Table 3.

[18] National Association of Home Builders, *Profile of the New Home Buyer Survey,* 1991.

[19] National Association of Realtors, *Survey of Homeowners and Renters,* 1991.

[20] Howard Savage and Peter Fronczek, *Who Can Afford to Buy A House in 1991?* U.S. Bureau of the Census, Current Housing Reports H121/93–3, July 1993.

affordable to incomes below 30 percent of median income. Reacting to high vacancy rates in market-rate housing, multifamily starts have been low in the last few years, though starts have picked up in 1994. Although volatile interest rates strongly influence both starts and mortgage market activity, rates that are relatively low by historical standards have improved affordability for first-time buyers.

a. Underlying Demographic Conditions

(1) *Household Formations.* The demand for housing and mortgages depends heavily on household formations. During the 1970s, as the leading edge of the baby boom generation (born between 1946 and 1964) entered adulthood, household formation surged to an annual average of 1.7 million. Aided by rising incomes and low real interest rates, household heads aged 25–34 purchased homes in record numbers. During the 1980s, annual household growth fell slightly to an average of 1.5 million. Many in the ''housing upgrade'' group (aged 35–44) had benefitted from substantial increases in the prices of their first homes, and were able to afford bigger and higher quality homes during the 1980s. Household formation is expected to drop sharply during the 1990s. The Census Bureau projects that the older baby boomers (aged 45 to 54) will be the fastest growing population group during this decade.

The effects of these demographic trends on housing demand have been debated in the economics literature for several years. In 1989, Gregory Mankiw and David Weil predicted that the aging of the baby boomers and the small size of the following ''baby bust'' generation would substantially reduce housing demand and cause housing prices to collapse during the 1990s.[21] Other researchers disagree. Reductions in housing demand due to aging of the baby boom generation could be offset by many factors, including rising incomes, pent-up demand for homeownership by those priced out of the housing market during the 1980s, and high levels of immigration.[22]

(2) *Immigration.* The continued increase in immigration during the 1990s will help offset declines in the demand for housing caused by the aging of the baby boom generation. During the 1980s, there were 6 million legal immigrants into the United States, up from 4.2 million during the 1970s and 3.2 million during the 1960s. The Hispanic population residing in the U.S. increased by 50 percent during the 1980s, while the Asian population doubled. About one-quarter of the Hispanics living in the U.S. in 1990 had immigrated during the 1980s. Immigration is projected to add even more new Americans in the 1990s than it did during the 1980s. Asians and Pacific Islanders are expected to be the fastest growing group, with annual growth rates that may exceed 4 percent in the 1990s. Total population is now projected to rise by 25 million in each of the decades from 1991 to 2020. The tendency of immigrants, particularly Hispanics, to locate in certain ''gateway'' cities (e.g., Los Angeles and Miami) will placed increased demands on the housing stock in some major urban areas.

(3) *Non-traditional Households.* While overall growth in new households has slowed, non-traditional households have become more important. With later marriages, divorce, and other non-traditional living arrangements, household growth has been fastest among single-parent and single-person households. The number of single parents with one or more children under 18 was 10.5 million in 1992; the vast majority of those single parents were women.[23] About 62 percent of Black families with children were single-parent families in 1992, compared with 34 percent for Hispanics and 24 percent for Whites. Since only 35 percent of single-parent households are homeowners compared to 74 percent of married couples, their increase should spur demand for rental housing and for affordable ownership opportunities. In addition, HUD's analysis of the nation's worst case housing needs shows that female-headed households suffer some of the most severe housing problems.

(4) *Single Person Households* are playing an increasingly important role in the housing market. Singles accounted for one-fourth of all households in 1990. While one-half owned their own home, most of these were elderly people with little or no mortgage debt and probably no intention of entering the housing market. Never-married singles, on the other hand, have been a significant factor in the homebuying market in large urban areas, according to the annual Home Buyers Survey of the Chicago Title and Trust Company. They accounted for a third of first-time homebuyers in 1992 and 1993, up from slightly over one-quarter of first-time buyers in 1990 and 1991, and as discussed above, ownership rates among non-elderly single individuals rose steadily during the 1980s.[24] Low interest rates during the past two years apparently enticed even more single renters to become homeowners.

b. Economic Conditions

(1) *Income Inequality.* Growing inequality in the distribution of income makes it more difficult for those at the bottom of the income distribution to purchase adequate shelter. The share of the nation's income received by the richest 5 percent of American families rose from 18.6 percent in 1977 to 24.5 percent in 1990, while the share received by the poorest 20 percent fell from 5.7 percent to 4.3 percent. This widening income inequality was due mainly to wage rates becoming more unequal—as the economy moved away from manufacturing to more advanced computer and knowledge-intensive industries, the wages of unskilled, entry-level, and blue collar workers have fallen relative to the wages of professional and technical workers. The result has been an increase in the working poor and a squeezing of the middle class.

(2) *Interest Rates.* Volatile interest rates continue to be a major determinant of housing and mortgage market activity. As the 1980s began, mortgage interest rates were above 12 percent and rose quickly to over 15 percent. After 1982, they drifted slowly downward to the 9 percent range in 1987 before rising to over 10 percent in the 1989–1990 period. Rates returned to 9.32 percent in 1991 and then fell further to averages of 8.24 percent in 1992 and 7.20 percent in 1993. The October 1993 rate of 6.80 percent was the lowest level in more than twenty years.[25]

During 1992 and 1993, homeowners responded to the record low rates by refinancing existing mortgages. While refinancing accounted for less than 25 percent of mortgage originations in 1989–90 when interest rates exceeded 10 percent, the sharp decline in interest rates led refinancings to account for over 50 percent of all mortgage originations in 1992 and 1993.[26] Because of the heavy refinancing activity, single-family mortgage originations surged from less than $500 billion in 1990 to record levels of $894 billion in 1992 and over $1 trillion in 1993.

Single-family housing starts have also responded to interest rates, with record low volumes in 1981 and 1982, peaks in 1986 and 1987, and less severe lows in 1990 and 1991. Low interest rates and economic recovery in 1992 and 1993 made homeownership more affordable and helped turned the housing market around. Single-family starts increased from less than 900,000 during the recessionary years of 1990 and 1991 to 1.030 million in 1992 and 1.126 million in 1993. Volume in 1993 was almost 35 percent higher than 1991's recessionary low of 840,000.

(3) *First-time Home Buyers.* First-time home buyers have been the driving force in the recovery of the nation's housing market in the past two years. First-time homebuyers are typically people in the 25–34 year-old age group that purchase modestly priced houses. As the post-World War II baby boom generation ages, the percentage of Americans in this age group has shrunk, from 28.3 percent of those over age 25 in 1980 to 25.4 percent in 1992.[27] Nonetheless, as reported in a series of annual Home Buyers Surveys conducted by the Chicago Title and Trust Company, first-time homebuyers have bucked these demographic trends to increase their share of home sales. During the 1980s, first-time buyers accounted for about 40 percent of home sales; this figure rose to 45 percent in 1991, 48 percent in 1992, and 46

[21] W. Gregory Mankiw and David N. Weil, ''The Baby Boom, the Baby Bust, and the Housing Market,'' *Regional Science and Urban Economics,* May 1989.

[22] See, for example, Joint Center for Housing Studies of Harvard University, *The State of the Nation's Housing 1994,* 1994.

[23] U.S. Department of Commerce, Bureau of the Census, *How We're Changing: Demographic State of the Nation: 1993.* Special Studies Series, P–23, No. 184, February 1993.

[24] Chicago Title and Trust Family of Insurers, *Who's Buying Homes in America,* January 1992 and January 1993.

[25] Council of Economic Advisers, *Economic Indicators,* September 1994 and *Economic Report of the President,* February 1994.

[26] Monthly average refinancing data obtained from Freddie Mac's *Primary Mortgage Market Survey.*

[27] U.S. Department of Commerce, Bureau of the Census, *Money Income of Households, Families, and Persons in the United States: 1992,* Special Studies Series P–60, No. 184, Table B–25, October 1993.

percent in 1993.[28] The 1992 figure was the highest percentage for first-time buyers since the annual Home Buyers Survey was initiated in 1976.

Among the active first-time buyers was a record contingent of single-individual households. As noted above, the 1992 and 1993 Home Buyers Surveys found that approximately 30 percent of first-time buyers in these years were single, compared to 21 percent in 1991. The more affluent, move-up home buyers, on the other hand, have recently played a smaller role. A sluggish economy, uncertain outlooks for many white-collar jobs, and slow house price appreciation apparently have kept many trade-up buyers out of the housing market.

Reflecting these trends, the average income for recent home buyers has fallen. In 1991, one of every three buyers had a family income of $50,000 or less; in 1993, those earning less than $50,000 accounted for 44 percent of all home buyers. Apparently, two years of low interest rates induced many renters who had previously been priced out of the market to try homeownership. A strong pent-up demand to own a home should not be surprising given the large reductions in homeownership rates experienced by several groups during the 1980s (see Section C.1.d above). A recent survey of renters by the National Association of Realtors (NAR) indicated that only one-third prefer to remain renters for the foreseeable future.[29] Thus there are many potential home buyers among the 34 million households that are currently renting.

c. Housing Conditions

(1) *Affordability of Home Purchase.* Potential home buyers in 1992 and 1993 enjoyed the most affordable market in almost twenty years. The National Association of Realtors (NAR) tracks housing affordability by measuring the degree to which an average family can afford monthly mortgage payments on a typical house, assuming that the family has enough cash for a 20 percent down payment. Specifically, NAR's composite affordability index measures the ratio of median family income to the income required to qualify for a conventional loan on a median-priced house. After averaging slightly over 110 between 1986 and 1991, the index jumped to 125 in 1992 and 137 in 1993.[30] The 1993 figure indicates that the U.S median family income was 37 percent more than was needed to qualify for a mortgage on the nation's median priced house. The South and North Central census regions were the most affordable for homebuyers, with affordability indexes of 141 and 176, respectively, in 1993. Affordability remained much more of a problem in the Northeast and West, where NAR's indexes were around 110 to 117.

In addition to its overall affordability index, NAR also estimates the ability of first-time home buyers to purchase a modestly-priced home. When this index equals 100, the typical first-time buyer can afford the typical starter home under existing financial conditions with a 10 percent down payment. NAR's first-time home buyer index increased from 75 to 89 between 1991 and 1993. The fact that this index remained below 100 indicates that the monthly mortgage payment continued to place a significant burden on first-time home buyers even during a period of record low interest rates. The recent jump in interest rates reduced housing affordability slightly. According to Freddie Mac' primary market survey, interest rates for conventional, 30-year, fixed rate mortgages increased from a 25 year low of 7.05 percent in the fourth quarter of 1993 to 8.46 percent in the third quarter of 1994.[31] This increase can be expected to make it more difficult for potential first-time home buyers to qualify for conventional mortgages, as reflected in the third dip in NAR's composite affordability index from 142 in the fourth quarter of 1993 to 128 in the third quarter of 1994. The first-time home buyer's index dropped from 92.3 to 83.0 during this period. Both indexes would have fallen further if incomes had not risen to partially offset the effects of increased interest rates. However, interest rates continue to remain lower and housing more affordable than was true for any previous extended period since 1977. Moreover, as the economic recovery continues, rising incomes should continue to offset the effects of higher interest rates.

(2) *Declines in the Number of Low Rent Units in the Housing Stock.* The rental housing stock considered affordable to poor families (the number of units with rents less than $300 per month, in constant 1989 dollars) fell from 9.9 million units in 1974 to 9.5 million units in 1985, and to 9.2 million units in 1991.[32] Such declines in the number of low-rent units, combined with sharp increases in the number of poor families, underlie Congressional concerns about the need to expand the supply of affordable rental housing.[33]

Such shortages of rental units relative to renters occur mainly among units affordable to renters with incomes below 30 percent of area median. Analysis of Census data shows that nationally there were only four units for every five renters with incomes below 30 percent of area median in 1990, while for renters with incomes below 50 percent of median nationally there was a *surplus*—1.24 units for every renter.[34] Similarly, at the state level, 30 states had shortages of units affordable below 30 percent of median, while only 3 had shortages of units affordable below 50 percent of median.[35] Such shortages were strongly correlated with the incidence of worst case needs by state. The combined effects of a declining low-rent housing stock and the demand for rental units by young families that are locked out of the homeownership market have kept rents high for poor renter families.

(3) *Multifamily Production and Finance.* This section discusses three important trends in the multifamily industry, including recent shifts in construction levels, projections for the mortgage market, and shifts in financing trends. Peaks and troughs have characterized multifamily construction since 1959. The most recent peak year was 1985, in which 576,000 multifamily units were started.[36] The downturn from this peak was particularly severe, and resulted from lower net household growth and the loss of favorable tax treatment due to the Tax Reform Act of 1986. For the last 3 years, multifamily housing production has been at the lowest levels recorded since the Government began collecting these data 35 years ago. In 1993 only 131,200 multifamily units were started, far below the annual average of 435,000 units from 1964 through 1992.

While multifamily production will probably continue at below-average rates for the next few years, signs indicate that this sector of the housing industry has begun a modest recovery in 1994. Much of what is being produced now is because of Low-Income Housing Tax Credits—about 50,000 units in both 1992 and 1993. In addition, an increasing share is being produced by non-traditional developers, particularly community-based, nonprofit developers. Although current production levels do not meet the demand for low-cost rental housing, housing affordable to moderate income families is capturing a large share of the multifamily units that are being produced.

Multifamily mortgage originations have paralleled the patterns of multifamily construction starts. Conventional mortgage originations peaked at $41 billion in 1986 (a year after the peak in construction starts), and then declined every year to a trough of about $25 billion in 1991 and 1992, while the 1993 level rose to almost $29 billion. The 1994 level is projected to be about $33 billion, with an increase to the $35–$40 billion range for 1995 and 1996.

The decline in total multifamily lending in the late 1980s accompanied a change in the structure of the market.[37] In 1985, thrift institutions originated a peak of 42 percent of multifamily mortgages. However, their holdings have decreased by $41 billion since 1988, due to defaults and write-offs, failure of institutions and refinancing of thrift-held

[28] Chicago Title and Trust Family of Insurers, *Who's Buying Homes in America*, January 1992, January 1993, and January 1994.

[29] National Association of Realtors, *Survey of Homeowners and Renters*, 1991.

[30] See *News Release*, ''Housing Affordability Sustained Despite Rise in Interest Rates'', National Association of Realtors, August 9, 1994.

[31] The most recent surveys for the last weeks of November showed that interest rates had settled in the neighborhood of 9.25 percent.

[32] 1974 and 1985 figures from Joint Center for Housing Studies of Harvard University, *The State of the Nation's Housing*, 1992, p. 35. The 1991 figure is calculated from Exhibit 21 of the 1994 Joint Center report on *The State of the Nation's Housing.*

[33] U.S. Senate, 1992. Report accompanying S.3031, the *National Affordable Housing Act Amendments of 1992.* 102d Congress, 2d Session, Report 102–232, p. 8.

[34] Amy Bogdon *et al., National Analysis of Housing Affordability, Adequacy, and Availability*, HUD–1448–PDR, 1994, pp 52–53.

[35] U.S. Department of Housing and Urban Development, *Worst Case Needs for Housing Assistance in the United States in 1990 and 1991*, HUD–1481–PDR, 1994, Table 8.

[36] The record high was 906,200 multifamily units started in 1972.

[37] The following discussion is drawn from The Hamilton Securities Group Inc, The National Multi Housing Council, and The National Apartment Association, ''A Report on the Multifamily Mortgage Industry,'' 1994.

mortgages. Multifamily mortgages remained close to 8.5 percent of total thrift assets from 1985 to 1992, but the high failure rate of these institutions has reduced their total assets. The decline of thrift multifamily lending is part of a larger pattern of more concentration in the multifamily finance market. An additional pattern is the decline of long-term and fixed rate financing. Over 60 percent of outstanding multifamily debt either carries a variable interest rate, or will have a balloon payment due in less than 10 years.

The lack of a strong secondary market for multifamily loans has made it more difficult to obtain debt financing for multifamily housing. In 1993, Fannie Mae purchased $4.6 billion in multifamily mortgages, while Freddie Mac purchased $191 million. This compares to almost $29 billion in total multifamily mortgage originations in that year. Thus, the GSEs' purchases amounted to about 17 percent of originations. Given that some of the GSEs' purchases were seasoned loans, their share of the current market is even smaller. Freddie Mac had been out of the multifamily business completely for nearly five years, and only began in December 1993 to fully re-enter the market. In 1993, Fannie Mae and Freddie Mac held or had securitized about 10 percent of outstanding multifamily mortgage debt. State and local housing finance agencies and insurance companies each held another 10 percent of the outstanding debt. Depository institutions held 36 percent, but as mentioned earlier, thrifts have decreased holdings considerably in recent years. GNMA held 12 percent, pension funds held 2 percent, and the remainder was spread in small shares over a number of sources. The decline in direct federal subsidies and the collapse of the thrift industry decreased the lending sources for affordable multifamily housing. The country needs an established secondary market for multifamily mortgages which has the depth and resiliency of the single-family system to bring new sources of primary financing into the market.

3. Performance and Effort of the GSEs Toward Achieving the Goal in Previous Years

Each GSE submitted data on its 1993 performance to the Secretary, in formats specified by the Department, and based on the procedures specified by the Department in the Notice of Interim Housing Goals published in the **Federal Register** on October 13, 1993. This is the first time that such detailed information has been made available on the GSEs' activities, which in 1993 involved the purchase of 2.97 million mortgages on 3.24 million dwelling units by Fannie Mae and the purchase of 2.32 million mortgages on 2.38 million dwelling units by Freddie Mac. Each GSE also submitted detailed loan level data on each loan it purchased in 1993. HUD has done extensive analyses to verify the GSEs' stated performance and to measure aspects of their mortgage purchase activities in 1993 not contained in the tables they submitted to the Department.

Fannie Mae's data for 1993 show that 31.8 percent of single family dwelling units, 95.4 percent of multifamily dwelling units, and 35.6 percent of total units financed by its mortgage purchases were affordable to low- and moderate-income families. Thus there was a significant increase in the low- and moderate-income percentage from 28 percent in 1992, and Fannie Mae's performance substantially exceeded the 30 percent goal established for Fannie Mae by the Secretary.[38]

Freddie Mac's data for 1993 show that 28.9 percent of single family dwelling units, 94.3 percent of multifamily dwelling units, and 29.2 percent of total units financed by its mortgage purchases were affordable to low- and moderate-income families. Thus there was a significant increase in the low- and moderate-income percentage from 24 percent in 1992, and Freddie Mac's performance exceeded the 28 percent goal established for Freddie Mac by the Secretary.

On November 29, 1994 both enterprises reported on their purchases for the first three quarters of the year. Fannie Mae stated that 43.3 percent of its purchases were for low- and moderate-income families, and the corresponding figure for Freddie Mac was 36.3 percent. Thus both enterprises have sharply increased their low- and moderate-income purchases above the 1993 level, and both are running well above the 1994 goal of 30 percent.[39] For all periods, performance would be somewhat higher utilizing the scoring provisions of this regulation, in contrast to those spelled out in the **Federal Register** on October 13, 1993.

For both enterprises, although they surpassed their low- and moderate-income goals in 1993, more than 50 percent of their single-family purchases and their total purchases were for families with incomes in excess of 120 percent of area median income, as indicated in the following table:

DISTRIBUTION OF DWELLING UNITS IN TOTAL GSE PURCHASES BY INCOME CLASS OF MORTGAGOR OR RENTER, 1993

[In percent]

Income of mortgagor(s) or renter(s) relative to area median income	Fannie Mae			Freddie Mac		
	Single-family	Multi-family	Total	Single-family	Multi-family	Total
0%–60%	6.3	43.3	8.7	5.3	71.2	5.6
60%–80%	11.1	43.8	13.2	10.3	19.5	10.4
80%–100%	14.2	8.3	13.9	14.0	3.7	14.0
100%–120%	14.5	1.8	13.7	14.7	2.2	14.6
Exceeds 120%	53.8	2.8	50.6	55.7	3.4	55.4
Total	100.0	100.0	100.0	100.0	100.0	100.0

This indicates that achievement of the low- and moderate-income goal in 1993 did not deter the GSEs from buying many mortgages on properties purchased by higher income families.

4. Size of the Conventional Conforming Mortgage Market Serving Low- and Moderate-Income Families Relative to the Overall Conventional Conforming Market

This section explains the Secretary's methodology for estimating the low- and moderate-income (''low-mod'') share of the mortgage market. Ideally, computing this share would be straightforward, consisting of three steps:

(1) Projecting the size of the four major property types included in the conventional conforming mortgage market: (a) Single-family owner-occupied dwelling units, (b) single-family owner-occupied, two-to-four units (called ''2–4's''), (c) single-family one-to-four investment units (called ''1–4's''), and (d) multifamily units (properties with more than 4 units). Property types (b), (c), and (d) consist of rental units. As noted below, property types (b) and (c) must sometimes be combined due to data limitations; in this case, they are referred to as ''single-family 1–4 rental units''.

(2) Projecting the percentage that are low- and moderate-income for each of the above four property types (for example, the percentage of those single-family owner-

[38] Some mortgage purchases are not eligible for possible inclusion under the low- and moderate-income goal, such as federally guaranteed mortgages, second mortgages, mortgages on second homes, and mortgages originated prior to January 1, 1993 that were missing relevant borrower income or rent data. Such mortgages were excluded from both the numerator and the denominator in calculating the low-mod percentage. These exclusions amounted to 14 percent of Fannie Mae's purchases and 9 percent of Freddie Mac's purchases.

[39] A portion of the increase from 1993 reflects a decline in the share of refinancings, which have been less common among low- and moderate-income families.

occupied dwelling units financed by mortgages in a particular year that are occupied by households with incomes below the area median).

(3) Multiplying the four percentages in (2) by their corresponding market shares in (1), thus arriving at an estimate (weighted average) of the overall share of dwelling units financed by mortgages that are occupied by low- and moderate-income families.

The four property types are analyzed separately because of their differences in low-mod occupancy; rental properties tend to have much higher percentages of low-income occupants than owner-occupied properties. It is often necessary to distinguish between purchase and refinance mortgages because purchase mortgages are more apt to finance units occupied by low-income occupants.

Unfortunately, complete and consistent mortgage data are not readily available to easily carry out the above three steps. Therefore, HUD had to combine information from several data sources in order to estimate the market shares. Two approaches were taken—one based on American Housing Survey and Residential Finance Survey data and one based on 1993 HMDA data and projections of the mortgage market for 1995 and 1996. HUD also relied on the mortgage purchase data for 1993 supplied by the GSEs. The following sections explain HUD's methodology and present results of several sensitivity analyses of the estimated size of the low-mod market.

a. American Housing Survey/Residential Finance Survey Method

To obtain an overall perspective of the mortgage market, data from the American Housing Surveys for 1985, 1987, 1989, and 1991 were analyzed. This data showed that, overall, 30 percent of those families who recently purchased or refinanced their homes, and who obtained conventional mortgages below the conforming loan limits, had incomes below the area median. Restricting the American Housing Survey (AHS) analysis to 1991 (the latest year that for which data is available) yields about the same estimate (31 percent) for the low-mod share of single-family owner-occupied properties.

The AHS does not include data on mortgages for rental properties (1–4 properties including (b) and (c) above and multifamily); rather, it includes data on the characteristics of the existing housing stock and recently completed rental properties. Current data on the income of prospective or actual tenants has also not been readily available for rental properties. Where such income information is not available, the Act provides that a rent level is affordable if it does not exceed 30 percent of the maximum income level for the low-income or moderate-income category, with appropriate adjustments for unit size as measured by the number of bedrooms.

Analysis of the same four American Housing Surveys shows that for 1–4 unit unsubsidized rental properties ((b) and (c) properties are combined], 90 percent of all units, and 69 percent of units constructed in the preceding three years had gross rent (contract rent plus the cost of all utilities) less than or equal to 30 percent of area median family income. For multifamily unsubsidized rental properties, the corresponding figures are 92 percent of all units, and 83 percent of units constructed in the preceding three years. Restricting the analysis to 1991 gave similar results—91 percent and 68 percent for 1–4 properties and 92 percent and 83 percent for multifamily properties. It should be noted that data for recently completed units probably underestimate the low- and moderate-income percentage of rental housing under the Act's definition, because they exclude purchase and refinance transactions on older buildings, which generally charge lower rents than newly-constructed buildings.

The GSEs' 1993 purchase data for rental properties also provides a useful reference point. Freddie Mac's data suggest a 66 percent low-mod share for rental 1–4 properties and Fannie Mae's data suggest a 73 percent low-mod share.[40] The GSE percentages are similar to the AHS low-mod share (69 percent) for recently completed 1–4 properties. On the multifamily side, Fannie Mae's data suggest a 95 percent low-mod share which is about the same as the AHS estimate for existing properties. Freddie Mac's multifamily business is too small to provide reliable data.

To calculate the size of the potential market for mortgages financing housing for low- and moderate-income families, data on the number of owner-occupied dwelling units, rental units in 1–4 unit properties, and rental units in multifamily properties are necessary. In determining the proportions of dwelling units in these three different types of properties, HUD used data from the Residential Finance Survey (RFS) on the number of properties with conventional conforming mortgages acquired during the 1987–91 period, and the total number of dwelling units for each type of property, derived from the same source. Based on this data, HUD estimated that, of total dwelling units in properties financed by recently acquired conventional conforming mortgages, 56.5 percent were owner-occupied units, 17.9 percent were in 1–4 family rental properties, and 25.6 percent were located in multifamily rental properties.[41] Applying the AHS percentages of affordable dwelling units (30 percent of owner-occupied dwelling units, 69 percent of single-family recently completed rental units, and 83 percent of recently completed multifamily rental units) to these percentages of properties results in an estimate that 51 percent of the dwelling units secured by conventional mortgages, eligible for purchase by the GSEs, are affordable to low- and moderate-income families.[42]

The 51 percent fIgure is based on the percentage estimates for newly-constructed affordable rental units rather than the higher estimates for all affordable rental units and GSE purchases. Using the AHS low-mod estimates for the existing stock (90 percent for 1–4 properties and 92 percent for multifamily properties) increases the low-mod share to 57 percent. Using the low-mod percentages of Fannie Mae's 1993 rental purchases (75 percent for 1–4 properties and 95 percent for multifamily properties) suggests a 54 percent low-mod share.

One concern with the Residential Finance Survey data is the seemingly high percentage share of multifamily units, given that multifamily mortgage originations have declined from their high levels in the mid- to late-1980s. Between 1987 and 1991, annual multifamily conventional mortgage originations averaged $32 billion, representing 8.8 percent of total conventional mortgage originations. In 1993, conventional multifamily originations stood at $28.5 billion and, because of the record trillion dollars in single-family mortgage originations, the multifamily share had dropped to 3 percent. Based on estimates provided by the GSEs, multifamily originations are expected to be about 7 percent of conventional mortgage originations in 1995 and 1996. This increase in the multifamily share for 1995 and 1996 is mainly due to the projected decline in single family originations caused by the collapse of the refinance market. Conventional multifamily originations are expected to be about $35 billion in 1995 and 1996.

Sensitivity analysis can show the effect of shifting the relative market importance of the different property categories. For example, reducing the multifamily weight from 25.6 percent to 20 percent, and assuming the owner category is 65 percent and the rental 1–4 category is 15 percent, yields the following estimates of the low-mod share of the market: 46 percent using AHS data for recently completed rental properties, 51 percent using AHS data for existing rental properties, and 50 percent using Fannie Mae data to estimate the low-mod shares for rental 1–4 and multifamily properties.

b. HMDA/Market Projection Method

HUD's second approach for estimating the low-mod share more explicitly considers the relative importance of the various property types in the 1995 and 1996 mortgage market. This second approach uses 1993 HMDA data and projections of mortgage originations for 1995 and 1996 including shifts in the mortgage market, such as a reduction in refinance activity.[43] The mortgage origination

[40] Disaggregating the rental 1–4 category into its two components, Freddie Mac's data showed a 54 percent low-mod share for rental 2–4's and a 85 percent low-mod share for 1–4 investment properties. Fannie Mae's data showed a 62 percent low-mod share for rental 2–4's and a 86 percent low-mod share for 1–4 investment properties. The low-mod percentages were practically the same for purchase and refinance mortgages.

[41] Restricting the RFS analysis to 1991 resulted in only minor changes to the market shares.

[42] The 51 percent figure was derived by adding the following: (1) 16.95% (percentage of owner-occupied units [56.5%] times percentage of those units that are affordable to low- and moderate-income families [30%]); (2) 12.35% (percentage of rental units in 1–4 family properties [17.9%] times percentage of those units that are affordable to low- and moderate-income families [69%]); and (3) 21.25% (percentage of rental units in multi-family properties [25.6%] times percentage of those units that are affordable to low- and moderate-income families [83%]).

[43] The HMDA data were mainly needed because its census tract level information was necessary for estimating the size of the underserved area market

Continued

projections are based on HUD's Survey of Mortgage Lending Activity (SMLA). The HMDA data are expressed in terms of number of loans rather than number of units, thus undercounting single-family 1–4's and multifamily units. SMLA data are also expressed in dollar terms rather than in terms of the number of dwelling units. Neither data source distinguishes between single-family owner-occupied one-unit properties and single-family owner-occupied rental properties. Therefore, several assumptions must be made to derive low-mod estimates for the conforming conventional market. The following six steps outline how the low-mod share was estimated under this approach:

(1) Single-family (1–4) mortgage originations for 1995 are estimated to be $615 billion, a reduction of $395 billion from the record setting $1,010 billion in 1993.[44] The reduction is due to the decline in refinance activity which is projected to fall from almost 60 percent of originations in 1993 to 15 percent in 1995.

(2) To derive single-family unit projections, the following assumptions were made:[45] the average conventional loan amount equals $107,000; conforming originations equal 81 percent of the conventional market; units per 2–4 rental property equal 2.25; and units per 1–4 investment property equal 1.35. Property shares for the 1995 single-family, conventional conforming mortgage market are assumed to be 88 percent for single-family owner-occupied, 2 percent for single family 2–4's, and 10 percent for single family 1–4's.

(3) Multifamily originations are projected to increase from $30 billion in 1993 to $33 billion in 1995. The average per unit loan amount is projected to be $32,500; sensitivity analysis was conducted for lower amounts.[46]

(4) Under the above ''base case'' assumptions, shares of dwelling units to be financed in the 1995 mortgage market are projected to be 68 percent for single family owner-occupants, 4 percent for single family 2–4's, 10 percent for single family 1–4's, and 18 percent for multifamily.

(5) Estimates of the percentage of dwelling units occupied by low- and moderate-income families were as follows: 38.2 percent for single family owner-occupied purchase mortgages and 29.3 percent for single family owner-occupied refinance mortgages—both estimates are based on 1993 HMDA data; and 62 percent for single family 2–4's, 91 percent for single family 1–4's, and 93 percent for multifamily. The low-mod percentages for the three rental categories were based on 1993 GSE data and 1991 AHS data.[47]

(6) Applying the above low-mod shares to the property type weights in (4) suggests that 54 percent of the dwelling units financed by conventional conforming mortgages in 1995 will be occupied by low- and moderate-income families.

The 1992 share of the single-family owner-occupied mortgage market accounted for by low- and moderate-income borrowers was less than the 1993 share reported above. According to 1992 HMDA data, 33.5 percent (25.1 percent) of single-family owner-occupied purchase (refinance) mortgages were taken out by low-mod borrowers. Substituting these 1992 figures for the 1993 HMDA data (38.2 percent and 29.3 percent, respectively) in step (5) suggests that 50 percent of the dwelling units financed by conventional conforming mortgages in 1995 will be occupied by low- and moderate-income families. Averaging the 1992 and 1993 HMDA data suggests a 52 percent low-mod share for the market.

When conducting this market analysis, an issue arose concerning interpretation of the above HMDA estimates of the low-mod market. The low-mod shares are derived by comparing individual borrower incomes reported on the mortgage application with the median income of the metropolitan area where the borrower lives. If the borrower's income is less than metropolitan area median income, the borrower's loan is classified as a low-mod loan. Unfortunately, the median income for individual metropolitan areas are only available from the decennial censuses; estimates are required for the years between the censuses. HUD provides area median income projections that are used both by the Federal Reserve Board to classify HMDA loans and by the GSEs to classify their loans for purposes of the low-mod and special affordable housing goals.[48] Recently available Census data on 1993 median income for the nation as a whole suggest that HUD overestimated 1993 area median incomes by about seven percent, on average. Comparing actual borrower incomes to overestimated area median incomes leads to an overestimate of the percentage of low-mod borrowers in the GSE and HMDA data bases. Rerunning the 1993 HMDA data but reducing area median incomes by seven percent causes the low-mod share of purchase mortgages to decline from 38.2 percent to 32.8 percent, and the low-mod share of refinance mortgages to fall from 29.3 percent to 24.2 percent. Substituting these lower, adjusted percentages into steps (5) and (6) above reduces the low-mod share for the overall market to 50 percent.

Because of uncertainty about the property type weights, additional sensitivity analyses were conducted for the market importance of each property type as well as for the low-mod shares of each property type. For example, the property weights in (4) for the three rental categories are less than those referenced earlier based on the Residential Finance Survey data. Because the rental property types exhibit a higher low-mod share, increasing their weights increases HUD's estimate of the mortgage market's low-mod share. The single-family rental property low-mod shares based on GSE data are less than those reported earlier based on AHS data. Therefore, substituting the AHS data for the GSE data increases the overall estimate of the low-mod share of the market.

HUD also conducted several sensitivity analyses of assumptions made in steps (1)–(3); in most instances, the estimated low-mod share was in the 50–55 percent range.

c. Caveat: Low-Mod Market Share Estimate May Be Lower Than Market Share

The above estimate of the low-mod market will continue to be refined as more data become available to HUD. However, two caveats about the 50 percent estimate should be kept in mind. First, the low-mod market may be greater than 50 percent because it was

in Appendix B. However, HMDA data also provide income information for single-family borrowers; thus, it was decided to use these data as an alternative to the AHS data for estimating the low-mod share in this Appendix and for estimating the very low-income share in Appendix C. Unfortunately, HMDA does not provide any useful income information for rental properties. The data used in the analysis exclude loans less than $15,000, those with loan-to-income ratios that exceed six, and loans to non-owner occupants.

[44] Fannie Mae, Freddie Mac, and the Mortgage Bankers Association have provided HUD with estimates of 1995 mortgage originations. The single-family and multifamily origination data reported in this section are based on the projections of these organizations and the Department. Except for a slightly higher estimate for multifamily originations, the 1996 market is expected to be similar to the 1995 market. Therefore, the discussion focuses on the 1995 market. The various market estimates for the 1995 market reported in Appendices A, B, and C serve as a proxy for the 1996 market.

[45] The average loan amount is derived from the Federal Housing Finance Board's monthly survey of major lenders which reports mortgage terms and conditions. The proportions of conventional originations that are conforming is derived from the Residential Finance Survey, and is consistent with GSE estimates.

[46] In 1993, Fannie Mae's per unit multifamily loan amount was $24,679 and Freddie Mac's was $17,695. Both agencies project about $26,000 for 1995. Given the uncertainty about the correct market average per loan amount, sensitivity analysis was done using an average of $30,000 for the market. This had the effect of raising the estimated low-mod market share in step (6) by less than one percentage point.

[47] Little data exists on the low-mod shares for the two single-family rental property types; for this reason, it was necessary to use the GSE data. Fannie Mae's low-mod percentages for 2–4 and 1–4 properties were 62 percent and 87 percent, respectively. Freddie Mac's were somewhat lower at 54 percent and 85 percent, respectively. The American Housing Survey, which combines these two property categories shows a 69 percent low-mod share for recently build 1–4 rental units and a 91 percent low-mod share for the existing stock. The 2–4 low-mod share (63 percent) is based on Fannie Mae's data which is probably a conservative estimate for the overall 2–4 market. The 1–4 low-mod share (91 percent) is consistent with both the AHS and GSE data. The multifamily low-mod share (93 percent) is consistent with both the AHS and Fannie Mae's data.

[48] To obtain annual estimates of area median incomes, HUD starts with area median incomes from the 1990 census and projects them forward based on trends in national median income which is available annually on a lagged basis. These metropolitan area income projections, which are also used in HUD's rental assistance programs to define eligibly for subsidy, must be made prior to the program year in which they apply. They are made in the quarter preceding the applicable program year and are based on national Census data available at that time. For example, the 1993 income projections were made in the fourth quarter of 1992 and they were based on Census median income data from a March 1992 survey that measured mid-1991 income levels for the nation as a whole. HUD used the survey data to project metropolitan area income estimates from the 1990 Census to mid-1991, and then applied a four percent annual income growth rate to derive a 1993 income estimate for each metropolitan area. For further information, see ''FY93 Income Limits Briefing Material'' which is available from HUD.

necessary to exclude certain HMDA loans that may be more targeted to low-income borrowers than those loans included in HUD's analysis. Second, the 50 percent estimate does not take into account the fact that small, second loans may qualify as low-mod in 1995 and 1996. This section explains these issues.

(1) *HMDA Data.* The above analysis of HMDA data is limited to those cases where geocoded information is available on the 1993 HMDA file (that is, information is available to identify the census tract and the metropolitan area of the mortgaged property). There were approximately 804,000 conventional conforming loans in the HMDA file without enough information to identify the metropolitan area (or the census tract) where the property was located. These loans represented 13.2 percent of all conventional conforming loans in 1993.[49] The relative income of the borrower (i.e., borrower income relative to the median income of the metropolitan area) could not be computed for these non-geocoded loans.

HUD analysis suggests that the non-geocoded loans are more likely to be loans for low-income borrowers than the geocoded loans used earlier to determine the low-mod market share. HUD repeated its analysis of the geocoded loans but, instead of using the metropolitan area median income as the base for each borrower's income, HUD used the national metropolitan median income as the base income. The national-metro-median-income approach and the metropolitan-area-median-income approach suggested somewhat similar low-mod shares for the conventional conforming market in 1993, 31.9 percent and 29.6 percent, respectively. The incomes of borrowers taking out non-geocoded loans were then analyzed using the national-metro-median-income approach. This suggested a 45.2 percent low-mod share for non-geocoded loans, which is greater than the 31.9 percent obtained for the geocoded loans using the national-metro-median-income approach. Therefore, not including the non-geocoded loans in the analysis leads to an underestimate of the market's low-mod share.

(2) *Eligibility of Second Mortgages.* This regulation might allow the GSEs to count second mortgages for partial credit because they play a role in the financing of rehabilitation in underserved areas.[50] In 1993, the GSEs purchased only a small number of second mortgages: Fannie Mae purchased 641 seconds, representing $28.5 million, and Freddie Mac purchased 27 seconds, representing $1.4 million. It is unclear how the GSEs would react to the fact that seconds might be eligible under the goals. One scenario might involve a substantial increase in their purchases of small home improvement loans in inner city areas which would increase their performance under the goals. Another scenario might involve only incremental changes to their current business which would only marginally increase their performance under the goals. It is also unclear how to delineate the overall market in which the GSEs might be operating, because their past purchases have been so small. Admittedly, they could purchase second mortgages in all segments of the market (from inner city low-income loans to suburban high-income loans); however, given their current small share of the overall market, it might not be appropriate to assume their purchases would cover the entire market.

The HMDA data does include information on home improvement loans (HILs). In 1993, 620,000 home improvement loans were originated, with an average loan amount of $20,700. Using RFS data, for the period 1989–1991, the average loan amount for HILs was $26,700. The loan distribution for all HILs shows that 59 percent of these loans were for amounts less than $15,000. Compared with purchase mortgages, HILs are more targeted to lower income borrowers. Almost 47 percent of conforming conventional owner-occupied HILs went to low-mod borrowers, compared with 31 percent for purchase mortgages.[51]

In 1993, GSE purchases accounted for only 5.7 percent of the HIL market. Fannie Mae bought 21,100 (3.4 percent) of HILs and Freddie Mac bought 14,300 (2.3 percent) of these mortgages. The distribution of HILs purchased by the GSEs differed from the distribution of the total market. Only 31 percent of the GSEs' HILs went to low-mod borrowers, compared with 47 percent for the market as a whole. But 54 percent of the HILs bought by both GSEs were for borrowers with incomes over 120 percent of area median income; this compares with 40 percent for the market as a whole.

d. Conclusions

Based on the above findings as well as numerous sensitivity analyses, the Secretary concludes that 50 percent is a conservative estimate of the mortgage market's low-mod share for 1995 and 1996.

5. GSEs' Ability to Lead the Industry

The Secretary believes that in light of the benefits that Fannie Mae and Freddie Mac receive from their Charter Acts and the ''implicit guarantee'' of their obligations resulting from their agency status, the GSEs can and should provide the leadership that is needed to encourage the mortgage finance industry to better serve low- and moderate-income borrowers. The GSEs' ability to lead the industry depends on their dominant role in the mortgage market, their ability—through their underwriting standards and new programs and products—to influence the types of loans that private lenders are willing to make, their utilization of cutting edge technology, their highly competent and well-trained staffs, and their financial resources.

a. Dominant Role in Market

Fannie Mae and Freddie Mac together purchased approximately 71 percent of all conventional conforming single-family mortgages in 1993—up from 17 percent in 1980, 33 percent in 1985, 52 percent in 1991, and 65 percent in 1992.[52] Most of the mortgages purchased by both GSEs are securitized, but sizable amounts are held in portfolio—in fact Fannie Mae and Freddie Mac have the first- and fourth-largest mortgage portfolios, respectively, of all mortgage lenders in the United States. The GSEs now hold or securitize about 30 percent of the total dollar volume of mortgages outstanding, compared to about 7 percent in 1980, and they have accounted for over 40 percent of the net increase in mortgages outstanding between 1980 and 1992 and over 70 percent of the net increase between 1989 and 1992.[53]

The dominant position of the GSEs is reinforced by their relationship to other market institutions. Banks and savings and loans are both their competitors and their customers—they compete as portfolio lenders, but at the same time they sell mortgages to the GSEs and buy mortgage securities from them, and also buy the debt securities that the GSEs use to finance their portfolios.[54]

b. Set Underwriting Standards for Market

The GSEs' underwriting guidelines are followed by virtually all mortgage originators, including lenders who do not sell many of their mortgages to Fannie Mae or Freddie Mac.[55] The guidelines are also commonly followed in underwriting ''jumbo'' mortgages, which exceed the maximum principal amount which can be purchased by the GSEs (the conforming loan limit), because such mortgages might eventually be sold to the GSEs as the principal balance is amortized and the conforming loan limit is increased. By setting the credit standards against which lower income families will be judged, the GSEs can influence the rate at which mortgage funds will flow to low-income borrowers and underserved neighborhoods. Congress realized the crucial role played by the GSEs' underwriting guidelines and it required each enterprise to submit a study on its guidelines to the Secretary, the Committee on Banking, Finance and Urban Affairs of the House of Representatives, and the Committee on

[49] As noted earlier, loans less than $15,000, those with loan-to-income ratios that exceed six, and loans to nonowner-occupants are excluded.

[50] On the other hand, second mortgages may be used for purposes totally unrelated to housing, such as making other purchases, paying off debts, etc. Because the rates on seconds are often below other consumer borrowing rates (especially those on credit card debt) and because interest on second mortgages is tax-deductible, there are strong incentives to use second mortgages for purposes other than housing rehabilitation.

[51] Restricting the analysis to purchase mortgages over $15,000, as was done in the earlier calculation of the low-mod market, gives a 38.2 percent share for borrowers with less than the area median income.

[52] Estimates provided by Fannie Mae's Economics Department, 1993.

[53] John C. Weicher, ''The New Structure of the Housing Finance System,'' *Federal Reserve Bank of St. Louis Review,* July/August 1994, pp. 51–52.

[54] *Id.,* pp. 52–53.

[55] The underwriting guidelines published by the two GSEs are not identical, but they are very similar in most aspects. And since November 30, 1992, Fannie Mae and Freddie Mac have provided lenders the same *Uniform Underwriting and Transmittal Summary* (Fannie Mae Form 1008/Freddie Mac Form 1077), which is used by originators to collect certain mortgage information that they need for data entry when mortgages are sold to either GSE.

Banking, Housing, and Urban Affairs of the Senate in October 1993. In addition, the Secretary is required to periodically review the GSEs' underwriting and appraisal guidelines.

c. Leading Edge Technology

With regard to technology, both GSEs have been in the forefront of new developments. For example, Fannie Mae has developed FannieMaps®, a computerized mapping service offered to lenders, nonprofit organizations, and state and local governments to help them implement community lending programs in underserved areas. Both enterprises have been developing automated underwriting systems designed to reduce the time required to process loan applications.

d. Staff Resources

Both enterprises are well-known throughout the mortgage industry for the expertise of their staffs in carrying out their current programs, researching and developing improvements to the mortgage market in general, developing innovative new programs, and conducting research which may lead to new programs in the future. Their key executives frequently testify before Congressional committees on a wide range of housing issues, and both GSEs have developed extensive working relationships with a broad spectrum of mortgage market participants including various nonprofit groups and government housing authorities.

e. Financial Strength

The benefits that accrue to the GSEs because of their agency status have made them two of the nation's most profitable businesses. Fannie Mae's profits have increased from $807 million in 1989 to $1.2 billion in 1990, $1.4 billion in 1991, $1.6 billion in 1992, and $1.9 billion in 1993, and for the first three quarters of 1994 they were accruing at an annual rate of $2.1 billion. Fannie Mae's return on equity averaged 28.9 percent over the 1989–93 period—far above the rates achieved by most financial corporations. In addition, Fannie Mae's dividends per share more than quadrupled over this period, rising from $0.43 in 1989 to $1.84 in 1993.

Freddie Mac has shown similar trends. Freddie Mac's profits have increased from $414 million in 1990 to $555 million in 1991, $622 million in 1992, and $786 million in 1993, and for the first three quarters of 1994 they were accruing at an annual rate of $975 million. Freddie Mac's return on average equity averaged 22.5 percent over the 1989–93 period—also well above the rates achieved by most financial corporations. Freddie Mac's dividends per share rose 66 percent over this period, rising from $0.53 in 1989 to $0.88 in 1993.

One measure of the strength of the GSEs was provided by a recent Business Week ranking of American corporations. This survey found that Fannie Mae was second of all companies in total assets and Freddie Mac ranked 23rd; with regard to total profits, Fannie Mae ranked 14th and Freddie Mac ranked 55th.[56]

[56] Business Week, March 28, 1994, p. 131.

Under the 1992 Act, beginning with the second quarter of 1994, the GSEs must meet fully phased-in minimum core capital requirements of 2.5 percent of on-balance sheet assets and 0.45 percent of outstanding mortgage-backed securities and other off-balance sheet obligations, except as adjusted by the Director of OFHEO. For the transition period ending in the first quarter of 1994, the corresponding percentages were 2.25 percent and 0.40 percent respectively. The Director has found both GSEs adequately capitalized as of June 30, 1993, September 30, 1993, December 31, 1993, and March 31, 1994. For the last period, both GSEs also exceeded the fully phased-in capital requirements.

f. Conclusions About Leading the Market

In light of these factors, the Secretary has determined that the GSEs have the ability to lead the industry in making mortgage credit available for low- and moderate-income families. However, as discussed in Section D, HUD is concerned about the current level of the GSEs' assistance to the lower-income end of the market. Existing data indicate that there is room for the GSEs to improve their performance—low- and moderate-income units are estimated to comprise at least 50 percent of the conventional conforming market, while in 1993 the GSEs performed at rates of 29 percent (Freddie Mac) and 36 percent (Fannie Mae). The low- and moderate-income goals that HUD sets in Section D (38 percent in 1995 and 40 percent in 1996) are intended to move the GSEs closer to the market standard. By using their immense resources to improve their performance and meet these goals, the GSEs will be making a good first step toward closing their current market gap.

6. The Need To Maintain the Sound Financial Condition of the GSEs

Congress directed the Secretary of HUD to consider the safety and soundness of the GSEs, along with the five other factors, in formulating the level and direction of the housing goals.[57] As part of these regulations, HUD has prepared a Regulatory Impact Analysis (RIA) that examines the costs and benefits of the housing goals. The detailed RIA provides a complete discussion of the issues summarized below as well as quantitative estimates of the impact of the goals on the GSEs. Based on that analysis, HUD concludes that achieving the housing goals described in the proposed rule will result in limited, if any, net increase in risk to the sound financial condition of the GSEs' operations.

The RIA examines the extent to which the three housing goals will affect the capital levels of the GSEs. The RIA does this by assessing the extent to which achieving the housing goals will affect the profitability of the GSEs. Profitability is used as an approximation for sound financial condition, since losses could reduce the GSEs' level of capital. The principal cost from mortgage loan purchases of any kind is that of loan default, or credit risk. Below is a summary of the RIA's main findings regarding the potential credit costs of meeting the three goals.

- Goals-oriented purchases are already made by the GSEs in the course of their ongoing operations. The relevant question is the impact of additional units required in order to meet regulatory targets. The goals are not mutually exclusive, so that loan purchases required to meet them are not additive. Thus the required level of additional purchases is not as great as it would be if each goal were unique to itself. HUD finds that, under a variety of potential GSE strategies, the dollar amounts of additional loan purchases are small relative to the total volume of business being undertaken by the GSEs. For example, baseline projections show Fannie Mae purchasing over $170 billion of loans in 1995. The amount of additional purchases required for it to meet the regulatory targets will likely be less than $1.5 billion. Because its past goals-oriented purchases have been less than Fannie Mae's, Freddie Mac will likely require a larger degree of additional targeted purchasing to meet the goals. HUD's baseline purchase volume projection for Freddie Mac in 1995 is about $130 billion, and additional purchase requirements to satisfy the goals could be as high as $6 billion, depending on Freddie Mac's business strategy.
- The additional loans required to meet the housing goals are profitable business under the baseline consensus economics scenario examined in the RIA.
- Historically, moderate- and middle-income loans have the lowest overall default rates of all borrower income cohorts. If the GSEs continue their 1993 purchase patterns, loans required to meet the low- and moderate-income goal will be primarily from loans to households with incomes in the ''moderate'' 80–100 percent of median cohort. Therefore, there is unlikely to be any significant increase in credit risk exposure associated with the low- and moderate-income goal.
- The potential size of goals-qualifying purchase pools for single-family owner-occupied property loans is enlarged by the statutory definition of median income used for these rules. HUD must use median family income, unadjusted for household size, to determine eligibility under the housing goals. The median-family income figures then used to determine goals qualification are roughly equal to the median incomes of three-person households. As a result, many smaller-sized households with above median income—when adjusted for family size—will count as below median for purposes of meeting the housing goals.[58] This same issue also enhances the credit quality of special

[57] HUD's independent Office of Federal Housing Enterprise Oversight (OFHEO) has the primary responsibility for monitoring the safety and soundness of the GSEs. OFHEO is currently building the stress-test models necessary for analyzing the capital strength of the GSEs and establishing appropriate capital levels. HUD expects that OFHEO will take into account in its required capital levels the GSEs' housing-goal-related purchases.

[58] HUD adjustments for family size cost-of-living factors would reduce the effective median income measure for 1-person households by 22 percent, that of 2-person households by 11 percent, and would increase that of 4-person households by 20 percent.

affordable loan purchases. In that case, small-sized owner households can qualify as below 60 percent of median income simply because the dollar threshold is effectively defined for a three-person household.[59]

- Under the special affordable housing goal, the GSEs will increase their purchases of very low-income loans. Historically, these loan purchases have primarily had loan-to-value ratios below 80 percent, so that credit risk is minimal. In 1993, about 75 percent of the very low-income loans purchases by the GSEs had downpayments in excess of 20 percent.
- Under an economic downturn, such as the 1980s-type economics scenario in the RIA, additional goals-oriented loan purchases only have projected losses on Freddie Mac single family special affordable loans. These would be more than offset by remaining profits on other loans. Because of its much heavier use of a retained portfolio, Fannie Mae would have a much larger cushion against losses in an economic downturn.
- The GSEs have the ability to purchase loans with higher default risk without commensurately higher credit risk. They can do this through combinations of requiring deeper mortgage insurance coverage and charging higher guarantee fees.[60] Resulting price increases to lower-income borrowers could be more than offset by other innovations which are now driving down the cost of mortgage originations for all borrowers.
- As a group, multifamily loans have a higher default potential than do single-family loans. Appropriately underwritten multifamily loans also earn higher guarantee fees for the GSEs, offsetting their higher credit risk. Yet the analysis developed in the RIA shows a discernable risk-return tradeoff with respect to multifamily lending: Higher profit margins under stable economic conditions, but larger potential losses in economic downturns. Fannie Mae has virtually eliminated this loss potential by holding a much larger percentage of multifamily loan purchases in retained portfolio. Freddie Mac could follow much the same strategy as it increases its multifamily business. The housing goals are structured such that the GSEs can meet the goals without significantly increasing their credit risk from multifamily purchases much beyond that imbedded in current baseline multifamily purchase targets for 1995 and 1996.
- Guarantee fee income from securitized loans is sufficient to cover the expected credit costs of any additional goals-oriented purchases under baseline consensus economics. The much larger profit margins on their retained portfolios allow the GSEs to compete on guarantee fee prices, and still provide financial cushions against potential economic downturns.
- Increased retention in portfolio of additional, targeted loans purchased to help satisfy the housing goals is one possible way to hedge any increased credit risk. HUD's analysis finds that guarantee fees alone are insufficient to provide the earnings necessary to prevent losses on these loans in the event of a severe economic downturn. Portfolio earnings are five-to-eight times as large as guarantee fee income, as a percent of dollar loan volumes. The increase in total portfolio holdings required to fully protect against credit risk in the economic downturn scenario developed by HUD is so small as to not raise concerns about exposing the GSEs to any greater interest-rate risk.
- Lenders, the GSEs, and private mortgage insurers are implementing changes in mortgage marketing and underwriting that extend homeownership opportunities to below-median-income households without measurably increasing credit risk. These changes are increasing the pool of potential loan purchases that are both sound investments and qualify under the regulatory goals.
- These same risk-mitigation measures and alternative underwriting criteria should increase loan originations in minority and low-income neighborhoods and directly increase the GSEs' abilities to meet the central cities, rural areas, and other underserved areas goal. In addition, about 60 percent of underserved area home buyers have incomes above median income, which strengthens the credit quality of targeted purchases in these areas.

D. Determination of the 1995 and 1996 Low- and Moderate-Income Housing Goals

The annual goal for 1995 for each GSE's purchases of mortgages financing housing for low- and moderate-income families is established at 38 percent of the total number of dwelling units financed by each GSE's mortgage purchases. The 1996 goal is established at 40 percent. These goals represent an increase over the 1994 goal of 30 percent. Several considerations, many of which have been reviewed in earlier sections of this Appendix, led to the choice of these goals.

1. Housing Need

Almost three-fifths of American households qualify as low- and moderate-income under the Act's definitions—half of owners and 70 percent of renters. Data from the Census and from the American Housing Surveys demonstrate that housing problems and needs for affordable housing are indeed substantial among low- and moderate-income families. These households, particularly those with very low incomes, are burdened by high rent payments and will likely continue to face serious housing problems, given the dim prospects for earnings growth in entry-level occupations.

With respect to homeownership, many younger, minority, and lower income families did not realize their goal of homeownership during the 1980s due to the slow growth of earnings, high real interest rates, and continued house price increases. Recently, low interest rates and low inflation have improved affordability conditions and first-time homeowners have become a major driving force in the home purchase market. A large pent-up demand for homeownership exists on the part of low-income families closed out of the market during the 1980s, particularly families with children in need of larger units and better neighborhoods.

Several demographic changes will put strains on the housing finance system during the 1990s. The continued increase in immigrants will increase demand for both rental and owner-occupied housing. Non-traditional households have become more important as overall household formation rates have slowed. With later marriages, divorce, and other non-traditional living arrangements, the fastest growing household groups are single-parent and single-person households.

2. GSE Performance Shows Mixed Results

The Charter Acts require that the GSEs provide ongoing assistance to the secondary market including mortgages for low- and moderate-income families. The GSEs certainly have been assisting the overall secondary market, increasing their share of purchases of conventional conforming single family mortgage origination from 42 percent in 1989 to 70 percent in 1993. In fact, most industry observers would agree that the recent growth in the secondary market was the reason the decline of the thrift industry had only minor effects on the nation's housing finance system.

However, the Secretary is concerned about the GSEs' assistance to the lower income end of the market. Figure A.1 presents the distribution of the GSEs' single-family mortgage purchases by income category. In 1993, homeowners with incomes less than 60 percent of median represented only 5 percent of GSE purchases, and those with incomes less than 80 percent of median represented only 15 percent of GSE purchases. Families with incomes over 120 percent of median, on the other hand, accounted for over 55 percent of single-family mortgages purchased by the GSEs.

The market is originating many more loans for lower income homebuyers than the GSEs are purchasing. (See Figure A.2, which compares GSE performance with the market). The GSEs, based on 1993 HMDA data, purchased a much smaller proportion of conforming mortgages originated for very low-income homebuyers than of mortgages originated for high-income homebuyers (41 percent versus 55 percent). The HMDA data suggest that there is room in the lower income end of the homebuyer market for the GSEs to improve their performance.

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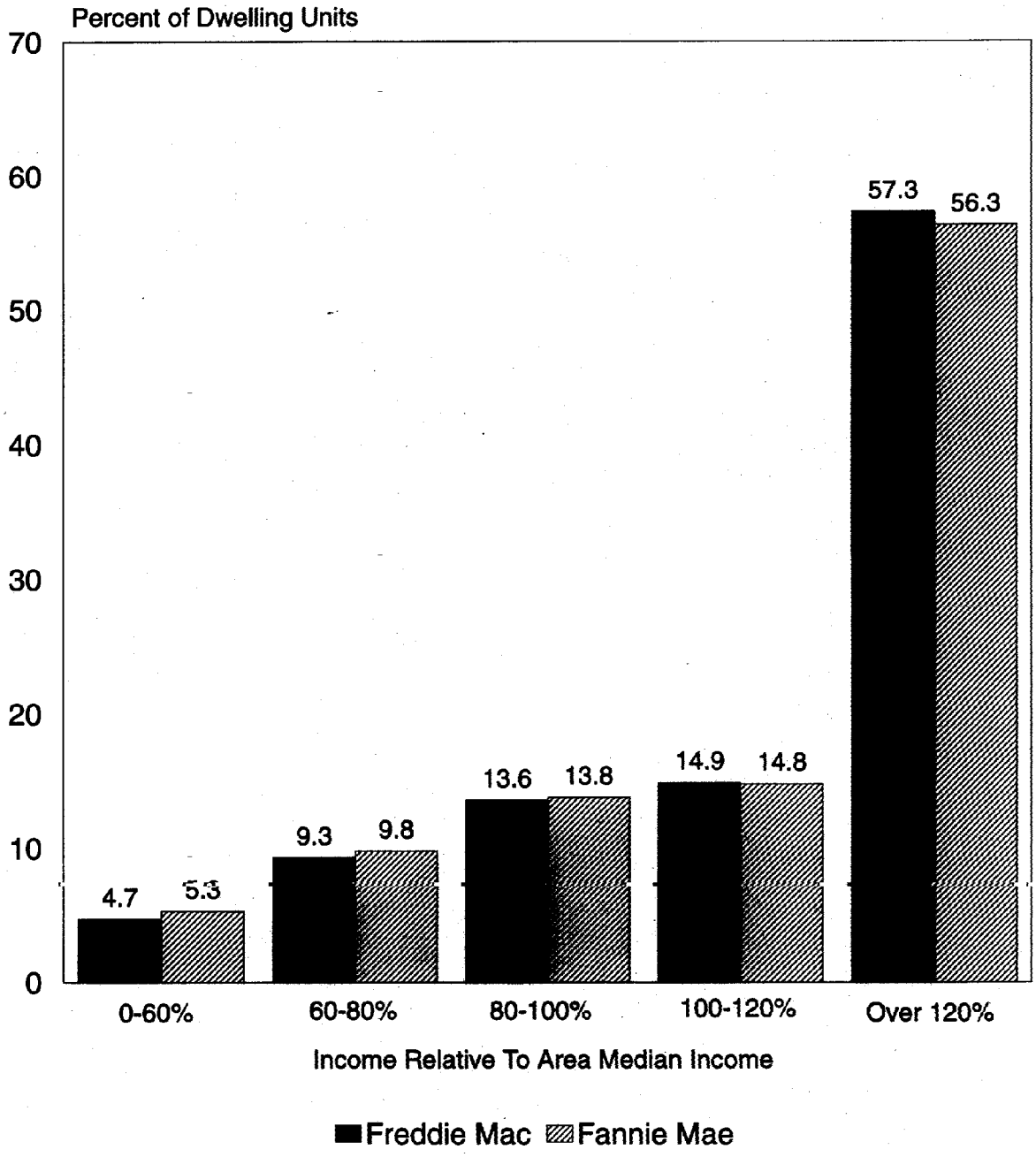
[59] Based on national income distributions, there are 4.2 million one- and two-person households who qualify as below median income according to the housing goals, but whose real income is above median when adjustments for size are factored in. Likewise, there are 2.85 million four-to-six person households who do not qualify as having below median income for goals purposes, but whose incomes are below median when adjusted for household size. On net, then, using an overall family median income has the potential for increasing the pool of potentially goals-qualifying mortgage loans for GSE purchase.

[60] The limits to this in the competitive mortgage originations market are not yet known, but both GSEs recently increased the depth of mortgage insurance required on low downpayment loans.

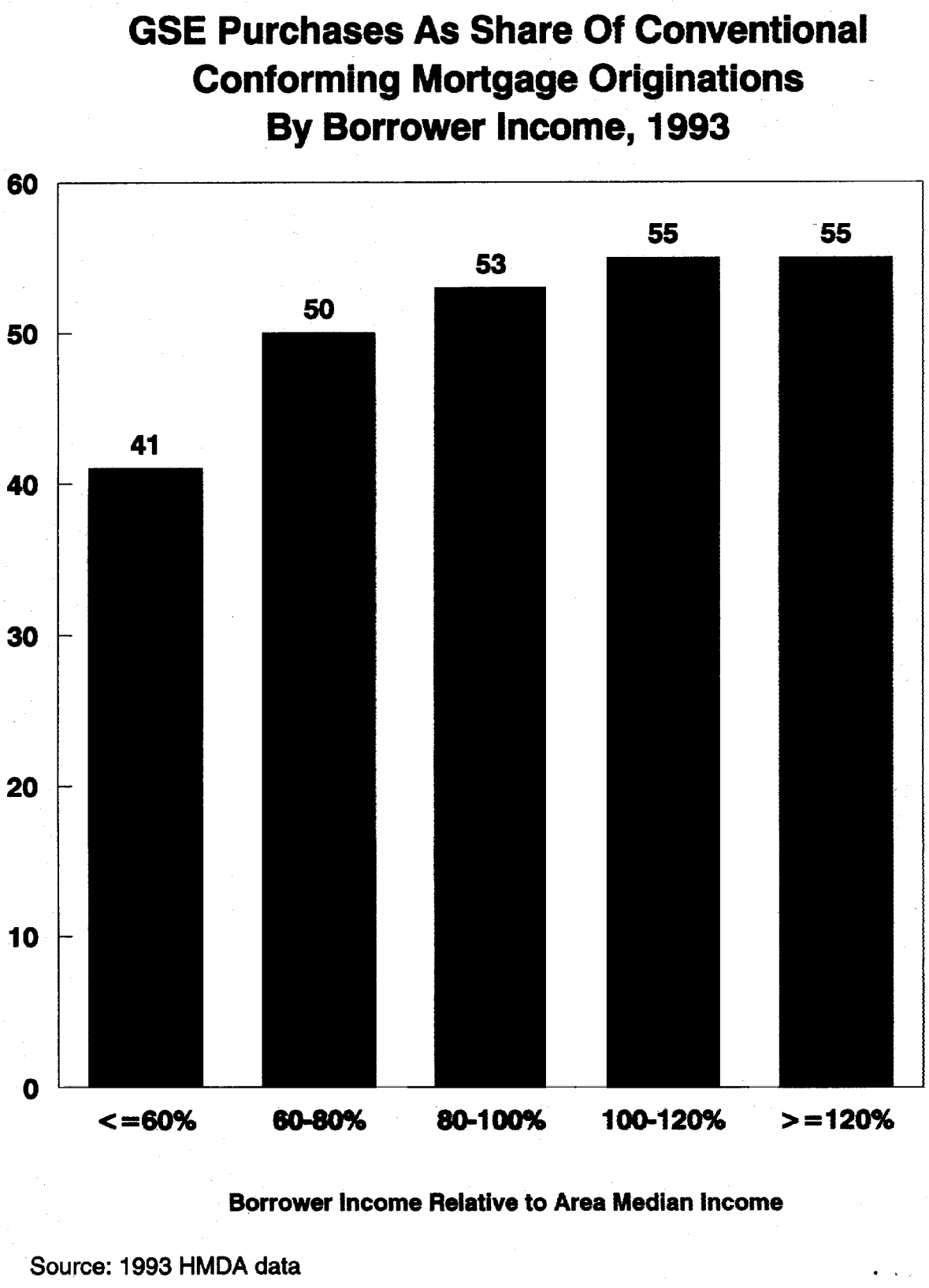
FIGURE A.1

Distribution Of Total Single-Family Dwelling Units In GSE Purchases By Income Class of Mortgagor For 1993



One-unit, owner-occupied units only;
no federal guarantees, second mortgages, or second homes.

FIGURE A.2



Source: 1993 HMDA data

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The Secretary is particularly concerned about the level of Freddie Mac's activity in the multifamily area. In 1993, Freddie Mac purchased $191 million in multifamily mortgages, compared with almost $5 billion in purchases by Fannie Mae. Given the affordability problems faced by renters and the need for a well-functioning secondary market for multifamily loans, it is imperative that Freddie Mac's multifamily business be increased. The 1995 and 1996 low-mod goals are intended to encourage Freddie Mac's expansion of its multifamily activities.

3. Market Feasibility and Changing Market Conditions

The potential size of the market for low- and moderate-income mortgages is a major determinant of the GSEs' agencies' ability to reach a specific low-mod goal. As detailed in Section C.4, the low-mod mortgage market is quite large, accounting for at least 50 percent of dwelling units financed by conventional conforming mortgages. Figure A.3 compares recent GSE performance, the 1995 and 1996 goals, and the size of the low-mod market. Given the size of the market, the 1995 and 1996 goals are feasible.

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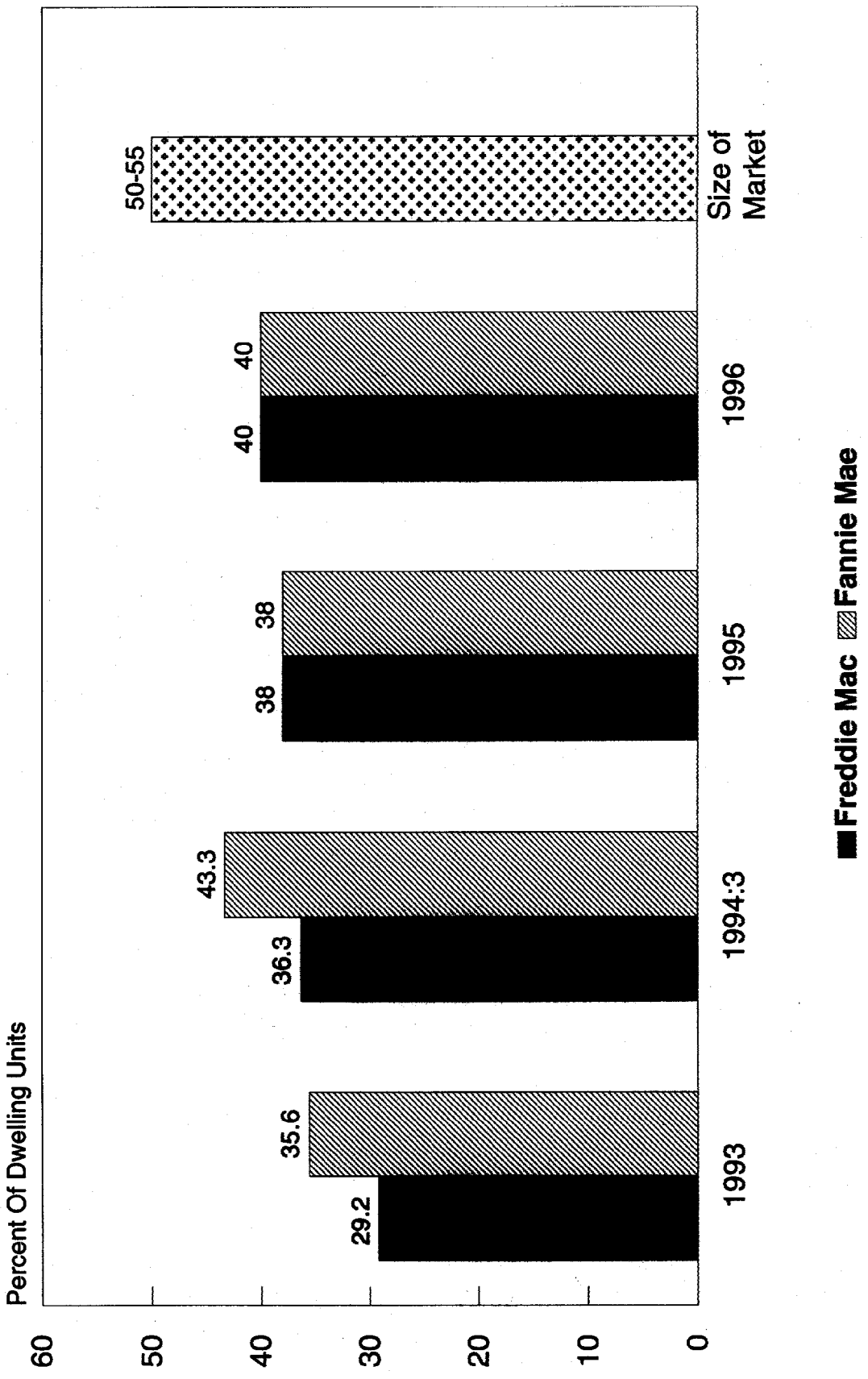
FIGURE A.3

Low- And Moderate-Income Activity And Goals For Freddie Mac And Fannie Mae, 1993-96



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The GSEs' performance under the housing goals will be heavily influenced by overall housing market activity in 1995 and 1996. Low interest rates caused 1993 to be a record year for mortgage originations as refinancings accounted for about 70 percent of the GSEs' business. First-time home buyers were the driving force on the home-purchase side of the market. As explained above, the 1995 and 1996 market is expected to be quite different. Single-family mortgage originations are projected to decline by almost 40 percent between 1993 and 1995, from one trillion dollars to $615 billion. This market fall-off is due entirely to the collapse of the refinance market which is expected to decline from over 55 percent of mortgage activity in 1992 and 1993 to below 20 percent in 1995 and 1996. HUD considered these expected market changes when setting housing goals for 1995 and 1996. HUD's analysis suggested the following effects:

- The projected market shift from refinance to purchase mortgages should increase the low- and moderate-income proportion of mortgage market activity because purchase mortgages are more apt to be obtained by lower-income borrowers than are refinance mortgages. For instance, in 1993, 33 percent of Fannie Mae's single-family purchase mortgages qualified as low-mod versus only 27 percent of its refinance mortgages.
- The substantial decline in single-family mortgage originations, combined with the GSEs' stated intentions to increase purchases of multifamily mortgages, should increase the low- and moderate-income proportion of each GSE's business because practically all multifamily units qualify as low-mod under the Act's definitions. Section C.4 provided estimates of the increase in the multifamily share of the market in 1995 and 1996.
- The recent rise in interest rates from 25 year lows could make it more difficult for lower-income borrowers to qualify for mortgages underwritten according to GSE guidelines. However, interest rates continue to remain lower and housing more affordable than was true for any previous extended period since 1977. Higher interest rates should be partially offset by other demand factors such as rising incomes during the economic recovery and a continued strong first-time homebuyer market due to the pent-up demand for homeownership on the part of renters left out of the market during the 1980s. Furthermore, lenders, the GSEs, and private mortgage insurers are implementing changes in mortgage marketing and underwriting that will extend homeownership opportunities to lower-income households. These changes are increasing the pool of potential loan applicants that qualify under the low-mod goal.

4. Parity Between the GSEs

The Secretary is establishing identical goals for both Fannie Mae and Freddie Mac. Freddie Mac consistently lags behind Fannie Mae on the housing goals. In part, this is due to Freddie Mac's limited multifamily activity—their 1993 multifamily mortgage purchases accounted for only 1.6 percent of their overall low-mod performance (versus 16 percent for Fannie Mae). Freddie Mac has used the past four years to rebuild its multifamily operations and has recently brought on new staff, developed new systems, and is pursuing an aggressive acquisition strategy. On the single-family side, Freddie Mac serves the same lenders and offers the same products as Fannie Mae. Therefore, it should be able to match Fannie Mae's performance in achieving the goals. Moreover, the legislative history supports the idea of parity after the transition period, noting that ''because the enterprises have essentially equal opportunities, their respective annual goals should generally be set at comparable levels.'' [61]

5. Conclusions

To conclude, the Secretary has determined that the 1995 and 1996 goals set forth above address national housing needs and current economic, housing, and demographic conditions, and that they take into account the GSEs' performance in the past in purchasing low- and moderate-income mortgages, as well as the size of the conventional mortgage market serving low- and moderate-income families. Moreover, the Secretary has considered the GSEs' ability to lead the industry as well as the GSEs' financial condition. The Secretary has determined that the goals are necessary and achievable.

Based on a consideration of the factors, the Secretary proposes to establish all three goals for 1997 and 1998 so that the goals will move the GSEs steadily over a reasonable period of years, including these two years, to a level of mortgage purchases where the GSEs will be leading the industry in purchasing mortgages meeting the goals. In carrying out this objective, the Secretary proposes to establish the goals for 1997 and 1998 at levels ranging from the same amounts established for 1996 to higher levels. The purpose of any higher levels would be to continue to move the GSEs toward purchasing a greater proportion of targeted mortgages originated by the market.

Appendix B—Secretarial Considerations To Establish the Central Cities, Rural Areas, and Other Underserved Areas Housing Goal

A. Establishment of Goal

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA) requires the Secretary to establish an annual goal for the purchase of mortgages on housing located in central cities, rural areas, and other underserved areas.

In establishing this annual housing goal, the Act requires the Secretary to consider:

1. Urban and rural housing needs and the housing needs of underserved areas;
2. Economic, housing, and demographic conditions;
3. The performance and effort of the enterprises toward achieving the central cities, rural areas, and other underserved areas housing goal in previous years;
4. The size of the conventional mortgage market for central cities, rural areas, and other underserved areas relative to the size of the overall conventional mortgage market;
5. The ability of the enterprises to lead the industry in making mortgage credit available throughout the United States, including central cities, rural areas, and other underserved areas; and
6. The need to maintain the sound financial condition of the enterprises.

As described in Section 1334(d) of the Act, the annual target for this goal for the 1993–94 transition period was that 30 percent of units financed by mortgages purchased by each enterprise should be located in ''central cities,'' as designated by the Office of Management and Budget. Starting in 1995, this interim target is to be replaced with a goal targeting areas with relatively poor access to credit in ''central cities, rural areas, and other underserved areas.'' [1] The Secretary has defined ''central city'' as the underserved area of any political subdivision designated as a central city by OMB. The Secretary has defined ''rural area'' as any underserved area located outside of any metropolitan statistical area (MSA) designated by OMB. The Secretary has determined that ''underserved areas'' are defined as census tracts or non-metropolitan counties where: Minorities comprise 30 percent or more of the residents and the median income of families does not exceed 120 percent of the area median income; or where the median income of families does not exceed 80 percent of the area median income.

Section B reports findings on access to mortgage credit and Section C addresses the six factors listed above. Section D summarizes the Secretary's rationale for selecting the goals for central cities, rural areas, and other underserved areas for 1995 and 1996.

B. Underlying Data and Identifying Underserved Areas

1. Introduction and Overview

For the post-transition period, the Secretary was charged with redefining and expanding this goal from the transition target of ''central cities'' to include ''rural areas and other underserved areas.'' The legislative history shows that Congress intended that the goal target geographic areas with ''relatively poor'' or ''inadequate'' access to mortgage credit and areas suffering from ''the vestiges of redlining.'' [2]

Data on mortgage credit flows are far from perfect, and issues regarding the identification of areas with inadequate access to credit are both complex and controversial. For this reason, before considering housing needs, past enterprise performance, and the size of the conventional market in ''underserved'' areas, it is essential to define ''underserved areas'' as accurately as possible from existing data. To provide essential background for understanding the Secretary's proposed definition of underserved areas for this goal, this section carefully reviews the evolving literature investigating access to credit and reports findings from HUD's analysis of 1993 HMDA data.

Two main points are made in this section:

[61] Senate Report 102–282, p. 36.

[1] FHEFSSA, section 1334(a).

[2] Senate Report at 38.

• The existence of substantial geographic disparities in mortgage credit is well documented. Research has demonstrated that areas with lower incomes and higher shares of minority population consistently have poorer access to mortgage credit, with higher mortgage denial rates and lower origination rates for mortgages. Thus, the income and minority composition of an area is a good proxy for determining whether that area is being underserved by the mortgage market.

• The research strongly supports a targeted definition of underserved areas. Studies conclude that characteristics of the applicant and the neighborhood where the property is located are the major determinants of mortgage denials and origination rates. Once these characteristics are accounted for, other influences such as central city location play only a minor role in explaining disparities in mortgage lending.

2. Evidence About Access to Credit

The viability of neighborhoods—whether urban, rural, or suburban—depends on the access of their residents to mortgage capital to purchase and improve houses. While neighborhood problems are caused by a wide range of factors, including substantial inequalities in the distribution of the nation's income and wealth, there is increasing agreement that imperfections in the nation's housing and mortgage markets are hastening the decline of distressed neighborhoods. Disparate denial of credit based on geographic criteria can lead to disinvestment and neighborhood decline. There is growing evidence that discrimination and other factors, such as inflexible and restrictive underwriting guidelines, limit access to mortgage credit and leave potential borrowers in certain areas underserved.[3]

a. Early Credit Flow Studies

Most studies of geographical disparities have used Home Mortgage Disclosure Act (HMDA) data. A number of studies using the early HMDA data sought to test for the existence of geographical redlining, which is the refusal of lenders to make loans in certain neighborhoods regardless of the creditworthiness of the individual applicant.[4] Consistent with the redlining hypothesis, these studies found lower volumes of loans going to low-income and high-minority neighborhoods.[5] However, such analyses were criticized because they did not distinguish between demand and supply effects[6]—that is, whether loan volume was low because people in high-minority and low-income areas were unable to afford home ownership and therefore were not applying for mortgage loans, *or* because lenders refused to make loans in these areas. Moreover, the early HMDA data were incomplete because non-depository lenders (e.g., mortgage bankers, who originate most FHA loans) were not included.

Like early HMDA studies, an analysis of deed transfer data in Boston found lower rates of mortgage activity in minority neighborhoods.[7] The discrepancies held even after controlling for income, house values and other economic and non-racial factors that might explain differences in demand and housing market activity.[8] In addition, a larger percentage of transactions in such neighborhoods were financed by the seller or other non-traditional institutional lenders (e.g., credit unions, governments, universities, business leaders, real estate trusts, and pension funds). Greater seller financing may suggest unmet demand for mortgages, since it is not likely that minority sellers prefer, more than whites, to finance the sale of their homes rather than being paid in cash.[9] The study concluded that ''the housing market and the credit market together are functioning in a way that has hurt Black neighborhoods in the city of Boston.''[10]

b. Improved HMDA Data—Wider Coverage and Mortgage Denial Rates

HMDA reporting was expanded in 1990 to provide information on the disposition of loan applications (originated, approved but not accepted by the borrower, denied, withdrawn, or not completed), to include the activity of large independent mortgage companies, and to provide information on the race and income of individual loan applicants. An additional expansion in 1993 covered mortgage companies that originated 100 or more home purchase loans in the preceding calendar year. HUD's analysis using the expanded HMDA data for 1993 shows that high-minority and low-income census tracts have both higher loan application denial rates and lower loan origination rates.[11]

Table B.1 presents denial and origination rates by the minority composition and median income of census tracts for metropolitan areas. The tract minority and income data are grouped by deciles. Two patterns are clear:

• Census tracts with higher percentages of minority residents have higher mortgage denial rates and lower mortgage origination rates than all-white or substantially-white tracts. For example, the denial rate for census tracts that are over 80 percent minority is about two-and-a-half times that for census tracts with less than 10 percent minority.[12]

• Census tracts with lower incomes have higher denial rates and lower origination rates than higher income tracts. The average number of mortgage originations in high-income census tracts (i.e., tracts with a median income over 120 percent of area median) was 12.7 per 100 owner-occupants; this compares with a range of 3.6 to 6.6 originations for the census tract deciles with income less than 80 percent of area median.

Denial rates increase in increments ranging from 1.6 to 3.0 percent as one moves from low-minority to 60-percent-minority tracts. They decline in decrements ranging from 1.0 to 3.4 percent as tract income increases from 60 percent of area median to over 120 percent of area median.

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[3] Because of concern about these problem issues, Federal agencies have formed an Interagency Task Force on Fair Lending to establish a uniform policy against discriminatory lending. At the same time, both Fannie Mae and Freddie Mac have made efforts to make their underwriting guidelines more flexible to allow alternative mechanisms for low-income borrowers to demonstrate creditworthiness.

[4] Prior to 1990, HMDA data showed only the total number and aggregate dollar volume of loans made in each census tract for depository institutions; no information was reported on individual borrowers or on applications denied.

[5] These studies, which were conducted at the census tract level, typically involved regressing the number of mortgage originations (relative to the number of properties in the census tract) on characteristics of the census tract including its minority composition. A negative coefficient estimate for the minority composition variable was often interpreted as suggesting redlining. For a discussion of these models, see Eugene Perle, Kathryn Lynch, and Jeffrey Horner, ''Model Specification and Local Mortgage Market Behavior,'' *Journal of Housing Research,* Volume 4, Issue 2, 1993, pp. 225–243.

[6] For critiques of the early HMDA studies, see Andrew Holmes and Paul Horvitz, ''Mortgage Redlining: Race, Risk, and Demand,'' *The Journal of Finance*, Volume 49, No. 1, March 1994, pp. 81–99; and Michael H. Schill and Susan M. Wachter, ''A Tale of Two Cities: Racial and Ethnic Geographic Disparities in Home Mortgage Lending in Boston and Philadelphia,'' *Journal of Housing Research*, Volume 4, Issue 2, 1993, pp. 245–276.

[7] Katherine L. Bradbury, Karl E. Case, and Constance R. Dunham, ''Geographic Patterns of Mortgage Lending in Boston, 1982–1987,'' *New England Economic Review*, September/October 1989, pp. 3–30.

[8] Using an analytical approach similar to that of Bradbury, Case, and Dunham, Anne Shlay found evidence of fewer mortgage loans originated in black census tracts in Chicago and Baltimore. See Anne Shlay, ''Not in That Neighborhood: The Effects of Population and Housing on the Distribution of Mortgage Finance within the Chicago SMSA,'' *Social Science Research*, Volume 17, No. 2, 1988, pp. 137–163; and ''Financing Community: Methods For Assessing Residential Credit Disparities, Market Barriers, and Institutional Reinvestment Performance in the Metropolis,'' *Journal of Urban Affairs*, Volume 11, No. 3, 1989, pp. 201–223.

[9] Analysis of 1985 American Housing Survey data also showed a greater reliance on non-institutional financing by low- and moderate-income owners in both metropolitan and rural areas. See the Urban Institute.

[10] Holmes and Horvitz, and Schill and Wachter conduct more rigorous tests of the redlining hypothesis that control for several characteristics of the neighborhood, including credit risk. Their findings are reviewed in Section 2.e below.

[11] HUD's previous analysis of 1992 HMDA produced comparable results. For a similar analysis based on 1992 HMDA data, see Glenn B. Canner, Wayne Passmore, and Dolores S. Smith, ''Residential Lending to Low-Income and Minority Families: Evidence from the 1992 HMDA Data,'' *Federal Reserve Bulletin*, Volume 80, February 1994, pp. 79–108.

[12] The denial rates in Table B.1 are for purchase mortgages. Denial rates are several percentage points lower for refinance loans than for purchase loans, but denial rates follow the same pattern for both types of loans: Rising with minority concentration and falling with increasing income.

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Table B.1

Origination and Denial Rates For Conventional Conforming Mortgages

Tract Minority %	Originations Per 100 Owner-Occupied Units (Purchase and Refinances)	Denial Rate (Purchase)
LT 10%	13.9	10.7%
10-20	13.0	13.1
20-30	11.3	16.1
30-40	10.5	18.2
40-50	9.5	19.8
50-60	8.9	21.7
60-70	8.5	22.3
70-80	8.0	22.6
80-90	6.6	24.4
90-100	3.6	27.9
Tract Income Relative to MSA Median		
LT 20%	*	25.8%
20-30	4.4	23.5
30-40	3.5	25.5
40-50	4.2	26.3
50-60	4.7	24.8
60-70	5.8	23.6
70-80	6.8	21.3
80-90	8.5	18.5
90-100	10.2	15.8
100-110	12.2	13.2
110-120	14.3	11.3
120+	17.7	8.8

* Not applicable due to missing owner occupied data.

Source: HUD analysis of 1993 HMDA data.

Table B.2 aggregates the data in Table B.1 into six minority and income combinations that exhibit very different credit flows. The low-minority (less than 30 percent minority), high-income (over 120 percent of area median) group had a denial rate of 8.4 percent and an origination rate of 18.0. The high-minority (over 50 percent), low-income (under 80 percent of area median) group has a denial rate of 26.6 percent and an origination rate of only 4.7. The other groupings fall between these two extremes.

The advantages of HUD's underserved area definition can be seen by examining the minority-income combinations highlighted in Table B.2. The sharp differences in denial rates and origination rates between the underserved and remaining served categories illustrate that HUD's definition delineates areas that have significantly less success in receiving mortgage credit. Underserved areas have almost twice the average denial rate of served areas (22.0 percent versus 11.9 percent) and half the average origination rate (7.0 versus 14.1). HUD's definition does not include high-income (over 120 percent of area median) census tracts even if they meet the minority threshold. The mortgage origination rate (14.2) for high-income tracts with a minority share of population over 30 percent is slightly above the average (14.1) for all served areas.

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Table B.2

Mortgage Denial and Origination Rates By Minority and Income Characteristics of the Census Tract

Origination Rates (per 100 owner occupants)				
	Minority Composition			
Tract Income	LT 30%	30-50%	50-100%	Total
LT 80%	**6.6**	**5.9**	**4.7**	5.9
80-120%	11.7	**10.1**	**8.2**	11.3
120%+	18.0	14.9	13.1	17.7
Total	13.4	10.1	6.6	12.3
Denial Rates				
	Minority Composition			
Tract Income	LT 30%	30-50%	50-100%	Total
LT 80%	**20.5**	**22.2**	**26.6**	22.9
80-120%	13.5	**18.8**	**22.1**	14.4
120%+	8.4	15.0	16.4	8.8
Total	11.8	18.9	23.7	13.2

Note: Bold categories are included in HUD's Underserved Area definition.
Source: HUD analysis of 1993 HMDA Data

c. Recent HMDA Studies—Controlling for Applicant Credit Risk

An important question is whether variations in denial rates reflect lender bias against certain kinds of neighborhoods and borrowers, or simply the credit quality of the mortgage (as indicated by the applicant's available assets, credit rating, employment history, etc.). The technical improvements offered by recent studies of credit disparities have attempted to control for credit risk factors that might influence a lender's decision to approve a loan. Without fully accounting for the creditworthiness of the borrower, racial differences in denial rates cannot be attributed to lender bias. The best example of accounting for credit risk is the study by researchers at the Federal Reserve Bank of Boston, which analyzed mortgage denial rates.[13] To control for credit risk, the Boston Fed researchers included 38 borrower and loan variables indicated by lenders to be critical to loan decisions. They found that minorities' higher denial rates could not be explained fully by income and credit risk factors. Blacks and Hispanics were about 60 percent more likely to be denied credit than Whites, even after controlling for credit risk characteristics such as credit history, employment stability, liquid assets, self-employment, age, and family status and composition. Although almost all highly-qualified applicants of all races were approved, differential treatment was observed among borrowers with lesser qualifications.[14]

A recent HUD study also found minority denial rates to be higher in ten metropolitan areas, even after controlling for credit risk.[15] In addition, the higher denial rates observed in minority neighborhoods were not purely a reflection of the higher denial rates experienced by minorities. Whites experienced higher denial rates in some minority neighborhoods than in some predominantly white neighborhoods.

The Boston Fed and HUD studies concluded that the effect of borrower race on mortgage rejections persists even after controlling for legitimate determinants of lenders' credit decisions. Thus, they give some legitimacy to denial rate comparisons such as those in Tables B.1 and B.2. However, the independent race effect identified in these studies is still difficult to interpret. In addition to lender bias, access to credit can be limited by loan characteristics that reduce profitability[16] and by underwriting standards that have disparate effects on minority and lower income borrowers and neighborhoods.[17]

d. Recent HMDA Studies—Controlling for Neighborhood Risk and Demand and Tests of the Redlining Hypothesis

Two recent statistical studies sought to test the redlining hypothesis by more completely controlling for differences in neighborhood risk and demand. These studies do not support claims of racially induced mortgage redlining—the explanatory power of neighborhood race is reduced to the extent that the effects of neighborhood risk and demand are accounted for. However, these studies cannot reach definitive conclusions about redlining because of the correlation of neighborhood race with other explanatory variables included in their models.

First, Andrew Holmes and Paul Horvitz used 1988–1991 HMDA data to examine the flow of conventional mortgage originations across census tracts in Houston.[18] Their regression model included as explanatory variables the economic viability of the loan and residents of the tract (e.g., house value, income, age distribution and education level), measures of demand (e.g., recent movers and change in owner units between 1980 and 1990), and measures of credit risk (defaults on government-insured loans and change in tract house values between 1980 and 1990). To determine the existence of racial redlining, the model also included as explanatory variables the percentages of Black and Hispanic residents in the tract and the increase in the tract's minority percentage between 1980 and 1990. Most of the neighborhood risk and demand variables were significant determinants of the flow of conventional loans in Houston. The coefficients of the racial composition variables were insignificant which led Holmes and Horvitz to conclude that allegations of redlining could not be supported, at least in the Houston market.

One of their more interesting findings, however, was that the racial composition variables became significant and negative, thus suggesting the existence of redlining, when they re-estimated their model twice, once without the credit risk variables and once without the demand variables. This finding is consistent with earlier credit flow studies that concluded that redlining exists. Holmes and Horvitz caution against relying on findings from these earlier studies because they did not adequately account for differences in neighborhood risk and demand. The authors conclude that ''a claim of racially based geographic discrimination in mortgage lending must be based on a consideration of race *after* (emphasis added) taking account of variables that are rationally connected with the economics of the mortgage lending process.'' [19]

In the second study, Michael Schill and Susan Wachter attempt to improve on earlier studies of redlining by examining whether mortgage denials are related to neighborhood racial composition.[20] Schill and Wachter argue that HMDA data on mortgage rejections, first released in 1990, allow researchers to address perhaps the major shortcoming of earlier credit flow studies—the inability to separate demand influences from supply influences. Analyzing information on whether lenders accept or reject individual loan applicants permits Schill and Wachter to study the determinants of the supply decision separately.[21]

In their empirical work, Schill and Wachter focused on loan acceptances rather than denials. Their model posits that the probability that a lender will accept a specific mortgage application depends on characteristics of the individual loan application[22] and characteristics of the neighborhood where the property collateralizing the loan is located. Because they rely on public data, Schill and Wachter do not have information on several loan and property risk variables, such as loan-to-value ratio, that are known to affect the mortgage

[13] Alicia H. Munnell, Lynn E. Browne, James McEneaney, and Geoffrey M. B. Tootell, ''Mortgage Lending in Boston: Interpreting HMDA Data,'' Federal Reserve Bank of Boston, Working Paper Series, No. 92–7, October 1992.

[14] This study was the subject of substantial criticism with regard to data quality and model specification, but even after accounting for these problems, the race conclusions were found to persist in a re-estimation of the model by Fannie Mae. See James H. Carr and Isaac F. Megbolugbe, ''The Federal Reserve Bank of Boston Study on Mortgage Lending Revisited,'' *Journal of Housing Research*, Volume 4, Issue 2, 1993, pp. 277–313. Other criticisms, however, have also been mentioned. For instance, the fact that the credit risk variables included in the model are correlated with the minority variable suggests that the latter may be picking up the effects of still other credit risk variables omitted from the model. See John Straka, ''Boston Federal Reserve Study of Mortgage Discrimination,'' *Secondary Mortgage Markets*, Volume 10, No. 1, Winter 1993, pp. 8–9, for a useful discussion of other aspects of the Boston Fed study.

[15] ICF Incorporated, Ann B. Schnare, and Stuart A. Gabriel, ''The Role of FHA in the Provision of Credit to Minorities,'' prepared for the U.S. Department of Housing and Urban Development, April 25, 1994.

[16] Lenders are discouraged from making smaller loans in older neighborhoods. Since upfront loan fees are frequently determined as a percentage of the loan amount, such loans generate lower revenue and thus are less profitable to lenders.

[17] Standard underwriting practices may exclude lower income families that are, in fact, creditworthy. Such families tend to pay cash, leaving them without a credit history. In addition, the usual front-end and back-end ratios applied to applicants' housing expenditures and other on-going costs may be too stringent for lower income households, who typically pay higher shares of their income for housing than higher income households.

[18] Holmes and Horvitz also analyzed the flow of government-insured loans and obtained what are now standard results in the literature—compared with conventional loans, government-insured loans are more targeted to lower income and risky neighborhoods.

[19] Holmes and Horvitz, page 97. The authors recognize that many of the risk and demand variables in their model are rather highly correlated with the racial composition variables also included in their model. Thus, one could argue that their risk and demand variables are serving, to a certain extent, as proxies for race, which would mean that their results suggest a high degree of redlining in the Houston market. Holmes and Horvitz dismiss this argument by stating that several of their non-racial variables are reasonable proxies for other prudent lending variables such as wealth and job stability for which they did not have direct data.

[20] Schill and Wachter. Although its methodology and findings are similar to those of studies discussed in the next section, it is informative to review Schill and Wachter's study in detail because it illustrates issues that must be dealt with before one can reach definitive conclusions about redlining.

[21] Perle also agrees that micro-based models of mortgage denial rates are more appropriate for studying redlining than macro-based credit flow models that fail to separate demand and supply effects.

[22] Individual loan characteristics include loan size (economies of scale cause lenders to prefer large loans to small loans) and all individual borrower variables included in the HMDA data (the applicant's income, sex, and race).

decision. To compensate for the lack of these variables, the study includes neighborhood risk proxies that are likely to affect the future value of the properties.[23] Finally, to test for the existence of racially-induced lending patterns across census tracts, Schill and Wachter include the percentage of persons in the census tract that are Black and Hispanic.

The authors tested their model for conventional mortgages in Philadelphia and Boston. They first estimated their model including as explanatory variables only the individual loan and racial composition variables. The applicant race variables—whether the applicant is Black or Hispanic—showed significant negative effects on the probability that a loan will be accepted. Schill and Wachter state that this finding does not provide evidence of individual race discrimination because applicant race is most likely serving as a proxy for credit risk variables omitted from their model (e.g., credit history, wealth and liquid assets). In this first analysis, the percentage of the census tract that is Black also shows a significant and negative coefficient, a result that is consistent with redlining. However, when the neighborhood risk proxies are included in the model along with the individual loan variables, the percentage of the census tract that is Black becomes insignificant. Thus, similar to Holmes and Horvitz, Schill and Wachter state that ''once the set of independent variables is expanded to include measures that act as proxies for neighborhood risk, the results do not reveal a pattern of redlining.'' [24]

In their conclusion, however, Schill and Wachter state that while their results do not support the hypothesis of redlining, they cannot say definitively that neighborhood race is unrelated to lenders' decisions to accept or reject loan applications. One reason for their hesitancy is that many of their individual loan variables (as well as their neighborhood risk variables) are correlated with the racial composition of the census tract. For instance, the applicant's race variable (i.e., whether the applicant is Black or Hispanic) remains highly significant and negative in all their estimations. Because of the high degree of racial segregation that exists in urban areas, the applicant race variable is positively correlated with the census tract race variable. It may be that the applicant race variable is picking up effects that should properly be attributed to the census tract race variable.[25] If this were the case, Schill and Wachter's conclusions about the existence of racially induced redlining would necessarily change.

e. Geographic Dimensions of Underserved Areas—Targeted Versus Broad Approaches

An important issue for the GSE regulations is whether geographic areas under this goal should be broadly or narrowly defined. Is central city location an adequate proxy for lack of access to mortgage credit? What is gained by more targeted neighborhood-based definitions of underserved areas? This section reports findings from three studies that address these questions. All three support defining underserved areas in terms of the minority and/or income characteristics of census tracts, rather than in terms of a broad definition such as all areas of all central cities.

HUD's Analysis. Tables B.1 and B.2 documented the relatively high denial rates and low mortgage origination rates in underserved areas as defined by HUD. This section extends that analysis by comparing underserved and served areas within central cities and suburbs. Figure B.1 shows that HUD's definition targets central city neighborhoods that are experiencing problems obtaining mortgage credit. The 22.2 percent denial rate in underserved areas of central cities is twice the 11.2 percent denial rate in the remaining areas of central cities. Similarly, the average mortgage origination rate (per 100 owner occupants) in underserved areas of central cities is 6.2, much lower than the average of 13.1 for the remaining areas of central cities.

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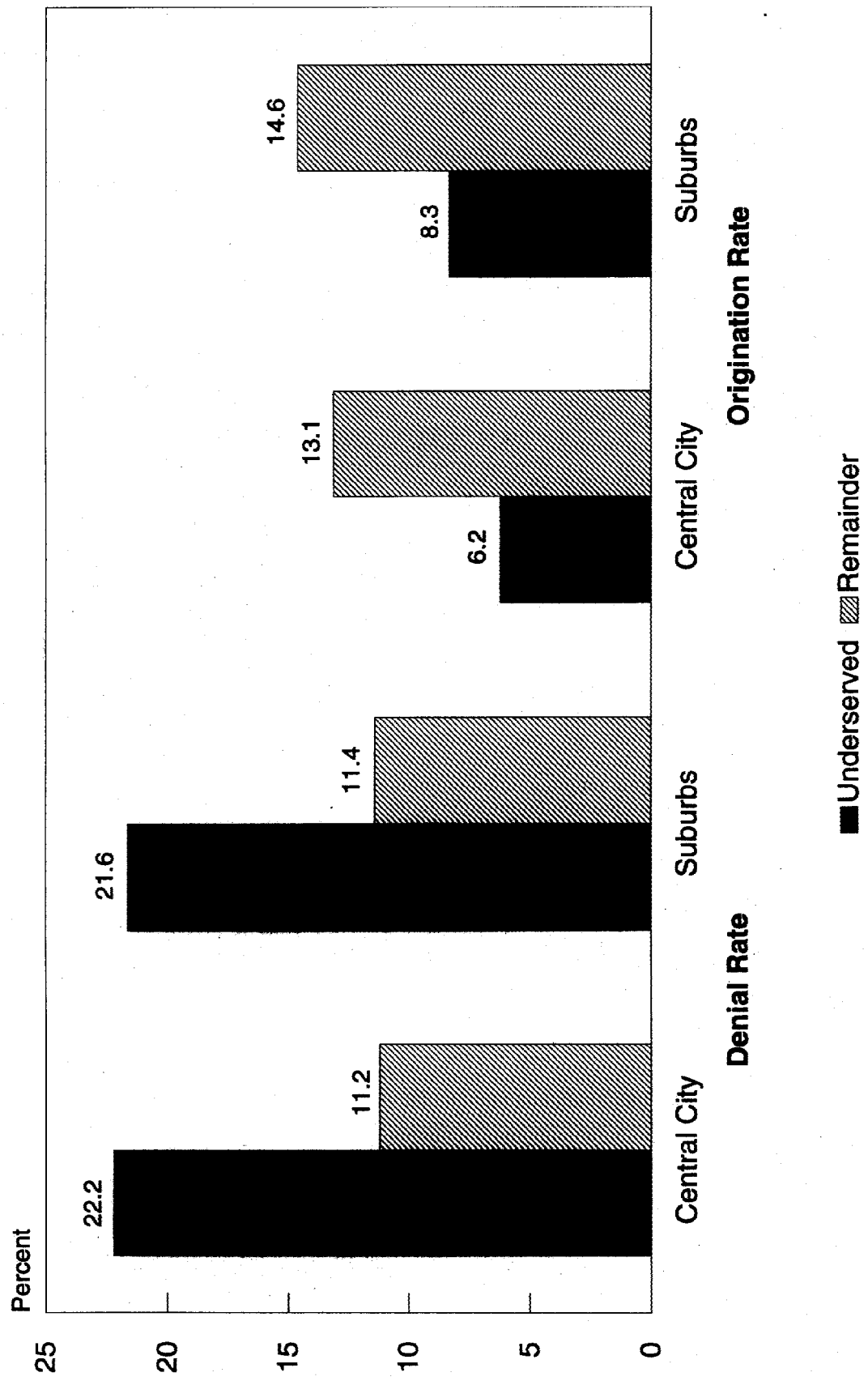
[23] Their neighborhood risk proxies include median income and house value (inverse indicators of risk), percent of households receiving welfare, median age of houses, homeownership rate (an inverse indicator), vacancy rate, and the rent-to-value ratio (an inverse indicator). A high rent-to-value ratio suggests lower expectations of capital gains on properties in the neighborhood.

[24] Schill and Wachter, page 271. Munnell, *et al.* reached similar conclusions in their study of Boston. They found that the race of the individual mattered, but that once individual characteristics were controlled, racial composition of the neighborhood was insignificant.

[25] In their study of individual loan denial rates, Avery, Beeson, and Sniderman obtain significant and positive coefficients for the individual applicant's race. Unlike Schill and Wachter, they found that denial rates were higher in low-income tracts even after controlling for the effects of the applicant's race and income. Although denial rates were not higher overall for purchase and refinance loans in minority tracts after controlling for the race of the applicant, denial rates were higher in minority tracts for white applicants. In other words, minorities have higher denial rates wherever they attempt to borrow, but whites face higher denials when they attempt to borrow in areas dominated by minorities. In addition, denial rates were higher in minority areas for home-improvement loans. See Robert B. Avery, Patricia E. Beeson, and Mark S. Sniderman, ''Underserved Mortgage Markets: Evidence from HMDA Data,'' Working Paper Series 94–16, Federal Reserve Bank of Cleveland, October 18, 1994.

FIGURE B.1



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A broad, inclusive definition of ''central city'' that includes all areas of all central cities would include the ''remaining'' portions of central cities. Figure B.1 shows that these areas, which account for approximately half of the central city population, appear to be well served by the mortgage market. They are not experiencing problems obtaining access to mortgage credit.[26]

HUD's definition also targets in the suburbs as well as in central cities—for example, the average denial rate in underserved suburban areas is almost twice that in the remaining areas of the suburbs. Low-income and high-minority suburban tracts appear to have credit problems similar to their central city counterparts. These suburban tracts, which account for 23 percent of the suburban population, should also be included in the definition of underserved areas. Thus, the advantage of HUD's targeted definition of underserved areas is illustrated by sharp differences in measures of mortgage access between served and underserved areas within both central cities and suburbs.

William Shear, James Berkovec, Ann Dougherty, and Frank Nothaft, economists at Freddie Mac, recently completed an analysis of mortgage flows and application acceptance rates in 32 metropolitan areas that also supported a targeted definition of underserved areas.[27] These researchers regressed the number of mortgage originations per 100 properties in the census tract on several independent variables that are intended to account for some, but admittedly not all, of the demand and supply (i.e., credit risk) influences at the census tract level. Examples of the demand and supply variables at the census tract level include: Tract income relative to the area median income, the increase in house values between 1980 and 1990, the percentage of units boarded up, and the age distributions of households and housing units. The tract's minority composition and central city location were included to test if these characteristics are associated with underserved neighborhoods after controlling for the demand and supply variables. Several of their findings relate to the issue of defining underserved areas:

- Black and Hispanic census tracts have lower rates of applications, originations, and acceptance rates. For instance, the regression estimates suggest that all-White census tracts would have an average 10.5 originations per 100 properties, while all-Black and all-Hispanic census tracts would have about 7 originations per 100 properties.
- Tract income influences mortgage flows—tracts at 80 percent of median income are estimated to have 8.6 originations per 100 owners as compared with 10.8 originations for tracts over 120 percent of median income.
- Once census tract influences are accounted for, central city location has only a minimal effect on credit flows.

Shear, Berkovec, Dougherty, and Nothaft recognized that it is difficult to interpret their estimated minority effects—the effects may indicate lender discrimination, supply and demand effects not included in their model but correlated with minority status, or some combination of these factors. They explain the implications of their results for measuring underserved areas as follows:

* * * While it is not at all clear how we might rigorously define, let alone measure, what it means to be underserved, it is clear that there are important housing-related problems associated with certain location characteristics, and it is possible that, in the second or third best world in which we live, mortgage markets might be useful in helping to solve some of these problems. We then might use these data to help single out important areas or at least eliminate some bad choices. * * * The regression results indicate that income and minority status are better indicators of areas with special needs than central city location.[28]

Robert Avery, Patricia Beeson, and Mark Sniderman of the Federal Reserve Bank of Cleveland recently presented a paper specifically addressing the issue of underserved areas in the context of the GSE legislation.[29] Their study examines variations in application rates and denial rates for all individuals and census tracts included in the 1990 and 1991 HMDA data base. They seek to isolate the differences that stem from the characteristics of the neighborhood itself rather than the characteristics of the individuals that apply for loans in the neighborhood or lenders that happen to serve them. Similar to the two studies of redlining reviewed in the previous section, Avery, Beeson and Sniderman hypothesize that variations in mortgage application and denial rates will be a function of several risk variables such as the income of the applicant and changes in neighborhood house values; they test for independent racial effects by adding to their model the applicant's race and the racial composition of the census tract. Econometrics are used to separate individual applicant effects from neighborhood effects.

Based on their empirical work, Avery, Beeson and Sniderman reach the following conclusions:

- The individual applicant's race exerts a strong influence on mortgage application and denial rates. Black applicants, in particular, have unexplainably high denial rates.
- Once individual applicant and other neighborhood characteristics are controlled for, overall denial rates for purchase and refinance loans were only slightly higher in minority census tracts than non-minority census tracts.[30] For white applicants, on the other hand, denial rates were significantly higher in minority tracts.[31] That is, minorities have higher denial rates wherever they attempt to borrow but whites face higher denials when they attempt to borrow in minority neighborhoods. In addition, Avery *et al.* found that home improvement loans had significantly higher denial rates in minority neighborhoods. Given the very strong effect of the individual applicant's race on denial rates, Avery *et al.* note that since minorities tend to live in segregated communities, a policy of targeting minority neighborhoods may be warranted.
- The median income of the census tract had strong effects on both application and denial rates of purchase and refinance loans, even after other variables were accounted for.
- There is little difference in overall denial rates between central cities and suburbs, once individual applicant and census tract characteristics are controlled for.

Avery, Beeson and Sniderman conclude that a tract-level definition would be a more effective way to define underserved areas in the GSE regulation than using central city as a proxy.

Insights Gained About Underserved Areas. HUD's analysis of 1993 HMDA data has led it to propose a targeted definition of central cities, rural areas, and other underserved areas based on the income and minority characteristics of the census tract. The studies by Shear, *et al.* and Avery, Beeson, and Sniderman support a targeted approach to defining underserved areas. HUD recognizes that the mortgage origination and denial rates that served as the basis for determining the tract income and minority thresholds in its definition of underserved areas are the result of a multitude of risk, demand and supply factors operating at the individual applicant and neighborhood levels that analysts have yet to completely disentangle and interpret. Like the above researchers, HUD believes that this technical concern, although important, does not negate the fact that there are widespread and pervasive differences in mortgage credit flows between neighborhoods and that these differences suggest a targeted rather than a broad approach for defining underserved areas. The next section will also document that there are equally widespread and pervasive differences in socioeconomic conditions across neighborhoods, which also supports a targeted definition of central

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[26] Section D below will provide additional reasons why central city location should not be used as a proxy for underserved areas.

[27] William Shear, James Berkovec, Ann Dougherty, and Frank Nothaft, ''Unmet Housing Needs: The Role of Mortgage Markets,'' presented at mid-year meeting of the American Real Estate and Urban Economics Association, June 1, 1994. See also Susan Wharton Gates, ''Defining the Underserved,'' *Secondary Mortgage Markets*, 1994 Mortgage Market Review Issue, pp. 34–48.

[28] Shear *et al.*, p. 18.

[29] See Avery, *et al.*

[30] Avery *et al.* find very large unadjusted differences in denial rates between white and minority neighborhoods, and although the gap is greatly reduced by controlling for applicant characteristics (such as race and income) and other census tract characteristics (such as house price and income level), a significant difference between white and minority tracts remains (for purchase loans, the denial rate difference falls from an unadjusted level of 16.7 percent to 4.4 percent after controlling for applicant and other census tract characteristics, and for refinance loans, the denial rate difference falls from 21.3 percent to 6.4 percent). However, when between-MSA differences are removed, the gap drops to 1.5 percent and 1.6 percent for purchase and refinance loans, respectively. See Avery, *et al.*, p. 16.

[31] Avery, *et al.*, page 19, note that, other things equal, a black applicant for a home purchase loan is 3.7 percent more likely to have his/her application denied in an all-minority tract than in an all-white tract, while a white applicant from an all-minority tract would be 11.5 percent more likely to be denied.

cities, rural areas, and other underserved areas.

f. Mortgage Access Problems and Socioeconomic Distress

To this point the discussion has focused on the credit problems of minority and low-income neighborhoods. However, there has also been a great deal of concern about poor living conditions in the nation's distressed neighborhoods. This section brings these two issues together, showing that lack of access to credit markets is closely related to distressed living conditions.

HUD's analysis of underserved census tracts shows that they are substantially more distressed than served tracts:

- Poor persons are highly concentrated in underserved areas. In metropolitan areas, 64 percent of all poor people live in underserved areas. The share is even higher in central cities, with 76 percent of poor persons in underserved areas.
- Table B.3 shows that residents in underserved areas have higher poverty rates, higher minority concentration, lower incomes, and higher unemployment rates. For instance, underserved areas show a poverty rate of 23 percent, compared with only 7 percent in served areas.
- In terms of housing, Table B.3 shows that underserved areas have a larger percentage of renters, more boarded-up units, more older housing, and more low-valued housing than do served areas. The average value of owner-occupied housing in underserved areas was $81,681, compared with $127,423 in served areas.

The socioeconomic differences between underserved and served census tracts hold when the comparisons are made separately for central cities and suburban areas. These findings further support the targeting approach and point to the usefulness of the minority and income variables as proxies for underserved conditions.

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Table B.3

Characteristics of Underserved and Served Tracts: Metropolitan Areas

	Central Cities		Suburbs		Metropolitan Areas	
	Underserved	Served	Underserved	Served	Underserved	Served
Number of Census Tracts	12,531	10,629	4,806	16,481	17,337	27,110
Poverty Rate	26.7%	8.4%	16.6%	6.5%	22.7%	7.2%
Tract Income/MSA Income	63	124	77	119	67	121
Minority Percentage	63.3%	13.3%	41.9%	8.7%	54.4%	10.5%
Percent Old Houses *	45.6%	28.9%	26.7%	21.3%	40.3%	24.3%
Median House Value	$75,431	$122,459	$97,975	$130,624	$81,681	$127,423
Percent Renter	58.6%	35.4%	43.5%	23.4%	54.4%	28.1%
Percent Boarded Up	1.31%	.15%	.43%	.12%	1.07%	.13%
Unemployment Rate	12.5%	5.0%	8.7%	4.6%	11.4%	4.8%

*Percent of housing units built before 1950.

Note: Except for the unemployment and poverty rates, percentages represent unweighted averages across census tracts.

g. Identifying Underserved Locations in Rural Areas

Evaluating which rural locations are underserved in terms of access to mortgage credit cannot be done with HMDA data, the source used for most of the studies of credit needs summarized here, because these data do not provide geographic identifiers on mortgage activity outside of metropolitan statistical areas. Moreover, there are few careful current studies on access to mortgage credit in rural locations. A 1990 study by the Urban Institute, for example, found little evidence of a national rural home credit shortage, and attributed low mortgage activity in some local markets to lack of demand in weak local economies.[32]

To address issues about defining underserved areas in rural contexts, the Department consulted with researchers from academia, the Department of Agriculture, the Census Bureau, the Housing Assistance Council, the Congressional Budget Office, public-interest groups, and the GSEs. Researchers participating in a forum on these issues agreed that available studies do *not* show that rural areas have endemic problems with access to credit, although this conclusion may stem from lack of adequate data. Yet there is much anecdotal evidence that underserved areas in rural communities have less access to credit and particularly to the secondary market. According to the Housing Assistance Council (HAC), access to mortgage credit worsens as distance from metropolitan centers increases,[33] while Department of Agriculture representatives judge that communities with population below 2,500 or 5,000 most often lack access to lenders. In general, the forum participants agreed that, as found for cities and suburbs, rural communities with low income or minority concentrations were those more likely to be underserved.

3. Conclusions From HUD's Analysis and the Economics Literature About Underserved Areas

The implications of studies by HUD and others for defining underserved areas can be summarized briefly. First, the existence of large geographic disparities in mortgage credit is well documented. HUD's analysis of 1993 HMDA data shows that low-income and minority neighborhoods receive substantially less credit than other neighborhoods and, by most reasonable criteria, fit the definition of being underserved by the nation's credit markets.

Second, researchers are beginning to test models that more fully account for the various risk, demand, and supply factors that determine the flow of credit to urban neighborhoods. The studies by Holmes and Horvitz and Schill and Wachter are good examples of this recent research. Their attempts to test the redlining hypothesis show the analytical insights that can be gained by more rigorous modeling of this issue. However, as those two studies show, the fact that our urban areas are highly segregated means that the various loan, applicant, and neighborhood characteristics currently being used to explain credit flows are often highly correlated with each other which makes it difficult to reach definitive conclusions about the relative importance of any single variable such as neighborhood racial composition. Thus, the need continues for further research on the underlying determinants of geographic disparities in mortgage lending.[34]

Finally, the research strongly supports a targeted definition of underserved areas. Studies by Shear, *et al.* and Avery, Beeson, and Sniderman conclude that characteristics of both the applicant and the neighborhood where the property is located are the major determinants of mortgage denials and origination rates—once these characteristics are controlled for, other influences such as central city location play only a minor role in explaining disparities in mortgage lending. HUD's analysis shows that both credit and socioeconomic problems are highly concentrated in underserved areas within central cities and suburbs. The remaining, high-income portions of central cities and suburbs appear to be well served by the mortgage market.

C. Consideration of the Factors

As the above review shows, the most thorough studies available provide strong evidence that in metropolitan areas low income and minority composition identify neighborhoods that are underserved by the mortgage market. Experts on rural housing concur that these dimensions also influence credit availability in rural and non-metropolitan areas. As this section discusses, geographical differentials in housing, social, and economic problems and past discrimination against minorities confirm that problems are greater throughout the nation in the areas identified as underserved under the Secretary's proposed definition. Section C.1. describes housing needs in urban and rural areas generally, after which the extreme social and economic problems of distressed neighborhoods are noted. Section C.2. discusses discrimination and other housing problems faced by minorities. Although few studies have yet analyzed the specific geographic areas targeted by the proposed definition, the segregation of minorities within the nation's inner cities and poorer rural counties makes this information pertinent to analysis of underserved areas and to the goal set by the Secretary.

1. Housing Needs in Urban and Rural Areas

a. Regional and Urban/Rural Differences in Housing Needs

The incidence of housing problems and severe housing problems varies markedly by location. At almost every income level in 1990, both renters and owners were most likely to have housing problems in the West, and residents of central cities more often had problems than those in suburbs or outside metropolitan areas.[35] In each type of location, affordability problems were most common. Although households in non-metropolitan areas, for example, were less likely than those in cities or suburbs to pay more than 30 percent of income for housing in 1991, affordability problems (25 percent) were still much more common for them than physically inadequate housing (10 percent). Three-quarters of non-metropolitan housing units are in the South and the Midwest. These households have a relatively high incidence of substandard housing, but affordability is less of a problem than elsewhere in the nation. Housing conditions are worst in the South, where over one-fourth of non-metropolitan units have some type of physical deficiency.

Very low-income renters similarly were more likely to have worst case problems in the West and Northeast than in the Midwest and South. Nationally, over half of worst case households lived in central cities, while a third lived in the suburbs.[36] In all four regions, renters living outside of metropolitan areas least often had worst case problems.

Although ''non-metropolitan,'' as defined by OMB is often considered equivalent to ''rural,'' as defined by the Census Bureau, almost half of rural households live in metropolitan areas. Moreover, over one-third of non-metropolitan households live in communities the Census Bureau classifies as urban. Thus, any discussion of rural and urban housing needs must define terms carefully. Analysis of 1991 American Housing Survey data reveals that rural households in metropolitan areas actually have higher ownership rates and fewer housing problems than either urban or rural residents of non-metropolitan areas. Furthermore, in non-metropolitan counties, housing problems are more frequent and more often severe, for urban than for rural residents.

The Economic Research Service of the Department of Agriculture shows that urban proximity is important: economic conditions and housing problems tend to be worse in counties most remote from metropolitan areas or smaller cities.[37] In particular, counties with ''persistent low-income,'' which are disproportionately more rural and remote, have had little recent economic activity, stagnation in real family income during the 1980s, and continue to have the highest incidence of housing lacking complete plumbing. These high poverty

[32] The Urban Institute, 1990. *The Availability and Use of Mortgage Credit in Rural Areas* examined data on ownership, mortgage terms and conditions, and Federal program coverage, particularly for moderate-income homebuyers.

[33] Statement of Moises Loza, Executive Director of HAC, July 21, 1994, to the Subcommittee on Environment, Credit, and Community Development of the House Committee on Agriculture.

[34] Methodological and econometric challenges that researchers will have to deal with are discussed in Mitchell Rachlis and Anthony Yezer, ''Serious Flaws in Statistical Tests for Discrimination in Mortgage Markets,'' *Journal of Housing Research*, Volume 4, 1993, pp. 315–336.

[35] Amy Bogdon, Joshua Silver, and Margery A. Turner, *National Analysis of Housing Affordability, Adequacy, and Availability: A Framework for Local Housing Strategies*, HUD–1448–PDR, 1994.

[36] U.S. Dept. of Housing and Urban Development, 1992. *The Location of Worst Case Needs in the Late 1980s: A Report to Congress*. HUD–1387–PDR.

[37] *Rural Conditions and Trends*, Volume 4, No. 3, Fall 1993, a special 1990 census issue, documents differences among counties in population, education, employment, income, poverty, and housing.

counties are concentrated in Appalachia and in areas with high proportions of minority residents.

Higher proportions of rural households are homeowners than those in urban areas (79 percent versus 60 percent), in part because of wider availability of mobile homes. Because of lower mobility and higher shares of elderly householders who have paid off their mortgages, rural homeowners are less likely to have mortgages than urban homeowners (46 versus 64 percent). Those that do have mortgages are more reliant on non-institutional sources than homeowners in metropolitan areas.[38]

b. Housing Needs in Distressed Neighborhoods

Although analysis of housing problems in areas defined as underserved by the Secretary is still underway, over the past three decades evidence of growing poverty concentrations has caused mounting concern about poor living conditions in the nation's distressed neighborhoods. John Kasarda has focused on trends in the neighborhood concentration of poverty and measures of the ''underclass'' population such as school dropouts, unemployed and underemployed adult males, single-parent families, and families dependent upon welfare.[39] Kasarda has not only documented the extreme deprivation that exists in minority and low-income neighborhoods throughout our major urban areas, but he has also shown that neighborhood distress and concentrations of residents in tracts with high poverty worsened during the 1980s.

Analysis within 44 major metropolitan areas showed that in the late 1980s renters were most likely to have worst case needs in the poorest neighborhoods.[40] Although only one-tenth of households lived in neighborhoods with poverty rates above 20 percent, those poorest neighborhoods housed almost one-fourth of worst case renters. These poorest zones closely resemble tracts identified as poor ghettos or underclass areas. They contained older, smaller units that were more often physically inadequate and crowded than other housing in the metropolitan areas studied.[41] As discussed earlier, the tracts qualifying as underserved under HUD's definition have similar socioeconomic problems and are substantially worse off than other parts of metropolitan areas in terms of both social and housing problems (see Table B.3).

2. Economic, Housing, and Demographic Conditions

a. Discrimination in the Housing Market

In addition to discrimination in the lending market, substantial evidence exists of discrimination in the housing market. The Housing Discrimination Study sponsored by HUD and conducted in 1989 found that minority home buyers encounter some form of discrimination about half the time when they visit a rental or sales agent to ask about advertised housing.[42] The incidence of discrimination was higher for Blacks than for Hispanics and for homebuyers than for renters. For renters, the incidence of discrimination was 46 percent for Hispanics and 53 percent for Blacks. The incidence among buyers was 56 percent for Hispanics and 59 percent for Blacks.

While discrimination is rarely overt, minorities are more often told the unit of interest is unavailable, shown fewer properties, offered less attractive terms, offered less financing assistance, or provided less information than similarly situated non-minority homeseekers. Some evidence indicates that properties in minority and racially-diverse neighborhoods are marketed differently from those in White neighborhoods. Houses for sale in non-White neighborhoods are rarely advertised in metropolitan newspapers, open houses are rarely held, and listing real estate agents are less often associated with a multiple listing service.[43]

b. Housing Problems of Minorities and their Neighborhoods

Because they face discrimination in access to housing or lending, minorities and their neighborhoods face severe housing problems:

- Discrimination in the housing and lending markets is evidenced by racial disparities in homeownership. In 1991, the homeownership rate was 68 percent for Whites, 43 percent for Blacks, and 39 percent for Hispanics. Although differences in income, wealth, and family structure explain much of the differences, racial disparities persist after accounting for these factors.[44]
- Discrimination, while not the only cause, contributes to the pervasive level of segregation that persists between Blacks and Whites in our urban areas.
- Hispanics are the group most likely to have worst case needs for housing assistance, but least likely to receive assistance; in 1991, only 21 percent of very low-income Hispanics lived in public or assisted housing. The 1989 to 1991 increase in worst case needs was the largest for Hispanic households, rising from 39.2 to 44.4 percent of very low-income Hispanic renters.

The housing problems of minorities and the neighborhoods where they live are of growing importance, in part, because minorities, particularly Hispanics, are becoming an increasingly large share of the U.S. population. In Los Angeles and Miami, with rapid growth in Hispanic immigrant population and slow growth in the native-born non-Hispanic White population, minorities already represent more than half the total population.

Homeownership rates vary consistently by neighborhood characteristics. As Table B.4 shows, on average homeownership rates decrease as the minority concentration in census tracts increases, and as income falls relative to the area median. These patterns are consistent with the demographic patterns described earlier, that minorities and low-income households have lower homeownership rates. An exception to this pattern occurs in tracts with incomes below 50 percent of the area median, in which homeownership rates rise with minority concentration in some cases. However, only a very small proportion of households live in these tracts.

3. Previous Performance and Effort of the GSEs In Connection With the Central Cities, Rural Areas and Other Underserved Areas Goal

The central cities, rural areas, and other underserved areas goal will be in effect for the first time in 1995, replacing the central city goal. Because it is a new goal, the GSEs did not provide specific reports to HUD regarding their 1993 performance in connection with underserved areas. HUD did examine the GSEs' performance in the areas covered by the newly defined goal using 1993 HMDA data and the loan-level data submitted by the GSEs to HUD for 1993 mortgage purchases.

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[38] The Urban Institute.

[39] ''Inner-City Concentrated Poverty and Neighborhood Distress: 1970 to 1990.'' *Housing Policy Debate,* 4(3): 253–302.

[40] U.S. Dept. of Housing and Urban Development, 1992. *The Location of Worst Case Needs in the Late 1980s: A Report to Congress.* HUD–1387–PDR.

[41] Kathryn P. Nelson, 1993. ''Intra-urban Mobility and Location Choice in the 1980s,'' pp. 53–95 in Thomas Kingsley and Margery Turner, eds., *Housing Markets and Residential Mobility,* Washington, DC: The Urban Institute Press.

[42] Margery A. Turner, Raymond J. Struyk, and John Yinger, *Housing Discrimination Study: Synthesis,* Washington, D.C., U.S. Department of Housing and Urban Development, 1991.

[43] Margery A. Turner, ''Discrimination in Urban Housing Markets: Lessons from Fair Housing Audits,'' *Housing Policy Debate,* Vol. 3, Issue 2, 1992, pp. 185–215.

[44] Susan M. Wachter and Isaac F. Megbolugbe, ''Racial and Ethnic Disparities in Homeownership,'' *Housing Policy Debate,* Vol. 3, Issue 2, 1992, pp. 333–370.

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Table B.4

Homeownership Rates for Metropolitan Census Tracts

Tract Median Income as % of Area Median	Percentage of Minority Households in Census Tracts										
	LT 10%	10-20%	20-30%	30-40%	40-50%	50-60%	60-70%	70-80%	80-90%	90-100%	TOTAL
30% or Less	7.3%	4.8%	15.3%	17.3%	18.2%	16.1%	16.6%	19.2%	18.9%	16.9%	17.1%
30-40%	18.1%	9.2%	17.9%	22.2%	20.6%	20.0%	23.9%	24.7%	26.5%	27.5%	25.0%
40-50%	30.1%	27.6%	27.1%	25.7%	27.1%	26.4%	26.7%	26.8%	28.8%	32.4%	29.6%
50-60%	54.8%	37.7%	37.6%	30.1%	32.0%	34.7%	35.9%	34.7%	35.8%	39.7%	37.5%
60-80%	62.0%	48.3%	43.1%	41.9%	39.9%	43.1%	43.0%	45.4%	44.9%	48.6%	48.3%
80-100%	70.6%	58.5%	53.3%	51.4%	49.4%	52.5%	52.8%	54.9%	55.9%	62.5%	62.0%
100-120%	76.1%	64.5%	60.3%	57.6%	59.0%	62.0%	65.9%	65.1%	71.2%	64.6%	70.1%
More Than 120%	79.3%	67.3%	65.6%	67.1%	66.4%	66.6%	73.6%	74.7%	69.9%	71.6%	74.0%
TOTAL	74.3%	61.1%	54.6%	50.4%	47.3%	47.2%	46.4%	46.7%	44.1%	39.8%	61.8%

a. GSE Performance: 1993 HMDA Data

HMDA data permit examination of the GSEs' performance in metropolitan areas.[45] According to 1993 HMDA data, 13.1 percent of Fannie Mae's single-family business was in underserved areas. Of its total underserved business, 23.8 percent was in low-income tracts (i.e., tracts with income not exceeding 80 percent of area median but with minority population less than 30 percent), 49.8 percent was in high-minority tracts (i.e., tracts with minority population greater than or equal to 30 percent and with incomes between 80 and 120 percent of the area median), and 26.4 percent was in high-minority, low-income tracts.

Based on 1993 HMDA data 13.6 percent of Freddie Mac's single-family business was in underserved areas. Of its underserved business, 23.1 percent was in low-income tracts, 50.0 percent was in high-minority tracts, and 27.0 percent was in high-minority, low-income tracts.

HMDA data can also be used to compare GSE performance in low-income and high-minority census tracts with that of the overall market. Combined, GSE purchases accounted for a higher percentage of loans in high-income census tracts than in low-income census tracts. GSEs purchased 44 percent of the loans in under-50-percent income tracts, 47 percent of the loans in 50–80-percent income tracts, 51 percent of the loans in 80–100-percent income tracts, and 59 percent in the above-median income tracts. The GSE purchase share declined sharply relative to the market in very-high-minority tracts (over 90 percent).

b. GSE Performance: 1993 GSE Data

Table B.5 summarizes GSE purchases in underserved areas using the 1993 loan-level data that Fannie Mae and Freddie Mac submitted to HUD. In 1993, 15.9 percent of Fannie Mae's business and 14.4 percent of Freddie Mac's business was in underserved areas. The share of GSE business in underserved areas varies rather dramatically by property type; for example, about 13 percent of Fannie Mae's single-family owner purchases were in underserved areas compared with over 30 percent for the three rental property types given in Table B.5.

As Table B.6 shows, approximately 40 percent of GSE purchases in underserved areas were mortgages of low- and moderate-income households. Thus above-median income households accounted for 60 percent of the mortgages that the GSEs purchased in underserved areas which suggests these areas are quite diverse. In central cities, one-third of the GSEs' low-mod purchases were in underserved areas, whereas in the suburbs, only 16 percent were. This reflects the much greater concentration of poverty in central cities.

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[45] HMDA data are not useful for examining rural performance. However this, by itself, will have little effect on the estimate of performance because the GSEs do only a small portion of their business in non-metropolitan areas. Share of metropolitan business in underserved areas will be very close to share of total business in underserved areas. Metropolitan underserved share is only an underestimate of total underserved share if the rural business is much more highly targeted to underserved areas than is the metropolitan business.

Table B.5

Share of 1993 Purchases That Were In Underserved Areas

	Fannie Mae	Freddie Mac
SF-Owner	12.7%**	12.8%
SF 2-4	45.2	43.0
SF Investor	35.4	35.6
Multifamily	35.0	37.9
Total	15.9	14.4

* Excluding FHA/VA purchases.

** 12.7 percent of Fannie Mae single-family owner-occupied units were in underserved areas.

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Table B.6

1993 Fannie Mae And Freddie Mac Mortgage Purchases By Underserved Area And Low- And Moderate-Income

Share of 1993 Underserved Units That Are Also Low- And Moderate-Income Units		
	Fannie Mae	Freddie Mac
Central City	44.8%*	42.5%
Suburbs	41.6	40.1
Non-metro	20.8	22.8
Total	42.0	39.5

Share Of Low- And Moderate-Income Units That Are In Underserved Areas		
	Fannie Mae	Freddie Mac
Central City	33.4%**	32.8%
Suburbs	14.1	14.2
Non-metro	4.8	8.9
Total	18.1	18.0

* 44.8 percent of Fannie Mae's 1993 central city single-family owner-occupied purchases in underserved areas went to low-mod borrowers. (Properties with missing data excluded.)

** 33.4 percent of Fannie Mae's 1993 low-mod units located in central cities are also located in underserved areas. (Properties with missing data excluded.)

4. Size of the Conventional Mortgage Market for Central Cities, Rural Areas, and Other Underserved Areas Relative to the Overall Conventional Conforming Market

Section C.4 of Appendix A describes HUD's two approaches for estimating the size of the low- and moderate-income market. The first approach cannot be used for underserved areas because American Housing Survey data are not available at the census tract level. The analysis of underserved areas follows the second approach, which is based on HMDA data and projections of the 1995 mortgage market. The methodology involves estimating for each of the various property types (single family owner, single family investment, etc.) the percentage of dwelling units financed by mortgages that are located in underserved census tracts and, then, computing the overall market share for underserved areas by weighting these underserved area percentages by the mortgage originations for each property type in the 1995 market.

This approach follows the same six steps as outlined in Section C.4.b of Appendix A. In steps (5) and (6), underserved area shares are substituted for low-mod shares:

(5) Estimates of the percentage of dwelling units financed by mortgages that are located in underserved areas were: 15.4 percent for single-family owner-occupied purchase mortgages and 14.1 percent for single-family owner-occupied refinance mortgages (both figures based on 1993 HMDA data); and 45 percent for single-family 2–4's, 35 percent for single-family 1–4's, and 43 percent for multifamily (discussed below).

(6) Applying the above underserved area percentages to the property type weights given in step (4) of Section C.4.b of Appendix A gives an overall estimated underserved area share for 1995 of 23.4 percent.

Sensitivity analyses were conducted for the market importance of each property type and for the underserved area shares of each property type, as discussed in Appendix A. Using 1992 HMDA data for the single-family owner-occupied shares in step (5) gave almost identical results. Sensitivity analysis was more important for the three rental categories where data on underserved areas are not readily available. The percentages (45 percent and 35 percent) of single-family rental mortgages located in underserved areas were based on GSE data—the percentages of Fannie Mae's mortgage purchases in underserved areas for 2–4 and 1–4 properties were 45 percent and 35 percent, respectively, and the corresponding percentages for Freddie Mac were 43 percent and 36 percent, respectively.[46] 1993 (1992) HMDA data on mortgages to properties with non-occupant owners were consistent with the GSE data for 1–4 properties—HMDA reports that almost 32 percent (35 percent) of those mortgages were for properties located in underserved areas.

The multifamily underserved area percentage (43 percent) is based on 1992 and 1993 HMDA data which, admittedly, is quite limited.[47] The only other source is Fannie Mae data, because Freddie Mac's purchases of multifamily mortgages in 1993 were limited. In 1993, about 35 percent of Fannie Mae's multifamily business was in underserved areas. Dropping the multifamily percentage from 43 percent to 40 (35) percent would reduce the estimated market share for underserved areas to 22.9 (21.9) percent. These and other analyses leads the Secretary to conclude that the size of the underserved area market is at least in the 21–23 percent range.

5. Ability To Lead the Industry

This factor is the same as the fifth factor considered under the goal for mortgage purchases on housing for low- and moderate-income families. Accordingly, see Section C.5 of Appendix A for discussion of this factor.

6. Need To Maintain the Sound Financial Condition of the Enterprises

This factor is the same as the sixth factor considered under the goal for mortgage purchases on housing for low- and moderate-income families. Accordingly, see Section C.6 of Appendix A for discussion of this factor.

D. Determination of the 1995 and 1996 Central Cities, Rural Areas, and Other Underserved Areas Goal

This section summarizes the Secretary's rationale for choosing targeted definitions of central cities, rural areas, and other underserved areas, compares the characteristics of served and underserved areas, and addresses other issues related to determining the underserved area goals. The section draws heavily from earlier sections which have reported findings from HUD's analyses of mortgage credit needs as well as findings from other research studies investigating access to mortgage credit.

1. Market Failure

The nation's housing finance market is a highly efficient system where most homebuyers can put down relatively small amounts of cash and obtain long-term funding at relatively small spreads above the lender's borrowing costs. Indeed, the growth of the secondary mortgage market during the 1980s integrated a previously thrift-dominated mortgage market with the nation's capital markets so that mortgage funds are more readily available and mortgage costs are more closely tied to movements in Treasury interest rates.

Unfortunately, this highly efficient financing system does not work everywhere or for everyone. Access to credit all to often depends on improper evaluation of characteristics of the mortgage applicant and the neighborhood in which the applicant wishes to buy. HUD's analysis of 1993 HMDA data shows that mortgage credit flows are substantially lower in minority and low-income neighborhoods and mortgage denial rates are much higher for minority applicants.

Admittedly, disagreement exists in the economics literature regarding the underlying causes of these disparities in access to mortgage credit, particularly as related to the roles of discrimination, ''redlining'' of specific neighborhoods, and the barriers posed by underwriting guidelines to potential minority and low-income borrowers. Because the mortgage system is quite complex and involves numerous participants, it will take more data and research to gain a fuller understanding of why these disparities exist. Still, studies reviewed in Section B of this Appendix found that the individual's race and the racial and income composition of neighborhoods influence mortgage access even after accounting for demand and risk factors that may influence borrowers' decisions to apply for loans and lenders' decisions to make those loans. Therefore, the Secretary concludes that lending disparities are glaring and persistent and that minority and low-income communities are underserved by the mortgage system.

2. Selection of Targeted Approach

For 1993 and 1994, the Secretary was required to use the OMB list of ''central cities'' for the geographic targeting goal; the OMB definition of central city was a temporary measure to allow time for analysis to define a better targeting standard. HUD, along with the GSEs, Congress, and community groups, recognized that central cities as defined by OMB do not satisfactorily measure cities that are underserved by the mortgage market. There are several reasons for this.

First, major portions of central cities house upper-income families and neighborhoods that are well served by the mortgage market. New York's Upper East Side, Chicago's ''Gold Coast,'' Washington's Georgetown and other wealthy areas within central cities across the nation do not fit into any reasonable definition of an ''underserved area.'' The fact that not all parts of central cities lack access to mortgage credit was demonstrated earlier in Figure B.1. Compared to underserved central city census tracts, the remaining ''served'' tracts have half the denial rate. Mortgage origination rates (per 100 owner occupants) in the served portions of central cities are double the origination rates in the underserved portions of central cities. Thus, central city areas that are not included in HUD's underserved area definition appear to be obtaining mortgage credit. These areas, which account for about half of the central city population, are well served by the mortgage market.

Second, many urban areas not defined as ''central cities'' by OMB are highly distressed and not well served by the mortgage market. Examples of highly distressed urban areas located outside central cities include East Orange and Paterson, New Jersey and Compton, California. Highly distressed Compton, with a poverty rate of 25 percent, is not on OMB's list, but Palo Alto, California, with a poverty rate of only 2 percent, is on OMB's list.

[46] Unlike the low- and moderate-income percentages reported in Appendix A, the likelihood of the GSEs' mortgages being located in an underserved area did not differ much between purchase and refinance mortgages.

[47] The 1992 HMDA data included only $9 billion of the $25 billion in conventional multifamily mortgages originated during 1992. Similarly, the 1993 HMDA data included $11 billion of the total $29 billion in conventional multifamily mortgages originated in 1993.

Third, OMB states that:

In cases where there is no statutory requirement and an agency elects to use the (Metropolitan Area (MA)) definitions in a nonstatistical program, it is the sponsoring agency's responsibility to ensure that the definitions are appropriate for such use.[48] Strictly speaking, this OMB statement applies only to MAs, but by logical extension it also applies to the central cities within these MAs. The Secretary has examined OMB's definition of central cities, in accordance with this memorandum, and concluded that it alone does not provide a satisfactory definition of all (or a part) of appropriately-defined ''underserved areas.''

Finally, there is substantial regional variation in the portion of state urban populations that are included within central cities. In the Southern and Western parts of the United States, cities have often expanded by annexing adjacent territory. This option was generally not available to cities in the Northeast, which have retained their historical boundaries. Thus, a substantially greater portion of the population lives in central cities in South and West than in the more urbanized Northeastern states. Central cities accounted for more than 50 percent of both GSEs' 1993 purchases in Arizona, New Mexico, and North Dakota. In New Jersey, on the other hand, central cities accounted for only 4 percent of GSE purchases.[49]

For 1995 and beyond, Congress directed that the transition ''central cities goal'' be changed to better emphasize underserved areas. Although Congress did not define ''underserved areas,'' it indicated that they are locations with relatively poor access to mortgage credit. Thus the goal should target those parts of central cities and those parts of rural areas with poor access to mortgage credit, as well as any other areas with problems with access to credit.

Ideally, the definition of areas with poor access to mortgage credit would be based on a clear determination of areas that do not receive the level of mortgage credit they require. Section B reported HUD's analysis of 1993 HMDA data and the main findings of several studies of mortgage lending conducted by community groups, government agencies, and academic researchers. While there is much research left to be done to fully understand mortgage access for different types of persons and neighborhoods, one finding remains clear—minority and low-income neighborhoods have higher mortgage denial rates and lower mortgage origination rates than other neighborhoods.

As mentioned earlier, studies that have controlled for borrower and neighborhood risk characteristics find that racial differentials in denial rates and mortgage flows persist. Recent studies have concluded that characteristics of the applicant and the neighborhood where the property is located are the major determinants of mortgage denials and originations—once these characteristics are accounted for, other influences such as central city location play only a minor role in explaining disparities in mortgage lending.[50] These studies, as well as HUD's own analysis, provide strong support for a targeted approach to identifying underserved areas. In addition, they point to two useful proxy variables for measuring access to mortgage credit—a neighborhood's minority composition and its level of income.

3. Identifying Underserved Areas

To identify areas underserved by the mortgage market, HUD focused on two traditional measures used in a number of HMDA studies:[51] Application denial rates and mortgage origination rates per 100 owner-occupied units.[52] Tables B.1 and B.2 in Section B presented detailed data on denial and origination rates by the racial composition and median income of census tracts for metropolitan areas.[53] Aggregating those data is useful for examining denial and origination rates for broader groupings of census tracts:

Minority composition (percent)	Denial rate (percent)	Origination rate	Tract income (percent)	Denial rate (percent)	Origination rate
0–30	12	13.4	Less than 80	23	5.9
30–50	19	10.1	80–120	15	11.3
50–100	24	6.6	Greater than 120	9	17.7

Two points stand out from these data. First, census tracts with higher percentages of minority residents have higher denial and lower origination rates. Tracts that are over 50 percent minority have twice the denial rate and half the origination rate of tracts that are under 30 percent minority.[54] Second, census tracts with lower incomes have higher denial rates and lower origination rates than higher income tracts. Tracts with income less than or equal to 80 percent of area median have almost three times the denial rate and one-third the origination rate of tracts with income over 120 percent of area median.

HUD chose over 30-percent minority and under 80-percent income as the thresholds for defining underserved areas. There are three advantages to HUD's definition. First, the cutoffs produce sharp differentials in denial and origination rates between served and underserved areas. For instance, the overall denial rate (22.0 percent) in underserved areas is almost double that (11.9 percent) in served areas; and the mortgage origination rate (5.4 per 100 owner occupants) in underserved areas is about half that (10.3 per 100 owner occupants) in served areas. Thus, an advantage of a targeted definition of underserved areas is illustrated by sharp differences in measures of mortgage access between served and underserved areas. The less-than-80-percent income cutoff in HUD's definition has the further advantage of consistency with the Community Reinvestment Act (CRA) definition that applies to depository institutions.

A second advantage is that the minority and income cutoffs are useful for defining mortgage problems in the suburbs as well as in OMB-defined central cities. Underserved areas account for 23 percent of the suburban population, compared with 51 percent of the central city population. The average denial rate in underserved suburban areas is almost twice that in the remaining areas of the suburbs. (See Figure B.1 in Section B.) Thus, the minority and income thresholds in HUD's definition identify those suburban tracts that seem to be experiencing mortgage credit problems.

A third advantage is that the minority and income cutoffs identify tracts that resemble distressed neighborhoods. The socioeconomic characteristics of underserved areas are discussed in the next section.

4. Characteristics of Underserved Areas

The Secretary's definition of central cities, rural areas, and other underserved areas includes 17,337 of the 44,447 census tracts in

[48] Office of Management and Budget, Memorandum M–94–22, May 5, 1994.

[49] For more discussion of this issue, see James A. Johnson, Chairman and Chief Executive Officer, Fannie Mae, testimony before the Committee on Banking, Finance, and Urban Affairs Subcommittee on General Oversight, Investigations and the Resolution of Failed Financial Institutions, U. S. House of Representatives, April 20, 1994, p. 16.

[50] Shear, *et al.,* and Avery, *et al.*

[51] HMDA data have been expanded in 1993 to cover independent mortgage companies that originated 100 or more home purchase loans in the preceding calendar year. HMDA provides no useful information on rural areas. In addition, although HMDA data now include applications to provide some measure of overall loan demand, pre-screening discrimination can discourage would-be homebuyers from applying for a mortgage, leading to an underestimation of demand. Nevertheless, the HMDA data, while not necessarily definitive, are still useful in helping to define underserved areas.

[52] Analysis of application rates are not reported here. Although application rates are sometimes used as a measure of mortgage demand, they provide no additional information beyond that provided by looking at both denial and approval (origination) rates. Although denial rates vary by census tract characteristics, the patterns observed for application rates are still very similar to those observed for approval rates.

[53] As discussed in Section B, no sharp breaks occur in the denial and origination rates across the minority and income deciles given in Table B.1—mostly, the increments are somewhat similar as one moves across the various deciles that account for the major portions of mortgage activity.

[54] The differentials in denial rates are due, in part, to differing risk characteristics of the prospective borrowers in different areas. However, use of denial rates is supported by the findings in the Boston Fed study which found denial rate differentials to persist, even after controlling for risk of the borrower. See Section B for a review of that study.

metropolitan areas, covering 36 percent of the metropolitan population, 51 percent of the OMB-defined central city population, and 23 percent of the suburban population. In rural (non-metropolitan) areas, the underserved area definition includes 3,160 tracts, or 21 percent of the total 15,045 rural tracts, which covers 21 percent of the rural population.[55]

Underserved tracts are substantially more distressed than served tracts. Poor persons are highly concentrated in underserved areas—64 percent of the metropolitan area poor live in underserved areas as do 76 percent of the central city poor. Underserved areas have higher poverty rates, higher minority concentration, lower incomes, and higher unemployment rates. For instance, the average poverty rate in underserved areas is 23 percent, compared with only 7 percent in served areas. Underserved areas also have more boarded-up units, older housing, and lower valued housing than do served areas. The average value of owner-occupied housing in underserved areas was $81,681, compared with $127,423 in served areas. (See Table B.3 in Section B.)

Table B.7 shows that the Secretary's definition covers most of the population of the nation's most distressed OMB-defined central cities: Newark (99 percent), Detroit (94 percent), Hartford (95 percent), Baltimore (85 percent), and Cleveland (80 percent). The nation's five largest cities also contain large concentrations of underserved areas: New York (60 percent), Los Angeles (68 percent), Chicago (72 percent), Houston (66 percent), and Philadelphia (69 percent). It should be noted that HUD's definition of underserved excludes high minority tracts with median income above 120 percent of area median income. As shown in Table B.8, these tracts, which represent about two percent of metropolitan area population, appear to be relatively well off: they have low levels of poverty (7 percent), high house values ($185,000), and incomes almost 50 percent greater than area median. The high income minority tracts are concentrated in a few metropolitan areas: 10 percent of Los Angeles' population lives in them; the corresponding figures are 6% for New York, 24% for Miami, 26% for Honolulu, and 10% for San Antonio. By contrast, most relatively distressed metropolitan areas have few households in such areas—for example, Cleveland and Detroit (1%); and Memphis, Milwaukee, and Philadelphia (0%).

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[55] The Preamble discusses issues related to the choice of tracts or counties to define underserved areas in non-metropolitan sections of the country.

Table B.7

Needy Areas In Central Cities Would Be Covered

Large Central Cities With High Concentrations of Underserved Tracts (Percent of Population)	
Newark	99
Gary	96
Paterson	96
Hartford	95
Detroit	94
Jersey City	92
Miami	91
Baltimore	85
Cleveland	80
St. Louis	79

Five Largest Cities	
New York	60
Los Angeles	68
Chicago	72
Houston	66
Philadelphia	69

Central Cities With Small Concentrations			
Large Cities		**Small Cities**	
Tulsa	31	Naples, FL	2
Raleigh	31	Appleton, WI	4
Colorado Springs	31	Olympia, WA	6
Wichita	32	Wheeling, WV	10
Oklahoma City	33	Dubuque, IA	11
Nashville	34	Salem, OR	11
Jacksonville	37	Elkhart, IN	11
Phoenix	44	Casper, WY	18

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Table B.8

Characteristics of High Income Minority and Moderate Income Tracts

	SERVED TRACTS			UNDERSERVED TRACTS
	HIMTs	80-100% OF AREA MEDIAN INCOME	REMAINING SERVED TRACTS	
Unemployment Rate	5.5%	6.0%	4.2%	11.4%
Tract/MSA Income	147	91	134	67
Median House Value	$185,455	$85,327	$143,723	$81,681
Poverty Rate	7.0%	10.7%	5.7%	22.7%
African American	23.4%	3.8%	2.7%	31.6%
Hispanic	18.2%	3.4%	3.2%	17.6%
Asian	12.1%	1.5%	2.3%	4.2%

Note: High income minority tracts (HIMTs) are census tracts with income greater than 120 percent of area median and minority percentage greater than 30 percent. Moderate income tracts are census tracts with income between 80 and 100 percent of area median and minority percentage less than 30 percent.

Among other issues considered in setting the underserved definition included setting the income threshold to the area median income, to include more moderate income areas. This alternative would add tracts with incomes between 80 and 100 percent of the area median. However, it should be noted that minority tracts (over 30 percent minority) at this income level are included in the underserved definition described above, and raising the income limit to the area median would add only tracts with low minority concentration (below 30 percent). These areas represent 8296 Census tracts, and comprise 19 percent of metropolitan population.

Low-minority moderate-income tracts have denial rates almost 30 percent below those of tracts that meet HUD's underserved definition (16 versus 22 percent). By contrast, minority moderate-income tracts have a denial rate almost identical to the overall underserved denial rate. The origination rate in moderate-income low-minority tracts (9.7) is noticeably higher than that in underserved tracts (7.0).

Table B.8 compares socio-economic conditions in low-minority moderate income tracts to those in underserved tracts. Low-minority moderate-income tracts appear much better off than underserved tracts. While they have housing prices that are only slightly higher than those in underserved tracts, they have unemployment and poverty rates that are half those in tracts meeting HUD's underserved definition.

5. Other Issues

a. GSE Funding in Central Cities, Rural Areas, and Underserved Areas

In 1993, 15.9 percent of Fannie Mae's business was in underserved areas as was 14.4 percent of Freddie Mac's business. The share of GSE business in underserved areas varies rather dramatically by property type; about 13 percent of single-family owner purchases were in underserved areas compared with over 30 percent for the three rental property types (single-family 2–4's and 1–4's and multifamily). Thus, one reason for Freddie Mac's relatively low share is its low level of multifamily purchases in 1993.

The fact that underserved areas have much lower incomes than other areas does not mean that most of their mortgage activity derives from lower income families. In 1993, above-median income households accounted for 60 percent of the mortgages that the GSEs purchased in underserved areas. This suggests these areas are quite diverse.

b. GSE Performance Relative to the Market

As explained in Section C.4, the Secretary estimates that underserved areas account for about 21–23 percent of the conventional conforming market. GSE performance in 1993 was about 15 percent, or less than three-fourths of the market share for underserved areas. HMDA data suggests that the GSEs are particularly underperforming in lower income census tracts. In 1993, GSE purchases accounted for 44 percent of the conventional conforming market in under-50-percent income tracts and 47 percent in 50–80-percent income tracts; in above-median-income tracts, on the other hand, they accounted for 59 percent of the market.

The profitability of the GSEs, their sophisticated systems for purchasing loans, and the size of the underserved market suggest that the GSEs can improve their performance. The Secretary has therefore set annual goals of 18 percent for 1995 and 21 percent for 1996, which will encourage the GSEs to improve their performance relative to the market. Figure B.2 presents these goals in relation to the GSEs' past performance and the size of the market.

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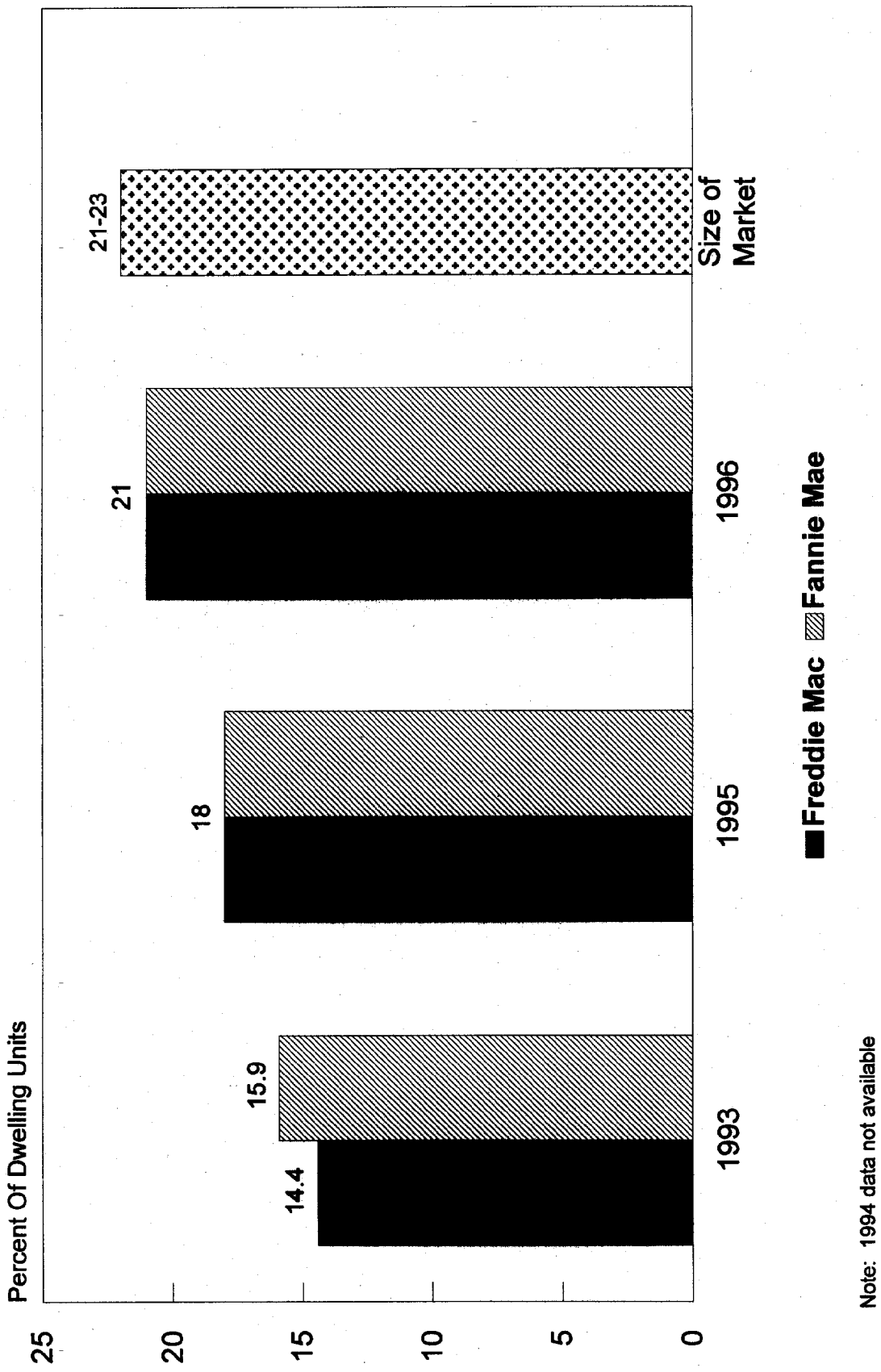
FIGURE B.2

Activity and Goals in Central Cities, Rural Areas, and Other Underserved Areas For Freddie Mac And Fannie Mae, 1993-96



Note: 1994 data not available

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6. Conclusion

The Secretary has determined that the 1995 and 1996 goals will require the GSEs to address the unmet credit needs of central cities, rural areas, and other underserved areas, and take into account the GSEs' performance in the past in purchasing mortgages in these areas, as well as the size of the mortgage market. Moreover, the Secretary has considered the GSEs' ability to lead the industry as well as their financial condition. The Secretary has determined that this goal is necessary and achievable.

Based on a consideration of the factors, the Secretary proposes to establish all three goals for 1997 and 1998 so that the goals will move the GSEs steadily over a reasonable period of years, to a level of mortgage purchases where the GSEs will be leading the industry in purchasing mortgages meeting the goals. In carrying out this objective, the Secretary proposes to establish the goals for 1997 and 1998 at levels ranging from the same amounts established for 1996 to higher levels. The purpose of any higher levels would be to continue to move the GSEs toward purchasing a greater proportion of mortgages originated by the market.

Appendix C—Secretarial Considerations To Establish the Special Affordable Housing Goal

A. Establishment of Goal

The Federal Housing Enterprises Financial Safety and Soundness Act of 1992 (FHEFSSA) requires the Secretary to establish a special annual goal designed to adjust the purchase of mortgages on rental and owner-occupied housing to meet the unaddressed needs of, and affordable to, low-income families in low-income areas and very low-income families.

In establishing the special affordable housing goal, the Act requires the Secretary to consider:

1. Data submitted to the Secretary in connection with the special affordable housing goal for previous years;
2. The performance and effort of the enterprises toward achieving the special affordable housing goal in previous years;
3. National housing needs of low-income families in low-income areas and very low-income families;
4. The ability of the enterprises to lead the industry in making mortgage credit available for low-income and very low-income families; and
5. The need to maintain the sound financial condition of the enterprises.

B. Underlying Data

In considering the factors under the Act to establish the special affordable housing goal, the Secretary relied upon data gathered from the American Housing Survey, the Residential Finance Survey, the 1990 Census of Population and Housing, other government reports, Home Mortgage Disclosure Act (HMDA) reports, and the GSEs. The Secretary used loan-level data provided by the GSEs to determine their prior performance in meeting the needs of low-income families in low-income areas and very low-income families.

Section C discusses the factors listed above and estimates the size of the conventional conforming market for special affordable mortgages. Section D gives the Secretary's rationale for establishing the special affordable goals.

C. Consideration of the Factors

1. and 2. Data Submitted to the Secretary in Connection With the Special Affordable Housing Goal for Previous Years and Previous Performance and Effort of the GSEs

The discussions of these two factors have been combined because they overlap to a significant degree. The proposed regulation would revise the special affordable housing goal based on the experience of HUD and the GSEs in the transition period, in accordance with FHEFSSA and the legislative history of the Act.[1] For the 1993–94 transition period, the goal requires purchases of special affordable mortgages of at least $2 billion for Fannie Mae and $1.5 billion for Freddie Mac, evenly divided between single family mortgages and multifamily mortgages, and the Senate report states that such amounts shall be ''above and beyond existing performance and commitments.''[2] In order to determine existing performance, the Secretary required the GSEs to submit good faith estimates of their mortgage purchases that would have qualified for the special affordable goal in 1992. Fannie Mae estimated that such transactions amounted to $5.85 billion in single family purchases and $1.34 billion in multifamily purchases. Freddie Mac estimated that such transactions amounted to $5.19 billion in single family purchases and $0.02 billion in multifamily purchases. The Department doubled these estimates of 1992 purchases and added the increments specified by the Act to obtain the 1993–94 minimum single family special affordable housing goals; $16.40 billion for Fannie Mae, of which at least $12.71 billion was required to be purchases of mortgages on single family housing and $3.68 billion was required to be purchases of mortgages on multifamily housing; and $11.92 billion for Freddie Mac, of which at least $11.13 billion was required to be purchases of mortgages on single family housing and $0.79 billion was required to be purchases of mortgages on multifamily housing.

On March 1, 1994 Fannie Mae reported that qualifying mortgage purchases in 1993 amounted to $8.84 billion single family and $2.06 billion multifamily; thus in 1993 Fannie Mae achieved 70 percent and 56 percent respectively of the two-year goals. On March 1, 1994, Freddie Mac reported that qualifying mortgage purchases in 1993 amounted to $6.60 billion single family and $0.02 billion multifamily.[3] Thus in 1993 Freddie Mac achieved 59 percent and 3 percent respectively of the two-year goals. Freddie Mac's low multifamily performance in 1993 was due to its prolonged absence from the multifamily market to restructure its multifamily operations. Freddie Mac fully completed reentry into the multifamily business in December 1993. Total performance toward the 1993–94 special affordable goals will be determined after the GSEs report on their 1994 special affordable purchases on March 1, 1995.

After the 1993–94 transition period, the Act states that this goal shall be established at not less than one percent of the dollar amount of the mortgage purchases by the enterprise for the previous year. Because the Senate report on the 1992 Act states that one of the purposes of the goal is to increase the GSE's purchases of mortgages serving low-income families ''above and beyond'' their existing performance, these one percent minimum goals serve as a floor for the setting of the 1995–96 goals.

The 1992 Act requires the Secretary to ''establish a special annual goal designed to adjust the purchase by each enterprise of mortgages on rental and owner-occupied housing to meet the then-existing unaddressed needs of, and affordable to, low-income families in low-income areas and very low-income families.''[4]

For 1995 and thereafter, the special affordable housing goal is evenly divided between:

(1) Owner-occupied units affordable to very low-income families or to low-income families in low-income areas; and

(2) Rental units (multifamily or single-family) affordable to very low-income families.

The Department has simplified the multifamily special affordable housing subgoal, as described in the Interim Notice, substantially, while closely adhering to the language of the 1992 Act.

The Department is also proposing to revise the Interim Notices' treatment of refinancings of loans from the existing enterprises' portfolios. Under this provision of the Notices, the Department has not allowed any credit toward the special affordable housing goal during the transition period. This has imposed significant compliance burdens on the enterprises, requiring time-consuming and costly examinations of their mortgage purchases to screen out such refinancings or to estimate the volume of refinancings from the GSEs' portfolios. And this provision is contrary to the common method of financing multifamily properties by relatively short-term balloon mortgages, which by their nature must be refinanced frequently to maintain project viability.

With regard to single family loans, it has been argued that refinancings of mortgages from the GSEs' portfolios add no new financing for affordable housing. But, to the extent that this is the case, it is true for all refinancings, not solely refinancings from the GSEs' portfolios. Clearly Congress could have excluded all refinancings from receiving credit toward the special affordable housing goal, but it chose not to do so.

Thus in measuring past performance, the relevant data is the GSEs' special affordable purchases without excluding estimated refinancings from their own portfolios.

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[1] ''After the experience of the first two years, the (regulator) may redesign the categories to target more effectively low-income family needs and reflect any gaps in GSE performance.'' S. Rep. No. 102–282, 102d Cong., 2d Sess. 37 (1992).

[2] S. Rep. No. 102–282, 102d Cong., 2d Sess. 36 (1992).

[3] Minor revisions were made in Freddie Mac's estimates on April 11, 1994.

[4] Section 1333(a)(1).

In 1993, the special affordable purchases of mortgages on *owner-occupied housing*, including all refinancings, were:

	Fannie Mae		Freddie Mac	
	No. units	Percent units	No. units	Percent units
Low-income families in low-income areas[5]	25,130	0.9	19,870	0.9
Very low-income families[6]	129,622	4.6	95,056	4.4
Subtotal	154,752	5.5	114,926	5.3
Total eligible[7]	2,798,351	100.0	2,161,223	100.0

[5] Excluding very low-income families in low-income areas.
[6] Including very low-income families in low-income areas.
[7] Mortgages eligible to qualify as low- and moderate-income.

In 1993, the GSEs' purchases of mortgages on *rental units* affordable to very low-income families, including all refinancings, were:

	Fannie Mae		Freddie Mac	
	No. units	Percent units	No. units	Percent units
Units in 2–4 unit owner-occupied properties[8]	15,680	0.6	10,035	0.5
Rental units in 1–4 unit investor-owned properties	19,296	0.7	13,236	0.6
Rental units in multifamily properties	67,437	2.4	7,853	0.4
Subtotal	102,413	3.7	31,151	1.4
Total eligible	2,798,351	100.0	2,161,223	100.0

[8] Including owner-occupied units.

Thus in 1993, Fannie Mae's mortgage purchases financed 257,165 dwelling units that would have counted toward the goal, as proposed in this regulation—these units represented 9.2 percent of the total units financed by Fannie Mae in 1993.[9] And Freddie Mac's mortgage purchases financed 146,077 dwelling units that would have counted toward the goal, as proposed in this regulation—these units represented 6.8 percent of the total units financed by Freddie Mac in 1993.

Loan-level data for 1994 to date is not available for the special affordable goal as proposed to be redefined herein. However, data for the first three quarters of 1994 indicate that Fannie Mae's special affordable purchases were more than 14 percent of total purchases, and that Freddie Mac's special affordable purchases were more than 9 percent of total purchases—additional increases are likely as Freddie Mac further steps up its multifamily activities. Thus the 1994 purchase data make it likely that the GSEs will be able to meet the special affordable goals established by the Secretary for 1995 and 1996.

3. National Housing Needs of Low-Income Families in Low-Income Areas and Very Low-Income Families

Detailed analyses of the housing problems and demographic trends for lower income families were contained in Section C of Appendix A. This section focuses on very low-income families with the greatest needs.

a. Housing Problems Among Very Low-Income Families

Data from the 1990 Census and from the 1989 and 1991 American Housing Surveys demonstrate that housing problems and needs for affordable housing are more pressing in the lowest-income categories than among moderate-income families. Analyses of special tabulations of the 1990 Census prepared for use in developing Comprehensive Housing Affordability Strategies (the CHAS database) show clearly that sharp differentials by income characterized all regions of the nation as well as their city, suburban, and nonmetropolitan portions.[10] Nationally, approximately one-fourth of moderate-income renters and owners experienced one or more housing problems, compared to nearly three-fourths of very low-income renters and nearly half of very low-income owners.[11] Severe cost burdens—paying more than half of income for housing and utilities—varied even more markedly by income, troubling fewer than 5 percent of moderate-income households, but more than half of the 7 million renters and 4 million owners with incomes below 30 percent of area median income.

Census counts of inadequate housing are incomplete, and the CHAS tabulations are based on HUD-adjusted median income for both owners and renters, rather than on unadjusted median income for owners, as the 1992 Act specifies.[12] But tabulations of the 1991 AHS using the GSE income definitions reveal the same pattern of problems for lower-income families. As the following table details, for both owners and renters, housing problems are much more frequent for the lowest-income groups.[13] Priority problems of severe cost burden or severely inadequate housing are even more noticeably concentrated among renters and owners with incomes below 30 percent of area median income.

[9] Low-mod eligible units have been used as the denominator because total units include cases with missing information, which are expected to be virtually eliminated in 1995 and subsequent years.

[10] Bogdon *et al.*, 1994.

[11] The problems covered by the Census include paying over 30 percent of income for housing, lacking complete kitchen or plumbing, and overcrowding. See Appendix Tables 18A and 19A of Bogdon *et al.*

[12] To determine eligibility for Section 8 and other HUD programs, the Department adjusts income limits derived from the median family income for household size. The ''very low'' and ''low'' income limits at 50 percent and 80 percent of median apply to 4-person households. Relative to the income limits for a 4-person household, the limit is 70 percent for a 1-person household, 80 percent for a 2-person household, 90 percent for a 3-person household, 108 percent for a 5-person household, 116 percent for a 6-person household, etc.

[13] Tabulations of the 1991 American Housing Survey by HUD's Office of Policy Development and Research. The results in the table categorize renters reporting housing assistance as having no housing problems. Almost one-third of renters with incomes 0–30 percent of median and one-fifth of those with incomes 30–50 percent of median are assisted.

Income as percent of area median income	Renters		Owners	
	Any problems (percent)	Priority problems (percent)	Any problems (percent)	Priority problems (percent)
Less than 30	67	48	66	37
30–50	67	27	31	9
50–60	61	11	20	5
60–80	44	6	17	5
80–100	26	3	12	3

Comparisons by income reveal that low-income owners and renters (those with incomes 60–80 percent of area median) resemble moderate-income households in seldom having priority problems. Priority problems are heavily concentrated among households with incomes below 50 percent of median.[14] In 1991, 5.3 million unassisted renter households with incomes below 50 percent of area median income had ''worst case'' housing needs. This total does not include homeless persons and families, although they also qualify for preference. For three-fourths of the renter families with worst case problems, the only problem was affordability—they do not have problems with housing adequacy or crowding.

b. Needs for Housing Affordable to Very Low-income Families

It is important to note that the existing housing stock satisfies the physical needs of most very low-income renters. In most cases families are able to find adequate housing. The problem is that much of this housing is not affordable to very low-income families—i.e., these families must pay more than 30 percent of their income for housing. The main exception to this generalization occurs among extremely low-income families with three or more children, 44 percent of whom live in crowded housing. A certain amount of variation in need exists, by region and degree of urbanization. Although 18 percent of worst case renters need other housing (because of crowding or severe inadequacy), this figure varies from 11 percent in the Northeastern suburbs to 30 percent in the South's nonmetro areas. Shortages of housing units are greatest and vacancy rates lowest in California.

The relative decline in inexpensive dwelling units has been concentrated among the least expensive rental units—those with rents affordable to families with incomes below 30 percent of area median income. In 1979, the number of units in this rent range was 28 percent less than the number of renters with incomes below 30 percent of area median income; by 1989, the gap had widened to 39 percent, a shortage of 2.7 million units.[15] This shortage appears to be a problem particularly at the extremely low end of the rent distribution. Both nationally and in most states, there are surpluses of rental housing affordable to families with incomes between 30 and 50 percent of area median income and to those in the 50–80 percent range.[16] Furthermore, in most states, vacancy rates were high in 1990 among units with rents affordable to families with incomes at or below 50 percent of median.[17] Thus, like housing problems, unmet needs for affordable housing are heavily concentrated in rent ranges affordable to renters with incomes below 30 percent of area median income.

4. Ability To Lead the Industry

This factor is the same as the fifth factor considered under the goal for mortgage purchases on housing for low- and moderate-income families. Accordingly, see Section C.5 of Appendix A for a discussion of this factor.

5. Need To Maintain the Sound Financial Condition of the Enterprises

This factor is the same as the sixth factor considered under the goal for mortgage purchases on housing for low- and moderate-income families. Accordingly, see Section C.6 of Appendix A for discussion of this factor.

6. Size of the Conventional Mortgage Market for Special Affordable Mortgages Relative to the Overall Conventional Conforming Market

This section presents estimates of the special affordable portion of the conventional conforming mortgage market for 1995.

The special affordable goal consists of: (1) single-family owner-occupied dwelling units which are occupied by very low-income families or low-income families in low-income census tracts; [18] and (2) rental units which are occupied by very low-income families. The analysis suggests that the special affordable market is at least 17–20 percent of the conventional conforming market. Section D below provides HUD's rationale for the specific goals selected for 1995 and 1996.

Section C.4 of Appendix A describes HUD's two methodologies for estimating the size of the low- and moderate-income market. Essentially the same methodology is employed here except that the focus is on the very low-income and low-income markets. The basic approach involves estimating for each of the various property types (single-family owner, single-family rental 2–4's and 1–4's, and multifamily) the share of dwelling units financed by mortgages in a particular year that are occupied by very low-income (VLI) families or by low-income families in low-income areas. As explained in Appendix A, HUD has combined mortgage information from several data sources in order to estimate the market shares. Two approaches were taken—one based on American Housing Survey (AHS) and Residential Finance Survey (RFS) data, and one based on 1993 HMDA data and projections of the mortgage market for 1995 and 1996.

a. American Housing Survey/Residential Finance Survey Approach

Data from the American Housing Surveys for 1985, 1987, 1989, and 1991 indicate that 11 percent of those families who recently purchased or refinanced their homes, and who obtained conventional conforming mortgages, had incomes below 60 percent of the area median. It is estimated that 1.8 percent of single-family mortgages will be for families who have incomes between 60 and 80 percent of area median and who also live in low-income census tracts.[19] This suggests that 12.8 percent of single-family owner-occupied mortgages and dwelling units are for very low-income families or low-income families living in low-income areas.

As Appendix A explains, information is not available from the American Housing Survey on mortgages for rental properties; for this reason, the analysis focuses on the income and rent characteristics of the existing and recently completed rental stock. Analysis of the same four American Housing Surveys shows that for 1–4 unit unsubsidized rental properties, 54 percent of all units, and 20 percent of units constructed in the preceding three years had rent affordable to very low-income families.[20] For multifamily unsubsidized rental properties, the corresponding figures are 41 percent of all

[14] For all housing programs of HUD (other than the GSE goals) and the Department of Agriculture, ''very low-income'' is defined as not exceeding 50 percent of area median income.

[15] Tabulations by HUD's Office of Policy Development and Research, based on U.S. Departments of Housing and Urban Development and Commerce, American Housing Survey for the United States in 1989, July 1991.

[16] HUD's Office of Policy Development and Research, *Worst Case Needs for Housing Assistance in the United States in 1990 and 1991,* 1994, Table 8.

[17] Id., Table 6.

[18] This definition includes all very low-income families plus families who have incomes between 60 and 80 percent of area median income and who also live in census tracts with a median income less than 80 percent of area median income.

[19] Low-income census tracts are defined as tracts with a median income less than or equal to 80 percent of the area median. 1993 HMDA data show that 1.9 (1.3) percent of single-family owner-occupied purchase (refinance) mortgages were for families with incomes in the 60–80 percent range and also living in low-income tracts. Applying 85/15 percent purchase/refinance shares gives the 1.8 percent value cited in the text.

[20] Affordable to VLI families is defined as less than or equal to 30 percent of 60 percent of area median family income—that is, less than 18 percent of area median family income, with adjustments for unit size as measured by the number of bedrooms.

units and 9 percent of units constructed in the preceding three years. The data for recently completed units underestimate the affordable percentage of rental housing because they exclude purchase and refinance transactions involving older buildings, which generally charge lower rents than newly-constructed buildings.

The other pertinent data for examining this issue were the GSEs' purchase data for rental properties. GSE data for all 1–4 unit properties (i.e., combining 2–4 units and investment 1–4 units) suggest a VLI share of slightly over 20 percent, which is similar to the figure (20 percent) from the AHS for the recently completed stock. On the multifamily side, Fannie Mae's data suggest a 42 percent VLI share, which is consistent with the AHS estimate for existing properties.[21] [22]

This section applies weights for single-family rental and multifamily properties to the above estimates of the VLI share.

To calculate the size of the potential market for mortgages financing housing for VLI families, data on the number of owner-occupied dwelling units, rental units in 1–4 unit properties, and rental units in multifamily properties are necessary. As Appendix A explains, HUD utilized data from the 1991 Residential Finance Survey on the number of properties with conventional conforming mortgages acquired during the 1987–91 period, and the total number of dwelling units for each type of property, derived from the same source. Based on this data, it was estimated that, of total dwelling units in properties with recently acquired conventional conforming mortgages, 56.5 percent were owner-occupied units, 17.9 percent were in 1–4 unit rental properties, and 25.6 percent were located in multifamily rental properties. Applying the percentages of affordable dwelling units from the AHS (12.9 percent for owner-occupied dwelling units, 20 percent for the recently-completed stock of rental 1–4 units, and 41 percent for multifamily rental units) to these percentages of properties results in an estimate that 21.4 percent of the dwelling units secured by conforming conventional mortgages are affordable to very low-income families or low-income families in low-income areas.[23]

Appendix A notes that one concern with the Residential Finance Survey data is the seemingly high percentage share of rental properties, given that multifamily mortgage originations have declined from their high levels in the mid- to late-1980s. This is important because of the relatively high VLI share for multifamily properties. Sensitivity analysis is used to show the effect of shifting the relative importance of the different property categories. Reducing the multifamily weight from 25.6 percent to 20 percent, and assuming the owner category is 65 percent and the rental 1–4 category is 15 percent reduces the estimate of the size of the special affordable market to 19 percent. As noted earlier, the 20 percent estimate of the VLI share for rental 1–4 units is probably too low because it is based on AHS data for the recently completed stock. Assuming a 30 percent VLI share increases the special affordable market share from 19 to almost 21 percent. Using the AHS figure (54 percent) for the existing stock further increases the special affordable market share to 24 percent.

b. HMDA/Market Projection Approach

This approach follows the same six steps as outlined in Section C.4 of Appendix A. In steps (5) and (6), the low-mod shares are adjusted as follows:

(5) Estimates of the percentage of dwelling units occupied by very low-income (VLI) families or low-income families in low-income areas were: 11.8 percent for single family owner-occupied purchase mortgages and 6.9 percent for single family owner-occupied refinance mortgages based on 1993 HMDA data; and 20 percent for single family 2–4's, 30 percent for single family 1–4's, and 42 percent for multifamily. The VLI percentages for the single-family rental categories were based on 1993 GSE data and the VLI percentage for multifamily properties was based on 1993 Fannie Mae data and AHS data for the existing multifamily stock.[24]

(6) Applying the above VLI shares to the property type weights given in step (4) of Section C.4.b of Appendix A suggests that 19 percent of mortgage originations in 1995 will be on housing for very low-income families or low-income families in owner-occupied housing located in low-income census tracts.

Sensitivity analyses similar to those reported in Appendix A for the low-mod goal were also conducted for the special affordable goal. Substituting the lower single-family owner-occupied shares from 1992 HMDA data—9.5 percent for purchase mortgages and 5.3 percent for refinance mortgages—reduced the special affordable market share from 19.1 percent to 17.5 percent. Adjusting 1993 HMDA data for HUD's overprojection of 1993 area median incomes (see Appendix A for explanation) also produced a 17.4 percent market share.

c. Conclusions

Sensitivity analyses were conducted for the market shares of each property type, for the VLI shares of each property type, and for various assumptions in the market projection model, as discussed in Appendix A.[25] These analyses suggest that the size of the special affordable market is at least in the 17–20 percent range.[26]

D. Determination of the Special Affordable Housing Goal

The annual goal for 1995 for each GSE's purchases of conventional mortgages under the special affordable goal is established at 11 percent of the total number of dwelling units financed by each GSE's mortgage purchases. The 1996 goal is established at 12 percent. Each annual goal is to be split equally between:

(a) *Owner-Occupied Units*—Owner-occupied units which are occupied by very low-income families or households who are low income and also live in low-income census tracts. This portion of the goal will be 5.5 percent in 1995 and 6.0 percent in 1996.

(b) *Rental Units*—Rental units which are occupied by very low-income families. No distinction is made between single-family and multifamily rental units because both provide affordable housing to lower income families. This portion of the goal will be 5.5 percent in 1995 and 6.0 percent in 1996.

The special affordable goal provides the opportunity for the Department to focus the GSEs on a sector where they have been underperforming—the low- and very low-income portion of the housing market where housing needs are great. Several considerations, many of which have been reviewed in earlier sections of this Appendix, led to the choice of these goals.

1. Severe Housing Problems

The data presented in Section C.3 demonstrate that housing problems and needs for affordable housing are much more pressing in the lowest income categories than among moderate-income families. The high incidence of severe problems among the lowest-income renters reflects severe shortages of units affordable to those renters. At incomes below 30 percent of median, two-thirds of owners and 70 percent of renters pay more than 30 percent of their income for housing, live in inadequate housing, or are crowded. As the following table shows, priority problems—paying more than half of income for housing or living in severely inadequate housing—are heavily concentrated among renters with incomes below 50 percent of median.

[21] The very low-income shares were calculated separately for the GSEs' 1993 refinance and purchase mortgages. The estimates for 1995 were derived by assuming a 18 percent refinance share for small rental properties. The estimates were not very sensitive to reasonable variations in the refinance share.

[22] Freddie Mac's multifamily purchases in 1993 were insufficient to provide an accurate measure of rents for multifamily properties.

[23] 21.4 percent was derived by adding the following: (1) 7.3% (percentage of owner-occupied units [56.5%] times percentage of those units that are affordable to very low-income families or low-income families in low-income areas [12.5%]); (2) 3.6% (percentage of rental units in 1–4 family properties [17.9%] times percentage of those units that are affordable to very low income families [20%]); and (3) 10.5% (percentage of rental units in multifamily properties [25.6%] times percentage of those units that are affordable to very low income families [41%]).

[24] As Appendix A explains, there is little data on the affordable shares for the two single-family rental property types, which necessitated using the GSE data. Assuming a 18 percent refinance share, Fannie Mae's 1993 data suggest VLI percentages for 2–4 and 1–4 properties of 21 percent and 28 percent, respectively. Freddie Mac's data suggest VLI percentages of 18 percent and 30 percent, respectively. The American Housing Survey, which combines these two categories, shows a 20 percent VLI share for recently built 1–4 rental units and a 54 percent VLI share for the existing stock. In step (5) the 2–4 VLI share (20 percent) and the 1–4 VLI share (30 percent) are based on GSE data, which are probably conservative estimates for the overall 2–4 market. The multifamily VLI percentage (42 percent) is consistent with both the AHS and Fannie Mae's data.

[25] For example, reducing the average per unit multifamily loan amount from $32,500 to $30,000 and raising the VLI share of the rental 1–4's from 30 percent to 40 percent increases the special affordable market share estimate from 19.1 percent to 20.4 percent.

[26] Also see Appendix A, for a discussion of why the HMDA data reported in this section may be underestimating the size of the lower income market.

PRIORITY PROBLEMS BY INCOME AS PERCENT OF MEDIAN INCOME AND TENURE, 1991

Income (percent)	Renters (percent)	Owners (percent)
<30	48	37
30–50	27	9
50–60	11	5
60–80	6	5
80–100	3	3

Lack of housing is particularly severe among very low-income families with three or more children, 44 percent of whom live in crowded housing. The relative decline in low-rent dwelling units has been concentrated among the least expensive rental units—those with rents affordable to families with incomes below 30 percent of median income. In 1979 the number of units in this rent range was 28 percent less than the number of renters with incomes below 30 percent of area median income, but by 1989 the gap had widened to 39 percent, a shortage of 2.7 million units.

2. GSE Performance and the Market

Limitations of the Low-Mod Goal. The low- and moderate-income goal has not been an effective tool for targeting GSE activity to very low-income families. The bulk of the GSEs' low- and moderate-income mortgage purchases are for the higher income portion of the low-mod category. The lowest income borrowers accounted for a very small percentage of each GSE's purchases. Only 5 percent of the GSEs' 1993 mortgage purchases financed homes for single-family homeowners with incomes below 60 percent of area median. (See Figure A.1 in Appendix A.)

GSE Performance Lags the Market's Performance. Analysis of both American Housing Survey and HMDA data show that the GSEs are purchasing much smaller proportions of very low-income loans produced by the market than they are of higher-income loans. (See Figure A.2 in Appendix A.) For example, in 1993 the GSEs collectively purchased only 41 percent of mortgages originated for borrowers under 60 percent of median income, but 55 percent of mortgages originated for borrowers over 120 percent of median income. This suggests that there is room in the very low-income end of the homebuyer market for the GSEs to improve their performance.

As explained in Section C.6, the Secretary has determined that the very low-income market for both single family and multifamily mortgages is at least 17–20 percent of the overall conventional conforming market. Figure C.1 compares recent GSE performance, the 1995 and 1996 special affordable goals, and the size of the very low income market. In 1993, both Fannie Mae and Freddie Mac fell far short of the 17 percent market share for special affordable mortgages—Fannie Mae by 8 percentage points and Freddie Mac by 10 percentage points. The goals that the Secretary has established for 1995 and 1996 are intended to move the GSEs closer to the market.

Freddie Mac's Multifamily Performance. Nowhere has GSE performance lagged more than Freddie Mac's multifamily performance. Freddie Mac's 1993 multifamily purchases totaled only $191 million, compared with $4.6 billion for Fannie Mae and $28.5 billion for the conventional market. HUD is concerned about the pace of Freddie Mac's re-entry into the multifamily market.

Changing Market Conditions. As Section D in Appendix A notes, several market factors will tend to increase the share of GSE purchases benefitting lower income households: the shift from refinance to home-purchase mortgages, the increase in multifamily activity at the same time that single-family activity is declining, continued strong housing demand on the part of first-time homebuyers, and rising incomes due to economic growth. These market factors will offset other market changes, such as higher interest rates, that tend to reduce the share of GSE purchases going to lower income families.

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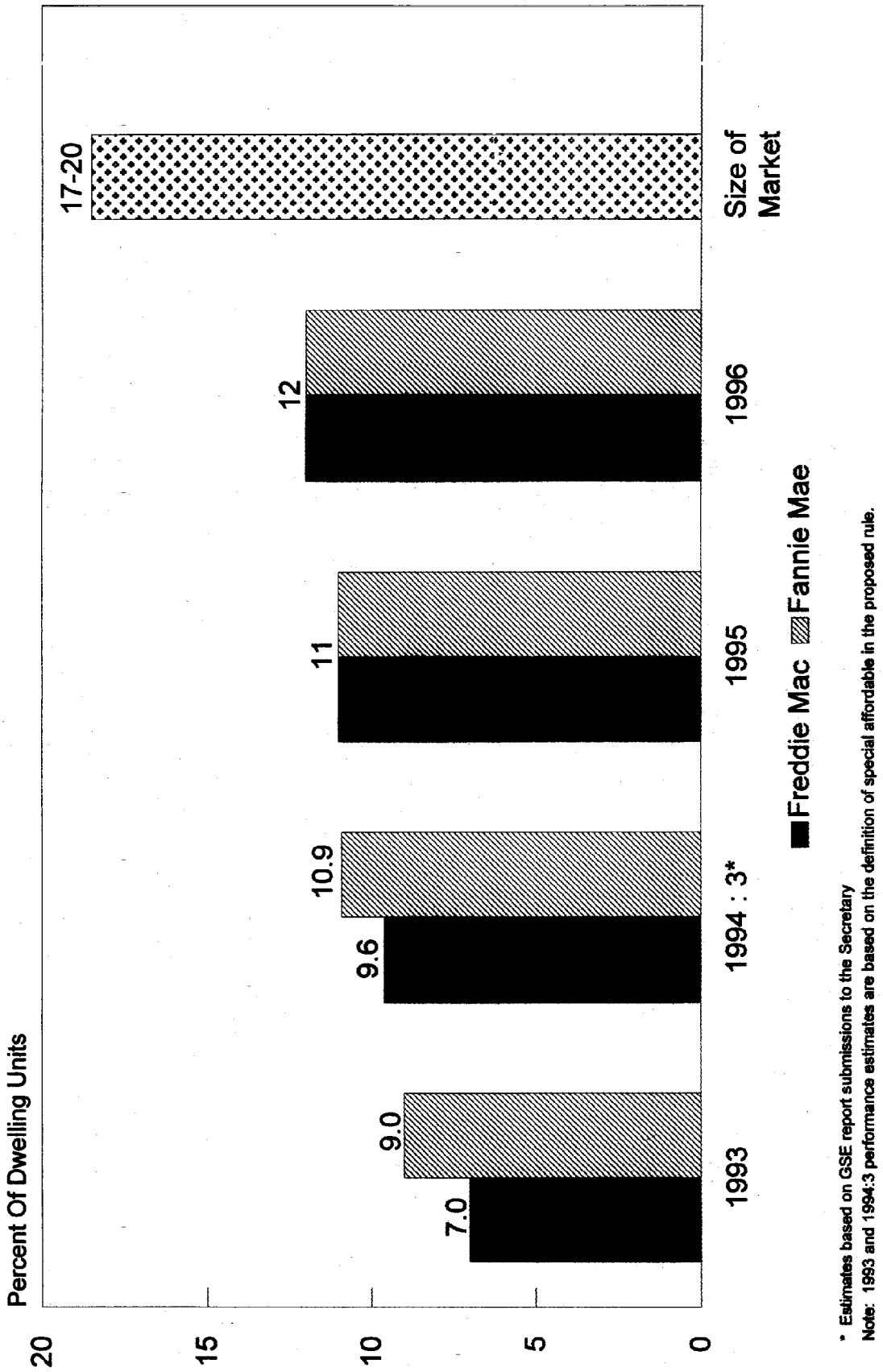
FIGURE C.1

Special Affordable Activity And Goals For Freddie Mac And Fannie Mae 1993-96



* Estimates based on GSE report submissions to the Secretary

Note: 1993 and 1994:3 performance estimates are based on the definition of special affordable in the proposed rule.

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3. Conclusion

To conclude, the Secretary has determined that the 1995 and 1996 special affordable goals set forth above address national housing needs within the income categories specified for this goal, while accounting for the GSEs' performance in the past in purchasing very low-income mortgages, as well as the size of the conventional mortgage market serving very low-income families. Moreover, the Secretary has considered the GSEs' ability to lead the industry as well as their financial condition. This goal will necessitate an increase in the GSEs' purchases targeted to very low-income families. The Secretary has determined that this goal is necessary and achievable.

Based on a consideration of the factors, the Secretary proposes to establish all three goals for 1997 and 1998 so that the goals will move the GSEs steadily over a reasonable period of years, including these two years, to a level of mortgage purchases where the GSEs will be leading the industry in purchasing mortgages meeting the goals. In carrying out this objective, the Secretary proposes to establish the goals for 1997 and 1998 at levels ranging from the same amounts established for 1996 to higher levels. The purpose of any higher levels would be to continue to move the GSEs toward purchasing a greater proportion of mortgages originated by the market.

Appendix D—Mortgage Reports

As required under Subpart E of this regulation, the GSEs are required to provide to the Secretary the loan level mortgage data listed in this Appendix D.

(a) Loan level data on single family mortgage purchases. Each GSE's submission of loan level data shall include the following information for each single family mortgage purchased by the GSE:

(1) Loan number—a unique numerical identifier for each mortgage purchased;

(2) U.S. postal state—the two-digit numerical state code used in the most recent decennial census by the Bureau of the Census;

(3) U.S. postal zip code—the five digit zip code for the property;

(4) MSA code—the four-digit numerical code for the property's metropolitan statistical area (MSA) if the property is located in an MSA;

(5) Place code—the five-digit numerical Federal Information Processing Standard (FIPS) code;

(6) County—the county, as designated in the most recent decennial census by the Bureau of the Census, in which the property is located;

(7) Census tract—the tract number as used in the most recent decennial census by the Bureau of the Census;

(8) Census tract geographic designation—a numeric code that specifies whether the census tract is entirely within a central city, entirely outside a central city, or a split tract, *i.e.*, partially in a central city and partially outside a central city;

(9) Central city flag 1—for split census tracts, the proportion of a census tract that is located in one geographic area, such as a central city;

(10) Central city flag 2—for split census tracts, the proportion of a census tract that is located in another geographic area, such as another central city;

(11) 1990 census tract—percent minority—the percentage of a census tract's population that is minority based on the most recent decennial census by the Bureau of the Census;

(12) 1990 census tract—median income—the median family income for the census tract;

(13) 1990 local area median income—the median income for the area;

(14) Tract income ratio—the ratio of the 1990 census tract—median income to the 1990 local area median income;

(15) Borrower(s) annual income—the combined income of all borrowers;

(16) Area median family income—the current median family income for a family of four for the area as established by the Secretary;

(17) Borrower income ratio—the ratio of borrower(s) annual income to area median family income;

(18) Acquisition UPB—the unpaid principal balance (UPB) in whole dollars of the mortgage when purchased by the GSE; where the mortgage purchase is a participation, the acquisition UPB reflects the participation percentage;

(19) Loan-to-Value Ratio at Origination—the loan-to-value (LTV) ratio of the mortgage at the time of origination;

(20) Date of Mortgage Note—the date the mortgage note was created;

(21) Date of Acquisition—the date the GSE purchased the mortgage;

(22) Purpose of Loan—indicates whether the mortgage was a purchase money mortgage, a refinancing, a second mortgage;

(23) Cooperative Unit Mortgage—indicates whether the mortgage is on a dwelling unit in a cooperative housing building;

(24) Refinancing Loan From Own Portfolio—indicates, where the GSE has purchased a refinanced mortgage, whether the GSE owned the previous mortgage on the same property;

(25) Special Affordable, Seasoned Loan Proceeds Recycled—for purposes of the special affordable housing goal, indicates whether the mortgage purchased by the GSE meets the requirements in § 81.14(h)(1)(B);

(26) Product Type—indicates the product type of the mortgage, *i.e.*, fixed rate, adjustable rate mortgage (ARM), balloon, graduated payment mortgage (GPM) or growing equity mortgages (GEM), reverse annuity mortgage, or other;

(27) Federal guarantee—a numeric code that indicates whether the mortgage has a federal guarantee from: the Federal Housing Administration (FHA) or the Department of Veterans Affairs (VA); the Farmers Home Administration's Guaranteed Rural Housing Loan program; or other federal guarantee;

(28) RTC/FDIC—for purposes of the special affordable housing goal, indicates whether the mortgage purchased by the GSE meets the requirements in § 81.14(h)(1)(C);

(29) Term of Mortgage at Origination—the term of the mortgage at the time of origination in months;

(30) Amortization Term—for amortizing mortgages, the amortization term of the mortgage in months;

(31) Lender Institution—the name and unique numerical identifier of the institution that loaned the money for the mortgage;

(32) Type of Seller Institution—the type of institution that sold the mortgage to the GSE, *i.e.*, mortgage company, Savings Association Insurance Fund (SAIF) insured depositary institution, Bank Insurance Fund (BIF) insured depositary institution, National Credit Union Association (NCUA) insured credit union, or other seller;

(33) Number of borrowers—the number of borrowers;

(34) First-time home buyer—a numeric code that indicates whether the mortgagor(s) are first-time home buyers; second mortgages and refinancings are treated as not first-time home buyers;

(35) Mortgage Purchased under GSE's Community Lending Program—indicates whether the GSE purchased the mortgage under its community lending program;

(36) Acquisition Type—indicates whether the GSE acquired the mortgage with cash or by swap;

(37) GSE Real Estate Owned—indicates whether the mortgage is on a property that was in the GSE's real estate owned (REO) inventory;

(38) Public Subsidy Program—indicates whether the mortgage property is involved in a public subsidy program and which level(s) of government are involved in the subsidy program, *i.e.*, Federal government only, state or local government only, other and private subsidy only, Federal government and either state or local government, Federal government and other, state or local government and other, and Federal, state, or local government and other;

(39) Borrower race or national origin—a numeric code that indicates whether the borrower is: An American Indian or Alaskan Native; an Asian or Pacific Islander; black; hispanic; white; or other;

(40) Co-borrower race or national origin—a numeric code that indicates whether the co-borrower is: An American Indian or Alaskan Native; an Asian or Pacific Islander; black; hispanic; white; or other

(41) Borrower gender—a numeric code that indicates whether the borrower is male or female;

(42) Co-borrower gender—a numeric code that indicates whether the co-borrower is male or female

(43) Age of borrower;

(44) Age of co-borrower;

(45) Family size of borrower—the number of individuals in the borrower's family including the borrower;

(46) Family size of co-borrower—the number of individuals in the co-borrower's family including the co-borrower;

(47) Occupancy Code—indicates whether the mortgaged property is an owner-occupied principal residence, a second home, or a rental/investment property;

(48) Number of Units—indicates the number of units in the mortgaged property;

(49) Number of Bedrooms—where the property contains non-owner-occupied dwelling units, the number of bedrooms in each of those units;

(50) Owner-Occupied—where the property has two to four units, indicates whether each of those units are owner-occupied;

(51) Affordability Category—where the property contains non-owner-occupied dwelling units, indicates under which, if any, of the special affordable goals the units qualified;

(52) Reported Rent Level—where the property contains non-owner-occupied dwelling units, the rent level for each unit in whole dollars;

(53) Reported Rent Plus Utilities—where the property contains non-owner-occupied dwelling units, the rent level plus the utility cost for each unit in whole dollars;

(54) Low- and moderate-income housing goal flag—indicates whether the GSE counted the mortgage purchase toward the low- and moderate-income goal;

(55) Special affordable housing goal flag—indicates whether the GSE counted the mortgage purchase toward the special affordable goal and under which part of the goal;

(56) Central cities, rural areas, and other underserved areas goal flag—indicates whether the GSE counted the mortgage purchase toward the central cities, rural areas, and other underserved goal.

(b) Loan level data on multifamily mortgage purchases. Each GSE's submission of loan level data shall include the following information for each multifamily mortgage purchased by the GSE:

(1) Loan number—a unique numerical identifier for each mortgage purchased;

(2) U.S. postal state—the two-digit numerical state code used in the most recent decennial census by the Bureau of the Census;

(3) U.S. Postal Zip Code—the five digit zip code for the property;

(4) MSA code—the four-digit numerical code for the property's metropolitan statistical area (MSA) if the property is located in an MSA;

(5) Place code—the five-digit numerical Federal Information Processing Standard (FIPS) code;

(6) County—the county, as designated in the most recent decennial census by the Bureau of the Census, in which the property is located;

(7) Census tract—the tract number as used in the most recent decennial census by the Bureau of the Census;

(8) 1990 census tract—percent minority—the percentage of a census tract's population that is minority based on the most recent decennial census by the Bureau of the Census;

(9) 1990 census tract—median income—the median family income for the census tract;

(10) 1990 local area median income—the median income for the area;

(11) Tract income ratio—the ratio of the 1990 census tract—median income to the 1990 local area median income;

(12) Area median family income—the current median family income for a family of four for the area as established by the Secretary;

(13) Affordability Category—indicates under which, if any, of the special affordable goals the property qualified;

(14) Acquisition UPB—the unpaid principal balance (UPB) in whole dollars of the mortgage when purchased by the GSE; where the mortgage purchase is a participation, the acquisition UPB reflects the participation percentage;

(15) Participation Percent—where the mortgage purchase is a participation, the percentage of the mortgage that the GSE purchased;

(16) Date of Mortgage Note—the date the mortgage note was created;

(17) Date of Acquisition—the date the GSE purchased the mortgage;

(18) Purpose of Loan—indicates whether the mortgage was a purchase money mortgage, a refinancing, a new construction mortgage, a mortgage financing property rehabilitation;

(19) Cooperative Project Loan—indicates whether the mortgage is a project loan on a cooperative housing building;

(20) Refinancing Loan from Own Portfolio—indicates, where the GSE has purchased a refinanced mortgage, whether the GSE owned the previous mortgage on the same property;

(21) Special Affordable, Seasoned Loans: Proceeds Recycled?—for purposes of the special affordable housing goal, indicates whether the mortgage purchased by the GSE meets the requirements in section 81.14(h)(1)(ii);

(22) Mortgagor Type—indicates the type of mortgagor, *i.e.*, an individual, a for-profit entity such as a corporation or partnership, a nonprofit entity such a corporation or partnership, a public entity, or other type of entity;

(23) Term of Mortgage at Origination—the term of the mortgage at the time of origination in months;

(24) Loan Type—indicates the type of the loan, *i.e.*, fixed rate, adjustable rate mortgage (ARM), balloon, or graduated payment mortgage (GPM);

(25) Amortization Term—for amortizing mortgages, the amortization term of the mortgage in months;

(26) Lender Institution—the name and unique numerical identifier of the institution that loaned the money for the mortgage;

(27) Type of Seller Institution—the type of institution that sold the mortgage to the GSE, *i.e.*, mortgage company, Savings Association Insurance Fund (SAIF) insured depositary institution, Bank Insurance Fund (BIF) insured depositary institution, National Credit Union Association (NCUA) insured credit union, or other seller;

(28) Government insurance—indicates whether any part of the mortgage has government insurance;

(29) Acquisition Type—indicates whether the GSE acquired the mortgage with cash, by swap, other, with a credit enhancement, a bond or debt purchase, or a real estate mortgage investment conduit (REMIC);

(30) GSE Real Estate Owned—indicates whether the mortgage is on a property that was in the GSE's real estate owned (REO) inventory;

(31) Public Subsidy Program—indicates whether the mortgage property is involved in a public subsidy program and which level(s) of government are involved in the subsidy program, *i.e.*, Federal government only, state or local government only, other only, Federal government and either state or local government, Federal government and other, state or local government and other, and Federal, state, or local government and other;

(32) Total Number of Units—indicates the number of dwelling units in the mortgaged property;

(33) Special Affordable—45 Percent—for the special affordable Interim Housing Goal for 1993–94, the dollar amount of the mortgage that counted toward achievement of the goal (based on dwelling units affordable to low-income families);

(34) Special Affordable—55 Percent—for the special affordable Interim Housing Goal for 1993–94, the dollar amount of the mortgage that counted toward achievement of the goal (based on properties where at least 20 percent of the dwelling units were affordable to especially low-income families or at least 40 percent of the dwelling units were affordable to very low-income families);

(35) The following data apply to unit types in a particular mortgaged property. The unit types are defined by the GSEs for each property and are differentiated based on the number of bedrooms in the units and on the average contract rent for the units. The maximum number of unit types in any one property is ten and a unit type must be included for each bedroom size category represented in the property:

(A) Unit Type XX—Number of Bedroom(s)—the number of bedrooms in the unit type;

(B) Unit Type XX—Number of Units—the number of units in the property within the unit type;

(C) Unit Type XX—Average Reported Rent Level—the average rent level for the unit type in whole dollars;

(D) Unit Type XX—Average Reported Rent Plus Utilities—the average reported rent level plus the utility cost for each unit in whole dollars; and

(E) Unit Type XX—Affordability Level—the ratio of the average reported rent plus utilities for the unit type to the adjusted area median income;

(36) Low- and moderate-income housing goal flag—indicates whether the GSE counted the mortgage purchase toward the low- and moderate-income goal;

(37) Special affordable housing goal flag—indicates whether the GSE counted the mortgage purchase toward the special affordable goal and under which part of the goal;

(38) Central cities, rural areas, and other underserved areas goal flag—indicates whether the GSE counted the mortgage purchase toward the central cities, rural areas, and other underserved goal.

Appendix E—Proprietary Information—[Reserved]

Dated: December 23, 1994.

Henry G. Cisneros,

Secretary.

[FR Doc. 95–3474 Filed 2–13–95; 8:45 am]

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Federal Register

Thursday
February 16, 1995

Part IV

Department of the Interior

Bureau of Indian Affairs

Indian Entities Recognized and Eligible To Receive Services From the United States Bureau of Indian Affairs; List; Notice

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Entities Recognized and Eligible To Receive Services From The United States Bureau of Indian Affairs

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice.

SUMMARY: Notice is hereby given of the current list of tribal entities recognized and eligible for funding and services from the Bureau of Indian Affairs by virtue of their status as Indian tribes. This notice is published pursuant to Section 104 of the Act of November 2, 1994 (Pub. L. 103–454; 108 Stat. 4791, 4792).

FOR FURTHER INFORMATION CONTACT: Patricia Simmons, Bureau of Indian Affairs, Division of Tribal Government Services, 1849 C Street N. W., Washington, DC 20240. Telephone number: (202) 208–7445.

SUPPLEMENTARY INFORMATION: This notice is published in exercise of authority delegated to the Assistant Secretary—Indian Affairs under 25 U.S.C. 2 and 9 and 209 DM 8.

Published below are lists of federally acknowledged tribes in the contiguous 48 states and in Alaska. The list is updated from the last such list published October 21, 1993 (58 FR 54364) to include tribes acknowledged through the Federal acknowledgment process and legislation. We have continued the practice of listing the Alaska Native entities separately solely for the purpose of facilitating identification of them and reference to them given the large number of unusual and complex Native names.

In October 1993, the Department published its most recent list in an effort to bring the list up to date as required by 25 CFR Part 83 and in an effort to clarify the legal status of Alaska Native villages. As described in the preamble to the October 1993 list, the first list of acknowledged tribes was published in 1979. 44 FR 7235 (Feb. 6, 1979). The list used the term ''entities'' in the preamble and elsewhere to refer to and include all the various anthropological organizations, such as bands, pueblos and villages, acknowledged by the Federal Government to constitute tribes with a government-to-government relationship with the United States. A footnote defined ''entities'' to include ''Indian tribes, bands, villages, groups and pueblos as well as Eskimos and Aleuts.'' 44 FR 7235 n.1. The 1979 list did not, however, contain the names of any Alaska Native entities. The preamble stated that: ''[t]he list of eligible Alaskan entities will be published at a later date.'' 44 FR 7235.

Under the Department's acknowledgement regulations, publication of the list serves at least two functions. First, it gives notice as to which entities the Department of the Interior deals with as ''Indian tribes'' pursuant to Congress's general delegation of authority to the Secretary of the Interior to manage all public business relating to Indians under 43 U.S.C. 1457. Second, it identifies those entities which are considered ''Indian tribes'' as a matter of law by virtue of past practices and which, therefore, need not petition the Secretary for a determination that they now exist as Indian tribes. See 25 CFR 83.3 (a), (b) and 83.6(a) (1993 ed.); 25 CFR 83.3(a), (b) (1994 ed.). Because the Department did not include any Alaska entities in its initial publication and characterized its publication in 1982 of the Alaska entities as a ''preliminary list'' (47 FR 53133), the intended functions of the publication of the list were not fully implemented for Alaska until October 1993.

The entities listed on the 1982 ''preliminary list'' parallel the kinds of entities included on the list for the contiguous 48 states. The regional, village and urban corporations organized under state law in accordance with the Alaska Native Claims Settlement Act (ANCSA) (43 U.S.C. 1601 et seq.) were not listed although they had been designated as ''tribes'' for the purposes of some Federal laws, primarily the Indian Self-Determination and Education Assistance Act (ISDA), 25 U.S.C. 450b(b). In addition, between 1982 and 1986, a number of Alaska Native entities complained that they had been wrongly omitted from the lists that were published in those years. Some groups in the contiguous 48 states have also complained that they had been wrongly left off the lists and should not have to go through the burdensome process of petitioning. While the Department had conceded that its 1982 list for Alaska was ''preliminary,'' it had made no such concession with regard to groups in the contiguous 48 states. Therefore, the Department required all groups from the contiguous 48 states to petition in order to be placed on the list.

In 1988, in an effort to resolve all pending questions as to the Native entities to be listed and the eligibility of entities described as ''tribes'' by Congress in post-ANCSA legislation but not otherwise thought of as ''Indian tribes,'' i.e., the state-chartered ANCSA Native corporations, the Department published a new list of Alaska entities. The preamble to the list stated that the revised list responded to a ''demand by the Bureau and other Federal agencies * * * for a list of organizations which are eligible for their funding and services based on their inclusion in categories frequently mentioned in statutes concerning Federal programs for Indians.'' 53 FR 52832.

Unfortunately, the 1988 revisions of the Alaska Native entities list appeared to create more questions than it resolved. The omission from the 1988 preamble of all references acknowledging the tribal status of the listed villages, and the inclusion of ANCSA corporations (which are formally state-chartered corporations rather than tribes in the conventional legal or political sense) generated questions as to the status of all the listed entities. Numerous Native villages, regional tribes and other Native organizations objected to the 1988 list on the grounds that it failed to distinguish between Native corporations and Native tribes and failed to unequivocally recognize the tribal status of the listed villages and regional tribes. That the Department had considered Alaska Native villages to possess tribal status is evident from the Solicitor's 1993 historical review of this matter.

In January 1993 the Solicitor of the Department of the Interior issued a comprehensive opinion analyzing the status of Alaska Native villages as ''Indian tribes,'' as that term is commonly used to refer to Indian entities in the contiguous 48 states. After a lengthy historical review and legal analysis, the Solicitor concluded that:

> For the last half century, Congress and the Department have dealt with Alaska Natives as though there were tribes in Alaska. The fact that the Congress and the Department may not have dealt with all Alaska Natives as tribes at all times prior to the 1930's did not preclude it from dealing with them as tribes subsequently.
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> Sol. Op. M–36975, at 46, 47–48 (Jan. 11, 1993).

Although the Solicitor found it unnecessary for the purposes of his opinion to identify specifically which villages were tribes, he observed that Congress' listing of specific villages in ANCSA and the repeated inclusion of such villages within the definition of ''tribes'' in post-ANCSA legislation arguably constituted a congressional determination that the villages found eligible for benefits under ANCSA, referred to as the ''modified ANCSA list,'' were Indian tribes for purposes of Federal law. M–36975 at 58–59.

In response to the guidance in the Solicitor's Opinion, the Bureau of Indian Affairs reviewed the ''modified ANCSA list'' of villages and the list of those villages and regional tribes previously listed or dealt with by the Federal Government as governments. The result of that review was the list of tribal entities published on October 21, 1993. The October 1993 list represents a list only of those villages and regional tribes which the Department believes to have functioned as political entities, exercising governmental authority. The listed entities are, therefore, acknowledged to have ''the immunities and privileges available to other federally acknowledged Indian tribes by virtue of their government-to-government relationship with the United States as well as the responsibilities, powers, limitations and obligations of such tribes.'' 25 CFR 83.2 (1994 ed.).

Inclusion on the list does not resolve the scope of powers of any particular tribe over land or non-members. It only establishes that the listed tribes have the same privileges, immunities, responsibilities and obligations as other Indian tribes under the same or similar circumstances including the right, subject to general principles of Federal Indian law, to exercise the same inherent and delegated authorities available to other tribes.[1]

Subsequent to the publication of the October 1993 list, Congress enacted two significant pieces of legislation. First, in the Act of May 31, 1994 (P.L. 103–263; 108 Stat. 707), Congress confirmed that the Secretary can make no distinctions among tribes as a general matter of Federal law. Second, in the Act of November 2, 1994 (P.L. 103–454; 108 Stat. 4791), Congress confirmed the Secretary's authority and responsibility to establish a list of Indian tribes and mandated that he publish such a list annually. The following list is published in response to that mandate.

Indian Tribal Entities Within the Contiguous 48 States Recognized and Eligible to Receive Services From the Bureau of Indian Affairs

Absentee-Shawnee Tribe of Indians of Oklahoma
Agua Caliente Band of Cahuilla Indians of the Agua Caliente Indian Reservation, California
Ak Chin Indian Community of Papago Indians of the Maricopa, Ak Chin Reservation, Arizona
Alabama and Coushatta Tribes of Texas
Alabama-Quassarte Tribal Town of the Creek Nation of Oklahoma
Alturas Indian Rancheria of Pit River Indians of California
Apache Tribe of Oklahoma
Arapahoe Tribe of the Wind River Reservation, Wyoming
Aroostook Band of Micmac Indians of Maine
Assiniboine and Sioux Tribes of the Fort Peck Indian Reservation, Montana
Augustine Band of Cahuilla Mission Indians of the Augustine Reservation, California
Bad River Band of the Lake Superior Tribe of Chippewa Indians of the Bad River Reservation, Wisconsin
Bay Mills Indian Community of the Sault Ste. Marie Band of Chippewa Indians, Bay Mill Reservation, Michigan
Bear River Band of the Rohnerville Rancheria of California
Berry Creek Rancheria of Maidu Indians of California
Big Lagoon Rancheria of Smith River Indians of California
Big Pine Band of Owens Valley Paiute Shoshone Indians of the Big Pine Reservation, California
Big Sandy Rancheria of Mono Indians of California
Big Valley Rancheria of Pomo & Pit River Indians of California
Blackfeet Tribe of the Blackfeet Indian Reservation of Montana
Blue Lake Rancheria of California
Bridgeport Paiute Indian Colony of California
Buena Vista Rancheria of Me-Wuk Indians of California
Burns Paiute Tribe of the Burns Paiute Indian Colony of Oregon
Cabazon Band of Cahuilla Mission Indians of the Cabazon Reservation, California
Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria, California
Caddo Indian Tribe of Oklahoma
Cahuilla Band of Mission Indians of the Cahuilla Reservation, California
Cahto Indian Tribe of the Laytonville Rancheria, California
Campo Band of Diegueno Mission Indians of the Campo Indian Reservation, California
Capitan Grande Band of Diegueno Mission Indians of California:
  Barona Group of Capitan Grande Band of Mission Indians of the Barona Reservation, California
  Viejas (Baron Long) Group of Capitan Grande Band of Mission Indians of the Viejas Reservation, California
Catawba Tribe of South Carolina
Cayuga Nation of New York
Cedarville Rancheria of Northern Paiute Indians of California
Chemehuevi Indian Tribe of the Chemehuevi Reservation, California
Cher-Ae Heights Indian Community of the Trinidad Rancheria, California
Cherokee Nation of Oklahoma
Cheyenne-Arapaho Tribes of Oklahoma
Cheyenne River Sioux Tribe of the Cheyenne River Reservation, South Dakota
Chickasaw Nation of Oklahoma
Chicken Ranch Rancheria of Me-Wuk Indians of California
Chippewa-Cree Indians of the Rocky Boy's Reservation, Montana
Chitimacha Tribe of Louisiana
Choctaw Nation of Oklahoma
Citizen Band Potawatomi Indian Tribe of Oklahoma
Cloverdale Rancheria of Pomo Indians of California
Coast Indian Community of Yurok Indians of the Resighini Rancheria, California
Cocopah Tribe of Arizona
Coeur D'Alene Tribe of the Coeur D'Alene Reservation, Idaho
Cold Springs Rancheria of Mono Indians of California
Colorado River Indian Tribes of the Colorado River Indian Reservation, Arizona and California
Comanche Indian Tribe of Oklahoma
Confederated Salish & Kootenai Tribes of the Flathead Reservation, Montana
Confederated Tribes of the Chehalis Reservation, Washington
Confederated Tribes of the Colville Reservation, Washington
Confederated Tribes of the Coos, Lower Umpqua and Siuslaw Indians of Oregon
Confederated Tribes of the Goshute Reservation, Nevada and Utah
Confederated Tribes of the Grand Ronde Community of Oregon
Confederated Tribes of the Siletz Reservation, Oregon
Confederated Tribes of the Umatilla Reservation, Oregon
Confederated Tribes of the Warm Springs Reservation of Oregon
Confederated Tribes and Bands of the Yakama Indian Nation of the Yakama Reservation Washington
Coquille Tribe of Oregon
Cortina Indian Rancheria of Wintun Indians of California
Coushatta Tribe of Louisiana
Cow Creek Band of Umpqua Indians of Oregon
Coyote Valley Band of Pomo Indians of California
Crow Tribe of Montana

[1] Sol. Op. M–36975 concluded, construing general principles of Federal Indian law and ANCSA, that ''notwithstanding the potential that Indian country still exists in Alaska in certain limited cases, Congress has left little or no room for tribes in Alaska to exercise governmental authority over land or nonmembers.'' M–36975 at 108. That portion of the opinion is subject to review, but has not been withdrawn or modified.

Crow Creek Sioux Tribe of the Crow Creek Reservation, South Dakota
Cuyapaipe Community of Diegueno Mission Indians of the Cuyapaipe Reservation, California
Death Valley Timbi-Sha Shoshone Band of California
Delaware Tribe of Western Oklahoma
Devils Lake Sioux Tribe of the Devils Lake Sioux Reservation, North Dakota
Dry Creek Rancheria of Pomo Indians of California
Duckwater Shoshone Tribe of the Duckwater Reservation, Nevada
Eastern Band of Cherokee Indians of North Carolina
Eastern Shawnee Tribe of Oklahoma
Elem Indian Colony of Pomo Indians of the Sulphur Bank Rancheria, California
Elk Valley Rancheria of California
Ely Shoshone Tribe of Nevada
Enterprise Rancheria of Maidu Indians of California
Flandreau Santee Sioux Tribe of South Dakota
Forest County Potawatomi Community of Wisconsin Potawatomie Indians, Wisconsin
Fort Belknap Indian Community of the Fort Belknap Reservation of Montana
Fort Bidwell Indian Community of Paiute Indians of the Fort Bidwell Reservation, California
Fort Independence Indian Community of Paiute Indians of the Fort Independence Reservation, California
Fort McDermitt Paiute and Shoshone Tribes of the Fort McDermitt Indian Reservation, Nevada
Fort McDowell Mohave-Apache Indian Community of the Fort McDowell Indian Reservation, Arizona
Fort Mojave Indian Tribe of Arizona
Fort Sill Apache Tribe of Oklahoma
Gila River Pima-Maricopa Indian Community of the Gila River Indian Reservation of Arizona
Grand Traverse Band of Ottawa & Chippewa Indians of Michigan
Greenville Rancheria of Maidu Indians of California
Grindstone Indian Rancheria of Wintun-Wailaki Indians of California
Guidiville Rancheria of California
Hannahville Indian Community of Wisconsin Potawatomie Indians of Michigan
Havasupai Tribe of the Havasupai Reservation, Arizona
Ho-Chunk Nation of Wisconsin (formerly known as the Wisconsin Winnebago Tribe)
Hoh Indian Tribe of the Hoh Indian Reservation, Washington
Hoopa Valley Tribe of the Hoopa Valley Reservation, California
Hopi Tribe of Arizona
Hopland Band of Pomo Indians of the Hopland Reservation, California
Houlton Band of Maliseet Indians of Maine
Hualapai Indian Tribe of the Hualapai Indian Reservation, Arizona
Inaja Band of Diegueno Mission Indians of the Inaja and Cosmit Reservation, California
Ione Band of Miwok Indians of California
Iowa Tribe of Kansas and Nebraska
Iowa Tribe of Oklahoma
Jackson Rancheria of Me-Wuk Indians of California
Jamestown Klallam Tribe of Washington
Jamul Indian Village of California
Jicarilla Apache Tribe of the Jicarilla Apache Indian Reservation, New Mexico
Kaibab Band of Paiute Indians of the Kaibab Indian Reservation, Arizona
Kalispel Indian Community of the Kalispel Reservation, Washington
Karuk Tribe of California
Kashia Band of Pomo Indians of the Stewarts Point Rancheria, California
Kaw Indian Tribe of Oklahoma
Keweenaw Bay Indian Community of L'Anse and Ontonagon Bands of Chippewa Indians of the L'Anse Reservation, Michigan
Kialegee Tribal Town of the Creek Indian Nation of Oklahoma
Kickapoo Tribe of Indians of the Kickapoo Reservation in Kansas
Kickapoo Tribe of Oklahoma
Kickapoo Traditional Tribe of Texas
Kiowa Indian Tribe of Oklahoma
Klamath Indian Tribe of Oregon
Kootenai Tribe of Idaho
La Jolla Band of Luiseno Mission Indians of the La Jolla Reservation, California
La Posta Band of Diegueno Mission Indians of the La Posta Indian Reservation, California
Lac Courte Oreilles Band of Lake Superior Chippewa Indians of the Lac Courte Oreilles Reservation of Wisconsin
Lac du Flambeau Band of Lake Superior Chippewa Indians of the Lac du Flambeau Reservation of Wisconsin
Lac Vieux Desert Band of Lake Superior Chippewa Indians of Michigan
Las Vegas Tribe of Paiute Indians of the Las Vegas Indian Colony, Nevada
Little River Band of Ottawa Indians of Michigan
Little Traverse Bay Bands of Odawa Indians of Michigan
Los Coyotes Band of Cahuilla Mission Indians of the Los Coyotes Reservation, California
Lovelock Paiute Tribe of the Lovelock Indian Colony, Nevada
Lower Brule Sioux Tribe of the Lower Brule Reservation, South Dakota
Lower Elwha Tribal Community of the Lower Elwha Reservation, Washington
Lower Sioux Indian Community of Minnesota Mdewakanton Sioux Indians of the Lower Sioux Reservation in Minnesota
Lummi Tribe of the Lummi Reservation, Washington
Lytton Rancheria of California
Makah Indian Tribe of the Makah Indian Reservation, Washington
Manchester Band of Pomo Indians of the Manchester-Point Arena Rancheria, California
Manzanita Band of Diegueno Mission Indians of the Manzanita Reservation, California
Mashantucket Pequot Tribe of Connecticut
Mechoopda Indian Tribe of Chico Rancheria, California
Menominee Indian Tribe of Wisconsin
Mesa Grande Band of Diegueno Mission Indians of the Mesa Grande Reservation, California
Mescalero Apache Tribe of the Mescalero Reservation, New Mexico
Miami Tribe of Oklahoma
Miccosukee Tribe of Indians of Florida
Middletown Rancheria of Pomo Indians of California
Minnesota Chippewa Tribe, Minnesota (Six component reservations:
Bois Forte Band (Nett Lake); Fond du Lac Band; Grand Portage Band; Leech Lake Band; Mille Lac Band; White Earth Band)
Mississippi Band of Choctaw Indians, Mississippi
Moapa Band of Paiute Indians of the Moapa River Indian Reservation, Nevada
Modoc Tribe of Oklahoma
Mohegan Indian Tribe of Connecticut
Mooretown Rancheria of Maidu Indians of California
Morongo Band of Cahuilla Mission Indians of the Morongo Reservation, California
Muckleshoot Indian Tribe of the Muckleshoot Reservation, Washington
Muskogee (Creek) Nation of Oklahoma
Narragansett Indian Tribe of Rhode Island
Navajo Tribe of Arizona, New Mexico & Utah
Nez Perce Tribe of Idaho
Nisqually Indian Tribe of the Nisqually Reservation, Washington
Nooksack Indian Tribe of Washington
Northern Cheyenne Tribe of the Northern Cheyenne Indian Reservation, Montana
Northfork Rancheria of Mono Indians of California
Northwestern Band of the Shoshoni Nation of Utah (Washakie)
Oglala Sioux Tribe of the Pine Ridge Reservation, South Dakota
Omaha Tribe of Nebraska

Oneida Nation of New York
Oneida Tribe of Wisconsin
Onondaga Nation of New York
Osage Nation of Oklahoma
Ottawa Tribe of Oklahoma
Otoe-Missouria Tribe of Oklahoma
Paiute Indian Tribe of Utah
Paiute-Shoshone Indians of the Bishop Community of the Bishop Colony, California
Paiute-Shoshone Tribe of the Fallon Reservation and Colony, Nevada
Paiute-Shoshone Indians of the Lone Pine Community of the Lone Pine Reservation, California
Pala Band of Luiseno Mission Indians of the Pala Reservation, California
Pascua Yaqui Tribe of Arizona
Paskenta Band of Nomlaki Indians of California
Passamaquoddy Tribe of Maine
Pauma Band of Luiseno Mission Indians of the Pauma & Yuima Reservation, California
Pawnee Indian Tribe of Oklahoma
Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California
Penobscot Tribe of Maine
Peoria Tribe of Oklahoma
Picayune Rancheria of Chukchansi Indians of California
Pinoleville Rancheria of Pomo Indians of California
Pit River Tribe of California (includes Big Bend, Lookout, Montgomery Creek & Roaring Creek Rancherias & XL Ranch)
Poarch Band of Creek Indians of Alabama
Pokagon Band of Potawatomi Indians of Michigan
Ponca Tribe of Indians of Oklahoma
Ponca Tribe of Nebraska
Port Gamble Indian Community of the Port Gamble Reservation, Washington
Potter Valley Rancheria of Pomo Indians of California
Prairie Band of Potawatomi Indians of Kansas
Prairie Island Indian Community of Minnesota Mdewakanton Sioux Indians of the Prairie Island Reservation, Minnesota
Pueblo of Acoma, New Mexico
Pueblo of Cochiti, New Mexico
Pueblo of Jemez, New Mexico
Pueblo of Isleta, New Mexico
Pueblo of Laguna, New Mexico
Pueblo of Nambe, New Mexico
Pueblo of Picuris, New Mexico
Pueblo of Pojoaque, New Mexico
Pueblo of San Felipe, New Mexico
Pueblo of San Juan, New Mexico
Pueblo of San Ildefonso, New Mexico
Pueblo of Sandia, New Mexico
Pueblo of Santa Ana, New Mexico
Pueblo of Santa Clara, New Mexico
Pueblo of Santo Domingo, New Mexico
Pueblo of Taos, New Mexico
Pueblo of Tesuque, New Mexico
Pueblo of Zia, New Mexico
Puyallup Tribe of the Puyallup Reservation, Washington
Pyramid Lake Paiute Tribe of the Pyramid Lake Reservation, Washington
Quapaw Tribe of Oklahoma
Quartz Valley Indian Community of the Quartz Valley Reservation of California
Quechan Tribe of the Fort Yuma Indian Reservation, California
Quileute Tribe of the Quileute Reservation, Washington
Quinault Tribe of the Quinault Reservation, Washington
Ramona Band or Village of Cahuilla Mission Indians of California
Red Cliff Band of Lake Superior Chippewa Indians of Wisconsin
Red Lake Band of Chippewa Indians of the Red Lake Reservation, Minnesota
Redding Rancheria of California
Redwood Valley Rancheria of Pomo Indians of California
Reno-Sparks Indian Colony, Nevada
Rincon Band of Luiseno Mission Indians of the Rincon Reservation, California
Robinson Rancheria of Pomo Indians of California
Rosebud Sioux Tribe of the Rosebud Indian Reservation, South Dakota
Round Valley Indian Tribes of the Round Valley Reservation, California (formerly known as the Covelo Indian Community)
Rumsey Indian Rancheria of Wintun Indians of California
Sac & Fox Tribe of the Mississippi in Iowa
Sac & Fox Nation of Missouri in Kansas and Nebraska
Sac & Fox Nation of Oklahoma
Saginaw Chippewa Indian Tribe of Michigan, Isabella Reservation
Salt River Pima-Maricopa Indian Community of the Salt River Reservation, Arizona
San Carlos Apache Tribe of the San Carlos Reservation, Arizona
San Juan Southern Paiute Tribe of Arizona
San Manuel Band of Serrano Mission Indians of the San Manual Reservation, California
San Pasqual Band of Diegueno Mission Indians of California
Santa Rosa Indian Community of the Santa Rosa Rancheria, California
Santa Rosa Band of Cahuilla Mission Indians of the Santa Rosa Reservation, California
Santa Ynez Band of Chumash Mission Indians of the Santa Ysabel Reservation, California
Santa Ysabel Band of Diegueno Mission Indians of the Santa Ysabel Reservation, California
Santee Sioux Tribe of the Santee Reservation of Nebraska
Sauk-Suiattle Indian Tribe of Washington
Sault Ste. Marie Tribe of Chippewa Indians of Michigan
Scotts Valley Band of Pomo Indians of California
Seminole Nation of Oklahoma
Seminole Tribe of Florida, Dania, Big Cypress & Brighton Reservations
Seneca Nation of New York
Seneca-Cayuga Tribe of Oklahoma
Shakopee Mdewakanton Sioux Community of Minnesota (Prior Lake)
Sheep Ranch Rancheria of Me-Wuk Indians of California
Sherwood Valley Rancheria of Pomo Indians of California
Shingle Springs Band of Miwok Indians, Shingle Springs Rancheria (Verona Tract), California
Shoalwater Bay Tribe of the Shoalwater Bay Indian Reservation, Washington
Shoshone Tribe of the Wind River Reservation, Wyoming
Shoshone-Bannock Tribes of the Fort Hall Reservation of Idaho
Shoshone-Paiute Tribes of the Duck Valley Reservation, Nevada
Sisseton-Wahpeton Sioux Tribe of the Lake Traverse Reservation, South Dakota
Skokomish Indian Tribe of the Skokomish Reservation, Washington
Skull Valley Band of Goshute Indians of Utah
Smith River Rancheria of California
Soboba Band of Luiseno Mission Indians of the Soboba Reservation, California
Sokoagon Chippewa Community of the Mole Lake Band of Chippewa Indians, Wisconsin
Southern Ute Indian Tribe of the Southern Ute Reservation, Colorado
Spokane Tribe of the Spokane Reservation, Washington
Squaxin Island Tribe of the Squaxin Island Reservation, Washington
St. Croix Chippewa Indians of Wisconsin, St. Croix Reservation
St. Regis Band of Mohawk Indians of New York
Standing Rock Sioux Tribe of North & South Dakota
Stockbridge-Munsee Community of Mohican Indians of Wisconsin
Stillaguamish Tribe of Washington
Summit Lake Paiute Tribe of Nevada
Suquamish Indian Tribe of the Port Madison Reservation, Washington
Susanville Indian Rancheria of Paiute, Maidu, Pit River & Washoe Indians of California
Swinomish Indians of the Swinomish Reservation, Washington
Sycuan Band of Diegueno Mission Indians of California

Table Bluff Rancheria of Wiyot Indians of California
Table Mountain Rancheria of California
Te-Moak Tribes of Western Shoshone Indians of Nevada
Thlopthlocco Tribal Town of the Creek Nation of Oklahoma
Three Affiliated Tribes of the Fort Berthold Reservation, North Dakota
Tohono O'odham Nation of Arizona (formerly known as the Papago Tribe of the Sells, Gila Bend & San Xavier Reservation, Arizona)
Tonawanda Band of Seneca Indians of New York
Tonkawa Tribe of Indians of Oklahoma
Tonto Apache Tribe of Arizona
Torres-Martinez Band of Cahuilla Mission Indians of California
Tule River Indian Tribe of the Tule River Reservation, California
Tulalip Tribes of the Tulalip Reservation, Washington
Tunica-Biloxi Indian Tribe of Louisiana
Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria of California
Turtle Mountain Band of Chippewa Indians of North Dakota
Tuscarora Nation of New York
Twenty-Nine Palms Band of Luiseno Mission Indians of California
United Auburn Indian Community of the Auburn Rancheria of California
United Keetoowah Band of Cherokee Indians of Oklahoma
Upper Lake Band of Pomo Indians of Upper Lake Rancheria of California
Upper Sioux Indian Community of the Upper Sioux Reservation, Minnesota
Upper Skagit Indian Tribe of Washington
Ute Indian Tribe of the Uintah & Ouray Reservation, Utah
Ute Mountain Tribe of the Ute Mountain Reservation, Colorado, New Mexico & Utah
Utu Utu Gwaitu Paiute Tribe of the Benton Paiute Reservation, California
Walker River Paiute Tribe of the Walker River Reservation, Nevada
Wampanoag Tribe of Gay Head (Aquinnah) of Massachusetts
Washoe Tribe of Nevada & California (Carson Colony, Dresslerville & Washoe Ranches)
White Mountain Apache Tribe of the Fort Apache Reservation, Arizona
Wichita and Affiliated Tribes (Wichita, Keechi, Waco & Tawakonie) of Oklahoma
Winnebago Tribe of Nebraska
Winnemucca Indian Colony of Nevada
Wyandotte Tribe of Oklahoma
Yankton Sioux Tribe of South Dakota
Yavapai Apache Nation of the Camp Verde Reservation, Arizona
Yavapai-Prescott Tribe of the Yavapai Reservation, Arizona
Yerington Paiute Tribe of the Yerington Colony & Campbell Ranch, Nevada
Yomba Shoshone Tribe of the Yomba Reservation, Nevada
Ysleta Del Sur Pueblo of Texas
Yurok Tribe of the Yurok Reservation, California
Zuni Tribe of the Zuni Reservation, New Mexico

Native Entities Within the State of Alaska Recognized and Eligible to Receive Services From the United States Bureau of Indian Affairs

Village of Afognak
Native Village of Akhiok
Akiachak Native Community
Akiak Native Community
Native Village of Akutan
Village of Alakanuk
Alatna Village
Native Village of Aleknagik
Algaaciq Native Village (St. Mary's)
Allakaket Village
Native Village of Ambler
Village of Anaktuvuk Pass
Yupiit of Andreafski
Angoon Community Association
Village of Aniak
Anvik Village
Arctic Village (*See* Native Village of Venetie Tribal Government)
Native Village of Atka
Atqasuk Village (Atkasook)
Village of Atmautluak
Native Village of Barrow
Beaver Village
Native Village of Belkofski
Village of Bill Moore's Slough
Birch Creek Village
Native Village of Brevig Mission
Native Village of Buckland
Native Village of Cantwell
Native Village of Chanega (aka Chenega)
Chalkyitsik Village
Village of Chefornak
Chevak Native Village
Chickaloon Native Village
Native Village of Chignik
Native Village of Chignik Lagoon
Chignik Lake Village
Chilkat Indian Village (Kluckwan)
Chilkoot Indian Association (Haines)
Chinik Eskimo Community (Golovin)
Native Village of Chistochina
Native Village of Chitina
Native Village of Chuatbaluk (Russion Mission, Kuskokwim)
Chuloonawick Native Village
Circle Native Community
Village of Clarks's Point
Native Village of Council
Craig Community Association
Village of Crooked Creek
Native Village of Deering
Native Village of Dillingham
Native Village of Diomede (aka Inalik)
Village of Dot Lake
Douglas Indian Association
Native Village of Eagle
Native Village of Eek
Egegik Village
Eklutna Native Village
Native Village of Ekuk
Ekwok Village
Native Village of Elim
Emmonak Village
Evansville Village (aka Bettles Field)
Native Village of Eyak (Cordova)
Native Village of False Pass
Native Village of Fort Yukon
Native Village of Gakona
Galena Village (aka Louden Village)
Native Village of Gambell
Native Village of Georgetown
Native Village of Goodnews Bay
Organized Village of Grayling (aka Holikachuk)
Gulkana Village
Native Village of Hamilton
Healy Lake Village
Holy Cross Village
Hoonah Indian Association
Native Village of Hooper Bay
Hughes Village
Huslia Village
Hydaburg Cooperative Association
Igiugig Village
Village of Iliamna
Inupiat Community of the Arctic Slope
Ivanoff Bay Village
Kaguyak Village
Organized Village of Kake
Kaktovik Village (aka Barter Island)
Village of Kalskag
Village of Kaltag
Native Village of Kanatak
Native Village of Karluk
Organized Village of Kasaan
Native Village of Kasigluk
Kenaitze Indian Tribe
Ketchikan Indian Corporation
Native Village of Kiana
Agdaagux Tribe of King Cove
King Island Native Community
Native Village of Kipnuk
Native Village of Kivalina
Klawock Cooperative Association
Native Village of Kluti Kaah (aka Copper Center)
Knik Tribe
Native Village of Kobuk
Kokhanok Village
Koliganek Village
Native Village of Kongiganak
Village of Kotlik
Native Village of Kotzebue
Native Village of Koyuk
Koyukuk Native Village
Organized Village of Kwethluk
Native Village of Kwigillingok
Native Village of Kwinhagak (aka Quinhagak)
Native Village of Larsen Bay
Levelock Village
Lesnoi Village (aka Woody Island)
Lime Village
Village of Lower Kalskag
Manley Hot Springs Village
Manokotak Village

Native Village of Marshall (aka Fortuna Ledge)
Native Village of Mary's Igloo
McGrath Native Village
Native Village of Mekoryuk
Mentasta Lake Village
Metlakatla Indian Community, Annette Island Reserve
Native Village of Minto
Native Village of Mountain Village
Naknek Native Village
Native Village of Nanwalek (aka English Bay)
Native Village of Napaimute
Native Village of Napakiak
Native Village of Napaskiak
Native Village of Nelson Lagoon
Nenana Native Association
New Stuyahok Village
Newhalen Village
Newtok Village
Native Village of Nightmute
Nikolai Village
Native Village of Nikolski
Ninilchik Village
Native Village of Noatak
Nome Eskimo Community
Nondalton Village
Noorvik Native Community
Northway Village
Native Village of Nuiqsut (aka Nooiksut)
Nulato Village
Native Village of Nunapitchuk
Village of Ohogamiut
Village of Old Harbor
Orutsararmuit Native Village (aka Bethel)
Oscarville Traditional Village
Native Village of Ouzinkie
Native Village of Paimiut
Pauloff Harbor Village
Pedro Bay Village
Native Village of Perryville
Petersburg Indian Association
Native Village of Pilot Point
Pilot Station Traditional Village
Native Village of Pitka's Point
Platinum Traditional Village
Native Village of Point Hope
Native Village of Point Lay
Native Village of Port Graham
Native Village of Port Heiden
Native Village of Port Lions
Portage Creek Village (aka Ohgsenakale)
Pribilof Islands Aleut Communities of St. Paul & St. George Islands
Qagan Toyagungin Tribe of Sand Point Village
Rampart Village
Village of Red Devil
Native Village of Ruby
Native Village of Russion Mission (Yukon)
Village of Salamatoff
Organized Village of Saxman
Native Village of Savoonga
Saint George (*See* Pribilof Islands Aleut Communities of St. Paul & St. George Islands)
Native Village of Saint Michael
Saint Paul (*See* Pribilof Islands Aleut Communities of St. Paul & St. George Islands)
Native Village of Scammon Bay
Native Village of Selawik
Seldovia Village Tribe
Shageluk Native Village
Native Village of Shaktoolik
Native Village of Sheldon's Point
Native Village of Shishmaref
Native Village of Shungnak
Sitka Tribe of Alaska
Skagway Village
Village of Sleetmute
Village of Solomon
South Naknek Village
Stebbins Community Association
Native Village of Stevens
Village of Stony River
Takotna Village
Native Village of Tanacross
Native Village of Tanana
Native Village of Tatitlek
Native Village of Tazlina
Telida Village
Native Village of Teller
Native Village of Tetlin
Central Council of the Tlingit & Haida Indian Tribes
Traditional Village of Togiak
Native Village of Toksook Bay
Tuluksak Native Community
Native Village of Tuntutuliak
Native Village of Tununak
Twin Hills Village
Native Village of Tyonek
Ugashik Village
Umkumiute Native Village
Native Village of Unalakleet
Qawalingin Tribe of Unalaska
Native Village of Unga
Village of Venetie (See Native Village of Venetie Tribal Government)
Native Village of Venetie Tribal Government (Arctic Village and Village of Venetie)
Village of Wainwright
Native Village of Wales
Native Village of White Mountain
Wrangell Cooperative Association
Yakutat Tlingit Tribe

Ada E. Deer,

Assistant Secretary—Indian Affairs.

[FR Doc. 95–3839 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–02–P

Federal Register

Thursday
February 16, 1995

Part V

Department of the Interior

Bureau of Indian Affairs

Indian Gaming; Notices

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of approved Tribal-State Compact.

SUMMARY: Pursuant to 25 U.S.C. 2710, of the Indian Gaming Regulatory Act of 1988 (Pub. L. 100–497), the Secretary of the Interior shall publish, in the **Federal Register**, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gambling on Indian reservations. The Assistant Secretary—Indian Affairs, Department of the Interior, through her delegated authority, has approved the Tribal State Gaming Compact Between the Confederated Tribes of Coos, Lower Umpqua and Siuslaw Indians and the State of Oregon, which was executed on December 8, 1994.

DATES: This action is effective February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Larry Scrivner, Acting Director, Indian Gaming Management Staff, Bureau of Indian Affairs, Washington, D.C. 20240, (202) 219–4068.

Dated: February 2, 1995.

Ada E. Deer,

Assistant Secretary—Indian Affairs.

[FR Doc. 95–3840 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–02–P

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of approval for Tribal-State Compact.

SUMMARY: Pursuant to 25 U.S.C. 2710, of the Indian Gaming Regulatory Act of 1988 (Pub. L. 100–497), the Secretary of the Interior shall publish, in the **Federal Register**, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gambling on Indian reservations. The Assistant Secretary—Indian Affairs, Department of the Interior, through her delegated authority, has approved the Tribal-State Compact For Regulation of Class III Gaming Between the Coquille Indian Tribe and the State of Oregon, which was executed on December 8, 1994.

DATES: This action is effective February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Larry Scrivner, Acting Director, Indian Gaming Management Staff, Bureau of Indian Affairs, Washington, D.C. 20240, (202) 219–4068.

Dated: February 1, 1995.

Ada E. Deer,

Assistant Secretary—Indian Affairs.

[FR Doc. 95–3841 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–02–P

Indian Gaming

AGENCY: Bureau of Indian Affairs, Interior.

ACTION: Notice of approved amendment to Tribal-State Compact.

SUMMARY: Pursuant to 25 U.S.C. 2710, of the Indian Gaming Regulatory Act of 1988 (Pub. L. 100–497), the Secretary of the Interior shall publish, in the **Federal Register**, notice of approved Tribal-State Compacts for the purpose of engaging in Class III (casino) gaming on Indian reservations. The Assistant Secretary—Indian Affairs, Department of the Interior, through her delegated authority, has approved Amendment No. 1 to the Amended Gaming Compact Between the Sisseton-Wahpeton Tribe and the State of South Dakota, which was executed on November 19, 1994.

DATES: This action is effective February 16, 1995.

FOR FURTHER INFORMATION CONTACT: Larry Scrivner, Acting Director, Indian Gaming Management Staff, Bureau of Indian Affairs, Washington, D.C. 20240, (202) 219–4068.

Dated: January 26, 1995.

Ada E. Deer,

Assistant Secretary—Indian Affairs.

[FR Doc. 95–3842 Filed 2–15–95; 8:45 am]

BILLING CODE 4310–02–P

Thursday
February 16, 1995

Part VI

Department of Housing and Urban Development

Office of the Assistant Secretary for Community Planning and Development

Funding Availability for Housing Opportunities for Persons With AIDS; Notice

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Office of the Assistant Secretary for Community Planning and Development

[Docket No. N–95–3873; FR–3853–N–01]

Notice of Funding Availability for Housing Opportunities for Persons With AIDS

AGENCY: Office of the Assistant Secretary for Community Planning and Development, HUD.

ACTION: Notice of Funding Availability (NOFA).

SUMMARY: This Notice announces the availability of up to $19,200,000 in funds to be allocated by competition for housing assistance and supportive services under the Housing Opportunities for Persons with AIDS (HOPWA) program. The funds available under this NOFA will be used to fund projects for low-income persons with HIV/AIDS and their families under two categories of assistance: (1) Grants for special projects of national significance which, due to their innovative nature or their potential for replication, are likely to serve as effective models in addressing the needs of eligible persons; and (2) grants for projects which are part of long-term comprehensive strategies for providing housing and related services for eligible persons.

The NOFA contains information concerning eligible applicants, the funding available, the application package, its processing, and selection of applications. The regulations for the HOPWA program are found at 24 CFR part 574. A Final Rule for this program, amending 24 CFR part 574, was published in the **Federal Register** on April 11, 1994 (59 FR 17194), and was amended by a rule establishing the Consolidated Plan on January 5, 1995 (60 FR 1878).

DATES: Applications for HOPWA assistance must be received at the HUD Headquarters Office listed below by 6:00 p.m. Eastern time on April 17, 1995. Conditionally selected applicants will be notified by HUD of their selection and may be required to submit additional information within two months of the date of their notification from HUD.

FOR A COPY OF APPLICATION PACKAGES CONTACT: A HUD Field Office listed in the appendix to this NOFA.

ADDRESSES: Completed applications must be submitted to the Office of Community Planning and Development, Processing Control Branch, Room 7255, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410. HUD will treat as ineligible for consideration applications that are received after the deadline. A copy must also be sent to the HUD Field Office serving the area in which the applicant's project is located. A list of field offices appears at the end of this NOFA. The Department will not accept any application which is submitted to HUD via facsimile (FAX) transmission.

FOR FURTHER INFORMATION CONTACT: The HUD Field Office for the area in which the proposed project is located. Telephone numbers are included in the list of Field Offices set forth in the appendix to this NOFA.

ELIGIBLE APPLICANTS AND SCHEDULE OF COMPETITIONS IN 1995

Category	Special Projects of National Significance	Projects Which Are Part of Long-Term Comprehensive Strategies for Providing Housing and Related Services
Eligible Applicants	States Local Governments Nonprofit organizations.	States and Local Governments in areas not qualifying for formula allocations.
Approximate funding	$19.2 million	
Maximum Grant Size	$1 million for program activities	
Applications due to HUD Headquarters in Washington.	April 17, 1995, 6:00 PM, Eastern Time	
Applications to be sent to	Original to HUD Headquarters and one copy to the local Field Office	

SUPPLEMENTARY INFORMATION:

Paperwork Reduction Act Statement

The information collection requirements for the HOPWA program have been approved under the Paperwork Reduction Act of 1980 by the Office of Management and Budget (OMB), and have been assigned OMB control number 2506–0133 (exp. 2/28/97).

I. Purpose and Substantive Description

(a) Purpose

The funds available under this NOFA will be used to fund projects for low-income persons with HIV/AIDS and their families under two categories of assistance: (1) Grants for special projects of national significance which, due to their innovative nature or their potential for replication, are likely to serve as effective models in addressing the needs of eligible persons; and (2) grants for projects which are part of long-term comprehensive strategies for providing housing and related services for eligible persons.

(b) Authority

The assistance made available under this NOFA is authorized by the AIDS Housing Opportunity Act (42 U.S.C. 12901), and was appropriated by the HUD Appropriations Act of 1995 (Pub. L. 103–327, approved September 28, 1994) and by the HUD Appropriations Act of 1994 (Pub. L. 103–124, approved October 28, 1993). The regulations for HOPWA are found at 24 CFR part 574.

(c) Eligibility

(1) States, units of general local government, and nonprofit organizations may apply for grants for special projects of national significance. (2) All States and units of general local government may apply for grants for projects under the second category of grants, except for: (A) any State that was eligible to receive a formula award in fiscal year 1995; and (B) any unit of general local government that was located in a metropolitan area or State that was eligible to receive a formula award in fiscal year 1995. Nonprofit organizations are not eligible to apply for the second category of grants.

(d) Allocation Amounts

Up to $19,200,000 is being made available by this NOFA. Since some of the appropriated funds are to be derived from the recapture of prior year obligations, the actual amount available may be less.

The maximum amount that an applicant may receive is $1,000,000, excluding administration costs. HUD reserves the right to fund less than the full amount requested in any application and to modify requests accordingly. If a request is modified by HUD, the conditionally selected

applicant will be required to modify its project plans and application to conform to the terms of HUD approval before execution of a grant agreement.

Funds received under this competition are to be expended within three years following the date of the signing of a grant agreement. Any unobligated funds from previous competitions or additional funds that may become available as a result of deobligations or recaptures from previous awards may also be used to fund applications submitted in response to this NOFA.

(e) Program Goal

Applicants for HOPWA assistance under this NOFA should emphasize the connection between housing assistance and appropriate supportive services in designing their programs. As stated by the National Commission on AIDS in Housing and the HIV/AIDS Epidemic (issued in June 1992) there is ''frequently desperate need safe shelter that provides not only protection and comfort, but also a base in which and from which to receive services, care and support.''

II. Application Selection Process

(a) Review

Applications will be reviewed to ensure that they meet the following:

(1) *Applicant eligibility.* The applicant and project sponsor(s), if any, are eligible to apply for the specific program;

(2) *Eligible population to be served.* The persons proposed to be served are eligible persons;

(3) *Eligible activities.* The proposed activities are eligible for assistance under the program; and

(4) *Other requirements.* The applicant is currently in compliance with the Federal requirements contained in 24 CFR part 574, subpart G, ''Other Federal Requirements.''

(b) Rating

Applications under both categories of grant will be rated in a national competition. To rate applications, the Department may establish a panel including persons not currently employed by HUD to obtain outside points of view, including views from other Federal agencies.

(c) Rating of Applications.

(1) Procedure. Applications will be rated based on the criteria listed below in paragraph (2), with a maximum of 100 points awarded. After rating, these applications will be placed in the rank order of their final score for selection.

(2) Rating Criteria. Applications under both categories of grant will be rated on the following criteria:

(A) *Applicant capacity (20 points).* HUD will award up to 20 points based on the ability of the applicant and, if applicable, any project sponsor(s) to develop and operate the proposed program. With regard to both the applicant and the project sponsor(s), HUD will consider: (a) Past experience in serving persons with AIDS or related diseases and their families; (b) past experience in programs similar to those proposed in the application; and (c) experience in monitoring and evaluating program performance.

As applicable, the rating under this criterion will also consider prior performance with any HUD-administered programs, including any serious, outstanding audit or monitoring findings that directly affect the proposed project.

(B) *Need for the project in the area to be served (20 points).* HUD will award up to 20 points based on the extent to which the need for the project in the area to be served is demonstrated by the relative numbers of AIDS cases and per capita AIDS incidence, as reported to and confirmed by the Director of the Centers for Disease Control and Prevention.

(C) *Appropriateness of program activities: Housing, supportive services and other assistance (30 points).* HUD will award up to 30 points based on the extent to which a plan for undertaking and managing the proposed activities:

(a) Describes and responds to the need for housing and related supportive services of eligible persons in the community; or, in relation to technical assistance activities proposed in the application, describes and responds to the technical assistance needs of programs which provide housing and related supportive services for eligible persons;

(b) describes how activities carried out with HOPWA funds and other resources will provide a continuum of housing and services to meet the changing needs of eligible persons, offers a personalized response to those needs which maximizes opportunities for independent living, and in the case of a family, accommodates the needs of families;

(c) provides for monitoring and the evaluation of the assistance provided to participants; and

(d) in relation to technical assistance activities proposed in the application, provides technical assistance related to the development and operation of programs and the capacity of organizations to undertake and manage assistance for eligible persons.

(D) *Extent of leveraged public and private resources for the project (10 points).* HUD will award up to 10 points based on the extent to which resources from other public or private sources have been committed to support the project at the time of application.

(E) *Special projects of national significance (20 points).* Applications for special projects of national significance will be rated on innovative nature of the proposal and its potential for replication. HUD will award up to 20 points based on the extent to which the project involves a new program for, or alternative method of, meeting the needs of eligible persons, when compared to other applications and projects funded in the past. The Department will consider the extent to which the project design, management plan, proposed effects, local planning and coordination of housing programs, the likelihood of the continuation of the State and local efforts, and proposed activities are exemplary and appropriate as a model for replication in similar localities or nationally, when compared to other applications and projects funded in the past.

(F) *Projects which are part of long-term comprehensive strategies for providing housing and related services for eligible persons (20 points).* Applications for projects for this category of assistance will be rated on the extent of local planning and coordination of housing programs. HUD will award up to 20 points based on the extent to which the applicant demonstrates: (a) The proposed project is part of a community strategy involving local, metropolitan or State-wide planning and coordination of housing programs designed to meet the changing needs of low-income persons with HIV/AIDS and their families, including programs providing housing assistance and related services that are operated by Federal, State, local, private and other entities serving eligible persons; and (b) the likelihood of the continuation of the planning and coordination.

(d) Selection. Whether an application is conditionally selected will depend on its overall ranking compared to other applications. The Department will select applications to the extent that funds are available. HUD reserves the right to select lower rated applications if necessary to achieve geographic diversity and to ensure that a minimum number of applications under each category of assistance are among conditionally selected applications.

In the event of a tie between applications, the application with the highest total points for the criterion need will be selected, and if still tied, the highest total points for the criterion appropriateness of housing and services. In the event of a procedural error that, when corrected, would result in selection of an otherwise eligible application during the funding round under this NOFA, HUD may select that application when sufficient funds become available.

III. Application Submission Requirements

The application submission requirements are contained in the application package. This package includes all required forms and certifications, and may be obtained from a HUD Field Office listed in the appendix to this NOFA.

IV. Clarifications and Technical Assistance

(a) Clarification of Application Information. In accordance with the provisions of 24 CFR part 4, subpart B, HUD may contact an applicant to seek clarification of an item in the application, or to request additional or missing information, but the clarification or the request for additional or missing information shall not relate to items that would improve the substantive quality of the application pertinent to the funding decision.

(b) Technical Assistance. Prior to the application deadline, HUD field office staff will be available to provide advice and guidance to potential applicants on application requirements and program policies. Following conditional selection, HUD field office staff will be available to assist in clarifying or confirming information that is a prerequisite to the offer of a grant agreement by HUD. However, between the application deadline and the announcement of conditional selections, HUD will accept no information that would improve the substantive quality of the application pertinent to the funding decision.

V. Grant Award Process

HUD will notify conditionally selected applicants in writing. Such applicants will subsequently be notified of any modification made by HUD, the additional project information necessary for grant award and the date of the two-month deadline for submission of such information. If an applicant is unable to meet any conditions for grant award within the specified time period, HUD reserves the right not to award funds and to use the funds available in the next competition for the applicable program.

VI. Other Matters

(a) *Environmental Impact.* A finding of no significant impact with respect to the environment has been made in accordance with HUD regulations at 24 CFR part 50, which implement section 102(2)(C) of the National Environmental Policy Act of 1969. The finding of no significant impact is available for public inspection between 7:30 a.m. to 5:30 p.m. weekdays in the Office of the Rules Docket Clerk at the above address.

(b) *Federalism Impact.* The General Counsel, as the Designated Official under section 6(a) of Executive Order 12612, Federalism, has determined that the policies contained in this Notice will not have substantial direct effects on States or their political subdivisions, or the relationship between the Federal government and the States, or on the distribution of power and responsibilities among the various levels of government. As a result, the Notice is not subject to review under the Order. The Notice announces the availability of funds and invites applications from eligible applicants for the HOPWA program.

(c) *Impact on the Family.* The General Counsel, as the Designated Official for Executive Order 12606, the Family, has determined that this Notice, to the extent the funds provided under it are directed to families, has the potential for a beneficial impact on family formation, maintenance and general well-being. The statutory authority for the program requires that the funds be targeted to individuals with acquired immunodeficiency syndrome or related diseases and their families. Any funding provided to projects can be expected to enable those families with a participating member who has HIV infection to live in decent, safe, and sanitary housing in connection with the supportive services necessary to live independently in mainstream American society. Since the impact on families is a beneficial one, no further review is necessary.

(d) *Accountability in the Provision of HUD Assistance.* HUD's regulation implementing section 102 of the Department of Housing and Urban Development Reform Act of 1989, found at 24 CFR part 12, contains a number of provisions designed to ensure greater accountability and integrity in the provision of certain types of assistance administered by HUD. Additional information on the implementation of section 102 was published on January 16, 1992 at 57 FR 1942. The documentation, public access, and disclosure requirements of section 102 apply to assistance awarded under this NOFA as follows:

HUD will ensure documentation and other information regarding each application submitted pursuant to this NOFA are sufficient to indicate the basis upon which assistance was provided or denied. This material, including any letters of support, will be made available for public inspection for a five-year period beginning not less than 30 days after the award of the assistance. Material will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations at 24 CFR part 15. In addition, HUD will publish notice of awards made in response to this NOFA in the **Federal Register**.

HUD will make available to the public for five years all applicant disclosure reports (HUD Form 2880) submitted in connection with this NOFA. Update reports (also Form 2880) will be made available along with the applicant disclosure reports, but in no case for a period less than three years. All reports—both applicant disclosures and updates—will be made available in accordance with the Freedom of Information Act (5 U.S.C. 552) and HUD's implementing regulations at 24 CFR part 15. (See subpart C, and the notice published in the **Federal Register** on January 16, 1992 (57 FR 1942), for further information on these disclosure requirements.)

(e) *Prohibition on Advance Release of Funding Information.* HUD's regulation implementing section 103 of the Department of Housing and Urban Development Reform Act of 1989, found at 24 CFR part 4, applies to the funding competition announced today. The requirements of that rule continue to apply until the announcement of the selection of successful applicants.

HUD employees involved in the review of applications and in the making of funding decisions are limited by part 4 from providing advance information to any person (other than an authorized employee of HUD) concerning funding decisions, or from otherwise giving any applicant an unfair competitive advantage. Persons who apply for assistance in this competition should confine their inquiries to the subject areas permitted under 24 CFR part 4.

Applicants who have questions should contact the HUD Office of Ethics (202) 708–3815. (This is not a toll-free number.) The Office of Ethics can provide information of a general nature to HUD employees, as well. However, a HUD employee who has specific

program questions, such as whether particular subject matter can be discussed with persons outside the Department, should contact his or her Regional or Field Office Counsel, or Headquarters counsel for the program to which the question pertains.

(f) *Prohibition Against Lobbying Activities.* The use of funds awarded under this NOFA is subject to the disclosure requirements and prohibitions of section 319 of the Department of Interior and Related Agencies Appropriations Act for Fiscal Year 1990 (31 U.S.C. 1352) (The ''Byrd Amendment'') and the implementing regulations at 24 CFR part 87. These authorities prohibit recipients of federal contracts, grants, or loans from using appropriated funds for lobbying the Executive or Legislative branches of the federal government in connection with a specific contract, grant, or loan. The prohibition also covers the awarding of contracts, grants, cooperative agreements, or loans unless the recipient has made an acceptable certification regarding lobbying. Under 24 CFR part 87, applicants, recipients, and subrecipients of assistance exceeding $100,000 must certify that no federal funds have been or will be spent on lobbying activities in connection with the assistance. A standard disclosure form, SF–LLL, ''Disclosure Form to Report Lobbying'', must be used to disclose lobbying with other than Federally appropriated funds at the time of application.

(g) *Section 112 HUD Reform Act.* Section 112 of the HUD Reform Act amended the Department of Housing and Urban Development Act by adding section 13, which contains two provisions dealing with efforts to influence HUD's decisions with respect to financial assistance. The first imposes disclosure requirements on those who are typically involved in these efforts—those who pay others to influence the award of assistance or the taking of a management action by the Department and those who are paid to provide the influence. The second restricts the payment of fees to those who are paid to influence the award of HUD assistance, if the fees are tied to the number of housing units received or are based on the amount of assistance received, or if they are contingent upon the receipt of assistance.

Section 13 was implemented by final rule codified at 24 CFR part 86. If readers are involved in any efforts to influence the Department in these ways, they are urged to read that rule, particularly the examples contained in Appendix A of the rule.

Any questions about the rule should be directed to the Director, Office of Ethics, room 2158, Department of Housing and Urban Development, 451 Seventh Street, S.W., Washington, D.C. 20410–3000. Telephone: (202) 708–3815 (TDD/VOICE); (This is not a toll-free number.) Forms necessary for compliance with the rule may be obtained from the local HUD office.

(h) *Drug-Free Workplace Certification.* In accordance with 24 CFR 24.630, an applicant must submit its Certification for a Drug-Free Workplace (Form HUD–50070).

(i) *Extenuating Circumstances.* HUD may consider for funding any application received at the HUD Headquarters address shown in the ''Addresses'' section of this NOFA by 6:00 p.m. Eastern time on the first business day after the deadline shown in the ''Date'' section if the applicant can show there were circumstances beyond its control that delayed delivery of the application, such as the failure of a delivery service to deliver the application on or before the date it specified.

Dated: February 7, 1995.

Andrew Cuomo,

Assistant Secretary for Community Planning and Development.

Appendix 1. List of HUD Field Offices (12–20–94)

Telephone numbers for Telecommunications Devices for the Deaf (TDD machines) are listed for CPD Directors in HUD Field Offices; all HUD numbers, including those noted *, may be reached via TDD by dialing the Federal Information Relay Service on 1–800–877–TDDY or (1–800–877–8339) or (202) 708–9300.

ALABAMA
John D. Harmon, Acting Director, Beacon Ridge Tower, 600 Beacon Pkwy. West, Suite 300, Birmingham, AL 35209–3144; (205) 672–1230; TDD (205) 290–7624.

ALASKA
Dean Zinck, Acting Director, 949 E. 36th Avenue, Suite 401, Anchorage, AK 99508–4399; (907) 271–4684; TDD (907) 271–4328.

ARIZONA
Lou Kislin, Acting Director, 400 N. 5th St., Suite 1600, Arizona Center, Phoenix AZ 85004; (602) 379–4754; TDD (602) 379–4461.

ARKANSAS
Billy M. Parsley, TCBY Tower, 425 West Capitol Ave., Suite 900, Little Rock, AR 72201–3488; (501) 324–6375; TDD (501) 324–5931.

CALIFORNIA
(Southern) Herbert L. Roberts, 1615 W. Olympic Blvd., Los Angeles, CA 90015–3801; (213) 251–7235; TDD (213) 251–7038.
(Northern) Steve Sachs, 450 Golden Gate Ave., P.O. Box 36003, San Francisco, CA 94102–3448; (415) 556–5576; TDD (415) 556–8357.

COLORADO
Sharon Jewell, Acting Director, First Interstate Tower North, 633 17th St., Denver, CO 80202–3607; (303) 672–5414; TDD (303) 672–5248.

CONNECTICUT
Daniel Kolesar, 330 Main St., Hartford, CT 06106–1860; (203) 240–4508; TDD (203) 240–4522.

DELAWARE
John Kane, Liberty Sq. Bldg., 105 S. 7th St., Philadelphia, PA 19106–3392; (215) 597–2665; TDD (215) 597–5564.

DISTRICT OF COLUMBIA (and MD and VA suburbs)
James H. McDaniel, 820 First St., NE, Washington, DC 20002; (202) 275–0994; TDD (202) 275–0772.

FLORIDA
James N. Nichol, 301 West Bay St., Suite 2200, Jacksonville, FL 32202–5121; (904) 232–3587; TDD (904) 791–1241.

GEORGIA
John Perry, Russell Fed. Bldg., Room 688, 75 Spring St., SW, Atlanta, GA 30303–3388; (404) 331–5139; TDD (404) 730–2654.

HAWAII (and Pacific)
Patti A. Nicholas, 7 Waterfront Plaza, Suite 500, 500 Ala Moana Blvd., Honolulu, HI 96813–4918; (808) 541–1327; TDD (808) 541–1356.

IDAHO
John G. Bonham, 520 SW 6th Ave., Portland, OR 97204–1596 (503) 326–7018; TDD * via 1–800–877–8339.

ILLINOIS
Jim Barnes, 77 W. Jackson Blvd., Chicago, IL 60604–3507; (312) 353–1696; TDD (312) 353–7143.

INDIANA
Robert F. Poffenberger, 151 N. Delaware St., Indianapolis, IN 46204–2526; (317) 226–5169; TDD * via 1–800–877–8339.

IOWA
Gregory A. Bevirt, Executive Tower Centre, 10909 Mill Valley Road, Omaha, NE 68154–3955; (402) 492–3144; TDD (402) 492–3183.

KANSAS
William Rotert, Gateway Towers 2, 400 State Ave., Kansas City, KS 66101–2406; (913) 551–5485; TDD (913) 551–6972.

KENTUCKY
Ben Cook, P.O. Box 1044, 601 W. Broadway, Louisville, KY 40201–1044; (502) 582–5394; TDD (502) 582–5139.

LOUISIANA
Greg Hamilton, P.O. Box 70288, 1661 Canal St., New Orleans, LA 70112–2887; (504) 589–7212; TDD (504) 589–7237.

MAINE
David Lafond, Norris Cotton Fed. Bldg., 275 Chestnut St., Manchester, NH 03101–2487; (603) 666–7640; TDD (603) 666–7518.

MARYLAND
Harold Young, 10 South Howard Street, 5th Floor, Baltimore, MD 21202–0000; (410) 962–2520x3026; TDD (410) 962–0106.

MASSACHUSETTS
Frank Del Vecchio, Thomas P. O'Neill, Jr., Fed. Bldg., 10 Causeway St., Boston, MA

02222–1092; (617) 565–5343; TDD (617) 565–5453.

MICHIGAN
Richard Paul, Patrick McNamara Bldg., 477 Michigan Ave., Detroit, MI 48226–2592; (313) 226–7186; TDD * via 1–800–877–8339.

MINNESOTA
Shawn Huckleby, 220 2nd St. South, Minneapolis, MN 55401–2195; (612) 370–3019; TDD (612) 370–3186.

MISSISSIPPI
Jeanie E. Smith, Dr. A. H. McCoy Fed. Bldg., 100 W. Capitol St., Room 910, Jackson, MS 39269–1096; (601) 965–4765; TDD (601) 965–4171.

MISSOURI
(Eastern) David H. Long, 1222 Spruce St., St. Louis, MO 63103–2836; (314) 539–6524; TDD (314) 539–6331.
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Part VII

Federal Deposit Insurance Corporation

12 CFR Part 327

Assessments; Retention of Existing Rate Schedule for SAIF Member Institutions and New Rate Schedule for BIF Member Institutions; Proposed Rules

FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 327

RIN—3064–AB59

Assessments; Retention of Existing Assessment Rate Schedule for SAIF Member Institutions

AGENCY: Federal Deposit Insurance Corporation (FDIC).

ACTION: Proposed rule.

SUMMARY: Based upon the results of its semiannual review of the recapitalization of the Savings Association Insurance Fund (SAIF) and of the SAIF assessment rates, the Board of Directors of the FDIC (Board) proposes to retain the existing assessment rate schedule applicable to SAIF-member institutions. The effect of this proposal would be that the SAIF assessment rate to be paid by SAIF members would continue to range from 23 cents per $100 of domestic deposits to 31 cents per $100 of domestic deposits, depending on risk classification. Through this proposed rulemaking, the FDIC is soliciting comments on all aspects of its proposal to retain the existing assessment rate schedule applicable to SAIF-member institutions.

DATES: Written comments must be received by the FDIC on or before April 17, 1995.

ADDRESSES: Written comments shall be addressed to the Office of the Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, D.C. 20429. Comments may be hand-delivered to Room F–400, 1776 F Street, N.W., Washington, D.C., on business days between 8:30 a.m. and 5:00 p.m. (FAX number: 202/898–3838). Comments will be available for inspection in Room 7118, 550 17th Street, N.W., Washington, D.C. between 9:00 a.m. and 4:30 p.m. on business days.

FOR FURTHER INFORMATION CONTACT: James R. McFadyen, Senior Financial Analyst, Division of Research and Statistics (202/898–7027), Federal Deposit Insurance Corporation, Washington, D.C. 20429.

SUPPLEMENTARY INFORMATION:

I. Background: SAIF Assessment Rates

Section 7(b) of the Federal Deposit Insurance Act (FDI Act) (12 U.S.C. 1817(b)) requires that, if the SAIF reserve ratio is below the designated reserve ratio of 1.25 percent, the FDIC shall set assessments to increase the reserve ratio to the designated reserve ratio.[1] Section 7(b) of the FDI Act also requires a minimum SAIF assessment that is at least as much as would be raised by an average assessment rate of 18 basis points. The minimum assessment requirement is in effect as long as the SAIF is not fully capitalized or has outstanding borrowings under section 14 of the FDI Act. If either of these two conditions exists as of January 1, 1998, the minimum assessment requirement increases to a rate of 23 basis points.

In order to achieve SAIF recapitalization, the FDIC Board of Directors (Board) adopted a risk-related assessment matrix in September 1992 (see Table 1) which has remained unchanged. Previously, in deciding against changes in the SAIF assessment rate, the Board has considered the SAIF's expected operating expenses, case resolution expenditures and income under a range of scenarios. The Board also has considered the effect of an increase in the assessment rate on SAIF members' earnings and capital. When first adopted, the assessment rate schedule yielded a weighted average rate of 25.9 basis points. With subsequent improvements in the industry and the migration of institutions to lower rates within the assessment matrix, the average rate has declined to 24 basis points (based on risk-based assessment categories as of January 1, 1995 and the assessment base as of September 30, 1994—see Table 2).

TABLE 1.—SAIF-MEMBER ASSESSMENT RATE SCHEDULE FOR THE FIRST SEMIANNUAL ASSESSMENT PERIOD OF 1995

[Basis points]

Capital group	Supervisory subgroup		
	A	B	C
Well capitalized	23	26	29
Adequately capitalized	26	29	30
Undercapitalized	29	30	31

TABLE 2.—SAIF-MEMBER ASSESSMENT RATE DISTRIBUTION AS OF SEPTEMBER 30, 1994*

[Billions of dollars]

Capital group		Supervisory subgroup					
		A		B		C	
		Amount	Percent	Amount	Percent	Amount	Percent
Well capitalized	Number	1,585	85.6	139	7.5	35	1.9
	Assets	$526.5	70.7	$109.9	14.8	$20.4	2.7
	Base	386.6	72.3	74.5	13.9	15.3	2.9
Adequately capitalized	Number	28	1.5	34	1.8	21	1.1
	Assets	$25.5	3.4	$22.0	3.0	$32.9	4.4
	Base	15.7	2.9	15.9	3.0	21.5	4.0
Under capitalized	Number	0	0.0	0	0.0	10	0.5
	Assets	$0.0	0.0	$0.0	0.0	$7.4	1.0
	Base	0.0	0.0	0.0	0.0	5.7	1.1

*''Base'' is the amount of deposits subject to SAIF assessments.

The primary source of funds for the SAIF is assessment revenue from SAIF-member institutions. Since the creation of the fund and through the end of 1992, however, all assessments from SAIF-member institutions were diverted to

[1] Currently, there is no recapitalization schedule for the SAIF mandated by statute. However, as of January 1, 1998, the Board is required to promulgate a recapitalization schedule that achieves the designated reserve ratio within 15 years, except that the Board may extend the recapitalization date to one which ''will, over time, maximize the amount of semiannual assessments received by the SAIF, net of insurance losses incurred by the Fund''.

other needs as required by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA).[2] Only assessment revenue generated from Bank Insurance Fund (BIF) member institutions that acquired SAIF-insured deposits under section 5(d)(3) of the FDI Act (12 U.S.C. 1815(d)(3)) (so-called ''Oakar'' banks) was deposited in the SAIF throughout this period.

SAIF-member assessment revenue began flowing into the SAIF on January 1, 1993. However, the Financing Corporation (FICO) has a priority claim on SAIF-member assessments in order to service FICO bond obligations. Under existing statutory provisions, FICO has assessment authority through 2019, the maturity year of its last bond issuance. At approximately $779 million per year, the FICO draw is substantial, representing nearly 45 percent of estimated assessment revenue for 1995, or 11 basis points of the average assessment rate of 24 basis points. The SAIF had a balance of $1.8 billion (unaudited) on December 31, 1994. With primary resolution responsibility residing with the Resolution Trust Corporation (RTC), there have been few demands on the SAIF, but the authority of the RTC to place failed thrifts in conservatorship or establish receiverships expires June 30, 1995.

In addition to assessment revenues and investment income, there are at least two other potential sources of funds for the SAIF. First, the FDIC has a $30 billion line of credit available with the Department of the Treasury (Treasury) for deposit insurance purposes, although the SAIF has required no extension of credit. Second, the Resolution Trust Corporation Completion Act (RTCCA) authorized the appropriation of up to $8 billion in Treasury funds to pay for losses incurred by the SAIF during fiscal years 1994 through 1998, to the extent of the availability of appropriated funds and provided that certain certifications are made to the Congress by the Chairman of the FDIC. Among these, the Chairman must certify that the FDIC Board has determined that:

(1) SAIF members are unable to pay additional semiannual assessments at the rates required to cover losses and to meet the repayment schedule for any amount borrowed from the Treasury for insurance purposes under the FDIC's line of credit without adversely affecting the SAIF members' ability to raise capital or to maintain the assessment base; and

(2) An increase in assessment rates for SAIF members to cover losses or meet any repayment schedule could reasonably be expected to result in greater losses to the Government.

The RTC's resolution activities and the thrift industry's substantial reduction of troubled assets in recent years have resulted in a relatively sound industry as the July 1, 1995 date for SAIF resolution responsibility approaches. However, with a balance of $1.8 billion beginning 1995, the SAIF does not have a large cushion with which to absorb the costs of thrift failures. The FDIC has significantly reduced its projections of failed-thrift assets for 1995 and 1996, but the failure of a single large institution or an economic downturn leading to higher than anticipated losses could render the fund insolvent.

Furthermore, there may soon be a substantial differential between BIF and SAIF premiums. The BIF is expected to be recapitalized during 1995, at which time BIF premiums can be reduced far below current levels. Largely due to the FICO obligation, the SAIF is not likely to be recapitalized until 2002 (this projection is discussed below in section III). A premium differential may have adverse consequences for SAIF members, including reduced earnings and an impaired ability to raise funds in the capital markets. Among the weakest thrifts, this differential could result in competitive pressures that would lead to additional failures. An analysis over a five year time span suggests that any such increase in failures is likely to be sufficiently small as to be manageable by the SAIF under current interest-rate and asset quality conditions. Moreover, the analysis indicates that under harsher interest-rate and asset-quality assumptions, these economic factors would have a significantly greater effect on SAIF-member failure rates than would a premium differential.

While the premium differential is not expected to lead to significant failures in the near term, it may lead to other adverse results. A premium differential would also create a powerful incentive for SAIF-insured institutions to minimize premium costs by shrinking the base against which assessments are levied (currently domestic deposits). This can be accomplished, despite the moratorium on conversions of SAIF-insured deposits to BIF-insured deposits at these institutions, by substituting nondeposit liabilities for SAIF-insured deposits. These nondeposit liabilities are readily available and include Federal Home Loan Bank (FHLB) advances and reverse repurchase agreements. The net result could be an acceleration of the shrinkage of the assessment base, thereby reducing assessment revenue. This could threaten the ability to service the FICO obligation sometime near or after the year 2000 and, over the longer term, frustrate the capitalization of the SAIF. As shown in the following table, the assessment base has been declining steadily since the fund was established in 1989, although the decline was at a slower rate in 1994.

TABLE 3.—SAIF ASSESSMENT BASE AND INSURED DEPOSITS*

[Dollar amounts in billions]

	Assessment base	Percent change	Est. Insured deposits	Percent change
1989	$950.3		$882.9	6.0
1990	877.7	−7.6	830.0	−6.0
1991	820.2	−6.5	776.4	−6.5
1992	760.5	−7.3	729.5	−6.0
1993	729.4	−4.1	695.6	−4.6
1994	716.3	−1.8	687.3	−1.2

*Includes conservatorships and Sasser institutions; adjusted for Oakar deposits. End-of-period domestic deposits are used to approximate the SAIF assessment base. The actual assessment base may be slightly less than domestic deposits due to float adjustments, but period-to-period changes should be similar. Table 3 presents end-of-period figures (the comparable table in earlier proposals used averages) to reflect the quarterly billing system which becomes effective the second quarter of 1995.

[2] From 1989 through 1992, more than 90 percent of SAIF assessment revenue went to the FSLIC Resolution Fund (FRF), the Resolution Funding Corporation (REFCORP) and the Financing Corporation (FICO).

The FDIC's Legal Division has opined that SAIF assessments paid by BIF-member Oakar banks should remain in the SAIF and are not subject to FICO draws.[3] Further, the Legal Division has opined that SAIF assessments paid by any former savings association that (i) has converted from a savings association charter to a bank charter, and (ii) remains a SAIF member in accordance with section 5(d)(2)(G) of the FDI Act (12 U.S.C. 1815(d)(2)(G)) (a so-called ''Sasser'' bank), are likewise not subject to draws by FICO.[4] On September 30, 1994, BIF-member Oakar banks held 23.3 percent of the SAIF assessment base (see Table 4), and SAIF-member Sasser banks held an additional 6.9 percent. While the pace of Oakar acquisitions is likely to slow substantially as RTC resolution activity winds down in 1995, Oakar deposits may continue to grow at the same rate as BIF-member deposits and become a greater proportion of the SAIF assessment base.[5] This has the potential result of SAIF's having insufficient assessments to cover the FICO obligation. The rate of Sasser conversions is difficult to predict and is partially dependent on state laws, but any future conversions would also decrease the proportion of SAIF assessment revenues available to FICO. These factors are considered in the projections of SAIF's recapitalization in section III.

TABLE 4.—SAIF-INSURED DEPOSITS HELD BY BIF-MEMBER OAKAR BANKS AS A PERCENT OF SAIF MEMBER DOMESTIC DEPOSITS*

Year	Percent
1991	7.5
1992	9.7
1993	18.4
9/94	23.3

*End-of-period figures; domestic deposits are adjusted for Oakar deposits.

II. Condition and Performance of SAIF-Member Institutions

SAIF-member institutions numbered 1,869 on September 30, 1994, including 1,794 thrift institutions and 75 commercial banks.[6] While the total number of institutions is down from year-end 1993, there is evidence of a growing industry. For the first three quarters of 1994, these institutions increased their total assets by $6.8 billion (0.9 percent) based on loan growth of $6.3 billion. Total capital grew at an even faster pace for the nine months, raising the equity-to-assets ratio to 7.90 percent from 7.74 percent. The industry continued to pare troubled assets during 1994. Noncurrent loans and other real estate owned declined from 1.91 percent of total assets at the beginning of 1994 to 1.43 percent by September 30.

The industry earned a return on assets of 0.62 percent for the first three quarters of 1994. While this is less than the ROA of 0.72 percent earned in 1993, the earlier year included large one-time accounting gains. Also, some institutions incurred large restructuring charges in 1994 in order to dispose of troubled assets, which has positioned them for higher profits in subsequent periods. Earnings in 1994 were hampered by smaller net interest margins, which fell from 3.35 for all of 1993 to 3.24 for the first nine months of 1994. In the rising interest-rate environment, institutions' funding costs rose faster than asset yields, although institutions with higher proportions of adjustable-rate mortgages should be able to reprice a portion of these loans within six months.

This discussion has focused on the improving condition of the SAIF-member thrift industry, but any such discussion must mention the relatively weak economic conditions still confronting a large segment of the industry. Twenty-three percent of all SAIF member's total assets are concentrated in the nation's seven largest thrift institutions, all of which are headquartered in California. This state, in general, has lagged behind most of the nation in recovering from the most recent recession, and many California thrifts have significant exposure in the weakest areas of southern California. Additionally, a few large institutions have raised supervisory concerns due to low earnings and relatively high levels of risk in their loan portfolios. Consequently, despite the improving health of the thrift industry, the SAIF still faces significant risk relative to the fund's current reserve level.

The current assessment rate schedule for SAIF-member institutions has a spread of 8 basis points from the lowest rate to the highest rate, dependent on supervisory factors and capitalization. A proposed assessment rate schedule for BIF-member institutions would increase the spread for BIF members from the current 8 basis points to 27 basis points. This would be accomplished by maintaining the current maximum rate of 31 basis points and dropping the minimum, most favorable rate to 4 basis points. Thus, the weakest BIF members would incur no additional deposit insurance cost. In order to apply a similar 27-basis point spread to SAIF members, it would be necessary to raise the highest SAIF assessment rate to 45 to 50 basis points (based on a lowest rate of 18 to 23 basis points). Because 85 percent of SAIF members would continue to pay the lowest rate, the revenue benefit of a 27-basis point spread would be limited. However, a spread of that magnitude could have significant adverse consequences for the SAIF by greatly increasing expenses of its weakest members and, in all likelihood, causing additional failures.

III. New Projections for the SAIF

In November 1994, the FDIC's interdivisional Bank and Thrift Failure Working Group (Working Group) estimated failed SAIF-insured institution assets at $3 billion for 1995 and $2 billion for 1996. The 1995 estimate of $3 billion is based on the FDIC Division of Supervision's projected failure of specific institutions that likely would occur in the second half of the year, when SAIF assumes resolution responsibility from the RTC. The 1995 and 1996 estimates were used in updating the Division of Research and Statistics' projections of failed thrift assets, the fund balance and reserve ratios.

The updated projection indicates the SAIF reserve ratio will reach 1.25 percent in 2002, which is unchanged from the previous projection. Also, this projection indicates the fund will not encounter problems meeting the FICO obligation through 2012, the last year of the projection. The results are shown in Table 5.

The following assumptions were used:

- Failed-institution assets are based on the Working Group's estimates for 1995 ($3 billion) and 1996 ($2 billion). Beyond 1996, the assumed failed-asset rate for SAIF will be 22 basis points, or about $2 billion per year. This is lower than the historical loss rate for the BIF because of the thrift industry's current low level of problem assets.
- The nominal loss rate on failed thrift assets will be 13 percent.
- The asset growth rate for SAIF members will be zero, based on the industry's recent experience.
- The SAIF assessment base will continue to shrink, at 2 percent per year. Under current conditions, the

[3] See Notice of FDIC General Counsel's Opinion No. 7, 60 FR 7055 (Feb. 6, 1995).

[4] *Id.*

[5] Under section 5(d)(3) of the FDI Act, as amended by FDICIA, SAIF-insured deposits acquired by a BIF member are adjusted annually by the acquiring institution's overall deposit growth rate (excluding the effects of other mergers or acquisitions).

[6] Excluding RTC conservatorships and one self-liquidating institution.

assessment base for better capitalized thrifts is expected to be stable. Deposit shrinkage was more prevalent at weaker thrifts during periods when some better-managed thrifts experienced deposit growth.[7] However, the emergence of a BIF/SAIF premium differential may encourage less reliance on SAIF-assessable liabilities. The higher overall shrinkage rates of recent years are not expected to continue because a significant portion of the shrinkage was due to depositor flight from the declining or low deposit interest rates which prevailed from 1990 to the latter part of 1994. Another portion of the shrinkage can be attributed to deposit runoff at conservatorships and weakened thrifts.

- The Oakar deposit purchase rate will be zero, but Oakar deposits will grow at 2 percent per year, the estimated growth rate for BIF-member deposits. Under FDICIA, Oakar deposits are adjusted annually by the acquiring institution's overall deposit growth rate. A significant portion of Oakar deposits were acquired from the RTC, and these opportunities have all but disappeared. The Riegle-Neal Interstate Banking and Branching Efficiency Act of 1994 authorizes a bank holding company to acquire out-of-state banks beginning September 29, 1995, and authorizes a bank to establish *de novo* out-of-state branches beginning June 1, 1997 if the host state expressly permits interstate branching through the establishment of *de novo* branches. Thus, banks may no longer be confined to the acquisition of failed or failing charters to enter states previously closed to them.
- The average assessment rate will be 24 basis points until the SAIF is recapitalized, after which assessment rates are reduced to the level necessary to maintain the reserve ratio at 1.25 percent.

TABLE 5.—SAIF FUND BALANCE AND RESERVE RATIO PROJECTIONS

Year-end	Fund balance ($ billions)		Reserve ratio*	
	9/94 Projection	1/95 current projection**	9/94 Projection (percent)	1/95 current projection (percent)
1994	$2.2	$1.8	0.31	0.26
1995	2.9	2.4	0.43	0.35
1996	3.7	3.3	0.55	0.49
1997	4.4	4.1	0.67	0.61
1998	5.1	4.8	0.79	0.74
1999	5.7	5.6	0.92	0.86
2000	6.4	6.5	1.05	1.00
2001	7.1	7.3	1.19	1.14
2002	7.3	8.0	1.25	1.25
2003	6.8	7.9	1.25	1.25
2004	7.0	7.8	1.25	1.25
2005	6.8	7.8	1.25	1.25
2006	6.7	7.7	1.25	1.25
2007	6.5	7.7	1.25	1.25
2008	6.4	7.6	1.25	1.25
2009	6.3	7.6	1.25	1.25
2010	6.2	7.6	1.25	1.25
2011	6.0	7.5	1.25	1.25
2012	5.9	7.5	1.25	1.25

* After reaching 1.25 percent of insured deposits, the fund balance is maintained at 1.25 percent of insured deposits.
** The estimated year-end 1994 fund balance is less than was shown for September because of loss reserves set aside in the fourth quarter. The 1/95 projected fund balance incorporates an Oakar deposit growth factor, whereas the 9/94 projection did not.

As stated earlier, the Board has the authority to reduce SAIF assessment rates to an average of 18 basis points until January 1, 1998, at which time the average rate would rise to 23 basis points until recapitalization occurs. Projections made under this scenario (and using the same other assumptions as above) indicate that the SAIF would recapitalize in 2004, or two years later than under the existing rate schedule.

IV. FDIC Proposal Regarding SAIF-Member Assessment Rates

Given the fund's relatively low balance and the imminent transfer of resolution authority from the RTC to the SAIF on July 1, the SAIF must be built as quickly as possible to its mandated reserve level. It is recognized that a differential between BIF and SAIF premiums could adversely affect some SAIF members, but the thrift industry has demonstrated its ability to generate additional capital and reduce troubled assets while paying deposit insurance premiums at the current levels. Also, a shrinking assessment base is producing declining revenue, which would be cut even further by lower assessment rates. The FDIC staff has recommended that assessment rates within the risk-related assessment rate matrix remain at their current levels for the second semiannual assessment period of 1995. The Board believes that the minimum rate should not be reduced from the current 23 basis points, and that an increase in the current spread of 8 basis points from the lowest to the highest assessment rates would adversely impact weakened institutions already in danger of failure.

V. Summary

Under the existing SAIF assessment rate schedule, which yields an average assessment rate of 24 basis points, the fund is projected to recapitalize in the year 2002, which is unchanged from prior projections. The Board has the authority to reduce SAIF assessment rates to 18 basis points until January 1, 1998, after which the average rate must remain at 23 basis points or higher until recapitalization is achieved. Reducing the average rate to 18 basis points is presently projected to delay SAIF recapitalization for two years, until 2004. Although the industry is relatively healthy, FDIC staff has recommended

[7] Deposit Flows at SAIF- and BIF-Insured Institutions: December 1988 to September 1992, Policy Research Division, Office of Thrift Supervision, January 1993.

that the Board retain the existing assessment rate schedule for the second semiannual assessment period of 1995 so that recapitalization is accomplished as soon as possible. The SAIF had an estimated balance of $1.8 billion (unaudited) at year-end 1994, and SAIF assumes resolution responsibility from the RTC on July 1, 1995. Although estimated failed-institution assets appear manageable for 1995 and 1996, the SAIF remains vulnerable in the short run to a single large-institution failure and to any significant increase in anticipated loss rates.

VI. Request for Public Comment

Based upon the results of its semiannual review of the recapitalization of the SAIF and of the SAIF assessment rates, the FDIC is inclined to retain the existing assessment rate schedule applicable to SAIF-member institutions. The FDIC wishes to have the benefit of public comment before ending its review for this period, however. The FDIC therefore requests comment as to whether it is appropriate for the FDIC to retain the existing assessment rate schedule applicable to SAIF-members, or whether the rates should be lowered to the statutory minimum of 18 basis points or some point in between. The FDIC is interested in receiving analyses exploring the impact a differential between BIF and SAIF premiums might have on SAIF members, and the FDIC invites comment as to whether the current spread of 8 basis points from the lowest to the highest assessment rates should be retained for SAIF members. The FDIC solicits comment as to how lower SAIF rates would impact current efforts to recapitalize the SAIF. The FDIC further invites comments as to whether current rates are sufficient to recapitalize the SAIF in an expeditious manner.

VII. Paperwork Reduction Act

No collection of information pursuant to section 3504(h) of the Paperwork Reduction Act of 1980 (44 U.S.C. 3501 *et seq.*) are contained in this proposed rule. Consequently, no information has been submitted to the Office of Management and Budget (OMB) for review.

VIII. Regulatory Flexibility Analysis

The Board hereby certifies that the proposed rule would not have a significant economic impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act (5 U.S.C. 601, et seq.). This proposed rule will not necessitate the development of sophisticated recordkeeping or reporting systems by small institutions nor will small institutions need to seek out the expertise of specialized accountants, lawyers, or managers to comply with this proposed rule. Therefore, the provisions of that Act regarding an initial and final regulatory flexibility analysis (Id. at 603 and 604) do not apply here.

List of Subjects in 12 CFR Part 327

Assessments, Bank deposit insurance, Banks, Banking, Financing Corporation, Savings associations.

For the reasons set forth in the preamble, the Board of Directors of the Federal Deposit Insurance Corporation proposes to amend part 327 of title 12 of the Code of Federal Regulations as follows:

PART 327—ASSESSMENTS

1. The authority citation for part 327 continues to read as follows:

Authority: 12 U.S.C. 1441, 1441b, 1817–1819.

2. Paragraph (c)(1) of § 327.9 as added at 59 FR 67165, effective April 1, 1995, will be retained without change. The text of paragraph (c)(1) is republished for the convenience of the reader to read as follows:

§ 327.9 Assessment rate schedules.

* * * * *

(c) *SAIF members.* (1) Subject to § 327.4(c), the annual assessment rate for each SAIF member shall be the rate designated in the following schedule applicable to the assessment risk classification assigned by the Corporation under § 327.4(a) to that SAIF member (the schedule utilizes the group and subgroup designations specified in § 327.4(a)):

SCHEDULE

Capital group	Supervisory subgroup		
	A	B	C
1	23	26	29
2	26	29	30
3	29	30	31

* * * * *

By the order of the Board of Directors.

Dated at Washington, D.C., this 31 day of January, 1995.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Acting Executive Secretary.

[FR Doc. 95–3669 Filed 2–15–95; 8:45 am]

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FEDERAL DEPOSIT INSURANCE CORPORATION

12 CFR Part 327

RIN 3064–AB58

Assessments; New Assessment Rate Schedule for BIF Member Institutions

AGENCY: Federal Deposit Insurance Corporation.

ACTION: Proposed Rule.

SUMMARY: The Board of Directors (Board) of the Federal Deposit Insurance Corporation (FDIC) is proposing to amend its regulation on assessments to establish a new assessment rate schedule of 4–31 basis points for members of the Bank Insurance Fund (BIF) to apply to the semiannual period in which the reserve ratio of the BIF reaches the designated reserve ratio (DRR) of 1.25% of total estimated insured deposits and to semiannual periods thereafter. The Board is further proposing to amend the assessment risk classification framework to widen the existing assessment rate spread from 8 basis points to 27 basis points.

When the DRR is achieved, the Board is required to set rates to maintain the reserve ratio at the DRR. Based on current projections, the reserve ratio is expected to reach the DRR between May 1 and July 31, 1995. Therefore, the Board is proposing to lower assessment rates to maintain the reserve ratio at the DRR and to maintain a risk-based assessment system. The Board is further proposing to amend the assessments regulation to establish a procedure for adjusting the proposed rate schedule semiannually as necessary to maintain the DRR at 1.25%.

DATES: Written comments must be received by the FDIC on or before April 17, 1995.

ADDRESSES: Written comments shall be addressed to the Office of the Executive Secretary, Federal Deposit Insurance Corporation, 550 17th Street NW., Washington, DC 20429. Comments may be hand-delivered to room F–400, 1776 F Street NW., Washington, DC 20429, on business days between 8:30 a.m. and 5 p.m. (FAX number: (202) 898–3838). Comments will be available for inspection in room 7118, 550 17th Street, NW., Washington, DC, between 9 a.m. and 4:30 p.m. on business days.

FOR FURTHER INFORMATION CONTACT: Christine Blair, Financial Economist, Division of Research (202) 898–3936; or Connie Brindle, Chief, Assessment Operations Section, Division of Finance, (703) 516–5553; or Lisa Stanley, Senior Counsel, Legal Division (202) 898–7494;

or Cristeena Naser, Attorney, Legal Division (202) 898–3587, Federal Deposit Insurance Corporation, Washington, D.C. 20429.

SUPPLEMENTARY INFORMATION:

I. Background

At present, BIF members are assessed rates for FDIC insurance ranging from 23 basis points for the best risk classification to 31 basis points for the riskiest classification. This assessment schedule is based on the requirements of section 7(b)(2)(E) of the Federal Deposit Insurance Act (FDI Act), 12 U.S.C. 1817(b)(2)(E). That provision was enacted as part of section 302 of the Federal Deposit Insurance Corporation Improvement Act of 1991 (FDICIA) (Pub. L. 102–242, 105 Stat. 2236, 2345) which completely revised the assessment provisions of the FDI Act by requiring the FDIC to: (1) establish a system of risk-based assessments; (2) establish rates sufficient to provide revenue at least equivalent to that generated by an annual 23 basis point rate until the BIF reserve ratio achieves the DRR of 1.25% of total estimated insured deposits; (3) when the reserve ratio remains below the DRR of 1.25%, set rates to achieve that ratio within one year or establish a recapitalization schedule to do so within 15 years; and (4) once the DRR is achieved, set rates to maintain the reserve ratio at the DRR.

Based on the financial condition of the BIF, the Board has established two recapitalization schedules, most recently on May 25, 1993, which estimated that the DRR would be achieved in the year 2002. 58 FR 31150 (May 25, 1993). Once the DRR has been attained, the recapitalization schedule will no longer apply. Due to the health of the banking industry, current projections indicate that the BIF will recapitalize sometime between May 1 and July 31, 1995. Accordingly, the Board must implement the statutory provisions which will apply once the DRR is reached. In particular, because the mandate to collect at a minimum average rate of 23 basis points will no longer be operative, the Board must determine when and how much to lower assessments of BIF members.

Following is a discussion of the statutory provisions which must be considered in determining how and when rates may be set, a proposed new assessment rate schedule, a method for applying the proposed rate in the semiannual period during which the DRR is achieved, and a process for adjusting that assessment schedule in future semiannual periods.

II. Statutory Framework for Setting Assessment Rates

A. Summary

Section 7(b) of the FDI Act governs the Board's authority for setting assessment rates for members of the BIF. 12 U.S.C. 1817(b). The assessment rates the Board is authorized or required to set are dependent on whether the fund's reserve ratio has reached its DRR. The reserve ratio is the dollar amount of the BIF fund balance divided by the estimated insured deposits of BIF members. The Board must set semiannual assessments and the DRR for the BIF and the Savings Association Insurance Fund (SAIF) independently. FDI Act, section 7(b)(2)(B).

The DRR for the BIF currently is 1.25% of estimated insured deposits (*i.e.*, $1.25 for each $100 of insured deposits), the minimum level permitted by the FDI Act. FDI Act, section 7(b)(2)(A)(iv). The Board may increase the DRR to such higher percentage as the Board determines to be justified for a particular year by circumstances raising a significant risk of substantial future losses to the fund. However, the Board is not authorized to decrease the DRR below 1.25%. *Id*.

Section 7(b), among other things, directs the Board to:

(1) establish a risk-based assessment system whereby an institution's assessment is based in part on the probability that the deposit insurance fund will incur a loss with respect to that institution [FDI Act, section 7(b)(1)(C)(i)]; and

(2) set assessments, not less than $2000 annually per BIF member, to ''maintain'' the reserve ratio ''at'' 1.25% when that ratio has been achieved [FDI Act, section 7(b)(2)(A)(i)(I), (iii)].

In the current economic environment, because of investment income alone, the reserve ratio may continue to grow beyond 1.25%. Moreover, a risk-based assessment system contemplates a range of rates such that even if the least risky institutions pay the lowest rate consistent with a meaningful risk-based assessment system, riskier institutions must pay a higher rate. While the Board must set rates to maintain fund reserves at the 1.25% DRR once that level is achieved, even with assessment rates as low as prudently possible the fund could continue to grow as a result of assessments paid by riskier institutions and investment income. The following sections address these statutory directives.

B. Directive: Set Rates To Maintain the Reserve Ratio at the DRR

Pursuant to section 7(b)(2)(A)(i) of the FDI Act, the Board must set semiannual assessments to maintain the reserve ratio of the BIF at the DRR taking into consideration the following factors: (1) Expected operating expenses; (2) case resolution expenditures and income; (3) the effect of assessments on members' earnings and capital; and (4) any other factors the Board may deem appropriate. Section 7(b)(2)(A)(iii) limits the Board's discretion to set assessment rates by imposing a minimum semiannual assessment of $1,000 per BIF member. The directive to ''set rates to maintain the reserve ratio at the designated reserve ratio'' was enacted as part of the amendments to section 7 made by the FDIC Assessment Rate Act of 1990 (Assessment Rate Act). Public Law 101–508, 104 Stat. 1388, 1388–14. The Assessment Rate Act is Subtitle A of Title II of the Omnibus Budget Reconciliation Act of 1990. While the phrase ''set assessments * * * to maintain the reserve ratio at the designated reserve ratio'' is not defined in the statute, the legislative history discussed below illuminates Congress' intentions.

1. Interpretations of ''maintain * * * at the DRR''.

The Board is of the opinion that this phrase establishes the DRR as a target, a position supported both by the difficulty of managing the size of the reserve ratio as well as the statutory history. Changes in the reserve ratio are a function of the size of estimated insured deposits, investment earnings, assessment revenue (which, in turn, is a function of the risk profile of the industry and revenue received from the statutory minimum assessment), and revenue from corporate-owned and other assets, none of which is in the complete control of the FDIC. In addition, operating expenses and insurance losses to the fund will vary.

The primary factors affecting the fund balance are assessment revenues, investment income, operating expenses and insurance losses resulting from bank failures. Assessment revenues depend upon deposit growth, and investment income depends upon interest rate movements as well as factors affecting the fund's investable balance. Deposit growth and interest rate movements in turn are related, but as the number and variety of financial instruments and financial management techniques expand that relationship becomes less predictable. Both deposit growth and interest rates have become more variable and, thus, less predictable

in recent years. Finally, bank failures and the resulting losses for the insurance fund historically have represented a major source of uncertainty in forecasting the fund balance. Failures can arise from developments in the global marketplace, smaller geographic markets, or specific product markets, and the failure rate is affected by numerous other factors. The 1980s offer strong evidence that changes in these determinants and their implications cannot, as a rule, be anticipated far in advance. The specific timing of failures is particularly difficult to project, even for short forecast horizons. Taken together, the above considerations indicate that the reserve ratio cannot be managed with sufficient precision to achieve a precise target consistently.

Section 208 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) amended section 7(b) of the FDI Act to establish a DRR and set the level at 1.25%. Public Law 101–73, 103 Stat. 183, 206. Prior to FIRREA, beginning in 1980, the FDI Act required or authorized the Board to adjust the amount of assessment income transferred to the insurance fund, and thereby to increase or decrease the rebate amount, based on the actual reserve ratio of the fund within a range from 1.10 percent to 1.40 percent, with 1.25 percent as the target. See discussion *infra*, Rebates.

FIRREA also prescribed minimum annual assessment rates which could be increased from the scheduled levels, ''if necessary to restore the fund's ratio of reserves to insured deposits to its *target level* within a reasonable period of time.'' [Emphasis added.] H.R. Conf. Rep. No. 222, 101st Cong., 1st Sess. 396 (1989). Thus, when the DRR was established, Congress appears to have considered the DRR as a target level.

The view that the DRR is a target finds further support in Senate legislation which was considered when enacting the Assessment Rate Act. Section 1(a) of S. 3045, which was sponsored by then Senate Banking Committee Chairman Riegle and other members of the Senate Banking Committee, required the Board to ''maintain the reserve ratio at a level equal to the designated reserve ratio''. This language was almost identical to the comparable provision of S. 3093, the Administration bill, which ultimately was enacted. The section-by-section analysis of S. 3045 describes Section 1(a) as permitting

> * * * the FDIC to set the assessment rate at the level the FDIC determines to be appropriate: to maintain the Bank Insurance Fund's reserves at the target level (now $1.25 in reserves for each $100 in insured deposits, with the FDIC having the discretion under the current law to increase it to $1.50); or if the Fund's reserves are below the target level, to restore the reserves to the target level. The FDIC would have 'a reasonable period of time' to restore the Fund's reserves to the target level. [Emphasis added.]

The Senate banking committee clearly considered the DRR as a target.

Finally, FDICIA section 104, Recapitalizing the Bank Insurance Fund, amended the assessment rate provisions of section 7(b)(1)(C) (in effect December 19, 1991 through December 31, 1993) as follows:

> If the reserve ratio of the Bank Insurance Fund *equals or exceeds* the fund's designated reserve ratio under subparagraph (B), the Board of Directors shall set semiannual assessment rates for members of that fund as appropriate to maintain the reserve ratio at the designated reserve ratio. [Emphasis added.]

Thus Congress appears to have recognized that the reserve ratio would fluctuate around a target DRR.

Treating the DRR as a target would necessarily include the concept of fluctuations above and below the target, thus incorporating into the rate-setting process a measure of economic reality. If the reserve ratio falls below 1.25% in a semiannual period, the Board could adjust the assessment schedule in the next semiannual period to restore the ratio. Section 7(b)(3)(A) of the FDI Act contemplates precisely that. That section provides that, after the DRR is achieved, if the reserve ratio falls below the DRR, the Board is required to set semiannual assessments sufficient to increase the reserve ratio to the DRR within one year or in accordance with a recapitalization schedule promulgated to restore the reserve ratio to the DRR within 15 years. Conversely, when the reserve ratio rises above the DRR for any semiannual period, the Board could adjust the assessment schedule downward to reflect the increase.

Current projections show, however, that even if the assessment rate for risk classification 1A banks were as low as possible consistent with a meaningful risk-based assessment system, the fund may continue to grow as a result of the revenue from investment income. In such a case where the rates are set as low as possible consistent with a risk-based assessment system and the fund nevertheless continues to grow, the Board considers that it will have complied with the statute because the Board will have *set rates* to maintain the reserve ratio at 1.25% in accordance with statutory requirements for a risk-based assessment system.

Congress could not have understood that the reserve ratio can be maintained precisely at 1.25%. Under this interpretation, amounts in excess of that fixed point should be returned to the industry. However, as discussed above, the FDIC cannot completely control the factors that produce fluctuations in the level of the reserve ratio. Therefore, management of the reserve ratio is necessarily imprecise. In the current economic situation, the fund will likely grow beyond the DRR as a result of investment income alone. Thus, an interpretation which requires the FDIC to maintain the reserve ratio precisely at 1.25% would necessarily require a mechanism for providing assessment credits (known as rebates) to BIF members for amounts in excess of 1.25%. Putting aside issues of whether investment income, reserve corpus or both can be rebated, more importantly, the FDIC's authority in section 7(d), 12 U.S.C. 1817(d), to provide assessment credits was deleted in FDICIA as being obsolete. *See*, section-by-section analysis of section 212(e)(3) of S. 543 which became the language of section 302(a) of FDICIA at 138 *Cong. Rec.* S2073 (daily ed. February 21, 1992). See discussion *infra*, Rebates.

The Board believes that viewing the DRR as a target is the correct position because (1) it reflects economic reality and the impossibility of maintaining the reserve ratio precisely at 1.25%; (2) it gives effect to other relevant requirements in the statute for a minimum assessment, a risk-based assessment system, and maintenance of the DRR; and 3) it better comports with Congressional intent as indicated by the legislative history and the fact that Congress eliminated the rebate authority of section 7(d).

2. BIF Members shall pay a minimum semiannual assessment of $1,000.

Section 302 of FDICIA completely revised section 7(b) of the FDI Act. The minimum assessment language was modified only to reflect the fact that rates are to apply semiannually and to combine separate provisions into a single provision applicable to both the BIF and SAIF as follows:

> The semiannual assessment for each member of a deposit insurance fund shall be not less than $1,000. FDI Act, section 7(b)(2)(A)(iii).

After FDICIA, BIF members must pay the greater of their risk-based rate or $2000 each year.

C. The FDIC Shall Establish a Risk-Based Assessment System

In FDICIA, Congress completely restructured the basis upon which assessment rates are determined. Section 302(a) of FDICIA required the

FDIC to establish by January 1, 1994, a risk-based assessment system based on:

(i) the probability that the deposit insurance fund will incur a loss with respect to the institution, taking into consideration the risks attributable to—

(I) different categories and concentrations of assets;

(II) different categories and concentrations of liabilities, both insured and uninsured, contingent and noncontingent;

(III) any other factors the Corporation determines are relevant to assessing such probability;

(ii) the likely amount of any such loss; and

(iii) the revenue needs of the deposit insurance fund.

Within the scope of these broad factors, FDIC was granted complete discretion to design a risk-based assessment system. *See, i.e.,* S. Rep. No. 167, 102d Cong., 1st Sess., 57 (1991). One statutory restraint, however, is that the system must be designed so that as long as the BIF reserve ratio *remains* below the DRR, the total amount raised by semiannual assessments on members cannot be less than the total amount resulting from a flat rate of 23 basis points. FDI Act, section 7(b)(2)(E). This provision currently applies, but will cease to be operative when the BIF meets the DRR. This provision may again become operative if the reserve ratio *remains* below the DRR at some future time. The Board interprets the minimum assessment provision of section 7(b)(2)(E), which requires weighted average assessments of 23 basis points, as applying only when the reserve ratio *remains* below the DRR for at least a year.

Any time the reserve ratio goes below the DRR, the Board must either set rates 1) to restore the reserve ratio within one year or 2) in accordance with a recapitalization schedule not to exceed fifteen years. FDI Act, section 7(b)(3)(A). Because the Board has the discretion to determine the rate necessary to restore the reserve ratio to the DRR within one year, it is reasonable to conclude that the minimum assessment provision (which mandates the Board to set rates sufficient to provide revenue equivalent to that generated by an annual flat rate of .0023) would not apply until the reserve ratio stays below the DRR for at least one year. Moreover, it is unlikely that Congress intended such a drastic result if the DRR falls slightly below the target DRR, when a small adjustment in the assessment schedule for the following semiannual period could bring the fund back up to the DRR. In such a case, if the minimum assessment provision applied, the result would be an enormous overcollection of assessment revenue which, as explained below, the FDIC lacks the authority to rebate.

D. Rebates

It appears, based on the statutory framework and legislative history of section 7 of the FDI Act, that the FDIC has not had authority to provide rebates since the permanent risk-based assessment system took effect on January 1, 1994. Prior to FDICIA, two provisions of section 7 expressly addressed rebates or assessment credits, section 7(d), Assessment Credits, and section 7(e), Refunds to Insured Depository Institutions.

In section 302(e)(3) of FDICIA, Congress removed the assessment credit provisions of section 7(d) of the FDI Act and at the same time established a rate-setting scheme requiring the Board to set rates to maintain the reserve ratio at the DRR. Pub. L. 102–242, 105 Stat. 2236, 2349. As is clear from the statutory history of assessment credits, such credits were intended as a means to provide flexibility to keep the fund balance from growing too large at a time when assessment rates were set in the statute and all institutions paid the same flat rate. See generally, S. Rep. No. 1269, 81st Cong., 2nd Sess. 1–2 (1950); *Cong. Rec.* H10648 *et seq.* (daily ed. July 19, 1950) (statement of Mr. McCormack); Federal Deposit Insurance Corporation, The First Fifty Years at 58–60, Wash., D.C. 1984. Because of the large number of bank failures in the mid-to-late 1980s, Congress gradually provided the FDIC with greater flexibility to determine the timing and amount of assessment rates. This culminated in the requirement in FDICIA that the FDIC implement a risk-based assessment system. FDICIA also provided the FDIC with the flexibility, after the DRR was reached, to set assessment rates to maintain the DRR.

1. Statutory History of Section 7(d)

Section 7(d), 12 U.S.C. 1817(d), was enacted in the FDI Act in 1950. Public Law 797, Ch. 967, 64 Stat. 873. At that time all banks paid a flat assessment rate of 0.83 percent. Due to favorable economic circumstances, the fund had built up excess reserves, but the FDIC lacked the authority to return the excess funds to the industry. Congress adopted an assessment credit formula to credit to insured banks 60 percent of the fund's net assessment income and to transfer the remaining 40 percent to the Corporation's surplus (Permanent Insurance Fund). ''The committee desires to emphasize that the formula thus provides a flexible method for granting a reduction in the assessments paid by banks in normal years, and in bad years provides for payment of the full assessment if needed. This should reasonably protect the insurance fund in years of extraordinary losses.'' H. Rep. No. 2564, 81st Cong. 2nd Sess. (1950) reprinted in 1950 U.S.C.C.S. 3770. This formula returned net assessment revenues only; it did not extend to investment income.

The percentage of net assessment income rebated to insured banks was modified from time to time as warranted given the constraints of a statutory flat assessment rate system. In the Consumer Checking Account Equity Act of 1980, enacted as part of the Depository Institutions Deregulation and Monetary Control Act of 1980, Public Law 96–221, 94 Stat. 132, Congress tied the amount of the rebate to the status of the reserve ratio. If the reserve ratio was less than 1.10%, the amount transferred to the Corporation's capital account was required to be increased to an amount (not to exceed 50% of net assessment income) that would restore the ratio to at least 1.10%. If the reserve ratio exceeded 1.25%, the amount transferred to the capital account could be reduced by such amount that would keep the reserve ratio at not less than 1.25%; finally, if the reserve ratio exceeded 1.40%, the amount transferred to the capital account was required to be increased such that the reserve ratio would be not more than 1.40%. *Id.* at section 308(d).

In section 208 of FIRREA, Congress specified certain flat annual assessment rates to be in effect through 1991, but provided the FDIC with authority to increase those rates as needed to protect the BIF and to raise the DRR from 1.25% to a maximum of 1.50% as justified by circumstances raising a significant risk of substantial future losses. In the event the Board increased the DRR above 1.25%, it was required to establish supplemental reserves for that increased revenue, the income from which was to be distributed annually to BIF members through an Earnings Participation Account. (This was the first time Congress provided any mechanism for returning to the industry any investment income.) In addition, to the extent the supplemental reserves were not needed to satisfy the next year's projected DRR, those amounts were to be rebated. FIRREA, section 208(4). Congress also barred any assessment credits until the DRR was achieved. When forecasts indicated the DRR would be achieved in the following year, the Board was required to provide assessment credits for that following year equal to the lesser of: (1) the amount necessary to

reduce the BIF reserve ratio to the DRR; or (2) 100 percent of the net assessment income to be received in that following year. *Id.*

In sections 2002 and 2003 of the Assessment Rate Act, Congress provided the FDIC with greater flexibility in both the timing and amount of assessment rates. It also eliminated the requirement that the investment income on the supplemental reserves be distributed annually to BIF members. Assessment Rate Act, section 2004. Because the Board did not increase the DRR above 1.25%, the provision authorizing Earnings Participation Accounts and supplemental reserves never became effective.

In FDICIA, Congress provided for establishment of a risk-based assessment system that, after the DRR was achieved, would provide the FDIC with much greater flexibility to set assessment rates. In 1990, Congress had already provided the FDIC with the authority to adjust assessment rates upward to ensure that the BIF received sufficient revenue. In FDICIA, Congress intended that same rate adjustment authority to operate in lieu of providing assessment credits in the event that the established rates resulted in collection of excess assessment revenue. Therefore, Congress eliminated the assessment credit provisions of section 7(d) in their entirety as being obsolete because the ability to adjust rates would take the place of a rebate mechanism.

The discussion of section 212(e)(3) in the Senate Report on S. 543 (which became the language of section 302(a) of FDICIA) describes Congress' intent:

> Section 212(e)(3) replaces current section 7(d) with a new section 7(d) recodifying current section 7(b)(9). The deleted text, providing for assessment credits to insured depository institutions when deposit insurance fund reserve ratios exceed designated reserve ratios, is obsolete in light of the standards for establishing assessments set forth in new section 7(b)(2)(A)(i) [setting rates to maintain at the DRR]. Under section 7(b)(2)(A)(i), funds that, under current section 7(d), would have been rebated to insured depository institutions through assessment credits will now be rebated through reduced assessments.

138 *Cong. Rec.* S2073 (daily ed. Feb. 21, 1992).

This position finds further support in the language of section 104 of FDICIA (in effect December 19, 1991 through December 31, 1993) which required the Board to set rates to maintain the reserve ratio at the DRR when the reserve ratio equals or exceeds 1.25%. FDICIA, section 104(a) amending section 7(b)(1)(C) of the FDI Act. Clearly, Congress contemplated a situation in which the reserve ratio would rise above the DRR, but nonetheless eliminated rebate authority. Thus, Congress appears to have intended the rate setting process to be the appropriate mechanism for adjustment.

2. Section 7(e) Does Not Provide Rebate Authority

An argument has been raised that section 7(e), 12 U.S.C. 1817(e), authorizes the FDIC to provide rebates of fund assets to keep the reserve ratio at 1.25%. Section 7(e) was enacted in 1950 in the Federal Deposit Insurance Act, along with section 7(d), assessment credits. Section 7(e) has been amended only once—in FIRREA, by changing ''insured bank'' to ''insured depository institution''.

Section 7(e) provides that the FDIC:

> (1) may refund to an insured depository institution any payment of assessment in excess of the amount due to the Corporation or (2) may credit such excess toward the payment of the assessment next becoming due from such bank and upon succeeding assessments until the credit is exhausted.

By its terms, the statutory language contemplates that such refunds or credits are to be made in respect of overpayments. The report accompanying the legislation describes section 7(e) as ''expressly authoriz[ing] the Corporation to refund any overpayments of assessments or to credit such overpayments on future assessments''. H. Rep. No. 2564, 81st Cong., 2d Sess. (1950), reprinted in 1950 U.S.C.C.S. 3771. Because section 7(d) contained express authority to provide rebates, Congress appears to have intended in section 7(e) to provide the FDIC with alternative methods (refunds or credits) to correct computational errors or other forms of overpayments outside of the rebate context so that the FDIC could return funds which clearly did not belong to it.

Because section 7(d) providing assessment credits was adopted as part of the same legislation, an interpretation that section 7(e) also provides the same authority would mean that the provisions were redundant. Rather, each provision has independent meaning and purpose if section 7(d) is interpreted to provide the substantive authority to provide rebates, while section 7(e) grants the FDIC the discretion to choose the method of refunding overpayments, i.e., by either providing an assessment credit or a refund check. Moreover, section 7(e) has never been interpreted as providing rebate authority precisely because until January 1, 1994 when the statutory risk-based assessment system became effective, that authority existed in section 7(d). Given the intent of the drafters as expressed in the section-by-section analysis of S. 543, that rebates will be provided through reduced assessment rates, an interpretation that section 7(e) provides rebate authority outside its historical context would seem to be contrary to Congressional intent.

In sum, the Board believes that the better interpretation of the statute is that the FDIC has no authority to grant rebates and that to do so would be in violation of the statute and contrary to the legislative history. As discussed above, this position is based on:

(1) the statutory history of sections 7(d) and (e); 2) the fact that Congress deleted the rebate authority in section 7(d); and (3) the legislative history indicating that Congress intended that lower rates would be the substitute for rebates.

III. Proposed Assessment Rate Schedule

The Board proposes to set a new assessment rate schedule with a spread of 4 to 31 basis points (see Table 1). The Board further proposes to make adjustments to this schedule by an adjustment factor not to exceed 5 basis points.

The following definitions are used in the proposal:

Assessment Schedule: A set of rates based on the risk classification matrix with a spread of 27 basis points between the minimum rate which would apply to institutions classified as 1A and the maximum rate which would apply to institutions classified as 3C.

Spread: The difference between the minimum and maximum rate in any given assessment schedule.

Adjustment Factor: The maximum number of basis points or a fraction thereof by which the Board would be authorized to increase or decrease the proposed 4–31 basis point assessment schedule without going through the rulemaking process.

A. Statutory Factors

As discussed in Section II, pursuant to sections 7(b)(1) and 7(b)(2)(A)(ii), the Board is required to take into consideration the following factors when setting risk-based assessments: the probability of loss, the amount of such loss, expected operating expenses, case resolution expenditures and income, the effect of assessments on members' earnings and capital, and any other factors that the Board may deem appropriate. These factors are discussed below.

1. Risk-Based Assessment Schedule

The fundamental goals of risk-based assessment rates are to reflect the risk posed to the insurance fund by insured institutions and to provide institutions with incentives to control risk taking. The maximum rate spread in the existing assessment rate matrix (see Table 1) is 8 basis points. Institutions rated 1A pay an annual rate of 23 basis points while institutions rated 3C pay 31 basis points. A concern is whether 8 basis points represents a sufficient spread for achieving these goals.

In the FDIC's proposal for the current risk-based premium system, the Board sought comment on whether the assessment rate spread embodied in the existing system, *i.e.*, 8 basis points, should be widened. Of the 96 commenters addressing this issue, 75 favored a wider rate spread. In the final rule, the Board expressed its conviction that widening the rate spread was desirable in principle, but chose to retain the proposed rate spread. The Board expressed concern that widening the rate spread while keeping assessment revenue constant, might unduly burden the weaker institutions which would be subject to greatly increased rates. However, the Board retained the right to revisit the issue at some future date. 58 FR 34357 (June 25, 1993).

The current assessment rate spread for BIF institutions has been criticized widely by bankers, banking scholars and regulators as overly narrow, and there is considerable empirical support for this criticism. Using a variety of methodologies and different sample periods, the vast majority of relevant studies of deposit insurance pricing have produced results that are consistent with the conclusion that the rate spread between healthy and troubled institutions should exceed 8 basis points.[1] While the precise estimates vary, there is a clear consensus from this evidence that the rate spread should be widened.

FDIC research likewise suggests that a substantially larger spread would be necessary to establish an ''actuarially fair'' assessment rate system. Insurance premiums are actuarially fair when the discounted value of the premiums paid over the life of the insurance contract is expected to generate revenues that equal expected discounted costs to the insurer from claims made by the insured over the same period. A 1994 FDIC study used a ''proportional hazards'' model to estimate the expected lifetime of banks that were in existence as of January 1, 1993. The study estimated the actuarially fair premium that each bank must pay annually so that the cost of each bank failure to the FDIC would equal the revenue collected through insurance assessments. The estimates indicated a rate spread for 1A versus 3C institutions on the order of magnitude of 100 basis points.[2]

The Board is concerned also that rate differences between adjacent cells in the current matrix do not provide adequate incentives for institutions to improve their condition. Larger differences are consistent with historical variations in failure rates across cells of the matrix, viewed in connection with the preponderance of evidence regarding actuarially fair premiums.[3] The precise magnitude of the differences is open to debate, given the sensitivity of any estimates to small changes in assumptions and to selection of the sample period. However, the Board believes that larger rate differences between adjacent cells of the matrix are warranted.

The Board believes that the assessment rate matrix should be adjusted in the direction of an actuarially fair rate structure, as described above. Consistent with the results of the relevant studies on this topic, regardless of the sample period selected, the Board believes at this time that the highest-rated institutions pose a small but positive risk to the insurance fund and that the spread between the highest- and lowest-rated institutions should be widened.

The Board does not wish to adopt major changes in the assessment rate structure at this time. The proposed rate matrix retains the nine-cell structure. As noted above, in the final rule adopting the current assessment rate schedule, the Board expressed its conviction that widening the rate spread was desirable but declined to do so because of the potential hardship for troubled institutions and possible additional losses for the insurance fund. The Board remains unwilling to increase the maximum rate other than by means of the adjustment factor discussed below, without further study regarding the proper insurance pricing structure for the industry.

Accordingly, FDIC staff currently are undertaking a comprehensive reevaluation of the risk-based assessment rate matrix, and will present recommendations to the Board in the near future. Any proposed changes to the risk-based assessment rate structure that may result from this process will be addressed in a separate future notice of proposed rulemaking.

In the interim, the Board believes that the proposed assessment schedule represents an equitable set of rate adjustments. It widens the rate spread between the lowest- and highest-rated institutions, consistent with the implications of the best empirical evidence on this issue and with the Board's previously stated conviction. Moreover, the rate differences between adjacent cells in the matrix are widened, providing additional incentive for weaker institutions to improve their condition and for all institutions to avoid excessive risk-taking. This is consistent with the Board's desire to create adequate incentives via the assessment rate structure to encourage behavior that will protect the deposit insurance fund against excessive losses.

2. Expected Operating Expenses and Case Resolution Expenses and Income

Operating expenses are projected to be approximately $260 million for the second half of 1995 (See Table 2). Case resolution expenditures or ''insurance losses'' for the second half of 1995 are projected to be $130 million. If the 1994 loss experience of $70 million per semiannual period (estimated) continues in 1995, losses may be lower than the projected amount. Insurance losses in 1994 were less than one-quarter of the historical average, relative to insured deposits, and baseline assumptions indicate that losses will begin to revert toward the norm in 1996 (see Tables 2–4). See additional discussion of loss assumptions in Section III.B, below.

3. Impact on Earnings and Capital

Because assessment rates for most BIF members will decline, the impact on earnings and capital will be positive. Lower assessment costs will reduce expenses by approximately $4.6 billion

[1] For a representative sampling of academic studies on this issue, see Estimating the Value of Federal Deposit Insurance, The Office of Economic Analysis, Securities and Exchange Commission (1991); Berry K. Wilson, and Gerald R. Hanweck, A Solvency Approach to Deposit Insurance Pricing, Georgetown University and George Mason University (1992); Sarah Kendall and Mark Levonian, A Simple Approach to Better Deposit Insurance Pricing, Proceedings, Conference on Bank Structure and Competition, Federal Reserve Bank of Chicago (1991); R. Avery, G. Hanweck and M. Kwast, An Analysis of Risk-Based Deposit Insurance for Commercial Banks, Proceedings, Conference on Bank Structure and Competition, Federal Reserve Bank of Chicago (1985).

[2] See, Gary S. Fissel Risk Measurement, Actuarially Fair Deposit Insurance Premiums and the FDIC's Risk-Related Premium System, FDIC Banking Review (1994), at 16–27, Table 5, Panel B. Single-copy subscriptions of this study are available to the public free of charge by writing to FDIC Banking Review, Office of Corporate Communications, Federal Deposit Insurance Corporation, 550 17th Street, N.W., Washington, D.C. 20429.

[3] *Id.*, at Tables 2 and 5.

per year. Based on the industry's year-end 1993 average tax rate of 31.5 percent, there will be an after-tax impact on profits of approximately $3.15 billion per year. BIF members may pass some portion of the cost savings on to their customers through lower borrowing rates, lower service fees, and higher deposit rates. Their ability to do so will be affected by factors such as the level of competition faced by banks.

4. Other Factors—Consideration of the Impact on the SAIF of Decreased BIF Rates

A question has been raised concerning whether the Board may take into consideration the impact on SAIF in setting BIF rates. Based on recent projections, the BIF is expected to recapitalize between May 1 and July 31, 1995. By contrast, recent projections show that the SAIF will not recapitalize until 2002 because assessments to cover interest payments on bonds issued by the Financing Corporation (FICO) divert about $780 million per year, or about 45 percent of total SAIF assessment revenue. In addition, the SAIF assessment base has been shrinking since the SAIF was created in 1989. The FICO will continue to divert SAIF assessments for interest payments on FICO bonds until 2019 when the bonds mature.

Section 7(b)(2)(A)(ii) of the FDI Act requires the Board to consider certain factors in setting assessment rates, one of which is ''any other factors that the Board of Directors may deem appropriate''. Section 7(b)(2)(B) of the FDI Act requires the Board to set semiannual assessments for members of each fund ''independently'' from semiannual assessments for members of the other insurance fund. Read together, these provisions do not specifically prohibit Board consideration of the impact of BIF rates on SAIF members as long as the rates are set independently.

However, section 7(b)(2)(A)(i) requires the Board to set rates to maintain the BIF reserve ratio. If the Board were to take into consideration the impact on the SAIF when it set BIF rates and, as a result, the reserve ratio continued to increase in excess of the DRR, it might be considered a violation of the statute. By contrast, an increase in the reserve ratio due to revenue generated from the minimum assessments and maintaining a risk-based assessment system would not be a violation because those provisions are mandated by the statute.

B. Need for Decreased Rates

As discussed in Section II, management of the reserve ratio is necessarily imprecise because the factors affecting this ratio cannot be predicted with certainty. Changes in the reserve ratio are primarily a function of assessment revenues, investment income, operating expenses and insurance losses resulting from bank failures.

The BIF is expected to recapitalize between May 1 and July 31, 1995. It is unlikely that the BIF will recapitalize prior to the second quarter of 1995 because, after declining from 1992 through mid-year 1994, there are indications that insured deposits have begun to increase.

Other than the revenues that may be necessary to achieve and maintain the DRR of 1.25% in the second half of 1995, projections indicate that the BIF will require little or no assessment income to cover losses and expenses for that period. Investment income is expected to approach $500 million for the second half of the year. As noted above, for the same period insurance losses are projected to be $130 million, and operating expenses are projected to be approximately $260 million. Thus, based on current projections, investment income alone should suffice to cover BIF obligations unrelated to the reserve ratio in the second half of 1995.

The proposed assessment rate schedule is the current, nine-cell matrix with assessment rates ranging from 4 basis points per year for the highest-rated institutions to 31 basis points for the lowest-rated institution (see Table 1, Proposed Rate Schedule). For purposes of maintaining the reserve ratio at 1.25%, the relevant fact is that the estimated 4.5 basis point average assessment rate resulting from this matrix will produce approximately $1.1 billion of annual revenue for the BIF in the short run. If the proposed matrix takes effect at or near the beginning of the second semiannual period in 1995, the reserve ratio will reach nearly 1.3% by year-end, under current assumptions concerning insurance losses, operating expenses, insured deposit growth, and other relevant factors.

However, the staff's baseline assumptions imply that an average assessment rate of 4 to 5 basis points is necessary to maintain the BIF reserve ratio at 1.25% over a 5–7 year horizon (see Tables 2–4). While the baseline assumptions for insurance losses may be characterized as relatively pessimistic given current economic conditions, it is important to recognize that such conditions are rare in the banking industry's recent history. For 1994, the ratio of insurance losses to estimated insured deposits was approximately one-half of 1 basis point (estimated). This ratio had not previously fallen below 1 basis point in any year since 1980, averaging 16 basis points for the 1981–93 period and exceeding 30 basis points in three of those years. Therefore, the staff's baseline loss assumptions may be considered rather optimistic relative to recent historical experience.

The proposed matrix would yield assessment revenue sufficient to finance losses equal to the 60-year annual average, nearly 4 basis points of estimated insured deposits, with a margin to absorb losses that moderately exceed the average. In view of the recent experience reviewed above, the staff believes this to be the minimum amount necessary to maintain the DRR consistently over the near-term future.

Given the increasing degree of competition faced by insured institutions, the increasing opportunities for risk-taking as a result of rapid financial innovation, and the increased variability of interest rates as well as other prices due to the globalization of markets and other factors, the staff believes that the loss experience in the banking industry is unlikely to revert to pre-1980 norms. Rather, the average yearly loss ratio is likely to exceed the 60-year average going forward, with large year-to-year variability.

Prudence requires that the Board be provided with the flexibility to adjust assessment rates in a timely manner in response to changing conditions. Accordingly, the Board proposes to increase or decrease the proposed assessment schedule by an adjustment factor of up to 5 basis points or fraction thereof. The adjustment factor is the maximum amount by which the Board could adjust the assessment rate schedule without going through an additional notice and comment rulemaking process. Such adjustments could only be made to the assessment schedule in its entirety, not to individual risk classification cells. Nor could the spread of 27 basis points be changed by means of the adjustment factor. Accordingly, by means of the adjustment factor, the Board could adjust the proposed assessment schedule of 4–31 basis points to a maximum assessment schedule of 9–36 basis points and a minimum assessment schedule of 0–27 basis points.

This adjustment factor would provide the Board with the flexibility to raise a maximum additional $1.2-$1.4 billion in the near term without undertaking a rulemaking. An adjustment factor of 5 basis points appears modest when viewed historically, as the loss-to-insured deposits ratio has been quite variable; the standard deviation was 8.6 basis points for the 1933–93 period and

11.7 basis points for 1983–93. In view of the currently favorable banking environment, however, a 5 basis point adjustment factor should be sufficient to maintain the DRR in the short run.

IV. Application and Adjustment of Proposed Assessment Rate Schedule

A. Summary

The proposal would establish (1) the manner in which the new schedule of assessment rates set forth in Section III, will be applied in the semiannual period during which the DRR is achieved, and (2) a process for adjusting the proposed rate schedule (within prescribed parameters) to maintain the reserve ratio at 1.25% without the necessity of notice and comment rulemaking procedures for each adjustment. In conformity with the statutory directives, the proposed assessment schedule would not become effective unless and until the DRR is, in fact, achieved. Once effective, however, the proposed rate would apply to the remainder of the semiannual period after the DRR is achieved and to semiannual periods thereafter.

For semiannual periods after that period in which the DRR is achieved, the proposed rate would be adjusted semiannually up or down by the adjustment factor of up to and including 5 basis points as necessary to maintain the target DRR at 1.25%. The semiannual assessment schedule, and any adjustment thereto, would be adopted by the Board in a resolution which reflects consideration of the statutory factors upon which it is determined. The Board would announce the semiannual assessment schedule not later than 45 days prior to the November 30 and May 30 quarterly invoice dates, and the adjusted rates would first be reflected in those invoices.

B. Semiannual Period During Which DRR Is Achieved

Section 7(b)(2)(E) provides that:

> The Corporation shall design the risk-based assessment system for any deposit insurance fund so that, if the * * * reserve ratio of that fund remains below the designated reserve ratio, the total amount raised by semiannual assessments on members of that fund shall be not less than the total amount that would have been raised if—
>
> (i) section 7(b) as in effect on July 15, 1991 remained in effect; and
>
> (ii) the assessment rate in effect on July 15, 1991 [23 basis points] remained in effect.

Based on the language of this section as well as its legislative history, the Board believes that it has no authority to decrease the assessment rates paid by BIF members until after the reserve ratio has, in fact, reached the DRR, regardless of projections for BIF recapitalization. Section 7(b)(2)(E) indicates that the Board may not lower BIF assessment rates in anticipation of meeting the DRR during the upcoming semiannual period. If the Board were to decrease the rates based on projections for BIF recapitalization, the reserve ratio would ''remain'' below the DRR at the time of the Board's action and the minimum assessments provisions of section 7(b) would continue to apply.

This interpretation is consistent with Congressional intent that the FDIC maintain a minimum assessment rate of 23 basis points for BIF members until the fund achieves its DRR. In connection with the Senate Banking Committee's consideration of whether to establish a maximum assessment for BIF members, the Committee stated, ''[t]he Committee is *firm* in its view that the 23 basis point premium rate now in effect [during the second semiannual period of 1991] should not be reduced until the BIF achieves its designated reserve ratio.'' [Emphasis added.] S. Rep. No. 167, 102d Cong., 1st Sess., 30 (1991). The Committee believed that, ''So long as BIF reserves remain insufficient to cover demands on the BIF as they arise, taxpayers will be at risk'' and passed a bill which ''encourages the FDIC to begin rebuilding the BIF by restricting the FDIC's discretion to delay recapitalization.'' *Id.* at 29.

If section 7(b)(2)(E) were further interpreted to mean that the FDIC must wait to reduce BIF rates until the beginning of the semiannual period after the DRR was reached, the FDIC would have collected far in excess of the revenue required to maintain the reserve ratio at the DRR with no mechanism for rebating the excess amounts. This is particularly the case if the BIF recapitalizes early in the semiannual period, as is indicated by current projections. If this provision were interpreted in this manner, the vast majority of the assessment revenue collected would not be needed to maintain the BIF at the DRR.

Although the Board must set semiannual assessments for BIF members, the FDI Act is silent as to when assessments must be announced or set and expressly allows the Board to prescribe the manner and time of assessment collections. *See* FDI Act, sections 7(b)(2)(A); 7(b)(3) and 7(c)(2)(B).[4] 12 U.S.C. 1817(b)(2)(A); 1817(b)(3) and 1817(c)(2)(B). Thus, the Board may set semiannual assessment rates to take effect after the DRR has been achieved.

The reserve ratio is the dollar amount of the BIF fund balance divided by the estimated insured deposits of BIF members. Although data for the fund balance is accounted for on a monthly basis, the amount of estimated insured deposits is based on data from the quarterly reports of condition (call reports). Because current projections indicate that the BIF will recapitalize early in the July–December semiannual period, the amount of estimated insured deposits would be determined by the information on the June call reports which are due on July 30 (or for some institutions, August 14). Due to the customary time lag involved in verifying the information from the call reports, it is probable that the determination that the DRR has been achieved will not be made until mid-September. Moreover, because the fund balance is determined only on a monthly, rather than daily basis, the date on which the Board ascertains that the DRR has been attained must necessarily be the last day of the month.

Because the Board cannot lower assessment rates until it is certain that the DRR has been attained, the May 30 quarterly invoice and, very likely, the August 30 quarterly invoice will reflect the pre-DRR rate of approximately 6 basis points (one-quarter of the annual assessment rate of 23 basis points). The June 30 direct debit of the amount specified on the May 30 invoice will proceed as planned. However, in the event it is determined that the DRR has been attained before the September 30 direct debit occurs, the Board proposes to promptly notify BIF members that the September 30 direct debit will be modified to reflect the new assessment rate.

Because the proposed 4–31 basis point assessment rate would apply from the first day of the month after the DRR was achieved for the remainder of the semiannual period, it is likely that some BIF members will have overpaid their semiannual assessments. For example, if the DRR is determined to have been achieved on July 31 and the 4–31 basis point rate becomes effective on August 1, a portion of the assessment paid for the July–September quarter would constitute an overpayment. In such a case, pursuant to section 7(e) of the FDI Act, the FDIC is permitted to refund any assessment overpayment or to credit the overpayment toward the next assessment due until the overpayment amount is exhausted.

Section 7(e) applies in the case of ''any payment in excess of the amount

[4] Section 7(b)(1)(A) was amended in FDICIA to permit the FDIC to establish ''and, from time to time, adjust the assessment rates * * *''. FDICIA, section 104(b). This provision was in effect from December 19, 1991 until January 1, 1994 when the risk-based assessment provisions became operative.

due''. The FDIC has interpreted this provision to apply case-by-case to an overpayment by an individual institution caused by a computation error or revisions to the institution's reported assessment base. Because individual institutions would have overpaid the amount that actually was due once the proposed rate became effective, section 7(e) should also be applicable in this situation.

On the other hand, if the DRR is not achieved, no action would be required because the existing collection process would simply remain in effect. In such a case, the September 30 direct debit of the amount specified on the August 30 quarterly invoices would go forward. If the DRR were to be reached, for example, on September 30, the proposed rate would nonetheless take effect at that point for the remainder of the July–December semiannual period.

In the event the FDIC collects more assessment revenue from an institution than is required for the July-December semiannual period, a refund of the overpayment, with interest from the time the DRR is achieved, would be provided. The FDIC intends to provide any such refund electronically using the ACH facility, but may do so by check. The same routing transit numbers and accounts used for the direct debit collection would be used for electronic refunds.

C. Semiannual Periods After the DRR Is Achieved

The 4–31 basis point assessment schedule would continue to apply to semiannual periods commencing with the semiannual period after the DRR has been achieved (presumably January 1996). However, to enable the Board to maintain the reserve ratio at the target DRR in future semiannual periods, the proposal would authorize the Board to adjust (by resolution) the proposed assessment schedule by an adjustment factor of up to and including 5 basis points or fraction thereof. By this means the Board proposes to limit its discretion to adjust rates within a range of 5 basis points. As noted above, such adjustments could only be made to the assessment schedule in its entirety, not to individual risk classification cells. Nor could the spread of 27 basis points be changed by means of the adjustment factor. Accordingly, by means of the adjustment factor, the Board could adjust the proposed assessment schedule of 4–31 basis points to a maximum assessment schedule of 9–36 basis points and a minimum assessment schedule of 0–27 basis points. Thus, for example, if the rate for 1A banks was 4 basis points, no matter how many times the assessment schedule were adjusted up or down, the rate for 1A banks could never go above 9 basis points without going through the notice and comment rulemaking process. Finally, if financial conditions warranted a change beyond the maximum amount of the adjustment factor, the Board would make such adjustments through the notice and comment rulemaking process.

The adjustment factor for any particular semiannual period would be determined by (1) the amount of assessment income necessary to maintain the reserve ratio at 1.25% (taking into account operating expenses and expected losses) and (2) the particular risk-based assessment schedule that would generate that amount considering the risk composition of the industry at the time. The Board proposes to adjust the assessment rate schedule every six months by the amount, up to and including the maximum adjustment factor of 5 basis points, necessary to maintain the reserve ratio at the DRR. Such adjustments will be adopted in a Board resolution that reflects consideration of the statutory factors. These include expected operating expenses, projected losses, the effect on BIF members' earnings and capital and any other factors the Board determines to be relevant to the BIF. The resolution will be adopted and announced at least 45 days prior to the invoice date for the first quarter of the semiannual period in which the rate will take effect (*i.e.*, November 30 and May 30 invoice dates). Those invoices would then first reflect the adjusted assessment rate schedule.

V. Request for Comment

The Board invites comments on all aspects of the proposal.

VI. Paperwork Reduction Act

No collections of information pursuant to section 3504(h) of the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*) are contained in this notice. Consequently, no information has been submitted to the Office of Management and Budget for review.

VII. Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) does not apply to a rule of particular applicability relating to rates, wages, corporate or financial structures or reorganizations thereof. *Id.* at 601(2). Accordingly, the statute does not apply to the proposed changes in the assessment rate schedule, the structure of that schedule and future adjustments thereto. In any event, to the extent an institution's assessment is based on the amount of its domestic deposits, the primary purpose of the Regulatory Flexibility Act, that agencies' rules do not impose disproportionate burdens on small businesses, is fulfilled.

List of Subjects in 12 CFR Part 327

Assessments, Bank deposit insurance, Banks, Banking, Financing Corporation, Savings associations.

For the reasons stated in the preamble, the Board proposes to amend part 327, as amended at 59 FR 67153 effective April 1, 1995, of title 12 of the Code of Federal Regulations as follows:

PART 327—ASSESSMENTS

1. The authority citation for part 327 continues to read as follows:

Authority: 12 U.S.C. 1441, 1441b, 1817–1819.

2. Section 327.8 is amended by adding a new paragraph (i) to read as follows:

§ 327.8 Definitions.

* * * * *

(i) As used in § 327.9, the following terms have the following meanings:

(1) *Adjustment factor.* The maximum number of basis points by which the Board may increase or decrease Rate Schedule 2 set forth in § 327.9(a).

(2) *Assessment schedule.* The set of rates based on the assessment risk classifications of § 327.4(a) with a difference of 27 basis points between the minimum rate which applies to institutions classified as 1A and the maximum rate which applies to institutions classified as 3C.

3. Section 327.9 is amended by revising paragraphs (a) and (b), by redesignating paragraph (c) as paragraph (e) and adding new paragraphs (c) and (d) to read as follows:

§ 327.9 Assessment rate schedules.

(a) *BIF members.* Subject to § 327.4(c), the annual assessment rate for each BIF member other than a bank specified in § 327.31(a) shall be the rate in the Rate Schedules below applicable to the assessment risk classification assigned by the Corporation under § 327.4(a) to that BIF member. Until the BIF designated reserve ratio of 1.25 percent is achieved, the rates set forth in Rate Schedule 1 shall apply. After the BIF designated reserve ratio is achieved, the rates set forth in Rate Schedule 2 shall apply. The schedules utilize the group and subgroup designations specified in § 327.4(a):

RATE SCHEDULE 1

Capital group	Supervisory subgroup		
	A	B	C
1	23	26	29
2	26	29	30
3	29	30	31

RATE SCHEDULE 2

Capital group	Supervisory subgroup		
	A	B	C
1	4	7	21
2	7	14	28
3	14	28	31

(b) *BIF recapitalization schedule.* The following schedule indicates the stages by which the Corporation seeks to achieve the BIF designated reserve ratio of 1.25 percent. The schedule begins with the semiannual period ending December 31, 1991 and ends on the earlier of the semiannual period ending June 30, 2002 or the date on which the BIF designated reserve ratio is achieved:

Semi-annual period	Target reserve ratio (percent)
1991.2	−0.36
1992.1	−0.28
1992.2	−0.01
1993.1	0.03
1993.2	0.06
1994.1	0.08
1994.2	0.09
1995.1	0.15
1995.2	0.21
1996.1	0.28
1996.2	0.34
1997.1	0.42
1997.2	0.50
1998.1	0.59
1998.2	0.67
1999.1	0.76
1999.2	0.85
2000.1	0.94
2000.2	1.03
2001.2	1.12
2001.2	1.21
2002.1	1.25

(c) *Rate adjustment; announcement*—(1) *Semiannual adjustment.* The Board may increase or decrease Rate Schedule 2 set forth in paragraph (a) of this section semiannually by an adjustment factor of up to and including 5 basis points or fraction thereof as the Board deems necessary to maintain the reserve ratio at the BIF designated reserve ratio. In no case may such adjustment result in a negative assessment rate. The adjustment factor for any semiannual period shall be determined by:

(i) The amount of assessment revenue necessary to maintain the reserve ratio at the designated reserve ratio; and

(ii) The assessment schedule that would generate the amount of revenue in paragraph (c)(1)(i) of this section considering the risk profile of BIF members.

(2) In determining the amount of assessment income in paragraph (c)(1)(i) of this section, the Board shall take into consideration the following:

(i) Expected operating expenses;

(ii) Case resolution expenditures and income;

(iii) The effect of assessments on BIF members' earnings and capital; and

(iv) Any other factors the Board may deem appropriate.

(3) *Announcement.* The Board shall:

(i) Adopt the semiannual assessment schedule and any adjustment thereto by means of a resolution reflecting consideration of the factors specified in paragraph (c)(2)(i) through (iv) of this section; and

(ii) Announce the semiannual assessment schedule and any adjustment thereto not later than 45 days before the invoice date specified in § 327.4(c) for the first quarter of the semiannual period for which the adjusted assessment schedule shall be effective.

(d) *Special provisions.* The following provisions apply only for the first semiannual period after January 1, 1995 in which the BIF designated reserve ratio is achieved:

(1) Notwithstanding the provisions of § 327.3(c)(2) or § 327.3(d)(2), the Corporation may modify the time of the direct debit of the assessment payment which next occurs after the Board determines that the designated reserve ratio has been achieved; and

(2) Notwithstanding the provisions of § 327.7(a)(3), if the designated reserve ratio is achieved at the end of a month which is not the end of a quarter and, as a result, an institution has overpaid its assessment, the Corporation shall provide interest on any such overpayment beginning on the date the designated reserve ratio was achieved.

* * * * *

By order of the Board of Directors.

Dated at Washington, D.C., this 31st day of January 1995.

Federal Deposit Insurance Corporation.

Robert E. Feldman,

Acting Executive Secretary.

[FR Doc. 95–3670 Filed 2–15–95; 8:45 am]

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