

SUMMARY: Notice is hereby given that OMB intends to rescind Circular No. A-73, Audit of Federal Operations and Programs. The current circular codifies what are now common audit practices throughout the Federal Government and extends the application of certain principles in the Inspector General Act of 1978 (IG Act) to those agencies not covered by the IG Act. Circular No. A-73 is unnecessary because: (1) Its audit policy direction is largely hortatory and (2) the IG Act has been expanded in 1988 amendments to cover almost all Federal entities of significant size.

DATES: Persons who wish to comment on the proposed rescission of Circular No. A-73 should submit their comments no later than April 7, 1995. The rescission will take place May 22, 1995, unless the comments raise significant concerns regarding the proposed rescission.

ADDRESSES: Comments should be addressed to: Suzanne Murrin, Office of Federal Financial Management, Office of Management and Budget, New Executive Office Building, 725 17th Street, NW, Room 6025, Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: For further information on the proposed rescission of Circular No. A-73, contact Suzanne Murrin on (202) 395-6911. For further information on OMB's overall review of its circulars, contact Frank J. Seidl, III, Staff Assistant, on (202) 395-5146; or Rosalyn J. Rettman, Associate General Counsel for Budget on (202) 395-5600.

SUPPLEMENTARY INFORMATION: The Director of the Office of Management and Budget (OMB) has initiated a systematic review of all OMB circulars, as part of efforts to reduce unnecessary Government directives. As part of this initiative, each OMB circular is being reviewed to see whether it should be rescinded or whether its requirements can be simplified.

[FR Doc. 95-5489 Filed 3-6-95; 8:45 am]

BILLING CODE 3110-01-M

OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. 301-92]

Termination of Section 301 Investigation and Action Regarding the People's Republic of China's Protection of Intellectual Property and Provision and Market Access to Persons Who Rely on Intellectual Property Protection

AGENCY: Office of the United States Trade Representative.

ACTION: Termination of investigation of certain acts, policies and practices of the Peoples' Republic of China (China) initiated under section 302 of the Trade Act of 1974, as amended (Trade Act); termination of action pursuant to section 301 of the Trade Act; monitoring of trade agreement under section 306 of the Trade Act; revocation of priority foreign country identification under section 182(c)(1)(B) of the Trade Act; and requests for public comment.

SUMMARY: On February 4, 1995, the United States Trade Representative (USTR) determined pursuant to section 304(a)(1)(A) of the Trade Act that certain acts, policies and practices of China with respect to the enforcement of intellectual property rights and the provision of market access to persons who rely on intellectual property protection are unreasonable and constitute a burden or restriction on U.S. commerce. The USTR also determined pursuant to section 304(a)(1)(B) and 301(b) that action in the form of increasing duties on certain products of China to 100 percent ad valorem was appropriate. 60 FR 7230 (February 7, 1995). Having reached a satisfactory resolution of the issues under investigation, the USTR has determined to: (1) Terminate this section 301 investigation; (2) monitor implementation of the agreement under section 306 of the Trade Act; (3) terminate the action ordered pursuant to section 301 with respect to raising tariffs on certain products originating in China; and (4) revoke China's identification as a priority foreign country under section 182 of the Trade Act. Public comments will be accepted on the decision to terminate the action ordered pursuant to section 301.

EFFECTIVE DATE: The modification of the Harmonized Tariff Schedule of the United States (HTS) described below is effective with respect to imports entered, or withdrawn from warehouse for consumption, on or after February 26, 1995. The determinations to terminate the action taken under section

301 and revoke China's status as a priority foreign country were made by the USTR on February 26, 1995. Written comments from interested persons are due by noon on Friday, March 10, 1995.

ADDRESSES: Section 301 Committee, Office of the United States Trade Representative, Room 223, 600 17th Street, NW., Washington, D.C. 20506.

FOR FURTHER INFORMATION CONTACT: Deborah Lehr, Director for China and Mongolian Affairs (202) 395-5050, or Thomas Robertson, Assistant General Counsel (202) 395-6800.

SUPPLEMENTARY INFORMATION: On June 30, 1994, China was identified as a priority foreign country under the "special 301" provisions of the Trade Act for its failure to enforce intellectual property rights or to provide fair and equitable market access to persons who rely on intellectual property protection. On the same day, the USTR initiated an investigation of those acts, policies and practices of China that were the basis for its identification as a priority foreign country (PFC) under section 182(c)(1)(B) of the Trade Act. 59 FR 35558 (July 12, 1994).

On December 31, 1994, the USTR extended the investigation until February 4, 1995, and sought public comment on proposed determinations under section 304(a)(1). 60 FR 1829 (January 5, 1995). On February 4, 1995, the USTR determined that the acts, policies and practices of the Chinese government at issue in the investigation are unreasonable and constitute a burden or restriction on U.S. commerce. The USTR also determined that the appropriate action in response was to impose duties of 100 percent ad valorem on certain Chinese-origin products that were entered, or withdrawn from warehouse for consumption, on or after February 26, 1995. 60 FR 7230 (February 7, 1995).

After extensive negotiations, the United States and China entered into an exchange of letters (including an Action Plan for the Effective Protection and Enforcement of Intellectual Property Rights) by which China will address the issues raised by the United States in the negotiations. Under the agreement, China will, among other things, establish a system at the central, provincial and local levels to provide strong, transparent and responsive enforcement of intellectual property rights; initiate a special enforcement period during which enhanced resources will be allocated to the enforcement of intellectual property rights; establish an effective border enforcement regime; ensure the transparency of its legal regime,

including the publication of all laws and regulations concerning intellectual property protection; and provide U.S. right holders with enhanced access to the Chinese market. The United States and China will consult regularly on China's implementation of the agreement.

On the basis of the measures that China has agreed to undertake in the agreement, the USTR has decided that the action taken pursuant to section 301(b) (the increase in tariffs on certain products from China) is no longer appropriate and should be terminated. The United States Custom Service has been notified of this determination. Pursuant to section 182(c)(1)(A) of the Trade Act, the USTR has also decided to revoke China's designation as a priority foreign country.

Section 307(a)(1)(C) of the Trade Act authorizes the USTR to terminate any action, subject to the specific direction, if any, of the President, if, inter alia, the USTR determines that the action being taken under section 301(b) of the Trade Act is no longer appropriate. Prior to terminating this 301 action, the USTR consulted with the domestic industries concerned regarding the modification and termination of the existing action. An opportunity for public comment prior to this action was not possible in view of the need for expeditious action. Immediate termination of the 301 action was required so that U.S. intellectual property right holders could immediately start to receive the benefits of the agreement entered into with China. However, interested members of the public are now invited to submit comments to USTR regarding this action in accordance with the directions provided below. USTR will review these comments upon receipt.

Pursuant to section 306 of the Trade Act, the USTR will monitor China's implementation of the agreement. If, on the basis of this monitoring, the USTR considers that China is not satisfactorily implementing the terms of the agreement, the USTR will decide what further action to take under section 301(a) of the Trade Act.

Public Comments

Comments must be filed in accordance with the requirements set forth in 15 CFR 2006.8(b) and are due no later than noon, Friday, March 10, 1995. Comments must be in English and be provided in twenty copies to: Chairman, section 301 Committee, Room 223, USTR, 600 17th Street, N.W., Washington, D.C. 20506.

Comments will be placed in a file [Docket 301-92] open to public inspection pursuant to 15 CFR 2006.13,

except confidential business information exempt from public inspection in accordance with 15 CFR 2006.15. Confidential business information submitted in accordance with 15 CFR 2006.15 must be clearly marked "Business Confidential" in a contrasting color ink at the top of each page (on each of the 20 copies), and must be accompanied by a nonconfidential summary of the confidential information. The nonconfidential summary shall be placed in the docket open to public inspection.

Modification of the Harmonized Tariff Schedule of the United States (HTS)

Accordingly, the HTS is hereby modified by deleting subheadings 9903.50.01 through 9903.50.33, inclusive, and the superior text immediately preceding such subheadings, effective February 26, 1995.

Irving A. Williamson,
Chairman, Section 301 Committee.
[FR Doc. 95-5664 Filed 3-6-95; 8:45 am]
BILLING CODE 3190-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-35428; File No. SR-NASD-94-9, Amendment No. 2]

Self-Regulatory Organizations; Notice of Amendment No. 2 To Proposed Rule Change by National Association of Securities Dealers, Inc. Relating to Non-member Viewing Access to SelectNet

February 28, 1994.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ notice is hereby given that on January 30, 1995, the National Association of Securities Dealers, Inc. ("NASD" or "Association") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the NASD. 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 NASD proposes to amend its proposal to enhance the transparency of, and nonmember viewing access to, "broadcast" orders transmitted through

The Nasdaq Stock Market, Inc.'s ("Nasdaq") SelectNet service. Specifically, the NASD proposes to disseminate a separate feed of "broadcast" orders entered into SelectNet that will be available to vendors.²

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, the NASD included statements concerning the purpose of and basis for the proposed rule change and discussed any comments it received on the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The NASD 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

In March 1994, the NASD proposed modifications to the operation of Nasdaq's SelectNet service that would permit viewing access by non-members who are subscribers to the Nasdaq Workstation Level 2 service to view "broadcast" orders immediately as they are entered into the service.³ In addition, because of the additional non-member constituencies that will be able to view all broadcast orders entered into SelectNet, the NASD also proposed to modify its order-entry procedure for SelectNet to ensure that broadcast orders are entered into and displayed through SelectNet anonymously. This feature was proposed for two reasons: (a) To preserve incentives for dealers to continue to make markets that add liquidity to the market; and (b) to avoid conditioning the market in one direction or another by orders identified with particular market makers or order entry firms.⁴ With this filing, the NASD

²The subscriber fees imposed for receipt of this information will be set forth in a separate rule filing submitted pursuant to Section 19(b) of the Act. The NASD does not believe that Commission consideration of the instant proposal should be contingent upon approval of the fees for this service, as Nasdaq will make the service available at no charge until an appropriate fee structure for the service is approved by the Commission.

³Securities Exchange Act Release No. 33938 (Apr. 20, 1994), 59 FR 22033 (Apr. 28, 1994).

⁴The original notice of the NASD's proposal set forth in greater detail the basis for this feature. Specifically, the original notice states that:

Because of the additional non-member constituencies that will be able to view all broadcast orders, the NASD is also proposing to

¹15 U.S.C. 78s(b)(1) (1988).