

Proposed Rules

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

DEPARTMENT OF AGRICULTURE

Food Safety and Inspection Service

9 CFR Parts 308, 310, 318, 320, 325, 326, 327, and 381

[Docket No. 95-034N]

Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems—Public Scoping Session for Issue-Focused Public Meetings on Proposed Regulation

AGENCY: Food Safety and Inspection Service, USDA.

ACTION: Meeting notice; reopening of comment period.

SUMMARY: The U.S. Department of Agriculture is holding a public scoping session for a series of issue-focused public meetings to be held in September 1995 on the FSIS proposed rule, "Pathogen Reduction, Hazard Analysis and Critical Control Point (HACCP) Systems." The purpose of the scoping session is to discuss with all interested parties the agenda and format for the September meetings.

DATES: The scoping session will be held on August 23, 1995 from 9:00 AM to 4:00 PM. The scoping session will be convened by the Secretary.

The comment period for the proposed rule, "Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems" (60 FR 6674, February 3, 1995) will be reopened as of August 11, 1995, and will extend until 30 days following the last September meeting. FSIS will publish notice of the comment period closing date.

ADDRESSES: The scoping session will be held at the U.S. Department of Agriculture, 14th and Independence Avenue, Back of the South Building Cafeteria (between the 2nd and 3rd Wings).

Send an original and two copies of written comments to: FSIS Docket Clerk, DOCKET 93-016P, Docket Room 4352,

South Agriculture Building, Food Safety and Inspection Service, U.S. Department of Agriculture, Washington, DC 20250.

FOR FURTHER INFORMATION CONTACT: Mr. Charles Danner, Director, Planning Office, Policy Evaluation and Planning Staff, FSIS, USDA, Room 6904, Franklin Court, Washington, DC 20250, (202) 501-7138. If you plan to attend, please contact Ms. Lisa Parks at (202) 501-7138.

SUPPLEMENTARY INFORMATION: USDA will hold a public scoping session on August 23, 1995 at the U.S. Department of Agriculture, 14th and Independence Avenue, Back of the South Building Cafeteria (between the 2nd and 3rd Wings) from 9:00 AM to 4:00 PM to discuss the agenda and format for a series of issue-focused public meetings to be held in September 1995 on the proposed rule, "Pathogen Reduction; Hazard Analysis and Critical Control Point (HACCP) Systems" (60 FR 6674, February 3, 1995).

August Public Scoping Session

The August 23, 1995 scoping session announced in this notice will be convened by Secretary of Agriculture Dan Glickman and will begin with a discussion of the topics to be included on the agenda for the September meetings, both those tentatively identified by FSIS, and those suggested for inclusion by interested parties. The meeting participants will then consider what format would best ensure that these issues will be fairly, frankly, and fully explored in September. After the August 23 scoping session, FSIS will issue a notice announcing the schedule, agenda and format for the September meetings.

Those wishing to attend the August session should contact Ms. Lisa Parks at (202) 501-7138. Also contact Ms. Parks if you require a sign language interpreter or other special accommodations. Those unable to attend the scoping session may submit comments or suggestions for planning the September meetings to FSIS no later than August 18, 1995.

Purpose and Nature of the September Meeting

The September meetings will provide an opportunity for interested persons to directly discuss the key concerns that were raised during the comment period on the proposed rule with USDA

officials and with one another. To comply with the Administrative Procedure Act, these issue-focused meetings will be open to the public and announced in advance in the **Federal Register**. The proceedings will be transcribed, and the transcripts will be made a part of the rulemaking record.

These meetings will be plenary meetings, so that all interested parties can attend and participate in all the discussions. Interested parties with common concerns and positions on a particular issue are encouraged to designate a representative to speak for them on that issue. This will help foster focused, substantive dialogue on the key issues.

Tentatively identified agenda items for consideration at the September meetings include: (1) The relationship between the proposed HACCP system and existing regulatory requirements (the layering issue); (2) options to reduce the expected economic impact of the proposed rule on small businesses, while still achieving desired food safety goals; (3) the proposed interim targets for pathogen reduction and the use of microbial testing to verify achievement of the targets; (4) the role of antimicrobial treatments and other technological interventions to improve food safety; (5) temperature/time requirements for chilling red meat; and (6) FSIS oversight of HACCP.

Reopening of Comment Period

FSIS is reopening the comment period for the proposed regulation, effective August 11, 1995, and extending until 30 days following the last September meeting, in order to include in the administrative record the transcript of the scoping session and the public meetings, written comments submitted by persons unable to attend the meetings, and other written comments submitted by interested parties on the matters addressed at the public meetings.

Done at Washington, DC, on August 8, 1995.

Michael R. Taylor,

Acting Under Secretary for Food Safety.

[FR Doc. 95-19930 Filed 8-9-95; 9:23 am]

BILLING CODE 3410-DM-P

DEPARTMENT OF TRANSPORTATION**Federal Aviation Administration****14 CFR Part 39**

[Docket No. 91-CE-45-AD]

Airworthiness Directives; de Havilland DHC-6 Series Airplanes**AGENCY:** Federal Aviation Administration, DOT.**ACTION:** Notice of proposed rulemaking (NPRM).

SUMMARY: This document proposes to supersede Airworthiness Directive (AD) 78-26-02, which currently requires repetitively inspecting the fuselage side frame flanges at Fuselage Station (FS) 218.125 and FS 219.525 for cracks on certain de Havilland DHC-6 series airplanes, and repairing or replacing any cracked part. The Federal Aviation Administration's policy on aging commuter-class aircraft is to eliminate or, in certain instances, reduce the number of certain repetitive short-interval inspections when improved parts or modifications are available. The proposed action would require modifying the fuselage side frames at the referenced FS areas as terminating action for the repetitive inspections that are currently required by AD 78-26-02. The actions specified in the proposed AD are intended to prevent failure of the fuselage because of cracks in the fuselage side frames, which, if not detected and corrected, could result in loss of control of the airplane.

DATES: Comments must be received on or before October 16, 1995.**ADDRESSES:** Submit comments in triplicate to the Federal Aviation Administration (FAA), Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 91-CE-45-AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106. Comments may be inspected at this location between 8 a.m. and 4 p.m., Monday through Friday, holidays excepted.

Service information that applies to the proposed AD may be obtained from de Havilland, Inc., 123 Garratt Boulevard, Downsview, Ontario, Canada, M3K 1Y5. This information also may be examined at the Rules Docket at the address above.

FOR FURTHER INFORMATION CONTACT: Jon Hjelm, Aerospace Engineer, FAA, New York Aircraft Certification Office, 10 Fifth Street, 3rd Floor, Valley Stream, New York 11581; telephone (516) 256-7523; facsimile (516) 568-2716.**SUPPLEMENTARY INFORMATION:****Comments Invited**

Interested persons are invited to participate in the making of the proposed rule by submitting such written data, views, or arguments as they may desire. Communications should identify the Rules Docket number and be submitted in triplicate to the address specified above. All communications received on or before the closing date for comments, specified above, will be considered before taking action on the proposed rule. The proposals contained in this notice may be changed in light of the comments received.

Comments are specifically invited on the overall regulatory, economic, environmental, and energy aspects of the proposed rule. All comments submitted will be available, both before and after the closing date for comments, in the Rules Docket for examination by interested persons. A report that summarizes each FAA- public contact concerned with the substance of this proposal will be filed in the Rules Docket.

Commenters wishing the FAA to acknowledge receipt of their comments submitted in response to this notice must submit a self-addressed, stamped postcard on which the following statement is made: "Comments to Docket No. 91-CE-45-AD." The postcard will be date stamped and returned to the commenter.

Availability of NPRMs

Any person may obtain a copy of this NPRM by submitting a request to the FAA, Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 91-CE-45-AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

Discussion

The FAA has determined that reliance on critical repetitive inspections on aging commuter-class airplanes carries an unnecessary safety risk when a design change exists that could eliminate or, in certain instances, reduce the number of those critical inspections. In determining what inspections are critical, the FAA considers (1) the safety consequences if the known problem is not detected by the inspection; (2) the reliability of the inspection such as the probability of not detecting the known problem; (3) whether the inspection area is difficult to access; and (4) the possibility of damage to an adjacent structure as a result of the problem.

These factors have led the FAA to establish an aging commuter-class aircraft policy that requires incorporating a known design change when it could replace a critical repetitive inspection. With this policy in mind, the FAA conducted a review of existing AD's that apply to de Havilland DHC-6 series airplanes. Assisting the FAA in this review were (1) de Havilland; (2) the Regional Airlines Association (RAA); and (3) several operators of the affected airplanes.

From this review, the FAA has identified AD 78-26-02, Amendment 39-3370, as one that should be superseded with a new AD that would require a modification that could eliminate the need for short-interval and critical repetitive inspections. AD 78-26-02 currently requires repetitively inspecting the fuselage side frame flanges at Fuselage Station (FS) 218.125 and FS 219.525 on certain de Havilland DHC-6 series airplanes, and repairing or replacing any cracked part.

De Havilland Service Bulletin (SB) No. 6/371, dated June 2, 1978, specifies procedures for inspecting, repairing, and modifying (Modification Nos. 6/1461 and 6/1462) the fuselage side frame flanges at FS 218.125 and FS 219.525. Modification No. 6/1461 introduces fuselage side frames manufactured from material having improved stress corrosion properties at FS 218.125, and Modification No. 6/1462 introduces fuselage side frames of this material at FS 219.525.

This airplane model is manufactured in Canada and is type certificated for operation in the United States under the provisions of Section 21.29 of the Federal Aviation Regulations (14 CFR 21.29) and the bilateral airworthiness agreement between the United States and Canada. Pursuant to this bilateral airworthiness agreement, Transport Canada has kept the FAA informed of the situation described above.

Based on its aging commuter-class aircraft policy and after reviewing all available information, the FAA has determined that AD action should be taken to eliminate the repetitive short-interval inspections required by AD 78-26-02, Amendment 39-3370, and to prevent failure of the fuselage because of cracks in the fuselage side frames, which, if not detected and corrected, could result in loss of control of the airplane.

Since an unsafe condition has been identified that is likely to exist or develop in other de Havilland DHC-6 series airplanes of the same type design without Modification Nos. 6/1461 and 6/1462 incorporated, the proposed AD

would supersede AD 78-26-02 with a new AD that would (1) retain the current requirement of repetitively inspecting the fuselage side frame flanges at FS 218.125 and FS 219.525, as applicable, and repairing or replacing any cracked part; and (2) require modifying the fuselage side frame flanges in the referenced FS areas (Modification Nos. 6/1461 and 6/1462) as terminating action for the repetitive inspections. Accomplishment of the proposed actions would be in accordance with de Havilland SB No. 6/371, dated June 2, 1978.

The FAA estimates that 94 airplanes in the U.S. registry would be affected by the proposed AD, that it would take approximately 300 workhours per airplane to accomplish the proposed modification, and that the average labor rate is approximately \$60 an hour. Parts cost approximately \$16,200 (average) per airplane. Based on these figures, the total cost impact of the proposed modification on U.S. operators is estimated to be \$3,214,800 or \$34,200 per airplane. This cost figure is based upon the assumption that none of the affected airplane owners/operators have incorporated Modification Nos. 6/1461 and 6/1462.

The intent of the FAA's aging commuter airplane program is to ensure safe operation of commuter-class airplanes that are in commercial service without adversely impacting private operators. Of the approximately 94 airplanes in the U.S. registry that would be affected by the proposed AD, the FAA has determined that approximately 45 percent are operated in scheduled passenger service. A significant number of the remaining 55 percent are operated in other forms of air transportation such as air cargo and air taxi.

The proposed AD allows 4,800 hours time-in-service (TIS) after the proposed AD would become effective before mandatory accomplishment of the design modification. The average utilization of the fleet for those airplanes in commercial commuter service is approximately 25 to 50 hours TIS per week. Based on these figures, operators of commuter-class airplanes involved in commercial operation would have to accomplish the proposed modification within 24 to 48 calendar months after the proposed AD would become effective. For private owners, who typically operate between 100 to 200 hours TIS per year, this would allow 24 to 48 years before the proposed modification would be mandatory.

The following paragraphs present cost scenarios for airplanes where no cracks were found and where cracks were found during the inspections, and

where the remaining airplane life is 15 years with an average annual utilization rate of 1,600 hours TIS. A copy of the full Cost Analysis and Regulatory Flexibility Determination for the proposed action may be examined at the FAA, Central Region, Office of the Assistant Chief Counsel, Attention: Rules Docket No. 91-CE-45-AD, Room 1558, 601 E. 12th Street, Kansas City, Missouri.

- **No Cracks Scenario:** Under the provisions of AD 78-26-02, an owner/operator of an affected de Havilland DHC-6 series airplane in scheduled service who operates an average of 1,600 hours TIS annually would inspect every 400 hours TIS. This would amount to a remaining airplane life (estimated 15 years) cost of \$18,420; this figure is based on the assumption that no cracks are found during the inspections. The proposed AD would incur the same inspections except at 600-hour TIS intervals until 4,800 hours TIS after the proposed AD would become effective where the operator would have to replace the fuselage side frame flanges (eliminating the need for further repetitive inspections), which would result in a present value cost of \$31,433. The incremental cost of the proposed AD for such an airplane would be \$13,013 or \$4,959 annualized over the three years it would take to accumulate 4,800 hours TIS. An owner of a general aviation airplane who operates 800 hours TIS annually without finding any cracks during the 600-hour TIS inspections would incur a present value incremental cost of \$7,598. This would amount to a per year amount of \$1,594 over the six years it would take to accumulate 4,800 hours TIS.

- **Limited Cracking Found Scenario:** Under the provisions of AD 78-26-02, an owner/operator of an affected de Havilland DHC-6 series airplane who found limited cracking (as defined in SB No. 6/371) during an inspection would have to inspect each 300 hours TIS or 45 days, whichever occurs first, and replace the part within 360 days after finding the cracking. The proposed AD would require inspections every 300 hours TIS, and then require replacement at 4,800 hours TIS after the proposed AD would become effective. This would result in a present value total cost of \$34,908 per airplane in scheduled service, which would make immediate replacement more economical (\$32,400) than repetitively inspecting. With this scenario, the proposed AD would result in an incremental present value cost savings over that required in AD 78-26-02 of \$1,491 per airplane in scheduled service (or \$568 annualized over 3 years) and \$6,517 (\$1,367 annualized

over 6 years) for airplanes operating in general aviation service.

- **Excessive cracking scenario:** AD 78-26-02 requires repairing or replacing the fuselage side frames if excessive cracking is found (as defined by SB No. 6/371), as would the proposed AD. The difference is that AD 78-26-02 requires immediate crack repair and then replacement within 360 days after finding the crack, and the proposed AD would require immediate repair and mandatory replacement of the fuselage side frames within 4,800 hours TIS after the proposed AD would become effective. This would result in a present value total cost of \$34,709 per airplane in scheduled service, which would make immediate replacement more economical (\$32,400) than repetitively inspecting. With this scenario, the proposed AD would average a present value cost savings over that required in AD 78-26-02 of \$2,083 (\$794 annualized over 3 years) for each airplane operated in scheduled service, and \$6,607 (\$1,386 annualized over 6 years) for each airplane operated in general aviation service.

The Regulatory Flexibility Act of 1980 (RFA) was enacted by Congress to ensure that small entities are not unnecessarily or disproportionately burdened by government regulations. The RFA requires government agencies to determine whether rules would have a "significant economic impact on a substantial number of small entities," and, in cases where they would, conduct a Regulatory Flexibility Analysis in which alternatives to the rule are considered. FAA Order 2100.14A, Regulatory Flexibility Criteria and Guidance, outlines FAA procedures and criteria for complying with the RFA. Small entities are defined as small businesses and small not-for-profit organizations that are independently owned and operated or airports operated by small governmental jurisdictions. A "substantial number" is defined as a number that is not less than 11 and that is more than one-third of the small entities subject to a proposed rule, or any number of small entities judged to be substantial by the rulemaking official. A "significant economic impact" is defined by an annualized net compliance cost, adjusted for inflation, which is greater than a threshold cost level for defined entity types. FAA Order 2100.14A sets the size threshold for small entities operating aircraft for hire at 9 aircraft owned and the annualized cost thresholds, adjusted to 1994 dollars, at \$69,000 for scheduled operators and \$5,000 for unscheduled operators.

Of the 94 U.S.-registered airplanes affected by the proposed AD, 4 airplanes are owned by the federal government. Of the other 90, one business owns 26 airplanes, two businesses own 7 airplanes each, one business owns 3 airplanes, seven businesses own 2 airplanes each, and thirty-three businesses own 1 airplane each.

Because the FAA has no readily available means of obtaining data on sizes of these entities, the economic analysis for the proposed AD utilizes the worst case scenario using the lower annualized cost threshold of \$5,000 for operators in unscheduled service instead of \$69,000 for operators in scheduled service. With this in mind and based on the above ownership distribution, the 33 entities owning two or fewer airplanes would not experience a "significant economic impact" as defined by FAA Order 2100.14A. Since the remaining 11 entities do not constitute a "substantial number" as defined in the Order, the proposed AD would not have a "significant economic impact on a substantial number of small entities."

The regulations proposed herein would 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 proposal would 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) if promulgated, 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 copy of the draft regulatory evaluation prepared for this action has been placed in the Rules Docket. A copy of it may be obtained by contacting the Rules Docket at the location provided under the caption ADDRESSES.

List of Subjects in 14 CFR Part 39

Air transportation, Aircraft, Aviation safety, Safety.

The Proposed Amendment

Accordingly, pursuant to the authority delegated to me by the Administrator, the Federal Aviation Administration proposes to amend 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. 106(g), 40101, 40113, 44701.

§ 39.13 [Amended]

2. Section 39.13 is amended by removing AD 78-26-02, Amendment 39-3370, and adding the following new AD to read as follows:

De Havilland: Docket No. 91-CE-45-AD. Supersedes AD 78-26-02, Amendment 39-3370.

Applicability: Models DHC-6-1, DHC-6-100, DHC-6-200, and DHC-6-300 airplanes (serial numbers 1 through 411), certificated in any category, that do not have Modification Nos. 6/1461 and 6/1462 incorporated.

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 (e) of this AD 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 already accomplished.

To prevent failure of the fuselage because of cracks in the fuselage side frames, which, if not detected and corrected, could result in loss of control of the airplane, accomplish the following:

(a) Within the next 200 hours time-in-service (TIS) after the effective date of this AD, unless already accomplished (compliance with AD 78-26-02), and thereafter as indicated below, inspect the fuselage side frames for cracks at Fuselage Station (FS) 218.125 and FS 219.525, as applicable (see chart below) in accordance with the Accomplishment Instructions section of de Havilland Service Bulletin (SB) No. 6/371, dated June 2, 1978. Utilize the following chart to determine which fuselage stations are affected:

Serial Nos.	Modification 6/1553 incorporated	Fuselage stations affected (both sides)
1 through 395	No	218.125 and 219.525.
1 through 395	Yes	219.525 only.
396 through 411 .	N/A	219.525 only.

Note 2: Modification 6/1553 incorporates fuselage side frames of improved stress corrosion resistant material at FS 218.125.

(1) If cracks are found that exceed the limits specified in Figure 3 of de Havilland SB No. 6/371, prior to further flight, accomplish one of the following:

(i) Repair the cracks in accordance with the Accomplishment Instructions: *Repair*: section of de Havilland SB No. 6/371, dated June 2, 1978. Reinspect thereafter at intervals not to exceed 600 hours TIS until the modification specified in paragraph (b) of this AD is incorporated; or

(ii) Replace the cracked fuselage side frame in accordance with the Accomplishment Instructions: *Replacement*: section of de Havilland SB No. 6/371, dated June 2, 1978. Reinspect any fuselage side frame not replaced at intervals not to exceed 600 hours TIS until the modification specified in paragraph (b) of this AD is incorporated.

(2) If cracks are found that are within the limits specified in Figure 3 of de Havilland SB No. 6/371, reinspect at intervals not to exceed 300 hours TIS until the modification specified in paragraph (b) of this AD is incorporated.

(3) If no cracks are found, reinspect thereafter at intervals not to exceed 600 hours TIS until the modification specified in paragraph (b) of this AD is incorporated.

(b) Within the next 4,800 TIS after the effective date of this AD, incorporate Modification Nos. 6/1461 and 6/1462 in accordance with the Accomplishment Instructions: *Replacement*: section of de Havilland SB No. 6/371, dated June 2, 1978. This consists of replacing all fuselage side frames required as specified in the following chart:

Serial Nos.	Modification 6/1553 incorporated	Fuselage stations affected (both sides)
1 through 395	No	218.125 and 219.525.
1 through 395	Yes	219.525 only.
396 through 411 .	N/A	219.525 only.

(c) Incorporating Modification Nos. 6/1461 and 6/1462 as specified in paragraph (b) of this AD is considered terminating action for the inspection requirement of this AD.

(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) An alternative method of compliance or adjustment of the initial or repetitive compliance times that provides an equivalent level of safety may be approved by the Manager, New York Aircraft Certification Office (ACO), FAA, 10 Fifth Street, 3rd Floor, Valley Stream, New York 11581. The request shall be forwarded through an appropriate FAA Maintenance Inspector, who may add comments and then send it to the Manager, New York Aircraft ACO.

Note 3: Information concerning the existence of approved alternative methods of compliance with this AD, if any, may be obtained from the New York ACO.

(f) All persons affected by this directive may obtain copies of the document referred to herein upon request to de Havilland, Inc., 123 Garratt Boulevard, Downsview, Ontario M3K 1Y5 Canada; or may examine this document at the FAA, Central Region, Office of the Assistant Chief Counsel, Room 1558, 601 E. 12th Street, Kansas City, Missouri 64106.

(g) This amendment supersedes AD 78-26-02, Amendment 39-3370.

Issued in Kansas City, Missouri, on August 7, 1995.

Gerald W. Pierce,

Acting Manager, Small Airplane Directorate, Aircraft Certification Service.

[FR Doc. 95-19917 Filed 8-10-95; 8:45 am]

BILLING CODE 4910-13-U

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Part 2615

RIN 1212-AA77

Reportable Events

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Notice of intent to form a negotiated rulemaking advisory committee.

SUMMARY: The Pension Benefit Guaranty Corporation intends to form a negotiated rulemaking advisory committee under the Negotiated Rulemaking Act of 1990. The committee will develop proposed amendments to the PBGC's regulations governing reportable events, *i.e.*, events that may be indicative of a need to terminate a pension plan. These amendments will, among other things, implement recent amendments contained in the Retirement Protection Act of 1994.

DATES: Comments and applications or nominations for membership must be received on or before September 15, 1995.

ADDRESSES: Comments and nominations or applications for membership may be

mailed to the Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005-4026, or delivered to Suite 340 at the above address. Comments, nominations, and applications will be available for public inspection at the PBGC's Communications and Public Affairs Department, Suite 240.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Assistant General Counsel, or James L. Beller, Attorney, Office of the General Counsel, PBGC, 1200 K Street, NW., Washington, DC 20005-4026, 202-326-4024 (202-326-4179 for TTY and TDD).

SUPPLEMENTARY INFORMATION:

Background

Section 4043 of the Employee Retirement Income Security Act of 1974, as amended by the Retirement Protection Act of 1994, requires the reporting to the PBGC of certain events ("reportable events") that may be indicative of a need to terminate the plan. The PBGC's existing regulations on reportable events (29 CFR part 2615, subpart A) specify the events that must be reported, the circumstances under which reporting is waived, and the information that must be included in a reportable event filing.

RPA amended section 4043 of ERISA by (1) establishing the reporting obligation, which was previously placed solely on plan administrators, on contributing sponsors as well; (2) adding four new reportable events; (3) establishing a new obligation on contributing sponsors of certain underfunded plans to provide 30 days' advance notice of certain reportable events; and (4) protecting reportable event filings from public disclosure.

The PBGC intends to publish a proposed rule that would amend its existing regulations on reportable events to reflect RPA and to make other appropriate changes. Two major issues the PBGC intends to address in these regulations are: (1) The conditions under which the regulations should provide for waivers of reporting requirements (based on, *e.g.*, the size or funding status of the plan); and (2) the information the regulations should require as part of the reportable event filing (including, *e.g.*, plan actuarial and employer financial information). Other issues may be addressed as well.

The PBGC intends to use the negotiated rulemaking procedure in accordance with the Negotiated Rulemaking Act of 1990. The PBGC will form an advisory committee consisting of representatives of the affected

interests and the agency for the purpose of reaching a consensus on the text of a proposed rule.

A number of interests (including employers, service providers, and participants) are likely to be significantly affected by new regulations on reportable events. The effect of the regulations is likely to vary, depending primarily on the size and funding status of the plan and the size, corporate structure, and financial condition of the employer.

Regulatory Negotiation

Negotiated rulemaking is a consensus-based approach to the development of agency rules, in which representatives of affected interests work together to reach consensus on the content of a proposed rule. The PBGC believes that these proposed regulations are appropriate for regulatory negotiation because of the various interests likely to be significantly affected and the complexity of the subject matter.

Formation of the committee is in the public interest in connection with developing rules concerning reportable events. The PBGC hopes to be able to use the consensus of the committee as the basis for the proposed rule.

The PBGC invites comments on the appropriateness of regulatory negotiation for these proposed regulations.

Committee Membership

The PBGC tentatively has identified the following interests and list of possible committee members:

Employer Representatives:

Association of Private Pension and Welfare Plans

Chamber of Commerce of the United States of America

The ERISA Industry Committee
Financial Executives Institute

Service Provider Representatives:

American Academy of Actuaries

American Bar Association

American Institute of Certified Public Accountants

American Society of Pension Actuaries

Participant Representatives:

Air Line Pilots Association

American Association of Retired Persons

American Federation of Labor-

Council of Industrial Organizations
International Union, United

Automobile, Aerospace &

Implement Workers of America

United Steelworkers of America

Pension Benefit Guaranty Corporation:

Ellen A. Hennessy, Deputy Executive

Director and Chief Negotiator

William Posner, Deputy Executive