

Federal Register

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THE FEDERAL REGISTER

WHAT IT IS AND HOW TO USE IT

- FOR:** Any person who uses the Federal Register and Code of Federal Regulations.
- WHO:** Sponsored by the Office of the Federal Register.
- WHAT:** Free public briefings (approximately 3 hours) to present:
1. The regulatory process, with a focus on the Federal Register system and the public's role in the development of regulations.
 2. The relationship between the Federal Register and Code of Federal Regulations.
 3. The important elements of typical Federal Register documents.
 4. An introduction to the finding aids of the FR/CFR system.
- WHY:** To provide the public with access to information necessary to research Federal agency regulations which directly affect them. There will be no discussion of specific agency regulations.

WASHINGTON, DC

[Two Sessions]

- WHEN:** January 23, 1996 at 9:00 am and February 6, 1996 at 9:00 am
- WHERE:** Office of the Federal Register Conference Room, 800 North Capitol Street, NW., Washington, DC (3 blocks north of Union Station Metro)
- RESERVATIONS:** 202-523-4538



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New Feature in the Reader Aids!

Beginning with the issue of December 4, 1995, a new listing will appear each day in the Reader Aids section of the Federal Register called "Reminders". The Reminders will have two sections: "Rules Going Into Effect Today" and "Comments Due Next Week". Rules Going Into Effect Today will remind readers about Rules documents published in the past which go into effect "today". Comments Due Next Week will remind readers about impending closing dates for comments on Proposed Rules documents published in past issues. Only those documents published in the Rules and Proposed Rules sections of the Federal Register will be eligible for inclusion in the Reminders.

The Reminders feature is intended as a reader aid only. Neither inclusion nor exclusion in the listing has any legal significance.

The Office of the Federal Register has been compiling data for the Reminders since the issue of November 1, 1995. No documents published prior to November 1, 1995 will be listed in Reminders.

Electronic Bulletin Board

Free Electronic Bulletin Board service for Public Law numbers, Federal Register finding aids, and a list of documents on public inspection is available on 202-275-1538 or 275-0920.

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

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Rules and Regulations

Federal Register

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Tuesday, January 16, 1996

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.

The Code of Federal Regulations is sold by the Superintendent of Documents. Prices of new books are listed in the first FEDERAL REGISTER issue of each week.

DEPARTMENT OF AGRICULTURE

Rural Housing and Community Development Service, Rural Business and Cooperative Development Service, Rural Utilities Service, and Farm Service Agency

7 CFR Chapter XVIII

RIN 0560-AE52

Agency Name Change

AGENCY: Farm Service Agency, Department of Agriculture.

ACTION: Final rule.

SUMMARY: This document amends the regulations to change the name of the Consolidated Farm Service Agency to the Farm Service Agency as a result of the Department of Agriculture reorganization.

EFFECTIVE DATE: January 16, 1996.

FOR FURTHER INFORMATION CONTACT: Thomas J. Witzig, Farm Service Agency, P.O. Box 2415, room 0339-S, Washington, D.C. 20013, telephone 202-205-5851.

SUPPLEMENTARY INFORMATION:

Background

The Secretary of Agriculture announced that the agency previously referred to as the Consolidated Farm Service Agency (CFSA) is to be named the Farm Service Agency (FSA). On November 8, 1995, USDA published in the Federal Register (60 FR 56392) a final rule that contained redelegations of authority for the Department of Agriculture and changed the name of CFSA to FSA. This rule includes amendments to 7 CFR chapter XVIII that are necessary to bring agency regulations into alignment with the departmental reorganization.

Accordingly, 7 CFR Chapter XVIII is amended as follows:

1. The heading of 7 CFR chapter XVIII is revised to read as follows:

CHAPTER XVIII—RURAL HOUSING AND COMMUNITY DEVELOPMENT SERVICE, RURAL BUSINESS AND COOPERATIVE DEVELOPMENT SERVICE, RURAL UTILITIES SERVICE, AND FARM SERVICE AGENCY, DEPARTMENT OF AGRICULTURE

2. In 7 CFR chapter XVIII, all references to "Consolidated Farm Service Agency" are revised to read "Farm Service Agency", and all references to "CFSA" are revised to read "FSA".

Signed at Washington, D.C. on December 26, 1995.

Eugene Moos,

Under Secretary for Farm and Foreign Agricultural Services.

[FR Doc. 96-327 Filed 1-11-96; 2:00 pm]

BILLING CODE 3410-05-P

NUCLEAR REGULATORY COMMISSION

10 CFR Parts 30, 40, and 70

RIN 3150-AF38

One-Time Extension of Certain Byproduct, Source, and Special Nuclear Materials Licenses

AGENCY: Nuclear Regulatory Commission.

ACTION: Final rule.

SUMMARY: The Nuclear Regulatory Commission (NRC) is amending its regulations to implement, on a one-time basis, a five-year extension of certain byproduct, source, and special nuclear materials licenses. The provisions of the licenses under extension provide the same authorizations and limits on licensee activities as they do now. The final rule specifies the licenses that are not extended.

EFFECTIVE DATE: February 15, 1996.

FOR FURTHER INFORMATION CONTACT: John M. Pelchat, NRC, Region II, 101 Marietta Street, N.W., Suite 2900, Atlanta, GA 30323, telephone (404) 331-5083; or C. W. Nilsen, Office of Nuclear Regulatory Research, NRC, Washington, DC 20555, telephone (301) 415-6209.

SUPPLEMENTARY INFORMATION:

Background

The NRC has completed the preliminary phases of an effort to

redesign the process for licensing medical, academic, and industrial users of byproduct materials as well as some small scope users of source and special nuclear materials. To make resources available to expedite the development, design, and testing of the new materials licensing process, the Commission is extending certain specific materials licenses ("licenses") by five years from the current expiration dates of those licenses. Resources that would have otherwise been used to renew these licenses will be devoted to the redesign project. The extension will be a one-time occurrence. The Commission does not envision that any similar extensions will be granted in the future.

The extension granted by this rulemaking does not apply to the licenses for power and non-power reactors, uranium milling and processing facilities, or fuel production facilities. The extended licenses are not considered to be the equivalent of a renewed license because they provide the same authorizations and limits on licensee activities as are currently applicable to each licensee. Accordingly, the extended licenses will not be based on nor reference pending renewal applications, including requests, if any, in those renewal applications, for NRC approval of changes in current operations. The frequency of licensee inspections will not change as a result of this final rule.

The Commission concludes that it may take this action because no legislative mandate requires that materials licenses have a five-year term. Many years ago, materials licenses were issued for two-year periods. As the uses of radioactive materials became more stable and predictable, the typical duration of licenses was changed to five years. The Commission has concluded that certain specific materials licenses may be extended once by rule for an additional five years beyond their stated expiration date without the normal renewal review and without adverse effect on public health and safety. The Commission's conclusion is based upon three factors. First, certain specific licenses for which the Commission believes that a renewal review should not be delayed five years will not be affected by this rule. Licenses that may present, in the Commission's view, a greater potential risk from a health and safety standpoint will not be generically

extended by this rulemaking. Second, the extended licenses will not change the authorized activities nor regulatory requirements. Third, the NRC will continue its normal inspection program of licensed activities, including inspections of those licenses that will be extended by this final rule. Significant inspection findings will be resolved through the issuance of Notices of Violations that require written responses describing corrective actions, Confirmatory Action Letters (CALs), or Orders that would modify, suspend, or revoke the license and that would impose civil penalties, as appropriate. Accordingly, the Commission has concluded that there would be reasonable assurance of public health and safety under this rule.

Summary of Requirements and Analysis of Public Comments

The NRC is amending Parts 30, 40, and 70 of its regulations to extend, on a one-time basis, certain byproduct, source, and special nuclear materials licenses. These regulations specify the licenses that are not extended by this rulemaking. The NRC received 28 letters of public comment: twenty-one from licensees; one from an Agreement State; none from non-Agreement States; two from consulting firms; two from private citizens; and two from trade associations. Eighteen commenters supported the proposed rule and one was opposed. Eight commenters supported the rulemaking to varying degrees, but offered suggestions for modification of the rules. One comment addressed issues to be considered by the NRC should the rulemaking be implemented, without stating support or opposition for the proposed rule.

Commenters supporting the proposed rule cited the cost savings to taxpayers, affected licensees, and the general public. Some of these commenters also supported the redesign effort of the materials licensing process.

One commenter supported the proposed rule and suggested that the rulemaking be amended to include the Quality Assurance program requirements in 10 CFR Part 71. The suggested amendment is outside of the scope of the proposed rulemaking.

Another commenter supported the proposed rule but noted there was no mention of specific cost reductions to the licensee as a result of this extension and stated that this point should be addressed. The NRC recognizes that, on a one-time basis, many licensees will save the renewal fee required by 10 CFR 170.31 as well as the costs associated with the preparation of the renewal application. The NRC staff did not

attempt to quantify these costs, recognizing the significant variability among licensees as to the effort required to prepare license renewal applications. In addition, the NRC staff believes these savings will be offset to some extent by the need for those licensees to prepare and submit license amendment requests (and associated fees) to request necessary changes in their programs that may have been included in the license renewal application.

Another commenter supported the proposed rulemaking but also suggested that the NRC reevaluate its fee structure. The fees structure and questions relating to the assessment of fees are outside the scope of this rulemaking.

Another commenter expressed general support for the effort to redesign the licensing process and stated that the renewal process was redundant, and served no useful purpose that could not otherwise be achieved more effectively through the license amendment and inspection processes. The commenter urged the NRC to reconsider the proposed rule and remove the license renewal process from the regulations. The issue of deleting the license renewal process from the regulations is beyond the scope of this rulemaking. However, this comment will be considered as part of the Office of Nuclear Material Safety and Safeguards' (NMSS') initiative to review the appropriate duration of the licenses and the certificates that it issues. In addition, for uranium recovery facilities, the Commission staff is currently analyzing the possibility of extending the duration of licenses for that class of licensees. Once the staff has completed its analysis and consulted with the Commission, the NRC will determine what, if any action it will take in extending the duration of uranium recovery facility licenses. This final rule extends certain materials licenses on a one-time basis and NMSS' consideration of the appropriate duration of materials licenses is a separate issue being considered by the NRC.

A commenter who objected to the proposed rulemaking stated that the renewal process is valuable because it forces licensees to examine their programs and bring records up to date. The commenter also noted that the proposed rulemaking was indicative of the NRC's " * * * arrogant, deficient attitude toward safety." In response to the comment, the NRC staff notes that 10 CFR 20.1101 requires all specific licensees to develop, document, and implement a radiation protection program commensurate with the scope and extent of licensed activities. The regulation further requires that licensees

periodically (at least annually) review the content and the implementation of the radiation protection program. The Commission believes that this requirement, the criteria set out in this rulemaking, and the NRC's ongoing inspection program are sufficient to ensure that licensees develop and implement radiation programs and periodically review them to assess the program's effectiveness. It must also be recognized that the NRC is not eliminating the need to file for a renewal but is only changing the time frame for renewal of licenses affected by this rulemaking.

An Agreement State submitted a comment concerning provisions that the NRC should have available to ensure that persons could determine that a specific license was extended as a result of this rulemaking. The NRC staff is developing procedures to implement this rule, including providing prompt notification to licensees whose licenses have been extended by the final rule.

The Commission also sought public comments on the issue of license duration. Ten of the persons who commented on the one-time extension also provided specific comments regarding the appropriate duration of material licenses. Several commenters suggested that a license term of ten years would be appropriate. One commenter specifically suggested that medical licenses be issued for seven years. Three commenters suggested licenses have a term of twenty years. Another commenter suggested that a license be initially issued for two to four years, to allow a new licensee to demonstrate its stability. The terms of subsequent license renewals could then be extended for up to twenty years. The NRC will consider these comments in the development of its policy concerning the duration of material licenses.

Other comments addressed specific components of the proposed rule. Those comments and their resolutions are discussed below and, to the extent possible, are arranged under the identified section of the rule to which they are related. For the purpose of clarity, the common elements of the comment discussion will be grouped by the nature of the requirements, because the new regulatory requirements in 10 CFR Parts 30, 40, and 70 closely parallel each other.

Description of Rulemaking and Analysis of Specific Public Comments

The final rule was based on and mainly derived from the current provisions in 10 CFR Parts 30, 40, and 70. Parts 30, 40, and 70 contain the

general requirements used by the Commission to license the possession and use of byproduct, source, and special nuclear materials. Specific sections being added or amended by this final rulemaking include the following:

10 CFR 30.36(a)(2), 40.42(a)(2), and 70.38(a)(2)

These paragraphs state that each specific license that has an expiration date after July 1, 1995, has an expiration date that is 5 years after the expiration date stated in the current license, unless it is specifically excluded by the final amendments contained in this rule. This extends all licenses, that are not otherwise disqualified by the regulations, by five years without the requirement for the licensee to prepare and submit a license renewal application 30 days before the expiration date in the current license. Licensees holding licenses that are extended by this rule would not be required to take any action to renew the license until 30 days before the end of the extension which will end five years after the date currently specified on the license.

Licensees who hold licenses that are not extended by this rule will continue to be required to either file for license renewal 30 days before the expiration date currently specified in the license or comply with the applicable license termination requirements specified in 10 CFR 30.36, 40.42, and 70.38.

No specific comments were received on these paragraphs.

Paragraphs 30.36(a)(3)(i), 40.42(a)(3)(j), and 70.38(a)(3)(i)

These paragraphs delineate the specific licenses that are not extended by the final rule because an evaluation or an emergency plan is required in accordance with 10 CFR 30.32(i), 40.31(j), or 70.22(i), respectively. This excludes those licenses that require an evaluation or an emergency plan, because these licenses authorize activities involving large quantities of unsealed licensed materials that the Commission believes may pose a significant potential for release of radioactive materials that may result in potential exposure to the public and contamination of the environment. Therefore, the Commission believes that it would be prudent to review these licenses individually during the renewal process before making a determination to extend these licenses.

One commenter took exception to the NRC's statements, in the proposed rule, which it believed implied that its member organizations, many of whom

are ineligible for the one-time extension based on the size and the scope of their licensed programs and the regulatory requirement for an emergency plan, pose relatively greater safety risks. The commenter indicated that it did not believe these licensees have a significant potential for release of licensed material and public exposure. The commenter further noted that there have been no incidents where members of the public received significant exposures from licensed materials, that the licensees' controls were sufficient to contain licensed materials, and that maximum credible release scenarios showed insignificant offsite impacts.

In developing its criteria to disqualify certain material licenses from the extension, the NRC staff considered its licensees' operations on a scale of *relative* hazard. The NRC used previously-established criteria (i.e., the need to have emergency plans, the need to have adequate financial assurance to fund decommissioning, etc.) to determine which licensed operations were *relatively* more hazardous, thus deserving closer NRC oversight. The NRC believes that licenses authorizing possession and use of large quantities of unsealed high-activity radionuclides pose a greater potential for hazard than do licenses authorizing use of sealed sources with engineered safety features or licenses authorizing smaller quantities of lower activity radionuclides. The NRC did not state or suggest that this group of licensees has released licensed materials, exposed the public, or contaminated the environment. The NRC only indicated that the scope of activities carried out by this group of licensees, using previously established standards, has the *potential* for such releases and, accordingly, should not be generically extended by this rule. The NRC believes that a licensee possessing sufficient quantities of licensed materials to be subject to the requirements of 10 CFR 30.32(i), 40.31(j), or 70.22(i) should file renewal applications so the NRC staff can review the licensee's overall operations before granting an extended license term.

Another commenter objected to the disqualification for an extension based on need for an evaluation or an emergency plan as required in 10 CFR 30.32(i), 40.31(j), or 70.22(i). The commenter suggested that the disqualifier for extension based on the need for contingency planning be structured similarly to the disqualifier based on the need for financial assurance. In other words, amend the rule to not extend any license whose holder is required to provide an evaluation or an emergency plan ". . .

and who has not submitted such a plan." The commenter indicated that the NRC acceptance of the required evaluation or emergency plan should be sufficient to allow a license to be eligible for extension. The commenter alternatively suggested that its particular situation be evaluated on a case-by-case basis.

The NRC has concluded that licensees required to submit either an evaluation or an emergency plan are authorized to possess and use sufficient quantities of licensed materials to warrant closer NRC oversight to ensure that conditions related to the evaluation have not changed or that the emergency plan continues to be appropriate and adequate with regard to the scope of the licensee's activities. The NRC believes that holders of this type of license should continue to submit this type of information in renewal applications and that these licenses should not be subject to the one-time license extension. The one-time extension of licenses is being pursued through rulemaking, rather than on a case-by-case basis, so as to free the maximum amount of NRC resources to revise the current materials licensing process. The NRC is in the process of reviewing the appropriate duration for materials licensees. After completing the case-by-case review that will take place during the renewal process for those licenses not extended by this rulemaking, the NRC may decide to grant license renewals for periods exceeding the five-year duration typical under current practice depending on the results of the ongoing review of license duration.

Paragraphs 30.36(a)(3)(ii), 40.42(a)(3)(ii), and 70.38(a)(3)(ii)

These paragraphs delineate the specific licenses that are not extended under the final rule because the licenses are subject to the financial assurance requirements specified in 10 CFR 30.35, 40.36, or 70.25; and either: (a) have not submitted a decommissioning funding plan or certification of financial assurance for decommissioning; or (b) have not received written notice as of February 15, 1996 that the decommissioning funding plan or certification of financial assurance for decommissioning is acceptable. These licenses authorize possession of quantities and forms of licensed materials that the Commission believes pose a potential need for extensive decontamination before termination of the license and release of decommissioned facilities. Therefore, the Commission believes that renewals of these licenses should continue to be reviewed under existing procedures to

ensure that appropriate resources are available to support decommissioning activity.

No specific comments were received on these paragraphs.

Paragraphs 30.36(a)(3)(iii), 40.42(a)(3)(iii), and 70.38(a)(3)(iii)

These paragraphs delineate the specific licenses that are not extended under the final rule because the licenses are listed in the Site Decommissioning Management Plan (SDMP). Generally, licenses on the SDMP list are no longer actively using licensed materials. The Commission believes that it is necessary in the interest of public health and safety to review the licensee's procedures to ensure proper evaluation of site remediation activities at facilities where the licensee's radiation safety program may be inactive or scaled back.

No specific comments were received on these paragraphs.

Paragraphs 30.36(a)(3)(iv), 40.42(a)(3)(iv), and 70.38(a)(3)(iv)

These paragraphs delineate the specific licenses that are not extended because the issuance, amendment, or renewal of this type of license is not a categorical exclusion under 10 CFR 51.22(c)(14). This excludes licenses that include activities requiring the preparation of an environmental assessment or environmental impact statement, before the Commission's specific authorization of that activity, from the five-year extension. Generally, these licenses authorize the release of licensed materials to the environment under highly controlled conditions in conjunction with scientific research activities. The Commission has concluded that it is important to continue reviewing licenses that may have a greater potential for adversely impacting the environment before making decisions on to whether to grant these licensees' licenses with longer durations.

No specific comments were received on these paragraphs.

Paragraphs 30.36(a)(3)(v), 40.42(a)(3)(v), and 70.38(a)(3)(v)

These paragraphs delineate the specific licenses that are not extended under the final rule because the holders of these specific licenses have not had a prior NRC inspection as of February 15, 1996. This ensures that the Commission has verified the effectiveness of the licensees' radiation safety programs by onsite inspections of the licensees' equipment and procedures used to safely possess and use licensed materials, as a precondition to allowing five-year extensions of

licenses, under these amendments to the regulations.

No specific comments were received on these paragraphs.

Paragraphs 30.36(a)(3)(vi), 40.42(a)(3)(vi), and 70.38(a)(3)(vi)

These paragraphs delineate the specific licenses that are not extended under the final rule if, as the result of the most recent inspections, the holders of these specific licenses have been:

(a) Cited for a Severity Level I, II, or III violation;

(b) Subject to an Order issued by the NRC; or

(c) Subject to a Confirmatory Action Letter (CAL) issued by the NRC.

This excludes licenses from the five-year extensions, after the NRC has identified significant safety concerns or other regulatory issues. Typically, these licensees are reinspected within six months, to verify that effective corrective actions have been taken and to ensure that the licensees' facilities, equipment, and procedures have been adequately modified to prevent a recurrence of the identified violations. The Commission expects its licensees to operate in strict compliance with its regulatory requirements. Therefore, the Commission believes that it is prudent to review license renewal applications of licensees with recent safety-significant findings so that the NRC can verify that the licensees have adequate personnel, facilities, and procedures to enable them to operate at the expected level of compliance.

A commenter objected to use of the issuance of a CAL as a disqualifier from the one-time license extension. The NRC chose to disqualify from the one-time extension those licenses that have exhibited significantly declining or poor performance with regard to compliance with the NRC regulations as documented at the time of the most recent NRC inspection. One such indicator of significantly declining or poor performance is the issuance of a CAL. NRC recognizes that licensees receiving a CAL usually take the necessary corrective actions. The NRC expects that licensees will take timely and effective corrective actions. CALs specifically state that the failure to do so may result in the NRC's issuance of an order modifying, suspending, or revoking the subject license. The NRC does not believe that it should extend these licenses without having first verified, by direct observation as well as other evaluations, during follow-up inspections, that the licensees' corrective actions were, in fact, effective.

Another commenter noted that a modest improvement in program safety can be expected as a result of this rulemaking because the rule bestows a tangible, public, and previously unexpected reward on those licensees that have maintained programs free of significant violations.

Paragraphs 30.36(a)(3)(vii), 40.42(a)(3)(vii), and 70.38(a)(3)(vii)

These paragraphs delineate the specific licenses that are not extended under the final rule because the Commission intends to continue to review the submissions of these licensees who have already submitted applications and paid fees for timely license renewal. Renewal requests will be granted after the NRC completes its review of those applications and determines that the applications satisfy NRC requirements. The July 1, 1995, expiration date was chosen based on resource considerations. The NRC staff has begun the review of many applications for renewal of licenses with expiration dates before July 1, 1995, and believes that it is not appropriate to waste the resources already expended in that effort. However, the NRC has not begun the review of most of the applications for renewal of licenses with expiration dates after July 1, 1995, and resources will be conserved by extending those licenses.

No specific comments were received on these paragraphs.

Paragraph 70.38(a)(3)(viii)

This paragraph delineates the specific licenses that are not extended under the final rule because the licenses authorize possession of sufficient quantities of special nuclear material to be subject to the criticality accident requirements of 10 CFR 70.24. This excludes those licenses from the five-year extension because the Commission believes that it is prudent to continue reviewing the licensees' existing programs before granting licenses for longer durations to ensure the adequacy of the licensees' criticality safety procedures.

No specific comments were received on this paragraph.

Paragraphs 30.37(b), 40.43(b), and 70.33(b)

These paragraphs specify that any pending license renewal applications for specific licenses that are extended under the final rule are automatically withdrawn. Any paid license renewal fees for withdrawn applications will be refunded.

Two comments generally supportive of the rule expressed concern about licensees who had already prepared

license renewal applications for submission to the NRC. One commenter suggested that licensees whose licenses expired after July 1, 1995, and who have prepared complete renewal applications without reference to previously submitted documents should have the option of: (1) Having their new renewal application reviewed and the license renewed; or (2) having the existing license extended. The other commenter had prepared complete license renewal applications, for its clients, that included descriptions of the radiation safety programs updated to reflect the revisions to 10 CFR part 20 that became effective January 1, 1994. The commenter suggested that these applications be reviewed and the licenses renewed, rather than extended.

The NRC believes that as many eligible licenses as possible should be extended, to achieve the maximum resource savings possible for use in redesigning the materials licensing process. However, the NRC also recognizes that some licensees may want the NRC to review part or all of their license renewal applications. Licensees whose license renewal applications are automatically withdrawn by this rulemaking but whose renewal applications contain revisions that they need to have incorporated in their licenses, should submit those changes as an amendment request accompanied by the appropriate amendment fees.

Environmental Impact: Categorical Exclusion

The NRC has determined that these regulations are the type of actions described in the categorical exclusion in 10 CFR 51.22(c)(3). Therefore, neither an environmental impact statement nor an environmental assessment has been prepared for this regulation.

Paperwork Reduction Act

This final rule does not contain a new or amended information collection requirement subject to the Paperwork Reduction Act of 1995 (44 U.S.C. 3501, et seq.). Existing requirements were approved by the Office of Management and Budget (OMB) approval number 3150-0009 (Part 70) and 3150-0120 (Parts 30 and 40). The NRC may not conduct nor sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Regulatory Analysis

A regulatory analysis has not been prepared for this rule because it is not expected to have any adverse impact on licensees subject to the final rule. These

licensees will be postponing the submission of license renewal applications and the associated fees for five years.

Regulatory Flexibility Analysis

As required by the Regulatory Flexibility Act of 1980, 5 U.S.C. 605(b), the Commission certifies that these rules will not have a significant economic impact on a substantial number of small entities. These rules merely extend, on a one-time basis, certain existing byproduct, source, and special nuclear materials licenses that meet specified criteria by five years and therefore, will not result in any adverse impact.

Backfit Analysis

The NRC has determined that the backfit rule, 10 CFR 50.109, does not apply to this final rule and, therefore, that a backfit analysis is not required for this rulemaking because these amendments do not involve any provisions that would impose backfits as defined in 10 CFR 50.109(a)(1).

List of Subjects

10 CFR Part 30

Byproduct material, Criminal penalties, Government contracts, Intergovernmental relations, Isotopes, Nuclear materials, Radiation protection, Reporting and recordkeeping requirements.

10 CFR Part 40

Criminal penalties, Government contracts, Hazardous materials transportation, Nuclear materials, Reporting and recordkeeping requirements, Source material, Uranium.

10 CFR Part 70

Criminal penalties, Hazardous materials transportation, Material control and accounting, Nuclear materials, Packaging and containers, Radiation protection, Reporting and recordkeeping requirements, Scientific equipment, Security measures, Special nuclear material.

For the reasons set out in the preamble and under the authority of the Atomic Energy Act of 1954, as amended; the Energy Reorganization Act of 1974, as amended; and 5 U.S.C. 552 and 553; the Nuclear Regulatory Commission is adopting the following amendments to 10 CFR Parts 30, 40, and 70.

PART 30—RULES OF GENERAL APPLICABILITY TO DOMESTIC LICENSING OF BYPRODUCT MATERIAL

1. The authority citation for 10 CFR Part 30 continues to read as follows:

Authority: Secs. 81, 82, 161, 182, 183, 186, 68 Stat. 935, 948, 953, 954, 955, as amended, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2111, 2112, 2201, 2232, 2233, 2236, 2282); secs. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846).

Section 30.7 also issued under Pub. L. 95-601, sec. 10, 92 Stat. 2951 as amended by Pub. L. 102-486, sec. 2902, 106 Stat. 3123 (42 U.S.C. 5851). Section 30.34(b) also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Section 30.61 also issued under sec. 187, 68 Stat. 955 (42 U.S.C. 2237).

2. In 10 CFR 30.36, paragraph (a) is revised to read as follows:

§ 30.36 Expiration and termination of licenses and decommissioning of sites and separate buildings or outdoor areas.

(a)(1) Except as provided in paragraph (a)(2) of this section, each specific license expires at the end of the day on the expiration date stated in the license unless the licensee has filed an application for renewal under § 30.37 not less than 30 days before the expiration date stated in the existing license (or, for those licenses subject to paragraph (a)(2) of this section, 30 days before the deemed expiration date in that paragraph). If an application for renewal has been filed at least 30 days before the expiration date stated in the existing license (or, for those licenses subject to paragraph (a)(2) of this section, 30 days before the deemed expiration date in that paragraph), the existing license expires at the end of the day on which the Commission makes a final determination to deny the renewal application or, if the determination states an expiration date, the expiration date stated in the determination.

(2) Each specific license that has an expiration date after July 1, 1995, and is not one of the licenses described in paragraph (a)(3) of this section, shall be deemed to have an expiration date that is five years after the expiration date stated in the current license.

(3) The following specific licenses are not subject to, or otherwise affected by, the provisions of paragraph (a)(2) of this section:

(i) Specific licenses for which, on February 15, 1996, an evaluation or an emergency plan is required in accordance with § 30.32(i);

(ii) Specific licenses whose holders are subject to the financial assurance

requirements specified in 10 CFR 30.35, and on February 15, 1996, the holders either:

- (A) Have not submitted a decommissioning funding plan or certification of financial assurance for decommissioning; or
- (B) Have not received written notice that the decommissioning funding plan or certification of financial assurance for decommissioning is acceptable;

(iii) Specific licenses whose holders are listed in the SDMP List published in NUREG 1444, Supplement 1 (November 1995);

(iv) Specific licenses whose issuance, amendment, or renewal, as of February 15, 1996, is not a categorical exclusion under 10 CFR 51.22(c)(14) and, therefore, need an environmental assessment or environmental impact statement pursuant to Subpart A of Part 51 of this chapter;

(v) Specific licenses whose holders have not had at least one NRC inspection of licensed activities before February 15, 1996;

(vi) Specific licenses whose holders, as the result of the most recent NRC inspection of licensed activities conducted before February 15, 1996, have been:

(A) Cited for a Severity Level I, II, or III violation in a Notice of Violation;

(B) Subject to an Order issued by the NRC; or

(C) Subject to a Confirmatory Action Letter issued by the NRC.

* * * * *

(vii) Specific licenses with expiration dates before July 1, 1995, for which the holders have submitted applications for renewal under 10 CFR 30.37 of this part.

3. In 10 CFR 30.37, a new paragraph (b) is added to read as follows:

§ 30.37 Application for renewal of licenses.

* * * * *

(b) If any licensee granted the extension described in 10 CFR 30.36(a)(2) has a currently pending renewal application for the extended license, that application will be considered withdrawn by the licensee and any renewal fees paid by the licensee for that application will be refunded.

PART 40—DOMESTIC LICENSING OF SOURCE MATERIAL

4. The authority citation for 10 CFR Part 40 continues to read as follows:

Authority: Secs. 62, 63, 64, 65, 81, 161, 182, 183, 186, 68 Stat. 932, 933, 935, 948, 953, 954, 955, as amended, secs. 11e(2), 83, 84, Pub. L. 95-604, 92 Stat. 3033, as amended, 3039, sec. 234, 83 Stat. 444, as amended (42 U.S.C. 2014(e)(2), 2092, 2093,

2094, 2095, 2111, 2113, 2114, 2201, 2232, 2233, 2236, 2282); sec. 274, Pub. L. 86-373, 73 Stat. 688 (42 U.S.C. 2021); secs. 201, as amended, 202, 206, 88 Stat. 1242, as amended, 1244, 1246 (42 U.S.C. 5841, 5842, 5846); sec. 275, 92 Stat. 3021, as amended by Pub. L. 97-415, 96 Stat. 2067 (42 U.S.C. 2022).

Section 40.7 also issued under Public Law 95-601, sec. 10, 92 Stat. 2951 as amended by Pub. L. 102-486, sec. 2902, 106 Stat. 3123, (42 U.S.C. 5851). Section 40.31(g) also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Section 40.46 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Section 40.71 also issued under sec. 187, 68 Stat. 955 (42 U.S.C. 2237).

5. In § 40.42, paragraph (a) is revised to read as follows:

§ 40.42 Expiration and termination of licenses and decommissioning of sites and separate buildings or outdoor areas.

(a)(1) Except as provided in paragraph (a)(2) of this section, each specific license expires at the end of the day on the expiration date stated in the license unless the licensee has filed an application for renewal under § 40.43 not less than 30 days before the expiration date stated in the existing license (or, for those licenses subject to paragraph (a)(2) of this section, 30 days before the deemed expiration date in that paragraph). If an application for renewal has been filed at least 30 days before the expiration date stated in the existing license (or, for those licenses subject to paragraph (a)(2) of this section, 30 days before the deemed expiration date in that paragraph), the existing license expires at the end of the day on which the Commission makes a final determination to deny the renewal application or, if the determination states an expiration date, the expiration date stated in the determination.

(2) Each specific license that has an expiration date after July 1, 1995, and is not one of the licenses described in paragraph (a)(3) of this section, shall be deemed to have an expiration date that is five years after the expiration date stated in the current license.

(3) The following specific licenses are not subject to, or otherwise affected by, the provisions of paragraph (a)(2) of this section:

(i) Specific licenses for which, on February 15, 1996, an evaluation or an emergency plan is required in accordance with § 40.31(j);

(ii) Specific licenses whose holders are subject to the financial assurance requirements specified in 10 CFR 40.36, and on February 15, 1996, the holders either:

(A) Have not submitted a decommissioning funding plan nor

certification of financial assurance for decommissioning; or

(B) Have not received written notice that the decommissioning funding plan or certification of financial assurance for decommissioning is acceptable;

(iii) Specific licenses whose holders are listed in the SDMP List published in NUREG 1444, Supplement 1 (November 1995);

(iv) Specific licenses whose issuance, amendment, or renewal, as of February 15, 1996, is not a categorical exclusion under 10 CFR 51.22(c)(14) and, therefore, need an environmental assessment or environmental impact statement pursuant to Subpart A of Part 51 of this chapter;

(v) Specific licenses whose holders have not had at least one NRC inspection of licensed activities before February 15, 1996;

(vi) Specific licenses whose holders, as the result of the most recent NRC inspection of licensed activities conducted before February 15, 1996, have been:

(A) Cited for a Severity Level I, II, or III violation in a Notice of Violation;

(B) Subject to an Order issued by the NRC; or

(C) Subject to a CAL issued by the NRC.

(vii) Specific licenses with expiration dates before July 1, 1995, for which the holders have submitted applications for renewal under 10 CFR 40.43 of this part.

* * * * *

6. In 10 CFR 40.43, a new paragraph (b) is added to read as follows:

§ 40.43 Renewal of licenses.

* * * * *

(b) If any licensee granted the extension described in 10 CFR 40.42(a)(2) has a currently pending renewal application for the extended license, that application will be considered to be withdrawn by the licensee and any renewal fees paid by the licensee for that application will be refunded.

PART 70—DOMESTIC LICENSING OF SPECIAL NUCLEAR MATERIAL

7. The authority citation for 10 CFR Part 70 continues to read as follows:

Authority: Secs. 51, 53, 161, 182, 183, 68 Stat. 929, 930, 948, 953, 954, as amended, sec. 234, 83 Stat. 444, as amended, sec. 1701, 106 Stat. 2951, 2952, 2953 (42 U.S.C. 2071, 2073, 2201, 2232, 2233, 2282, 2297f); secs. 201, as amended, 202, 204, 206, 88 Stat. 1242, as amended, 1244, 1245, 1246 (42 U.S.C. 5841, 5842, 5845, 5846).

Sections 70.1(c) and 70.20a(b) also issued under secs. 135, 141, Public Law 97-425, 96 Stat. 2232, 2241 (42 U.S.C.

10155, 10161). Section 70.7 also issued under Public Law 95-601, sec. 10, 92 Stat. 2951 (42 U.S.C. 5851). Section 70.21(g) also issued under sec. 122, 68 Stat. 939 (42 U.S.C. 2152). Section 70.31 also issued under sec. 57d, Public Law 93-377, 88 Stat. 475 (42 U.S.C. 2077). Sections 70.36 and 70.44 also issued under sec. 184, 68 Stat. 954, as amended (42 U.S.C. 2234). Section 70.61 also issued under secs. 186, 187, 68 Stat. 955 (42 U.S.C. 2236, 2237). Section 70.62 also issued under sec. 108, 68 Stat. 939, as amended (42 U.S.C. 2138).

8. In 10 CFR 70.38, paragraph (a) is revised to read as follows:

§ 70.38 Expiration and termination of licenses and decommissioning of sites and separate buildings or outdoor areas.

(a)(1) Except as provided in paragraph (a)(2) of this section, each specific license expires at the end of the day on the expiration date stated in the license unless the licensee has filed an application for renewal under § 70.33 not less than 30 days before the expiration date stated in the existing license (or, for those licenses subject to paragraph (a)(2) of this section, 30 days before the deemed expiration date in that paragraph). If an application for renewal has been filed at least 30 days before the expiration date stated in the existing license (or, for those licenses subject to paragraph (a)(2) of this section, 30 days before the deemed expiration date in that paragraph), the existing license expires at the end of the day on which the Commission makes a final determination to deny the renewal application or, if the determination states an expiration date, the expiration date stated in the determination.

(2) Each specific license that has an expiration date after July 1, 1995, and is not one of the licenses described in paragraph (a)(3) of this section, shall be deemed to have an expiration date that is five years after the expiration date stated in the current license.

(3) The following specific licenses are not subject to, nor otherwise affected by, the provisions of paragraph (a)(2) of this section:

(i) Specific licenses for which, on February 15, 1996, an evaluation or an emergency plan is required in accordance with § 70.22(i);

(ii) Specific licenses whose holders are subject to the financial assurance requirements specified in 10 CFR 70.25, and on February 15, 1996, the holders either:

(A) Have not submitted a decommissioning funding plan or certification of financial assurance for decommissioning; or

(B) Have not received written notice that the decommissioning funding plan or certification of financial assurance for decommissioning is acceptable;

(iii) Specific licenses whose holders are listed in the SDMP List published in NUREG 1444, Supplement 1 (November 1995);

(iv) Specific licenses whose issuance, amendment or renewal, as of February 15, 1996, is not a categorical exclusion under 10 CFR 51.22(c)(14) and, therefore, need an environmental assessment or environmental impact statement pursuant to Subpart A of Part 51 of this chapter;

(v) Specific licenses whose holders have not had at least one NRC inspection of licensed activities before February 15, 1996;

(vi) Specific licenses whose holders, as the result of the most recent NRC inspection of licensed activities conducted before February 15, 1996, have been:

(A) Cited for a Severity Level I, II, or III violation in a Notice of Violation;

(B) Subject to an Order issued by the NRC; or

(C) Subject to a CAL issued by the NRC.

(vii) Specific licenses with expiration dates before July 1, 1995, for which the holders have submitted applications for renewal under 10 CFR 70.33 of this part.

(viii) Specific licenses issued pursuant to 10 CFR 70.31 that, as of February 15, 1996, are also subject to the requirements in § 70.24.

* * * * *

9. In 10 CFR 70.33, a new paragraph (b) is added to read as follows:

§ 70.33 Renewal of licenses.

* * * * *

(b) If any licensee granted the extension described in 10 CFR 70.38(a)(2) has a currently pending renewal application for that extended license, that application will be considered withdrawn by the licensee and any renewal fees paid by the licensee for that application will be refunded.

Dated at Rockville, Maryland, this 20th day of December, 1995.

For the Nuclear Regulatory Commission.
James M. Taylor,

Executive Director for Operations.

[FR Doc. 96-346 Filed 1-11-96; 2:00 pm]

BILLING CODE 7590-01-P

CONSUMER PRODUCT SAFETY COMMISSION

16 CFR Part 1615

Standard for the Flammability of Children's Sleepwear: Sizes 0 Through 6X

AGENCY: Consumer Product Safety Commission.

ACTION: Revocation of rules.

SUMMARY: The Commission revokes rules prescribing requirements for labeling, advertising, and retail display of children's sleepwear in sizes 0 through 6X manufactured between July 29, 1972, and July 29, 1973. The Commission is revoking these rules because no children's sleepwear offered for sale now or in the future is or will be subject to the rules' requirements.

EFFECTIVE DATE: January 16, 1996.

FOR FURTHER INFORMATION CONTACT: Allen F. Brauninger, Attorney, Office of the General Counsel, Consumer Product Safety Commission, Washington, DC 20207; telephone (301) 504-0980, extension 2216.

SUPPLEMENTARY INFORMATION:

A. Background

1. The Flammability Standard

In 1971, the Department of Commerce (DOC) issued the Standard for the Flammability of Children's Sleepwear: Sizes 0 Through 6X under the authority of the Flammable Fabrics Act (FFA) (15 U.S.C. 1193). In 1972, DOC amended that standard. See the Federal Register notices of July 29, 1971 (36 FR 14062), and July 21, 1972 (37 FR 14624). The standard is codified at 16 CFR Part 1615, Subpart A, and prescribes a flammability test for children's sleepwear garments and fabrics intended for use in those garments to protect children from unreasonable risks of burn deaths and injuries.

2. Labeling Requirements

The amended flammability standard became effective on July 29, 1972. However, the standard allowed the manufacture of noncomplying sleepwear for one year after the standard's effective date, provided that such garments were labeled with the following statement: "Flammable (Does Not Meet U.S. Department of Commerce Standard DOC FF 3-71). Should not be worn near sources of fire." 16 CFR 1615.5(b). All children's sleepwear in sizes 0 through 6X manufactured after July 29, 1973, must comply with the standard.

In 1972, Congress enacted the Consumer Product Safety Act (CPSA)

(15 U.S.C. 2051 *et seq.*), which established the Consumer Product Safety Commission. Section 30(b) of the CPSA (15 U.S.C. 2079(b)) transferred to the Commission the authority formerly exercised by DOC and other agencies under the FFA.

In 1974, the Commission issued regulations for the labeling and advertising of children's sleepwear in sizes 0 through 6X. 16 CFR Part 1615, Subpart B. See the Federal Register notice of February 7, 1974 (39 FR 4852). These regulations required noncomplying children's sleepwear manufactured between July 29, 1972, and July 29, 1973, to be labeled with the statement "Flammable (Does Not Meet U.S. Department of Commerce Standard DOC FF 3-71). Should not be worn near sources of fire." 16 CFR 1615.31(b)(3). This is the same statement required by section 1615.5(b) of the standard.

3. Advertising and Retail Display Requirements

The regulations issued in 1974 also required the labeling statement to be included in direct mail advertisements and catalogs for noncomplying children's sleepwear manufactured between July 29, 1972, and July 29, 1973. 16 CFR 1615.31(c).

In 1974, the Commission amended the regulations by issuing additional requirements for labeling and requirements for recordkeeping and retail display of sleepwear in sizes 0 through 6X. See the Federal Register notice of April 14, 1975 (40 FR 16654). The Commission required any person who sold noncomplying sleepwear at retail to segregate it from complying sleepwear and to identify noncomplying sleepwear in sizes 0 through 6X by a sign stating: "Flammable. Does Not Meet Standard for the Flammability of Children's Sleepwear (DOC 3-71)." 16 CFR 1615.31(d). Complying sleepwear in sizes 0 through 6X sold at the same location as noncomplying sleepwear was required to be identified by a sign stating "Flame Resistant. Complies With Standard for Flammability of Children's Sleepwear." *Id.*

B. Revocation

Noncomplying sleepwear in sizes 0 through 6X has not been legally manufactured since July 29, 1973. Noncomplying sleepwear subject to the labeling, advertising, and retail display requirements described above is not now offered for sale and will not be offered for sale in the future. For this reason, the Commission is revoking (i) the labeling requirements in section 1615.5(b) of the standard and in section 1615.31(b)(3) of the enforcement

regulations, (ii) the requirements for advertising of noncomplying sleepwear in section 1615.31(c) of the enforcement regulations, and (iii) the requirements for retail display of noncomplying and complying sleepwear in section 1615.31(d) of those regulations.

Generally, the Administrative Procedure Act (APA) (5 U.S.C. 553) requires agencies to publish a notice of proposed rulemaking and provide opportunity for public comment before issuing or revoking a regulation. However, the APA provides at 5 U.S.C. 553(b)(B) that the requirement for a notice of proposed rulemaking is not applicable when the agency finds for good cause that notice of proposed rulemaking and public participation are "impracticable, unnecessary, or contrary to the public interest."

The Commission finds for good cause that notice of proposed rulemaking and public participation are unnecessary because no sleepwear in sizes 0 through 6X offered for sale now or that will be offered for sale in the future is subject to the requirements of 16 CFR sections 1615.5(b), 1615.31(b)(3), 1615.31(c), or 1615.31(d). The rules being revoked have no effect on the rights or duties of any persons who manufacture, sell, or purchase sleepwear in sizes 0 through 6X. Providing notice of proposed rulemaking and opportunity for submission of written comments on the proposal would be a meaningless procedure in this case.

The APA also requires at 5 U.S.C. 553(d) that a substantive rule must be published at least 30 days before its effective date unless the agency finds for good cause that such delay is not needed. Again, because no sleepwear in sizes 0 through 6X offered for sale now or in the future is or will be subject to the rules being revoked, the Commission finds for good cause that a delayed effective date is unnecessary. Consequently, this revocation shall become effective immediately.

C. Conclusion

Under the authority of section 553 of the Administrative Procedure Act and sections 4 and 5 of the Flammable Fabrics Act, the Commission hereby amends title 16 of the Code of Federal Regulations, Chapter II, Subchapter D, Part 1615 as follows:

PART 1615—[AMENDED]

Subpart A—[Amended]

1. The authority for Part 1615, Subpart A, continues to read as follows:

Authority: Sec. 4, 67 Stat. 112, as amended, 81 Stat. 569-70; 15 U.S.C. 1193.

§ 1615.5 [Removed and reserved]

2. Section 1615.5(b) is removed and reserved.

Subpart B—[Amended]

3. The authority for Part 1615, Subpart B, continues to read as follows:

Authority: Sec. 5, 67 Stat. 112, as amended, 81 Stat. 570; 15 U.S.C. 1194.

§ 1615.31 [Removed and reserved]

4. Sections 1615.31(b)(3), (c), and (d) are removed and reserved.

(5 U.S.C. 553; 15 U.S.C. 1193, 1194)

Dated: December 15, 1995.

Sadye E. Dunn,

Secretary, Consumer Product Safety Commission.

[FR Doc. 96-422 Filed 1-11-96; 2:00 pm]

BILLING CODE 6355-01-P

16 CFR Part 1616

Standard for the Flammability of Children's Sleepwear: Sizes 7 Through 14

AGENCY: Consumer Product Safety Commission.

ACTION: Revocation of rules.

SUMMARY: The Commission revokes rules prescribing requirements for labeling and retail display of children's sleepwear in sizes 7 through 14 manufactured between May 1, 1975, and May 1, 1978. The Commission is revoking these rules because no items of children's sleepwear offered for sale now or in the future is or will be subject to the rules' requirements.

EFFECTIVE DATE: January 16, 1996.

FOR FURTHER INFORMATION CONTACT: Allen F. Brauning, Attorney, Office of the General Counsel, Consumer Product Safety Commission, Washington, DC 20207; telephone (301) 504-0980, extension 2216.

SUPPLEMENTARY INFORMATION:

A. Background

1. Flammability Standard

In 1974, the Consumer Product Safety Commission issued the Standard for the Flammability of Children's Sleepwear: Sizes 7 Through 14 under the authority of the Flammable Fabrics Act (FFA) (15 U.S.C. 1193). See the Federal Register notice of May 1, 1974 (39 FR 15210). The standard is codified at 16 CFR Part 1616, Subpart A, and prescribes a flammability test for children's sleepwear garments and fabrics intended for use in those garments to protect children from unreasonable risks of burn deaths and injuries.

2. Labeling Requirements

The flammability standard became effective on May 1, 1975, and is applicable to sleepwear in sizes 7 through 14 manufactured after that date. Sleepwear in sizes 7 through 14 manufactured before the effective date of the standard is not subject to the standard, and could be sold after May 1, 1975, without violating the standard or the FFA. To help consumers identify sleepwear in sizes 7 through 14 manufactured to comply with the standard, the Commission required complying sleepwear in sizes 7 through 14 manufactured between May 1, 1975, and May 1, 1978, to be labeled with the statement: "Flame-resistant, U.S. Standard FF 5-74." 16 CFR 1616.6(b).

In 1975, the Commission issued regulations for labeling, recordkeeping, and retail display of children's sleepwear in sizes 7 through 14. 16 CFR Part 1616, Subpart B. See the Federal Register notice of April 1, 1975 (40 FR 14584). These regulations required complying sleepwear in sizes 7 through 14 manufactured between May 1, 1975, and May 1, 1978 to be labeled with the statement "Flame-resistant. U.S. Standard FF 5-74." 16 CFR 1616.31(b)(8). This is the same statement required by section 1616.6(b) of the standard.

3. Requirements for Retail Display

The regulations issued in 1975 also included a requirement to segregate complying and noncomplying sleepwear offered for sale at retail stores. The purpose of this requirement was to help consumers distinguish noncomplying sleepwear manufactured before May 1, 1975, from complying sleepwear manufactured after that date.

The Commission required any person who sold noncomplying sleepwear in sizes 7 through 14 to physically segregate it from complying sleepwear in those sizes. 16 CFR 1616.31(c). The Commission also required complying sleepwear in sizes 7 through 14 sold at the same location as noncomplying sleepwear to be identified by a sign stating: "Flame resistant. Complies with the Standard for the Flammability of Children's Sleepwear (FF 5-74)." Noncomplying sleepwear in those sizes was required to be identified by a sign stating: "Flammable. Does Not Meet Standard for the Flammability of Children's Sleepwear (FF 5-74)." *Id.*

B. Revocation

Since May 1, 1975, all sleepwear in sizes 7 through 14 must be manufactured to comply with the standard. Noncomplying sleepwear in

sizes 7 through 14 has not been legally manufactured since that date. The labeling and retail display requirements described above do not apply to sleepwear sold today or that will be sold in the future. Accordingly, the Commission is revoking (i) the labeling requirements in section 1616.6(b) of the standard and in section 1616.31(b)(8) of the enforcement regulations, and (ii) the requirements for retail display of complying and noncomplying sleepwear in section 1616.31(c) of those regulations.

Generally, the Administrative Procedure Act (APA) (5 U.S.C. 553) requires agencies to publish a notice of proposed rulemaking and provide opportunity for public comment before issuing or revoking a regulation. However, the APA provides at 5 U.S.C. 553(b)(B) that the requirement for a notice of proposed rulemaking is not applicable when the agency finds for good cause that notice of proposed rulemaking and public participation are "impracticable, unnecessary, or contrary to the public interest."

The Commission finds for good cause that notice of proposed rulemaking and public participation are unnecessary because no sleepwear in sizes 7 through 14 offered for sale now or that will be offered for sale in the future is subject to the requirements of 16 CFR 1616.6(b), 1616.31(b)(8), or 1616.31(c). The rules being revoked have no effect on the rights or duties of any persons who manufacture, sell, or purchase sleepwear in sizes 7 through 14. Providing notice of proposed rulemaking and opportunity for submission of written comments on the proposal would be a meaningless procedure in this case.

The APA also requires at 5 U.S.C. 553(d) that a substantive rule must be published at least 30 days before its effective date unless the agency finds for good cause that such delay is not needed. Again, because no sleepwear in sizes 7 through 14 offered for sale now or in the future is subject to the rules being revoked, the Commission finds for good cause that a delayed effective date is unnecessary. Consequently, this revocation shall become effective immediately.

C. Conclusion

Under the authority of section 553 of the Administrative Procedure Act and sections 4 and 5 of the Flammable Fabrics Act, the Commission hereby amends title 16 of the Code of Federal Regulations, Chapter II, Subchapter D, Part 1616 to read as follows:

PART 1616—[AMENDED]

Subpart A—[Amended]

1. The authority for Part 1616, Subpart A, continues to read as follows:

Authority: Sec. 4, 67 Stat. 112, as amended, 81 Stat. 569-70; 15 U.S.C. 1193.

§ 1616.6 [Removed and reserved]

2. Section 1616.6(b) is revoked, removed and reserved.

Subpart B—[Amended]

3. The authority for Part 1616, Subpart B, continues to read as follows:

Authority: Sec. 5, 67 Stat. 112-13, as amended, 81 Stat. 571; 15 U.S.C. 1194.

§ 1616.3 [Removed and reserved]

4. Sections 1616.31 (b)(6) and (c) are removed and reserved.

(5 U.S.C. 553; 15 U.S.C. 1193, 1194)

Dated: December 15, 1995.

Sadye E. Dunn,

Secretary, Consumer Product Safety Commission.

[FR Doc. 96-421 Filed 1-11-96; 2:00 pm]

BILLING CODE 6355-01-P

DEPARTMENT OF HEALTH AND HUMAN SERVICES

Food and Drug Administration

21 CFR Parts 862, 866, 868, 870, 872, 874, 876, 878, 880, 882, 884, 886, 888, 890, and 892

[Docket No. 95N-0139]

RIN 0910-AA65

Medical Devices; Reclassification and Exemption From Premarket Notification for Certain Classified Devices

AGENCY: Food and Drug Administration, HHS.

ACTION: Final rule.

SUMMARY: The Food and Drug Administration (FDA) is reclassifying 111 generic types of class II devices into class I based on new information respecting such devices. FDA is also exempting the 111 generic types of devices, and 11 already classified generic types of class I devices, from the requirement of premarket notification, with limitations. For the exempted devices, FDA has determined that manufacturers' submissions of premarket notifications are unnecessary for the protection of the public health and that the agency's review of such submissions will not advance its public health mission. The exemptions allow

the agency to make better use of its resources and thus better serve the public. These devices will remain subject to current good manufacturing practice (CGMP) regulations and other general controls. This rulemaking is part of the President's and Vice President's Reinventing Government effort.

DATES: Effective February 15, 1996. Beginning on February 15, 1996, all device manufacturers who have 510(k) submissions pending FDA review for devices falling within a generic category which is subject to this rule, will receive a letter stating that the device is exempt from the premarket notification requirements of the act.

FOR FURTHER INFORMATION CONTACT: Melpomeni K. Jeffries, Center for Devices and Radiological Health (HFZ-404), Food and Drug Administration, 9200 Corporate Blvd., Rockville, MD 20850, 301-594-2186.

SUPPLEMENTARY INFORMATION:

I. Background

In the Federal Register of July 28, 1995 (60 FR 38902), FDA issued a proposed rule to reclassify 112 generic types of class II devices into class I based on new information respecting such devices and to exempt the 112 generic types of devices, and 12 already classified generic types of class I devices, from the requirement of premarket notification, with limitations. Interested persons were given until October 11, 1995, to comment on the proposed rule.

II. Comments

During the comment period, FDA received three comments requesting that various devices be added to the list of devices that the agency was proposing to reclassify into class I and/or exempt from the requirement of premarket notification. FDA is considering these comments and will address them in a future issue of the Federal Register.

FDA also received a comment stating that the proposed reclassification and exemption for endoscope and accessories (21 CFR 876.1500) was too narrow. According to this comment, the reclassification and exemption for endoscope and accessories should be expanded to include additional endoscope accessories which the comment felt meets the reclassification and exemption criteria. FDA is finalizing the endoscope and accessories reclassification and exemption as proposed. However, FDA is considering expanding the reclassification and exemption for endoscope and accessories to include additional endoscope accessories and FDA will

address this device in a future issue of the Federal Register.

FDA received three comments questioning the appropriateness of the proposed reclassification and exemption for scented or scented deodorized menstrual pads (21 CFR 884.5425) and the proposed exemption for unscented menstrual pads (21 CFR 884.5435). All three comments requested that the "made from cotton or rayon" limitation placed upon the proposed reclassification into class I and the exemption from the requirement of premarket notification be revised. In addition, two of the comments questioned the proposed requirements for safety testing. FDA is deferring action on these two devices in order to review these comments more closely and to reevaluate whether the devices should be reclassified and/or exempted from the requirement of premarket notification, with limitations. The agency will address these devices in a future issue of the Federal Register.

III. Conclusion

FDA received no comments opposing the reclassification into class I of 111 of the 112 generic types of devices included in the proposed rule. Moreover, the agency did not receive comments opposing the proposed exemption from the requirements of premarket notification for 111 of these 112 generic types of devices, and 11 already classified generic types of class I devices. For 111 of the 112 devices proposed for reclassification into class I, the agency has concluded, based on new information respecting such devices as described in the proposed rule, that general controls will provide reasonable assurance of the safety and effectiveness of these devices. For 122 of the 124 devices for which exemptions have been proposed (including the 111 device types being reclassified), FDA has concluded that manufacturers' submissions of premarket notifications are unnecessary for the protection of the public health and that the agency's review of such submissions will not advance its public health mission. Thus, FDA is finalizing the reclassification of 111 devices and the exemption from premarket notification for 122 devices, including the 111 devices being reclassified and 11 of the devices already classified in class I. All of these devices remain subject to CGMP requirements and other general controls under the statute.

IV. Environmental Impact

The agency has determined under 21 CFR 25.24(e)(2) that this action is of a type that does not individually or

cumulatively have a significant effect on the human environment. Therefore, neither an environmental assessment or an environmental impact statement is required.

V. Analysis of Impacts

FDA has examined the impacts of the final rule under Executive Order 12866 and the Regulatory Flexibility Act (Pub. L. 96-354). Executive Order 12866 directs agencies to assess all costs and benefits of available regulatory alternatives and, when regulation is necessary, to select regulatory approaches that maximize net benefits (including potential economic, environmental, public health and safety, and other advantages; distributive impacts; and equity). The agency believes that this final rule is consistent with the regulatory philosophy and principles identified in the Executive Order. In addition, the final rule is not a significant regulatory action as defined by the Executive Order and so is not subject to review under the Executive Order.

The Regulatory Flexibility Act requires agencies to analyze regulatory options that would minimize any significant impact of a rule on small entities. Because this final rule would reduce a regulatory burden by exempting manufacturers of devices subject to the rule from the requirements of premarket notification, the agency certifies that the final rule will not have a significant economic impact on a substantial number of small entities. Therefore, under the Regulatory Flexibility Act, no further analysis is required.

List of Subjects

21 CFR Parts 862, 868, 870, 872, 874, 876, 878, 880, 882, 884, 888, and 890

Medical devices.

21 CFR Part 866

Biologics, Laboratories, Medical devices.

21 CFR Part 886

Medical devices, Ophthalmic goods and services.

21 CFR Part 892

Medical devices, Radiation protection, X-rays.

Therefore, under the Federal Food, Drug, and Cosmetic Act and under authority delegated to the Commissioner of Food and Drugs, 21 CFR parts 862, 866, 868, 870, 872, 874, 876, 878, 880, 882, 884, 886, 888, 890, and 892 are amended as follows:

PART 862—CLINICAL CHEMISTRY AND CLINICAL TOXICOLOGY DEVICES

1. The authority citation for 21 CFR part 862 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

2. Section 862.2230 is amended by revising paragraph (b) to read as follows:

§ 862.2230 Chromatographic separation material for clinical use.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 866—IMMUNOLOGY AND MICROBIOLOGY DEVICES

3. The authority citation for 21 CFR part 866 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

4. Section 866.2160 is amended by revising paragraph (b) to read as follows:

§ 866.2160 Coagulase plasma.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

5. Section 866.3720 is amended by revising paragraph (b) to read as follows:

§ 866.3720 Streptococcus spp. exoenzyme reagents.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

6. Section 866.5520 is amended by revising paragraph (b) to read as follows:

§ 866.5520 Immunoglobulin G (Fab fragment specific) immunological test system.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

7. Section 866.5530 is amended by revising paragraph (b) to read as follows:

§ 866.5530 Immunoglobulin G (Fc fragment specific) immunological test system.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

8. Section 866.5860 is amended by revising paragraph (b) to read as follows:

§ 866.5860 Total spinal fluid immunological test system.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 868—ANESTHESIOLOGY DEVICES

9. The authority citation for 21 CFR part 868 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

10. Section 868.1100 is amended by revising paragraph (b) to read as follows:

§ 868.1100 Arterial blood sampling kit.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

11. Section 868.1575 is amended by revising paragraph (b) to read as follows:

§ 868.1575 Gas collection vessel.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

12. Section 868.1870 is amended by revising paragraph (b) to read as follows:

§ 868.1870 Gas volume calibrator.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

13. Section 868.1975 is amended by revising paragraph (b) to read as follows:

§ 868.1975 Water vapor analyzer.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

14. Section 868.2300 is amended by revising paragraph (b) to read as follows:

§ 868.2300 Bourdon gauge flowmeter.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

15. Section 868.2320 is amended by revising paragraph (b) to read as follows:

§ 868.2320 Uncompensated thorpe tube flowmeter.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

16. Section 868.2340 is amended by revising paragraph (b) to read as follows:

§ 868.2340 Compensated thorpe tube flowmeter.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

17. Section 868.2350 is amended by revising paragraph (b) to read as follows:

§ 868.2350 Gas calibration flowmeter.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

18. Section 868.2610 is amended by revising paragraph (b) to read as follows:

§ 868.2610 Gas pressure gauge.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

19. Section 868.2620 is amended by revising paragraph (b) to read as follows:

§ 868.2620 Gas pressure calibrator.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

20. Section 868.2700 is amended by revising paragraph (b) to read as follows:

§ 868.2700 Pressure regulator.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

21. Section 868.2875 is amended by revising paragraph (b) to read as follows:

§ 868.2875 Differential pressure transducer.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

22. Section 868.2885 is amended by revising paragraph (b) to read as follows:

§ 868.2885 Gas flow transducer.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

23. Section 868.2900 is amended by revising paragraph (b) to read as follows:

§ 868.2900 Gas pressure transducer.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

24. Section 868.5100 is amended by revising paragraph (b) to read as follows:

§ 868.5100 Nasopharyngeal airway.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

25. Section 868.5110 is amended by revising paragraph (b) to read as follows:

§ 868.5110 Oropharyngeal airway.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

26. Section 868.5240 is amended by revising paragraph (b) to read as follows:

§ 868.5240 Anesthesia breathing circuit.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

27. Section 868.5300 is amended by revising paragraph (b) to read as follows:

§ 868.5300 Carbon dioxide absorbent.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

28. Section 868.5310 is amended by revising paragraph (b) to read as follows:

§ 868.5310 Carbon dioxide absorber.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

29. Section 868.5320 is amended by revising paragraph (b) to read as follows:

§ 868.5320 Reservoir bag.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

30. Section 868.5375 is amended by revising paragraph (b) to read as follows:

§ 868.5375 Heat and moisture condenser (artificial nose).

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

31. Section 868.5460 is amended by revising paragraph (b) to read as follows:

§ 868.5460 Therapeutic humidifier for home use.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

32. Section 868.5530 is amended by revising paragraph (b) to read as follows:

§ 868.5530 Flexible laryngoscope.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

33. Section 868.5540 is amended by revising paragraph (b) to read as follows:

§ 868.5540 Rigid laryngoscope.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

34. Section 868.5550 is amended by revising paragraph (b) to read as follows:

§ 868.5550 Anesthetic gas mask.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

35. Section 868.5570 is amended by revising paragraph (b) to read as follows:

§ 868.5570 Nonbreathing mask.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

36. Section 868.5580 is amended by revising paragraph (b) to read as follows:

§ 868.5580 Oxygen mask.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

37. Section 868.5590 is amended by revising paragraph (b) to read as follows:

§ 868.5590 Scavenging mask.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

38. Section 868.5600 is amended by revising paragraph (b) to read as follows:

§ 868.5600 Venturi mask.

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(b) *Classification.* Class I. The device is exempt from the premarket

notification procedures in subpart E of part 807 of this chapter.

39. Section 868.5770 is amended by revising paragraph (b) to read as follows:

§ 868.5770 Tracheal tube fixation device.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

40. Section 868.5780 is amended by revising paragraph (b) to read as follows:

§ 868.5780 Tube introduction forceps.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

41. Section 868.5790 is amended by revising paragraph (b) to read as follows:

§ 868.5790 Tracheal tube stylet.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

42. Section 868.5810 is amended by revising paragraph (b) to read as follows:

§ 868.5810 Airway connector.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

43. Section 868.5820 is amended by revising paragraph (b) to read as follows:

§ 868.5820 Dental protector.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

44. Section 868.5860 is amended by revising paragraph (b) to read as follows:

§ 868.5860 Pressure tubing and accessories.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

45. Section 868.5975 is amended by revising paragraph (b) to read as follows:

§ 868.5975 Ventilator tubing.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

46. Section 868.5995 is amended by revising paragraph (b) to read as follows:

§ 868.5995 Tee drain (water trap).

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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

47. Section 868.6400 is amended by revising paragraph (b) to read as follows:

§ 868.6400 Calibration gas.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

48. Section 868.6820 is amended by revising paragraph (b) to read as follows:

§ 868.6820 Patient position support.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

49. Section 868.6885 is amended by revising paragraph (b) to read as follows:

§ 868.6885 Medical gas yoke assembly.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 870—CARDIOVASCULAR DEVICES

50. The authority citation for 21 CFR part 870 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

51. Section 870.2390 is amended by revising paragraph (b) to read as follows:

§ 870.2390 Phonocardiograph.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

52. Section 870.2600 is amended by revising paragraph (b) to read as follows:

§ 870.2600 Signal isolation system.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

53. Section 870.2620 is amended by revising paragraph (b) to read as follows:

§ 870.2620 Line isolation monitor.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

54. Section 870.2640 is amended by revising paragraph (b) to read as follows:

§ 870.2640 Portable leakage current alarm.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

55. Section 870.2810 is amended by revising paragraph (b) to read as follows:

§ 870.2810 Paper chart recorder.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

56. Section 870.3650 is amended by revising paragraph (b) to read as follows:

§ 870.3650 Pacemaker polymeric mesh bag.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

57. Section 870.3670 is amended by revising paragraph (b) to read as follows:

§ 870.3670 Pacemaker charger.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

58. Section 870.3690 is amended by revising paragraph (b) to read as follows:

§ 870.3690 Pacemaker test magnet.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

59. Section 870.3935 is amended by revising paragraph (b) to read as follows:

§ 870.3935 Prosthetic heart valve holder.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

60. Section 870.3945 is amended by revising paragraph (b) to read as follows:

§ 870.3945 Prosthetic heart valve sizer.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 872—DENTAL DEVICES

61. The authority citation for 21 CFR part 872 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

62. Section 872.1840 is amended by revising paragraph (b) to read as follows:

§ 872.1840 Dental X-ray position indicating device.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

63. Section 872.1850 is amended by revising paragraph (b) to read as follows:

§ 872.1850 Lead-lined position indicator.
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

64. Section 872.4630 is amended by revising paragraph (b) to read as follows:

§ 872.4630 Dental operating light.
* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

65. Section 872.6390 is amended by revising paragraph (b) to read as follows:

§ 872.6390 Dental floss.
* * * * *

(b) *Classification*. Class I. If the device is made of inert materials and is not coated or impregnated with chemicals intended to provide a therapeutic benefit or interact with tissues of the oral cavity, it is exempt from the premarket notification procedures in Subpart E of Part 807 of this chapter.

PART 874—EAR, NOSE, AND THROAT DEVICES

66. The authority citation for 21 CFR part 874 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

67. Section 874.1060 is amended by revising paragraph (b) to read as follows:

§ 874.1060 Acoustic chamber for audiometric testing.
* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

68. Section 874.1080 is amended by revising paragraph (b) to read as follows:

§ 874.1080 Audiometer calibration set
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(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

69. Section 874.4140 is amended by revising paragraph (b) to read as follows:

§ 874.4140 Ear, nose, and throat bur.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

70. Section 874.4175 is amended by revising paragraph (b) to read as follows:

§ 874.4175 Nasopharyngeal catheter.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

71. Section 874.4350 is amended by revising paragraph (b) to read as follows:

§ 874.4350 Ear, nose, and throat fiberoptic light source and carrier.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

72. Section 874.4770 is amended by revising paragraph (b) to read as follows:

§ 874.4770 Otoscope.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter only when used in the external ear canal.

PART 876—GASTROENTEROLOGY-UROLOGY DEVICES

73. The authority citation for 21 CFR part 876 is revised to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 522, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 360l, 371).

74. Section 876.1075 is amended by revising paragraph (b) to read as follows:

§ 876.1075 Gastroenterology-urology biopsy instrument.

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(b) *Classification.* (1) Class II (performance standards).
(2) Class I for the biopsy forceps cover and the non-electric biopsy forceps. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

75. Section 876.1400 is amended by revising paragraph (b) to read as follows:

§ 876.1400 Stomach pH electrode.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

76. Section 876.1500 is amended by revising paragraph (b) to read as follows:

§ 876.1500 Endoscope and accessories.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for the photographic accessories for endoscope, miscellaneous bulb adapter for endoscope, binocular attachment for endoscope, eyepiece attachment for prescription lens, teaching attachment, inflation bulb, measuring device for panendoscope, photographic equipment for physiologic function monitor, special lens instrument for endoscope, smoke removal tube, rechargeable battery box, pocket battery box, bite block for endoscope, and cleaning brush for endoscope. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

77. Section 876.1800 is amended by revising paragraph (b) to read as follows:

§ 876.1800 Urine flow or volume measuring system.

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(b) *Classification.* (1) Class II (performance standards).

(2) Class I for the disposable, nonelectrical urine flow rate measuring device, and nonelectrical urinometer. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

78. Section 876.4590 is amended by revising paragraph (b) to read as follows:

§ 876.4590 Interlocking urethral sound.

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(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

79. Section 876.4890 is amended by revising paragraph (b) to read as follows:

§ 876.4890 Urological table and accessories.

* * * * *

(b) *Classification.* (1) Class II (performance standards) for the electrically powered urological table and accessories.

(2) Class I for the manually powered table and accessories, and for stirrups for electrically powered table. The device subject to this paragraph (b)(2) is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

80. Section 876.5090 is amended by revising paragraph (b) to read as follows:

§ 876.5090 Suprapubic urological catheter and accessories.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for the catheter punch instrument, nondisposable cannula and trocar, and gastro-urological trocar. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

81. Section 876.5130 is amended by revising paragraph (b) to read as follows:

§ 876.5130 Urological catheter and accessories.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for the ureteral stylet (guidewire), stylet for gastro-urological catheter, ureteral catheter adapter, ureteral catheter connector, and ureteral catheter holder. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

82. Section 876.5450 is amended by revising paragraph (b) to read as follows:

§ 876.5450 Rectal dilator.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

83. Section 876.5520 is amended by revising paragraph (b) to read as follows:

§ 876.5520 Urethral dilator.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for the urethrometer, urological bougie, filiform and filiform follower, and metal or plastic urethral sound. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

84. Section 876.5540 is amended by revising paragraphs (b)(3) and by adding new paragraph (b)(4) to read as follows:

§ 876.5540 Blood access device and accessories.

* * * * *

(b) *Classification.* * * *

(3) Class II (performance standards) for accessories for both the implanted and the nonimplanted blood access devices not listed in paragraph (b)(4) of this section.

(4) Class I for the cannula clamp, disconnect forceps, crimp plier, tube plier, crimp ring, and joint ring, accessories for both the implanted and nonimplanted blood access device. The devices subject to this paragraph (b)(4) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 878—GENERAL AND PLASTIC SURGERY DEVICES

85. The authority citation for 21 CFR part 878 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 522, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 360l, 371).

86. Section 878.4450 is amended by revising paragraph (b) to read as follows:

§ 878.4450 Nonabsorbable gauze for internal use.

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

87. Section 878.4810 is amended by revising paragraph (b) to read as follows:

§ 878.4810 Laser surgical instrument for use in general and plastic surgery and in dermatology.

* * * * *

(b) *Classification*. (1) Class II.
(2) Class I for special laser gas mixtures used as a lasing medium for this class of lasers. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

88. Section 878.5350 is amended by revising paragraph (b) to read as follows:

§ 878.5350 Needle-type epilator.

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

89. Section 878.5910 is amended by revising paragraph (b) to read as follows:

§ 878.5910 Pneumatic tourniquet.

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 880—GENERAL HOSPITAL AND PERSONAL USE DEVICES

90. The authority citation for 21 CFR 880 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

91. Section 880.2720 is amended by revising paragraph (b) to read as follows:

§ 880.2720 Patient scale.

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

92. Section 880.2900 is amended by revising paragraph (b) to read as follows:

§ 880.2900 Clinical color change thermometer.

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

93. Section 880.5560 is amended by revising paragraph (b) to read as follows:

§ 880.5560 Temperature regulated water mattress.

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

94. Section 880.6320 is amended by revising paragraph (b) to read as follows:

§ 880.6320 AC-powered medical examination light.

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 882—NEUROLOGICAL DEVICES

95. The authority citation for 21 CFR part 882 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

96. Section 882.1410 is amended by revising paragraph (b) to read as follows:

§ 882.1410 Electroencephalograph electrode/lead tester.

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

97. Section 882.4325 is amended by revising paragraph (b) to read as follows:

§ 882.4325 Cranial drill handpiece (brace).

* * * * *

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 884—OBSTETRICAL AND GYNECOLOGICAL DEVICES

98. The authority citation for 21 CFR part 884 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

99. Section 884.1550 is revised to read as follows:

§ 884.1550 Amniotic fluid sampler (amniocentesis tray).

(a) *Identification*. The amniotic fluid sampler (amniocentesis tray) is a collection of devices used to aspirate amniotic fluid from the amniotic sac via a transabdominal approach.

Components of the amniocentesis tray include a disposable 3 inch 20 gauge needle with stylet and a 30 cc. syringe, as well as the various sample collection accessories, such as vials, specimen containers, medium, drapes, etc. The device is used at 16–18 weeks gestation for antepartum diagnosis of certain congenital abnormalities or anytime after 24 weeks gestation when used to assess fetal maturity.

(b) *Classification*. Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

100. Section 884.1640 is amended by revising paragraph (b) to read as follows:

§ 884.1640 Culdoscope and accessories.

* * * * *

(b) *Classification*. (1) Class II (performance standards).

(2) Class I for culdoscope accessories that are not part of a specialized instrument or device delivery system; do not have adapters, connectors, channels, or do not have portals for electrosurgical, laser, or other power sources. Such culdoscope accessory instruments include: lens cleaning brush, biopsy brush, clip applier (without clips), applicator, cannula (without trocar or valves), ligature carrier/needle holder, clamp/hemostat/grasper, curette, instrument guide, ligature passing and knotting instrument, suture needle (without suture), retractor, mechanical (noninflatable), snare, stylet, forceps, dissector, mechanical (non-inflatable) scissors, and suction/irrigation probe. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

101. Section 884.1690 is amended by revising paragraph (b) to read as follows:

§ 884.1690 Hysteroscope and accessories.

* * * * *

(b) *Classification*. (1) Class II (performance standards).

(2) Class I for hysteroscope accessories that are not part of a specialized instrument or device delivery system; do not have adapters, connectors, channels, or do not have portals for electrosurgical, laser, or other power sources. Such hysteroscope accessory instruments include: lens cleaning brush, cannula (without trocar or valves), clamp/hemostat/grasper,

curette, instrument guide, forceps, dissector, mechanical (noninflatable), and scissors. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

102. Section 884.1700 is amended by revising paragraph (b) to read as follows:

§ 884.1700 Hysteroscopic insufflator.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for tubing and tubing/filter fits which only include accessory instruments which are not used to effect intrauterine access e.g. hysteroscopic introducer sheaths, etc.; and single-use tubing kits used for only intrauterine insufflation. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

103. Section 884.1720 is amended by revising paragraph (b) to read as follows:

§ 884.1720 Gynecologic laparoscope and accessories.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for gynecologic laparoscope accessories that are not part of a specialized instrument or device delivery system, do not have adapters, connector channels, or do not have portals for electrosurgical, lasers, or other power sources. Such gynecologic laparoscope accessory instruments include: the lens cleaning brush, biopsy brush, clip applier (without clips), applicator, cannula (without trocar or valves), ligature carrier/needle holder, clamp/hemostat/grasper, curette, instrument guide, ligature passing and knotting instrument, suture needle (without suture), retractor, mechanical (noninflatable), snare, stylet, forceps, dissector, mechanical (noninflatable), scissors, and suction/irrigation probe. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

104. Section 884.1730 is amended by revising paragraph (b) to read as follows:

§ 884.1730 Laparoscopic insufflator.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for tubing and tubing/filter kits which include accessory instruments which are not used to effect intra-abdominal access, Verres needles etc.; and single-use tubing kits used for only intra-abdominal insufflation (pneumoperitoneum). The devices subject to this paragraph (b)(2) are

exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

105. Section 884.4530 is amended by revising paragraph (b) to read as follows:

§ 884.4530 Obstetric-gynecological specialized manual instrument.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for the amniotome, uterine curette, cervical dilator (fixed-size bougies), cerclage needle, IUD remover, uterine sound, and gynecological biopsy forceps. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

106. Section 884.5150 is amended by revising paragraph (b) to read as follows:

§ 884.5150 Nonpowered breast pump.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter if the device is using either a bulb or telescoping mechanism which does not develop more than 250 mm Hg suction, and the device materials that contact breast or breast milk do not produce cytotoxicity, irritation, or sensitization effects.

107. Section 884.5900 is amended by revising paragraph (b) to read as follows:

§ 884.5900 Therapeutic vaginal douche apparatus.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I if the device is operated by gravity feed. Devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 886—OPHTHALMIC DEVICES

108. The authority citation for 21 CFR 886 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

109. Section 886.1405 is amended by revising paragraph (b) to read as follows:

§ 886.1405 Ophthalmic trial lens set.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

110. Section 886.1750 is amended by revising paragraph (b) to read as follows:

§ 886.1750 Skiascopic rack.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

111. Section 886.1760 is amended by revising paragraph (b) to read as follows:

§ 886.1760 Ophthalmic refractometer.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

112. Section 886.3200 is revised to read as follows:

§ 886.3200 Artificial eye.

(a) *Identification.* An artificial eye is a device resembling the anterior portion of the eye, usually made of glass or plastic, intended to be inserted in a patient's eye socket anterior to an orbital implant, or the eviscerated eyeball, for cosmetic purposes. The device is not intended to be implanted.

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter if the device is made from the same materials, has the same chemical composition, and uses the same manufacturing processes as currently legally marketed devices.

PART 888—ORTHOPEDIC DEVICES

113. The authority citation for 21 CFR part 888 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

114. Section 888.1100 is amended by revising paragraph (b) to read as follows:

§ 888.1100 Arthroscope.

* * * * *

(b) *Classification.* (1) Class II (performance standards).

(2) Class I for the following manual arthroscopic instruments: cannulas, currettes, drill guides, forceps, gouges, graspers, knives, obturators, osteotomes, probes, punches, rasps, retractors, rongeurs, suture passers, suture knotpushers, suture punches, switching rods, and trocars. The devices subject to this paragraph (b)(2) are exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

115. Section 888.3000 is amended by revising paragraph (b) to read as follows:

§ 888.3000 Bone cap.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

116. Section 888.5960 is amended by revising paragraph (b) to read as follows:

§ 888.5960 Cast removal instrument.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 890—PHYSICAL MEDICINE DEVICES

117. The authority citation for 21 CFR part 890 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

118. Section 890.1575 is amended by revising paragraph (b) to read as follows:

§ 890.1575 Force-measuring platform.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

119. Section 890.1600 is amended by revising paragraph (b) to read as follows:

§ 890.1600 Intermittent pressure measurement system.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

120. Section 890.1615 is amended by revising paragraph (b) to read as follows:

§ 890.1615 Miniature pressure transducer.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

121. Section 890.3175 is amended by revising paragraph (b) to read as follows:

§ 890.3175 Flotation cushion.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

122. Section 890.3760 is amended by revising paragraph (b) to read as follows:

§ 890.3760 Powered table.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

123. Section 890.5380 is amended by revising paragraph (b) to read as follows:

§ 890.5380 Powered exercise equipment.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

124. Section 890.5410 is amended by revising paragraph (b) to read as follows:

§ 890.5410 Powered finger exerciser.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

125. Section 890.5660 is amended by revising paragraph (b) to read as follows:

§ 890.5660 Therapeutic massager.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

126. Section 890.5925 is amended by revising paragraph (b) to read as follows:

§ 890.5925 Traction accessory.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter. The device is also exempt from the current good manufacturing practice regulations in part 820 of this chapter, with the exception of § 820.180, with respect to general requirements concerning records, and § 820.198, with respect to complaint files.

127. Section 890.5940 is amended by revising paragraph (b) to read as follows:

§ 890.5940 Chilling unit.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

128. Section 890.5950 is amended by revising paragraph (b) to read as follows:

§ 890.5950 Powered heating unit.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

129. Section 890.5975 is amended by revising paragraph (b) to read as follows:

§ 890.5975 Therapeutic vibrator.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

PART 892—RADIOLOGY DEVICES

130. The authority citation for 21 CFR part 892 continues to read as follows:

Authority: Secs. 501, 510, 513, 515, 520, 701 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 351, 360, 360c, 360e, 360j, 371).

131. Section 892.1700 is amended by revising paragraph (b) to read as follows:

§ 892.1700 Diagnostic X-ray high voltage generator.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

132. Section 892.1760 is amended by revising paragraph (b) to read as follows:

§ 892.1760 Diagnostic X-ray tube housing assembly.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

133. Section 892.1770 is amended by revising paragraph (b) to read as follows:

§ 892.1770 Diagnostic X-ray tube mount.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

134. Section 892.1830 is amended by revising paragraph (b) to read as follows:

§ 892.1830 Radiologic patient cradle.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

135. Section 892.1880 is amended by revising paragraph (b) to read as follows:

§ 892.1880 Wall-mounted radiographic cassette holder.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

136. Section 892.5780 is amended by revising paragraph (b) to read as follows:

§ 892.5780 Light beam patient position indicator.

* * * * *

(b) *Classification.* Class I. The device is exempt from the premarket notification procedures in subpart E of part 807 of this chapter.

137. Section 892.6500 is amended by revising paragraph (b) to read as follows:

§ 892.6500 Personnel protective shield.

* * * * *

(b) *Classification.* Class I. If the device's labeling specifies the lead equivalence, it is exempt from the

premarket notification procedures in subpart E of part 807 of this chapter.

Dated: January 5, 1996.
 William B. Schultz,
Deputy Commissioner for Policy.
 [FR Doc. 96-418 Filed 1-11-96; 2:00 pm]
 BILLING CODE 4160-01-F

PENSION BENEFIT GUARANTY CORPORATION

29 CFR Parts 2610 and 2622

Late Premium Payments and Employer Liability Underpayments and Overpayments; Interest Rate for Determining Variable Rate Premium; Amendments to Interest Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This document notifies the public of the interest rate applicable to late premium payments and employer liability underpayments and overpayments for the calendar quarter beginning January 1, 1996. This interest rate is established quarterly by the Internal Revenue Service. This document also sets forth the interest rates for valuing unfunded vested benefits for premium purposes for plan years beginning in November 1995 through January 1996. These interest rates are established pursuant to section 4006 of the Employee Retirement Income Security Act of 1974, as amended. The effect of these amendments is to advise plan sponsors and pension practitioners of these new interest rates.

EFFECTIVE DATE: January 1, 1996.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005-4026; telephone 202-326-4024 (202-326-4179 for TTY and TTD). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: As part of title IV of the Employee Retirement Income Security Act of 1974, as amended, the Pension Benefit Guaranty Corporation collects premiums from ongoing plans to support the single-employer and multiemployer insurance programs. Under the single-employer program, the PBGC also collects employer liability from those persons described in ERISA section 4062(a). Under ERISA section 4007 and 29 CFR § 2610.7, the interest rate to be charged on unpaid premiums is the rate established under section 6601 of the

Internal Revenue Code ("Code"). Similarly, under 29 CFR § 2622.7, the interest rate to be credited or charged with respect to overpayments or underpayments of employer liability is the section 6601 rate. These interest rates are published by the PBGC in appendix A to the premium regulation and appendix A to the employer liability regulation.

The Internal Revenue Service has announced that for the quarter beginning January 1, 1996, the interest charged on the underpayment of taxes will be at a rate of 9 percent. Accordingly, the PBGC is amending appendix A to 29 CFR part 2610 and appendix A to 29 CFR part 2622 to set forth this rate for the January 1, 1996, through March 31, 1996, quarter.

Under ERISA section 4006(a)(3)(E)(iii)(II), in determining a single-employer plan's unfunded vested benefits for premium computation purposes, plans must use an interest rate equal to 80% of the annual yield on 30-year Treasury securities for the month preceding the beginning of the plan year for which premiums are being paid. Under § 2610.23(b)(1) of the premium regulation, this value is determined by reference to 30-year Treasury constant maturities as reported in Federal Reserve Statistical Releases G.13 and H.15. The PBGC publishes these rates in appendix B to the regulation.

The PBGC publishes these monthly interest rates in appendix B on a quarterly basis to coincide with the publication of the late payment interest rate set forth in appendix A. (The PBGC publishes the appendix A rates every quarter, regardless of whether the rate has changed.) Unlike the appendix A rate, which is determined prospectively, the appendix B rate is not known until a short time after the first of the month for which it applies. Accordingly, the PBGC is hereby amending appendix B to part 2610 to add the vested benefits valuation rates for plan years beginning in November of 1995 through January of 1996.

The appendices to 29 CFR parts 2610 and 2622 do not prescribe the interest rates under these regulations. Under both regulations, the appendix A rates are the rates determined under section 6601(a) of the Code. The interest rates in appendix B to part 2610 are prescribed by ERISA section 4006(a)(3)(E)(iii)(II) and § 2610.23(b)(1) of the regulation. These appendices merely collect and republish the interest rates in a convenient place. Thus, the interest rates in the appendices are informational only. Accordingly, the PBGC finds that notice of and public

comment on these amendments would be unnecessary and contrary to the public interest. For the above reasons, the PBGC also believes that good cause exists for making these amendments effective immediately.

The PBGC has determined that none of these actions is a "significant regulatory action" under the criteria set forth in Executive Order 12866.

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

List of Subjects

29 CFR Part 2610

Employee benefit plans, Penalties, Pension insurance, Pensions, and Reporting and recordkeeping requirements.

29 CFR Part 2622

Business and industry, Employee benefit plans, Pension insurance, Pensions, Reporting and recordkeeping requirements, and Small businesses.

In consideration of the foregoing, part 2610 and part 2622 of chapter XXVI of title 29, Code of Federal Regulations, are hereby amended as follows:

PART 2610—PAYMENT OF PREMIUMS

1. The authority citation for part 2610 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1306, 1307.

2. Appendix A to part 2610 is amended by adding a new entry for the quarter beginning January 1, 1996, to read as follows. The introductory text is republished for the convenience of the reader and remains unchanged.

Appendix A to Part 2610—Late Payment Interest Rates

The following table lists the late payment interest rates under § 2610.7(a) for the specified time periods:

From—	Through—	Interest rate (per cent)
* January 1, 1996.	* March 31, 1996 .	* 9.00

3. Appendix B to part 2610 is amended by adding to the table of interest rates new entries for premium payment years beginning in November of 1995 through January of 1996, to read as follows. The introductory text is republished for the convenience of the reader and remains unchanged.

Appendix B to Part 2610—Interest Rates for Valuing Vested Benefits

The following table lists the required interest rates to be used in valuing a plan's vested benefits under § 2610.23(b) and in calculating a plan's adjusted vested benefits under § 2610.23(c)(1):

For premium payment years beginning in—	Required interest rate ¹
* * * *	*
November 1995	5.10
December 1995	5.01
January 1996	4.85

¹The required interest rate listed above is equal to 80% of the annual yield for 30-year Treasury constant maturities, as reported in Federal Reserve Statistical Release G.13 and H.15 for the calendar month preceding the calendar month in which the premium payment year begins.

PART 2622—EMPLOYER LIABILITY FOR WITHDRAWALS FROM AND TERMINATIONS OF SINGLE-EMPLOYER PLANS

4. The authority citation for part 2622 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1362–1364, 1367–68.

5. Appendix A to part 2622 is amended by adding a new entry for the quarter beginning January 1, 1996, to read as follows. The introductory text is republished for the convenience of the reader and remains unchanged.

Appendix A to Part 2622—Late Payment and Overpayment Interest Rates

The following table lists the late payment and overpayment interest rates under § 2622.7 for the specified time periods:

From—	Through—	Interest rate (percent)
* * * *	*	*
January 1, 1996.	March 31, 1996 .	9.00

Issued in Washington, DC, this 5th day of January 1996.

Martin Slate,

Executive Director, Pension Benefit Guaranty Corporation.

[FR Doc. 96–427 Filed 1–11–96; 12:31 pm]

BILLING CODE 7708–01–P

29 CFR Parts 2619 and 2676

Valuation of Plan Benefits in Single-Employer Plans; Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal; Amendments Adopting Additional PBGC Rates

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This final rule amends the Pension Benefit Guaranty Corporation's regulations on Valuation of Plan Benefits in Single-Employer Plans and Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal. The former regulation contains the interest assumptions that the PBGC uses to value benefits under terminating single-employer plans. The latter regulation contains the interest assumptions for valuations of multiemployer plans that have undergone mass withdrawal. The amendments set out in this final rule adopt the interest assumptions applicable to single-employer plans with termination dates in February 1996, and to multiemployer plans with valuation dates in February 1996. The effect of these amendments is to advise the public of the adoption of these assumptions.

EFFECTIVE DATE: February 1, 1996.

FOR FURTHER INFORMATION CONTACT: Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005, 202–326–4024 (202–326–4179 for TTY and TDD).

SUPPLEMENTARY INFORMATION: This rule adopts the February 1996 interest assumptions to be used under the Pension Benefit Guaranty Corporation's regulations on Valuation of Plan Benefits in Single-Employer Plans (29 CFR part 2619, the "single-employer regulation") and Valuation of Plan Benefits and Plan Assets Following Mass Withdrawal (29 CFR part 2676, the "multiemployer regulation").

Part 2619 sets forth the methods for valuing plan benefits of terminating single-employer plans covered under title IV of the Employee Retirement Income Security Act of 1974, as amended. Under ERISA section 4041(c), all single-employer plans wishing to terminate in a distress termination must value guaranteed benefits and "benefit liabilities," *i.e.*, all benefits provided under the plan as of the plan termination date, using the formulas set forth in part 2619, subpart C. (Plans terminating in a standard termination may, for purposes of the Standard Termination Notice filed with PBGC,

use these formulas to value benefit liabilities, although this is not required.) In addition, when the PBGC terminates an underfunded plan involuntarily pursuant to ERISA section 4042(a), it uses the subpart C formulas to determine the amount of the plan's underfunding. Part 2676 prescribes rules for valuing benefits and certain assets of multiemployer plans under sections 4219(c)(1)(D) and 4281(b) of ERISA.

Appendix B to part 2619 sets forth the interest rates and factors under the single-employer regulation. Appendix B to part 2676 sets forth the interest rates and factors under the multiemployer regulation. Because these rates and factors are intended to reflect current conditions in the financial and annuity markets, it is necessary to update the rates and factors periodically.

The PBGC issues two sets of interest rates and factors, one set to be used for the valuation of benefits to be paid as annuities and one set for the valuation of benefits to be paid as lump sums. The same assumptions apply to terminating single-employer plans and to multiemployer plans that have undergone a mass withdrawal. This amendment adds to appendix B to parts 2619 and 2676 sets of interest rates and factors for valuing benefits in single-employer plans that have termination dates during February 1996 and multiemployer plans that have undergone mass withdrawal and have valuation dates during February 1996.

For annuity benefits, the interest rates will be 5.40% for the first 20 years following the valuation date and 4.75% thereafter. For benefits to be paid as lump sums, the interest assumptions to be used by the PBGC will be 4.25% for the period during which benefits are in pay status, and 4.0% during all years preceding the benefit's placement in pay status. The above annuity interest assumptions represent a decrease (from those in effect for January 1996) of .20 percent for the first 20 years following the valuation date and are otherwise unchanged. The lump sum interest assumptions represent a decrease (from those in effect for January 1996) of .25 percent for the period during which benefits are in pay status, and are otherwise unchanged.

Generally, the interest rates and factors under these regulations are in effect for at least one month. However, the PBGC publishes its interest assumptions each month regardless of whether they represent a change from the previous month's assumptions. The assumptions normally will be published in the Federal Register by the 15th of

the preceding month or as close to that date as circumstances permit.

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

Because of the need to provide immediate guidance for the valuation of benefits in single-employer plans whose termination dates fall during February 1996, and in multiemployer plans that have undergone mass withdrawal and have valuation dates during February 1996, the PBGC finds that good cause exists for making the rates and factors set forth in this amendment effective less than 30 days after publication.

The PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

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

List of Subjects

29 CFR Part 2619

Employee benefit plans, Pension insurance, and Pensions.

29 CFR Part 2676

Employee benefit plans and Pensions. In consideration of the foregoing, parts 2619 and 2676 of chapter XXVI, title 29, Code of Federal Regulations, are hereby amended as follows:

PART 2619—[AMENDED]

1. The authority citation for part 2619 continues to read as follows:

Authority: 29 U.S.C. 1301(a), 1302(b)(3), 1341, 1344, 1362.

2. In appendix B, Rate Set 28 is added to Table I, and a new entry is added to Table II, as set forth below. The introductory text of both tables is republished for the convenience of the reader and remains unchanged.

Appendix B to Part 2619—Interest Rates Used to Value Lump Sums and Annuities

Lump Sum Valuations

In determining the value of interest factors of the form $v^{0:n}$ (as defined in § 2619.49(b)(1))

for purposes of applying the formulas set forth in § 2619.49(b) through (i) and in determining the value of any interest factor used in valuing benefits under this subpart to be paid as lump sums (including the return of accumulated employee contributions upon death), the PBGC shall employ the values of i_t set out in Table I hereof as follows:

(1) For benefits for which the participant or beneficiary is entitled to be in pay status on the valuation date, the immediate annuity rate shall apply.

(2) For benefits for which the deferral period is y years (y is an integer and $0 < y \leq n_1$), interest rate i_1 shall apply from the valuation date for a period of y years; thereafter the immediate annuity rate shall apply.

(3) For benefits for which the deferral period is y years (y is an integer and $n_1 < y \leq n_1 + n_2$), interest rate i_2 shall apply from the valuation date for a period of $y - n_1$ years, interest rate i_1 shall apply for the following n_1 years; thereafter the immediate annuity rate shall apply.

(4) For benefits for which the deferral period is y years (y is an integer and $y \leq n_1 + n_2$), interest rate i_3 shall apply from the valuation date for a period of $y - n_1 - n_2$ years, interest rate i_2 shall apply for the following n_2 years, interest rate i_1 shall apply for the following n_1 years; thereafter the immediate annuity rate shall apply.

TABLE I
[Lump Sum Valuations]

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)					
	On or after	Before		i_1	i_2	i_3	n_1	n_2	
28	*	*	*	*	*	*	*	*	*
	02-1-96	03-1-96	4.25	4.00	4.00	4.00	7	8	

Annuity Valuations

In determining the value of interest factors of the form $v^{0:n}$ (as defined in § 2619.49(b)(1)) for purposes of applying the formulas set forth in § 2619.49 (b) through (i) and in determining the value of any interest factor

used in valuing annuity benefits under this subpart, the plan administrator shall use the values of i_t prescribed in Table II hereof.

The following table tabulates, for each calendar month of valuation ending after the effective date of this part, the interest rates (denoted by i_1, i_2, \dots , and referred to

generally as i_t) assumed to be in effect between specified anniversaries of a valuation date that occurs within that calendar month; those anniversaries are specified in the columns adjacent to the rates. The last listed rate is assumed to be in effect after the last listed anniversary date.

TABLE II
[Annuity Valuations]

For valuation dates occurring in the month—	The values of i_t are:					
	i_t	for t =	i_t	for t =	i_t	for t =
February 19960540	1-20	.0475	>20	N/A	N/A

PART 2676—[AMENDED]

3. The authority citation for part 2676 continues to read as follows:

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

4. In appendix B, Rate Set 28 is added to Table I, and a new entry is added to Table II, as set forth below. The

introductory text of both tables is

republished for the convenience of the reader and remains unchanged.

Appendix B to Part 2676—Interest Rates Used to Value Lump Sums and Annuities

Lump Sum Valuations

In determining the value of interest factors of the form $v^{0:n}$ (as defined in § 2676.13(b)(1)) for purposes of applying the formulas set forth in § 2676.13 (b) through (i) and in determining the value of any interest factor used in valuing benefits under this subpart to be paid as lump sums, the PBGC shall use the values of i_t prescribed in Table I hereof.

The interest rates set forth in Table I shall be used by the PBGC to calculate benefits payable as lump sum benefits as follows:

- (1) For benefits for which the participant or beneficiary is entitled to be in pay status on the valuation date, the immediate annuity rate shall apply.
- (2) For benefits for which the deferral period is y years (y is an integer and $0 < y \leq n_1$), interest rate i_1 shall apply from the valuation date for a period of y years; thereafter the immediate annuity rate shall apply.
- (3) For benefits for which the deferral period is y years (y is an integer and $n_1 < y \leq$

n_1+n_2), interest rate i_2 shall apply from the valuation date for a period of $y - n_1$ years, interest rate i_1 shall apply for the following n_1 years; thereafter the immediate annuity rate shall apply.

(4) For benefits for which the deferral period is y years (y is an integer and $y > n_1+n_2$), interest rate i_3 shall apply from the valuation date for a period of $y - n_1 - n_2$ years, interest rate i_2 shall apply for the following n_2 years, interest rate i_1 shall apply for the following n_1 years; thereafter the immediate annuity rate shall apply.

TABLE I
[Lump Sum Valuations]

Rate set	For plans with a valuation date		Immediate annuity rate (percent)	Deferred annuities (percent)				
	On or after	Before		i_1	i_2	i_3	n_1	n_2
28	02-1-96	03-01-96	4.25	4.00	4.00	4.00	7	8

Annuity Valuations

In determining the value of interest factors of the form $v^{0:n}$ (as defined in § 2676.13(b)(1)) for purposes of applying the formulas set forth in § 2676.13(b) through (i) and in determining the value of any interest factor used in valuing annuity benefits under this

subpart, the plan administrator shall use the values of i_t prescribed in the table below. The following table tabulates, for each calendar month of valuation ending after the effective date of this part, the interest rates (denoted by i_1, i_2, \dots , and referred to generally as i_t) assumed to be in effect between specified anniversaries of a

valuation date that occurs within that calendar month; those anniversaries are specified in the columns adjacent to the rates. The last listed rate is assumed to be in effect after the last listed anniversary date.

TABLE II
[Annuity Valuations]

For valuation dates occurring in the month—	The values of i_t are:					
	i_t	for t =	i_t	for t =	i_t	for t =
February 1996	.0540	1-20	.0475	>20	N/A	N/A

Issued in Washington, DC, on this 5th day of January 1996.
Martin Slate,
Executive Director Pension Benefit Guaranty Corporation.
[FR Doc. 96-428 Filed 1-11-96; 12:31 pm]
BILLING CODE 7708-01-P

29 CFR Part 2644

Notice and Collection of Withdrawal Liability; Adoption of New Interest Rate

AGENCY: Pension Benefit Guaranty Corporation.

ACTION: Final rule.

SUMMARY: This is an amendment to the Pension Benefit Guaranty Corporation's regulation on Notice and Collection of Withdrawal Liability. That regulation incorporates certain interest rates published by another Federal agency.

This amendment adds to the appendix of that regulation a new interest rate to be effective from January 1, 1996, to March 31, 1996. The effect of the amendment is to advise the public of the new rate.

EFFECTIVE DATE: January 1, 1996.

FOR FURTHER INFORMATION CONTACT:

Harold J. Ashner, Assistant General Counsel, Office of the General Counsel, Pension Benefit Guaranty Corporation, 1200 K Street, NW., Washington, DC 20005-4026; telephone 202-326-4024 (202-326-4179 for TTY and TDD). These are not toll-free numbers.

SUPPLEMENTARY INFORMATION: Under section 4219(c) of the Employee Retirement Income Security Act of 1974, as amended, the Pension Benefit Guaranty Corporation promulgated a final regulation on Notice and Collection of Withdrawal Liability. That regulation, codified at 29 CFR part 2644,

deals with the rate of interest to be charged by multiemployer pension plans on withdrawal liability payments that are overdue or in default, or to be credited by plans on overpayments of withdrawal liability. The regulation allows plans to set rates, subject to certain restrictions. Where a plan does not set the interest rate, § 2644.3(b) of the regulation provides that the rate to be charged or credited for any calendar quarter is the average quoted prime rate on short-term commercial loans for the fifteenth day (or the next business day if the fifteenth day is not a business day) of the month preceding the beginning of the quarter, as reported by the Board of Governors of the Federal Reserve System in Statistical Release H.15 ("Selected Interest Rates").

Because the regulation incorporates interest rates published in Statistical Release H.15, that release is the

authoritative source for the rates that are to be applied under the regulation. As a convenience to persons using the regulation, however, the PBGC collects the applicable rates and republishes them in an appendix to part 2644. This amendment adds to this appendix the interest rate of 8.75 percent, which will be effective from January 1, 1996, through March 31, 1996. This rate represents no change from the rate in effect for the fourth quarter of 1995. This rate is based on the prime rate in effect on December 15, 1995.

The appendix to 29 CFR part 2644 does not prescribe interest rates under the regulation; the rates prescribed in the regulation are those published in Statistical Release H.15. The appendix merely collects and republishes the rates in a convenient place. Thus, the

interest rates in the appendix are informational only. Accordingly, the PBGC finds that notice of and public comment on this amendment would be unnecessary and contrary to the public interest. For the above reasons, the PBGC also believes that good cause exists for making this amendment effective immediately.

The PBGC has determined that this action is not a "significant regulatory action" under the criteria set forth in Executive Order 12866.

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

List of Subjects in 29 CFR Part 2644
Employee benefit plans, Pensions.

In consideration of the foregoing, part 2644 of subchapter F of chapter XXVI of title 29, Code of Federal Regulations, is amended as follows:

PART 2644—NOTICE AND COLLECTION OF WITHDRAWAL LIABILITY

1. The authority citation for part 2644 continues to read as follows:

Authority: 29 U.S.C. 1302(b)(3), 1399(c)(6).

2. Appendix A to part 2644 is amended by adding to the end of the table a new entry to read as follows:

Appendix A to Part 2644—Table of Interest Rates

* * * * *

	From	To	Date of quotation	Rate (percent)
* * * * *				
01/01/96		3/31/96	12/15/95	8.75

Issued in Washington, DC, on this 5th day of January 1996.
Martin Slate,
Executive Director, Pension Benefit Guaranty Corporation.
[FR Doc. 96-429 Filed 1-11-96; 12:31 pm]
BILLING CODE 7708-01-P

DEPARTMENT OF TRANSPORTATION

Maritime Administration

46 CFR Part 308

[Docket No. R-164]

RIN 2133-AB23

War Risk Insurance

AGENCY: Maritime Administration.

ACTION: Final rule.

SUMMARY: The Maritime Administration (MARAD) is revising its war risk regulations to remove voluminous forms that may be obtained from MARAD and to make minor nonsubstantive changes regarding agency organization and procedure with respect to application for war risk insurance, payment of premiums and payment for loss claims. This rulemaking is the result of the President's Regulatory Reinvention Initiative.

EFFECTIVE DATE: January 16, 1996.

FOR FURTHER INFORMATION CONTACT: Edmond J. Fitzgerald, Director, Office of Subsidy and Insurance, 400 Seventh

Street SW, Washington, DC 20590, Tel. (202)366-2400.

SUPPLEMENTARY INFORMATION: Pursuant to the President's Regulatory Reinvention Initiative announced on March 4, 1995, which included a page-by-page review of all regulations, MARAD is amending its war risk insurance regulations with respect to MARAD's procedures for application for war risk insurance and the payment of premiums and claims. It was determined that the existing regulations are cumbersome and excessive in content because of the inclusion of many lengthy forms. As revised, the part provides a general description of the content of the various forms which may be obtained from MARAD.

As authorized by Title XII of the Merchant Marine Act of 1936, as amended (46 App. U.S.C. 1283), the Secretary may provide war risk insurance adequate for the needs of the waterborne commerce of the United States, if such insurance coverage cannot be obtained on reasonable terms and conditions from companies authorized to conduct an insurance business in a state of the United States. This U.S. Government war risk insurance program is a standby emergency program. It becomes effective simultaneously with the automatic termination of ocean marine commercial war risk insurance policies. Those policies are terminated automatically upon the outbreak of war, whether declared or not, between any of the five

great powers (United States, United Kingdom, France, People's Republic of China or Russia) or upon the hostile detonation of a weapon of war employing atomic or nuclear fission and/or fusion or other like reaction or radioactive force or matter.

This program makes it possible for applicants to obtain war risk insurance from the U.S. Government when such insurance is unavailable on reasonable terms and conditions in the commercial market. The program is mutually beneficial to the United States and to the shipowner in that it assures continued flow of essential U.S. trade and protection of the shipowner from loss by risks of war.

While authority to issue war risk insurance expired on June 30, 1995, these amendments to 46 CFR Part 308 are being issued under MARAD's general rulemaking authority found in 46 App. U.S.C. 1114 in anticipation that pending legislation will be enacted to reauthorize the program and in order that there be no unnecessary impairment to the continuity of this emergency program.

Rulemaking Analyses and Notices
Executive Order 12866 (Regulatory Planning and Review) and DOT Regulatory Policies and Procedures

This rulemaking is not considered to be an economically significant regulatory action under section 3(f) of E.O. 12866, and is not considered to be a significant rule under the

Department's Regulatory Policies and Procedures (44 FR 11034, February 26, 1979). Accordingly, it was not reviewed by the Office of Management and Budget. A full regulatory evaluation is not required because the rule has no mandatory effects and imposes no regulatory costs.

MARAD has determined that this rulemaking presents no substantive issue which it could reasonably expect would produce meaningful public comment since it eliminates forms, which are described and may be obtained from MARAD or its agent, makes other conforming amendments and reflects MARAD organizational changes. Accordingly, pursuant to the Administrative Procedure Act, 5 U.S.C. 553(c) and (d), MARAD finds that good cause exists to publish this as a final rule, without opportunity for public comment, and to make it effective on the date of publication.

Federalism

The Maritime Administration has analyzed this rulemaking in accordance with the principles and criteria contained in Executive order 12612, and has determined that it does not have sufficient federalism implications to warrant the preparation of a Federalism Assessment.

Regulatory Flexibility Act

The Maritime Administration certifies that this rulemaking will not have a significant economic impact on a substantial number of small entities.

Environmental Assessment

The Maritime Administration has considered the environmental impact of this rulemaking and has concluded that an environmental impact statement is not required under the National Environmental Policy Act of 1969.

Paperwork Reduction Act

This rulemaking contains an information collection that has been approved by OMB under 5 CFR part 1320, pursuant to the Paperwork Reduction Act of 1980 (44 U.S.C. 3501, *et seq.*). Approval number 2133-0011 has been assigned to the collection requirement.

List of Subjects in 46 CFR Part 308

Cargo vessels, Maritime carriers, Reporting requirements, War risk insurance.

Accordingly, 46 CFR part 308 is revised to read as follows:

Part 308—War Risk Insurance

Subpart A—General

Sec.

- 308.1 Eligibility for vessel insurance.
- 308.2 Requirements for eligible vessels.
- 308.3 Applications for insurance; warranties; supporting documents; payment of binder fees.
- 308.4 [Reserved]
- 308.5 Voluntary contract of commitment.
- 308.6 Period of interim binders, updating application information and new applications.
- 308.7 Premiums and payment thereof.
- 308.8 War risk insurance underwriting agency agreement.

Subpart B—War Risk Hull and Disbursements Insurance

- 308.100 Insured Amount.
- 308.101 [Reserved]
- 308.102 Issuance of interim binder; terms and conditions; fees.
- 308.103 Insured amounts under interim binder.
- 308.104 Additional war risk insurance.
- 308.105 Reporting casualties and filing claims.
- 308.106 [Reserved]
- 308.107 War risk hull insurance policy.

Subpart C—War Risk Protection and Indemnity Insurance

- 308.200 Insured Amount—application
- 308.201 [Reserved]
- 308.202 Issuance of interim binder; terms and conditions.
- 308.203 Amount insured under interim binder.
- 308.204 Additional war risk protection and indemnity insurance.
- 308.205 Reporting casualties and filing claims.
- 308.206 [Reserved]
- 308.207 War Risk protection and indemnity insurance policy.

Subpart D—Second Seamen's War Risk Insurance

- 308.300 Insured amount—application.
- 308.301 [Reserved]
- 308.302 Issuance of interim binder; terms and conditions.
- 308.303 Amount insured under interim binder.
- 308.304 Reporting casualties and filing claims.
- 308.305 [Reserved]
- 308.306 Second Seamen's War Risk Policy, Form MA-242.

Subpart E—War Risk Builder's Risk Insurance

- 308.400 Authority.
- 308.401 Eligibility for insurance.
- 308.402 Insurance during vessel construction period.
- 308.403 Insured amounts.
- 308.404 Application for insurance.
- 308.405 Form of application.
- 308.406 Issuance of policies; terms and conditions.
- 308.407 Premiums and payment.
- 308.408 Right of Maritime Administrator to change rate of premium.

- 308.409 Standard form of War Risk Builder's Risk Insurance Policy, Form MA-283.
- 308.410 Reporting casualties and filing claims.

Subpart F—War Risk Cargo Insurance

I—Introduction

- 308.500 Authority.
- 308.501 Cargoes on which coverage is available.
- 308.502 Additional insurance.
- 308.503 Rate schedules.
- 308.504 Definition of territories and possessions.

II—Open Policy War Risk Cargo Insurance

- 308.505 General.
- 308.506 Application for an open cargo policy.
- 308.507 Security for payment of premiums.
- 308.508 Issuance of an open cargo policy.
- 308.509 Collateral deposit fund.
- 308.510 Surety bond.
- 308.511 Cancellation of Open Cargo Policy.
- 308.512 Declaration of shipments under open cargo policy.
- 308.513 Payment of premiums and fees.
- 308.514 Return premium.
- 308.515 Payment in event of loss.
- 308.516 Failure to comply with Clause 21.
- 308.517 Open cargo policy, Form MA-300.
- 308.518 Standard optional endorsement No. 1, Form MA-300-A.
- 308.519 Standard optional endorsement No. 2, Form MA-300-B.
- 308.520 Standard optional endorsement No. 3, Form MA-300-C.
- 308.521 Application for open cargo policy, Form MA-301.
- 308.522 Collateral deposit fund, letter of transmittal, Form MA-302.
- 308.523 Application for revision of open cargo policy, Form MA-303.
- 308.524 Application for cancellation of open cargo policy, Form MA-304.
- 308.525 Application for decrease in amount of cash collateral fund, Form MA-305.
- 308.526 Certificate for repayment of decrease of collateral deposit fund, Form MA-306.
- 308.527 Application for return premium, Form MA-307.
- 308.528 Surety Bond A, Form MA-308.
- 308.529 Surety Bond B, Form MA-309.
- 308.530 Letter requesting increase or decrease in amount of Surety bond, Form MA-310.
- 308.531 Endorsement of surety bond increasing or decreasing amount of coverage, Form MA-311.
- 308.532 Release of surety bond, Form MA-312.
- 308.533 Closing report, Form MA-313.
- 308.534 Certificate to be attached to closing report, Form MA-313-A.
- 308.535 Certificate to be attached to final closing report, Form MA-313-B.
- 308.536 Declaration where failure to comply with Clause 21 was inadvertent, Form MA-314.
- 308.537 Effective date of endorsement.

III—Facultative War Risk Cargo Insurance

- 308.538 General.
- 308.539 Application.

- 308.540 Premiums.
 308.541 Issuance.
 308.542 Warranty re thirty-day shipments.
 308.543 Cancellation.
 308.544 Facultative binder, Form MA-315.
 308.545 Facultative cargo policy, Form MA-316.
 308.546 Standard optional endorsement No. 1-A, Form MA-316-A.
 308.547 Application for return premium, Form MA-317.

IV—General

- 308.548 Standard form of underwriting agency agreement for cargo, Form MA-318.
 308.549 Application for appointment of Cargo Underwriting Agent, Form MA-319.
 308.550 Certificate, Form MA-320.
 308.551 War Risk insurance clearing agency agreement for cargo.
 308.552 Effective date.

Subpart G—Records Retention

- 308.600 Records retention requirement.
 Authority: Secs. 204, 1202, 1203, 1209, Merchant Marine Act of 1936, as amended (46 App. U.S.C. 1114, 1282, 1283, 1289; 49 CFR 1.66).

Subpart A—General

§ 308.1 Eligibility for vessel insurance.

Any vessel within one of the following categories shall be eligible for insurance, but shall remain eligible only while meeting the qualifications criteria in one of said categories. An eligible vessel is not insured unless and until an application is submitted as required in subpart B, C, or D of this Part 308 and the Maritime Administrator, Department of Transportation, (Maritime Administrator) Maritime Administration (MARAD), approves said application.

(a) A vessel registered, enrolled, or licensed under the laws of the United States of America (United States); any undocumented vessel owned or chartered by or made available to the United States or any department or agency thereof; any tug or barge or other watercraft (documented under the laws of the United States, or undocumented) owned by a citizen of the United States and used in essential water transportation; and United States citizen-owned watercraft used in the fishing trade or industry, except when used exclusively in or for sport fishing.

(b) Any vessel, other than a vessel described in paragraph (a) of this section determined by the Maritime Administrator to be engaged in the national defense or the national economy of the United States and subject to an unqualified Contract of Commitment with the United States in a form required by the Maritime Administrator, and which is:

(1) Owned by a United States corporation, or a foreign corporation in which a majority of the stock is owned and controlled by a citizen or citizens of the United States, whether direct or through intervening corporations, foreign or domestic. Where such intervening corporations are foreign, the ultimate majority ownership and control of the stock of such corporations must be vested in a citizen or citizens of the United States as defined in section 1201(d), Merchant Marine Act, 1936, as amended (46 App. U.S.C. 1281(d));

(2) Owned by a foreign corporation which is not directly or beneficially owned by a citizen or citizens of the United States, but which vessel is under a long-term charter or other long-term contract covering the use of the vessel on terms deemed by the Maritime Administrator to subject the vessel to United States control in the event of an emergency. The charterer of such vessel must be either a citizen or citizens of the United States or a foreign corporation in which a majority of the stock is owned and controlled by a citizen or citizens of the United States, whether direct or indirect through intervening corporations, foreign or domestic. Where such intervening corporations are foreign, ultimate majority ownership and control of the stock of such corporations must be vested in a citizen or citizens of the United States, as defined in 46 App. U.S.C. 1281(d).

(c) Any other vessel, at the sole discretion of the Maritime Administrator, but only while engaged in a service which has been determined by the Maritime Administrator to be in the interest of the national defense or the national economy of the United States. Vessels in this category are not eligible for war risk insurance interim binders.

§ 308.2 Requirements for eligible vessels.

(a) *Restrictions—foreign-flag vessels.* Interim insurance is available on any vessel described in § 308.1 (a) and (b) of this part, provided application for interim insurance is submitted as required in subparts B, C, or D of this part 308, and the Maritime Administrator approves said application: Provided, That only vessels of Panamanian, Honduran, Bahamian, Republic of the Marshall Islands or Liberian registry not more than 20 years old will be considered eligible under § 308.1 (b) of this part for interim insurance, subject at all times to the determination specified in paragraph (b) of this section.

(b) *Special rules—foreign-flag vessels.* For the purpose of providing interim insurance on vessels described in

§ 308.1(b), the Maritime Administrator shall consider the characteristics, employment, and general management of the vessel. The Maritime Administrator formally determines that the following vessels are engaged in a service in the interest of the national defense or the national economy of the United States and qualify for an interim binder:

(1) Vessels substantially engaged in the foreign commerce of the United States or which would be required in the event of war or national emergency;

(2) Tankers of not less than 2,000 deadweight tons;

(3) Dry cargo vessels, including containerships, breakbulk, and dry bulk vessels;

(4) Heavy lift vessels;

(5) Refrigerated vessels and other classes of ships in short supply in the United States-flag fleet;

(6) Passenger vessels; and

(7) Other vessels with special capabilities, as determined by the Maritime Administrator.

(c) *Vessel Position Reports.* All vessels for which war risk insurance interim binders have been issued shall file a Vessel Position Report. The purpose of this report is to inform cognizant U.S. agencies of vessel arrivals, departures and at-sea locations. Failure to make required regular reports will cause MARAD to issue a one-time notice of default. If failure to report continues, MARAD shall cancel the interim binder for the subject vessel and any insurance attaching thereunder. MARAD will issue reporting instructions and formats with the binders.

(d) *Notice of change in status of vessel after binder issued.* Any breach of the warranty prescribed hereunder as to vessels in all categories with respect to Department of Commerce Transportation Orders T-1 and T-2 (44 CFR Parts 401, 402 and 403), as well as the additional warranties as to vessels in categories (b)(1) and (b)(2) of this section, with respect to maintenance of eligibility for insurance and availability of the insured vessels to the U.S. Government in time of emergency, shall terminate the binders and any insurance attaching thereunder. In the event of the sale, demise charter, requisition, confiscation, change of flag, total loss, or any other change in status which, by the terms of the binder causes the binder to terminate, prompt notice shall be given in writing to the American War Risk Agency, 14 Wall Street, New York, N.Y. 10005.

(e) *Nature of change in status of other vessels.* It is the intention of the parties that any breach of the warranty as to operation in the approved service of

vessels described in § 308.1(c) shall terminate the insurance. In the event of the sale, demise charter, requisition, confiscation, change of flag, total loss, any other change in status or change in operation of the vessel in the approved service prompt notice shall be given to the American War Risk Agency, 14 Wall Street, New York, N.Y. 10005.

§ 308.3 Applications for insurance; warranties; supporting documents; payment of binder fees.

(a) *Application, binder forms.* A single application for War Risk Insurance shall be filed on Form MA-528, specifying the types of insurance coverages for which the applicant is applying. A single application may be submitted for several vessels, if the application identifies each vessel to be insured and the coverage(s) required, by completing appendices A and B to that form. An interim binder for war risk insurance coverage, of the types described in subparts B, C and D of this part, shall be on Form MA-942, which may be obtained from the American War Risk Agency or from the Office of Subsidy and Insurance.

(b) *Warranties—(1) In general.* Applications for war risk hull and protection and indemnity insurance in any eligible category of this Part 308 shall include a warranty that, at all times during the effective period of the binder and any insurance attaching thereunder, the insured vessel, regardless of its nation of registry, will comply with Department of Commerce Transportation Orders T-1 and T-2 (44 CFR parts 401, 402, and 403), or any modifications thereof so long as they remain in force and that the vessel will not be chartered, unless in accordance with the provisions of § 221.11 and 221.13 of this chapter, which requirement is applicable to any charter in existence at the time the applicant applies for insurance.

(2) *Vessels described in § 308.1(a).* Applications for war risk insurance on a vessel described in § 308.1(a) shall contain the warranty that at, and from the date of issuance of the interim binder, and for and during the term of any insurance attaching thereunder, such vessel will remain eligible within its category.

(3) *Vessels described in § 308.1(b).* Applications for war risk insurance on a vessel described in § 308.1(b) shall contain the warranties that at all times the vessel will remain eligible within its applicable category; that the vessel will be made available for use by the United States pursuant to the signed Contract of Commitment submitted with the insurance applications, as required by

the Maritime Administration; that the vessel will remain in the approved service; and that no controlling interest in the vessel shall be transferred by a subsequent sale or long-term charter, except on the condition that the successor in interest agrees to be bound by the terms of the applicant's Contract of Commitment. All instruments transferring any controlling interest in the vessel, including long-term charter or merger agreements, shall be submitted to the Maritime Administration for prior approval.

(4) *Vessels described in § 308.1(c).* Applications for war risk insurance on a vessel described in § 308.1(c) shall contain warranties that the vessel will remain in the approved service and that any change in flag or service will be reported in advance to the Maritime Administration for a new determination as to whether the vessel's service is in the interest of the national defense or the national economy of the United States. Vessels in this category are not eligible for war risk insurance interim binders.

(5) *Vessel locator filing requirements.* Applications for insurance on vessels in all categories, except tugs and barges and vessels used exclusively in the fishing trade or industry, described in § 308.1(a), shall contain a warranty that at all times the vessel will file reports as required under the U.S. Merchant Vessel Locator Filing System (USMER) as prescribed in § 308.2(c) of this section.

(c) *Filing applications for insurance.* All applications for insurance on a vessel shall be made to the American War Risk Agency, 14 Wall Street, New York, New York 10005, underwriting agent for the Maritime Administration.

(d) *Required submissions with—(1) In general.* An application for insurance on a vessel described in § 308.1(b) shall be accompanied by:

(i) A contract of commitment, in the form prescribed in § 308.5 of this part. In the event the vessel is determined to be ineligible under the terms of this part 308, the applicant will be so advised and the executed contract of commitment and any official foreign government action or approval will be returned to the applicant by the Maritime Administration.

(ii) An executed agreement contained in the application for insurance that any charter or other contract covering the use of the vessel during the period of the binder or any insurance attaching thereunder shall be subject to termination or suspension without notice in the event the United States requires the use of the vessel under the

voluntary contract of commitment submitted by the applicant.

(2) *Certification of citizenship.* An application for insurance on such a vessel shall be supported by execution of the citizenship certification, in the format set out in appendix C to Form MA-528, as described in paragraph (a) of this section. That certification shall be required to establish the U.S. citizenship of the majority ownership and control of the vessel-owning corporation, whether that ownership is direct or through intervening corporations.

(3) *Existing long-term charters.* An application for a vessel in this category which is at the time of application under long-term charter or other long-term contract, either to the applicant or from the applicant to a third party, shall be jointly submitted by the owner and the charterer, and in addition to the other materials required under this paragraph, shall be accompanied by a copy of the long-term contract covering the use of the vessel and all addenda thereto, certified to be full and complete copies (except as to rate of hire or freight) and a completed appendix C to Form MA-528, establishing the U.S. citizenship of the majority of the shareholders and control of the charterer. The charterer shall also furnish to MARAD a certified copy of any amendment to such charter which may be issued subsequent to the issuance of any binder of insurance under this Part 308.

(4) *Foreign government action or approval.* An application for a vessel in this category also shall be accompanied by a certified copy of the evidence of any official action or approval required by the government of the country of registry as a prerequisite to the execution of a contract of commitment with the United States.

(5) *Additional materials.* With respect to a vessel in this category, the applicant shall submit the following additional materials:

(i) A statement describing the service in which the vessel is engaged, including a listing of the vessel's voyages and ports of call during the immediately preceding six (6) month period, indicating the tonnage and type of cargo carried on such voyages and the reasons why such service should be deemed to be in the interest of the national defense or the national economy of the United States;

(ii) Material demonstrating the management and financial capabilities of the applicant; and

(iii) In the case of a new vessel or a vessel which has not for the six (6) months immediately prior to the date of

the application been engaged in the foreign commerce of the United States, a statement, signed by a responsible company official, certifying the extent to which the vessel will be engaged in the foreign commerce of the United States for the six (6) months immediately following the issuance of any interim binder of insurance under this part 308.

(e) *Requests for changes in binders.* All requests for changes in binders and inquiries relative to the insurance after the interim binders have been issued shall be directed to the American War Risk Agency, 14 Wall Street, New York, NY 10005.

(f) *Fees.* A check payable in U.S. funds to the "Maritime Administration, Department of Transportation" for the total amount of all binder fees payable by such applicant shall accompany each application. Binder fees are not returnable.

(g) *Availability of Application Forms.* Form MA-528 may be obtained from either the American War Risk Agency (Underwriting Agent), at the address in paragraph (e) of this section, or the Maritime Administration, Attention: Director, Office of Subsidy and Insurance, 400 Seventh Street, SW., Washington, DC 20590.

(Approved by the Office of Management and Budget under control number 2133-0011)

§ 308.4 [Reserved]

§ 308.5 Voluntary contract of commitment.

Applications for insurance on vessels described in § 308.1(b) shall be accompanied by a contract of commitment, in triplicate originals, executed by the owner (or by the owner and the charterer where required by § 308.3). Contracts of commitment to make the vessel available to the United States during any period in which vessels may be requisitioned under section 902 of the Act (46 App. U.S.C. 1242) shall be submitted on standard contract form which may be obtained from the American War Risk Agency or MARAD. The effective date of the contract of commitment will be the effective date of the binder and will be inserted in the contract of commitment by MARAD.

§ 308.6 Period of interim binders, updating application information and new applications.

(a) All existing interim binders remain in full force and effect without the necessity of re-application or the payment of additional fees so long as the Secretary of Transportation's authority to provide such insurance has been extended and is continuous.

(b) Assureds under interim binders are required to notify the American War

Risk Agency annually, by June 30th, of any change in the information provided in their original binder applications including, but not limited to, change of address, vessel name or vessel characteristics.

(c) New applications for interim binders on U.S.-flag vessels, with necessary attachments (as specified in § 308.3), as well as checks for the binder fees prescribed made payable to "Maritime Administration, Department of Transportation," shall be filed with the American War Risk Agency, 14 Wall Street, New York, New York 10005. All interim binders on U.S.-flag vessels shall become effective as of the date of determination of eligibility by the Maritime Administration.

(d) New applications for interim binders on U.S. citizen-owned or controlled foreign-flag vessels, with necessary attachments (as specified in § 308.3), as well as checks for the binder fees prescribed made payable to "Maritime Administration, Department of Transportation," shall be filed for review in accordance with eligibility requirements specified in § 308.2, and mailed to the American War Risk Agency, 14 Wall Street, New York, New York 10005. All interim binders on foreign-flag vessels will become effective on the date the owner's contract of commitment is executed by the Maritime Administration.

(Approved by the Office of Management and Budget under control number 2133-0011)

§ 308.7 Premiums and payment thereof.

Rate to be fixed promptly upon the happening of the event causing the American Institute Hull War Risks and Strikes Clauses dated December 1, 1977 (including Automatic Termination and Cancellation Provisions) for attachment to American Institute Hull Clauses dated June 2, 1977 of any war risk policies to become operative and premium shall be payable within ten days after receipt of notice of the amount thereof by the assured. Premiums shall be paid to the Underwriting Agent that issued the binders by check payable to the order of "Maritime Administration, Department of Transportation." In the event that it is subsequently determined that insurance under interim binders did not attach, premiums paid will be refunded by the Maritime Administrator.

§ 308.8 War risk insurance underwriting agency agreement.

Standard form MA-355 of underwriting agency agreement applicable shall be executed by the Maritime Administrator and domestic insurance companies or groups of

domestic insurance companies authorized to do a marine insurance business in any States of the United States, appointing such companies or groups of companies as Underwriting Agents to issue binders and policies covering hull, protection and indemnity, and Second Seamen's war risk insurance under subparts B, C, and D of this part. It shall contain provisions including, but not limited to the appointment of the agent, duties of the agent, books and records, compensation, standard of performance, indemnification effective date, amendment and termination, and nondiscrimination.

Subpart B—War Risk Hull and Disbursements Insurance

§ 308.100 Insured Amounts.

An applicant for war risk hull insurance shall state the amount of insurance desired but any payment of claim for damage to or actual or constructive total loss of the vessel insured shall be made as provided in § 308.103(a). An applicant desiring disbursements insurance may at his option obtain such additional insurance but any claim for loss of disbursements as a consequence of the actual or constructive total loss of the vessel insured shall be made as provided in § 308.103(c).

§ 308.101 [Reserved]

§ 308.102 Issuance of interim binders; terms and conditions; fees.

Upon acceptance of an application, an interim binder in the form set forth in § 308.106, will be issued and there shall be deemed to be incorporated therein by references all the terms, conditions, and warranties contained in the application for war risk hull and disbursements insurance and the standard war risk hull insurance policy (set forth in § 308.107), to the same extent as if such application and policy were made a part of the binder. The binder fee (not refundable) for U.S.-flag vessels shall be \$25 per application for vessels under 500 gross tons; \$100 per application for vessels 500 gross tons or over; and \$100 per LASH or similar type barge application. The binder fee (not refundable) for foreign-flag vessels shall be \$50 per application for vessels under 500 gross tons; \$200 per application for vessels 500 tons or over; and \$200 per LASH or similar type barge application. All fees are payable in U.S. funds by check to order of the "Maritime Administration, Department of Transportation."

§ 308.103 Insured amounts under interim binder.

(a) *Valuation.* The valuation in the policy for damage to, or actual or constructive total loss of the vessel insured shall be a stated valuation (exclusive of National Defense features paid for by the Government) determined by the Secretary of Transportation which shall not exceed the amount that would be payable if the vessel had been requisitioned for title under section 902(a) of the Merchant Marine Act, 1936, as amended (46 App. U.S.C. 1242(a)) at the time of the attachment of the insurance under said policy: Provided, however, That in the case of a construction subsidized vessel, for the period of insurance prior to requisition for title or use, the valuation so determined shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features), and for the period of insurance after requisition for use the valuation so determined shall not exceed the amount which would be payable under 46 App. U.S.C. 1242(a) in the case of requisition for title or use: Provided, further, that the insured shall have the right within sixty days after the attachment of the insurance under said policy, or within sixty days after determination of such valuation by the Secretary of Transportation, whichever is later, to reject such valuation, and shall pay, at the rate provided for in said policy, premiums upon such asserted valuation as the insured shall specify at the time of rejection, but such asserted valuation shall not operate to the prejudice of the Government in any subsequent action on the policy. In the event of the actual or constructive total loss of the vessel, if the insured has not rejected such valuation the amount of any claim therefor which is adjusted, compromised, settled, adjudged, or paid shall not exceed such stated amount, but if the insured has so rejected such valuation, the insured shall be paid as a tentative advance only, 75 per centum of such valuation so determined by the Secretary of Transportation and shall be entitled to sue the United States in a court having jurisdiction of such claims to recover such valuation as would be equal to the just compensation which such court determines would have been payable if the vessel had been requisitioned for title under 46 App. U.S.C. 1242(a) at the time of the attachment of the insurance under said policy: Provided, however, That in the

case of a construction-subsidized vessel, the valuation determined by the court as such just compensation for any period of insurance prior to actual requisition for title or use of the vessel shall be reduced by such proportion as the amount of construction subsidy paid with respect to the vessel bears to the entire construction cost and capital improvements thereof (excluding the cost of national defense features), and for any period of insurance after actual requisition for use, the valuation determined by the court shall be the amount which would have been payable under 46 App. U.S.C. 1212 in the case of requisition for title: And provided further, that in the event of an election by the insured to reject the stated valuation fixed by the Secretary of Transportation and to sue in the courts, the amount of the judgment will be payable without regard to any limitations provided by statute, although the excess of any amounts advanced on account of just compensation that is over the amount of the court judgment shall be required to be refunded by the insured. In the event of such court determination, premiums under the policy shall be adjusted on the basis of the valuation as finally determined and of the rate provided for in said policy. The "stated valuation" of the vessel insured refers to the vessel as described in § 309.5 of this chapter.

(b) *Insurance risks.* Insurance risks covered by the terms of the standard form of war risk hull insurance policy (§ 308.107), except damage to or actual or constructive total loss of the vessel insured as set forth in paragraph (a) of this section and loss of disbursements (limited to consumable and subsistence stores, slop chests, bar stock and bunker fuel lost as a consequence of the actual or constructive total loss of the vessel insured) as set forth in paragraph (c) of this section and identified as disbursements, shall be insured for an amount not in excess of the "sum insured" as referred to in said policy.

(c) *Disbursements.* Disbursements shall be insured as authorized under section 1203(c), Title XII, Merchant Marine Act, 1936, as amended, (46 App. U.S.C. 1283(c)) and shall be limited to consumable and subsistence stores, slop chests, bar stock and bunker fuel. Disbursements insurance shall be optional and is insurance additional to the war risk hull insurance provided under this subpart, and payment of claim shall be limited to the actual value of the disbursements lost as a consequence of the actual or constructive total loss of the vessel insured.

§ 308.104 Additional war risk insurance.

Owners or charterers may obtain, on an excess basis, additional war risk insurance in such amounts as desired and such insurance shall not inure to the benefit of the Maritime Administrator as underwriter.

§ 308.105 Reporting casualties and filing claims.

All casualties occurring after insurance under a binder has attached shall be reported promptly to the Underwriting Agent that issued the binder and all claim documents shall likewise be filed with such Underwriting Agent, but payment of the amounts due in settlement of claims will be made by the Maritime Administrator.

§ 308.106 [Reserved]**§ 308.107 War risk hull insurance policy.**

Standard Form MA-240, issued by the Maritime Administrator, acting for the United States, through authority delegated by the Secretary of Transportation, may be obtained from the American War Risk Agency or MARAD.

Subpart C—War Risk Protection and Indemnity Insurance**§ 308.200 Insured amount—Application.**

An applicant for war risk protection and indemnity insurance shall state the amount of insurance desired but such amount shall not exceed \$750 per gross ton of the Vessel.

§ 308.201 [Reserved]**§ 308.202 Issuance of interim binder; terms and conditions.**

Upon acceptance of an application, an interim binder in form as set forth in § 308.3 will be issued and there shall be deemed to be incorporated therein by reference all the terms, conditions, and warranties contained in the application for war risk protection and indemnity insurance (set forth in § 308.3) and the standard war risk protection and indemnity insurance policy (set forth in § 308.207) to the same extent as if such application and policy were made a part of the binder. The binder fee (not refundable) shall be \$100 per application for U.S.-flag LASH or similar type barges; \$25 per application for all other U.S.-flag vessels; \$200 per application for foreign-flag LASH or similar type barges; and \$50 per application for all other foreign-flag vessels. All fees are payable in U.S. funds by check to the order of "Maritime Administration, Department of Transportation."

§ 308.203 Amount insured under interim binder.

The amount insured shall be the amount stated in the application, but not in excess of \$750 per gross ton of the vessel.

§ 308.204 Additional war risk protection and indemnity insurance.

Owners or charterers may obtain, on an excess basis, additional war risk protection and indemnity insurance in such amounts as desired and such insurance shall not inure to the benefit of the Maritime Administrator, as underwriter.

§ 308.205 Reporting casualties and filing claims.

All casualties occurring after insurance under a binder has attached shall be reported promptly to, and all claim documents filed with the Office of Subsidy and Insurance, Maritime Administration, Department of Transportation, Washington, DC, 20590.

§ 308.206 [Reserved]**§ 308.207 War risk protection and indemnity insurance policy.**

The standard form of war risk protection and indemnity insurance policy, Form MA-241, may be obtained from the American War Risk Agency or MARAD.

Subpart D—Second Seamen's War Risk Insurance**§ 308.300 Insured amount—application.**

An applicant for Second Seamen's war risk insurance shall not state the amount of insurance desired, which shall be as provided in § 308.303.

§ 308.301 [Reserved]**§ 308.302 Issuance of interim binder; terms and conditions.**

Upon acceptance of an application, an interim binder in form as set forth in § 308.3 will be issued and there shall be deemed to be incorporated therein by reference all the terms, conditions, and warranties contained in the application for Second Seamen's war risk insurance (set forth in § 308.3) and the Second Seamen's War Risk Policy (1955) (set forth in § 308.306) to the same extent as if such application and policy were made a part of the binder. The binder fee (not refundable) shall be \$75 per application for U.S.-flag vessels and \$150 per application for foreign-flag vessels. All fees are payable in U.S. funds by check to the order of "Maritime Administration, Department of Transportation."

§ 308.303 Amounts insured under interim binder.

The amounts insured are the amounts specified in the Second Seamen's War Risk Policy (1955) or as modified by shipping articles, collective bargaining agreements or other applicable employment agreements which are in effect as of the date of a casualty involving the subject vessel. Upon the attachment of this binder, the number of crew members and modified benefits payable as of that date shall be declared immediately to the Underwriting Agent that issued the binder. Any subsequent changes shall be likewise declared.

§ 308.304 Reporting casualties and filing claims.

All casualties occurring after insurance under a binder has attached shall be reported promptly to, and all claim documents filed with, the Maritime Administration, Attention: Director, Office of Subsidy and Insurance, Washington, DC 20590.

§ 308.305 [Reserved]**§ 308.306 Second Seamen's War Risk Policy, Form MA-242.**

(a) The standard form of Second Seamen's War Risk Policy Form MA-242, may be obtained from the American War Risk Agency or MARAD.

Subpart E—War Risk Builder's Risk Insurance**§ 308.400 Authority.**

The Secretary of Transportation has delegated authority to the Maritime Administrator to perform the functions vested in the Secretary of Transportation by Title XII of the Merchant Marine Act, 1936, as amended. The Maritime Administrator, pursuant to a finding by the Secretary under section 1202(a) of the Act authorized, (46 App. U.S.C. 1982(a)) has authorized the issuance of war risk insurance on American vessels under construction in shipyards in the United States.

§ 308.401 Eligibility for insurance.

A vessel is eligible for insurance if it is an American vessel as defined in section 1201(a), Title XII of Merchant Marine Act, 1936, as amended, (46 App. U.S.C. 1281) being constructed in a shipyard within the United States.

§ 308.402 Insurance during vessel construction period.

(a) *Prelaunching period.* This period is from the date and time the first material destined for inclusion as part of the vessel becomes at risk at the shipyard of the builder to the date and

time the vessel first becomes water-borne after launching.

(b) *Postlaunching period.* This period is from the date and time the vessel first becomes water-borne after launching to the date and time of delivery of the vessel by the builder.

(c) *Portions of periods.* A vessel may be insured for a portion of either period as cited in paragraph (a) or (b) of this section at the sole discretion of the Maritime Administrator.

§ 308.403 Insured amounts.

(a) *Prelaunching period.* The amount insured during this period will be the cost of material destined for inclusion as a part of the vessel at risk at the shipyard of the builder, plus the cost of labor, other direct charges, overhead, and profit not exceeding 10 percent, all as determined from the builder's records.

(b) *Postlaunching period.* The amount insured during this period will be: (1) An amount not in excess of the difference in amount between the total amount of war risk insurance obtainable from companies authorized to do an insurance business in a State of the United States and the contract price of the vessel plus the cost of the materials and equipment furnished by the owner and not included in such contract price, or (2) an amount not in excess of the contract price of the vessel plus the cost of materials and equipment furnished by the owner and not included in the contract price: Provided, That no war risk insurance is obtainable from companies authorized to do an insurance business in a State of the United States.

(c) *Maximum liability.* The amount of any claim for damage to or the total or constructive total loss of the vessel adjusted, compromised, settled, adjudged or paid shall not exceed the amount insured: Provided, That the amount payable hereunder shall not exceed the maximum sum which the Maritime Administrator, as Underwriter, is authorized to pay under any applicable Acts of Congress: Provided, further, That where MARAD is an Excess Underwriter, the amount payable under this insurance for damage to or the total or constructive total loss of the vessel, after all sums due and payable under primary and excess insurance written by commercial Underwriters have been exhausted, shall be the balance, if any, of said claims.

§ 308.404 Application for insurance.

Application for insurance shall be made to the Maritime Administration, Attention: Director, Office of Subsidy

and Insurance, Washington, DC 20590. The applications shall be signed by all parties to be named as assureds, unless they have filed with the Director, Office of Subsidy and Insurance, written designations of a broker or brokers to act for them, in which case the applications may be signed by such broker or brokers.

§ 308.405 Form of application.

Applications shall be submitted in duplicate and may be obtained from the American War Risk Agency or MARAD.

§ 308.406. Issuance of policies; terms and conditions.

Upon acceptance of an application, a policy in the form specified in § 308.409 will be issued with endorsements MA-283(A) and MA-283(D), or MA-283(B) and MA-283(D), or MA-283(C), and MA-283(D), as appropriate.

§ 308.407 Premiums and payment.

For the prelaunching period premium will be charged on the average value at risk during each calendar month or the daily pro rata part thereof for periods of less than one calendar month. For the postlaunching period premium will be charged on the amount insured for the full period. Premiums shall be due and payable within thirty days after receipt by the Assured of notice of the amount thereof and if not paid within that period the insurance shall become null and void and of no effect from the beginning of the period for which the premium charge is made unless the Maritime Administrator agrees otherwise. Payment shall be made to the Maritime Administration, Department of Transportation, Washington, DC 20590, by check payable to the order of "Maritime Administration, Department of Transportation."

§ 308.408 Right of Maritime Administrator to change rate of premium.

The Maritime Administrator, acting for the Secretary of Transportation, shall have the right to change the rate of premium at any time, and unless the revised rate of premium is accepted in writing by the Assured within fifteen days after receipt by the Assured of notice of the revised rate, the policy shall become null and void and of no effect as of midnight, Standard Time, at the location of the shipyard on the fifteenth day after receipt of said notice. Premium at the revised rate shall be payable for the fifteen-day period during which the insurance remained in force unless the Assured, within such period, dispatches notice to the Maritime Administration by telegraph of his refusal to accept such revised rate of premium, in which event premium at

the revised rate shall be payable for that portion of the fifteen-day period prior to dispatch of such notice. Upon the dispatch of such notice of non-acceptance the insurance shall terminate.

§ 308.409 Standard form of War Risk Builder's Risk Insurance Policy, Form MA-283.

The standard form of War Risk Builder's Risk Insurance Policy, Form MA-283 may be obtained from the American War Risk Agency or MARAD.

§ 308.410 Reporting casualties and filing claims.

Casualties shall be reported promptly to, and all claims documents filed with MARAD, Attention, Director, Office of Subsidy and Insurance, Washington, D.C. 20590.

**Subpart F—War Risk Cargo Insurance
I—INTRODUCTION**

§ 308.500 Authority.

The Secretary of Transportation has delegated authority to the Maritime Administrator to perform the functions vested in the Secretary by Title XII of the Merchant Marine Act, 1936, as amended, which authority includes the insurance set forth in this Subpart, as provided under section 1203(b) of the Act (46 App. U.S.C. 1283(b)). For the purposes of this Subpart F—War Risk Cargo Insurance, the terms "cargo" and "cargoes" as used herein shall include loaded or empty containers located aboard U.S.-flag and foreign-flag vessels insured under Title XII, Merchant Marine Act, 1936, as amended. Cargo war risk insurance will be written under either an open policy or a facultative policy in accordance with the provisions of this subpart.

§ 308.501 Cargoes on which coverage is available.

The Maritime Administrator will be prepared to provide marine insurance against loss or damage by the risks of war under approved clauses on shipments of cargoes coming within one or more of the following categories:

- (a) Shipped or to be shipped on any American vessel, as defined in section 1201(a) of the Merchant Marine Act, 1936, as amended (46 App. U.S.C. 1281(a));
- (b) Shipped or to be shipped on any foreign flag vessels owned by citizens of the United States;
- (c) Owned by citizens or residents of the United States, its Territories or possessions;
- (d) Imported to, or exported from, the United States, its Territories or

possessions, under contracts of sale or purchase by the terms of which the risk of loss by war risks or the obligation to provide insurance against such risks is assumed by or falls upon a citizen or resident of the United States, its Territories or possessions;

(e) Sold or purchased by citizens or residents of the United States, its Territories or possessions, under contracts of sale or purchase by the terms of which the risk of loss by war risks or the obligation to provide insurance against such risks is assumed by or falls upon a citizen or resident of the United States, its Territories or possessions;

(f) Shipped between ports in the United States, or between ports in the United States and its Territories and possessions, or between ports in such Territories or possessions; and

(g) Shipped or to be shipped on any foreign flag vessels, whether or not owned by citizens of the United States, if such vessels are engaged in transportation in the water-borne commerce of the United States or in such other transportation by water or such other services as may be deemed by the Maritime Administrator to be in the interest of the national defense or the national economy of the United States, when so engaged.

§ 308.502 Additional insurance.

The assured may place increased value or additional insurance in other markets beyond the amount of insurance provided by the Maritime Administrator, but such insurance must be non-participating with the Maritime Administrator's coverage, and without benefit of salvage or right of contribution.

§ 308.503 Rate schedules.

Rate schedules published by the Maritime Administrator may be obtained from an underwriting agent. All rate schedules are subject to change by the Maritime Administrator at any time without notice. If no rate is published for a voyage on which war risk coverage is available, the Maritime Administrator will name a rate through an underwriting agent upon application.

§ 308.504 Definition of territories and possessions.

Whenever reference is made to the territories and possessions of the United States in this subpart or in any supplement thereto or any policy of insurance issued pursuant to the provisions thereof, said territories and possessions shall be deemed to include only the Virgin Islands of the United States, the Commonwealth of Puerto

Rico, American Samoa, Guam, Wake Island, Midway Islands, and the Panama Canal Zone.

II—OPEN POLICY WAR RISK CARGO INSURANCE

§ 308.505 General.

The Maritime Administrator is prepared to provide an open cargo war risk insurance policy covering any cargoes described in § 308.501. The policy will be in the standard form of War Risk Open Cargo Policy, Form MA-300, prescribed in § 308.517. All policies will be issued by underwriting agents appointed by the Maritime Administrator. All underwriting agents will be domestic insurance companies authorized to do a marine insurance business in a State of the United States.

§ 308.506 Application for an open cargo policy.

Application for an Open Cargo Policy shall be made by filing Form MA-301, prescribed in § 308.521, with an underwriting agent of the Maritime Administration. The application shall state the applicant's name and address; the person or persons to whom loss shall be payable; the nature and geographic scope of the shipments to be covered under the policy which shall not be broader than the coverage authorized in § 308.501; the requested effective date, which shall not be earlier than the date of the completion of the requirements for the issuance of the policy; and the basis of valuation to be incorporated in the policy. An applicant may specify one basis of valuation for imports and another for exports, and he may specify different bases of valuation for different commodities or voyages, provided that each basis of valuation specified by the applicant shall define the value by the use of facts which existed prior to the date of the shipment and which are readily ascertainable by either party after the safe arrival or loss of the shipment.

§ 308.507 Security for payment of premiums.

Clause 21 of the policy requires the assured to maintain with the Maritime Administrator a collateral deposit fund or a surety bond, to secure the payment of the premiums, in an amount which shall at all times exceed the unpaid premiums on all risks which have attached under the policy. The minimum amount of the fund or of the surety bond shall be \$1,000. Clause 21 also provides that, within seven (7) days from the time knowledge comes to the assured that the amount of the deposit or the surety bond is insufficient to meet the requirements of Clause 21, the

assured shall deposit additional collateral or increase the surety bond in an amount not less than double the amount of such insufficiency, and for a sum which shall be a multiple of \$500. If the assured fails to increase the deposit or the surety bond within the seven (7) day period, the policy automatically becomes void at the end of the seven (7) day period except as to risks which have attached prior to that date. The procedure for establishing a collateral deposit fund is prescribed in § 308.509, and the procedure for posting and maintaining a surety bond is prescribed in § 308.510. An application for the issuance of an open cargo policy shall be ineffective unless a collateral deposit fund is established and maintained, or a surety bond is posted and maintained, in accordance with the provisions of this section and §§ 308.509 and 308.510.

§ 308.508 Issuance of an open cargo policy.

(a) *Time.* The underwriting agent will issue an Open Cargo Policy within (15) days after the completion by the applicant of the requirements set forth in §§ 308.506 and 308.507 unless the time for issuance is extended by the Maritime Administrator in writing. The underwriting agent may not make any Open Cargo Policy effective with respect to shipments attaching on a date earlier than the date when the application was completed, but he may make it effective on the date of the completion of the application or any date thereafter requested by the applicant.

(b) *Numbering.* Each Open Cargo Policy supplied to the underwriting agent by the Maritime Administrator shall be numbered by the Maritime Administration before it is supplied to the underwriting agent. No two numbers shall be the same. The underwriting agent when issuing the policy shall add at the end of the policy number the agency number assigned to that underwriting agent, and where policies are issued by more than one office of an underwriting agent, the issuing office shall also be identified in the policy number. For example, policies issued by an office in New York will be designated by "NY" and policies issued in San Francisco will be designated by "SF" prefixed to the underwriting agent's agency number.

§ 308.509 Collateral deposit fund.

(a) *Requirements.* An assured electing to use a cash collateral deposit fund pursuant to § 308.507 shall comply with the provisions of this section and Clause 21 of the Open Cargo Policy, Form MA-300, prescribed in § 308.517.

(b) *Cash or Government bonds.* To establish a collateral deposit fund the applicant shall deposit with the underwriting agent a check payable to the order of the "Maritime Administration, Department of Transportation" for the amount of the fund, or United States Government bonds having a par value at the time of deposit of the amount of the fund, which shall be a multiple of \$500 but not less than \$1,000, together with a letter of transmittal executed by the applicant on Form MA-302, prescribed in § 308.522. Upon receipt of the deposit, the underwriting agent shall assign it a serial number and transmit it to the Maritime Administration, Attention: Director, Office of Financial Management, Washington, DC 20590. It is the responsibility of the assured to make sure that this deposit fund is sufficient at all times to cover the premiums payable on all risks which have attached under the policy, so as to prevent the termination of the insurance under the provisions of Clause 21.

(c) *Overdue premiums.* Pursuant to Clause 20, if the assured fails to pay any premium when it becomes due and payable, he thereby breaches the policy and it automatically ceases to insure any shipments which would otherwise have attached after the expiration of fifteen (15) days following the due date of the premium, unless within the fifteen (15) day period the premium has been paid and the assured has otherwise complied with the requirements of the policy, including the filing of the closing report required by Clause 19 and the payment of the reinstatement fee of \$25 required by Clause 20. If the assured fails to pay the premium within the fifteen (15) day period, the Maritime Administrator may deduct from the assured's collateral deposit fund all amounts due.

(d) *Increase in amount of collateral as required by Clause 21.* If the assured fails to deposit additional collateral in the fund within seven (7) days from the time knowledge comes to the assured that the amount of collateral is insufficient to meet the requirements of Clause 21, the policy shall be void except as to risks which have attached prior to the expiration of the seven (7) day period.

(e) *Changes in amount of collateral.* The assured may increase or decrease the amount of the collateral deposit fund by amounts of not less than \$500 or multiples thereof, provided that the amount of the fund shall not be less than the amount required by Clause 21, or the required minimum of \$1,000, whichever is greater. The effect of any change in the amount of the collateral deposit shall be the sole responsibility

of the assured, and the permission granted by this paragraph to change the amount of collateral in the fund shall in no manner relieve the assured of the responsibility imposed by Clause 21.

(f) *Increase of collateral.* To increase the amount of the collateral on deposit in the fund, the assured shall transmit to the underwriting agent on Form MA-302, prescribed in § 308.522, a check payable to the order of the "Maritime Administration, Department of Transportation" or United States Government bonds having a par value at the time of deposit of not less than the amount of the requested increase. The increase shall become effective upon the date of the receipt of the application and check or bonds by the underwriting agent, as shown on Form MA-302.

(g) *Decrease of collateral.* To decrease the collateral deposit fund, the assured shall file with the underwriting agent an application on Form MA-305, prescribed in § 308.525. The decrease shall become effective upon the date of the receipt of the application by the underwriting agent as shown on Form MA-305.

(h) *Refund of collateral.* Whenever the assured becomes entitled to a refund of the collateral deposit, in whole or in part, by reason of a request for a partial return of such collateral, or the cancellation of the policy and the payment in full of all premiums then or thereafter due, or the waiver by the Maritime Administrator of the requirements of maintaining the collateral deposit fund because the assured is a department or agency of the United States or is acting on behalf of such a department or agency, or the substitution of a surety bond in the place and stead of the collateral deposit fund, as provided in § 308.510(j), the Maritime Administrator will refund to the assured the amount of the collateral deposit to which the assured is entitled; provided, however, that the repayment of such collateral shall not be made by the Maritime Administrator until the assured has filed a closing report and paid in full all premiums with respect to all shipments which had attached at the time of the receipt by the underwriting agent of the application for the refund, Form MA-305, and a certificate executed in duplicate on Form MA-306, prescribed in § 308.526, and, in the event of the substitution of a surety bond for the collateral deposit fund, the receipt by the underwriting agent of the surety bond properly executed, in accordance with § 308.510.

§ 308.510 Surety bond.

(a) *Requirements.* An assured electing to post a surety bond pursuant to

§ 308.507 shall comply with the provisions of this section and Clause 21 of the Open Cargo Policy, Form MA-300, prescribed in § 308.517.

(b) *Amount of bond.* An applicant who wishes to post a surety bond shall deliver to the underwriting agent a surety bond on Form MA-308, prescribed in § 308.528, executed by the assured as principal, and by the surety, in such amount as the assured determines to be necessary to comply with Clause 21. Such amount shall be a multiple of \$500 but shall not be less than \$1,000. Upon receipt of the surety bond, the underwriting agent shall assign a serial number to it and transmit it to the Maritime Administration, Attention: Director, Office of Financial Approvals, Washington, DC 20590. It shall be the responsibility of the assured to provide that the amount of the bond is sufficient at all times to cover the premium payable on all risks which have attached under the policy, so as to prevent the termination of the insurance under the provisions of Clause 21.

(c) *Surety.* The sufficiency of the surety executing the bond shall be subject to approval by the Maritime Administrator. The underwriting agent may accept on behalf of the Maritime Administrator a surety bond executed by a surety named on the United States Treasury Department's approved list of sureties whose bonds are acceptable to the United States Treasury Department to secure obligations due the United States, provided the bond is within the maximum amount for which the surety is so authorized to write bonds as shown by the approved list.

(d) *Overdue premiums.* Pursuant to Clause 20, if the assured fails to pay any premium when it becomes due and payable, he thereby breaches the policy and it automatically ceases to insure any shipments which would otherwise have attached after the expiration of fifteen (15) days following the due date of the premium, unless within the fifteen (15) day period the premium has been paid and the assured has otherwise complied with the requirements of the policy, including the filing of the closing report required by Clause 19 and the payment of the reinstatement fee of \$25 required by Clause 20. If the assured fails to pay the premium within the fifteen (15) day period, all amounts due shall become a liability collectible under the surety bond and from the assured.

(e) *Increase in amount of bond as required by Clause 21.* If the assured fails to increase the amount of the surety bond within seven (7) days from the time knowledge comes to the assured that the amount of the bond is insufficient to meet the requirements of

Clause 21, the policy shall be void except as to risks which have attached prior to the expiration of the seven (7) day period.

(f) *Changes in amount of bond.* The assured may increase or decrease the amount of the surety bond by amounts of not less than \$500 or multiples thereof, provided that the amount of the bond shall not be less than the amount required by Clause 21, or the required minimum of \$1,000, whichever is greater. The effect of any change in the amount of the bond shall be the sole responsibility of the assured, and the permission granted by this paragraph to change the amount of the bond shall in no manner relieve the assured of the responsibility imposed by Clause 21.

(g) *Increase in amount of bond.* To increase the surety bond the assured shall transmit to the underwriting agent, on Form MA-310, prescribed in § 308.530, an endorsement duly executed by the assured and the surety company on Form MA-311, prescribed in § 308.531. The increase shall become effective upon the date of the receipt of the endorsement by the underwriting agent as shown on Form MA-311.

(h) *Decrease in amount of bond.* To decrease the amount of the bond, the assured shall transmit to the underwriting agent, on Form MA-310, prescribed in § 308.530, an endorsement duly executed by the assured and the surety on Form MA-311, prescribed in § 308.531. The decrease shall become effective upon the date of the receipt of the endorsement by the underwriting agent as shown on Form MA-311, except as to shipments which on that date are known or reported to the assured to be in transit and which have attached under the policy and upon which premium has not been paid in full.

(i) *Termination of bond.* Whenever the assured becomes entitled to a termination of a surety bond by reason of the cancellation of the policy and the payment in full of all premiums then or thereafter due, or the waiver by the Maritime Administrator of the requirements of maintaining the surety bond by an assured which is a department or agency of the United States or is acting on behalf of such a department or agency, or the substitution of a collateral deposit fund in the place or stead of the surety bond, the underwriting agent shall execute a release on Form MA-312, prescribed in § 308.532. The release shall be made effective as of:

(1) The effective date of the cancellation of the policy when the bond is terminated for that reason, or

(2) The date of the Maritime Administrator's directive waiving the requirement of a surety bond when the bond is terminated for that reason, or

(3) The effective date of the establishment of a collateral deposit fund when the bond is terminated for that reason.

(j) *Substitution of bond for collateral deposit.* An assured may substitute a surety bond for a collateral deposit fund by delivering to the underwriting agent a surety bond on Form MA-309, prescribed in § 308.529, executed by the assured as principal, and by the surety, in such amount as the assured determines to be necessary to comply with Clause 21. Such amount shall be a multiple of \$500, but shall not be less than \$1,000. The collateral deposit fund will be refunded to the assured after the bond has been posted, in accordance with the provisions of § 308.509(h).

§ 308.511 Cancellation of Open Cargo Policy.

An assured may cancel an Open Cargo Policy by delivering to the underwriting agent, at least fifteen (15) days prior to the requested date of cancellation, an application for cancellation executed by the assured on Form MA-304, prescribed in § 308.524, together with the original policy. The policy shall be cancelled as of the effective date requested in the application, which, unless otherwise agreed by the Maritime Administrator in writing, shall not be a date earlier than fifteen (15) days following the date of the receipt of the application as acknowledged by the underwriting agent on Form MA-304, with respect to all risks that have not attached prior to said effective date. Such cancellation shall not relieve the assured of the obligation to file closing reports with respect to all risks which attached prior to the effective date of the cancellation and to pay all unpaid premiums. Within four (4) months of the effective date of cancellation, unless otherwise agreed by the Maritime Administrator in writing, the assured must file a closing report in duplicate on Form MA-313, prescribed in § 308.533, of all shipments covered by the policy for which closing reports have not been previously filed. The assured shall mark this closing report "Final Closing Report on Cancellation of Policy", and file a certificate on Form MA-313-B, prescribed in § 308.535, executed by the assured in duplicate. Thereafter, when all unpaid premiums have been paid, the assured will become entitled to a refund of the collateral deposit, or cancellation of the surety bond in accordance with §§ 308.509 and 308.510. If the assured has lost or

misplaced the original policy and is unable to produce it for cancellation, the assured shall execute a letter of indemnity and such other documents as may be required by the Maritime Administrator.

§ 308.512 Declaration of shipments under open cargo policy.

(a) *Closing report.* (1) The assured shall file with the underwriting agent, not later than the twenty-fifth day of each month, a closing report for all inward shipments and a closing report for all outward shipments, and pay the premium and fees, for all shipments covered during the preceding calendar month, as required by Clause 19. Each closing report shall be filed in duplicate on Form MA-313, prescribed in § 308.533, supported by a certificate executed by the assured on Form MA-313-A, prescribed in § 308.534. If the assured has no shipments to report during any calendar month, the closing report, Form MA-313, shall, nevertheless, be filed with one or both of the following statements, depending upon their applicability, noted thereon certifying that:

(i) No inward shipment coming within the scope of this policy arrived at destination during the preceding calendar month, and that during the preceding calendar month no knowledge has come to the assured of an inward shipment covered under the terms of the policy which will not arrive by reason of loss, frustration or other similar cause,

(ii) No outward shipment coming within the scope of this policy was made during the preceding calendar month, and

(iii) Whenever a sea passage is made with respect to cargo covered under the policy by a barge or sailing vessel the assured shall note that fact upon the closing report, unless the Maritime Administrator otherwise agrees.

(2) An assured reporting for one calendar month shall not include therein a report of a shipment due to be reported in the report for the next succeeding calendar month. Thus, the report of January closing shipments filed in February does not include February closings.

(b) *Inward shipments.* The closing report covering inward shipments shall include:

(1) All such shipments which have arrived at the port of destination during the preceding calendar month, and

(2) All such shipments with respect to which inability to so arrive by reason of loss, frustration, or other similar causes has come to the knowledge of the

assured during the preceding calendar month.

(c) *Outward shipments.* The closing report covering outward shipments shall include all such shipments which attached under the policy during the preceding calendar month.

(d) *Definition of inward and outward shipments.* A shipment will be classified as an inward shipment or as an outward shipment by reference to the geographical location of the assured with respect to the movement of the shipment. The address of the assured as stated in the application filed by him for the policy shall be deemed to be the assured's geographical location for the purpose of determining whether the shipment is inward or outward. To illustrate, if an assured has stated in his application that his address is in Hawaii, the assured's shipments of goods from the United States to Hawaii would be classified as inward, and his shipments from Hawaii to the United States would be classified as outward. Any shipments that cannot be classified as inward or outward under this definition shall be treated as inward shipments for the purposes of the declaration.

(e) *Supplemental closing report.* If an assured files a closing report and thereafter discovers that one or more additional shipments should have been included in the report, then, even though the assured has executed the certificate on Form MA-313-A, prescribed in § 308.534, or Form MA-313-B, prescribed in § 308.535, in connection with the closing report, the assured must nevertheless amend the closing report by filing a supplemental closing report supported by an appropriate certificate. The supplemental closing report must be accompanied by a statement in writing signed by the assured giving the reasons for the omission of such shipments from the original closing report. If the Maritime Administrator finds that the failure to file the complete closing report was either inadvertent or unintentional or arose by reason of causes beyond the control of the assured, the otherwise automatic termination of the policy by reason of a breach of the warranty embodied in Clause 20 shall be avoided pursuant to the provisions of Clause 23.

§ 308.513 Payment of premiums and fees.

The assured shall pay the premium, when his closing report is filed, for all shipments shown on his closing report for the preceding month, at the rates prescribed by the Maritime Administrator and in effect on the date of the ocean bill of lading, or if an ocean

bill of lading was not issued, on the date of the equivalent shipping document, or if no ocean bill of lading or equivalent shipping document was issued, or if such documents were undated, on the date the goods were laden on the overseas vessel, as required by Clause 19. All payments of premium or fees must be made by check or money order payable to the order of the "Maritime Administration, Department of Transportation."

§ 308.514 Return premium.

No premium will be returned to the assured with respect to a shipment of goods that attached under the policy except where there was a declaration of value at variance with Clause 8, or an error in the application of a rate or in the computation of a premium, or the insured goods were short-shipped. An application for the return of a premium shall be made on Form MA-307, prescribed in § 308.527, filed in duplicate with the Underwriting Agent who will transmit it to the Maritime Administrator for payment.

§ 308.515 Payment in event of loss.

All claims for losses shall be filed by the assured with the Underwriting Agent who issued the policy. Such claims must be supported by the customary documents required in connection with war risk insurance claims, together with appropriate declarations as required by Clause 9, and such further data as may now or hereafter be required by the Maritime Administrator.

§ 308.516 Failure to comply with Clause 21.

(a) If the assured willfully fails to maintain a collateral deposit fund or a surety bond in an amount sufficient to meet the requirements of Clause 21, the policy becomes void from the date the fund or bond was first insufficient, but, if the assured's failure was inadvertent, the policy may be reinstated when the assured complies with Clause 21, and shows to the satisfaction of the Maritime Administrator that his failure was inadvertent and not willful. If the failure was in fact inadvertent, the assured shall file a declaration on Form MA-314, prescribed in § 308.536, executed in duplicate, with the Underwriting Agent within seven (7) days from the time knowledge comes to the assured of the insufficiency of the collateral deposit fund or surety bond unless the time for filing such declaration is extended by permission of the Maritime Administrator. If the space provided in the declaration, Form MA-314, for an explanation of the circumstances

whereby the assured first had knowledge that the collateral was not sufficient, the assured shall attach to the declaration a detailed statement and include the same by reference in the declaration.

(b) If any policy becomes void by reason of the failure of the assured to deposit additional collateral or increase the amount of its surety bond under the provisions of Clause 21, the Maritime Administrator reserves the right to refuse to issue another policy to such assured for a period of 90 days.

§ 308.517 Open cargo policy, Form MA-300.

The standard form of War Risk Open Cargo, Form MA-300, may be obtained from the American War Risk Agency or MARAD.

§ 308.518 Standard optional endorsement No. 1, Form MA-300-A.

Standard Optional Endorsement No. 1, which may be obtained from the American War Risk Agency or MARAD, limits the amount payable for the loss of goods to the actual bona fide pecuniary loss to the Assured, exclusive of any allowance for anticipated or accrued profit arising out of the insured venture. An Assured may elect to have his Open Cargo Policy endorsed with Standard Optional Endorsement No. 1 applicable on all shipments, or on all outward shipments, or on all inward shipments, or on named commodities except goods sold by the Assured prior to loading on board the overseas vessel and shipped for the account and at the risk of third persons other than a branch subsidiary or affiliate of the Assured. When an Assured has elected to have Standard Optional Endorsement No. 1 made applicable to certain named commodities he may not change to a different basis of valuation for those commodities until after he has given ninety (90) days written notice to the Maritime Administrator through the Underwriting Agent of his election to make the change. Application for Standard Optional Endorsement No. 1 may be made to the Underwriting Agent which is authorized to issue the endorsement without prior approval of the Maritime Administrator.

§ 308.519 Standard optional endorsement No. 2, Form MA-300-B.

Standard Optional Endorsement No. 2, which may be obtained from the American War Risk Agency or MARAD, amends the policy to cover shipments made to the Assured or shipped by the Assured as agent for the account and risk of a principal. Application for Standard Optional Endorsement No. 2 may be made to the Underwriting

Agent, which is authorized to issue the endorsement without prior approval of the Maritime Administrator.

§ 308.520 Standard optional endorsement No. 3, Form MA-300-C.

Standard Optional Endorsement No. 3, which may be obtained from the American War Risk Agency or MARAD, amends the policy to include shipments of diamonds for industrial purposes, or rubies or sapphires, natural or synthetic, used for instruments or watch jewels imported to the Continental United States (excluding Alaska). Application for Standard Optional Endorsement No. 3 may be made to the Underwriting Agent, which shall transmit it to the Maritime Administrator for approval or disapproval of the issuance of the endorsement.

§ 308.521 Application for open cargo policy, Form MA-301.

The standard form of application for a War Risk Open Cargo Policy may be obtained from the American War Risk Agency or MARAD.

§ 308.522 Collateral deposit fund, letter of transmittal, Form MA-302.

The standard form of letter of transmittal for use in establishing a collateral deposit fund, may be obtained from the American War Risk Agency or MARAD.

§ 308.523 Application for revision of open cargo policy, Form MA-303.

An application for the revision of an Open Cargo Policy shall be filed in duplicate with the Underwriting Agent on a form which may be obtained from the American War Risk Agency or MARAD.

§ 308.524 Application for cancellation of open cargo policy, Form MA-304.

The standard form of application for cancellation of an Open Cargo Policy Form MA-304 may be obtained from the American War Risk Agency or MARAD.

§ 308.525 Application for decrease in amount of cash collateral fund, Form MA-305.

Application for decrease in the amount of the cash collateral deposit fund shall be made on Form MA-305, which may be obtained from the American War Risk Agency or MARAD.

§ 308.526 Certificate for repayment of decrease of collateral deposit fund, Form MA-306.

The standard form of certificate for repayment of the amount of the decrease of the collateral deposit fund, Form MA-306, may be obtained from the American War Risk Agency or MARAD.

§ 308.527 Application for return premium, Form MA-307.

An application for the return of premium, which may be obtained from the American War Risk Agency or MARAD, shall be filed in duplicate with the Underwriting Agent on Form MA-307.

§ 308.528 Surety Bond A, Form MA-308.

The Standard Form of Surety Bond A, Form MA-308, which may be obtained from the American War Risk Agency or MARAD, shall be used by an Assured who elects to post a surety bond as security for payment of the premiums pursuant to Clause 21 of the policy:

§ 308.529 Surety Bond B, Form MA-309.

An Assured who elects to substitute a surety bond for a collateral deposit fund shall submit Form MA-309, which may be obtained from the American War Risk Agency or MARAD.

§ 308.530 Letter requesting increase or decrease in amount of surety bond, Form MA-310.

An endorsement increasing or decreasing the amount of the surety bond, Form MA-310, shall be transmitted to the underwriting agent and may be obtained from the American War Risk Agency or MARAD.

§ 308.531 Endorsement of surety bond increasing or decreasing amount of coverage, Form MA-311.

The Standard Form of Endorsement which shall be used in increasing or decreasing the amount of a surety bond, Form MA-311, may be obtained from the American War Risk Agency or MARAD.

§ 308.532 Release of surety bond, Form MA-312.

The Standard Form of Release of Surety bond, Form MA-312, may be obtained from the American War Risk Agency or MARAD.

§ 308.533 Closing report, Form MA-313.

This form, which may be obtained from the American War Risk Agency or MARAD, shall be filed in duplicate with the Underwriting Agent not later than the 25th day of each month.

§ 308.534 Certificate to be attached to closing report, Form MA-313-A.

The standard form of Certificate to be attached to the closing report, Form MA-313-A, may be obtained from the American War Risk Agency or MARAD and shall be filed each month.

§ 308.535 Certificate to be attached to final closing report, Form MA-313-B.

The Standard Form of Certificate, Form MA-313-B, shall be attached to

the final closing report after cancellation of the policy, and may be obtained from the American War Risk Agency or MARAD.

§ 308.536 Declaration where failure to comply with Clause 21 was inadvertent, Form MA-314.

An Assured that fails inadvertently to maintain a collateral deposit fund or surety bond in an amount sufficient to meet the requirements of Clause 21 of the Policy shall file this Declaration, Form MA-314, which may be obtained from the American War Risk Agency or MARAD.

III—FACULTATIVE WAR RISK CARGO INSURANCE**§ 308.538 General.**

The Maritime Administrator is prepared to provide facultative war risk insurance policies covering any cargoes described in § 308.501 which are designated by an applicant prior to the attachment of risks, if the applicant does not have an Open Cargo Policy issued by the Maritime Administrator, or if he has a shipment which is not covered by his Open Cargo Policy. However, a person with regular shipments is urged to avail himself of the advantages of the automatic coverage of an Open Cargo Policy. The Maritime Administrator reserves the right to decline to quote rates or bind insurance on shipments of cargo that could be covered by an Open Cargo Policy unless the applicant can show to the satisfaction of the Maritime Administrator that the risk is not one of a series of similar risks forming part of a continual flow of business for the applicant. The policy will be in the standard form of War Risk Facultative Cargo Policy, Form MA-316, prescribed in § 308.545. All policies shall be issued by Underwriting Agents appointed by the Maritime Administrator. All Underwriting Agents shall be domestic insurance companies authorized to do a marine insurance business in a State of the United States.

§ 308.539 Application.

(a) *Preliminary request.* Application for a Facultative Cargo Policy shall be made by filing a preliminary request in writing (including telegram) with an Underwriting Agent of the Maritime Administration, setting forth the following information:

- (1) The name and address of the applicant;
- (2) The amount of insurance requested;
- (3) The commodity and quantity to be insured;
- (4) The voyage to be covered;

(5) The name of the vessel upon which the cargo will be shipped, if known, the name of the steamship line, if known, and the date of shipment, if the applicant is submitting the request to bind war risk in writing; for security reasons, if the applicant is submitting the order to bind war risk insurance by telefax, neither the name of the vessel nor the name of the steamship line nor the anticipated date of sailing, should be mentioned. Mentioning such information in a telefax may result in a denial of insurance to the applicant. Any envelope transmitting a letter containing such information shall be marked "confidential."

(b) *Binder.* Before the insurance can be bound, the applicant shall provide the Underwriting Agent with a properly prepared binder on Form MA-315 prescribed in § 308.544. The binder must be submitted in duplicate, accompanied by check or Money Order payable to the order of the Maritime Administration, Department of Transportation" for the full amount of the premium computed on the amount to be insured at the rate set by the Maritime Administrator. Any application for facultative cargo war risk insurance received by an Underwriting Agent later than 4 p.m. (Local War Time) shall be considered the next day's business.

(c) *Optional loss limits clause.* Clause 9 of the standard form of facultative cargo policy, Form MA-316, prescribed in § 308.545, limits the amount payable for loss to the fair market value at the place and approximate time of the attachment of risk, plus the cost of marine insurance, transportation and expenses incidental thereto, and war risk insurance with respect to the lost or damaged goods, or if it is impossible to determine the fair market value at place and time of attachment of risk, the fair market value at the designated port of arrival on the date of the attachment of the risk, plus the cost of marine insurance, transportation and expenses incidental thereto, and war risk insurance with respect to the lost or damaged goods, or if the goods had been purchased prior to loading, the actual amount paid or payable to the seller for the goods less all discounts, plus the cost of marine insurance, transportation and expenses incidental thereto, and war risk insurance with respect to the lost or damaged goods. In lieu of these loss limits, the Assured by so specifying in his application, and the binder may have attached to the policy when issued Standard Optional Endorsement No. 1-A, Form MA-316, prescribed in § 308.546, which limits the amount payable for loss to the actual bona fide

pecuniary loss to the Assured, exclusive of any allowance for anticipated or accrued profits arising out of the insured venture.

§ 308.540 Premiums.

(a) *Rates.* Rate Schedules for war risk facultative cargo insurance will be published by the Maritime Administrator from time to time, and may be obtained from an Underwriting Agent. All Rate Schedules are subject to change by the Maritime Administrator without notice. If no rate is published for a voyage on which war risk facultative cargo insurance is available, the Maritime Administrator will name a rate through an Underwriting Agent upon application. Whenever an applicant for war risk facultative cargo insurance receives a definite rate quotation and desires to bind insurance at the quoted rate, an order to bind the insurance in accordance with the procedure set forth in this subpart should be submitted within two business days following the day of quotation accompanied by check or Money Order payable to the order of "Maritime Administration, Department of Transportation" for the full amount of the premium thereon computed on the amount to be insured at the rate set by the Maritime Administrator, or the quotation will expire.

(b) *Return premium.* Where goods are short-shipped, the amount of insurance may be reduced by an amount computed by applying to the original amount of insurance the proportion which the quantity of merchandise short-shipped (i.e., bales, barrels, tons, and other designations of quantity) bears to the total quantity of merchandise originally declared for insurance. Where more than one class of merchandise is insured under one policy (e.g., fuel, oil and gasoline) the reduced amount of insurance must be computed separately on each item. Where the amount of insurance is reduced, the Maritime Administrator will give consideration to requests for proportionate returns of premium. An application for the return of a premium must be submitted to the Underwriting Agent in quadruplicate on Form MA-317, prescribed in § 308.547.

§ 308.541 Issuance.

(a) *Binder.* The Underwriting Agent is authorized to issue a facultative policy in Form MA-316, prescribed in § 308.545, when there has been presented to him a properly prepared binder on Form MA-315, prescribed in § 308.544, together with the payment of the premium as required, and such policy shall be issued as soon as

possible after the binder form has been presented to the Underwriting Agent. Prior to the issuance of the policy, the Underwriting Agent is authorized to accept the risk on behalf of the Maritime Administrator by signing the binder. The Maritime Administrator will provide each Underwriting Agent with a supply of facultative policies which shall not be valid until countersigned by the Underwriting Agent. The Underwriting Agent shall keep a permanent record of all such policies and the Assured to whom the policy is issued.

(b) *Numbering.* Each Facultative Cargo Policy supplied to the Underwriting Agent by the Maritime Administrator shall be numbered by the Maritime Administration before it is supplied to the Underwriting Agent. No two numbers shall be the same. The Underwriting Agent when issuing the policy shall add at the end of the Policy number the agency number assigned to that Underwriting Agent, and where policies are issued by more than one office of an Underwriting Agent the issuing office shall also be identified in the policy number. For example, the policies issued by an office in New York will be designated "NY" and policies issued in San Francisco will be designated by "SF" prefixed to the Underwriting Agent's agency number.

§ 308.542 Warranty re thirty-day shipments.

If, after an effective binding of war risk insurance on a shipment of cargo, the assured believes that it will be impossible to comply with the warranty requiring the goods to be shipped and in transit within thirty days from the effective date of binding, such an assured may apply to the Maritime Administrator, through the Underwriting Agent, to modify the warranty. If the Maritime Administrator is satisfied that an extension of time within which the goods are warranted to be shipped and in transit should be granted, he will do so, but additional premium may be charged in the discretion of the Maritime Administrator.

§ 308.543 Cancellation.

Facultative war risk insurance is not subject to cancellation by the Assured unless the goods are not shipped within thirty days following the effective date of binding, and then only if the policy is returned for cancellation.

§ 308.544 Facultative binder, Form MA-315.

The standard form of War Risk Facultative Cargo Binder, which may be

obtained from the American War Risk Agency of MARAD, shall be completed by the applicant and submitted, in duplicate, to an Underwriting Agent before the insurance can be bound.

§ 308.545 Facultative cargo policy, Form MA-316.

The standard form of War Risk Facultative Cargo Policy, Form MA-316, may be obtained from the American War Risk Agency or MARAD.

§ 308.546 Standard optional endorsement No. 1-A, Form MA-316-A.

Standard Optional Endorsement No. 1-A limits the amount payable for the loss of goods to the actual bona fide pecuniary loss to the Assured, exclusive of any allowance for anticipated or accrued profit arising out of the insured venture. (Similar provisions for Open Cargo Policies are contained in Standard Optional Endorsement No. 1, Form MA-300-A, prescribed in § 308.518.) Application for Standard Optional Endorsement No. 1-A shall be made to the Underwriting Agent at the time application is made for the policy. The Underwriting Agent is authorized to issue the endorsement without prior approval of the Maritime Administrator. This form may be obtained from the American War Risk Agency or MARAD.

§ 308.547 Application for return premium, Form MA-317.

An application for the return of premium must be filed in duplicate with the Underwriting Agent on Form MA-317, which may be obtained from the American War Risk Agency or MARAD.

IV—GENERAL

§ 308.548 Standard form of underwriting agency agreement for cargo, Form MA-318.

This form, which may be obtained from the American War Risk Agency or MARAD, is the standard form of underwriting agency agreement applicable with respect to agreements executed by the Maritime Administrator and domestic insurance companies authorized to do a marine insurance business in any State of the United States, appointing such companies as Underwriting Agents to issue war risk cargo policies in accordance with the provision of the agreement and this subpart.

§ 308.549 Application for appointment of Cargo Underwriting Agent, Form MA-319

Any domestic insurance company authorized to do a marine insurance business in any State of the United States may apply for appointment as a Cargo Underwriting Agent by submitting to the Maritime

Administrator a letter and Form MA-399, which may be obtained from the American War Risk Agency or MARAD.

§ 308.550 Certificate, Form MA-320.

Wherever any provision of this subpart, or any amendment thereto, requires the Assured to make a declaration or certification under the penalties of perjury, and the form of the declaration or certificate is not prescribed, the Assured may execute a certificate on Form MA-320-A for an individual, on Form MA-320-B for a partnership, or on Form MA-320-C for a corporation, which forms may be obtained from the American War Risk Agency or MARAD.

§ 308.551 War Risk insurance clearing agency agreement for cargo, Form MA-321.

The standard form of clearing agency agreement, Form MA-321, shall be executed by the Maritime Administrator and domestic insurance companies, or groups of domestic insurance companies authorized to do a marine insurance business in any State of the United States, appointing such companies or groups of companies as clearing agents, which form may be obtained from the American War Risk Agency or MARAD.

§ 308.552 Effective date.

This subpart shall be effective as and when the Maritime Administrator finds that war risk cargo insurance adequate for the needs of the waterborne

commerce of the United States cannot be obtained on reasonable terms and conditions from companies authorized to do an insurance business in a State of the United States.

Subpart G—Records Retention

§ 308.600 Records retention requirement.

The records specified in §§ 308.8, 308.517, and 308.548 of this part shall be retained until a release is granted by the MARAD, at which time MARAD will take custody of the records.

Dated: January 4, 1996.

By Order of the Maritime Administration.

Joel Richard,

Secretary, Maritime Administration.

[FR Doc. 96-292 Filed 1-11-96; 2:00 pm]

BILLING CODE 4910-81-P

Notices

Federal Register

Vol. 61, No. 10

Tuesday, January 16, 1996

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.

CONGRESSIONAL BUDGET OFFICE

Notice of Transmittal of Final Sequestration Report for Fiscal Year 1996 to Congress and the Office of Management and Budget

Pursuant to Section 254(b) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 904(b)),

the Congressional Budget Office hereby reports that it has submitted its Final Sequestration Report for Fiscal Year 1996 to the House of Representatives, the Senate, and the Office of Management and Budget.

Stanley L. Greigg,

Director, Office of Intergovernmental Relations, Congressional Budget Office

[FR Doc. 96-430 Filed 1-11-96; 8:45 am]

BILLING CODE 9607-02-M

NATIONAL TRANSPORTATION SAFETY BOARD

Public Hearing in Illinois: School Bus-Train Accident

In connection with its investigation of the collision between a METRA Express

commuter train and a Crystal Lake school bus, Fox River Grove, Illinois, on October 25, 1995, the National Transportation Safety Board will convene a public hearing at 9:00 a.m., (local time) on January 17, 1996, at the Crystal Lake Holiday Inn, Maple/Willow Room, 800 South Route 31, Crystal Lake, Illinois. For more information, contact Pat Cariseo, Office of Public Affairs, Washington, DC 20594, telephone (202) 382-0660.

Dated: January 4, 1996.

Bea Hardesty,

Federal Register Liaison Officer.

[FR Doc. 96-351 Filed 1-11-96; 2:00 pm]

BILLING CODE 7533-01-M

Sunshine Act Meetings

Federal Register

Vol. 61, No. 10

Tuesday, January 16, 1996

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).

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM

TIME AND DATE: 10:00 a.m., Wednesday, January 17, 1996.

PLACE: Marriner S. Eccles Federal Reserve Board Building, C Street

entrance between 20th and 21st Streets, N.W., Washington, D.C. 20551.

STATUS: Closed.

MATTERS TO BE CONSIDERED:

1. Personnel actions (appointments, promotions, assignments, reassignments, and salary actions) involving individual Federal Reserve System employees.
2. Any items carried forward from a previously announced meeting.

CONTACT PERSON FOR MORE INFORMATION: Mr. Joseph R. Coyne, Assistant to the

Board; (202) 452-3204. You may call (202) 452-3207, beginning at approximately 5 p.m. two business days before this meeting, for a recorded announcement of bank and bank holding company applications scheduled for the meeting.

Dated: January 10, 1996.

William W. Wiles,

Secretary of the Board.

[FR Doc. 96-423 Filed 1-11-96; 10:41 am]

BILLING CODE 6210-01-P

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REMINDERS
 The rules and proposed rules in this list were editorially compiled as an aid to Federal Register users. Inclusion or exclusion from this list has no legal significance.

Rules Going Into Effect Today

AGRICULTURE DEPARTMENT
Rural Utilities Service
 Telecommunications standards and specifications:
 Materials, equipment, and construction--
 Digital, stored program controlled central office equipment, general specification; multiparty service requirement elimination; published 12-15-95
AGRICULTURE DEPARTMENT
National Appeals Division
 procedure rules:
 Adverse decisions appeals procedures and jurisdiction; published 12-29-95
ASSASSINATION RECORDS REVIEW BOARD
 Privacy Act; implementation; published 12-14-95
COMMERCE DEPARTMENT
Patent and Trademark Office
 Patent and trademark cases:
 Cross-appeals in disciplinary proceedings; published 12-14-95
CONSUMER PRODUCT SAFETY COMMISSION
 Flammable Fabrics Act:
 Children's sleepwear (Sizes 0-6X) flammability standards; published 1-16-96
 Flammable Fabrics Act:
 Children's sleepwear (Sizes 7-14) flammability standards; published 1-16-96
ENERGY DEPARTMENT
 Federal regulatory review
 Electric and hybrid vehicle and methane transportation research; CFR parts removed; published 12-5-95

ENVIRONMENTAL PROTECTION AGENCY
 Air quality implementation plans; approval and promulgation; various States:
 California; published 12-14-95
TRANSPORTATION DEPARTMENT
Federal Aviation Administration
 Airworthiness directives:
 Beech; published 12-15-95
 Boeing; published 12-15-95
TRANSPORTATION DEPARTMENT
Maritime Administration
 Federal regulatory review:
 War risk insurance; published 1-16-96
TREASURY DEPARTMENT
Customs Service
 Customs broker permit; user fee; published 11-7-95

Comments Due Next Week

AGRICULTURE DEPARTMENT
Agricultural Marketing Service
 Cauliflower, frozen; grade standards; comments due by 1-23-96; published 11-24-95
 Milk marketing orders:
 Carolina et al.; comments due by 1-26-96; published 12-27-95
AGRICULTURE DEPARTMENT
Animal and Plant Health Inspection Service
 Viruses, serums, toxins, etc.:
 Encephalomyelitis vaccine, Eastern, Western, and Venezuelan, killed virus; comments due by 1-26-96; published 11-27-95
AGRICULTURE DEPARTMENT
Food Safety and Inspection Service
 Meat and poultry inspection:
 Bob veal calf residue testing program; fast antimicrobial screen test; comments due by 1-22-96; published 12-22-95
AGRICULTURE DEPARTMENT
Rural Utilities Service
 Telecommunications standards and specifications:
 Materials, equipment, and construction--
 Postloan engineering service contract;

comments due by 1-26-96; published 12-27-95

ARCHITECTURAL AND TRANSPORTATION BARRIERS COMPLIANCE BOARD

Americans with Disabilities Act; implementation:

Accessibility guidelines--

Buildings and facilities; play facilities regulatory negotiation committee; establishment; comments due by 1-22-96; published 12-22-95

ENVIRONMENTAL PROTECTION AGENCY

Air quality implementation plans; approval and promulgation; various States:

Georgia; comments due by 1-22-96; published 12-21-95

Maine; comments due by 1-25-96; published 12-26-95

Tennessee; comments due by 1-25-96; published 12-26-95

Hazardous waste:

Identification and listing--

Exclusions; comments due by 1-22-96; published 12-7-95

FEDERAL COMMUNICATIONS COMMISSION

Radio stations; table of assignments:

Mississippi; comments due by 1-22-96; published 12-6-95

HEALTH AND HUMAN SERVICES DEPARTMENT

Food and Drug Administration

Food for human consumption:

Food labeling--

Lowfat and skim milk products, etc.;

comments due by 1-23-96; published 11-9-95

INTERIOR DEPARTMENT

Fish and Wildlife Service

Endangered and threatened species:

Northern spotted owl; comments due by 1-26-96; published 11-27-95

Importation, exportation, and transportation of wildlife:

Seizure and forfeiture procedures; revision; comments due by 1-26-96; published 11-27-95

INTERIOR DEPARTMENT

Minerals Management Service

Royalty management:

Royalties; unpaid or underpaid, compensatory, or other Federal and Indian minerals lease payments; liability establishment and clarification; comments due by 1-26-96; published 11-6-95

INTERIOR DEPARTMENT

Surface Mining Reclamation and Enforcement Office

Permanent program and abandoned mine land reclamation plan submissions:

Oklahoma; comments due by 1-22-96; published 12-21-95

JUSTICE DEPARTMENT

Nondiscrimination on the basis of disability in State and local government services; comments due by 1-26-96; published 11-27-95

LABOR DEPARTMENT

Employment and Training Administration

Job Training Partnership Act:

Indian and Native American programs--

Regulatory requirements waivers; comments due by 1-26-96; published 11-27-95

NATIONAL LABOR RELATIONS BOARD

Requested single location bargaining units in representation cases; appropriateness; comments due by 1-22-96; published 11-27-95

POSTAL SERVICE

Domestic Mail Manual:

Mail classification reform; implementation standards; comments due by 1-22-96; published 12-22-95

SOCIAL SECURITY ADMINISTRATION

Civil monetary penalties, assessments and recommended exclusions; comments due by 1-26-96; published 11-27-95

STATE DEPARTMENT

Longshore work by U.S. nationals; foreign prohibitions; comments due by 1-26-96; published 12-20-95

TRANSPORTATION DEPARTMENT

Federal Aviation Administration

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Summer Olympic Games, 1996; airspace and flight operations requirements; comments due by 1-22-96; published 12-29-95

Airworthiness directives:

Airbus; comments due by 1-23-96; published 12-12-95

Beech; comments due by 1-25-96; published 12-19-95

Boeing; comments due by 1-24-96; published 12-13-95

Fokker; comments due by 1-22-96; published 12-11-95

General Electric Co.; comments due by 1-22-96; published 11-21-95

Jetstream; comments due by 1-25-96; published 12-19-95

Class E airspace; comments due by 1-24-96; published 12-18-95

TREASURY DEPARTMENT

Alcohol, Tobacco and Firearms Bureau

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Formulas and statements of process; registration; comments due by 1-26-96; published 11-27-95

CFR CHECKLIST

This checklist, prepared by the Office of the Federal Register, is published weekly. It is arranged in the order of CFR titles, stock numbers, prices, and revision dates.

An asterisk (*) precedes each entry that has been issued since last week and which is now available for sale at the Government Printing Office.

A checklist of current CFR volumes comprising a complete CFR set, also appears in the latest issue of the LSA (List of CFR Sections Affected), which is revised monthly.

The annual rate for subscription to all revised volumes is \$883.00 domestic, \$220.75 additional for foreign mailing.

Mail orders to the Superintendent of Documents, Attn: New Orders, P.O. Box 371954, Pittsburgh, PA 15250-7954. All orders must be accompanied by remittance (check, money order, GPO Deposit Account, VISA, or Master Card). Charge orders may be telephoned to the GPO Order Desk, Monday through Friday, at (202) 512-1800 from 8:00 a.m. to 4:00 p.m. eastern time, or FAX your charge orders to (202) 512-2233.

Title	Stock Number	Price	Revision Date
1, 2 (2 Reserved)	(869-026-00001-8)	\$5.00	Jan. 1, 1995
3 (1994 Compilation and Parts 100 and 101)	(869-026-00002-6)	40.00	¹ Jan. 1, 1995
4	(869-026-00003-4)	5.50	Jan. 1, 1995
5 Parts:			
1-699	(869-026-00004-2)	23.00	Jan. 1, 1995
700-1199	(869-026-00005-1)	20.00	Jan. 1, 1995
1200-End, 6 (6 Reserved)	(869-026-00006-9)	23.00	Jan. 1, 1995
7 Parts:			
0-26	(869-026-00007-7)	21.00	Jan. 1, 1995
27-45	(869-026-00008-5)	14.00	Jan. 1, 1995
46-51	(869-026-00009-3)	21.00	Jan. 1, 1995
52	(869-026-00010-7)	30.00	Jan. 1, 1995
53-209	(869-026-00011-5)	25.00	Jan. 1, 1995
210-299	(869-026-00012-3)	34.00	Jan. 1, 1995
300-399	(869-026-00013-1)	16.00	Jan. 1, 1995
400-699	(869-026-00014-0)	21.00	Jan. 1, 1995
700-899	(869-026-00015-8)	23.00	Jan. 1, 1995
900-999	(869-026-00016-6)	32.00	Jan. 1, 1995
1000-1059	(869-026-00017-4)	23.00	Jan. 1, 1995
1060-1119	(869-026-00018-2)	15.00	Jan. 1, 1995
1120-1199	(869-026-00019-1)	12.00	Jan. 1, 1995
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1500-1899	(869-026-00021-2)	35.00	Jan. 1, 1995
1900-1939	(869-026-00022-1)	16.00	Jan. 1, 1995
1940-1949	(869-026-00023-9)	30.00	Jan. 1, 1995
1950-1999	(869-026-00024-7)	40.00	Jan. 1, 1995
2000-End	(869-026-00025-5)	14.00	Jan. 1, 1995
8	(869-026-00026-3)	23.00	Jan. 1, 1995
9 Parts:			
1-199	(869-026-00027-1)	30.00	Jan. 1, 1995
200-End	(869-026-00028-0)	23.00	Jan. 1, 1995
10 Parts:			
0-50	(869-026-00029-8)	30.00	Jan. 1, 1995
51-199	(869-026-00030-1)	23.00	Jan. 1, 1995
200-399	(869-026-00031-0)	15.00	⁶ Jan. 1, 1993
400-499	(869-026-00032-8)	21.00	Jan. 1, 1995
500-End	(869-026-00033-6)	39.00	Jan. 1, 1995
11	(869-026-00034-4)	14.00	Jan. 1, 1995
12 Parts:			
1-199	(869-026-00035-2)	12.00	Jan. 1, 1995
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500-599	(869-026-00039-5)	19.00	Jan. 1, 1995
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13	(869-026-00041-7)	32.00	Jan. 1, 1995

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14 Parts:			
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60-139	(869-026-00043-3)	27.00	Jan. 1, 1995
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200-1199	(869-026-00045-0)	23.00	Jan. 1, 1995
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300-799	(869-026-00048-4)	26.00	Jan. 1, 1995
800-End	(869-026-00049-2)	21.00	Jan. 1, 1995
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0-149	(869-026-00050-6)	7.00	Jan. 1, 1995
150-999	(869-026-00051-4)	19.00	Jan. 1, 1995
1000-End	(869-026-00052-2)	25.00	Jan. 1, 1995
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240-End	(869-026-00056-5)	30.00	Apr. 1, 1995
18 Parts:			
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400-End	(869-026-00060-3)	11.00	Apr. 1, 1995
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400-499	(869-026-00065-4)	34.00	Apr. 1, 1995
500-End	(869-026-00066-2)	34.00	Apr. 1, 1995
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1-99	(869-026-00067-1)	16.00	Apr. 1, 1995
100-169	(869-026-00068-9)	21.00	Apr. 1, 1995
170-199	(869-026-00069-7)	22.00	Apr. 1, 1995
200-299	(869-026-00070-1)	7.00	Apr. 1, 1995
300-499	(869-026-00071-9)	39.00	Apr. 1, 1995
500-599	(869-026-00072-7)	22.00	Apr. 1, 1995
600-799	(869-026-00073-5)	9.50	Apr. 1, 1995
800-1299	(869-026-00074-3)	23.00	Apr. 1, 1995
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1-299	(869-026-00076-0)	33.00	Apr. 1, 1995
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220-499	(869-026-00081-6)	23.00	Apr. 1, 1995
500-699	(869-026-00082-4)	20.00	Apr. 1, 1995
700-899	(869-026-00083-2)	24.00	Apr. 1, 1995
900-1699	(869-026-00084-1)	24.00	Apr. 1, 1995
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25	(869-026-00086-7)	32.00	Apr. 1, 1995
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§§ 1.61-1.169	(869-026-00088-3)	34.00	Apr. 1, 1995
§§ 1.170-1.300	(869-026-00089-1)	24.00	Apr. 1, 1995
§§ 1.301-1.400	(869-026-00090-5)	17.00	Apr. 1, 1995
§§ 1.401-1.440	(869-026-00091-3)	30.00	Apr. 1, 1995
§§ 1.441-1.500	(869-026-00092-1)	22.00	Apr. 1, 1995
§§ 1.501-1.640	(869-026-00093-0)	21.00	Apr. 1, 1995
§§ 1.641-1.850	(869-026-00094-8)	25.00	Apr. 1, 1995
§§ 1.851-1.907	(869-026-00095-6)	26.00	Apr. 1, 1995
§§ 1.908-1.1000	(869-026-00096-4)	27.00	Apr. 1, 1995
§§ 1.1001-1.1400	(869-026-00097-2)	25.00	Apr. 1, 1995
§§ 1.1401-End	(869-026-00098-1)	33.00	Apr. 1, 1995
2-29	(869-026-00099-9)	25.00	Apr. 1, 1995
30-39	(869-026-00100-6)	18.00	Apr. 1, 1995
40-49	(869-026-00101-4)	14.00	Apr. 1, 1995

Title	Stock Number	Price	Revision Date	Title	Stock Number	Price	Revision Date
50-299	(869-026-00102-2)	14.00	Apr. 1, 1995	400-424	(869-026-00155-3)	26.00	July 1, 1995
300-499	(869-026-00103-1)	24.00	Apr. 1, 1995	425-699	(869-026-00156-1)	30.00	July 1, 1995
500-599	(869-026-00104-9)	6.00	⁴ Apr. 1, 1990	700-789	(869-026-00157-0)	25.00	July 1, 1995
600-End	(869-026-00105-7)	8.00	Apr. 1, 1995	790-End	(869-026-00158-8)	15.00	July 1, 1995
27 Parts:				41 Chapters:			
1-199	(869-026-00106-5)	37.00	Apr. 1, 1995	1, 1-1 to 1-10		13.00	³ July 1, 1984
200-End	(869-026-00107-3)	13.00	⁸ Apr. 1, 1994	1, 1-11 to Appendix, 2 (2 Reserved)		13.00	³ July 1, 1984
28 Parts:				3-6		14.00	³ July 1, 1984
1-42	(869-026-00108-1)	27.00	July 1, 1995	7		6.00	³ July 1, 1984
43-end	(869-026-00109-0)	22.00	July 1, 1995	8		4.50	³ July 1, 1984
29 Parts:				9		13.00	³ July 1, 1984
0-99	(869-026-00110-3)	21.00	July 1, 1995	10-17		9.50	³ July 1, 1984
100-499	(869-026-00111-1)	9.50	July 1, 1995	18, Vol. I, Parts 1-5		13.00	³ July 1, 1984
500-899	(869-026-00112-0)	36.00	July 1, 1995	18, Vol. II, Parts 6-19		13.00	³ July 1, 1984
900-1899	(869-026-00113-8)	17.00	July 1, 1995	18, Vol. III, Parts 20-52		13.00	³ July 1, 1984
1900-1910 (§§ 1901.1 to 1910.999)	(869-026-00114-6)	33.00	July 1, 1995	19-100		13.00	³ July 1, 1984
1910 (§§ 1910.1000 to end)	(869-026-00115-4)	22.00	July 1, 1995	1-100	(869-026-00159-6)	9.50	July 1, 1995
1911-1925	(869-026-00116-2)	27.00	July 1, 1995	101	(869-026-00160-0)	29.00	July 1, 1995
1926	(869-026-00117-1)	35.00	July 1, 1995	102-200	(869-026-00161-8)	15.00	July 1, 1995
1927-End	(869-026-00118-9)	36.00	July 1, 1995	201-End	(869-026-00162-6)	13.00	July 1, 1995
30 Parts:				42 Parts:			
1-199	(869-026-00119-7)	25.00	July 1, 1995	1-399	(869-022-00160-4)	24.00	Oct. 1, 1994
200-699	(869-026-00120-1)	20.00	July 1, 1995	400-429	(869-022-00161-2)	26.00	Oct. 1, 1994
700-End	(869-026-00121-9)	30.00	July 1, 1995	430-End	(869-022-00162-1)	36.00	Oct. 1, 1994
31 Parts:				43 Parts:			
0-199	(869-026-00122-7)	15.00	July 1, 1995	*1-999	(869-026-00166-9)	23.00	Oct. 1, 1995
200-End	(869-026-00123-5)	25.00	July 1, 1995	1000-3999	(869-022-00164-7)	31.00	Oct. 1, 1994
32 Parts:				4000-End	(869-026-00168-5)	15.00	Oct. 1, 1995
1-39, Vol. I		15.00	² July 1, 1984	44			
1-39, Vol. II		19.00	² July 1, 1984	(869-022-00166-3)			
1-39, Vol. III		18.00	² July 1, 1984	45 Parts:			
1-190	(869-026-00124-3)	32.00	July 1, 1995	*1-199	(869-026-00170-7)	22.00	Oct. 1, 1995
191-399	(869-026-00125-1)	38.00	July 1, 1995	200-499	(869-026-00171-5)	14.00	Oct. 1, 1995
400-629	(869-026-00126-0)	26.00	July 1, 1995	500-1199	(869-026-00172-3)	23.00	Oct. 1, 1995
630-699	(869-026-00127-8)	14.00	⁵ July 1, 1991	1200-End	(869-022-00170-1)	26.00	Oct. 1, 1994
700-799	(869-026-00128-6)	21.00	July 1, 1995	46 Parts:			
800-End	(869-026-00129-4)	22.00	July 1, 1995	1-40	(869-022-00171-0)	20.00	Oct. 1, 1994
33 Parts:				41-69	(869-022-00172-8)	16.00	Oct. 1, 1994
1-124	(869-026-00130-8)	20.00	July 1, 1995	70-89	(869-022-00173-6)	8.50	Oct. 1, 1994
125-199	(869-026-00131-6)	27.00	July 1, 1995	90-139	(869-022-00174-4)	15.00	Oct. 1, 1994
200-End	(869-026-00132-4)	24.00	July 1, 1995	*140-155	(869-026-00178-2)	12.00	Oct. 1, 1995
34 Parts:				156-165	(869-022-00176-1)	17.00	⁷ Oct. 1, 1993
1-299	(869-026-00133-2)	25.00	July 1, 1995	166-199	(869-022-00177-9)	17.00	Oct. 1, 1994
300-399	(869-026-00134-1)	21.00	July 1, 1995	200-499	(869-022-00178-7)	21.00	Oct. 1, 1994
400-End	(869-026-00135-9)	37.00	July 5, 1995	*500-End	(869-026-00182-1)	13.00	Oct. 1, 1995
35				47 Parts:			
(869-026-00136-7)				0-19	(869-022-00180-9)	25.00	Oct. 1, 1994
36 Parts				20-39	(869-026-00184-7)	21.00	Oct. 1, 1995
1-199	(869-026-00137-5)	15.00	July 1, 1995	40-69	(869-022-00182-5)	14.00	Oct. 1, 1994
200-End	(869-026-00138-3)	37.00	July 1, 1995	70-79	(869-022-00183-3)	24.00	Oct. 1, 1994
37				80-End	(869-022-00184-1)	26.00	Oct. 1, 1994
(869-026-00139-1)				48 Chapters:			
38 Parts:				1 (Parts 1-51)	(869-022-00185-0)	36.00	Oct. 1, 1994
0-17	(869-026-00140-5)	30.00	July 1, 1995	1 (Parts 52-99)	(869-022-00186-8)	23.00	Oct. 1, 1994
18-End	(869-026-00141-3)	30.00	July 1, 1995	2 (Parts 201-251)	(869-022-00187-6)	16.00	Oct. 1, 1994
39				2 (Parts 252-299)	(869-022-00188-4)	13.00	Oct. 1, 1994
(869-026-00142-1)				3-6	(869-022-00189-2)	23.00	Oct. 1, 1994
40 Parts:				7-14	(869-022-00190-6)	30.00	Oct. 1, 1994
1-51	(869-026-00143-0)	40.00	July 1, 1995	15-28	(869-022-00191-4)	32.00	Oct. 1, 1994
52	(869-026-00144-8)	39.00	July 1, 1995	29-End	(869-022-00192-2)	17.00	Oct. 1, 1994
53-59	(869-026-00145-6)	11.00	July 1, 1995	49 Parts:			
60	(869-026-00146-4)	36.00	July 1, 1995	1-99	(869-026-00196-1)	25.00	Oct. 1, 1995
61-71	(869-026-00147-2)	36.00	July 1, 1995	100-177	(869-022-00194-9)	30.00	Oct. 1, 1994
72-85	(869-026-00148-1)	41.00	July 1, 1995	178-199	(869-022-00195-7)	21.00	Oct. 1, 1994
86	(869-026-00149-9)	40.00	July 1, 1995	200-399	(869-022-00196-5)	30.00	Oct. 1, 1994
87-149	(869-026-00150-2)	41.00	July 1, 1995	400-999	(869-022-00197-3)	35.00	Oct. 1, 1994
150-189	(869-026-00151-1)	25.00	July 1, 1995	1000-1199	(869-026-00201-1)	18.00	Oct. 1, 1995
190-259	(869-026-00152-9)	17.00	July 1, 1995	1200-End	(869-026-00202-9)	15.00	Oct. 1, 1995
260-299	(869-026-00153-7)	40.00	July 1, 1995	50 Parts:			
300-399	(869-026-00154-5)	21.00	July 1, 1995	1-199	(869-022-00200-7)	25.00	Oct. 1, 1994
				200-599	(869-022-00201-5)	22.00	Oct. 1, 1994
				600-End	(869-022-00202-3)	27.00	Oct. 1, 1994

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¹ Because Title 3 is an annual compilation, this volume and all previous volumes should be retained as a permanent reference source.

² The July 1, 1985 edition of 32 CFR Parts 1-189 contains a note only for Parts 1-39 inclusive. For the full text of the Defense Acquisition Regulations in Parts 1-39, consult the three CFR volumes issued as of July 1, 1984, containing those parts.

³ The July 1, 1985 edition of 41 CFR Chapters 1-100 contains a note only for Chapters 1 to 49 inclusive. For the full text of procurement regulations in Chapters 1 to 49, consult the eleven CFR volumes issued as of July 1, 1984 containing those chapters.

⁴ No amendments to this volume were promulgated during the period Apr. 1, 1990 to Mar. 31, 1995. The CFR volume issued April 1, 1990, should be retained.

⁵ No amendments to this volume were promulgated during the period July 1, 1991 to June 30, 1995. The CFR volume issued July 1, 1991, should be retained.

⁶ No amendments to this volume were promulgated during the period January 1, 1993 to December 31, 1994. The CFR volume issued January 1, 1993, should be retained.

⁷ No amendments to this volume were promulgated during the period October 1, 1993, to September 30, 1994. The CFR volume issued October 1, 1993, should be retained.

⁸ No amendments to this volume were promulgated during the period April 1, 1994 to March 31, 1995. The CFR volume issued April 1, 1994, should be retained.