Secretary of the Treasury. The use of the existing distinctive papers, the distinctive features of which consist of distinctive fibers, colored red and blue, incorporated in the body of the paper while in the process of manufacture and evenly distributed throughout, and the security thread containing graphics consisting of the designation ''USA'' and the denomination of the currency, will be continued for printing of any currency denomination prescribed by the Secretary of the Treasury.

§ 601.4 Use of paper; interest-bearing securities of the United States.

The existing distinctive papers shall be used for the printing of interest-bearing securities of the United States, and for any other printing where the use of distinctive paper is indicated.

§ 601.5 Penalty for unauthorized control or possession.

The Secretary of the Treasury hereby gives notice that the new distinctive paper, together with any other distinctive papers heretofore adopted for the printing of paper currency or other obligations or securities of the United States, is and will be subject to the provisions of 18 U.S.C. 474A which provides, in part, that it is against the law to possess any paper, or facsimile thereof, designated by the Secretary of the Treasury for the printing of U.S. currency or any other security of the United States, except with the permission of the Secretary or the authorized official. This crime is punishable by a fine not to exceed five thousand dollars or imprisonment for not more than fifteen years, or both.

Larry E. Rolufs,
Director.

Approved:
George Muñoz,
Assistant Secretary for Management & CFO.

[FR Doc. 96–6446 Filed 3–15–96; 8:45 am]

BILLING CODE 4840–01–M

DEPARTMENT OF TRANSPORTATION

Coast Guard

33 CFR Part 100

[CGD11–96–003]

RIN 2115–AE46

Special Local Regulations; San Diego Crew Classic

AGENCY: Coast Guard, DOT.

ACTION: Notice of implementation.

SUMMARY: This notice implements 33 CFR 100.1101, ''Southern California Annual Marine Events,'' for the San Diego Crew Classic. This event consists of approximately 150 eight-oared shells with coxswains running in numerous heats over a two-day period. These regulations will be effective in the portion of Mission Bay, San Diego bounded by Enchanted Cove, Fiesta Island, Pacific Passage and De Anza Point. Implementation of section 33 CFR 100.1101 is necessary to control vessel traffic in the regulated areas during the event to ensure the safety of participants and spectators. Small craft wakes cause unsafe conditions for these racing shells.

EFFECTIVE DATES: Section 33 CFR 100.1101 is effective from 7 a.m. on March 30, 1996 and terminates at 8 p.m. on March 31, 1996 unless cancelled earlier by the San Diego Activities Commander.

FOR FURTHER INFORMATION CONTACT: QMC Paul Appleton, U.S. Coast Guard Activities San Diego, California; Tel: (619) 683–6309.

Discussion of Notice

The San Diego Crew Classic is scheduled to occur on March 30 and 31, 1996. These Special Local Regulations permit Coast Guard control of vessel traffic in order to ensure the safety of spectators and participant vessels. In accordance with the regulations in 33 CFR 100.1101, no spectators shall anchor, block, loiter in, or impede the through transit of participants or official patrol vessels in the regulated area during the effective dates and times, unless cleared for such entry by or through an official patrol vessel.

Dated: March 11, 1996.

R.A. Appelbaum,
Rear Admiral, U.S. Coast Guard Commander, Eleventh Coast Guard District.

[FR Doc. 96–6298 Filed 3–15–96; 8:45 am]

BILLING CODE 4910–14–M

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 25

[IB Docket No. 95–59; FCC 96–78]

Preemption of Local Zoning Regulations; Satellite Earth Stations

AGENCY: Federal Communications Commission.

ACTION: Final Rule.

SUMMARY: The Commission has adopted revisions to its rule preempting certain local regulation of satellite earth stations. The revised rule was proposed in Notice of Proposed Rulemaking. The new rule clarifies the preemption standard and establishes procedures for Commission enforcement of its rules. In crafting the new rule, we have carefully considered the very weighty and important interests of state and local governments in managing land use in their communities. Against those interests, we have balanced the federal interest in ensuring easy access to satellite-delivered services, which have become increasingly important and widespread in the last few years and are dependent upon rapid and inexpensive antenna installation by businesses and consumers. We believe that the revised preemption rule accommodates both federal and non-federal interests and provides the Commission with a method of reviewing disputes that will avoid excessive federal involvement in local land-use issues.

EFFECTIVE DATE: April 17, 1996.

FOR FURTHER INFORMATION CONTACT: Rosalee Chiara, International Bureau, Satellite and Radiocommunication Division, Satellite Policy Branch, (202) 418–0754.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's Report and Order in IB Docket No. 95–59; FCC 96–78, adopted February 29, 1996 and released March 11, 1996. The complete text of this Report and Order and Further Notice of Proposed Rule Making is available for inspection and copying during normal business hours in the FCC Reference Center (Room 239), 1919 M Street, N.W., Washington, D.C., and also may be purchased from the Commission's copy contractor, International Transcription Service, (202) 857–3800, 2100 M Street, N.W., Suite 140, Washington, DC 20037.

Summary of Report and Order

1. In this Report and Order, the Commission adopts revisions to its rule preempting certain local regulation of satellite earth station antennas. Our new rule clarifies the preemption standard and establishes procedures for Commission enforcement of its rules. In crafting the new rule, we have carefully considered the very weighty and important interests of state and local governments in managing land use in their communities. Against those interests, we have balanced the federal interest in ensuring easy access to satellite-delivered services, which have become increasingly important and widespread in the last few years and are dependent upon rapid and inexpensive antenna installation by businesses and consumers. We believe that the revised

preemption rule accommodates both federal and non-federal interests and provides the Commission with a method of reviewing disputes that will avoid excessive federal involvement in local land-use issues.

2. The original preemption rule was adopted in 1986 in response to evidence that state and local governments were, in some instances, imposing unreasonably restrictive burdens on the installation of satellite antennas. The 1986 rule preempted ordinances that discriminate against satellite antennas and impose unreasonable limitations on reception or unreasonable costs on users. In addition, in the order adopting the rule, we stated that anyone coming to the Commission for relief in a particular zoning dispute must first exhaust all non federal remedies, including all litigation remedies.

3. Several events since 1986 have led us to conclude that our rule should be revised at this time. For example, in 1992, the U.S. Court of Appeals for the Second Circuit invalidated our exhaustion of remedies policy. *Town of Deerfield* v. *FCC,* 992 F.2d 420 (2d Cir. 1993) (*Deerfield*). In addition, antenna users, local governments, and Commission staff have gained experience in this area and have found that several aspects of the 1986 rule are problematic. Finally, representatives of two satellite industry groups filed requests for declaratory rulings in connection with our preemption rule. The Satellite Broadcasting and Communications Association (SBCA), representing the interests of direct-to-home video service providers and users, urged the Commission to clarify its rule and to adopt enforcement procedures. Similarly, Hughes Network Systems (HNS), a provider of satellite communications for business uses, requested a ruling that local restrictions are *per se* unreasonable if imposed on very small aperture terminals (VSATs) that measure less than two meters in diameter and are installed in commercial areas.

4. In the spring of 1995, we adopted a Notice of Proposed Rulemaking, 60 FR 28077 (May 30, 1995), responding to these events. The Notice tentatively concluded that our preemption policies, including procedural rules, must be revised. Accordingly, in the Notice, we proposed to review local disputes after exhaustion of only nonfederal administrative remedies, not all non-federal legal remedies. We proposed new standards to determine the reasonableness of non-federal regulations, and created two categories of rebuttable presumptions for small antennas. Finally, we proposed procedures by which state and local governments authorities can request a waiver of the rule in cases where unusual circumstances are demonstrated.

5. In the Notice, we described how our proposed rule would apply in different ways to satellite antennas of different types and sizes. These antennas fall into two basic categories, depending on the service provided. The first category consists of antennas designed for direct-to-home (DTH) reception of video programming for home entertainment purposes. At this time, DTH uses two different frequency bands for transmission. In the Ku-band (12/14 GHz), service can be provided with antennas less than one meter in diameter. In the C-band (4/6 GHz), antenna diameters are as small as six feet (approximately 2 meters) and typically around seven and one-half feet (approximately 2.5 meters). These C-band antennas provide different programming that is sometimes not available to smaller antenna users. DTH antennas are receive-only and do not have transmitting capabilities. The second broad category of antennas is designed for two-way, commercial communications. These antennas both transmit and receive. The smallest of these are often referred to as VSATs and provide satellite communications network services to retail establishments such as gas stations, store chains, banks, and brokerage services. These antennas are located in the same areas as the commercial facilities they serve. Most VSAT antennas are less than two meters in diameter. Other satellite services are provided by larger transmit/receive antennas that are generally associated with commercial facilities. Our proposals reflect differences in these various types of antennas.

6. In response to the Notice, we received extensive comments from satellite industry representatives and from local governments. In general, industry representatives stress that our preemption rule must be clear and easy to apply, and they recommend some modifications to our proposal to accomplish this goal. Local government representatives strongly oppose any greater federal preemption, but generally concede that Commission enforcement procedures are necessary in light of *Deerfield*.

7. After our receipt of comments in this matter, Congress enacted legislation which directly impacts some of the issues in the rule making proceeding. Specifically, section 207 of the 1996 Act directs the Commission to promulgate regulations:

> to prohibit restrictions that impair a viewer's ability to receive video programming services through devices designed for over-the-air reception of television broadcast signals multichannel, multipoint distribution service, or direct broadcast satellite services.

Telecommunications Act of 1996, Public Law No. 104–104, 110 Stat. 56 (1996). Although we seek comment on the impact of the legislation in the Further Notice, we have decided to proceed with the issuance of this Report and Order. We feel that it is crucial to put a revised rule in place as quickly as possible. Moreover, the revised rule proposed in the Notice and adopted here applies to a variety of services provided by all sizes of satellite dishes, not just direct broadcasting services provided by 18'' dishes. Finally, as explained in the Further Notice, we tentatively conclude that insofar as governmental restrictions are concerned, our newly adopted preemption rule is a reasonable way to implement section 207 with regard to DBS antennas. After reviewing the comments submitted in response to the Further Notice, we will determine whether further adjustments to our rule are warranted.

8. In crafting our preemption policies, we have attempted to reflect the differences in the antennas involved and have tried to accommodate the varying local interests. The main state and local concerns regarding installation of satellite earth stations relate to aesthetics, health, and safety. These concerns would appear to be greater for larger antennas, thus the rule permits greater local regulation for larger antennas. For smaller antennas, local interests are less compelling and, accordingly, we more narrowly define permissible local regulation. After reviewing the record, we conclude that the basic thrust of our proposals is appropriate and will adequately address concerns of antenna users while accommodating interests of state and local governments. However, commenters have raised concerns about the clarity of certain portions of our rule and, accordingly, we made adjustments to the adopted version to address these problems.

Ordering Clauses

9. Accordingly, *it is ordered* That the revisions to § 25.104 of the Commission's rules as set out below are hereby adopted.

10. The analysis required pursuant to Section 606 of the Regulatory Flexibility Act, 5 U.S.C. § 608, is set forth below.

11. It is further ordered That the amendments to 47 CFR 25.104 adopted in the Report and Order that comprises

paragraphs 1 through 52 of the Report and Order and Further Notice of Proposed Rulemaking will become effective April 17, 1996. This action is taken pursuant to Sections 1, 4(i), 4(j), 7, and 309(j) of the Communications Act of 1934, as amended, 47 U.S.C. 151, 154(i), 154(j), 157, and 309(j). The Federal Communications Commission as part of its continuing effort to reduce paperwork burden invites the general public and other Federal agencies to take this opportunity to comment on the information collection in the adopted rule, as required by the Paperwork Reduction Act of 1995. Comments concerning the Commision's need for this information, the accuracy of the provided burden estimates, and any suggested methods for minimizing respondent burden, including the use of automated information techniques, are requested. The Commission has requested an emergency Office of Management & Budget review of this collection with an approval by April 10, 1996.

12. *It is further ordered* That the Secretary shall send a copy of this Report and Order and Further Notice of Proposed Rulemaking to the Chief Counsel for Advocacy of the Small Business Administration in accordance with paragraph 603(a) of the Regulatory Flexibility Act, Public Law 95–354, 94 Stat. 1164, 5 U.S.C. 601 *et seq.* (1981).

Final Regulatory Flexibility Act Statement

13. Pursuant to Section 603 of the Regulatory Flexibility Act, 5 U.S.C. 603, an initial Regulatory Flexibility Analysis was incorporated in the Notice of Proposed Rulemaking in IB Docket No. 95–59. Written comments on the proposals in the Notice, including the Regulatory Flexibility Analysis, were requested.

A. Need and Purpose of Rules

14. This rulemaking proceeding modifies the Commission's rule preempting certain local zoning regulation of Satellite earth station antennas, 47 CFR 25.104. Our objective has been to facilitate the installation of antennas and to assist in the development of satellite based technologies.

B. Issues Raised by the Public in Response to the Initial Analysis

15. No comments were received specifically in response to the Initial Regulatory Flexibility Analysis. We have, however, taken into account all issues raised by the Public in response to the proposed rules. In certain instances, we have eliminated or modified rules in response to those comments.

C. Significant Alternatives Considered

16. We have attempted to balance all the commenters' concerns with our public interest mandate under the Communications Act in order to assure that satellite services are accessible. We will continue to examine this rule in an effort to eliminate unnecessary regulations and to minimize significant economic impact on small businesses.

List of Subjects in 47 CFR Part 25

Satellites.

Federal Communications Commission

William F. Caton,

Acting Secretary.

Final Rules

Part 25 of Title 47 of the Code of Federal Regulations is amended as follows:

PART 25—SATELLITE COMMUNICATIONS

17. The authority citation for Part 25 continues to read as follows:

Authority: Sections 25.101 to 25.601 issued under Sec. 4, 48 Stat. 1066, as amended; 47 U.S.C. 154. Interpret or apply secs. 101–104, 76 Stat. 416–427; 47 U.S.C. 701–744; 47 U.S.C. 554.

18. Section 25.104 is revised to read as follows:

§ 25.104 Preemption of local zoning of earth stations.

(a) Any state or local zoning, land-use, building, or similar regulation that materially limits transmission or reception by satellite earth station antennas, or imposes more than minimal costs on users of such antennas, is preempted unless the promulgating authority can demonstrate that such regulation is reasonable, except that nonfederal regulation of radio frequency emissions is not preempted by this section. For purposes of this paragraph (a), reasonable means that the local regulation:

(1) Has a clearly defined health, safety, or aesthetic objective that is stated in the text of the regulation itself; and

(2) Furthers the stated health, safety or aesthetic objective without unnecessarily burdening the federal interests in ensuring access to satellite services and in promoting fair and effective competition among competing communications service providers.

(b)(1) Any state or local zoning, land-use, building, or similar regulation that affects the installation, maintenance, or use of the following two categories of a satellite earth station antenna shall be presumed unreasonable and is therefore preempted subject to paragraph (b)(2) of this section. No civil, criminal, administrative, or other legal action of any kind shall be taken to enforce any regulation covered by this presumption unless the promulgating authority has obtained a waiver from the Commission pursuant to paragraph (e) of this section, or a final declaration from the Commission or a court of competent jurisdiction that the presumption has been rebutted pursuant to paragraph (b)(2) of this section:

(i) A satellite earth station antenna that is two meters or less in diameter and is located or proposed to be located in any area where commercial or industrial uses are generally permitted by nonfederal land-use regulation; or

(ii) A satellite earth station antenna that is one meter or less in diameter in any area, regardless of land use or zoning category.

(2) Any presumption arising from paragraph (b)(1) of this section may be rebutted upon a showing that the regulation in question:

(i) Is necessary to accomplish a clearly defined health or safety objective that is stated in the text of the regulation itself;

(ii) Is no more burdensome to satellite users than is necessary to achieve the health or safety objective; and

(iii) Is specifically applicable on its face to antennas of the class described in paragraph (b)(1) of this section.

(c) Any person aggrieved by the application or potential application of a state or local zoning or other regulation in violation of paragraph (a) of this section may, after exhausting all nonfederal administrative remedies, file a petition with the Commission requesting a declaration that the state or local regulation in question is preempted by this section. Nonfederal administrative remedies, which do not include judicial appeals of administrative determinations, shall be deemed exhausted when:

(1) The petitioner's application for a permit or other authorization required by the state or local authority has been denied and any administrative appeal and variance procedure has been exhausted;

(2) The petitioner's application for a permit or other authorization required by the state or local authority has been on file for ninety days without final action;

(3) The petitioner has received a permit or other authorization required by the state or local authority that is conditioned upon the petitioner's expenditure of a sum of money, including costs required to screen, pole-mount, or otherwise specially install the antenna, greater than the aggregate purchase or total lease cost of the equipment as normally installed; or

(4) A state or local authority has notified the petitioner of impending civil or criminal

action in a court of law and there are no more nonfederal administrative steps to be taken.

(d) Procedures regarding filing of petitions requesting declaratory rulings and other related pleadings will be set forth in subsequent Public Notices. All allegations of fact contained in petitions and related pleadings must be supported by affidavit of a person or persons with personal knowledge thereof.

(e) Any state or local authority that wishes to maintain and enforce zoning or other regulations inconsistent with this section may apply to the Commission for a full or partial waiver of this section. Such waivers may be granted by the Commission in its sole discretion, upon a showing by the applicant that local concerns of a highly specialized or unusual nature create a necessity for regulation inconsistent with this section. No application for waiver shall be considered unless it specifically sets forth the particular regulation for which waiver is sought. Waivers granted in accordance with this section shall not apply to later-enacted or amended regulations by the local authority unless the Commission expressly orders otherwise.

[FR Doc. 96–6381 Filed 3–15–96; 8:45 am]
BILLING CODE 6712–01–P

DEPARTMENT OF DEFENSE

48 CFR Parts 225 and 252

Defense Federal Acquisition Regulation Supplement; Ball and Roller Bearings

AGENCY: Department of Defense (DoD).

ACTION: Interim rule with request for comment.

SUMMARY: The Director of Defense Procurement has issued an interim rule amending the Defense Federal Acquisition Regulation Supplement (DFARS) to implement changes to statutory restrictions on the acquisition of nondomestic ball and roller bearings.

DATES: *Effective date:* March 18, 1996.

Comment date: Comments on the interim rule should be submitted in writing to the address shown below on or before May 17, 1996, to be considered in the formulation of the final rule.

ADDRESSES: Interested parties should submit written comments to: Defense Acquisition Regulations Council, Attn: Ms. Amy Williams, PDUSD (A&T)DP(DAR), IMD 3D139, 3062 Defense Pentagon, Washington, D.C. 20301–3062. Telefax number (703) 602–0350. Please cite DFARS Case 95–D308 in all correspondence related to this issue.

FOR FURTHER INFORMATION CONTACT: Ms. Amy Williams, (703) 602–0131.

SUPPLEMENTARY INFORMATION:

A. Background

This interim DFARS rule implements Section 8099 of the Fiscal Year 1996 Defense Appropriations Act (Pub. L. 104–61) and Section 806, paragraphs (b) and (d), of the Fiscal Year 1996 Defense Authorization Act (Pub. L. 104–106), adding a definition of ''bearing components'' at DFARS 225.7001, amending the restrictions on acquisition of nondomestic ball or roller bearings at 225.7019, and amending the clause at 252.225–7016, Restriction on Acquisition of Ball and Roller Bearings. The term ''ball and roller bearings'' has been substituted for the term ''antifriction bearings'' in order to be consistent with the statutory terminology.

B. Regulatory Flexibility Act

This interim rule may have a significant positive impact on a substantial number of small entities within the meaning of the Regulatory Flexibility Act, 5 U.S.C. 601 *et seq.*, because this rule extends the current restriction on the acquisition of nondomestic ball and roller bearings through the year 2000, with some tightening of the regulations relating to exceptions and waiver authority. For acquisitions at or below the simplified acquisition threshold which are subject only to the restriction of 10 U.S.C. 2534, there is no exception to the restriction if ball or roller bearings or bearing components are the end item being purchased. If Fiscal Year 1996 funds are used, the only exception to the restriction is for the acquisition of commercial items incorporating ball or roller bearings. Also, if Fiscal Year 1996 funds are used, the restriction may be waived only if the Secretary of the department responsible for the acquisition certifies to the House and Senate Committees on Appropriations that (1) adequate domestic supplies are not available to meet DoD requirements on a timely basis, and (2) the acquisition must be made in order to acquire capability for national security purposes. An Initial Regulatory Flexibility Analysis (IRFA) has been prepared. A copy of the IRFA has been submitted to the Chief Counsel for Advocacy of the Small Business Administration. A copy of the IRFA may be obtained from the address stated herein. Comments are invited from small businesses and other interested parties. Comments from small entities concerning the affected DFARS subparts will be considered in accordance with Section 610 of the Act. Such comments must be submitted separately and cite DFARS Case 95–D308 in correspondence.

C. Paperwork Reduction Act

The Paperwork Reduction Act applies. The burden associated with paragraph (d) and (e) of the clause at DFARS 252.225–7016 has been approved at 301,600 hours under OMB clearance 0704–0229. This interim rule does not significantly alter existing requirements or impose any new information collection requirements which require the approval of OMB under 44 U.S.C. 3501 *et seq.*

D. Determination to Issue an Interim Rule

A determination has been made under the authority of the Secretary of Defense that compelling reasons exist to publish this interim rule prior to affording the public an opportunity to comment. This action is necessary to implement Section 8099 of the Fiscal Year 1996 Defense Appropriations Act (Pub. L. 104–61) and Section 806, paragraphs (b) and (d), of the Fiscal Year 1996 Defense Authorization Act (Pub. L. 104–106). Sections 8099 and 806 were effective upon enactment (December 1, 1995, and February 10, 1996, respectively). Comments received in response to the publication of this interim rule will be considered in formulating the final rule.

List of Subjects in 48 CFR Parts 225 and 252

Government procurement.

Michele P. Peterson,

Executive Editor, Defense Acquisition Regulations Council.

Therefore, 48 CFR Parts 225 and 252 are amended as follows:

PART 225—FOREIGN ACQUISITION

1. The authority citation for 48 CFR Parts 225 and 252 continues to read as follows:

Authority: 41 U.S.C. 421 and 48 CFR Chapter 1.

2. Section 225.7001 is revised to read as follows:

225.7001 Definitions.

As used in this subpart—

(a) *Bearing components* is defined in the clause at 252.225–7016, Restriction on Acquisition of Ball and Roller Bearings.

(b) *Hand or measuring tools* means those tools listed in Federal supply classifications 51 and 52, respectively.